



21 January 2021

## CABINET – 1 FEBRUARY 2021

A meeting of Cabinet will be held at 5.30pm on Monday 1 February 2021 via Microsoft Teams.

*Members of the public may view the meeting via the livestream available on the Council's website.*

Mannie Ketley  
Executive Director

### A G E N D A PART 1 – PUBLIC BUSINESS

1. Minutes.

To confirm the minutes of the meeting held on 4 January 2021.

2. Apologies.

To receive apologies for absence from the meeting.

3. Declarations of Interest.

To receive declarations of –

(a) non-pecuniary interests as defined by the Council's Code of Conduct for Councillors;

(b) pecuniary interests as defined by the Council's Code of Conduct for Councillors; and

(c) notice under Section 106 Local Government Finance Act 1992 – non-payment of Community Charge or Council Tax.

***Note: Members are reminded that they should declare the existence and nature of their interests at the commencement of the meeting (or as soon as the interest becomes apparent). If that interest is a prejudicial interest, the Member must withdraw from the room unless one of the exceptions applies.***

***Membership of Warwickshire County Council or any Parish Council is classed as a non-pecuniary interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a declaration.***

4. Question Time.

Notice of questions from the public should be delivered in writing, by fax or e-mail to the Executive Director at least three clear working days prior to the meeting (no later than Tuesday 26 January 2021).

**Growth and Investment Portfolio**

Nothing to report to this meeting.

**Corporate Resources Portfolio**

- 5. Finance and Performance Monitoring 2020/21 – Quarter 3.
- 6. Draft General Fund Revenue & Capital Budgets 2021/22 and Medium-Term Financial Plan 2021-25.

**Communities and Homes Portfolio**

- 7. Preventing Homelessness in Warwickshire: a multi-agency approach.
- 8. Draft Housing Revenue Account Capital & Revenue Budgets 2021/22 and Medium Term Financial Plan 2021-25.
- 9. Review of the Home Environment Assessment and Response Team (HEART) project.

**Environment and Public Realm Portfolio**

Nothing to report to this meeting.

**The following item contains reports which are to be considered en bloc subject to any Portfolio Holder requesting discussion of an individual report**

Nothing to report to this meeting.

- 10. Motion to Exclude the Public under Section 100(A)(4) of the Local Government Act 1972.

To consider the following resolution:

“under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of information defined in paragraphs 1 and 3 of Schedule 12A of the Act.”

**PART 2 – EXEMPT INFORMATION**

**Growth and Investment Portfolio**

Nothing to report to this meeting.

**Corporate Resources Portfolio**

Nothing to report to this meeting.

## **Communities and Homes Portfolio**

Nothing to report to this meeting.

## **Environment and Public Realm Portfolio**

Nothing to report to this meeting.

**The following item contains reports which are to be considered en bloc subject to any Portfolio Holder requesting discussion of an individual report**

1. Write Offs.

***Any additional papers for this meeting can be accessed via the website.***

The Reports of Officers are attached.

### **Membership of Cabinet:**

Councillors Lowe (Chairman), Mrs Crane, Poole, Roberts, Ms Robbins and Mrs Simpson-Vince.

### **CALL- IN PROCEDURES**

*Publication of the decisions made at this meeting will normally be within three working days of the decision. Each decision will come into force at the expiry of five working days after its publication. This does not apply to decisions made to take immediate effect. Call-in procedures are set out in detail in Standing Order 15 of Part 3c of the Constitution.*

***If you have any general queries with regard to this agenda please contact Claire Waleczek, Democratic Services Team Leader (01788 533524 or e-mail [claire.waleczek@rugby.gov.uk](mailto:claire.waleczek@rugby.gov.uk)). Any specific queries concerning reports should be directed to the listed contact officer.***

**AGENDA MANAGEMENT SHEET**

<b>Report Title:</b>	Finance & Performance Monitoring 2020/21 - Quarter 3
<b>Name of Committee:</b>	Cabinet
<b>Date of Meeting:</b>	<u>1 February 2021</u>
<b>Report Director:</b>	Interim Chief Finance Officer
<b>Portfolio:</b>	Corporate Resources
<b>Ward Relevance:</b>	All Wards
<b>Prior Consultation:</b>	None
<b>Contact Officer:</b>	Jon Illingworth, Acting Section 151 and Chief Finance Officer <a href="mailto:jon.illingworth@rugby.gov.uk">jon.illingworth@rugby.gov.uk</a> 01788 533410
<b>Public or Private:</b>	Public
<b>Report Subject to Call-In:</b>	Yes
<b>Report En-Bloc:</b>	No
<b>Forward Plan:</b>	Yes
<b>Corporate Priorities:</b>	This report relates to the following priority(ies):
<b>(CR) Corporate Resources</b>	<input checked="" type="checkbox"/> To provide excellent, value for money services and sustainable growth
<b>(CH) Communities and Homes</b>	<input checked="" type="checkbox"/> Achieve financial self-sufficiency
<b>(EPR) Environment and Public Realm</b>	<input checked="" type="checkbox"/> Enable our residents to live healthy, independent lives
<b>(GI) Growth and Investment</b>	<input checked="" type="checkbox"/> Optimise income and identify new revenue opportunities (CR)
	<input checked="" type="checkbox"/> Prioritise use of resources to meet changing customer needs and demands (CR)
	<input checked="" type="checkbox"/> Ensure that the council works efficiently and effectively (CR)
	<input checked="" type="checkbox"/> Ensure residents have a home that works for them and is affordable (CH)
	<input checked="" type="checkbox"/> Deliver digitally enabled services that residents can access (CH)

- Understand our communities and enable people to take an active part in them (CH)
- Enhance our local, open spaces to make them places where people want to be (EPR)
- Continue to improve the efficiency of our waste and recycling services (EPR)
- Protect the public (EPR)
- Promote sustainable growth and economic prosperity (GI)
- Promote and grow Rugby's visitor economy with our partners (GI)
- Encourage healthy and active lifestyles to improve wellbeing within the borough (GI)
- This report does not specifically relate to any Council priorities but

**Statutory/Policy Background:** This report has been submitted in accordance with the Financial Standing Orders.

**Summary:** This report sets out the anticipated 2020/21 financial & performance position for the Council based on data as at 31 December 2020 (Quarter 3). It also presents proposed 2020/21 budget adjustments for approval as required by Financial Standing Orders.

**Financial Implications:** As detailed in the main report.

**Risk Management Implications:** This report is intended to give Cabinet an overview of the Council's forecast spending and performance position for 2020/21 to inform future decision-making.

**Environmental Implications:** There are no environmental implications arising from this report.

**Legal Implications:** There are no legal implications arising from this report.

**Equality and Diversity:** No new or existing policy or procedure has been recommended.

**Options:** Members can elect to approve, amend or reject the supplementary budget requests, virements and carry forwards as listed at recommendation 3 to 8.

**Recommendation:**

**RECOMMENDATION**

- 1) The Council's anticipated financial position for 2020/21 be considered;
- 2) performance summary and performance data included in Section 8 and Appendix 3 be considered and noted;
- 3) a general fund capital budget virement of £0.023m for 2020/21 for the Email/Web Filtering System scheme to Additional ICT costs as detailed in section 6 be approved;
- 4) a supplementary general fund revenue budget of £0.046m for the cost of enforcement to be funded from a one year grant allocation from MHCLG under the COVID-19 enforcement scheme be approved; and

**IT BE RECOMMENDED TO COUNCIL THAT:**

- 5) General Fund and HRA capital budget carry forwards to 2021/22 of £14.083m as detailed in section 7 be approved;
- 6) General Fund revenue budget carry forwards to 2021/22 of £0.265m as detailed in section 7 be approved
- 7) a supplementary general fund capital and revenue budgets of £0.562m for 2020/21 detailed in section 6 be approved; and
- 8) a HRA capital virement of £1m for 2020/21 be approved from the Rounds Garden capital scheme to the Rounds Gardens Demolition Costs scheme as detailed in section 6 and of that £0.25m be carried forward to 2021/22 as detailed in section 7 be approved.

**Reasons for Recommendation:** A strong financial and performance management framework, including oversight by Members and senior management, is an essential part of delivering the Council's priorities and statutory duties

**Cabinet - 1 February 2021**

**Finance & Performance Monitoring 2020/21 – Quarter 3**

**Report of the Interim Chief Finance Officer**

**RECOMMENDATION**

- 1) The Council's anticipated financial position for 2020/21 be considered;
- 2) performance summary & performance data included in Section 8 and Appendix 3 be considered and noted;
- 3) a general fund capital budget virement of £0.023m for 2021/22 for the Email/Web Filtering System scheme to Additional ICT costs as detailed in section 6 be approved;
- 4) a supplementary general fund revenue budget of £0.046m for the cost of enforcement to be funded from a one year grant allocation from MHCLG under the COVID-19 enforcement scheme be approved; and

**IT BE RECOMMENDED TO COUNCIL THAT:**

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- 7) a supplementary general fund capital and revenue budgets of £0.562m for 2020/21 detailed in section 6 be approved; and
- 8) a HRA capital virement of £1m for 2020/21 be approved from the Rounds Garden capital scheme to the Rounds Gardens Demolition Costs scheme as detailed in section 6 and of that £0.25m be carried forward to 2021/22 as detailed in section 7 be approved.

**1. INTRODUCTION**

This is the third of the quarterly finance and performance monitoring reports for 2020/21, which combines finance (revenue and capital) as well as performance for General Fund (GF) and Housing Revenue Account (HRA). The year-end forecasts for 2020/21 are based on actual expenditure from 01 April 2020 to 31 December 2020 (Quarter 3) plus any known changes that have developed thereafter. The report also includes proposed 2020/21 budget adjustments which are recommended for approval by Members.

The key sections of the report are laid out as follows:

- Background - Section 2
- General Fund (GF) Revenue Budgets and Performance - Section 3 & Appendix 1;
- Coronavirus Pandemic (COVID-19) – Section 3.2 & Appendix 4
- Housing Revenue Account (HRA) Revenue Budgets & Performance- Section 4 & Appendix 2;
- Capital Budgets - Section 5 and Appendices 1 (GF) & 2 (HRA);
- Performance- Section 8 and Appendix 3
- Future Outlook - Section 9

**Throughout the report, pressures on expenditure and income shortfalls are shown as positive values. Savings on expenditure and additional income are shown in brackets.**

## **2. BACKGROUND**

This year has seen unprecedented times with the impact of the Coronavirus pandemic (COVID-19) with the Country having experienced several lockdowns and tiered restrictions. The recent lockdown imposed on the Country continues to highlight the increased risks faced from this pandemic, in addition to overall winter pressures on public sector services.

These everchanging difficult circumstances make it extremely challenging to monitor and forecast the financial impact of the pandemic over the coming weeks and months.

Whilst there has been continued financial support from the government, the financial impact of ongoing pressures on services mean that the grants received will not cover the full impact of cost pressures seen in 2020/21 and future years.

## **3. GENERAL FUND (GF) REVENUE BUDGETS**

### **3.1 GF Overview and Key Messages:**

The quarter 3 position reports an increased pressure of **£0.235m** compared with £0.521m reported at quarter 2 (Q2).

**It needs to be noted that there are still significant risks that the deficit will increase with potential pressures continuing to be reviewed and considered.**

The details are as follows;

- Impact of continued increased demand on Council services.
- Impact of continued pressures on service providers, local businesses, and the general public.
- Review of pressures resulting from required changes that will need to be made to ensure a safe environment for both staff and customers.
- Any financial impact of the implementation of recovery plans over the short to medium term.
- Inability to speculate what lies ahead over the coming months as the COVID-19 pandemic continues.
- Impact of pressures on the Council's financial provisions to mitigate future risks of reduced income collection rates.



**It needs to be noted that this unprecedented set of circumstances may mean that there may still be significant changes which will be reported in the final outturn report for 2020/21.**

Further details of portfolio variances and key performance indicators can be seen in Appendix 1.

This variance is made up of the following significant items-

A pressure of **£1.312m** from GF Portfolios; this is mainly due to loss of income and increased costs from the impact of COVID-19 with a summary is provided below; **this variance does not include the impact of the emergency funding received from Ministry of Housing, Communities and Local Government (MHCLG). The £1.498m received as at 31 December is included as a Corporate item and is being used to offset the total pressure of COVID-19 rather than be allocated to specific services.**

- **Growth & Investment** portfolio reports a pressure of **£0.214m** mainly resulting from a loss of income as a direct impact of the COVID-19 pandemic across Planning, Sport & Recreation, Land Charges, Benn Hall and Visitor Centre. This pressure has been partly mitigated from the COVID-19 Sales, Fees and Charges recovery scheme in which the Council expects to receive an estimated (£0.315m). In addition, the service has been awarded £0.080m from the Arts Council Culture Recovery Fund to support loss of income within Benn Hall due to the impact of the pandemic.
- **Environment and Public Realm** portfolio reports a pressure of **£0.119m** mainly arising from the loss of income within Car parks and Waste services amounting to a pressure of £0.600m. However, this is offset by expected income from the COVID-19 Sales, Fees and Charges recovery scheme for the services within the portfolio of (£0.350m) and other service savings in running costs and staffing. A net pressure of £0.117m on the Domestic Waste service is attributed to an increase in haulage costs incurred as a direct result of the increase in household tonnage being collected, which is partly offset by increased income from recycling credits, a contribution towards haulage costs and an increase in the uptake of Household Green Waste subscriptions. Further underspends include the Head of Service vacancy (£0.053m), a net underspend on Regulatory Services, an underspend on the Street Scene service and an overachievement of income for Crematorium services.
- **Communities and Homes** portfolio reports a pressure of **£0.859m** mainly resulting from accommodation costs for housing homeless people of £0.755m as we continue to provide support during the Coronavirus pandemic. The forecast represents a central case of maintaining the rough sleeper cohort in Bed and Breakfast accommodation for the remainder of 2020/21. The Council has been awarded (£0.212m) of intermediate funding from the Next Steps Accommodation Programme (NSAP) grant following a bid submission during the summer. This will provide continuing emergency accommodation for rough sleepers (including those without recourse to public funds) for between 12 and 20 weeks during the remainder of the financial year. Overspends attributable to ICT Services, Central Telephone Services, Woodside Park and an underachievement of income in the Welfare Service have been partly mitigated by underspends in the Customer Service and Business Support team and the Corporate Apprenticeship Scheme together with an estimate of (£0.014m) income from the COVID Sales Fees and charges recovery scheme.
- **Executive Services** reports a pressure of **£0.132m** which includes the appointment of the New Deputy Chief Officer offset by vacancy savings within Corporate Resources and Environment and Public Realm.

- **Corporate Resources** reports a net underspend of **(£0.012m)** arising from a £0.150m underachievement of income in Council Tax and Business Rates collection due to the courts being closed as a result of the Pandemic which has been mitigated by an estimate of (£106,000) from the Covid Sales Fees and Charges recovery Scheme. The balance represents a net underspend of (£0.049m) largely due to vacancies that exist within HR services and the vacant Head of Service role.

In addition to specific pressures, there is a net saving from the Corporate items which are not attributed to a portfolio.

- **Corporate items** reports a saving of **(£1.077m)** which includes MHCLG emergency funding allocated to the Council (£1.498m) as at 31 December. There is a saving of (£0.326m) in relation to delays in the delivery of the capital programme, associated savings in borrowing costs, MRP and a reduction in the revenue contribution to capital outlay of (£0.105m). This is mostly related to delays in the delivery of fleet replacement vehicles. Minimum Revenue Provision (or the statutory requirement to repay borrowing) occurs in the year after an asset becomes operational and therefore this underspend will be committed to 2021/22. In addition to this there is a projected pressure of £0.852m in the delivery of the Corporate savings target as well as centrally held COVID-19 costs.

### 2020/21 Savings and Income Proposals

- Total Portfolio Service savings of (£0.385m) - **(£0.230m)** are risk assessed as green and deliverable. The balance of **(£0.155m)** is assessed as amber and continues to be monitored.
- It needs to be noted that the 2020/21 income proposals of (£0.570m) are at significant risk of non-delivery and are included in the forecast loss of income.
- Corporate, Salary and Digitalisation savings of (£0.403m) – The current forecast assumes that **£0.381m** will not be delivered due to additional staff costs from increased demand for services. However, this will continue to be reviewed with any changes to this reported in future reports. Any savings at risk of delivery continue to be reviewed to take action to mitigate wherever possible.

### Reserves

The table below shows the anticipated balance in the general fund balances at 31 March 2021 based on the forecasts at Quarter 3.

	Forecast in-year change £000s	Balance £000s
Revised GF Balance at 01 April 2020		(2,250)
Net amount to be taken from balances	235	
<b>Anticipated GF Balance at 31 March 2021</b>		<b>(2,015)</b>

*Table 1 – Summary General Fund Balances in Reserve.*

**Whilst the current reported position is reporting a pressure of £0.235m the Council continues to face significant challenges as a result of COVID-19. There are potential further pressures in excess of £0.500m as the likelihood of the risk materialising becomes greater the forecasts will be amended. As part of this process there will also be a review of the most appropriate reserve to draw on to balance the position for the year.**

There are risks in both increased expenditure and reduced income for services which will have a significant impact on the level of reserves if not met by other funding streams.

The Risk Assessment completed in September considered within the initial budget report assumed;

- The General Fund risk assessment has included a risk of **£1.229m** to support the impact of the Coronavirus Pandemic with £0.235m reported in the quarter 3 (Q3) position leaving the balance to mitigate further risks.
- If all of the risks were to materialise over the next 2 years, then Reserves will be significantly depleted by the financial year 2023/24.

The initial estimate for forecast reserves over the medium term can be seen within the General Fund Appendix 1 – Dashboard. These will continue to be updated as new information is made available.

### 3.2 Coronavirus pandemic (COVID-19)

Since 30 September (Q2), an additional (£3.860m) of COVID-19 grant funding has been received to pass directly on to residents and local businesses, as shown in Table 2 below.

A full breakdown of COVID-19 grants is provided at Appendix 4.

Body	COVID-19 Funding Type	£000s	Notes
	<b>Balance b fwd at the end of Q2</b>	<b>(35,312)</b>	
BIES	Local Restrictions Support Grants and Additional Restrictions Grant	(3,860)	Grant funding to support local businesses during the national lockdown and local restrictions.
	<b>TOTAL</b>	<b>(39,172)</b>	

Table 2 – Summary Grants and Reliefs – COVID 19.

Since the initial lockdown on 23 March 2020 local authorities have been required to report monthly to MHCLG. This has included updates on the impact of the Coronavirus pandemic from both a financial and non-financial perspective. This information has enabled the government to recognise the financial support required to ensure that cash flow pressures can be limited, and local authorities can continue to serve their communities.

The potential risk of increased pressure and loss of income included in the Q3 forecast total £3.112m. However, it needs to be noted that the climate and circumstances are constantly changing. Future reports will continue to provide updates on both the costs and income.

Whilst services are continuing to take action to minimise cost pressures wherever possible, the reported forecast pressures mentioned previously have been partly mitigated by grants awarded by Government. This includes the Emergency Funding of £1.498m and the co-payment scheme to compensate local authorities for irrecoverable losses in 2020/21 from eligible sales, fees and charges. The amount claimed to date provides a total to date of (£0.654m) with an estimated full year forecast in Q3 of (£0.793m)

In addition, the provisional settlement for 2021/22 provides continued support and the decision for authorities to spread collection fund deficits arising in 2020/21 over the next three years rather than the usual one.

**Other targeted COVID-19 support grants for General Fund services awarded since 30 September (Q2):**

COVID-19 Funding Type	£000s	Notes
<b>Balance b fwd at the end of Q2</b>	<b>(2,383)</b>	
COVID Outbreak Management Funding	(100)	To support local measures to protect public health and local economies
New Burdens - Council Tax Hardship and Business Rates Relief	(22)	To support the costs of administering the scheme
New Burdens – Business Rates Grants Scheme	(58)	To support the costs of administering the scheme
COVID-19 Emergency Funding	(214)	Tranche 4 Emergency Funding
Sales, Fees and Charges Support Grant	(143)	Compensation for Sales, fees and charges income losses October-November 2020.
Local Tax Guarantee Scheme	TBC	Announced as part of the provisional settlement – amount to be confirmed
	<b>(2,920)</b>	

*Table 3 – Summary Service Grants – COVID 19.*

**Council Tax**

In the Spring budget, the Government recognised that COVID-19 was likely to cause fluctuations in household incomes and as a result, some individuals may struggle to meet council tax payments.

In response, the government provided a £500m hardship fund for local authorities to discount council tax bills for those least able to pay, alongside existing local council tax support schemes.

At the end of December 2020, there are 5,454 council tax support claimants. Payments are 6.6% higher than estimated and this may continue to increase if unemployment pushes applications higher over future months.

The implication of rising council tax support cases is that it reduces the tax base and the amount of council tax income collectable. At the end of December 2020, the Council tax base was 1.1% below budget. New properties are coming on the valuation list, but any increase in the tax base is currently being over-shadowed by increases in Council Tax Support.

As a result, it is estimated at this stage, that there will be a council tax deficit on the Collection Fund of £0.491m at the end of 2020/21 of which Rugby’s share is £0.055m. A proportion of the repayment of the collection fund deficit will be spread over the next three years rather than the usual period of a year, as per the new collection fund regulations.

## **Provisional Settlement - December 2020**

As part of the Settlement, the government confirmed a “local tax income guarantee” that will compensate local authorities for 75% of irrecoverable losses in council tax and business rates income in respect of 2020/21. Full details of how the scheme will work in practice have not been published yet and any amount of compensation will not be fully known until the end of the financial year. Any benefit will be transferred into reserves to part mitigate the impact of reduced revenue.

Approval for the transfer to reserves will be requested as part of the Final Outturn Report in June, once final figures are confirmed.

### **Business Rates**

The COVID-19 pandemic has posed an unprecedented challenge to the UK economy and many businesses saw significant falls in turnover or were forced to close temporarily. In response, the government have provided business support in loans, tax deferrals, business rates reliefs, and general and sector-specific grants to those hit hardest by COVID-19.

At the end of December 2020, the Council had given a total £16.4m in COVID-19 business rates reliefs to ratepayers. The Council’s General Fund is compensated for its £6.6m share of these reliefs by Government Section 31 grant funding. This income is to be transferred into the Business Rates Equalisation Reserve to offset the estimated collection fund deficit in the 2021/22 budget (see below).

In addition, there are other COVID-19 related losses that are not compensated and will have an impact on business rates income:

- Empty property relief for unoccupied business premises in the borough area is 14% higher than estimated.
- Business rates growth was anticipated from the J1 service station in 2020/21, but it is unlikely that there will be any income until 2021/22.
- Businesses may appeal for reductions in valuations as a result of Material Changes in Circumstances due to lockdown.

As a result, it is estimated at this stage, that there will be a business rates deficit on the Collection Fund of £17.126m at the end of 2020/21 of which Rugby’s share is £6.850m.

As stated above, the income losses from the additional COVID-19 business rates reliefs are fully funded by s31 grant from Central Government. The s31 grant will be received and accounted for in the general fund in 2020/21. To ensure this mitigates the losses and the Collection Fund deficit, this funding can be transferred into the Business Rates Equalisation Fund and withdrawn as necessary to ensure there is no impact on the authority’s bottom line in future years.

In addition, the local tax income guarantee will compensate for 75% of irrecoverable losses in business rates income in respect of 2020-21. Any amount of compensation will not be fully known until the end of the financial year with any benefit to be transferred into reserves to part mitigate the impact of reduced revenue.

The amount expected to be transferred to reserves in 2020/21 will be confirmed in the final outturn report. However, the consequence of cashflow concerns and government action to support local

authorities and businesses this amount could be significant and just reflects the timing issues of this cashflow from one year to the next.

Approval for the transfer to the Business Rates Equalisation Fund will be requested as part of the Final Outturn Report in June, once final figures are confirmed.

## **4 HOUSING REVENUE ACCOUNT (HRA) REVENUE BUDGETS:**

### **4.1 Context**

Housing Rents were set by Council on 4 February 2020. Following 4 years of rent reductions of 1% annually, Council agreed to a rent uplift of 2.7% (CPI + 1%) for 2020/21 in line with government guidance on Social Rent policy for the period 2020/21 to 2024/25.

Council has received previous reports concerning the condition and potential redevelopment options for both Biart Place and Rounds Gardens.

Deconstruction works have recommenced at Biart Place following delays resulting from the Coronavirus pandemic and are scheduled for completion in early 2021. As noted within the monitoring table, 175 properties at the Rounds Gardens site have now been decanted and the schedule of full decant by March 2022 remains on target.

The structural findings in respect of the blocks at both sites, which account for almost 10% in total of the Council's HRA stock, were unanticipated. The measures required to respond to these findings will have an extraordinary impact on the HRA's financial resources, which will in turn impact on its ability to meet to both current and emerging housing needs.

As part of rent setting for 2020/21 Council also agreed to a recommendation that £3.743m previously set aside for the repayment of debt within the HRA medium term financial plan is now utilised as Revenue Contributions to Capital Expenditure. The HRA has also taken advantage of historically low PWLB interest rates during March/April 2020 to secure financing for the build costs at both sites when capital investment balances have been depleted.

### **4.2 HRA Overview and Key Messages**

The total approved HRA budget is £17.088m. Based on the December 2020 forecast, it is anticipated that the year-end variance at 31 March 2021 will be a pressure of £0.661m. This variance is made up of the following significant items-

- £0.653m - An income shortfall predominantly related to the decant of properties at the Rounds Gardens site. As of 4 January, 175 flats (of 221 in total) are empty. It is anticipated that all properties at the site will be vacated by 31 March 2022 but the timing of the decant process will be driven by variable dynamic factors including the availability and suitability of alternative accommodation for tenants.
- £0.134m - Additional staffing costs of within the Housing Management service as a result of:
  - back-filling whilst staff undertake user acceptance testing of the new Housing Management system; and
  - long term sickness / vacancies at the control centre.

- (£0.159m) - An anticipated saving for security costs (£0.087m) as a result of one of the high-rise blocks at Rounds Gardens being fully decanted, (£0.047m) for other site costs at Rounds Gardens and the remaining balance mainly due to reduced legal costs

The COVID-19 pandemic has not had a material impact on HRA budgets to date. The ability to undertake repairs or relet void properties was curtailed during April and May but has now returned to pre-COVID levels. More than a third of tenants do not receive housing benefit or universal credit and are therefore possibly impacted by current furlough arrangements. As the furlough scheme unwinds in the coming months close scrutiny will be required to assess any impact on rent arrears arising from a potential increase in unemployment levels.

The table below shows the anticipated balance in the Housing Revenue Account at 31 March 2021 based on the forecasts at Quarter 3.

	Forecast in-year change £000s	Balance £000s
<b>HRA Balance at 01 April 2020</b>		<b>(5,085)</b>
Forecast variance at the end of 2020/21	662	
<b>Anticipated HRA Balance at 31 March 2021</b>		<b>(4,423)</b>

Table 4 – Summary HRA Balances

## 5. CAPITAL

The latest approved capital programme (GF and HRA) is £36.810m. The programme has a forecast variance to year-end of **(£0.777m)** against the budget after taking into consideration any proposed carry forward requests.

### 5.1 General Fund Capital – Overview (Appendix 1)

The latest approved GF capital programme is £7.982m. The programme has a forecast variance to year-end of **(£0.298m)**.

The variance is made up of the following key items:

- (£0.314m) Carbon Management Plan - plan awaiting review of this scheme as to whether there is any requirement to move funds into 2021/22
- Minor variations across the portfolios - £0.016m

### 5.2 Housing Revenue Account – Capital (Appendix 2)

The latest approved capital programme is £28.829m. The programme has a forecast net variance to year-end of **(£0.479)**.

The variance is made up of the following key items:

- (£0.103m) – in relation expected work relating to door security systems scheme
- (£0.119m) – in relation to expected work relating electrical upgrades for community rooms
- (£0.105m) - in relation to boiler works at Tanser Court as scheme currently on hold

## 6. SUPPLEMENTARY BUDGET and VIREMENT REQUESTS

As included within the recommendations section of this report, see below for further detail on the supplementary budget requests:

## Supplementary Budget

- 1) £0.046m - for the cost of COVID-19 compliance and enforcement activities of measures to control the spread of COVID-19 during this financial year. This is to be funded from a Local Authority compliance and enforcement grant allocation from MHCLG.
- 2) £0.085m - capital budget of £0.085m be approved for 2020/21 for the Disabled Facilities Grants scheme to be funded from additional grant funding.
- 3) £0.065m - for 2020/21 for the Brownsover Footpaths scheme to be funded from Section 106 balances, overspend for additional groundworks and drainage at Glaramara Park and COVID-19 regulations for wider footpaths.
- 4) £0.200m - Contain Outbreak Management Fund to support Local Communities during the COVID-19 pandemic. The initial allocation is £0.100m but will rise to £0.200m once the initial allocation has been maximised. This will be funded from a grant received from Warwickshire County Council.
- 5) £0.212m – for costs associated with homelessness. This will be funded from a grant received from the Next Steps Accommodation Programme.

## Virement

- 6) £0.023 - be approved for 2020/21 from the Email/Web Filtering System scheme to the Additional ICT costs scheme.
- 7) £1.000m from Rounds Gardens Capital to Rounds Gardens Demolition Costs to separately identify the cost of demolition from the decant and design costs.

## 7. CARRY FORWARD BUDGET REQUESTS

As included within the recommendations section of this report, see below for further detail on the carry forward budget requests:

### Capital schemes, see section appendix 1 and 2 for further detail

#### General Fund

- 1) £0.175m - Whitehall Recreation Refurbishment for the bandstand as work expected to begin in 2021/22
- 2) (£0.020m) - Glaramara Close Play Area Refurbishment virement to be offset against budget already carried forward
- 3) £0.020m - Memorial Safety, delays relating to staff resources and COVID-19
- 4) £0.600m - Great Central Way Bridges due to resourcing issues of consultants that specialise in bridge refurbishment
- 5) £0.04m - Street Furniture, delays due to staff resources and town centre plans
- 6) £0.749m - Corporate Property Enhancements - slippage resulting from ongoing review of Town Hall / Public Offices site
- 7) £0.039m - Mobyssoft Rentsense Software for first year's maintenance

#### HRA

- 8) £0.180m - Housing Management System, due to delays relating to COVID-19 and staff working remotely
- 9) £0.75m - Biart Place for conclusion of design / survey works which will take place in 2021/22
- 10) £0.800m - Rounds Gardens – for conclusion of design/survey works
- 11) £0.25m - Rounds Garden to complete demolition works
- 12) £1.00m - Bell House to complete the project due to delays in starting the scheme
- 13) £8.500m – For the purchase of Council Houses as part of the Housing Acquisition Fund
- 14) £1.000m - Garage Sites due to delays progressing project and testing sites for viability



**Subtotal - £14.083m**

**Revenue schemes,**

- 15) £0.240m - Budgets agreed as part of the budget resolution for regeneration of the Town Centre scheme, to increase awareness and target enforcement in partnership with Keep Britain Tidy and carry out a feasibility study for the redesign of the setting for the War memorial space.
- 16) £0.025m Budgets agreed as part of the budget resolution 2019/20 for the installation of the car park charging points within the borough.

**Subtotal - £0.265m**

## **8. PERFORMANCE SUMMARY**

The data for Quarter 3, 2020/21 can be seen in Appendix 3.

Training on the RPMS is available to Members and can be requested by contacting the Corporate Assurance & Improvement team. Training involves learning how to navigate the system, how to interpret the data and development of personalised performance dashboards. This can be arranged for a time to suit Members, either during the day or evening.

If you wish to request training or if there is specific piece of performance data not covered in the appendix on a particular subject matter that you wish to review, then please request a performance report from the Corporate Assurance & Improvement team by emailing [rpmssupport@rugby.gov.uk](mailto:rpmssupport@rugby.gov.uk)

## **9. FUTURE OUTLOOK**

The second 2021/22 Budget presented to Cabinet in January gave details of the significant challenges faced by the Council in setting the budget for 2021/22 as the impact of pressures continue with an estimated budget set aside centrally to mitigate estimated risks in the recovery plans through next year.

With the impact of further waves of the pandemic over the coming months it needs to be noted that this could delay recovery and therefore have a further financial impact on both 2021/22 and future years. In particular, the ability to financially maintain service delivery and income levels.

The estimated cost pressure of £3.112m for the current year will, therefore, present a significant challenge in setting a balanced budget for next financial year. Consequently, this will need to be factored into any risk assessment of reserves and future budget planning of services and has been included in the Draft Budget presented in January 2021.

**Name of Meeting:** Cabinet

**Date of Meeting:** 1 February 2021

**Subject Matter:** Finance & Performance Monitoring 202021- Quarter 3

**Originating Department:** Corporate Resources

**DO ANY BACKGROUND PAPERS APPLY**

**YES**

**NO**



Appendix 1 - Revenue Forecasts - Key variance information

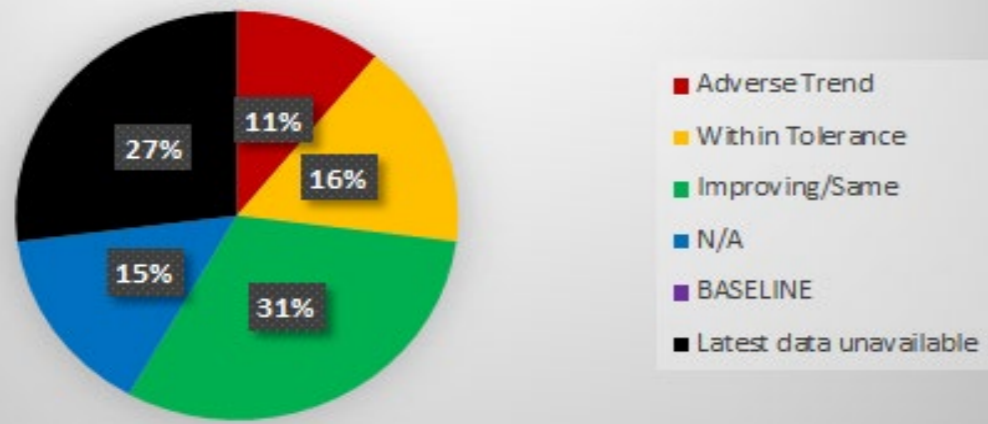
Service	Current Net Budget	Exp to date plus commitments	Forecast	Employee Variance	Running Cost Variance	Income Variance	Pending Supplementary Budget/Virement	Total Variance	Key reasons for variances				
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s					
Growth and Investment	3,060	3,387	3,074	(68)	7	275	200	214	<p><b>£174,000</b> overspend on the Planning Service mainly due to the estimated loss of income on Planning Applications from the impact over COVID-19 pandemic</p> <p><b>£150,000</b> overspend for the Sports and Recreation service mainly due to unachieved income due to non delivery of activities during the COVID-19 pandemic, in addition to this there is further pressure around the delivery to meet stretched targets new for 2020/21.</p> <p><b>£89,000</b> overspend for The Benn Hall mainly due to closure of the building following the COVID-19 pandemic, the service were successful in securing further funding in the value of an £80k grant from the Art Council for the impact of COVID-19</p> <p><b>£50,000</b> overspend for the Land Charges service mainly due to loss of income following the COVID-19 pandemic,</p> <p><b>£38,000</b> overspend for the Visitor Centre mainly due to loss of income on sales following the closure of the building during the COVID-19 pandemic</p> <p><b>£28,000</b> Other minor variances across the portfolio</p> <p><b>(£315,000)</b> has been forecasted as an estimate of income from MHCLG for loss of income due to the COVID 19 pandemic</p>	Growth & Investment	61.00	57.62	(3.38)
Environment & Public Realm	7,564	6,049	7,618	(272)	276	115	65	119	<p><b>£291,000</b> overspend due to loss of income within Car parks following the COVID-19 pandemic</p> <p><b>£201,000</b> overspend on Trade Waste made up of £309,000 due to a loss of income following businesses being closed during lockdown and not requiring the service, Which is offset by savings of £108,000 which is made up of a vacant Trade Waste manager post and a vacant trade waste officer post, reduction in fuel costs and a 50% reduction in the Q1 gate fee costs for waste disposal due to tonnages being down. The pandemic has also prevented the service from growing and therefore some of the loss of income is due to the non-achievement of gaining new customers.</p> <p><b>£117,000</b> overspend on the Domestic and Green Waste service due to an increase in haulage as a result of lockdown restrictions increasing household tonnages. Part of this increase has been offset by additional income reimbursed to RBC from Warwickshire County Council for recycling credits and contributions towards the haulage costs, and an increase in the subscriptions to the Green Waste Service.</p> <p><b>(£53,000)</b> underspend for the vacant head of Environment and Public Realm post until February 2021</p> <p><b>(£31,000)</b> underspend on Regulatory Services due to an overspend on Community Wardens and an underachievement of HMO Licence income which have been offset by vacancy savings, Covid-19 Local Authority Compliance &amp; Enforcement Grant of £46,000 and underspends on external Legal Fees, Transport and External Contractors</p> <p><b>(£23,000)</b> underspend on Street Furniture comprising vacancy savings, underachievement of income from external works offset by a reduction in spend on external contractors</p> <p><b>(£19,000)</b> underspend against the Crematorium due to a projected increase in income</p> <p><b>(£14,000)</b> Other minor variances across the service</p> <p><b>(£350,000)</b> has been forecasted as an estimate of income from MHCLG for loss of income due to the COVID 19 pandemic</p> <p><b>Carry Forwards</b>  <b>£15,000</b> is forecasted to be carried forward in relation to the 'Keep Britain Tidy' campaign as no progress has been made on this campaign due to the pandemic.  <b>£25,000</b> is forecasted to be carried forward for Electric Charging Points  <b>£25,000</b> is forecasted to be carried forward for the Open Spaces Audit as no progress has been made due to the pandemic</p>	Environment & Public Realm	172.42	157.49	(14.93)
Communities & Homes	2,026	7,416	2,885	217	478	164	0	859	<p><b>£755,000</b> overspend in the CAST service due to accommodation costs for housing homeless people during the COVID 19 pandemic. The forecast represents a central case of maintaining the rough sleeper cohort in B &amp; B for the remainder of 2020/21 without additional central government funding or utilising the Welfare Support Reserve, the projected cost of using B &amp; B/Hotel accommodation will increase as the Councils own homeless stock is already fully utilised. The projected variance is an estimated £854,000 for the year. Government has announced an application process for the Next Step Accommodation Programme which RBC has bid for and will receive a grant of £212,000 of this an estimated £39,000 will be used for rents in advance. A calculation for bad debt provision based upon arrears levels in November indicated that an additional £69,000 would need to be provided for bad debts.</p> <p><b>£31,000</b> overspend relates to ICT Services -Additional costs not predicted of £16,000 for various software packages. £11,000 additional expenditure on Land Charges software due to the old system being reinstated after alternate software packages were not suitable to replace the existing software. £29,000 overspend on software in relation to the Revenues system in relation to Covid, which has been offset by grant income of (£25,000).</p> <p><b>£45,000</b> overspend in the Welfare Service due to income levels are lower than budget amount that was forecast to increase by £40,000. Despite advertising and continually installing lifelines throughout the COVID 19 pandemic it looks likely that this level of income will be not achieved. The market for lifelines is already competitive with both suppliers from other local authorities and private companies.</p> <p><b>(£29,000)</b> underspend in the Customer Service and Business support team mainly due to a reduction in centralised business support costs (e.g. postage, stationary, hospitality, etc).</p> <p><b>(£23,000)</b> underspend in the Corporate Apprenticeship Scheme due to the budget being set for 6 full time apprentices. As the pay is linked to age, we are unable to predict who will be recruited. Currently, during this year, we have an apprentice working part time hours, increasing the underspend.</p> <p><b>£22,000</b> overspend in the Central Telephone service due to additional charges incurred for mobile phones. The data package outlined in the contract was not big enough to accommodate employees working from home. The contract has since been updated to reflect the current data usage.</p> <p><b>£42,000</b> overspend in the Woodside Park service due to there currently being 3 plots (out of 19) that are vacant. The Council has recently lost a court case for trespassing and has incurred costs of £30,000. This has been offset by a salary saving from a post that has been vacated.</p> <p><b>£16,000</b> overspend for other minor variances.</p> <p><b>(£13,500)</b> has been forecasted as an estimate of income from MHCLG for loss of income due to the COVID 19 pandemic</p>	Communities & Homes	92.61	94.58	1.97
Executive Director's Office	2,087	1,706	2,219	145	(17)	4	0	132	<p>Overspend due to staff changes and turnover which is mitigated by the underspend on staffing within Corporate Resources and Environment &amp; Public Realm. <b>(£9,000)</b> has been forecasted as an estimate of income from MHCLG for loss of income due to the COVID 19 pandemic</p>	Executive Directors	18.13	17.02	(1.11)
Corporate Resources	1,129	640	1,117	(154)	137	4	0	(12)	<p><b>(£79,000)</b> underspend in the Head of Service role due to the post being vacant since March 2020 and assumed unfilled until at least February 2021. Some of this underspend will be used to cover honoraria for staff, based in the financial services team, acting up to cover Section 151 Officer and Deputy Officer roles and managerial duties.</p> <p><b>£30,000</b> overspend in Financial Services due to £52,000 underspend in salaries for two vacant Principal Accountant posts, offset by £66,000 of Agency staff costs to cover this. £3,600 increase in fees for Shared Procurement Service for I.T. licenses. £10,000 unbudgeted expenditure on treasury services report. Various overtime payments to staff and hours temporarily increased due to current workload and maternity leave cover.</p> <p><b>£152,000</b> is made up of a £150,000 anticipated underachievement of income in Council Tax and Business Rates Collection due to the courts being closed for Covid-19 therefore unable to recoup costs. Offset by government SFC grant. Various other small overspends including a £2,500 increase in an annual subscription. Some overtime payments to staff offset by a Part-time vacant post.</p> <p><b>(£14,000)</b> anticipated underspend Human Resources, due to a £16,000 underspend in salaries due to vacant posts and a restructure of staffing. £7,000 underspend in training due to the restriction on face to face meetings due to Covid-19. However, Wellbeing costs have risen above budget by £6,000 due to the impact on staff of working during the pandemic. Various other small overspends in service.</p> <p><b>£11,000</b> overspend in centralised General Financial Services due to unbudgeted spend of £7,500 on a new Treasury Management System License and overspend of £10,000 on Treasury consultancy fees. £15,000 underspend on Brokerage fees and Treasury Management Services, due to less borrowing this year. £8,500 anticipated underspend on Post Office payment card costs as fewer people using this method of payment, but this is offset by increase in Visa/Mastercard transaction volume costs, overspent to £18,100. £1,700 underspend on External Audit Expenses.</p> <p><b>(£17,000)</b> underspend in Retired Employees expenses due to a reduction in top-up payment costs to Warwickshire pension scheme. This is based on previous years' data to gauge the annual anticipated attrition rate of the number of members within the scheme.</p> <p><b>£11,000</b> overspend for other minor variances</p> <p><b>(£106,000)</b> has been forecasted as an estimate of income from MHCLG for loss of income due to the COVID 19 pandemic</p>	Corporate Resources	58.72	52.18	(6.54)
Corporate Items	1,571	1,254	494	0	(1,077)	0	0	(1,077)	<p><b>£507,000</b> spend relating to central pressures as a result of the COVID-19 pandemic.</p> <p><b>(£1.498m)</b> reflects the total government funding for COVID costs to help mitigate the total pressures seen across the piece, (offsetting costs across all portfolios)</p> <p><b>(£20,000)</b> of new burdens grant to cover additional IT software requirements in the administration of COVID-19 related payments to individuals and local businesses</p> <p><b>(£183,000)</b> underspend for the net cost of borrowing due to delays in expenditure on capital programme items (see also MRP) resulting in increased cash balances.</p> <p><b>(£143,000)</b> underspend on MRP due to a delay in delivery of replacement fleet vehicles in 2019/20. Delivery has now taken place and so the associated MRP will carry on through to the 2021/22 charge.</p> <p><b>£381,000</b> risk to shortfall in the delivery of the Corporate Savings target due to additional staff costs from increased demand for services during the Covid-19 Pandemic.</p> <p><b>(£105,000)</b> underspend within the budget set aside for revenue contributions to capital outlay following the review of capital forecast spend within 2020/21</p>				
<b>Grand Total</b>	<b>17,436</b>	<b>20,452</b>	<b>17,406</b>	<b>(131)</b>	<b>(196)</b>	<b>562</b>	<b>265</b>	<b>235</b>		<b>Total</b>	<b>402.88</b>	<b>378.89</b>	<b>(23.99)</b>

Service Earmarked Reserves										
Name of reserve	Balance as at 1/04/20	Forecast contribution (to)/from	Forecast balance as at 31/03/21	Forecast contribution (to)/from	Forecast balance as at 31/03/22	Forecast contribution (to)/from	Forecast balance as at 31/03/2023	Forecast contribution (to)/from	Forecast balance as at 31/03/2024	Description
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
General Fund Balances	(2,250)	235	(2,015)	0	(2,015)	0	(2,015)	0	(2,015)	This includes the reported shortfall of £0.255m
General Fund Carry forwards	(331)	331	0	0	0	0	0	0	0	Draw down of carry forwards as requested in the Q1 Report
Business Rates Equalisation Fund	(3,646)	(8,889)	(12,535)	3,690	(8,845)	(738)	(9,583)	(751)	(10,334)	Future years is as per the MTFP and will be reviewed as part of the budget setting process. The Business Rates Pooled arrangement has been extended for a further year. However, the Council will receive a proportion of the Local Safety Net Fund of £1.211m. There are also risks associated with the future years contributions if Government announce that only baseline funding will be given. This includes the financial support required for 2021/22 as per January Budget report
Budget Stability Fund	(2,494)	114	(2,380)	724	(1,656)	(36)	(1,692)	(86)	(1,778)	This includes the draw down for the funding of the development of the trading company, the cost of the local government reorganisation study and the loan to CWRT re the CBILS for 2020/21 and the use of reserves to support pressures in 2021/22 as per January Budget report
Other Corporate Reserves	(1,649)	289	(1,360)	0	(1,360)	0	(1,360)	0	(1,360)	
Growth & Investment	(636)	310	(326)	311	(15)	0	(15)		(15)	
Environment & Public Realm	(296)	(466)	(762)	200	(562)	147	(415)	117	(298)	
Communities & Homes	(591)	30	(561)	10	(551)	(10)	(561)	(11)	(572)	
Executive Director's Office	0	0	0	0	0	0	0		0	No reserves within this Portfolio
Corporate Resources	(110)	0	(110)	(18)	(128)	3	(125)		(125)	
<b>Total Reserves</b>	<b>(12,003)</b>	<b>(8,046)</b>	<b>(20,049)</b>	<b>4,917</b>	<b>(15,132)</b>	<b>(634)</b>	<b>(15,766)</b>	<b>(731)</b>	<b>(16,497)</b>	

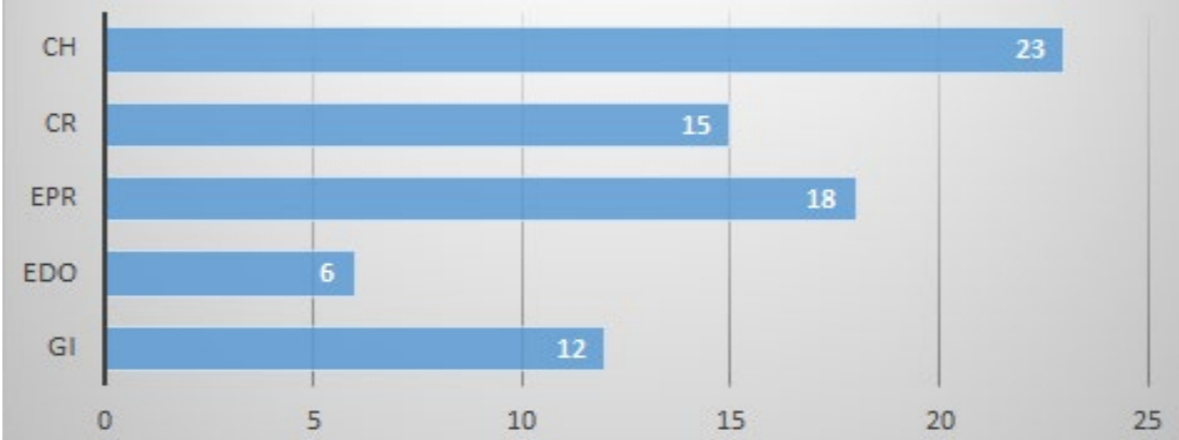
Capital Forecasts - Key variance information						
Portfolio	Current Budget	Exp to date & commitments	Full year forecast 2020/21	Pending Supplementary Budget / Virement	Total Variance	Comments
	£000s	£000s	£000s	£000s	£000s	
Growth & Investment	250	2	250	0	0	
Environment & Public Realm	4,534	3,082	3,819	770	55	<p>£14,000 budget required for capital s.106 spend by Long Lawford PC</p> <p>£17,000 overspend on footpaths due to COVID-19 requirements for wider footpaths</p> <p>£24,000 overspend on purchase of bins to be funded from developer contributions.</p> <p><b>Carry forwards and supplementaries:</b></p> <p>£175,000 Whitehall rec refurb to be carried forward for the bandstand.</p> <p>£20,000 memorial safety to be carried forward due to staff resource issues &amp; Covid.</p> <p>£40,000 street furniture to be carried forward due to staff resources and town centre plans.</p> <p>£600,000 great central way bridges carry forward due to resourcing issues of consultants that specialise in bridge refurbishment.</p> <p>£102,000 Brownsover footpaths overspend for additional groundworks &amp; drainage,</p> <p>£85,000 to be met from s.106 and a virement</p>
Communities & Homes	1,224	1,030	1,203	(18)	(39)	<p>(£22,000) savings to be returned for planning and LLPG IT software module not required</p> <p>(£17,000) savings on email/Web filtering solution software for non capital costs.</p> <p><b>Carry forwards and supplementaries:</b></p> <p>(£85,000) additional disabled facilities grant funding</p> <p>£67,000 possible slippage for backlog due to COVID-19.</p>
Executive Directors	0	0	0	0	0	
Corporate Resources	1,974	83	911	749	(314)	<p>£314,000 carbon management plan awaiting review of this scheme as to whether saving or carry forward.</p> <p><b>Carry forwards and supplementaries:</b></p> <p>£749,000 corporate property enhancements slippage resulting from ongoing review of town hall/public offices sites.</p>
<b>Overall Total</b>	<b>7,982</b>	<b>4,197</b>	<b>6,183</b>	<b>1,501</b>	<b>(298)</b>	

Delivery of Approved Savings 2020/21		
Service	Description	Value £000s
Cast Team	Stretched saving linked to Housing Acquisition Fund Proposal approved in 2019/20 for the medium term	(140)
Customer and Information Services	Reduction in costs for software maintenance and crisis funding based upon current expenditure and estimated requirements	(47)
Central Telephone Service	Savings found through procurement of a new supplier	(15)
Members Allowances	Cease funding member broadband and landlines	(8)
Communication	Following historic spend the budget to be reduced on Publicity & Marketing	(16)
Electoral Registration	Savings found through new ways of working through service redesign	(4)
<b>Executive Directors Total</b>		<b>(20)</b>
Resources	Realignment of staffing budgets	(20)
Retired Employees/Unapportionable	Reduces over time as people leave the pension scheme	(6)
To be apportioned	Growth Proposals less than £25,000 will be met from efficiencies or increased commercialisation within services - to be realigned to services within future budget papers and small savings across the portfolio	(7)
<b>Corporate Resources Total</b>		<b>(33)</b>
Car Parks & Parking	Budget no longer required for consultancy following service review	(5)
Miscellaneous Highways Services	Budget reduced based on historical spend and on going requirements.	(6)
Land Drainage	Budget reduced based on historical spend.	(9)
Licensing	Restructure of Licensing team, including introduction of trainee post	(33)
Regulatory Services	Airways Radio software no longer needed	(5)
Regulatory Services	Reduction due to review of historic spend and on-going requirements	(8)
WSU Vehicle Workshop	Qualified post replaced with trainee post	(24)
Other Minor Savings	Minor savings across the portfolio for items such as Vehicle Running Costs and Personal Protective Clothing	(18)
To be apportioned	Growth Proposals less than £25,000 will be met from efficiencies or increased commercialisation within services - to be realigned to services within future budget papers	(14)
<b>Environment and Public Realm Total</b>		<b>(122)</b>
<b>Grand Total</b>		<b>(385)</b>

### Status of RBC Key Performance Indicators for Q3 2020/21



### Number of Key Performance Indicators by service area



## Appendix 2- Cabinet Summary as at December 2020 (Quarter 3) - Housing Revenue Account (HRA)

### Revenue Outturn - Key variance info

Service	Current Budget £000s	Total Net Expenditure to date £000s	Forecast £000s	Employee Variance £000s	Running Cost Variance £000s	Income Variance £000s	Pending Supplementary Budget /Virement £000s	Pending Reserve Movement Requests £000s	Total Variance £000s	Reason for variance
Rent income from dwellings	(15,746)	(1)	(15,167)	0	0	579	0	0	579	An income shortfall of £0.579m predominantly related to the decant of properties at the Rounds Gardens site. As at 04 January 2021 175 flats (of a total 221 properties) are empty. It is anticipated that all properties at the site will be vacated by 31 March 2022 but the timing of the decant process will be driven by variable dynamic factors including the availability and suitability of alternative accommodation for tenants.
Rent income from land and buildings	(130)	(1)	(130)	0	0	0	0	0	0	
Charges for services	(997)	0	(936)	0	0	61	0	0	61	An income shortfall of £0.061m predominantly related to the loss of CCTV/Concierge service charge income as a consequence of the decant of properties at the Rounds Gardens site
Contributions towards expenditure	(152)	(18)	(139)	0	0	13	0	0	13	
<b>Total Income</b>	<b>(17,025)</b>	<b>(20)</b>	<b>(16,372)</b>	<b>0</b>	<b>0</b>	<b>653</b>	<b>0</b>	<b>0</b>	<b>653</b>	
Transfer to Housing Repairs Account	3,979	0	3,979	0	0	0	0	0	0	
Total Supervision & Management	5,581	4,591	5,559	134	(159)	3	0	0	(22)	Additional agency costs within the housing management service as a result of back-filling whilst staff undertake user acceptance testing of the new Housing Management System and long term sickness / vacancies at the control centre. Costs for security at Multi storey flats are estimated to fall following the total decant of a high rise block at Rounds Gardens.
Rent, rates, taxes and other charges	5	28	42	0	37	0	0	0	37	Council Tax bills have now been received for a number of void properties. Since 2019 the liability for Council Tax void properties does not allow for a void Council Tax period of six months.
Depreciation and impairment	2,137	2,137	2,137	0	0	0	0	0	0	
Debt management costs	24	0	24	0	0	0	0	0	0	
Provision for bad or doubtful debts	114	0	57	0	(57)	0	0	0	(57)	A mid year calculation showed that only a small amount needs to be added to the provision based on arrears levels, but due to uncertain economic factors (such as the end of the furlough scheme and potentially rising unemployment) half of the budgeted provision has been used as a forecast.
<b>Total Expenditure</b>	<b>11,840</b>	<b>6,756</b>	<b>11,798</b>	<b>134</b>	<b>(179)</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>(42)</b>	
HRA share of CDC costs	224	0	224	0	0	0	0	0	0	
<b>Net cost of HRA services</b>	<b>(4,961)</b>	<b>6,736</b>	<b>(4,350)</b>	<b>134</b>	<b>(179)</b>	<b>656</b>	<b>0</b>	<b>0</b>	<b>611</b>	
Interest payable and similar charges	1,532	0	2,418	0	886	0	0	0	886	The HRA secured £40m PWLB HRA Certainty Rate loan finance in April 2020 in advance of commencing redevelopment works at Biar Place / Rounds Gardens. This has increased the interest payable forecast but is offset by additional investment income. The net forecast variance is £0.050m
Interest and Investment Income	(220)	0	(1,056)	0	0	(836)	0	0	(836)	
<b>Net Operating expenditure</b>	<b>(3,649)</b>	<b>6,736</b>	<b>(2,988)</b>	<b>134</b>	<b>707</b>	<b>(180)</b>	<b>0</b>	<b>0</b>	<b>661</b>	
Contributions to (+) / from (-) reserves	48	0	48	0	0	0	0	0	0	
Revenue Contributions to Capital Expenditure	3,601	0	3,601	0	0	0	0	0	0	
<b>(Surplus) / Deficit for the Year on HRA Services</b>	<b>0</b>	<b>6,736</b>	<b>661</b>	<b>134</b>	<b>707</b>	<b>(180)</b>	<b>0</b>	<b>0</b>	<b>661</b>	

### Head Count- Vacancies (HRA)

Budgeted FTE's 20/21	Actual FTE's at Q3	Vacant FTE's at Q3
88.42	83.91	(4.51)

### Reserves & Balances

Name of reserve / balance	Balance as at 1/04/20	Forecast contribution (to)/from	Forecast balance as at 31/03/21	Forecast contribution (to)/from	Forecast balance as at 31/03/22	Forecast contribution (to)/from	Forecast balance as at 31/03/2023	Forecast contribution (to)/from	Forecast balance as at 31/03/24	Description
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Housing Revenue Account Balances	(5,085)	662	(4,423)	0	(4,423)	0	(4,423)	0	(4,423)	The level of the HRA Revenue balance was re-assessed in light of prior reports to Council concerning the redevelopment of the high-rise sites. Balances were bolstered to provide mitigation for fire risk, additional security measures and potential income loss. The balance will be reassessed following the full decant of the Rounds Gardens site.
HRA Balances (Capital)	(14,765)	10,888	(3,877)	(865)	(4,742)	0	(4,742)	(689)	(5,431)	
HRA Major Repairs Reserve	(2,190)	(317)	(2,507)	(262)	(2,769)	(659)	(3,428)	(675)	(4,103)	
Housing Repairs Account	(668)	0	(668)	0	(668)	0	(668)	0	(668)	
Sheltered Housing Rent Reserve	(212)	(48)	(260)	(48)	(308)	(48)	(356)	(48)	(404)	
Right to buy Capital Receipts	0	4,556	4,556	(100)	4,456	(400)	4,056	(400)	3,656	
	(22,920)	15,741	(7,179)	(1,275)	(8,454)	(1,107)	(9,561)	(1,812)	(11,373)	

### Capital Outturn - Key variance info

Service	Original Budget	Total Net Expenditure to date	Forecast	Pending Supplementary / Virement / Carry Forward	Total Variance	Comments
	£000s	£000s	£000s	£000s	£000s	
Bell House Redevelopment	1,965	196	965	1,000	0	Awaiting contract programme values for 20/21 & 21/22 split. Delays getting contract signed c/f £1m. Complete by nov'21
Biart Place - Capital	1,134	155	384	750	0	Estimated design and other fees in 2020/21. design team being appointed end of Jan so delay on spend. c/f £750k at q3 & bal y/e. £50k overspend for Covid deconstruction delays.
Biart Place Demolition	2,083	1,711	2,083		(0)	
Biart Place COV-19	0	50	50		50	
Cawston Meadows Houses	0	(17)	0		0	Retentions accrual
Garage Site HRA	1,229	59	229	1,000	0	Covid delayed progress & testing sites for viability & setting up a joint venture, carry forward requested
Housing Management System	391	96	211	180	0	Costs delays due to COVID-19 and staff resources and working remotely, carry forward requested
Fire Risk Prevention Works	70	(3)	70		0	Any y/e underspend to be c/f due to delays caused by COVID-19
Rewiring	0	32	27		27	
Lifeline Renewal Programme	64	34	64		0	
CCTV upgrades	45	0	0		(45)	Saving to be returned due to high rise redevelopments.
Finlock Gutter Improvements	111	12	111		0	Delays due to staff resources therefore any underspend will have carry forward request at year end
Rebuilding Retaining Walls	89	2	89		0	Delays due to staff resources therefore any underspend will have carry forward request at year end
Roof Refurbishment - Lesley Souter House	70	0	0		(70)	PRS undertaking repairs rather than capital works.
Replacement Footpaths	120	2	120		0	Delays due to staff resources therefore any underspend will have carry forward request at year end
Door Security Systems	311	202	208		(103)	Current estimate of works allocated in year
Electrical Upgrades - Community Rooms	186	19	67		(119)	Current estimate of works allocated in year.
Boiler Works - Tanser Court	105	0	0		(105)	Saving as boiler has been assessed and will last until the future of the site has been decided.
LED lighting	16	4	16		(0)	
Disabled Adaptations	206	92	206		0	
Kitchen Modifications	99	4	5		(94)	Current estimate of works allocated in year
Kitchen Modifications Voids	120	6	120		0	Delays due to staff resources therefore any underspend will have carry forward request at year end
Heating Upgrades	1,423	508	1,423		(0)	
Bathroom Modifications	343	155	358		15	Current estimate of works allocated in year
Bathroom Modifications - voids	80	14	80		0	Delays due to staff resources therefore any underspend will have carry forward request at year end
Patterdale sheltered scheme improvements	37	0	40		3	Potential delay with this scheme, potential year end carry forward request
Housing Window Replacement	34	8	34		(0)	
Mobysoft Rentsense Software	84	45	45	39	0	Carry forward as required for 1st years maintenance costs
Purchase of Council Houses	15,186	4,744	6,686	8,500	0	Budget to be reprofiled following confirmation of housing delivery schedules for S106 properties
Rugby Gateway - Cala Homes	434	0	434		0	Due to the uncertainty of the completion date potential carry forward request at year end
Rounds Gardens Capital	2,494	312	694	1,800	0	Minimal spend anticipated prior to design procurement (unlikely before Q4 2021/22). Some security costs / boarding up etc. £1m to be vired to RGS01 for demolition to start in January.
Rounds Gardens demolition	0	0	750	(750)	0	
Property Repairs Team Vehicle	300	262	262		(38)	underspend to be returned as a saving
<b>Overall Total</b>	<b>28,829</b>	<b>8,704</b>	<b>15,831</b>	<b>12,519</b>	<b>(479)</b>	



# Appendix 3 - Q3 2020/21 Performance report

(Annual performance indicators are not included in this version of the performance report.)

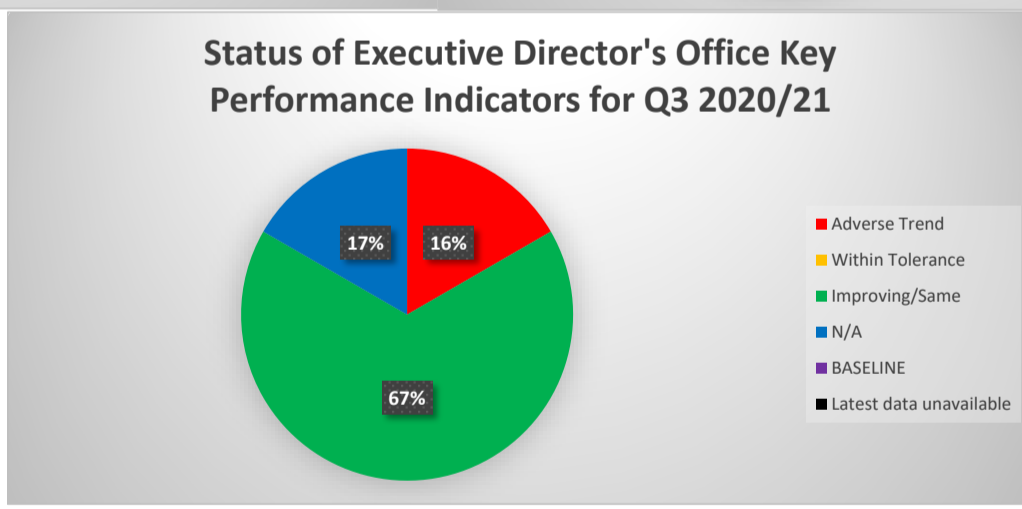
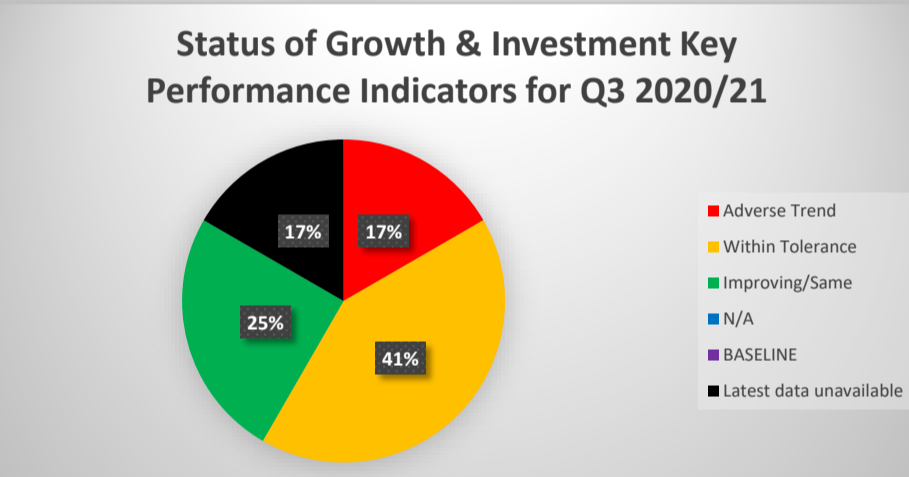
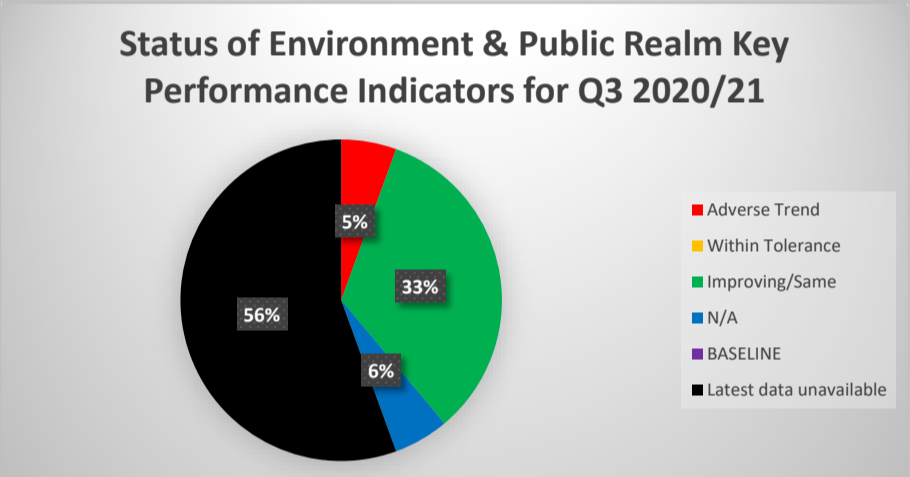
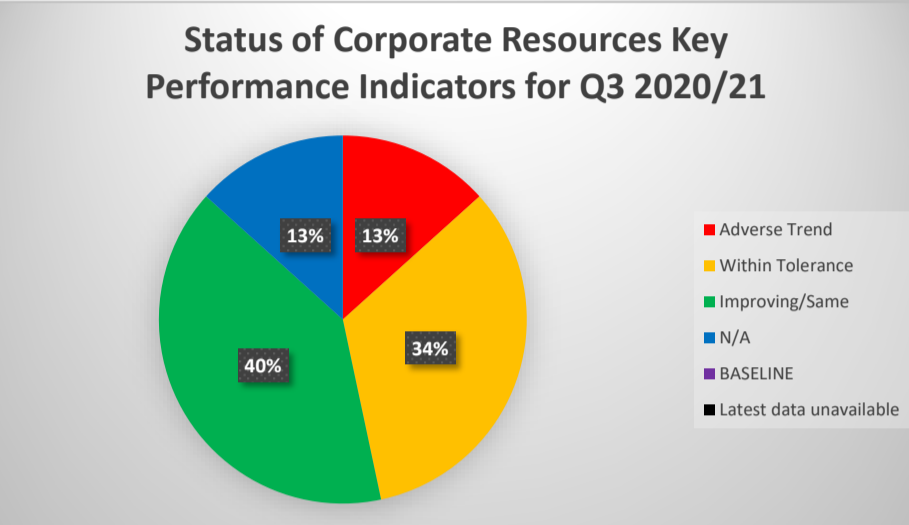
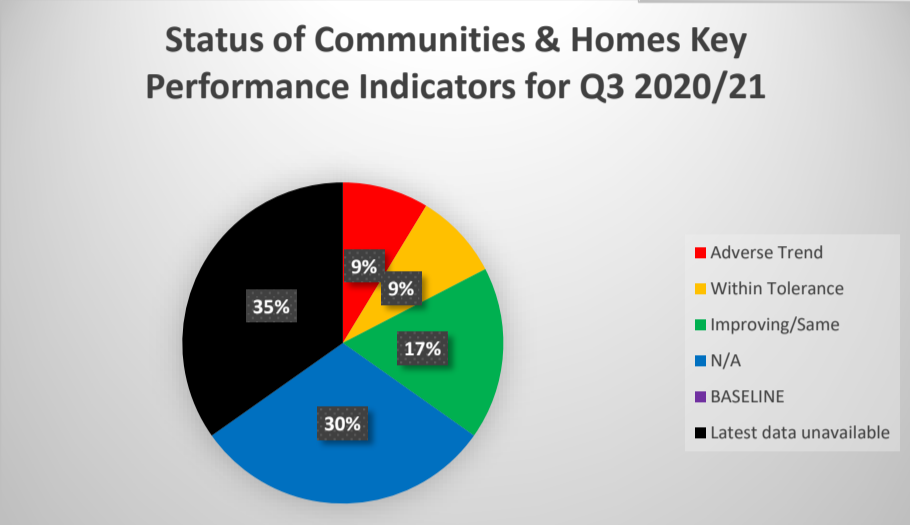
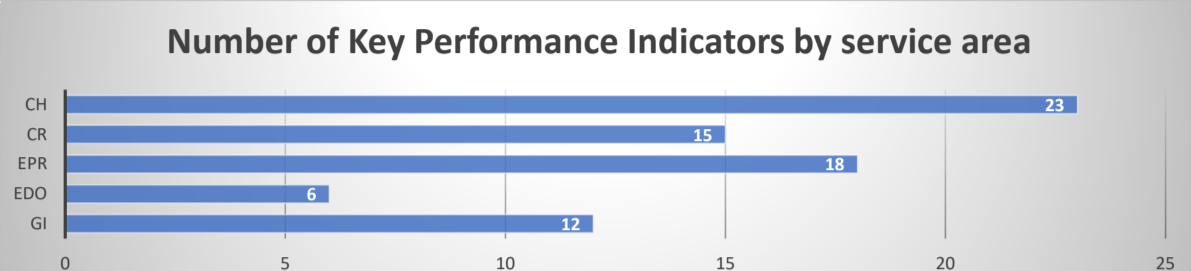
This appendix collects the performance data for each of the Council's service areas. You can navigate to each service area's performance data using the tabs below.

- CH = Communities & Homes
- CR = Corporate Resources
- EPR = Environment & Public Realm
- EDO = Executive Director's Office
- GI = Growth & Investment

Also below is the key to understanding the performance trends followed by the status charts of each service area.

**Trend Key**

- Improving/Stable trend
- Within tolerance levels
- Worsening trend
- N/A Trend is not measured
- BASELINE This is baseline data



## Performance Appendix - Communities & Homes

### Communities & Projects

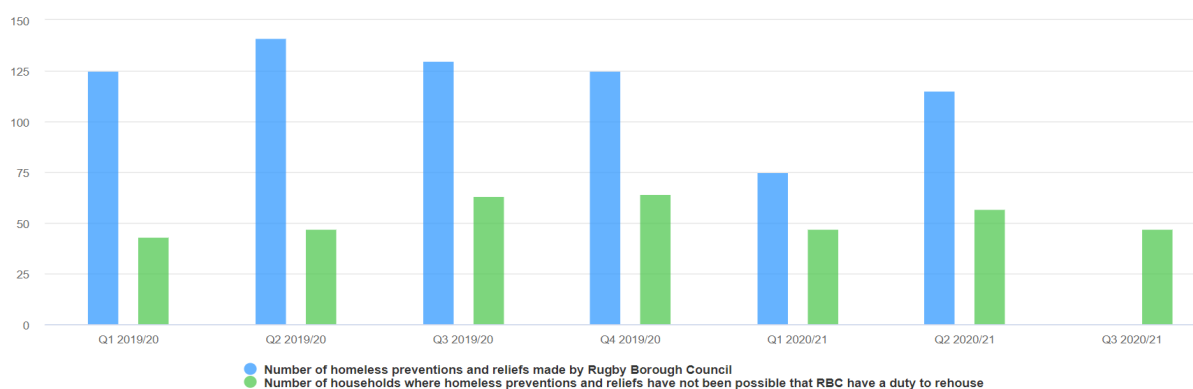
Performance Indicator	Service Area	Current Value	Trend
Number of affordable homes delivered	Community & Projects	Q2 2020/21	81 Improving

Latest Note

Data for Q3 unavailable.

### Community Advice & Support Team

Homelessness preventions-



Latest Note

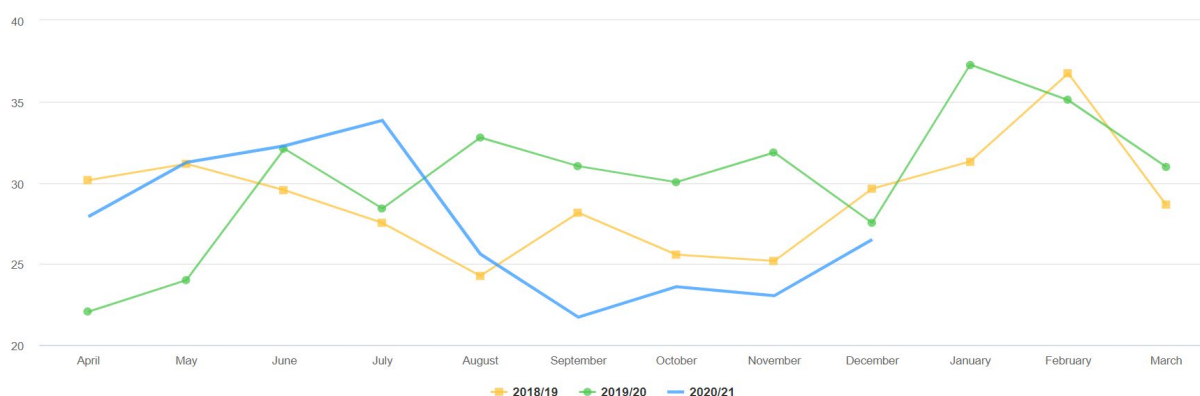
Performance Indicator	Service Area	Current Value	Trend
Number of households in Bed & Breakfast at the end of Quarter	Community Advice and Support Team	Q3 2020/21	25
		Q2 2020/21	30
		Q3 2019/20	4
			N/A

Latest Note

Performance Indicator	Service Area	Current Value	Trend
Number of households in other types of temporary accommodation	Community Advice and Support Team	Q3 2020/21	143
		Q2 2020/21	158
		Q3 2019/20	138
			N/A

Latest Note

Benefits process time-



Latest Note

### Control Centre

Performance Indicator	Service Area	Current Value	Trend
% of calls answered in 60 seconds	Control Centre	Q3 2020/21	99.8%
		Q2 2020/21	99.8%
		Q3 2019/20	99.7%

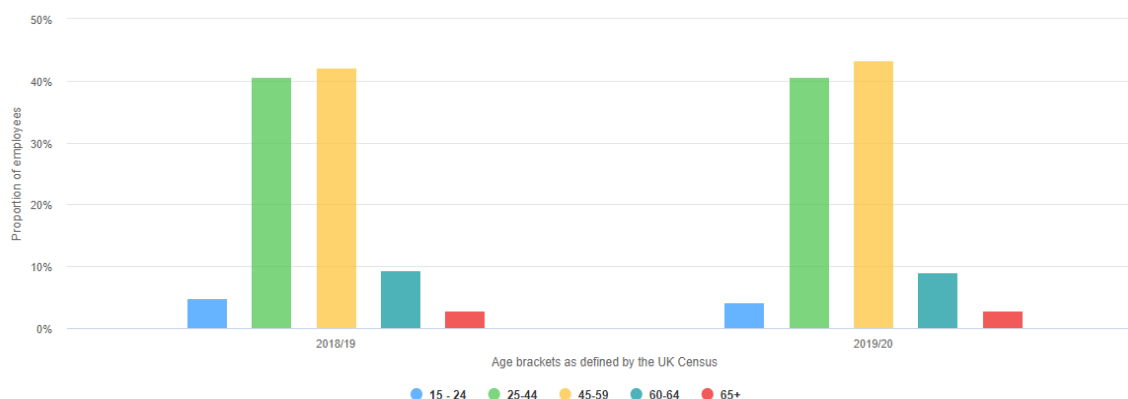
Latest Note

Performance Indicator	Service Area	Current Value	Trend
% of calls answered in 180 seconds	Control Centre	Q3 2020/21	100%
		Q2 2020/21	100%
		Q3 2019/20	100%

Latest Note

### Equality & Diversity

Employee Age Profile (as a percentage)-



Latest Note

As there is no statutory retirement age individuals are continuing to work when they are over 65, as flexible working arrangements can be negotiated.

### Housing Management & Tenancy Sustainment

Performance Indicator	Service Area	Current Value	Trend
Proportion of current rent arrears caused by Universal Credit	Housing Management & Tenancy Sustainment	Q3 2020/21	39.6%
		Q2 2020/21	39.3%
		Q3 2019/20	36.6%

Latest Note

Performance Indicator	Service Area	Current Value	Trend
Average number of days to allocate void property	Housing Management & Tenancy Sustainment	December 2020	27.6
		November 2020	31.77
		October 2020	34.23

Latest Note

15 properties were let in December. Highest number of days to allocate was 69 which was due to refusal after offer. 31 properties were let in November. Highest number of days to allocate was 102 which was due to 1 refusal after viewing. 40 properties were let in October. Highest number of days to allocate was 132 which was due to 2 refusals after viewings.

Performance Indicator	Service Area	Current Value	Trend
Average void rent loss	Housing Management & Tenancy Sustainment	December 2020	£1,266.80
		November 2020	£785.11
		October 2020	£958.76

Latest Note

Performance Indicator	Service Area	Current Value	Trend
Average number of days for void properties (Keys in to keys out)	Housing Management & Tenancy Sustainment	December 2020	95
		November 2020	65
		October 2020	69

Latest Note

Performance Indicator	Service Area	Current Value	Trend
Current position of rent arrears	Housing Management & Tenancy Sustainment	Q3 2020/21	£859,708.58
		Q2 2020/21	£967,129.75
		Q3 2019/20	£1,140,469.7
			3

Latest Note

This is the total housing debt owed across B&B, TEMP, PSL, garages, HRA properties, court cost accounts and HB overpayments.

### Information & Communications Technology

Performance Indicator	Service Area	Current Value	Trend
Service Delivery Metric: Number of tickets	Information & Communications Technology	Nov-20	1,871

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
Service Delivery Metric: Average resolution time of Service Delivery Team Tickets (1st fix)	Information & Communications Technology	Nov-20	0.99

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
Service Delivery Metric: Average resolution time of all IT services tickets	Information & Communications Technology	Nov-20	3.06

Latest Note

Data for Q3 unavailable.

<b>Performance Indicator</b>	<b>Service Area</b>	<b>Current Value</b>	<b>Trend</b>
<b>Service Delivery Metric: Customer satisfaction</b>	Information & Communications Technology	Nov-20	100%

**Latest Note**

Data for Q3 unavailable.

<b>Performance Indicator</b>	<b>Service Area</b>	<b>Current Value</b>	<b>Trend</b>
<b>Critical systems downtime</b>	Information & Communications Technology	Q2 2020/21	0%

**Latest Note**

Data for Q3 unavailable.

<b>Performance Indicator</b>	<b>Service Area</b>	<b>Current Value</b>	<b>Trend</b>
<b>Internet downtime</b>	Information & Communications Technology	Q2 2020/21	0%

**Latest Note**

Data for Q3 unavailable.

## Performance Appendix - Corporate Resources

### Financial Services

Performance Indicator	Service Area	Current Value	Trend
The % of total suppliers 'In Scope'	Procurement Services	Q2 2020/21	22.27%
		Q1 2020/21	10.89%
The % of total spend with suppliers 'In Scope'	Procurement Services	Q2 2019/20	19.96%
		Q2 2020/21	82.10%
		Q1 2020/21	82.70%
		Q2 2019/20	81.59%

#### Latest Note

The Agresso data for Q3 has not been received yet. Once this is received the data needs to be analysed by NBBC before the data to be entered into RPMS.

### Human Resources

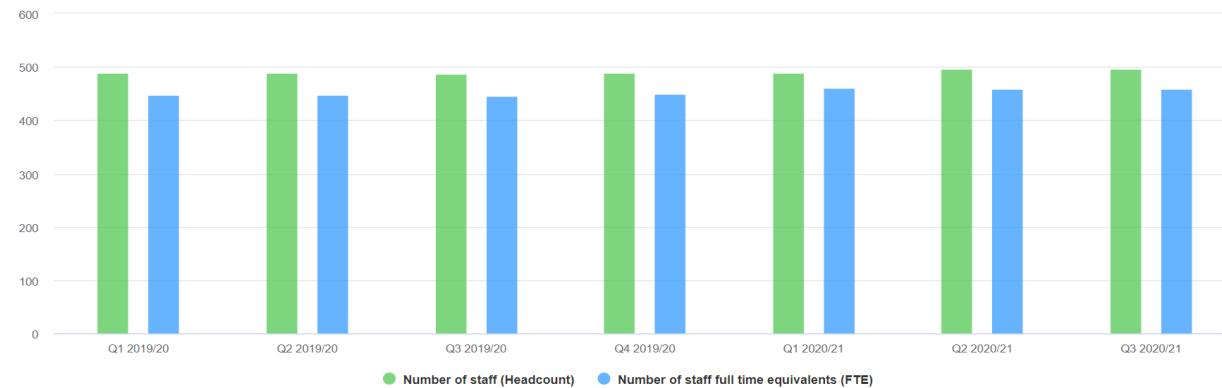
Performance Indicator	Service Area	Current Value	Trend
Number of working days lost due to long term sickness absence	Human Resources	Q3 2020/21	985.5
		Q2 2020/21	768
		Q3 2019/20	467

#### Latest Note

Performance Indicator	Service Area	Current Value	Trend
Number of working days lost due to short term sickness absence	Human Resources	Q3 2020/21	386
		Q2 2020/21	316
		Q3 2019/20	817

#### Latest Note

#### Staff headcount-



#### Latest Note

Performance Indicator	Service Area	Current Value	Trend
% of Staff turnover	Human Resources	Q3 2020/21	1.4%
		Q2 2020/21	3.2%
		Q3 2019/20	12.3%

#### Latest Note

Public Sector median for employee turnover is 17.9%. COVID has made a significant impact on people moving on, and therefore wanting to maintain job stability

Performance Indicator	Service Area	Current Value	Trend
Number of disciplinary cases	Human Resources	2019/20	8
		2018/19	16
		2017/18	7

#### Latest Note

8 disciplinary cases in 2019/20 is relatively low compared to the previous year, but this PI does fluctuate significantly each year.

Performance Indicator	Service Area	Current Value	Trend
Number of grievances including bullying, harassment and recruitment complaints.	Human Resources	2019/20	6
		2018/19	3
		2017/18	3

#### Latest Note

6 grievance cases in 2019/20 is higher than the previous 2 or 3 in the previous 4 years. The grievances cases can be categorised as follows: 3 x bullying and harassment complaints - all resolved informally, 1 x recruitment complaint, 1 x pay complaint, 1 x confidentiality concern

### Property Repairs Services

Performance Indicator	Service Area	Current Value	Trend
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**% of jobs completed within our definition of First-time fix**

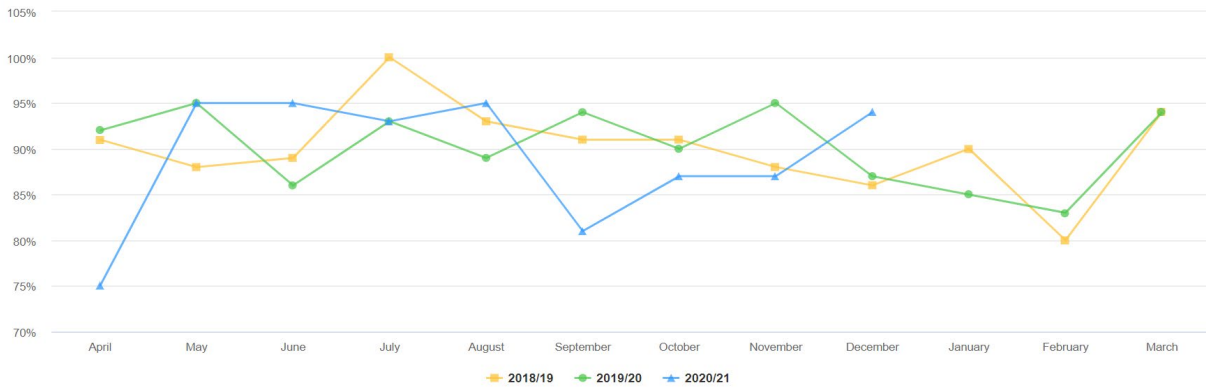
Property Repairs Services

December 2020	99.76%
November 2020	99.77%
October 2020	99.24%



**Latest Note**

Tenant feedback on the Oneserve repairs survey as a % responding as satisfied or better. -



**Latest Note**

Performance Indicator	Service Area	Current Value	Trend
Average number of days to complete a repair	Property Repairs Services	December 2020	9
		November 2020	9
		October 2020	11

**Latest Note**

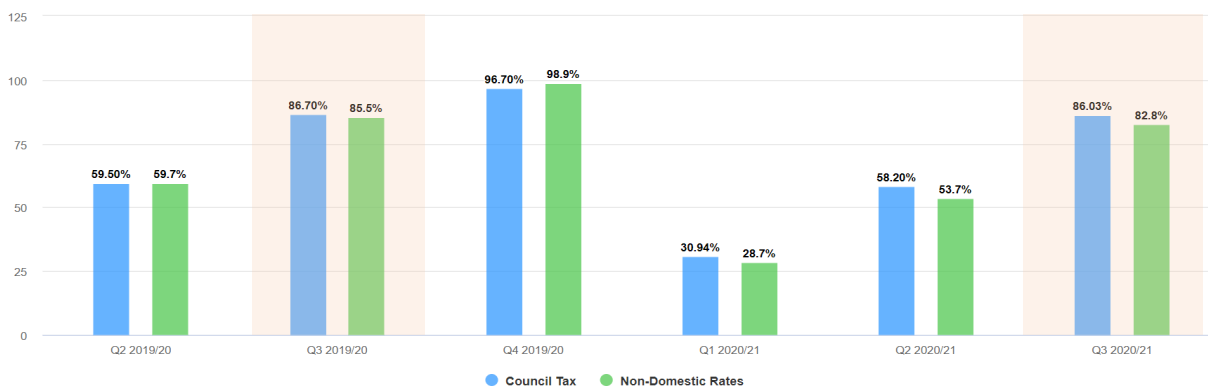
**Property Services**

Performance Indicator	Service Area	Current Value	Trend
Energy Efficiency of Housing Stock	Property Services	2019/20	68
		2018/19	68

**Latest Note**

**Revenues Services**

Council Tax and Non-Domestic Rates (Cumulative percentage over the financial year)-



**Latest Note**

The variance between the values compared to Q3 2019/20 falls within expected tolerance levels.

## Performance Appendix - Environment & Public Realm

### Bereavement Services

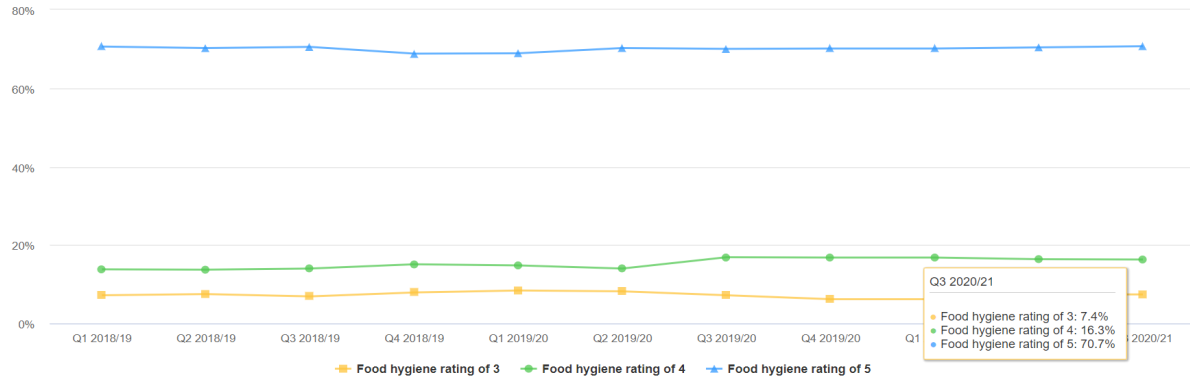
Performance Indicator	Service Area	Current Value	Trend
% of local deceased usage through Rainsbrook Crematorium	Bereavement Services	Q2 2020/21	46.49% Getting Worse

Latest Note

Data for Q3 unavailable.

### Commercial Regulation

% of premises with a food hygiene rating of 3+-



Latest Note

There have been slight variances but very few inspections carried out due to Coronavirus pandemic

Performance Indicator	Service Area	Current Value	Trend
% of planned inspections completed	Commercial Regulation	Q3 2020/21	4.98%
		Q2 2020/21	17.62%
		Q3 2019/20	74.51%

Latest Note

Resumption of high risk food programme until lock down in November and then Covid work has taken priority since end of lockdown.

Performance Indicator	Service Area	Current Value	Trend
How many accidents have been reported on businesses where RBC enforce via the HSE system	Commercial Regulation	Q3 2020/21	16
		Q2 2020/21	13
		Q3 2019/20	25

Latest Note

### Refuse & Recycling

Performance Indicator	Service Area	Current Value	Trend
Percentage of household waste sent for reuse, recycling and composting	Refuse & Recycling	Q2 2020/21	49.90%

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
Total number of bin collections	Refuse & Recycling	Q2 2020/21	658,340

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
Number of Missed Refuse Bins	Refuse & Recycling	Q2 2020/21	165

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
Number of Missed Recycling Bins	Refuse & Recycling	Q2 2020/21	196

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
Number of Missed Green Waste Bins	Refuse & Recycling	Q2 2020/21	180

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
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<b>% of contamination in collected recycling</b>	Refuse & Recycling	Q2 2020/21	10.51%
<b>Latest Note</b>			
Data for Q3 unavailable.			

<b>Performance Indicator</b>	Service Area	Current Value	Trend
<b>Number of tagged contaminated recycling bins</b>	Refuse & Recycling	Q2 2020/21	233
<b>Latest Note</b>			
Data for Q3 unavailable.			

<b>Performance Indicator</b>	Service Area	Current Value	Trend
<b>Number of Complaints</b>	Refuse & Recycling	Q2 2020/21	22
<b>Latest Note</b>			
Data for Q3 unavailable.			

<b>Performance Indicator</b>	Service Area	Current Value	Trend
<b>Bulky Waste Complaints</b>	Refuse & Recycling	Q2 2020/21	0
<b>Latest Note</b>			
Data for Q3 unavailable.			

### Safety & Resilience Team

Non-employee categories recorded as being involved in an accident-



**Latest Note**



## Performance Appendix - Executive Director's Office

### Communications, Consultation & Information

Performance Indicator	Service Area	Current Value		Trend
% of Freedom of Information (FOI) requests completed within the statutory timeframe	Communications, Consultation & Information	November 2020	82%	
		October 2020	88%	
		November 2019	95%	

#### Latest Note

The data for December can't be updated until the end of January, as the deadline for responses is 20 working days for FOI requests.

Performance Indicator	Service Area	Current Value		Trend
% of EIR requests completed within the statutory timeframe	Communications, Consultation & Information	November 2020	100%	
		October 2020	100%	
		November 2019	100%	

#### Latest Note

The data for December can't be updated until the end of January, as the deadline for responses is 20 working days for EIR requests.

Performance Indicator	Service Area	Current Value		Trend
% of Subject Access Requests (SAR) completed within the statutory timeframe	Communications, Consultation & Information	December 2020	100%	
		November 2020	100%	
		October 2020	100%	

#### Latest Note

None received during December

Performance Indicator	Service Area	Current Value		Trend
Number of data breaches and near misses reported internally	Communications, Consultation & Information	Q3 2020/21	6	N/A
		Q2 2020/21	3	
		Q3 2019/20	2	

#### Latest Note

Performance Indicator	Service Area	Current Value		Trend
Number of data breaches reported to the Information Commissioner's Office (ICO)	Communications, Consultation & Information	Q3 2020/21	0	
		Q2 2020/21	0	
		Q3 2019/20	0	

#### Latest Note

### Democratic Services

Performance Indicator	Service Area	Current Value		Trend
Member attendance at Committee meetings	Democratic Services	December 2020	97.1%	
		November 2020	95.5%	
		October 2020	67%	

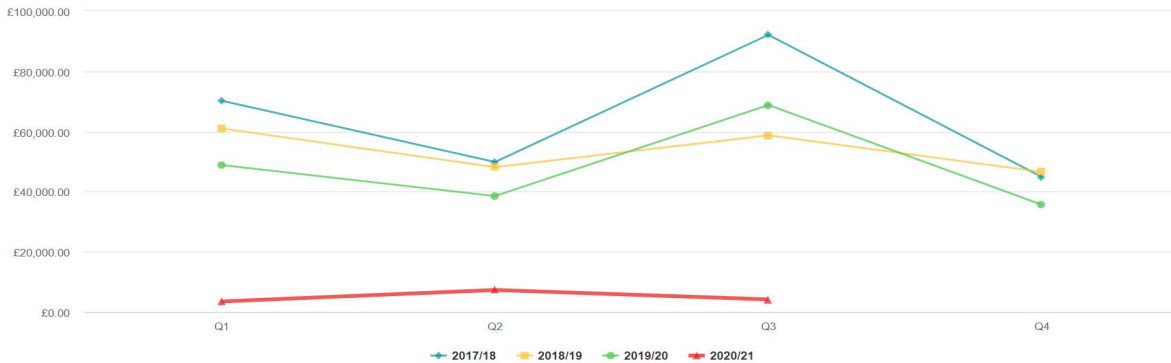
#### Latest Note

The low attendance percentage for October was due to 8 out of a total 12 members attending the Licensing and Safety Committee on 13 October 2020.

## Performance Appendix - Growth & Investment

### Benn Hall

Benn Hall overall income-



Latest Note

#### Development & Enforcement

Performance Indicator	Service Area	Current Value	Trend
Average end to end time for Land Charge Searches (in days)	Development & Enforcement	December 2020	7.05
		November 2020	6.96
		October 2020	5.55

Latest Note

The average end to end time for Land Charges Searches was higher than target in November due to the very high number of searches received (186 - the highest since October 2018), problems with the M3 system and the Land Charges Officer being on annual leave for 1 day then off sick for 3 days at the start of December. Please note the Government has set an expectation that all local authorities respond to search requests within 10 working days.

Performance Indicator	Service Area	Current Value	Trend
Percentage of major planning applications determined within statutory time frame	Development & Enforcement	Q2 2020/21	100%
		Q1 2020/21	100%
		Q2 2019/20	100%
Percentage of non-major planning applications determined within statutory time frame	Development & Enforcement	Q2 2020/21	82%
		Q1 2020/21	94%
		Q2 2019/20	82%

Latest Note

The latest data for these measures is from Q2 as the Planning System, Agile, is being updated. This will need a period of testing but until this is complete they will not be able to run our performance indicators and our quarterly returns for the Government (PS1/PS2s). We are due to meet them to go through the release which will include the changes for our Government returns and include most of our RBC PIs. It is unclear when they will be ready for submission as it will depend on how the testing goes, but the Government's deadline is 12th February 2021 so it will have to be before then.

#### Rugby Art Gallery, Museum & Hall of Fame

Performance Indicator	Service Area	Current Value	Trend
No. of visits to Rugby Art Gallery & Museum in person	Art Gallery, Museum & Hall of Fame	December 2020	0
		November 2020	20
		October 2020	669

Latest Note

October 2020 – RAGM was open to the public with limited visitors number via booked slots. The exhibitions were Small Worlds from the Social History Collection, False Memory a group show of over 40 national and international artists, and a show from Alchemy, the local art group. The exhibitions helped to attract visitors into the building. This month included school half term and the service ran a 'Playful Trail' initiative around the building aimed at inviting families back in safely. This increased visitors over three days in half term.

November 2020 – RAGM closed to the public on 5 November for the second lockdown and did not reopen due to Rugby being in tier three.

December 2020 – RAGM remained closed to the public due to being in Tier four.

Performance Indicator	Service Area	Current Value	Trend
No. of visits to the Hall of Fame in person	Art Gallery, Museum & Hall of Fame	December 2020	0
		November 2020	5
		October 2020	186

Latest Note

Lockdown 2 from 5th November - Attraction closed.

#### Sport & Recreation

Performance Indicator	Service Area	Current Value	Trend
Leisure Centre Visits	Sport & Recreation	Aug-20	11,725

Latest Note

Data for Q3 unavailable.

Performance Indicator	Service Area	Current Value	Trend
Total grants income from external funding	Sport & Recreation	H1 2020/21	£100,904.00
		H2 2019/20	£131,572.00
		H1 2019/20	£188,107.00

Latest Note

Sport England funding to focus on Active Ageing physical activity project. Where possible schools and community associations have continued funding key services for young people such as mentoring, 1-1 support and virtual youth clubs.

Performance Indicator	Service Area	Current Value	Trend
Number of participants - Family Weight Management	Sport & Recreation	Q3 2020/21	202
		Q2 2020/21	

**Latest Note**  
Data for Q3 unavailable.

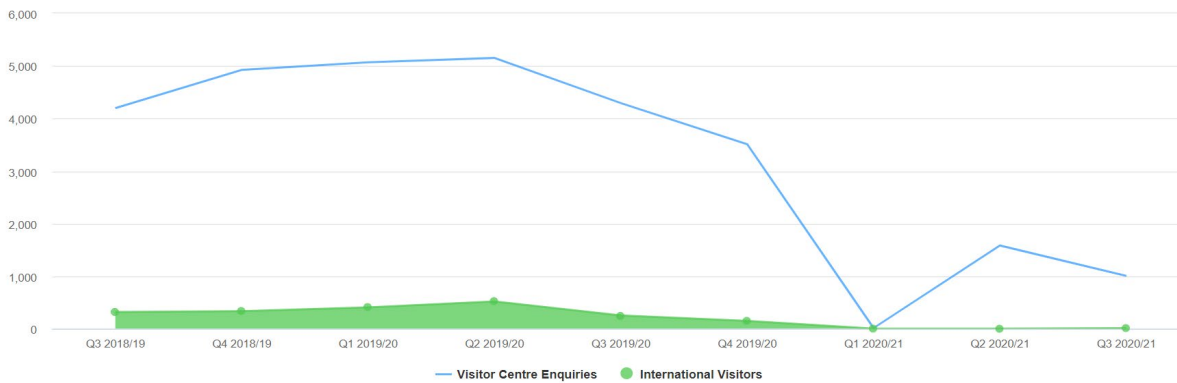
Visitor Centre			
Performance Indicator	Service Area	Current Value	Trend
Visitor Centre overall retail sales	Visitor Centre	Q3 2020/21	£2,017.04
		Q2 2020/21	£973.93
		Q3 2019/20	£15,575.33

**Latest Note**  
Visitor Centre closed from 4th November, reopened briefly 8-19 December.

Performance Indicator	Service Area	Current Value	Trend
Visitor Centre online retail sales - excl. Hall of Fame	Visitor Centre	Q3 2020/21	£375.07
		Q2 2020/21	£5
		Q3 2019/20	£5,677.94

**Latest Note**  
Online sales resumed (e-Bay and Shopappy)

Visitor Centre Enquiries-



**Latest Note**  
Visitor Centre closed from 4th November, reopened briefly 8-19 December. Click & Collect service launched on 23rd November. Figures include online enquiries. Travelling restrictions enforced in response to the pandemic have naturally driven the number of international visitors down.

**Government Support Funding to Rugby Borough Council in response to COVID-19 Pandemic**

**To date, Rugby Borough Council has received support grants of (£39.172m) to pass directly on to residents and businesses as follows:**

Body	COVID-19 Funding Type	£000s	Notes
MHCLG	Council Tax Hardship Fund	(651)	Council tax relief to support vulnerable people and householders in the local area
MHCLG	Rough Sleeping Initiative	(9)	Funding to provide accommodation and support to vulnerable people, including rough sleepers, who do not have anywhere to self-isolate.
BIES	Small Business Grant Fund	(10,840)	£10,000 cash grant paid to 1,084 eligible small businesses in this sector
BIES	Retail, Leisure and Hospitality Fund	(5,600)	£25,000 cash grant paid to 224 eligible small businesses in this sector
BIES	Retail, Leisure and Hospitality Fund	(1,350)	£10,000 cash grant paid to 135 eligible businesses in this sector
BIES	Local Authority Discretionary Grants Fund	(913)	Cash grants paid to 211 small and micro businesses not eligible for the grants above
MHCLG	Expanded Business Rates Relief	(15,856)	To fund the increase in business rates retail relief to 100% to eligible retail, leisure and hospitality properties.
MHCLG	Business Improvement District Support (BIDS) Grant	(31)	Passed to Rugby BID to contribute to their operational losses
DHSC	Test and Trace Support Payments - Statutory payments	(39)	Test and Trace support payments to eligible applicants, fully reimbursed by grant funding.
DHSC	Test and Trace Support Payments - Discretionary payments	(23)	Discretionary grant allocation for individuals who do not qualify for the Test and Trace Support Payment but require financial support to self isolate.
BIES	Local Restrictions Support Grants and Additional Restrictions Grant	(3,860)	Grant funding to support local businesses during the national lockdown and local restrictions.
	<b>TOTAL</b>	<b>(39,172)</b>	

**Plus (£1.422m) targeted COVID-19 support grants for General Fund services:**

Body	COVID-19 Funding Type (excluding emergency funding)	£000s	Notes
MHCLG	Next Steps Accommodation Programme	(212)	Funding to support emergency accommodation and private rented sector accommodation pressures
BIES	New Burdens – Local Authority Discretionary Grants Fund	(130)	To support the costs of administering the scheme
ERDF	Reopening of the High Streets Safety Fund	(96)	As reported to Cabinet in September 2020 – see recommendation 6
DHSC	Test and Trace Support Payments	(26)	To support the costs of administering the scheme
Arts Council	Arts Council Culture Recovery Fund	(78)	Announced 14 October funds to support loss of income within Benn Hall, which will be factored into future forecasts and will replace MHCLG sales fees and charges income recovery from MHCLG
MHCLG	Compliance and enforcement	(46)	Announced 8 October to support measures to control the spread of COVID-19 across individuals, businesses and in the community. This will be factored into future forecasts
MHCLG	COVID Outbreak Management Funding	(100)	Paid to the County Council and distributed between Warwickshire local authorities to support local measures to protect public health and local economies.
MHCLG	New Burdens – Council Tax Hardship and Business Rates Relief	(22)	To support the costs of administering the scheme
BIES	New Burdens - BIES Business Rates Grants Schemes	(58)	To support the costs of administering the scheme
MHCLG	Sales, Fees and Charges Support Grant	(654)	Compensation for Sales, fees and charges income losses for April to November 2020
	<b>TOTAL</b>	<b>(1,422)</b>	

**Plus (£1.498) emergency funding for local government to address pressures of COVID-19:**

Body	COVID-19 Emergency Funding	£000s
MHCLG	Tranche 1 of Emergency Funding	(43)
MHCLG	Tranche 2 of Emergency Funding	(1,078)
MHCLG	Tranche 3 of Emergency Funding	(163)
MHCLG	Tranche 4 of Emergency Funding	(214)
	<b>TOTAL</b>	<b>(1,498)</b>

**The following funding allocations were announced in the SR20 for the pandemic response in 2021/22.**

(£0.510m) - Tranche 5 allocation of the additional £1.55bn of emergency COVID-19 grant funding

(£0.122m) - Allocation of £670m in grant funding to support residents claiming Council Tax Support

(£0.168m) - Allocation of new £111m grant for Lower Tier Services

(£0.305m) - Homelessness Prevention Grant which combines previous Flexible Homelessness Grant and Homelessness Reduction Grant

(£1.780m) - New Homes Bonus allocation for 2021/22

An estimated £762m to compensate local authorities for 75% of unrecoverable losses in business rates and council tax - full details not yet published

MHCLG Ministry of Housing, Communities and Local Government

BIES Department for Business, Energy & Industrial Strategy

DHSC Department of Health & Social Care

ERDF European Regional Development Fund

## Appendix 4

### **Government Support Funding to Rugby Borough Council in response to COVID-19 Pandemic – update on grants passed directly on to businesses.**

#### **National Lockdown 1: March 2020**

**Retail, Leisure and Hospitality Grant** £10,000 for all businesses in this category with RV up to £15,000. Total 135 businesses paid x £10,000 = £1,350,000.

**Retail, Leisure and Hospitality Grant** £25,000 for all businesses in this category with RV between £15,000 and £51,000. Total 224 businesses x £25,000 = £5,600,000.

**Small Business Rates Grant** £10,000 for all businesses in this category with RV up to £15,000. Total 1,084 businesses x £10,000 = £10,840,000.

**TOTAL 1,443 grants = £17,790,000**

Discretionary grant – this was a scheme to pay out mainly to non-ratepayers and those ratepayers not entitled to one of the grants above. Total 211 grants paid = £913,000.

#### **National Lockdown 2: 05/11/20 – 01/12/20**

**Local Restriction Support Grant (Closed) Addendum** - Payable to all businesses **FORCED** to close. The grant amount is dependent on RV and the business has to be a ratepayer. Applications are still being received and the amount paid to date is:

387 grants x £1,334

114 grants x £2,000

19 grants x £3,000

**Total 520 grants = £801,258**

**Additional Restrictions Grant (ARG)** – A discretionary policy with funding up to 31/03/22. Total paid to date is 62 grants = £65,512.

**Local Restrictions Support Grant (Sector)** - For businesses that were **FORCED** to close in National Lockdown 1 and have not been allowed to reopen – mainly applies to nightclubs. There is one nightclub in Rugby that has not yet applied.

#### **Tier 3: 02/12/20 – 30/12/20**

**Local Restrictions Support Grant (Closed)** – For businesses that were **FORCED** to close in Tier 3 restrictions. There were 2 x 14 days periods (2/12/20 – 15/12/20 and 16/12/20 – 29/12/20) and 1 x 1 day period. The amount paid to date is:

265 grants x £667

134 grants x £1,000

18 grants x £1,500

**Total 417 grants = £337,755**

**Local Restrictions Support Grant (Open) -** For businesses that were NOT FORCED to close in Tier 3 restrictions but have been significantly impacted. This is a discretionary scheme and there is no policy in place yet. To date, the Council has been advised of one award of £17,903 for 2/12/20 to 19/12/20.

**Christmas Support Grant** – one-off payment for wet-led pubs of £1,000 that needs to be applied for. To date 32 pubs paid x £1,000 = £32,000.

#### **Tier 4: 31/12/20 – 04/01/21**

**Local Restrictions Support Grant (Closed) -** For businesses that were FORCED to close under Tier 4 restrictions. These have to be manually calculated at 5/14ths of the 14 day grant. The Council is progressing automatic payments to those businesses that have had to close again since National Lockdown 2.

**Local Restrictions Support Grant (Open) -** For businesses that were NOT FORCED to close under Tier 4 but have been significantly impacted. This is a discretionary scheme and there is no policy in place yet. The majority of businesses in this sector were forced to close in Tier 4 so assume award is likely to be small (if any).

#### **National Lockdown 3 – 05/01/21 onwards**

**Local Restriction Support Grant (Closed) Addendum -** A grant to all businesses ratepayers that were **FORCED** to close. The latest information is that grant payments will be equivalent of 3 x 14 day grant (i.e pay out in advance for a 6 week period). Businesses will not be asked to reapply as long as the conditions of the business are the same (e.g. Trading and within state aid rules)

**Local Restriction Support Grant (Additional Payment) –** Guidance/regulations are expected this week and the funding to match. Grant payments are £4,000, £6,000 or £9,000 dependant on RV, to all businesses that were **FORCED** to close in National lockdown. The Council will progress automatic payments to businesses that have applied previously.

## Agenda No 6

### AGENDA MANAGEMENT SHEET

<b>Report Title:</b>	Draft General Fund Revenue & Capital Budgets 2021/22 and Medium-Term Financial Plan 2021-25
<b>Name of Committee:</b>	Cabinet
<b>Date of Meeting:</b>	1 February 2021
<b>Report Director:</b>	Interim Chief Finance Officer
<b>Portfolio:</b>	Corporate Resources
<b>Ward Relevance:</b>	All Wards
<b>Prior Consultation:</b>	Cabinet 4 January 2021
<b>Contact Officer:</b>	Jon Illingworth – Interim Section 151 and Chief Finance Officer <a href="mailto:jon.illingworth@rugby.gov.uk">jon.illingworth@rugby.gov.uk</a> 01788 533410
<b>Public or Private:</b>	Public
<b>Report Subject to Call-In:</b>	Yes
<b>Report En-Bloc:</b>	No
<b>Forward Plan:</b>	Yes
<b>Corporate Priorities:</b>	This report relates to the following priority(ies):
<b>(CR) Corporate Resources</b>	<input checked="" type="checkbox"/> To provide excellent, value for money services and sustainable growth
<b>(CH) Communities and Homes</b>	<input checked="" type="checkbox"/> Achieve financial self-sufficiency
<b>(EPR) Environment and Public Realm</b>	<input checked="" type="checkbox"/> Enable our residents to live healthy, independent lives
<b>(GI) Growth and Investment</b>	<input checked="" type="checkbox"/> Optimise income and identify new revenue opportunities (CR)
	<input checked="" type="checkbox"/> Prioritise use of resources to meet changing customer needs and demands (CR)
	<input checked="" type="checkbox"/> Ensure that the council works efficiently and effectively (CR)
	<input checked="" type="checkbox"/> Ensure residents have a home that works for them and is affordable (CH)
	<input checked="" type="checkbox"/> Deliver digitally-enabled services that residents can access (CH)
	<input checked="" type="checkbox"/> Understand our communities and enable people to take an active part in them (CH)



- Enhance our local, open spaces to make them places where people want to be (EPR)
- Continue to improve the efficiency of our waste and recycling services (EPR)
- Protect the public (EPR)
- Promote sustainable growth and economic prosperity (GI)
- Promote and grow Rugby's visitor economy with our partners (GI)
- Encourage healthy and active lifestyles to improve wellbeing within the borough (GI)
- This report does not specifically relate to any Council priorities but

**Statutory/Policy Background:** Under the Local Government Act, an authority must set a council tax and balanced budget, giving 14 days' notice of the council tax level prior to the date of billing. The Council must set a budget before 11 March of each year.

**Summary:** This is the 3rd Draft Budget Report to include Capital and Treasury commitments for 2021/22 through to 2024/25.

**Financial Implications:** As detailed in the main report.

**Risk Management Implications:** The Council has a statutory duty to set an annual General Fund Revenue budget that will enable it to determine the level of council tax.

**Environmental Implications:** There are no environmental implications arising from this report.

**Legal Implications:** There are no legal implications arising from this report.

**Equality and Diversity:** There are no Equality and Diversity implications arising from this report. It may be necessary later in the budget process to carry out Equality Impact Assessments of the implications of any service changes.

**Recommendation:** (1) The updated draft General Fund Revenue and Capital Budget position for 2021/22 be considered alongside the Council's 2021-25 Medium-Term Financial Plan; and

- (2) the Council's response to the Provisional Settlement consultation as detailed in Appendices 2 & 2a be noted; and
- (3) the results of the budget questionnaire as detailed in Appendix 3 be noted.

**Reasons for Recommendation:** This updated overview of the Council's General Fund revenue and capital budgets needs to be considered by Cabinet as part of the budget setting process and to ensure its affordability and contribution to the Council's ambition to achieve self-sufficiency.

The report includes an update on any additional changes to proposals for savings and income generation from the 2<sup>nd</sup> report reported to Cabinet in January which require consideration for inclusion in the 2021/22 draft budgets and also the medium term.

**Cabinet - 1 February 2021**

**Draft General Fund Revenue & Capital Budget 2021/22 and Medium-Term Financial Plan 2021-25**

**Public Report of the Interim Chief Finance Officer**

**Recommendation**

- (1) The updated draft General Fund Revenue and Capital Budget position for 2021/22 be considered alongside the Council's 2021-25 Medium-Term Financial Plan; and
- (2) the Council's response to the Provisional Settlement consultation as detailed in Appendices 2 & 2a be noted; and
- (3) the results of the budget questionnaire as detailed in Appendix 3 be noted.

**1. Purpose**

- 1.1** This is the third budget report from the Financial Services Manager in his capacity as the Council's Interim Chief Financial Officer. The first budget report provided an initial overview of the national picture alongside the Council's financial position for 2021/22. The second report presented to Cabinet in January 2021 provided a more detailed Draft Budget for 2021/22 and Medium-Term Financial Plan (MTFP) in addition to a suite of proposals and appendices. These included details of growth, income and savings proposals in preparation for the Final Budget and Medium-Term Financial Plan (MTFP) to be approved by Cabinet and Full Council in February 2021.
- 1.2** Following the later than usual Spending Review, released on 25 November, and the Provisional Local Government Finance Settlement not being released until after the draft budget report was published, the purpose of this report is to provide a strategic summary of the funding changes plus any further updates which will impact on the medium term financial plan (MTFP) and will be included in the Final Budget presented to Full Council on 23 February as part of the council tax setting report.
- 1.3** The process to set Housing Revenue Account (HRA) budgets, rents and the Housing Capital Programme is subject to a different timetable. An updated HRA Medium Term Financial Plan is included elsewhere on this agenda with full details of the indicative 2021/22 rent setting proposals before being presented to Council on 02 February for approval.

Throughout the report, savings on expenditure and income are shown in brackets.

This report includes three appendices:

- **Appendix 1** is a summary position for 2021/22 detailing the various changes made to the 2020/21 original budget
- **Appendix 2 & 2a** is a copy of the response to the Provisional Settlement Consultation
- **Appendix 3** is a summary of results from the public questionnaire

## 2. Background

### 2.1. Rugby Borough Council's current budget position

The 2021-25 Medium Term Financial Plan presented to Cabinet at its meeting on the 4 January 2021, reported a balanced budget for 2021/22 and a total shortfall of £2.895m for the life of the plan. The following provides a table of the changes since the last meeting.

Main Changes	2021/22	2022/23	2023/24	2024/25
January 2021 Report	0	2,798	95	22
	£000s	£000s	£000s	£000s
<b><u>Outcome of Provisional Settlement</u></b>				
New Homes Bonus Allocation	(47)	128	0	0
Lower Tier Services Grant (1 year)	(168)	168	0	0
Emergency COVID-19 Grant Tranche 5 (1 year)	(510)	510	0	0
Local Council Tax Scheme Grant (1 year)	(122)	122	0	0
Housing Benefit Administration Subsidy	(52)	(46)	5	4
Changes to Council Tax collection fund	(6)			6
Change to one-off transfer from Budget Stability Reserve	6			(6)
<b><u>Other changes to costs within Services</u></b>				
Adjustment to growth items following review of staffing within planning	(25)	0	0	0
Other minor changes	14	0	0	0
<b>Total deficit including changes since January Cabinet</b>	<b>(910)</b>	<b>882</b>	<b>5</b>	<b>4</b>
<b><u>Less changes to Key Decisions</u></b>				
changes to Business Rates Reserves Transfer	563	(564)	0	0
changes to Budget Stability Reserves Transfer	47	(47)	0	0
Removal of transfer from Earmarked Reserves	300	(300)	0	0
<b>Revised Position 2021/22</b>	<b>0</b>	<b>2,769</b>	<b>100</b>	<b>26</b>

Table 1 – Summary of budget changes since January 2021 Budget Report

It can be seen that the main changes reflect the outcome of the provisional local government finance settlement with additional grants totalling £0.800m now allocated

to recognise the continued financial pressures from the COVID-19 pandemic as detailed within section 4.

The following table provides some of the key budget assumptions and circumstances underpinning the budget in setting the budget for 2021/22.

	2021/22 £ 000's	2022/23 £ 000's	2023/24 £ 000's	2024/25 £ 000's
<b>Changes in Funding</b>				
Council Tax	(214)	(390)	(399)	(406)
Business Rates	196	2,263	(13)	(10)
CT Collection Fund Surplus(-)/Deficit	108	(13)	0	(14)
BR Collection Fund Surplus(-)/Deficit	6,444	(6,241)	0	(203)
Other Government Grants	(827)	828	25	23
New Homes Bonus Funding	602	1,002	633	0
<b>Total Changes in Funding</b>	<b>6,309</b>	<b>(2,551)</b>	<b>246</b>	<b>(610)</b>
<b>Corporate Items</b>				
Contribution to/from Reserves BRER Funding	1,478	(2,264)	13	10
Contribution to/from Earmarked Reserves	(741)	0	0	0
Collection Fund (CT) one off transfer from reserves BSR	(27)	13	0	14
Collection Fund (BR) one off transfer from reserves BRER	(6,444)	6,242	0	203
Other Corporate Adjustments	(236)	395	(283)	298
<b>Total Changes to Corporate Items</b>	<b>(5,970)</b>	<b>4,386</b>	<b>(270)</b>	<b>525</b>
<b>Growth</b>				
Salaries	44	262	264	266
Inflation Provision	60	70	70	70
In Service Pressure	575	30	150	0
<b>Total Service Pressures</b>	<b>679</b>	<b>362</b>	<b>484</b>	<b>336</b>
<b>Total Funding and Growth Pressures</b>	<b>1,018</b>	<b>2,197</b>	<b>460</b>	<b>251</b>

	2021/22	2022/23	2023/24	2024/25
	£ 000's	£ 000's	£ 000's	£ 000's
<b>Savings and Income</b>				
Income Generation	(238)	0	0	0
Savings	(518)	(9)	(85)	0
Revised Variance	262	2,188	375	251
Key Decisions	<b>(262)</b>	<b>581</b>	(275)	(225)
Revised Variance	0	2,769	100	26

*Table 2 – Summary of budget changes February 2020 to February 2021 Budget Report*

### **3. Section 25- Statement of the Chief Financial Officer on the robustness of the budget estimates and the adequacy of the reserves**

**3.1.** Section 25 of the Local Government Act 2003 places a duty on the Chief Financial Officer to inform the council on the robustness of the estimates and the adequacy of the reserves alongside fulfilling the requirement to provide councillors with assurance that the budgets have been compiled appropriately and that the level of reserves is adequate. It is a statutory requirement that councillors must consider this when considering and approving a budget.

**3.2.** In informing an opinion the Section 151 Officer is mindful of other associated statutory safeguards designed to prevent the authority from over-committing itself financially:

- Section 151 of the Local Government Act 1972 which requires the authority to make arrangements for the proper administration of its financial affairs and that the Chief Financial Officer has personal responsibility for such administration;
- Sections 32, 43 & 93 of the Local Government Finance Act 1992 which requires the authority to set a balanced budget;
- The Prudential Code introduced as part of the Local Government Act 2003 sets out the framework within which the authority must manage its investments, including adequate planning and budget estimates;
- The external auditor's duty to assess the adequacy of the authority's proper arrangements to ensure efficiency, effectiveness and compliance with the Financial Management Code.

**3.3.** To reinforce these obligations, section 114 of the Local Government Finance Act 1988 requires the Chief Financial Officer to report to all the authority's councillors, in consultation with the Monitoring Officer, if there is or is likely to be unlawful expenditure or an unbalanced budget.

The Chief Financial Officer's opinion will be included within the report to Council on 23 February 2021, as part of the Council Tax determination.

#### **4. The Local Government Finance Settlement 2021/22**

- 4.1.** The government published the provisional Local Government Finance Settlement for 2021/22 on 17 December 2020 with the final settlement expected during February. Full details can be found following the links below;

<https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2021-to-2022>

<https://www.gov.uk/government/publications/key-information-for-local-authorities-provisional-local-government-finance-settlement-2021-to-2022>

The key elements in the 2021/22 provisional settlement are:

- £0.510m - Tranche 5 allocation of the £1.55 billion of unringfenced COVID-19 grant funding
- £0.122m - Local council tax support grant allocation as part of £670m national scheme
- £0.168m – Allocation of new grant for Lower Tier Services of £111m
- Further detail on the extension of the sales, fees and charges income support scheme to June 2021
- £1.780m - The 2021/22 New homes Bonus Grant allocation
- £0.305m - Homelessness Prevention Grant which combines what was previously the flexible homelessness Grant and the Homelessness Reduction Grant.
- Local income tax guarantee grant for 2020/21 to compensate local authorities for 75% of irrecoverable losses in Council Tax and Business Rates in 2020/21. The full details have not yet been published and any amount of compensation will not be fully known until the end of the financial year with any benefit to be transferred into reserves to part mitigate the impact of reduced revenue.
- Confirmation of the core principle of a maximum increase of 1.99% in Band D. Shire district councils can increase their Band D council tax by the higher of 1.99% or £5

#### **5. Final Draft Budget Summary**

- 5.1.** Below is a summary of portfolio budgets to show the growth, income and savings assumptions used in the setting of the 2020/21 budget.
- 5.2.** Please note that this is based on the structure of the organisation before the implementation of the new senior management team structure any service realignment will take place in advance of the structure becoming operational.
- 5.3.** The reason for the movement of individual items of (£0.012m) is shown below table 3.
- 5.4.** The savings will require a savings delivery plan in order to document how the full saving will be achieved. The risk of this not being in place is that with no approved plan there is no certainty around the delivery of this target. Officers with the support of the Financial Services team will produce detailed action

plans for achievement and the delivery of the savings. The progress will be reported to Cabinet as part of the quarterly financial and performance reporting in 2021/22. Failure to deliver these proposals will create a budget pressure which is likely to impact on Corporate reserve balances.

Portfolio Budgets	2020/21 Original Budget £000s	Other £000s	Growth & Inflation £000s	Income £000s	Savings £000s	Key Decision £000s	2021/22 Proposed Budget £000s	Movement £000s
Growth & Investment	3,016	(305)	15	(91)	0	0	2,635	(25)
Corporate Resources	1,028	23	37	(5)	(44)	0	1,039	0
Environment and Public Realm	7,292	(151)	165	(230)	(88)	0	6,988	(1)
Communities and Homes	1,975	(164)	418	91	(386)	148	2,082	14
Executive Director's	2,069	(78)	0	(3)	0	0	1,988	0
Central Budget – COVID-19	0	0	0	0	0	1,100	1,100	0
Corporate Budgets	(143)	(37)	0	0	0	0	(180)	0
<b>Total</b>	<b>15,237</b>	<b>(712)</b>	<b>635</b>	<b>(238)</b>	<b>(518)</b>	<b>1,248</b>	<b>15,652</b>	<b>(12)</b>

Table 3 – Summary of portfolio budgets for 2020/21

5.5. There have been some changes to the Portfolio budgets since the January Cabinet which include the following;

- The impact of increases to the national minimum wages have now been factored into the staffing costs within Communities and Homes - Customer Services. £0.014m
- A further review of staffing requirements within Planning Services reduces the growth requirements by (£0.025m)
- A further review of proposals within Environment and Public Realm has resulted in the removal of the saving £0.014m within the Crime and Disorder offset by other minor adjustments within other services
- A potential adjustment which is not included in the table above is Funding Officer Post to support the regeneration of the borough. A separate report will be presented to March Cabinet for approval and full financial details

5.6. The total budgets for the Community Advice & Support Team, have been retained at the levels included for the January draft budget report, but given the speed as to which government policy decisions as a result of COVID-19 can have on service provision, the medium term costs are still being monitored. As shown in table 4, the key decision to defer a £0.148m saving until 2022/23 will retain similar budget levels as 2020/21, and to further support any pandemic costs, part of the COVID-19 recovery fund of £1.100m will also be used to support any cost pressures. In addition, as part of the MHCLG Next Steps scheme, a further £0.187m has been allocated to the team to support the ongoing costs of emergency accommodation. This will fund the recruitment of additional posts to seek out additional rental opportunities but also to work with clients to support them into sustainable accommodation within the private sector.



**5.7.** The section below sets out the other significant income and expenditure items included in the draft 2021/22 budget as seen within Appendix 1

- The draft budget for 2021/22 has applied a 0% increase and only budgeted to cover the national living and minimum wage increases where relevant and the £250 to staff earning £0.024m or less. This follows the announcement by government that the public sector pay is proposed to be paused with the exceptions listed above. However, the Local Government Association have reported that it is expected that there will continue to be a pay claim submitted so any divergence from the initial 0% will need also need to be funded. Any further updates will be included in the Report to Full Council on 23 February 2021
- (£0.262m) - proposals listed within the key decisions table within section 6
- £3.204m - additional budget of £0.723m to be transferred into the business rates equalisation reserve to help mitigate the anticipated reduction in funding from business rates reset and fair funding in future years.
- (£6.444m) - a one-off transfer from the business rates equalisation reserve to offset the estimated collection fund deficit in 2021/22.
- (£0.027m) - a one-off transfer from the business rates equalisation reserve to offset the estimated collection fund deficit in 2021/22.

## 6. Key Decisions

**6.1.** The 2021/22 draft budget is currently in a balanced position. However, this position includes estimated financial implications that relate to a number of key policy decisions that have been produced and presented by officers for Members' consideration in order to reduce the budget deficit.

These proposed policy changes, their possible financial implications and stage of development are set out in the table below

Key Decisions	2021/22 £000's	2022/23 £ 000's	2023/24 £ 000's	2024/25 £ 000's
Removal of the Town Centre Budget in 2022/23	0	(150)	0	0
One off contribution from BSR (mitigation against funding losses)	(644)	644	0	0
One off contribution from BRER (mitigation against COVID-19 potential pressure and transitional funding)	(513)	513	0	0
Release of Revenue Contribution to Capital Outlay	(353)	0	0	0
COVID-19 recovery fund (£0.510m to be funded from COVID emergency funding tranche 5)	1,100	(277)	(325)	(325)
Contribution to reserves to rebuild balances	0	0	50	100
Deferral of Housing Acquisition Saving	148	(148)	0	0
<b>Total</b>	<b>(262)</b>	<b>582</b>	<b>(275)</b>	<b>(225)</b>
<b>Previous Total (January Cabinet 2021)</b>	<b>(1,172)</b>	<b>1,492</b>	<b>(275)</b>	<b>(225)</b>
<b>Movement</b>	<b>910</b>	<b>(910)</b>	<b>0</b>	<b>0</b>

*Table 4 – Key Decisions for consideration*

- 6.2.** The key decisions in the table above have all been factored into the budget for 2021/22 and are included within the balanced budget and MTFP. The total movement of £0.910m is mainly due to reduced reserve requirements following the announcement of the provisional settlement. Table 1 provides a detailed review with full details of proposals previously reported to Cabinet in January 2021.
- 6.3.** The key decision on the COVID-19 recovery fund has the same value as the January report. Given the announcement of the tranche 5 allocations for emergency funding, the value required to be funded from reserves has reduced by £0.510m
- 6.4.** As well as switching the use of Corporate reserves for grant funding it is now recommended that the earmarked reserves that were going to be released are now retained. This will enable services to retain some funding to deal with any unforeseen cost pressures.
- 6.5.** The final suite of appendices and proposals will be included in the Final Budget reported to Full Council in the Council Tax Setting meeting on 23 February 2020.
- **Growth items** – (positive values) are additional costs for the year. If the decision is made not to pursue either scheme the budget will be reduced accordingly.
  - **Savings** – (negative values) if the decision is made not to pursue these schemes the deficit will be increased accordingly, and further savings or income generation options will need to be pursued.
  - **One off** – the use of reserves is one off and the entry is reversed in the following year.

## **7. Coronavirus Pandemic (COVID-19) - Budget Planning**

- 7.1.** These unprecedented times present significant challenges in future budget setting and planning across the short to medium term as there is limited intelligence on the ongoing future risks and recovery of the local economy at this point to provide revised service budgets for 2021/22.
- 7.2.** The 'in year' monitoring has reported the current estimated pressures which has been used to make a risk assessment and provide an initial set of budgets specifically set aside to mitigate any financial impact of COVID-19 outside of service budgets and is detailed within later sections of the report.

## **8. Fees and charges**

- 8.1.** The Council approved Medium Term Financial Strategy assumes that fees and charges will be reviewed annually and as a default proposed to be increased by 2%. However, there are some exceptions which include:

- Fees set nationally by government – therefore not within the authority’s control.
- Fees which are set over a longer period and realigned to cover cost alongside reassessment through benchmarking and market prices.
- Where prices were increased in excess of inflation in previous years it has been proposed that they are held for 2021/22.
- In some instances, officers have proposed to hold or reduce prices in order to remain competitive in the market.

There have been no changes to the fees and charges as reported to Cabinet in January – Appendix 11.

## **9. Outturn 2020/21**

- 9.1.** As reported in quarterly monitoring reports for 2020/21 this year has seen unprecedented times with the impact of COVID-19. The periods of lockdown and imposed local restrictions that have taken place during the year have presented significant challenges both nationally and locally. The financial impact alongside increased demand on service delivery and the review of cost pressures and financial support is ongoing.

The Quarter 3 Finance and Performance Report is reported elsewhere on this agenda.

In summary, the reported pressure at quarter 3 is £0.235m which is an improved position from quarter 2 of (£0.286m) this is largely due to the tranche 4 emergency funding of (£0.214m) and the reduction in Revenue Contributions to Capital Outlay (RCCO) providing a further saving of (£0.105m).

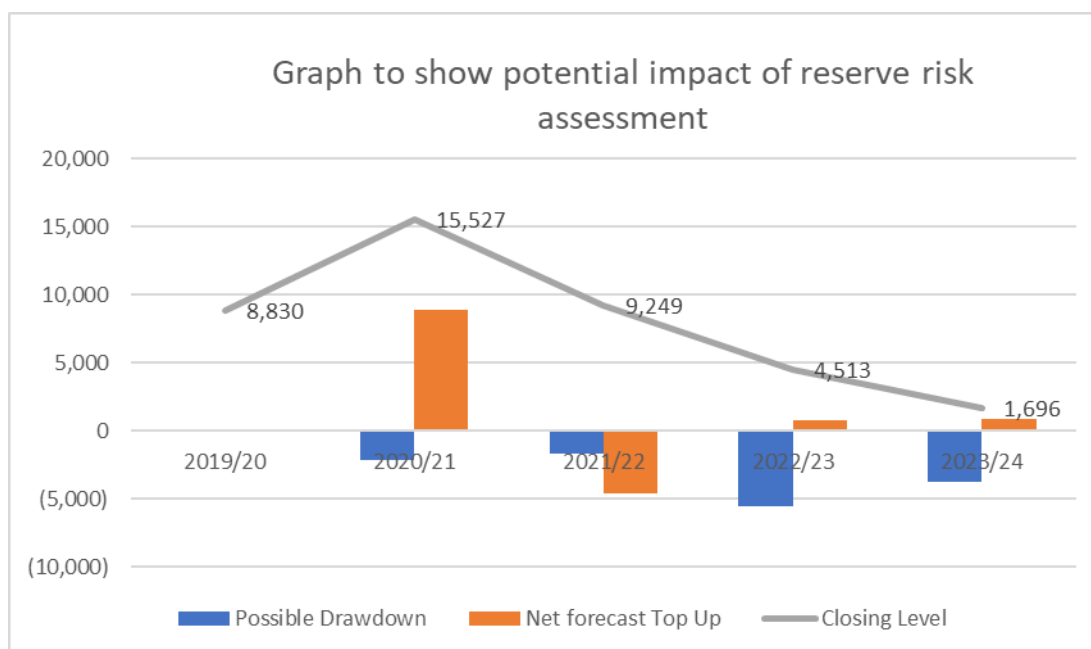
Further detail is listed as follows;

- £1.312m - A pressure within portfolios mainly due to loss of income and increased costs due to the impact of COVID-19.
  - (£1.077m) - A corporate saving of (£0.431m) in relation to delays in the delivery of the capital programme, the associated savings in borrowing costs and a benefit from the MHCLG COVID-19 emergency funding reported centrally of (£1.498m) which mitigates the pressure seen within services.
- 9.2.** The impact of loss of income and increased cost pressures are reported to Government on a monthly basis. The latest position incorporating the potential increased risks from the Third lockdown indicate that there is a potential estimated financial risk in excess of £0.500m for 2020/21. What is still unclear is the short to medium term impact of this on the Council’s MTFP.

## **10. Risk Assessment of General Fund Balances and Earmarked Reserves**

- 10.1.** As part of the annual budget setting process an assessment of required level of reserves needs to be undertaken, taking account of the potential future

financial risks faced by the Council. It is considered prudent to hold sufficient reserves and balances to give the Council the ability to smooth out peaks in expenditure and troughs in income and funding over the medium term, by making short term contributions towards balancing the budget and give the Council time to plan service changes and further efficiencies. The chart below summarises the use of reserves over the MTFP after taking into consideration the updates to government grant following the provisional settlement.



**Graph 1 – Graph to show potential impact of reserve risk assessment**

**10.2.** The risk assessment is not a forecast use of reserves, it is a summary of all the financial risks that could face the authority. What the chart shows is that there is a potentially significant drop in Corporate reserves over the life of the MTFP and this will have an impact on the financial resilience of the organisation if balances are not replenished.

## **11. Draft Portfolio Capital Budgets**

**11.1.** The total capital schemes requiring approval proposed for 2021/22 (excluding proposed carry-forward budgets from previous years) is £2.146m. Excluding grants and other contributions, this leaves a net £1.176m of expenditure to be financed in 2021/22.

**11.2.** In addition to the schemes requiring approval, in September 2019 Council approved for the organisation to become a partner in the material recycling facility with a budget of up to £4.674m secured for the construction and share purchase. Now known as Sherbourne Recycling the scheme is approaching financial close and the first tranche of payments will be due in 2021/22, with the plant expected to become operation on 1 April 2023. With the scheme approaching financial close the cost of construction will require additional contributions from partners. The final costs will be expected during February, with the maximum exposure to the Council being in the region of £0.850m. A separate report will be presented to cabinet in March outlining the updates to the scheme with the final sums. The increase in cost will be funded from

external borrowing, but it will attract an interest rate payable following the terms of the original agreement.

- 11.3.** Forecast General Fund capital receipts are expected to have a balance of £2.064m at 1 April 2022. It is not considered prudent to allow overall General Fund capital receipts to be depleted, as this will subject the Council to interest rate risks in future years and in emergency situations. This maintains the stability currently provided by retaining a reasonable level of capital receipts as any future borrowing would have to be undertaken at the interest rates available in the market at the time. Due to the historically low interest rates, a decision has been made to retain capital receipts and borrow to fund the capital programme given the marginal impact that it has on the net cost of borrowing.

## 12. Medium Term Financial Plan 2021-2025

- 12.1.** The table below shows a revised forecast position for the next 4 financial years with a balanced budget for 2021/22.

	2021/22	2022/23	2023/24	2024/25
	£000's	£000's	£ 000's	£ 000's
Base budget bought forward	17,066	11,297	13,676	13,431
Growth Requirements	679	362	484	336
Other Corporate Adjustments	135	222	(283)	298
Savings and Income	(756)	(9)	(85)	0
Key Decisions	(262)	582	(274)	(225)
<b>Savings to be Found</b>	<b>0</b>	<b>(2,769)</b>	<b>(100)</b>	<b>(26)</b>
Movement in Reserves	(5,735)	3,991	13	227
Revised Budget Requirement	11,127	13,676	13,431	14,041
Financed by;				
Government Funding	(2,864)	(1,032)	(374)	(351)
Council Tax	(8,612)	(9,002)	(9,402)	(9,808)
Collection Fund Surplus/Deficit CT	27	14	14	0
Business Rates including Damping	(6,122)	(3,859)	(3,872)	(3,882)
Collection Fund Surplus/Deficit BRR	6,444	203	203	0
Total Funding Requirement	(11,127)	(13,676)	(13,431)	(14,041)
Net Variance	0	0	0	0

Table 5 – Medium Term Financial Plan 2021/22 to 2023/24

Beyond 2021/22, the MTFP shows additional budget variances that need to be considered in future years, assuming that prior budget deficits have been addressed. This MTFP has been presented on the assumption that the Council will see the impact of a full business rates reset in 2022/23 which reports a cumulative deficit of **£2.895m** across the four years MTFP.

- 12.2.** Table 2 shows the changes when compared with the previous year. The key movements presented in the MTFP can be explained as follows:

- £0.800m - One off grants following the LGFS announcement on 17 December

- (£1.157m) - A one-off contribution to the General Fund Revenue budget from Reserves which is included within table 4 as a Key Decision for 2021/22.
- A reduction in the Revenue Contribution to Capital Outlay as a consequence of the reduced New Homes Funding grant which is included within table 3 as a key decision.
- Increased funding in Council Tax at a rate of £5 over the medium term.
- £3.204m - Increased contribution to the Business Rates Equalisation Reserve for the excess growth in Business Rates Funding, above sustainable funding levels in 2021/22
- The estimated revenue savings generated from the introduction of the proposed Materials Recycling Facility (Sherbourne Recycling) for 2023/24
- The Corporate items include the necessary adjustments to the Minimum Revenue Provision and Net Cost of Borrowing

Other major assumptions within the MTFP:

- The adverse impact of potential changes to New homes bonus in future years
- Release of the budgeted contribution from the Business Rates Reserve of £3.204m to part mitigate the impact of the business rates reset and fair funding review in future years.
- The estimated adverse impact of changes in government funding resulting from the fair funding review and business rates baseline reset in 2022/23.
- Salary budgets amended to reflect 1% pay awards applied in each year of the MTFP post 2021/22.

### **13. Results of the survey**

- 13.1.** The Council recognises that the residents of Rugby are paramount to the decision making surrounding strategic direction and budget planning. In response to this, a survey was released to the public on 20 November asking for views and feedback on the weighting for services that the Council provides. The main purpose was to consult the public on the relative importance associated with current services. The response was positively overwhelming with 1,085 replies received. This highlights how important an issue budget setting is to the public.
- 13.2.** The full breakdown of the responses is shown in appendix 3 which also includes a summary of the free text responses which have been summarised into themes.
- 13.3.** The responses to these questions will be used to inform the delivery of the future medium- term financial plan.

## **14. Conclusion**

- 14.1.** The Council is still reporting a balanced budget for 2021/22, the announcements made within the provisional settlement has enabled the Council to switch reserve usage for grant funding which helps to maintain reserve balances and assist with the future financial resilience of the Authority.
- 14.2.** With just a one-year settlement the funding planning across the medium term is very difficult and this is compounded by the fact that £0.800m of funding is for a single year and the benefit is reversed in 2022/23. In addition to this the key decisions in table 4 identify the use of £1.157m of reserves which is also a one-year benefit. As a result of this and the expected business rates reset, ending of the new homes bonus scheme and the reversal of one-off use of internal reserves there is still a significant budget gap of £2.769m for 2022/23.
- 14.3.** With the country entering into a third lockdown during January this will mean that work to understand the true impact of the pandemic will need to be reassessed and the uncertainty around the length of this could mean that COVID -19 costs or loss of income will not follow the forecasts currently in place. The proposed switch of grant funding for internal reserves does help to maintain reserve balances which has a positive impact on the reserve risk assessment because this may need to be redistributed to support the COVID-19 recovery plans for the organisation.
- 14.4.** The risk assessment identified in section 10 includes all of the known risks facing the Council throughout the life of the MTFP. Although these are RAG rated, there is always a risk of new items which will require a draw on reserves. This is why it is essential that all savings and income plans are supplemented with plans for delivery.

**Name of Meeting:** Cabinet

**Date of Meeting:** 1 February 2021

**Subject Matter:** Draft General Fund Revenue and Capital Budget 2021/22

**Originating Department:** Corporate Resources

**DO ANY BACKGROUND PAPERS APPLY**  **YES**  **NO**

**LIST OF BACKGROUND PAPERS**

<b>Doc No</b>	<b>Title of Document and Hyperlink</b>
	<a href="#">Update on General Fund budget setting 2021/22 - Cabinet 7 September 2020</a>
	<a href="#">Update on General Fund budget setting 2021/22 - Cabinet 4 January 2021</a>

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

Exempt information is contained in the following documents:

<b>Doc No</b>	<b>Relevant Paragraph of Schedule 12A</b>



Draft General Fund Revenue Summary 2021/22	2020/21 Original Budget	In Year Adjustments	2020/21 Revised Budget	Corporate Adjustments	Total Inflation	Salary Adjustments	Proposed Growth Items	Proposed Income Adjustments	Savings	Key Decisions	2021/22 Draft Budget
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
<b>EXPENDITURE:</b>											
Growth & Investment	3,016	(118)	2,898	(197)	15	10	0	(91)	0	0	2,635
Corporate Resources	1,028	(1)	1,027	10	23	14	14	(5)	(44)	0	1,039
Environment & Public Realm	7,292	(142)	7,150	(49)	23	40	142	(230)	(88)	0	6,988
Communities & Homes	1,975	(10)	1,965	(156)	(1)	2	419	91	(386)	148	2,082
Executive Director's Office	2,069	14	2,083	(107)	0	15	0	(3)	0	0	1,988
Estimated Pressure due to the COVID-19 Pandemic									0	1,100	1,100
Corporate Items	(143)	0	(143)	(0)	0	(37)	0	0	0	0	(180)
<b>PORTFOLIO EXPENDITURE</b>	<b>15,237</b>	<b>(257)</b>	<b>14,980</b>	<b>(499)</b>	<b>60</b>	<b>44</b>	<b>575</b>	<b>(238)</b>	<b>(518)</b>	<b>1,248</b>	<b>15,652</b>
Less Capital Charge Adjustment	(2,767)	0	(2,767)	393	0	0	0	0	0	0	(2,374)
Less Corporate Savings Target (including salary voids)	(300)	0	(300)	0	0	0	0	0	0	0	(300)
Less Pension Adjustment	(357)	0	(357)	(6)	0	0	0	0	0	0	(363)
<b>NET PORTFOLIO EXPENDITURE</b>	<b>11,813</b>	<b>(257)</b>	<b>11,556</b>	<b>(112)</b>	<b>60</b>	<b>44</b>	<b>575</b>	<b>(238)</b>	<b>(518)</b>	<b>1,248</b>	<b>12,615</b>
Net Cost of Borrowing	315	0	315	167	0	0	0	0	0	0	482
Minimum Revenue Provision (MRP)	1,594	0	1,594	(53)	0	0	0	0	0	0	1,541
Investment Income	(50)	0	(50)	0	0	0	0	0	0	0	(50)
Revenue Contribution to Capital Outlay	440	0	440	0	0	0	0	0	0	(353)	87
Contribution to Business Rate Equalisation Reserve	1,726	755	2,481	723	0	0	0	0	0	0	3,204
Contribution from BRER - Management of Funding Changes	0	0	0	0	0	0	0	0	0	(513)	(513)
Contribution from BRER - Collection Fund Deficit	0	0	0	(6,444)	0	0	0	0	0	0	(6,444)
Contribution from Budget Stability Reserve - Council Tax Deficit	0	0	0	(27)	0	0	0	0	0	0	(27)
Contribution from Budget Stability Reserve - Management of Budget Gap	0	0	0	0	0	0	0	0	0	(644)	(644)
Contribution to Reserves & Balances from Earmarked Reserves	742	(500)	242	(242)	0	0	0	0	0	0	0
<b>TOTAL EXPENDITURE (before Parish Precepts)</b>	<b>16,580</b>	<b>(2)</b>	<b>16,578</b>	<b>(5,988)</b>	<b>60</b>	<b>44</b>	<b>575</b>	<b>(238)</b>	<b>(518)</b>	<b>(262)</b>	<b>10,251</b>
Parish Council Precepts and Council Tax Support	856	0	856	20	0	0	0	0	0	0	876
<b>TOTAL EXPENDITURE</b>	<b>17,436</b>	<b>(2)</b>	<b>17,434</b>	<b>(5,968)</b>	<b>60</b>	<b>44</b>	<b>575</b>	<b>(238)</b>	<b>(518)</b>	<b>(262)</b>	<b>11,127</b>
<b>INCOME:</b>											
Retained Business Rates	(7,052)	0	(7,052)	930	0	0	0	0	0	0	(6,122)
Retained Business Rates - Collection Fund Surplus(-)/Deficit	734	0	734	5,710	0	0	0	0	0	0	6,444
Government Grants Including New Homes Bonus Funding	(2,639)	0	(2,639)	(225)	0	0	0	0	0	0	(2,864)
Council Tax	(8,398)	0	(8,398)	(214)	0	0	0	0	0	0	(8,612)
Council Tax - Collection Fund Surplus(-)/Deficit	(81)	0	(81)	108	0	0	0	0	0	0	27
<b>TOTAL INCOME</b>	<b>(17,436)</b>	<b>0</b>	<b>(17,436)</b>	<b>6,309</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(11,127)</b>
<b>VARIANCE ON BUDGET</b>	<b>(0)</b>	<b>(2)</b>	<b>(2)</b>	<b>341</b>	<b>60</b>	<b>44</b>	<b>575</b>	<b>(238)</b>	<b>(518)</b>	<b>(262)</b>	<b>0</b>



Ministry of Housing,  
Communities &  
Local Government

# The provisional local government finance settlement 2021-22

Consultation paper



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December 2020

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# Scope of the consultation

Topic of this consultation:	This consultation covers proposals for the local government finance settlement for 2021-22.
Scope of this consultation:	<p>This consultation seeks views on proposal for the local government finance settlement for 2021-22, in particular from representatives of local government, before determining the final amount of Revenue Support Grant and its allocation to receiving authorities and the specified body.<sup>1</sup></p> <p>The consultation notifies representatives of local government of the general nature of the basis of distribution of Revenue Support Grant, and of the general nature of the basis of calculation of 'tariff' and 'top up' payments through this consultation document and accompanying documents, in particular the draft Local Government Finance Report for 2021-22.<sup>2</sup></p>
Geographical scope:	These proposals relate to England only.
Impact Assessment:	Since the Government does not envisage that the proposals within this consultation document will have an impact on business, no impact assessment has been produced.

## Basic Information

To:	The consultation will be of interest to local authorities and representative bodies for local authorities.
Body/bodies responsible for the consultation:	Local Government Finance Directorate within the Ministry of Housing, Communities and Local Government
Duration:	This consultation is open to submissions for 4 weeks from 17 December 2020 to 16 January 2021
Enquiries:	For any enquiries about the consultation please contact <a href="mailto:lgfsettlement@communities.gov.uk">lgfsettlement@communities.gov.uk</a>
How to respond:	<p>You can respond to the questions in this consultation via a pro-forma.</p> <p>Return address details and a list of consultation questions can be found in Annex B of this consultation document.</p> <p>Email details and an address for written responses can also be found in the pro-forma.</p>

<sup>1</sup> As required by section 78(5) of the Local Government Finance Act 1988.

<sup>2</sup> As required by section 78A(3) of the Local Government Finance Act 1988 and paragraph 12 of Schedule 7B to the same Act.

# About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, including personal data, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the General Data Protection Regulation, and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the Freedom of Information Act and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Ministry of Housing, Communities and Local Government will process your personal data in accordance with the law and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included at Annex A.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the [complaints procedure](#).

# 1. Summary of proposals

## 1.1 Introduction

1.1.1 This consultation paper sets out the Government's proposals for the 2021-22 local government finance settlement.

1.1.2 This chapter provides a summary of the proposals contained within the 2021-22 provisional settlement.

## 1.2 Spending Review 2020 and Future Reform

1.2.1 On 25 November 2020, the Government announced the outcome of Spending Review 2020. The Spending Review and settlement have been drawn up in unique circumstances. The Government's primary aim, in this challenging period, has been to continue to support councils in dealing with the immediate impacts of the pandemic, to promote recovery and renewal at local level, and support and maintain critical mainstream services.

1.2.2 At the national level our proposals result in an increase in Core Spending Power for local authorities in England of £2.2 billion, from £49.0 billion in 2020-21 to £51.2 billion in 2021-22. This is a cash increase of 4.5%. Within this, councils will have access to an additional £1 billion for social care next year which includes a £300 million increase in the Social Care Grant, and there will be a further round of New Home Bonus allocations.

1.2.3 Once the pandemic is over, we will continue to work with local government to understand the lasting impact it has had on both service demands and revenue raising. We will then revisit the priorities for reform of the local government finance system, taking account of wider work on the future of the business rates tax and on the Adult Social Care system. Final decisions will be taken in the context of next year's Spending Review. In the meantime, there will be no reset of accumulated business rates growth in 2021-22.

## 1.3 Summary of proposals included in the 2021-22 provisional settlement

1.3.1 Chapter 2 – Distribution of Settlement Funding Assessment (SFA) - this chapter outlines the Government's proposals for distributing core settlement resources in 2021-22:

- a uniform percentage increase in 2020-21 Revenue Support Grant (RSG) allocations, based on the change in the Consumer Price Index (CPI)
- a freeze in Baseline Funding Levels (BFLs) at 2020-21 levels, to match the freeze in the business rates multiplier
- an increase in section 31 grant for the under-indexation of the multiplier, to compensate for the freeze in the business rates multiplier
- eliminating so-called 'negative RSG', through the use of forgone business rates receipts.

1.3.2 Chapter 3 – Council Tax - this chapter details the Government's intentions for council tax referendum principles in 2021-22:

- a core council tax referendum principle of up to 2% for shire counties, unitary authorities, London boroughs, the Greater London Authority (GLA) and fire authorities
- a bespoke council tax referendum principle of up to 2% or £5, whichever is higher, for shire district councils
- an Adult Social Care (ASC) precept of 3% for authorities responsible for ASC, with the option to defer some or all of its use into 2022-23
- a referendum principle of £15 for police and crime commissioners
- setting no council tax referendum principles for Mayoral Combined Authorities (MCAs)
- setting no council tax referendum principles for parishes.

1.3.3 Chapter 4 – Distribution of Social Care resources - this chapter sets out the Government's proposals for making funding available for social care services:

- increasing the Social Care Grant for 2021-22 by £300 million, on top of last year's total of £1.41 billion
- distributing the new Social Care Grant resources using the ASC Relative Needs Formula (RNF), with £240 million used to equalise the variation in yield from the ASC council tax precept, at the same level of equalisation as last year
- maintaining the improved Better Care Fund (iBCF) funding at 2020-21 cash terms levels (£2.1 billion) with the distribution unchanged.

1.3.4 Chapter 5 – New Homes Bonus - this chapter explains the Government's proposals for the New Homes Bonus (NHB):

- a new round of NHB payments in 2021-22, which will not attract new legacy payments
- 2021-22 allocations will be paid for by a £622 million top-slice of RSG
- no changes to the calculation process from 2020-21
- all previously announced legacy payments will be honoured in 2021-22 allocations.

1.3.5 Chapter 6 – this chapter explains the Government's proposals for a new Lower Tier Services Grant:

- the grant will allocate £111 million to local authorities with responsibility for lower tier services. The distribution will be based on assessed relative needs
- alongside this, there will be a one-off minimum funding floor to ensure that no authority sees an annual reduction in Core Spending Power (CSP).



1.3.6 Chapter 7 - Rural Services Delivery Grant - this chapter explains how the most sparsely populated local authorities receive extra support to deliver services. The Government:

- proposes to increase Rural Service Delivery Grant (RSDG) by £4 million, taking the total to £85 million
- will distribute these resources using the same approach as last year.

1.3.7 Chapter 8 - Visible Lines:

- following the Spending Review, the Government plans not to publish Visible Lines for grants rolled into the settlement at previous Spending Reviews.

1.3.8 Chapter 9 – Equalities Impacts of these proposals - this chapter invites views and evidence on the impact that the Government’s proposals may have on persons who share a protected characteristic. It also refers to a draft assessment of the impact of the 2021-22 settlement on persons who share a protected characteristic.

## **1.4 Additional information**

1.4.1 A return address for responses to this consultation, along with a full list of consultation questions, is included in Annex B, and a glossary of technical terms can be found in Annex E.

## **1.5 Exemplifications of the proposals**

1.5.1 The supporting tables accompanying this consultation exemplify the proposals for individual local authorities. These proposals represent the Government’s intentions and the figures are presented on the basis of available information.

1.5.2 Data changes, new information or errors identified by either the department or local authorities between the publication of this consultation paper and the calculation of the final settlement may lead to changes to individual local authority exemplifications. The Government encourages local authorities to check their individual allocations.

# 2. Distribution of Settlement Funding Assessment

## 2.1 Introduction

2.1.1 This chapter outlines the Government's proposals for distributing Settlement Funding Assessment (SFA) in 2021-22, which is comprised of Revenue Support Grant (RSG) and Baseline Funding Levels (BFLs).

## 2.2 Business Rates Retention

2.2.1 From April 2013, local government has been funded in part through the business rates retention scheme, ensuring that local authorities have more control over the money they raise and are able to benefit directly from supporting local business growth.

2.2.2 When the scheme started in 2013-14, the Government committed that BFLs and Business Rates Baselines, which are used to determine tariffs and top-ups, would be fixed in real terms until the system was reset. The Government therefore proposes not to alter the existing mechanism for determining tariff and top-up payments in 2021-22.

2.2.3 At Spending Review 2020 the Government announced that it would freeze the business rates multiplier in 2021-22. In the local government finance settlement, BFLs and tariffs and top-ups will therefore remain unchanged. Local authorities will be compensated for the shortfall in income from freezing the multiplier, via the section 31 grant for under-indexation of the multiplier. The estimated increase in this grant will be reflected in Core Spending Power.

2.2.4 The Government plans to freeze BFLs for all authorities in 2021-22 at their 2020-21 levels. 2020-21 BFLs included the elimination of so-called 'negative RSG' and as such this will continue in 2021-22. This is consistent with the Government's previous commitment, made during the implementation of the business rate retention scheme in 2013-14, that authorities' retained business rates baselines would be fixed in real terms until the business rates system was reset.<sup>3</sup>

2.2.5 Local authorities in 100% business rates retention Devolution Deal areas and the GLA will continue to benefit from increased levels of business rates retention in 2021-22.

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<sup>3</sup> Please refer to section 5.1 of the 2019-20 Local Government Finance Settlement Technical Consultation for an explanation of the issue of negative Revenue Support Grant. The document is available here: <https://www.gov.uk/government/consultations/local-government-finance-settlement-2019-to-2020-technical-consultation>

## **2.3 Distribution of Revenue Support Grant**

2.3.1 In the interests of providing stability in local authority allocations, we are not proposing to change the distribution of RSG from that used in 2020-21. Instead the Government is proposing to increase 2020-21 RSG levels in line with the change in the Consumer Price Index (CPI).

2.3.2 Increasing RSG in line with inflation will mean that all authorities are treated on an equivalent basis - receiving an inflationary uplift across SFA and the under-indexation grant.

***Question 1: Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2021-22?***

## 3. Council tax

### 3.1 Council tax

3.1.1 The Government remains committed to striking a balance between giving local authorities the flexibility to determine their own level of council tax and ensuring local residents have the final say on excessive increases.

### 3.2 Council tax referendum principles

3.2.1 The Government proposes the following package of referendum principles for 2021-22:

- a core council tax referendum principle of up to 2% for shire counties, unitary authorities, London boroughs, the GLA general precept, and fire authorities
- an Adult Social Care (ASC) precept of 3% on top of the core principle for local authorities with responsibility for adult social care.
- shire district councils in two-tier areas will be allowed increases of up to 2% or £5, whichever is higher
- Police and Crime Commissioners (PCCs) (including the GLA charge for the Metropolitan Police and the PCC component of the Greater Manchester Combined Authority precept) will be allowed increases of £15.

3.2.2 In recognition that local authorities might not want to take up the ASC precept flexibility in full next year, some or all of this can be deferred for use in 2022-23. This means that an ASC authority could, for example, set a 2% increase for ASC in 2021-22 and a 1% increase for ASC in 2022-23, irrespective of other referendum principles that may apply in 2022-23.

3.2.3 In 2022-23, the Government intends to legislate through the Referendums Relating to Council Tax Increases (Principles) (England) Report for authorities who do defer. The mechanism will be similar to that used in 2019-20, where authorities had been able to use a 6% ASC precept over the three years from 2017-18 to 2019-20. Decisions on whether to defer or not are for councils, consistent with their responsibility for council tax levels.

### 3.3 Council tax referendum principles for Mayoral Combined Authorities

3.3.1 Devolution deals have led to the creation of eight Mayoral Combined Authorities (MCAs) with powers such as transport and planning.

3.3.2 The Government has not so far set a referendum principle for MCAs, on the expectation that mayors would exercise restraint and set a precept that was affordable and proportionate to their needs.

3.3.3 As in 2020-21, the Government proposes not to set a council tax referendum principle for MCAs in 2021-22. In line with the referendum principle for police and crime commissioners, we propose to set a £15 principle for the PCC component of the Greater Manchester Combined Authority.

### **3.5 Council tax referendum principles for town and parish councils**

3.5.1 In 2018-19, the Government announced that it did not intend to set referendum principles for town and parish councils for three years. This was contingent on the sector taking all available steps to mitigate the need for council tax increases and the Government seeing clear evidence of restraint in the increases set by the sector.

3.5.2 In 2020-21, the average Band D parish precept increased by 4.0%. This was the lowest percentage point increase in parish precept since 2012-13 but remains in excess of the rate of inflation.

3.5.3 In expectation that parish and town councils continue to show restraint when setting council tax precept levels, the Government proposes to continue with no referendum principles for town and parish councils in 2021-22. The Government will take careful account of the increases set by parishes in 2021-22 when reviewing the matter ahead of next year's settlement.

### **3.6 Council tax referendum principle for the Greater London Authority (GLA)**

3.6.1 The Mayor of London has already indicated that in order to fund Londoners' free travel concessions more generously than the English level, he may seek to raise the general element of the GLA's council tax precept. We await the Mayor's proposals on the GLA referendum principle, as part of the responses to this consultation.

***Question 2: Do you agree with the proposed package of council tax referendum principles for 2021-22?***

## 4. Distribution of Social Care Resources

### 4.1 Social Care

4.1.1 The Government is committed to addressing social care pressures. In 2020-21, the Government provided £1 billion in additional grant funding, and gave councils access to an extra £500 million raised through a 2% ASC council tax precept for local authorities with adult social care responsibilities.

4.1.2 This year the Government is proposing to make available an additional £1 billion for social care which includes a £300 million boost to the Social Care Grant, to a total of £1.71 billion. Local authorities with adult social care responsibilities will also be able to raise council tax by an additional 3% to help to support the most vulnerable.

4.1.3 The Government is also proposing to roll-forward the 2020-21 Social Care Grant of £1.41 billion and the 2020-21 improved Better Care Fund of £2.1 billion.

### 4.2 Social Care Grant

4.2.1 In the interests of stability, the Government proposes to roll-forward allocations of the £1.41 billion Social Care Grant from 2020-21, leaving these unchanged.<sup>4</sup>

4.2.2 The Government is proposing that the £300 million of additional grant will be distributed in two ways. Our proposal is to use £240 million as an equalisation component, holding the level of equalisation at the same level as in 2020-21, together with £60 million allocated directly through the existing ASC RNF.

4.2.3 Our equalisation methodology is a balanced approach which recognises that the distribution of resources generated through the ASC precept does not match the pattern of assessed need. The proposed methodology, which is the same as that used for this grant in 2020-21, means that all authorities will receive over 94% of the total RNF-based share of the resources which are available through the additional grant and the new ASC precept. An explanation of the methodology is in Annex C and a table of individual local authority allocations is [published separately](#).

4.2.4 The Government proposes that this grant will not be ringfenced, and conditions on reporting requirements will not be attached. In particular, it will be for local authorities to determine how much of it should be spent on adult social care and how much should be spent on children's social care.

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<sup>4</sup> Please refer to section 4.2 of the 2020-21 provisional Local Government Finance Settlement consultation for an explanation of the distribution of the Social Care Grant:  
<https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2020-to-2021-consultation>

***Question 3: Do you agree with the Government's proposals for the Social Care Grant in 2021-22?***

**4.2 improved Better Care Fund**

4.2.1 In the interests of stability, the Government proposes to continue existing iBCF funding at 2020-21 levels (£2.1 billion), with the distribution unchanged.

***Question 4: Do you agree with the Government's proposals for iBCF in 2021-22?***

# 5. New Homes Bonus

## 5.1 Background

5.1.1 The New Homes Bonus was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas by rewarding local authorities for net additional homes added to the council tax base. It is paid annually from a top-slice of RSG.

5.1.2 The Government has committed to reforming the NHB, and this year will be the final year under the current approach. We will publish shortly a consultation document on the future of the New Homes Bonus, including options for reform.

## 5.2 New Homes Bonus in 2021-22

5.2.1 The Government is proposing a new round of NHB payments (year 11 payments) in 2021-22. This will be the final set of allocations under the current approach, and the Government's proposal is that year 11 payments will not attract new legacy commitments in future years.

5.2.2 The allocations for 2021-22 will be funded through a £622 million top slice of RSG.

5.2.3 The Government is not intending to change the calculation process for year 11 payments, and the methodology will therefore be the same as in 2020-21. Year 11 payments will be calculated as units for reward above a payments baseline of 0.4%, multiplied by the average band D council tax payment, with an additional payment made for affordable homes. In two-tier areas, the annual payment will be split: 80% for shire districts and 20% for shire counties.

5.2.4 The Government intends to honour previously announced legacy payments in the 2021-22 allocations. This means paying legacy payments associated with year 8 (2018-19) and year 9 (2019-20).

***Question 5: Do you agree with the Government's proposals for New Homes Bonus in 2021-22?***



## 6. Lower Tier Services Grant

6.1.1 The Government is proposing a new un-ringfenced Lower Tier Services Grant in 2021-22, which will allocate £111 million to local authorities with responsibility for lower tier services (for example, homelessness, planning, recycling and refuse collection, and leisure services).

6.1.2 The proposed grant methodology is two-fold. £86 million of the grant will be allocated according to the 2013-14 Settlement Funding Assessment (SFA), through the lower tier element of SFA. This represents the best available relative needs assessment for the authorities concerned. A full methodology note is at Annex D below and a table of allocations is [published separately](#).

6.1.3 Alongside this, there will be a minimum funding floor to ensure that no authority sees an annual reduction in Core Spending Power and there is a nominal and real terms increase in CSP when comparing 2020-21 funding to 2021-22 proposed funding. The Government is clear that this funding is in response to the current exceptional circumstances and is a one-off. No local authority should take this funding floor as guaranteeing similar funding floors in future years, including in future finance reforms.

***Question 6: Do you agree with the Government's proposal for a new Lower Tier Services Grant, with a minimum funding floor so that no authority sees an annual reduction in Core Spending Power?***

# 6. Rural Services Delivery Grant

## 6.1 Rural Services Delivery Grant

6.1.1 The Government recognises additional cost pressures in rural areas. We are proposing to increase the Rural Services Delivery Grant (RSDG) by £4 million, taking the total to £85 million - the highest ever.

6.1.2 In 2020-21, allocations were distributed to the top quartile of local authorities on the basis of the 'super-sparsity' indicator, which ranks authorities by the proportion of the population which is scattered widely, using Census data and weighted towards the authorities with the sparsest populations.

6.1.3 We propose to continue to use the existing formula to distribute the allocations of RSDG for 2021-22.

***Question 7: Do you agree with the Government's proposals for Rural Services Delivery Grant in 2021-22?***

# 7. Visible Lines

## 7.1 Visible Lines

7.1.1 Visible Lines are a product that the Government has published alongside the settlement in recent years.<sup>5</sup> Visible Lines show a notional allocation for grants that were rolled into the settlement at previous Spending Reviews, most of them before 2016. These allocations are entirely notional as the core settlement is not ringfenced and they do not impact on the settlement distribution or represent an expectation from central government of local expenditure levels.

7.1.2 At each Spending Review it is standard procedure to remove Visible Lines, since a projection of grant profiles no longer exists. Therefore, we no longer intend to publish Visible Lines for the grants that were rolled in prior to 2016.

7.1.3 For future Spending Reviews, if forward profiles are available for grants rolled into the settlement, we will consider again whether to publish Visible Lines for the duration of that Spending Review.

***Question 8: Do you have any comments on the Government's plan not to publish Visible Lines?***

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<sup>5</sup> See Core spending power: visible lines of funding 2020 to 2021:  
<https://www.gov.uk/government/publications/core-spending-power-visible-lines-of-funding-2020-to-2021>

# 8. Equalities impacts of these proposals

## 8.1 Draft Equality Statement

8.1.1 A [draft equality assessment](#) of the impact of the 2021-22 local government finance settlement has been published alongside this consultation document.

***Question 9: Do you have any comments on the impact of the proposals for the 2021-22 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft equality statement published alongside the consultation document? Please provide evidence to support your comments.***

# Annex A: Privacy notice

## Personal data

The following is to explain your rights and give you the information you are be entitled to under the Data Protection Act 2018.

Note that this section only refers to your personal data (your name address and anything that could be used to identify you personally) not the content of your response to the consultation.

### 1. The identity of the data controller and contact details of our Data Protection Officer

The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at [dataprotection@communities.gov.uk](mailto:dataprotection@communities.gov.uk)

### 2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

### 3. Our legal basis for processing your personal data

The Data Protection Act 2018 states that, as a government department, MHCLG may process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation. This consultation fulfils the mandatory statutory requirements to consult under sections 78(5), 78A(3) and paragraph of Schedule 7B of the Local Government Finance Act 1988.

### 4. With whom we will be sharing your personal data

Other Government Departments including:

- Attorney General's Office
- Cabinet Office
- Department for Business, Energy and Industrial Strategy
- Department for Digital, Culture, Media and Sport
- Department for Education Department for Environment
- Food and Rural Affairs
- Department for International Trade
- Department for Transport
- Department for Work and Pensions
- Department of Health and Social Care
- Foreign, Commonwealth and Development Office

- Her Majesty's Treasury
- Home Office
- Ministry of Defence
- Ministry of Justice
- Northern Ireland Office
- Office of the Advocate General for Scotland
- Office of the Leader of the House of Commons
- Office of the Leader of the House of Lords
- Scotland Office UK
- Export Finance
- Wales Office

**5. For how long we will keep your personal data, or criteria used to determine the retention period.**

Your personal data will be held for two years from the closure of the consultation.

**6. Your rights, e.g. access, rectification, erasure**

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have all or some of your data deleted or corrected
- d. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

**7. Your personal data will not be sent overseas**

**8. Your personal data will not be used for any automated decision making.**

**9. Your personal data will be stored in a secure government IT system.**

# Annex B: Address details & list of consultation questions

If the pro-forma link is inoperable, written responses may be sent by email or post to:

[LGFsettlement@communities.gov.uk](mailto:LGFsettlement@communities.gov.uk)

Or

Local Government Finance Settlement Team  
Ministry of Housing, Communities and Local Government  
2nd floor, Fry Building  
2 Marsham Street  
London  
SW1P 4DF

When replying to this consultation please confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name,
- your position (if applicable),
- the name of organisation (if applicable),
- an address (including post-code),
- an email address, and
- a contact telephone number

***Question 1: Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2021-22?***

***Question 2: Do you agree with the proposed package of council tax referendum principles for 2021-22?***

***Question 3: Do you agree with the Government's proposals for the Social Care Grant in 2021-22?***

***Question 4: Do you agree with the Government's proposals for iBCF in 2021-22?***

***Question 5: Do you agree with the Government's proposals for New Homes Bonus in 2021-22?***

***Question 6: Do you agree with the Government's proposal for a new Lower Tier Services Grant, with a minimum funding floor so that no authority sees an annual reduction in Core Spending Power?***

***Question 7: Do you agree with the Government's proposals for Rural Services Delivery Grant in 2021-22?***

***Question 8: Do you have any comments on the Government's plan not to publish Visible Lines?***

***Question 9: Do you have any comments on the impact of the proposals for the 2021-22 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft equality statement published alongside the consultation document? Please provide evidence to support your comments.***



## Annex C: Social Care Grant equalisation methodology and provisional allocations

In the interests of stability, the Government proposes to roll-forward allocations of the £1.41 billion Social Care Grant from 2020-21, leaving these unchanged. This note explains the proposed methodology for allocation of the £300 million of additional funding in Social Care Grant in 2021-22.

The proposed equalisation methodology for Social Care Grant in 2021-22 is based on identifying the total potential new available resource for social care to be equalised.

This is the sum of the additional grant funding to be used for equalisation (in this case £240m) plus the total available increase in council tax precept income in that year as a result of the proposed 3% Adult Social Care council tax precept referendum principle (approximately £790 million). This total amount is then allocated between authorities on the basis of the Adult Social Care Relative Needs Formula.

The amount for each local authority is then reduced by its potential council tax precept income.

The resulting figure is then essentially that authority's share of the equalisation amount (£240 million).

For a small number of authorities, the precept income exceeds the needs share, and in these cases the equalisation component of the grant is set to zero and the authority concerned retains the potential council tax resources in excess of their calculated needs share.

This results in turn in a grant total for equalisation which exceeds £240 million; to reduce this to the required level, the grant payments for each authority are reduced, by amounts in proportion to the figure for each authority.

The Government has published a separate table of Social Care Grant allocations at: <https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2021-to-2022>.

The resulting shares of the £300 million are shown in the second column of the allocations table and are added to the other grant components to give the overall total. From this, all authorities receive over 94% of their RNF-based share of the total new resources.

# Annex D: Lower Tier Services Grant methodology and provisional allocations

The Government has published a separate table of Lower Tier Services Grant allocations at: <https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2021-to-2022>.

A more detailed explanation of the grant allocation methodology is provided below:

- a. The lower tier 2013/14 SFA grant component is calculated as follows:

$$\text{Lower Tier 13/14 SFA}_{21/22}^{LA} = \text{Lower Tier 13/14 SFA}_{21/22}^{\text{England}} \times$$

$$\text{Lower Tier shares of SFA}_{13/14}^{LA}$$

- b. The cash funding floor component is calculated as follows:

$$\text{Cash Funding Floor}_{21/22}^{LA} = \text{Max} ( \text{CSP}_{20/21}^{LA} - \text{CSP pre-floor}_{21/22}^{LA}, 0 )$$

- c. The lower tier services grant for each authority is then the sum of the two components:

$$\text{LTSG}_{21/22}^{LA} = \text{Lower Tier 13/14 SFA}_{21/22}^{LA} + \text{Cash Funding Floor}_{21/22}^{LA}$$

- d. The total grant required for the cash funding floor is determined by the sum of the amount required for each authority:

$$\text{Cash Funding Floor}_{21/22}^{\text{England}} = \sum_{LA} \text{Cash Funding Floor}_{21/22}^{LA}$$

- e. Set the quantum of the grant through the lower tier 2013/14 SFA grant component in a., so that the sum of that grant component plus the amount required for the funding floor is equal to £111 million. This results in c.£86 million through the former, with a funding floor of c.£25 million, equal to the total quantum available:

$$\begin{aligned} \text{s.t } \text{LTSG}_{21/22}^{\text{England}} &= \text{Lower Tier 13/14 SFA}_{21/22}^{\text{England}} + \text{Cash Funding Floor}_{21/22}^{\text{England}} = \text{£111m} \\ &= \text{£86m} + \text{£25m} = \text{£111m} \end{aligned}$$

Where:

*Lower Tier 13/14 SFA* is the lower tier 2013/14 SFA grant component within the Lower Tier Services Grant

*Lower Tier shares of SFA<sup>LA</sup><sub>13/14</sub>* is the lower tier shares within 2013/14 SFA (sums to 1). These are derived from the adjusted 2013/14 SFA breakdown by funding tier published at the 2014/15 Local Government Finance Settlement

*CSP* is the Core Spending Power of an authority

*CSP pre-floor* is the Core Spending Power of an authority before the cash funding floor is applied but including *Lower Tier 13/14 SFA*

*Cash Funding Floor* is the cash funding floor grant component within the Lower Tier Services Grant

*LTSG* is the Lower Tier Services Grant comprised of the Lower tier shares of 13/14 SFA grant component and the Cash funding floor component

# Annex E: Glossary of technical terms

## **Baseline Funding Level**

The amount of an individual local authority's 2013-14 Settlement Funding Assessment provided through the local share of the Estimated Business Rates Aggregate.

## **Business Rates Baseline**

An authority's BRB determined on an individual basis at the outset of the business rates retention scheme. It is calculated by dividing the local share of the Estimated Business Rates Aggregate (England) between billing authorities on the basis of their proportionate shares, before the payment of any major precepting authority share.

## **Business rates retention**

Business rates are a tax on non-domestic properties. Billing authorities have a responsibility to issue bills and collect rates in their areas. Since 2013-14, local government has retained 50% of its business rates – worth around £12.5 billion – which is distributed across the sector.

## **Core Spending Power**

A measure of the revenue funding available for local authority services. This includes council tax; business rates; Revenue Support Grant; New Homes Bonus; adult social care grants; and, other grants.

## **Council tax referendum principles**

These mark levels of council tax increases (either in percentage or cash terms) above which a local authority must hold a referendum which allows residents to approve or veto the increase. The comparison is made between the authority's average band D council tax level for the current financial year and the proposed average band D for the next financial year.

## **Devolution Deals**

Introduced in 2014, Devolution Deals are a bespoke arrangement tailored to certain local authorities. Devolution Deals give local government greater powers and more autonomy over budgeting.

## **Equalisation**

The process through which a proportion of Social Care Grant funding is used to take account of the impact of the distribution of the Adult Social Care council tax precept.

## **Local Government Departmental Expenditure Limit (LG DEL)**

The departmental budget derived from central Government resources for the purposes of local government.

## **New Homes Bonus**

The New Homes Bonus acts as an incentive to increase housing supply and spur growth. The level of funding for an area reflects additional housing supply in that area. Most authorities receive some form of New Homes Bonus funding from central Government.

## **Precept**

A council tax charge from local authorities which do not issue bills themselves. These include county councils, police and crime commissioners, fire and rescue authorities, the Greater London Authority, combined authority mayors, and town and parish councils. Billing authorities – usually shire district councils or unitary authorities – collect council tax on behalf of precepting authorities and pass the proceeds to them.

## **Revenue Support Grant**

Billing and major precepting authorities receive Revenue Support Grant from central Government in addition to their local share of Business Rates Aggregate.

## **Rural Services Delivery Grant**

Funding provided in recognition of the possible additional costs of delivery services in sparsely populated areas.

## **Safety net**

Mechanism to protect any authority which sees its business rates income drop, in any year, by more than 7.5% below their baseline funding level (with baseline funding levels being uprated by the small business rates multiplier for the purposes of assessing eligibility for support).

## **Settlement Funding Assessment**

A local authority's share of the local government spending control total comprising its Revenue Support Grant and its baseline funding level for the year in question.

## **Small business non-domestic rating multiplier**

If your property in England has a rateable value below £51,000, your bill will be calculated using the small business multiplier, which is lower than the standard one. This is the case even if you do not get small business rate relief

## **Spending Review**

The Spending Review sets out the long-term spending limits for all Government departments, typically covers the next three or four years

### **Spending Round**

The Spending Round sets out the short-term spending limits for all Government departments, typically covers a full calendar year.

### **Tariffs and top-ups**

Calculated by comparing at the outset of the business rate retention scheme an individual authority's business rates baseline against its baseline funding level. Tariffs and top-ups are self-funding, fixed at the start of the scheme, then indexed in line with the change in the small business rating multiplier.

### **Tariff authority**

An authority with, at the outset of the scheme, a higher individual authority business rates baseline than its baseline funding level, and which therefore pays a tariff.

### **Top-up authority**

An authority with, at the outset of the scheme, a lower individual authority business rates baseline than its baseline funding level, and which therefore receives a top-up.

# Consultation response pro-forma Appendix 2a

## Provisional Local Government Finance Settlement 2021-22

If you are responding to this consultation by email or in writing, please reply using this questionnaire pro-forma, which should be read alongside the consultation document.

You should save the pro-forma on your own device, from which you can complete the survey at your own pace and submit when you are ready.

There are 9 questions. You do not have to answer every question should you not wish to.

Should you wish to attach further evidence or supporting information, you may attach and send this with the pro-forma.

Please **email responses to:**

[LGSettlement@communities.gov.uk](mailto:LGSettlement@communities.gov.uk)

Alternatively, **written responses should be sent to:**

Local Government Finance Settlement Team  
Ministry of Housing, Communities and Local Government  
2nd floor, Fry Building  
2 Marsham Street  
London  
SW1P 4DF

Your opinions are valuable to us. Thank you for taking the time to read the consultation document and respond.

### Your Details (Required details are marked with an asterisk (\*))

Full Name*	Jon Illingworth
Organisation*	Rugby Borough Council
Address*	Town Hall
Address 2	Evereux Way
Town/City*	Rugby
Postcode*	CV21 2RR
Country	UK
Email address*	Jon.Illingworth@Rugby.gov.uk
Phone Number	01788 533410

**Are the views Expressed on this form an official response from a:**

London Borough

Metropolitan District

Unitary Authority

Shire County

**Shire District**

Fire and Rescue Authority

Greater London Authority

Combined Authority

Parish or Town Council

Local Authority Association or Special Interest Group

Other Local Authority Grouping

Local Authority Officer

Local Authority Councillor

Member of Parliament

Other Representative Group

Business

Business Organisation

Valuation Organisation

Voluntary Organisation

Member of the Public



## Question 1

**Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2021-22?**

**Yes**

### **Additional comments**

This Authority does not now receive RSG with the negative RSG being eliminated in 2020/21.

However, it needs to be noted that the existing formula is extremely out of date and does not reflect the current spending patterns or needs of the Borough which has seen increased growth in the local economy over the last eight years. Therefore, the authority is looking to the new Fair Funding review to address the needs and resource requirements of high growth areas.

*We also endorse the Society of District Council Treasurers (SDCT) response to Question 1*

## Question 2

***Do you agree with the proposed package of council tax referendum principles for 2021-22?***

**No**

### **Additional comments**

This Council does not agree with the principle of council tax referendums.

As Councils continue to make substantial efficiency savings to offset the loss of core funding streams, they should be free to determine council tax levels that are appropriate for local circumstances. Authorities should be free to engage and consult on council tax proposals with their residents alongside other service and resultant budgetary changes without the requirement to undertake a formal referendum.

The financial impact of Rugby Borough Council supporting the government policy to freeze bills in previous years, has resulted in a significantly lower revenue from council tax compared with the rising cost of services.

If council tax is going to represent local authorities main source of funding in future years, then reform is a necessity. Growing reliance on council tax increases in the absence of grant increases could result in the funding system being very unbalanced and equalisation becoming the dominant feature.

Finally, it would be very helpful if the Government could provide absolute certainty about the maximum council tax increases at an earlier stage or confirm the rise over the medium term alongside any multi-settlement offer. Only getting final confirmation in the provisional settlement is very late in the budget setting process.

**Question 3**

***Do you agree with the Government's proposals for the Social Care Grant in 2021-22?***

***No comment from Rugby Borough Council***

**Additional comments**

*However, we endorse the Society of District Council Treasurer's (SDCT) response to Question 3*

**Question 4**

***Do you agree with the Government's proposals for iBCF in 2021-22?***

***No comment***

**Additional comments**

*We endorse the Society of District Council Treasurer's Response to Question 4.*

## Question 5

***Do you agree with the Government's proposals for New Homes Bonus(NHB) in 2021-22?***

**Yes**

### **Additional comments**

We support the proposal to extend the New Homes Bonus (NHB) in year allocation for a further year but urgently need some clarity on the replacement funding to NHB.

In 2011/12 government introduced the NHB scheme and in 2013/14 the Retained Business Rates system both, with the underlying objective to incentivise local authorities to generate economic growth in their localities. These new growth incentivising schemes differed to previous formula based funding streams, such as RSG, that distributed funding based on need and local resources.

Rugby Borough Council's "going for growth" agenda has led to growth based funded schemes, such as NHB making up an increasing proportion of the Council's fund base. Whilst, formula-based allocations, such as RSG, have reduced to zero during the same period.

The Council has seen a 10% growth in its Tax Base since 2013/14 which does lead to an increase in its business rates and council tax yields. However, growth also has an impact on increased demand and the cost of many other services, such as waste collection and street cleansing.

This NHB funding has recognised there is a 'cost of growth' and has enabled authorities to plan and manage the transformational costs required to deliver services moving forward.

**However, over the last four years, the Council has seen a loss of £3.94m in NHB income due to the phased reduction in legacy payments. Therefore, the ultimate removal of this source of funding will have a detrimental impact on the authority's ability to continue to grow.**

**We would also request that the government issue any consultation on reform as soon as possible to enable sufficient time to plan and manage the impact of any changes on the Medium Term Financial Plan**

## Question 6

***Do you agree with the Government's proposal for a new Lower Tier Services Grant, with a minimum funding floor so that no authority sees an annual reduction in Core Spending Power?***

**Yes**

### **Additional comments**

Yes we agree with the Lower Tier Services Grant which goes some way to mitigating the impact of the phasing out of the New Homes Bonus Grant.

As a fast growing authority since 2013/14, when the last major spending review of funding took place, there is real concern that the existing baseline funding applied to Rugby Borough Council does not reflect the current local needs. So much has changed in the last eight years and there needs to be some reassurance that the new funding approach takes into account the increased needs of high growth areas.

**The impact of a change in funding to a SFA baseline level of £2.4m would result in a significant reduction in funding in excess of 20% which could not be recovered through Council tax or expanded commercialisation within the area.**

It is imperative that the success achieved within the region is not inhibited. There needs to be some reassurance there will be funds available for the borough to continue to develop and grow the local economy where possible.

With this in mind, we would welcome this funding to be incorporated into baseline funding levels as part of the Fair Funding Review, as single year funding does not help long term planning

**Question 7**

***Do you agree with the Government's proposals for Rural Services Delivery Grant in 2021-22?***

**No comment**

**Additional comments**

*We endorse the Society of District Council Treasurer's Response to Question 7.*

**Question 8**

***Do you have any comments on the Government's plan not to publish Visible Lines?***

**No**

**Additional comments**

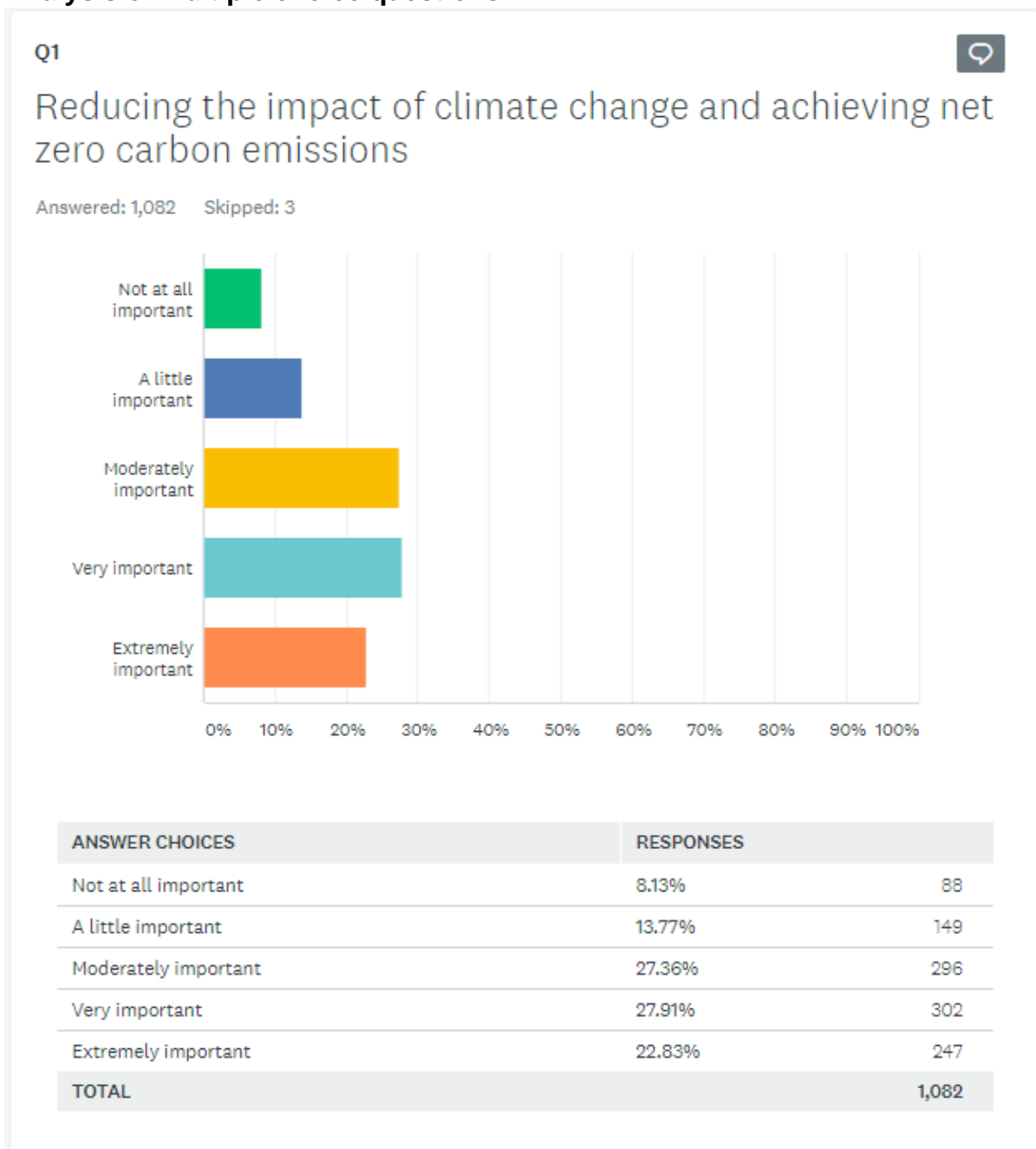
*We endorse the Society of District Council Treasurer's Response to Question 8.*

**Question 9**

***Do you have any comments on the impact of the proposals for the 2021-22 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft equality statement published alongside the consultation document? Please provide evidence to support your comments.***

**No Comment**

A) Analysis of multiple choice questions

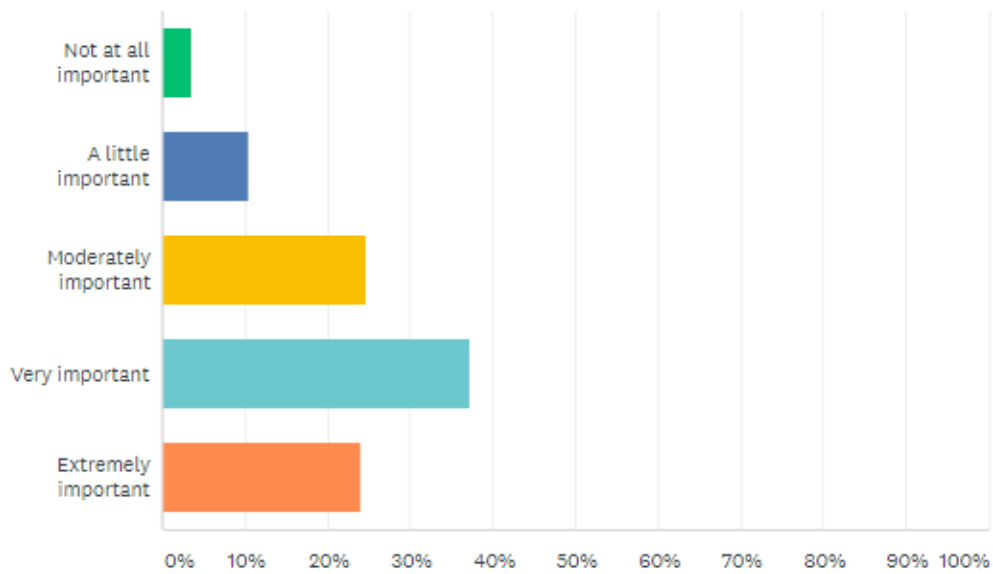


Q2



## Supporting and improving the town centre

Answered: 1,081 Skipped: 4



ANSWER CHOICES	RESPONSES	
Not at all important	3.52%	38
A little important	10.45%	113
Moderately important	24.70%	267
Very important	37.28%	403
Extremely important	24.05%	260
<b>TOTAL</b>		<b>1,081</b>

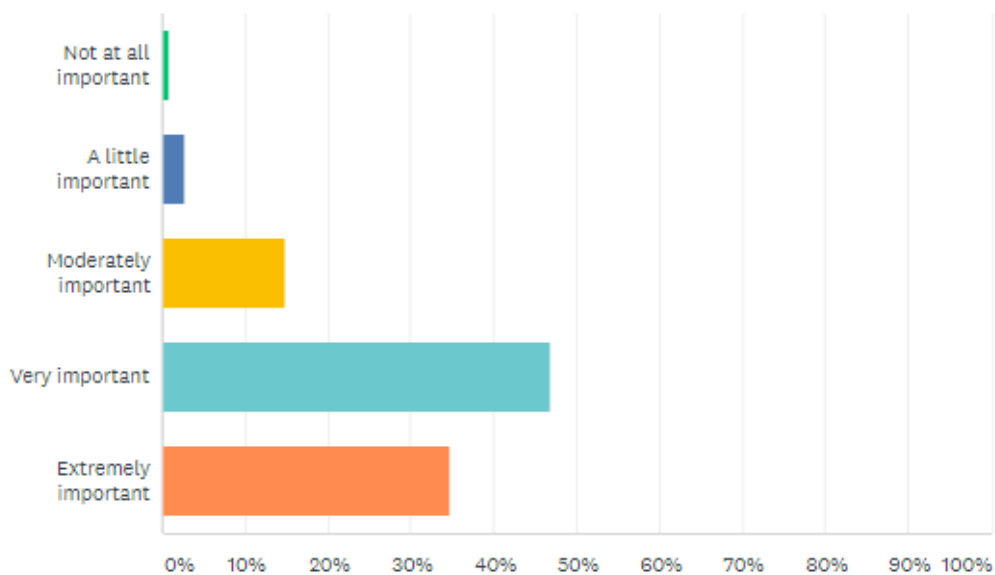


Q3



## Boosting the number of jobs and supporting economic growth

Answered: 1,083 Skipped: 2



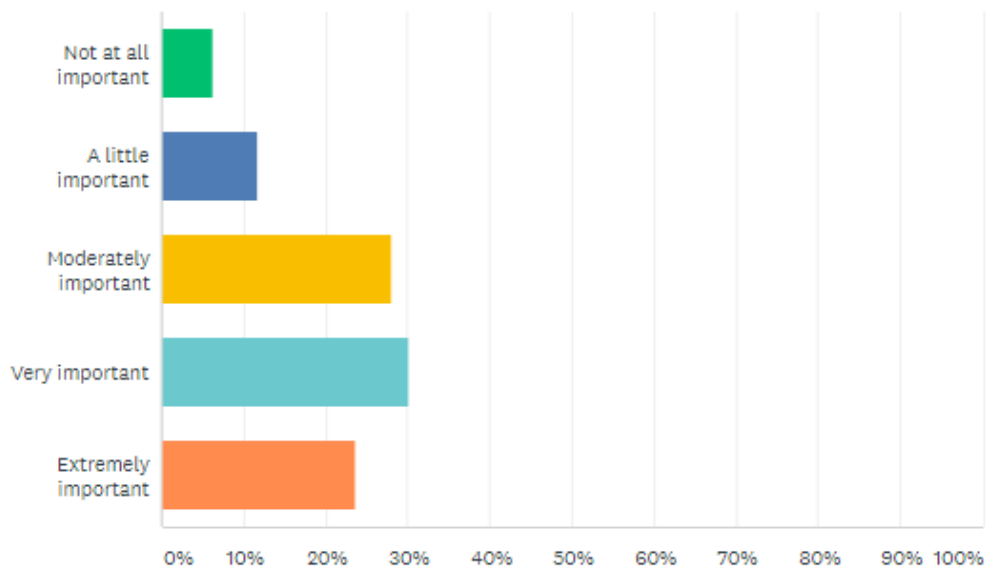
ANSWER CHOICES	RESPONSES	
Not at all important	0.83%	9
A little important	2.68%	29
Moderately important	14.87%	161
Very important	46.91%	508
Extremely important	34.72%	376
<b>TOTAL</b>		<b>1,083</b>

Q4



## Improving the availability, quality and affordability of housing

Answered: 1,083 Skipped: 2



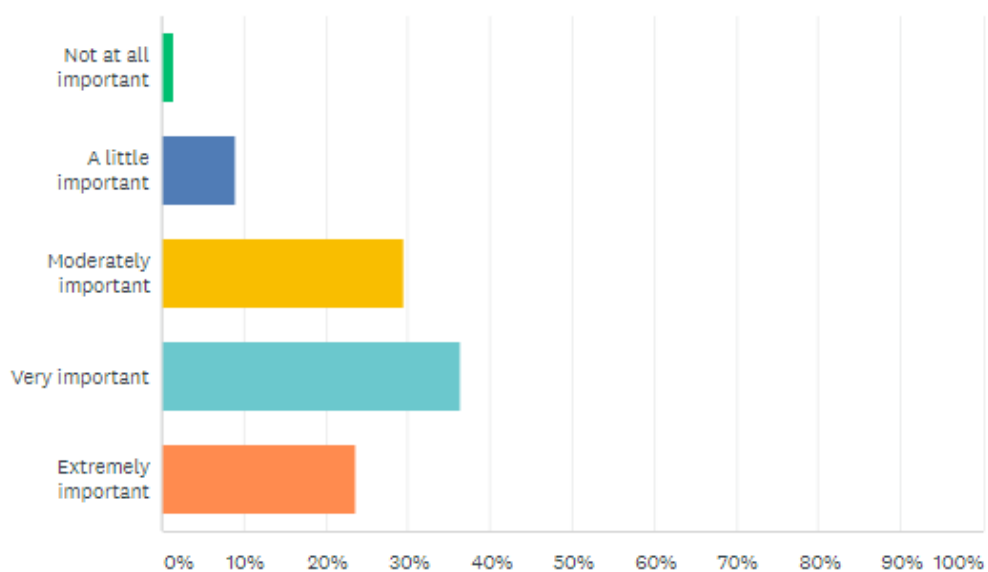
ANSWER CHOICES	RESPONSES	
Not at all important	6.37%	69
A little important	11.82%	128
Moderately important	27.98%	303
Very important	30.19%	327
Extremely important	23.64%	256
<b>TOTAL</b>		<b>1,083</b>

Q5



## Maintaining and enhancing parks and open spaces

Answered: 1,083 Skipped: 2



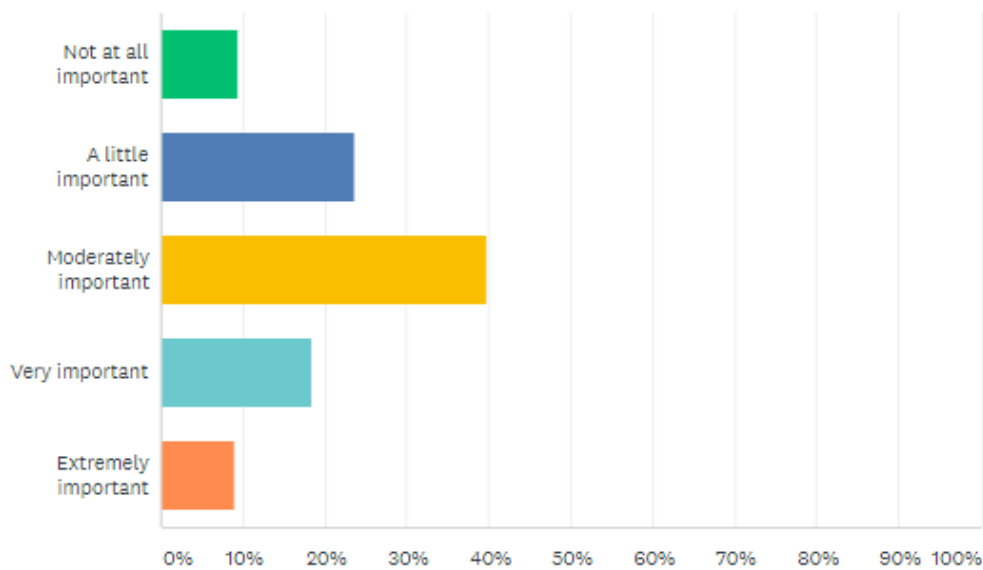
ANSWER CHOICES	RESPONSES	
Not at all important	1.39%	15
A little important	8.96%	97
Moderately important	29.55%	320
Very important	36.47%	395
Extremely important	23.64%	256
<b>TOTAL</b>		<b>1,083</b>

Q6



## Providing heritage and cultural services

Answered: 1,082 Skipped: 3



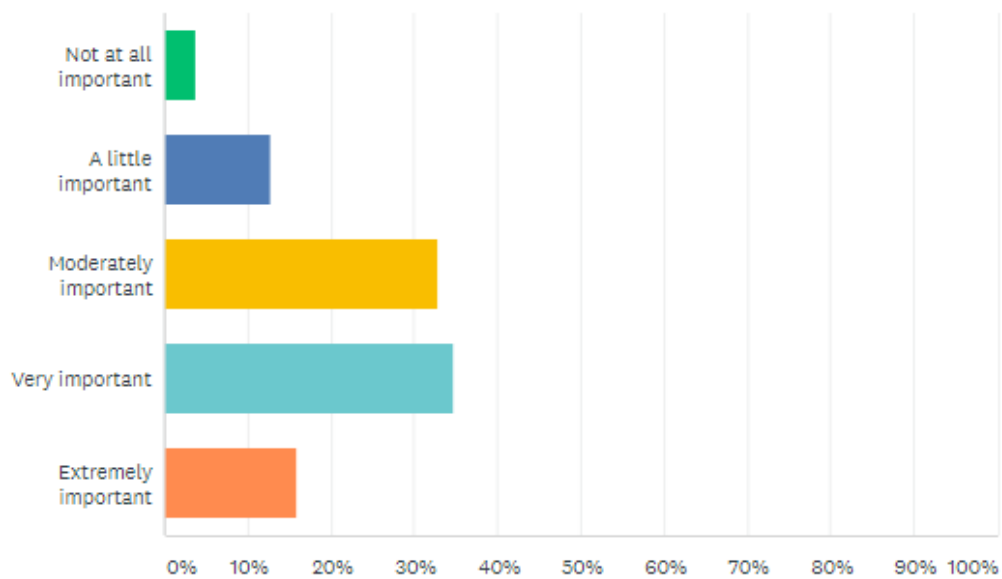
ANSWER CHOICES	RESPONSES	
Not at all important	9.33%	101
A little important	23.57%	255
Moderately important	39.74%	430
Very important	18.39%	199
Extremely important	8.96%	97
<b>TOTAL</b>		<b>1,082</b>

Q7



## Reducing household waste

Answered: 1,079 Skipped: 6



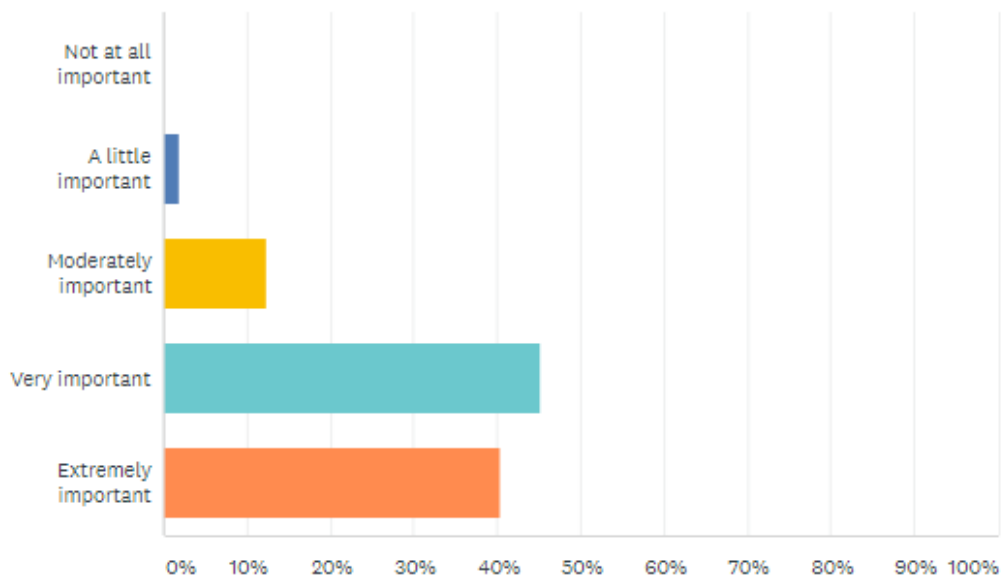
ANSWER CHOICES	RESPONSES	
Not at all important	3.80%	41
A little important	12.79%	138
Moderately important	32.81%	354
Very important	34.66%	374
Extremely important	15.94%	172
<b>TOTAL</b>		<b>1,079</b>

Q8



## Keeping Rugby safe and pleasant

Answered: 1,084 Skipped: 1



ANSWER CHOICES	RESPONSES	
Not at all important	0.18%	2
A little important	1.94%	21
Moderately important	12.27%	133
Very important	45.20%	490
Extremely important	40.41%	438
<b>TOTAL</b>		<b>1,084</b>



## B) Summary of free text responses

Row Labels	Internal	Shared agency	Grand Total
Community Needs	2	0	2
Community Safety	14	6	20
Service Improvements to Surrounding Areas	4	0	4
Street Cleansing	9	0	9
Accessibility to Open Spaces / Activities	29	0	29
Affordable Housing/other housing	33	2	35
Community Engagement	5	0	5
Homelessness/Rough Sleeping	10	0	10
Infrastructure	15	0	15
Town Centre Development/Car Parking	58	0	58
Public Realm	8	0	8
Climate change/Environmental Issues	43	0	43
Waste Collection	12	0	12
General feedback	34	15	49
Health and wellbeing	3	3	6
Budget/Council Tax feedback	59	0	59
Adult/Children Social Care & Education	0	48	48
Families	0	2	2
Highways	0	36	36
Supporting Businesses	18	0	18
COVID -19	6	2	8
<b>Grand Total</b>	<b>362</b>	<b>114</b>	<b>476</b>

**AGENDA MANAGEMENT SHEET**

**Report Title:** Preventing Homelessness in Warwickshire: a multi-agency approach

**Name of Committee:** Cabinet

**Date of Meeting:** 1 February 2021

**Report Director:** Head of Communities and Homes

**Portfolio:** Communities and Homes

**Ward Relevance:** All

**Prior Consultation:** Portfolio Holder  
Warwickshire County Council - Public Health  
Warwickshire District and Borough Councils  
County wide public consultation  
Community and Voluntary Sector  
Stake holders and partners - Strategic Group

**Contact Officer:** Raj Chand, Head of Communities and Homes  
01788 533870  
David Wortley, Community Advice and Support  
Team Manager, 01788 533440

**Public or Private:** Public

**Report Subject to Call-In:** Yes

**Report En-Bloc:** No

**Forward Plan:** Yes

**Corporate Priorities:** This report relates to the following priority(ies):

**(CR) Corporate Resources**  To provide excellent, value for money services and sustainable growth

**(CH) Communities and Homes**  Achieve financial self-sufficiency by 2020

**(EPR) Environment and Public Realm**  Enable our residents to live healthy, independent lives

**(GI) Growth and Investment**  Optimise income and identify new revenue opportunities (CR)

Prioritise use of resources to meet changing customer needs and demands (CR)

Ensure that the council works efficiently and effectively (CR)

Ensure residents have a home that works for them and is affordable (CH)



- Deliver digitally-enabled services that residents can access (CH)
- Understand our communities and enable people to take an active part in them (CH)
- Enhance our local, open spaces to make them places where people want to be (EPR)
- Continue to improve the efficiency of our waste and recycling services (EPR)
- Protect the public (EPR)
- Promote sustainable growth and economic prosperity (GI)
- Promote and grow Rugby's visitor economy with our partners (GI)
- Encourage healthy and active lifestyles to improve wellbeing within the borough (GI)
- This report does not specifically relate to any Council priorities but

**Statutory/Policy Background:** The proposed strategy is to support the emphasis on preventing homelessness and the need for more collaborative working following the introduction of the Homelessness Reduction Act 2017

**Summary:** Council is asked to approve the adoption of a county-wide strategy Preventing Homelessness

**Financial Implications:** There are no direct financial implications arising from the adoption of this strategy

**Risk Management Implications:** None

**Environmental Implications:** None

**Legal Implications:** None

**Equality and Diversity:** An Equality Impact Assessment has been undertaken by Rugby Borough Council in conjunction with Warwickshire County Council. No issues have been identified that need to be referred to in the main body of this report.

**Options:** Council adopt the county-wide strategy and support the development of the associated action plan.

**Recommendation:** IT BE RECOMMENDED TO COUNCIL THAT -

- (1) the strategic vision and recommendations within the strategy; Preventing Homelessness in Warwickshire: a

multiagency approach be approved; and

- (2) the Homelessness Strategic Group be supported to develop the action plan underpinning these recommendations and continue to work towards preventing homelessness in 2021/22.

**Reasons for Recommendation:** To enable Rugby Borough Council to join with other Warwickshire District and Borough Councils, Warwickshire County Council and wider Partners of the Strategic Group to work in partnership on producing the associated action plan with the aim of preventing homelessness.

**Cabinet - 1 February 2021**

**Preventing Homelessness in Warwickshire: a multi-agency approach**

**Public Report of the Head of Communities and Homes**

**Recommendation**

IT BE RECOMMENDED TO COUNCIL THAT -

- (1) the strategic vision and recommendations within the strategy; Preventing Homelessness in Warwickshire: a multiagency approach be approved; and
- (2) the Homelessness Strategic Group be supported to develop the action plan underpinning these recommendations and continue to work towards preventing homelessness in 2021/22.

**1. Background**

- 1.1 The introduction of the Homelessness Reduction Act 2017 introduced fundamental changes to how local authorities assess and assist homeless clients.
- 1.2 A key part of the changes introduced was to place more emphasis on the prevention of homelessness. To underline that there is a clear expectation that better partnership working is required to ensure early intervention to resolve homelessness when it occurs, but also to prevent homelessness occurring in the first place.
- 1.3 In 2019, the District and Borough Councils within Warwickshire joined in partnership with Warwickshire County Council to form a Homelessness Strategic Group to promote collaboration, challenge existing processes, and develop and deliver new initiatives and to create a county-wide Homelessness Strategy.

**2. Development of the strategy**

- 2.1 In 2018, a homeless conference was held with partners from the statutory, voluntary and community organisations and feedback from the event was used to identify the broad themes to be included in the strategy as well as leading to the formation of the strategic group.
- 2.2 The following strategic vision was developed for the strategy;

*“statutory, voluntary and community organisations working together for the benefit of our residents to promote and deliver the changes expected by the government in the Homelessness Reduction Act 2017 with particular reference to the prevention duty and the Duty to Refer.”*

- 2.3 Five strategic priorities are addressed within the strategy and within each theme;
- Health – to reduce the inequalities and improve the health of people at risk of homelessness, homeless or sleeping rough.
  - Financial inclusion – to ensure that a wide range of appropriate services are available to support those at risk of homelessness due to financial difficulties.
  - Young people – to enhance and improve services that prevent homelessness among young people.
  - Domestic abuse – to prevent domestic abuse and the crisis homelessness resulting from it wherever possible.
  - Offending – to deliver better-focused housing and related support services for those at risk of homelessness when leaving prison.
- 2.4 Each theme has its own chapter within the strategy and identifies; what we already know, what we are currently doing and most importantly, what we are doing to improve services going forward.
- 2.5 The draft strategy is included at **Appendix 1**.
- 2.6 All District and Borough Councils in Warwickshire will be taking the draft strategy through their own governance processes in early 2021, with the final version going to Warwickshire County Council Health and wellbeing Board in March 2021.

### **3. Consultation – Feedback report Appendix 3**

- 3.1 An on-line consultation exercise was undertaken in October 2020. This found that the majority of respondents agreed with the recommendations to be actioned for each theme in 2021/22.
- 3.2 In addition to the quantitative measures, qualitative comments have also been taken into account in the final version of the strategy, in particular;
- Education – more focus was given to education in the context of offending and preparing people for release, one of the existing recommendations was updated to specifically include education to help people re-acclimatise, integrate into society and find suitable employment.
  - Veterans – whilst veterans were mentioned in the strategy, following engagement feedback, services to support veterans with their mental health was included within the health chapter. The matter of the military covenant requiring housing authorities to prioritise veterans was also raised. After discussions with Heads/Directors of Housing, it was determined that this was a housing allocations and policy matter which each district and Borough incorporates into their respective local allocation policies.
  - Digital inclusion – little focus was given to this within the draft strategy, however following helpful feedback on this within the engagement, this has been strengthened within the financial inclusion chapter, specifically around financial support for customers in digital formats.

- Service user involvement – COVID restrictions have prevented meaningful service user involvement. This was raised both in the engagement feedback and webinar with the community and voluntary sector. To keep within COVID secure guidelines and avoid tokenistic engagement, a commitment has since been made to involve service users in parts of the action planning, where appropriate and to establish a service user involvement feedback mechanism, to gain their unique and integral perspective into the delivery of the strategy recommendations.

#### **4. Equality Impact Assessment**

- 4.1 An Equality Impact Assessment on this policy was undertaken in December 2020 and is attached at **Appendix 2**. No additional impacts have been identified during the formation of this report.

#### **5. Summary**

- 5.1 Following adoption of the strategy, the homelessness strategic group will reconvene and working with partners will develop the action plan based on the strategic recommendations.

**Name of Meeting:** Council

**Date of Meeting:** 1 February 2021

**Subject Matter:** Preventing Homelessness in Warwickshire: a multi-agency approach

**Originating Department:** Communities and Homes

**DO ANY BACKGROUND PAPERS APPLY**  YES  NO

**LIST OF BACKGROUND PAPERS**

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

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Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A

# Preventing Homelessness in Warwickshire: a multi-agency approach

2021-2023



## Foreword

I am delighted to introduce the first ever Warwickshire-wide homelessness strategy, which has been produced by the county, district and borough councils of Warwickshire working in partnership together and liaising and engaging with the widest range of statutory and voluntary organisations operating across the county.

A place to live is a basic human need and the lack of a home blights the lives of too many individuals and families in our community. While housing itself will always be the cornerstone of any solution, homelessness is often a multi-dimensional issue that is impacted by, and impacts upon, many other social policy areas. That is why this strategy is so important: because it seeks to prevent and tackle homelessness by addressing the broader underlying issues and because it brings together the organisations working in those other policy areas to help to define and develop the way forward to reduce homelessness in Warwickshire.

Our vision for the next two years is of statutory, voluntary and community organisations working together for the benefit of our residents to promote and deliver the changes expected by the government in the Homelessness Reduction Act 2017 with particular reference to the prevention duty and the Duty to Refer, both of which are explained in depth in this document.

We have identified five equally important priorities for the strategy:

- Health – to reduce the inequalities and improve the health of people at risk of homelessness, homeless or sleeping rough.
- Financial inclusion – to ensure that a wide range of appropriate services are available to support those at risk of homelessness due to financial difficulties.
- Young people – to enhance and improve services that prevent homelessness among young people.
- Domestic abuse – to prevent domestic abuse and the crisis homelessness resulting from it wherever possible.
- Offending – to deliver better-focussed housing and related support services for those at risk of homelessness when leaving prison.

In this strategy you will see each of these priorities addressed in turn, with an analysis of what we know about the issue, a description of some of the excellent projects that are already underway and a set of recommendations for further work that will help to improve the situation.

Writing this foreword at a time when the country is still grappling with the Coronavirus pandemic it seems clear to me that now, more than ever, a joint approach is essential to preventing homelessness in all its complexity and I am confident that this strategy will help to substantially deliver the changes needed over the coming years.

Councillor Les Caborn

Portfolio Holder for Adult Social Care & Health

Warwickshire County Council

[Rugby Borough Council – Councillor Emma Crane Portfolio Holder Communities and Homes](#)

[Nuneaton and Bedworth Borough Council - Insert PH](#)

[North Warwickshire Borough Council - Insert PH](#)

[Stratford District Council – Insert PH](#)

[Warwick District Council – Insert PH](#)



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## Introduction

Warwickshire is a county covering approximately 760 square miles in the West Midlands region of England and is home to 570,000 people. It has a two-tier structure of local government, with Warwickshire County Council (WCC) delivering upper-tier services across the whole county and five district and borough councils (D&Bs) providing services over smaller geographic areas within the county: North Warwickshire Borough Council (NWBC); Nuneaton and Bedworth Borough Council (NBBC); Rugby Borough Council (RBC); Stratford-on-Avon District Council (SDC); and Warwick District Council (WDC).

Ever since the first national legislation on homelessness in 1977 the D&Bs, as local housing authorities, have had the primary responsibility for helping homeless people in their area. In April 2018 the Homelessness Reduction Act 2017 (HRA17) came into force bringing sweeping changes in how councils should respond to homelessness. Further details on the act are included elsewhere in this document, but one of the most significant changes was the introduction of a “Duty to Refer” which required other public bodies to become more involved in homelessness service provision.

This new obligation intensified conversations that were already ongoing between the D&Bs and WCC culminating in a conference on homelessness in the autumn of 2018 that involved a wide range of statutory and voluntary organisations with remits connected with homelessness. Following the conference all six councils agreed to develop a countywide strategy and this document is the result. The process has included full engagement with other relevant agencies, along with a period of open public engagement, inviting the widest possible cross-section of views. The key messages from this engagement are included as appendix one.

The document begins by giving more details on the background to the strategy, followed by key data on homelessness across Warwickshire. It then sets out specific information and recommendations in five key social policy areas where co-ordinated action can have the greatest impact in preventing and tackling homelessness:

- Chapter three - Health.
- Chapter four - Financial inclusion.
- Chapter five - Young people.
- Chapter six - Domestic abuse.
- Chapter seven - Offending.

There are many operational interventions that are already underway across the county to help prevent and tackle homelessness. Many of these are relevant to tackling the issues set out in each of the policy areas so, to avoid excessive repetition, they are detailed in section 1.3 and then a list of the most pertinent is included at the beginning of the second section of each policy chapter. The same applies to system-wide actions needed that cut across every area: these are explained in section 1.4 and referenced briefly at the start of the third section of each policy chapter.

This strategy is intentionally written so that it will continue to be relevant over a two-year period. The recommendations will be taken forward through partnership working between the most relevant agencies in each case, with a lead identified for each work-stream. Detailed action plans will be drawn up for each chapter theme and service user involvement incorporated wherever appropriate. Progress will be monitored annually by the Health and Wellbeing Board, where the need for amendments and additions to the strategy will be considered. The Board will also receive updates on the key datasets, the baseline information for which is included in chapter two and appendix three of this strategy.

## Chapter 1 - The context for the strategy

### 1.1 Homelessness

The causes of homelessness can be complex and have links to several factors that can broadly be divided into “structural” and “individual”. However it is acknowledged that structural factors create the conditions within which homelessness occurs, and people with individual complex problems are more vulnerable to social and economic factors than the general population (Alma Economics, 2019). The wide range of causes and their classification are shown in the following depiction.



It is important to note that not all causes of homelessness are complex and early intervention by relevant services can ensure homelessness is prevented so that consequent issues do not arise. While D&Bs are responsible for tackling homelessness many of the public services that support people with these wider needs are provided by other organisations.

The Government’s ambition is to promote a holistic approach to addressing housing needs in order to reduce some of the consequent effects at the same time as resolving an individual’s homelessness. This approach was made all the more urgent by the specific set of challenges of the COVID-19 pandemic, which required partners to act in collaboration to prevent health risks due to homelessness. This has promoted strong working relationships to deliver agreed actions which will underpin future work as directed by this strategy. Joint COVID-19 recovery planning includes anticipating further challenges from a period of recession in which households may find themselves in financial difficulty due to periods of unemployment.

### 1.2 The new legislative framework

For many years local housing authorities have had defined statutory responsibilities towards homeless people in their area, the principal legislation being the Housing Act 1996. To address an increase in homelessness nationally, and the prevalence of rough sleeping particularly, the Government enacted changes to the 1996 Act through the HRA17 (see appendix two) which came into force on 3 April 2018.

The broad aim of the HRA17 is to reduce homelessness by introducing systems to ensure early intervention and prevention and by changing an over-emphasis in the old system on technical decisions about priority need categories and intentional homelessness judgements. This is achieved by requiring that all households who seek assistance have a full needs assessment and a Personal Housing Plan.

The HRA17 also confers new duties on other statutory agencies through the Duty to Refer (introduced from October 2018) bringing a wide range of other statutory organisations into firm collaboration with local housing authorities to implement the legislation. This demands joint action; it recognises that early intervention and prevention cannot be achieved by the housing authority alone because other organisations are likely to see early indications or triggers which could lead to homelessness before a household makes contact with the housing authority.

The Personal Housing Plan and Duty to Refer together underpin a legislative requirement to provide a holistic assessment of the households needs which results in a joint, multi-agency approach to achieving a positive outcome.

Implementation of this new legislation brings a number of challenges:

- All councils must make a fundamental shift in the way that they deal with homelessness, from a safety net of last resort to proactive, joined up services which are able to deliver early intervention and prevent homelessness.
- Other statutory organisations need to collaborate and act to ensure early intervention and prevention in order to avoid crisis.
- Housing options services must be promoted in a positive manner to encourage households to seek assistance as early as possible. This requires a shift away from demand management (encouraged by the previous legislation) towards a more proactive, open door approach.
- In order to address the issues drawn out in needs assessments and actions agreed in Personal Housing Plans positive collaborative systems of work must be developed between statutory agencies and support providers.
- Strategically all housing authorities must act to increase the supply of affordable housing in their area.
- This new approach should ultimately prevent households falling into crisis and needing to rely on statutory and voluntary support services. However until that shift is achieved the reduction in available resources for both statutory and voluntary agencies is a challenge in meeting needs.

### 1.3 What are we doing in Warwickshire?

HRA17 has been implemented operationally by all of the D&Bs. To aid prevention: households at risk of homelessness are being assessed much earlier; all applicants have a needs assessment and are provided with a Personal Housing Plan; and the Duty to Refer is in operation. In addition there are a number of initiatives underpinning the shift to early intervention and a more holistic approach:

**A wide range of interventions** are available for all applicants to access in order to prevent homelessness, such as: grants to support people to sustain their tenancies or find an alternative before homelessness occurs; mediation and early intervention with parents or friends no longer willing to accommodate; rent deposit and guarantee schemes.

**Community and voluntary sector support.** Whilst in Warwickshire there are many statutory and commissioned services to prevent and tackle homelessness, Warwickshire's homeless communities are fortunate to have excellent support from the third sector. There are a variety of hardworking and dedicated voluntary groups who provide integral support, particularly to those people who find themselves with no home, street homeless and need to rely on shelters or soup kitchens. The voluntary sector support for this population is a valued resource in Warwickshire. Going forward, we will work closely with the community and voluntary sector providers to establish a service user involvement feedback mechanism, to gain their unique and integral perspective into the delivery of the strategy recommendations.

**p.h.i.l. (Preventing Homelessness Improving Lives)** is a service that actively seeks early referrals about, and direct contact from, people who are concerned that they may become homeless. The service provides a holistic and tailored approach and focusses on prevention and well-being. It was funded by government trailblazer funding from 2017 to 2021 and operated across the county. From April 2021 p.h.i.l. will continue to operate in NWBC, RBC and SDC, with other preventative services operating in NBBC and WDC.

**Mental health first aid training** has been commissioned by Warwickshire Public Health, specifically focussed on housing officers and front line workers whose clients include people vulnerable to homelessness.

**Housing-related support services** commissioned by WCC. Providers work with clients with needs that place them on the edge of care, supporting them to maintain a tenancy and helping with issues that could lead to homelessness. Some of the services include short-term accommodation to support households who are homeless.

**Research undertaken by Doorway** considered working practices in statutory services for young people and care leavers and delivered clear recommendations for action to improve joint working.

**A Domestic Abuse Strategy** for the County is being developed to set out how agencies will work together to tackle domestic abuse and its consequences.

**Rough sleeping initiatives** are being developed in partnership across the county. These include the delivery of specific mental health services and action to provide more accommodation for this particular group.

**Financial inclusion** is being proactively promoted by D&Bs. This includes a focus on financial inclusion as a driver to provide sustainable housing, using Discretionary Housing Payments to prevent homelessness and addressing broader issues around budgeting skills, education, training and employment opportunities.

**Support services for armed forces veterans** have been developed and promoted across the County.

**Supporting hospitals** by working with Warwickshire's Hospital Liaison Officers across our main acute trusts, to support safe and positive discharge arrangements for patients where homelessness, housing need or property condition is an issue.

**Improved access to affordable housing** is being promoted by D&Bs using their Local Plans and Lettings Schemes as well as by intervening to shape the private sector market. This includes the need for specialised housing and extra-care housing schemes.

#### 1.4 System wide actions to be taken to tackle and reduce homelessness

The legislation requires statutory agencies to act to promote positive outcomes for applicants. The inclusion of the Duty to Refer in the HRA17 indicates Government awareness that better partnership working is needed to resolve homelessness when it occurs. In addition a recent consultation paper, "Tackling Homelessness Together", set out Government concerns that partners are not engaging positively to resolve homelessness and are not co-operating. As a result Government is now proposing statutory requirements to provide for specific structures which could include a duty to co-operate and the establishment of Homelessness Reduction Boards.

System changes are needed to prevent homelessness, with the councils that are party to this strategy acting together to prevent crisis by promoting the importance of the Duty to Refer in our partnership work. We need new and robust pathways enabling early notice of a threat of homelessness and the opportunity to intervene at an early stage.

In Warwickshire a Strategic Homelessness Board has already been established. This supports the legislative changes, anticipates the Government's further proposals and provides a strategic framework to reduce the prevalence of homelessness in the county. Actions are concerned with how statutory agencies in Warwickshire will work together to promote and deliver the changes required by Government for the benefit of our residents. These actions are intended to define a strong culture of collaboration and joint working arrangements. In promoting collaborative working the board will also welcome challenge to existing systems of work in order to develop more effective interventions. To provide for an informed network of agencies that can assist front line services to prevent homelessness the board will encourage a culture of professional curiosity, ensure professionals know that acting to prevent homelessness is everybody's business and create clear referral pathways. The effectiveness of the board's actions to strengthen joint working will be monitored formally at its meetings.

## Chapter 2 – Facts and figures about homelessness in Warwickshire

The purpose of this Chapter is to draw a picture of homelessness in Warwickshire, comparing it to the national situation where relevant, and to provide baseline information for monitoring as this strategy is implemented.

As part of the new set of duties introduced by the HRA17 local housing authorities send case level data to MHCLG (Ministry of Housing, Communities and Local Government) quarterly through the Homeless Case Level Information Collection system (H-CLIC). The data is collated and analysed by MHCLG and they publish a quarterly report.

“Homeless” covers a broad range of living circumstances but H-CLIC data covers statutory homelessness, i.e. the homelessness applications taken and decisions made by local authorities according to their legal duties. This means that not all homelessness is included in the data as it is concerned with reported homelessness only. Nonetheless H-CLIC data is useful in helping to understand homelessness nationally and locally.

H-CLIC data includes information about the new duties owed for prevention and relief as well as the long standing main homelessness duty, the reasons for homelessness and the support needs of applicants. Critically it also includes information about the use of temporary accommodation which should reduce over time if the new prevention duty is effective. The new duty to refer, given to other statutory agencies, is also monitored as part of the H-CLIC return.

Appendix three sets out the detailed data for Warwickshire but a summary of the most important points is included below. Some detailed contextual information about the health of the population in Warwickshire is shown in an extract from the 2019 annual report of the Director of Public Health in appendix four.

In 2018/19, the first year of implementation of the HRA17, D&Bs received 2,476 approaches across Warwickshire. This increased to 2,853 in 2019/20, an increase of almost 15% compared to an increase of only 5% for England over the same period.

In 2019/20 the duty owed to applicants was split fairly evenly between prevention (46%) and relief (48%) with around 5% owed no duty. Table one shows how these applications were split across the five D&Bs according to duty owed.

For those owed the prevention duty in Warwickshire (table two):

- The two main reasons were “End of an assured shorthold tenancy” and “Family or friends no longer being willing or able to accommodate” (together accounting for more than 50% of applicants). This was the same for the West Midlands and England.
- The profile of reasons for the applicant losing their home, or being threatened with losing it, was broadly similar to the regional and national picture with two notable differences: a much higher proportion of applications were caused by the end of a social rented tenancy or by a non-violent relationship breakdown.

For those owed the relief duty there is a different profile (table three):

- There is a much smaller proportion than is true for prevention cases, of applications due to “End of an assured shorthold tenancy” (11% at all three geographic levels).
- The main reason for application is “Family or friends being no longer willing or able to accommodate” at roughly 30% across all three areas.
- Warwickshire has a significantly higher proportion of applications due to “Non-violent relationship breakdown” and this is offset by fewer “Other” reasons.

When looking at the support needs of households (table four):

- The profile is broadly similar to the West Midlands region as a whole with the three most common reasons in both cases being: “A history of mental health problems”; “Physical ill health and disability”; and “At risk of / has experienced domestic abuse”. These three reasons accounted for roughly half of all cases (53% in Warwickshire and 49% in the West Midlands).
- In Warwickshire no other support need accounted for more than 5% of needs whereas in the West Midlands there were two such needs: “Young person aged 18-25 requiring support to manage independently” at 8% and “Access to education, employment or training” at 6%.

As regards the Duty to Refer (table five):

- This was widely used in 2018/19, the first year of operation, with 617 cases referred in this way. However there was a huge drop to only 95 cases the following year and every organisation subject to the duty made fewer referrals in 2019/20 than they did in 2018/19.
- The profile of referrals also changed between the two years: in 2018/19 the biggest referrer was Jobcentre Plus at 41% but this fell to 17% in 2019/20 while Children’s Social Services increased from 12% to 24% and Adult Social Services increased from 3% to 15%. As indicated above, this was not due to an increase in the number of referrals from those agencies.

Tables six and seven show the number of households in temporary accommodation by type of accommodation and by type of household, for each D&B as at 31<sup>st</sup> March 2020. There is no clear pattern as regards the nature of accommodation being used. Single adults are by far the most common household type in temporary accommodation, as was the case at the end of each quarter in 2019/20. However the total number as at 31<sup>st</sup> March 2020 will have been inflated by the “Everyone In” initiative in response to the Coronavirus pandemic.

Rough sleeping numbers countywide (table eight) have gone from 39 in 2016 to 49 in 2017 and 78 in 2018 before falling back to 47 in 2019.

Warwickshire had a proportion of “White” applicants at 85% that was significantly higher than either the West Midlands (65%) or England (70%). This was offset by lower proportions in Warwickshire of “Black/African/Caribbean/Black British” and “Asian/Asian British” applicants (table nine).

The age profile of applicants in Warwickshire was broadly similar to both the West Midlands and England with relatively small differences between the three regional distributions (table ten).

In Warwickshire and England 14% of applicants contained more than one adult (in the West Midlands the figure was a little higher at 17%) so that the gender of the main applicant was not specified. Gender analysis is therefore only provided for the remaining 86% of applicants, of which 60% were single adults and 26% were single parents.

The gender profile of single parents (Table 11) is broadly similar across all three geographic profiles with the split being 89% “Female” and 11% “Male” in Warwickshire. The West Midlands is slightly different as it has a much higher proportion (6%) of “Other/gender not known” cases.

For single people (table 12) there is a higher proportion of “Male” (62%) than “Female” (37%) in Warwickshire, very similar to England and the West Midlands, though the latter again has a slightly higher proportion of “Other/gender not known”.



## Chapter 3 – Homelessness and health

**Our objective is to reduce the inequalities and improve the health of people at risk of homelessness, homeless or sleeping rough.**

### 3.1 What do we know?

There is a wealth of research into the health and well-being of the homeless population, in particular around health inequalities, mental health, and use of drugs and alcohol. It is important to note that someone can be officially homeless while living in temporary accommodation with a roof over their heads. This will have a different impact on their health, compared to someone who is street homeless and sleeping rough, but much of the published research does not differentiate between being homeless in temporary accommodation and rough sleeping.

Data from 27 Health Needs Audits across England in 2019 showed that an estimated 44% of homeless people had a diagnosed mental health condition; 86% had reported a mental health difficulty (the most common issue being depression); 27% had an alcohol problem; 78% smoked; and 41% used drugs or were in recovery.<sup>1</sup>

The physical and emotional health of homeless people is generally worse when compared to that of the wider population, including the most deprived in the wider population.<sup>2</sup> Poor health is exacerbated by poor access to health services and lack of adherence to prescribed medication.<sup>2</sup>

There are two particularly significant consequences of this poor health that have implications for health and social care services:

- Homeless people aged 50 have the same age-related health conditions as people in the general population at 70, such as falls, cognitive impairments and incontinence. Consequently, researchers have recommended that homeless people should be eligible for older adult services at 50.<sup>2</sup>
- Homeless people die younger compared to the general population. (People who experience rough sleeping over a long period have an average age of death of 45 years for men and 43 years for women, compared to 76 and 81 years respectively within the general population.<sup>3</sup>) Causes of this include infections, such as tuberculosis and HIV, heart disease and a host of external factors such as unintentional injuries, suicide and poisoning. In recent decades however the causes of this early mortality have shifted from infections to drug overdoses, substance misuse disorders and mental health problems.<sup>2</sup>

While estimates of alcohol and drug use rates among homeless people vary, there is an acknowledgement that rates of substance misuse are much higher than they are within the general population. In 2008, a systematic review was undertaken to examine the prevalence of mental disorders among homeless people in western countries<sup>4</sup> and there were two main conclusions:

- The most common mental disorders were alcohol and drug dependence with an estimated prevalence of 37.9% and 24.4% respectively.
- The prevalence estimates for psychosis were at least as high as those for depression, which is in marked contrast to the general population estimates of these conditions.

Conversely the number of people without adequate and secure housing, among those with drug and alcohol issues is also high. The links between drug and alcohol use and homelessness are widely acknowledged, and in the majority of research, this association is recognised as an established fact. It is, however, important to note that not everyone who has an issue with drugs or alcohol becomes homeless and not everyone who is homeless has a drug or alcohol issue.

**Autism and learning disability** are another important consideration in health and homelessness. Autism is a lifelong condition that affects how people perceive the world and interact with others. Autistic people can experience challenges in communicating and interacting with others which can lead to relationship breakdown and social isolation, creating difficulties in accessing support and/or

maintaining education and employment. For autistic adults in employment, more than one third consider workplace adjustments for their condition to be poor or very poor.<sup>5</sup>

One study found that 12% of a group of people experiencing homelessness showed strong signs of autism.<sup>6</sup> It is likely that autistic people are not only more at risk of becoming homeless, but also more vulnerable once they are on the streets and they may find it more difficult to move into new accommodation.

A 2018 systematic review of cognitive impairment and homelessness (including learning disability and autism) found that cognitive impairment was over-represented in the homeless population, with some groups of individuals with specific conditions having higher rates of experiences of homelessness than in the general population.<sup>7</sup>

The review noted differences in the needs and experiences of homeless individuals with cognitive impairment compared to the needs of homeless individuals without a learning disability. The needs of people with cognitive impairment tend to be enduring as opposed to temporary. In addition, services do not tend to be adapted or adjusted to meet the needs of people with cognitive impairment and so struggle to meet such needs. Issues include a lack of awareness of learning disability and autism amongst practitioners, lack of accessible programmes and inappropriate and low-quality housing which is unsustainable in the long term.

Difficulties in accessing support were also experienced by individuals with mild autism or learning disability, or “high-functioning” autism who are either undiagnosed, experiencing long delays during the diagnostic process, or do not meet the threshold for social care or mental health services.

An Autism and Homelessness Toolkit has been created by a multi-agency group including Resources for Autism, Westminster City Council, St Mungo's, National Autistic Society and Homeless Link, to help staff in homelessness services understand:

- What autism is and how it can present.
- How autism might change the way that people engage with services and support.
- How they can tailor their responses to better meet the needs of autistic people.

Workforce upskilling in understanding autism and how it may impact on a person's behaviour is crucial to the provision of support which is responsive to their needs.

Among **young people** the causes of homelessness include family conflict, victimisation, non-heterosexual sexual identity and having been in the child welfare system.<sup>2</sup> Shelter, in collaboration with policy experts, undertook a comprehensive evidence review of the impact bad housing has on children's life chances and found that:

- Experience of multiple housing problems increases children's risk of ill-health and disability by up to 25 per cent during childhood and early adulthood.
- Children who are homeless are three to four times more likely to have mental health problems than other children. Mental health issues such as anxiety and depression have also been linked to overcrowded and unfit housing.
- Children who are homeless are two to three times more likely to be absent from school than other children due to the disruption caused by moving into and between temporary accommodation.
- Children who are homeless are more likely to have behavioural problems such as aggression, hyperactivity and impulsivity: factors that compromise academic achievement and relationships with peers and teachers.
- Children who are homeless have lower levels of academic achievement that cannot be explained by differences in their levels of ability.<sup>8</sup>

**Adults** who are homeless are high users of acute health services, according to the evidence, including emergency visits to Accident & Emergency (A&E) and in-patient admissions. This is often compounded by the high risk factors of substance misuse and mental health disorders which increase their use of these services.<sup>2</sup> The cost of hospital use by homeless people is estimated to be four times higher than for the general population and eight times higher for in-patient services.<sup>9</sup>

There is also evidence that a high proportion of homeless people are discharged from health services onto the street without their underlying health problems being addressed. Appropriate and timely discharge planning is crucial in terms of supporting homeless patients: a randomised control trial tested the success of intervention with people at risk of homelessness from a psychiatric unit. It found that those who were offered immediate assistance with housing still had that accommodation, both three and six months later. However for those without such an intervention, all but one participant remained homeless after three and six months.

**The COVID-19 pandemic** may be expected to have longer term impacts on the health of Warwickshire's homeless population but whilst it is too early to tell what this might be there have been some anecdotal benefits. In particular the government's "Everyone In" directive brought a focussed effort to offer temporary accommodation to anyone sleeping rough. Not only did this give some people who were sleeping rough the opportunity to take up the offer of accommodation, it also gave some people in unsuitable accommodation the same opportunity, e.g. people who had been sofa surfing were now able to reside in temporary accommodation.

As a result some individuals became known to services for perhaps the first time. This presented an opportunity to work with these individuals and link them into health-related services such as: registering with a GP; reviewing prescriptions; general health checks; being linked into drug and alcohol services; and mental health outreach services.

### 3.2 What are we currently doing to tackle homelessness and health issues?

There are a number of initiatives set out in chapter one that are being undertaken towards preventing and tackling homelessness generally across Warwickshire. The following are of particular relevance to health (and are explained in more detail in section 1.3 above):

- P.h.i.l./prevention work.
- Mental health first aid training.
- Housing-related support services.
- A Domestic Abuse Strategy.
- Rough sleeping initiatives.
- Financial inclusion.
- Support services for armed forces veterans.
- Hospital discharge pilot.
- Improving access to affordable housing, including specialist and extra-care schemes.

There are also specific initiatives underway that tackle homelessness and health issues and these are explained in the following paragraphs.

**Change Grow Live Drugs and Alcohol Services** offer free and confidential support to adults, young people, carers and families across Warwickshire. A range of treatments and interventions are provided that are designed to support people to take control of their recovery journey and achieve their goals. Services include: harm reduction; prescribing; detoxification; training; housing and employment advice.

**Mental Health Enhanced Care Pathway** - WCC have worked in partnership with Coventry and Warwickshire Partnership Trust (CWPT) to second two Advanced Nurse Practitioners into the P3 Street Outreach Service (part of Warwickshire's floating support service, within the housing-related support portfolio). The Mental Health Enhanced Care Pathway in Warwickshire works proactively to

engage people who sleep rough and people who reside in local hostels, to encourage them to seek support with their mental health. The aim is to support more people who sleep rough with their mental health challenges and reduce the risk of exacerbation of their mental health, which can often result in A&E attendance.

A **Physical Health Outreach Service** is being piloted by WCC with funding from MHCLG's 2019 Cold Weather Fund, in collaboration with the Out of Hospital Team. The Physical Health Outreach Pilot conducts outreach and visits people who are sleeping rough, either on the streets or in a location convenient to them e.g. a local hostel, drop-in centre or café. The aims of this pilot are to:

- Increase access to health services for people who sleep rough in Warwickshire.
- Work with people sleeping rough, who may have physical health problems, in a preventative way to help them to manage their health and avoid inappropriate use of A&E and emergency admissions.
- Facilitate and foster a positive relationship between people sleeping rough and health services; support them to have confidence in becoming responsible for their own health; and increase their confidence in accessing primary care.

**Pathway needs assessments** are being conducted by Public Health Warwickshire working with Pathway in Warwickshire's acute trusts. In order to determine the most appropriate Pathway model for an acute trust, it is important to understand current practice and assess local levels of need and demand on current services. A Pathway hospital team puts the patient at the centre of his or her own care and works to transform health outcomes for one of the most vulnerable and deprived groups in our society. The model of healthcare, developed for and with homeless people, can also benefit other multiply excluded groups.

**Warwickshire's physical health outreach service** for people sleeping rough was launched in January 2020, just before lockdown measures were introduced as a result of the Coronavirus pandemic. The "Everyone In" directive presented an opportunity for the nurses to carry out patient assessments of individuals not previously known to the health service that were placed into temporary accommodation. Patient data was captured on the NHS secure system and will be anonymously collated for evaluation purposes, thereby offering an opportunity to examine the prospective health of this cohort of individuals "post-COVID", as they move on through temporary accommodation, into more sustainable accommodation.

**Veterans Mental Health Transition, Intervention and Liaison Service (Midlands and East)** is a partnership between CWPT, Lincolnshire Partnership NHS Foundation Trust, North Essex Partnership University NHS Foundation Trust, Walking with the Veterans' Wounded and Mental Health Matters, established to achieve joined up care pathways for veterans across the Midlands and East regions. Staff include veterans and civilians with a range of highly relevant and professional experience. The service will provide a responsive, innovative and high quality service user mental health service operating as one team, delivering local care through three geographically well-placed hubs. Each hub is attached to its nearest Ministry of Defence Department of Community Mental Health for a direct in-reach link for those veterans in transition, to ensure they receive the best transition possible into civilian life. The team is based in Rugby, Warwickshire.

CWPT is also offering a new NHS High Intensity Veterans mental health service to complement existing mainstream NHS services, ensuring a military sensitivity and understanding is there for veterans and families at points of mental health crisis. It is one of a number of pathfinders, essentially different pilots across England, that run until March 2022 in order to inform NHS England on what works best, in time for the re-procurement of all NHS specialist veterans mental health services thereafter.

### 3.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for those with health issues that are at risk of homelessness. These will be taken forward as recommendations from this strategy.

#### **1. Supporting the development and mobilisation of the Mental Health Enhanced Care Pathway in Warwickshire.**

This targeted mental health and wellbeing service for people who are street homeless/sleeping rough is explained in section 3.2 above. There are opportunities to develop this further and to work with the system to realise the benefits and sustain this service into the future.

#### **2. Holding collaborative discussions with CWPT around options for prioritisation of mental health support for people who are homeless/rough sleeping.**

Currently there are no specialised mental health services for people who are homeless or sleeping rough in Warwickshire. This population often have multiple, complex needs and do not access services in the same way that the general population do, often presenting when situations or symptoms have reached a point where they need emergency care and support. Further discussions are needed as to whether prioritising this vulnerable population's access to such services is achievable.

#### **3. Supporting the development and embedding of the Dual Diagnosis protocol and pathways into mental health/drugs and alcohol services.**

Dual Diagnosis covers a broad spectrum of substance misuse and mental health challenges that individuals may face at the same time. The protocol describes a joint approach that will be taken by organisations involved to support these individuals. Understanding how this protocol can be used to support people who are homeless is crucial.

#### **4. Considering system-wide options to address the physical health needs of people who are homeless/sleeping rough.**

Due to this population having multiple, complex needs, physical health is often not prioritised or accessible in the same way, compared to the general population. System-wide discussions and actions are required in order to determine how to best meet the physical health needs of this vulnerable population.

#### **5. Ensuring access to pharmacies.**

It is necessary to explore the use of behaviour policies with local pharmacies and the Local Pharmaceutical Council, to ensure that access to pharmacies does not become a barrier to engaging with treatment services for people who are homeless.

#### **6. Maintaining good dental health.**

People who are homeless and/or rough sleeping may struggle to access dental treatment so it is important to ensure that there is availability of such treatment and clear pathways for people to follow in order to access it.

#### **7. Facilitating entry to rehabilitation for drug and alcohol services.**

Organisations need to work together to explore opportunities for people who are homeless or sleeping rough to access both commissioned and privately funded detox and rehabilitation services, ensuring a quality assured approach to both.

#### **8. Improving the accessibility of services available for homeless individuals who may have a learning disability or autism.**

This can be achieved by: increasing awareness of autism and learning disability issues amongst practitioners; providing accessible and easy-read documentation; ensuring reasonable adjustments to services are made by improving links with relevant health and social care practitioners; and increasing access to advocacy services to ensure individuals are not inappropriately excluded from accessing suitable housing. In addition, specific considerations about the suitability of

accommodation for people who are homeless with learning disability and/or autism is required due to social, information processing or sensory needs which may make it difficult for these individuals to live in certain environments.

## Chapter 4 - Homelessness and financial inclusion

**Our objective is to ensure that a wide range of appropriate services are available to support those at risk of homelessness due to financial difficulties.**

### 4.1 What do we know?

Stable finance underpins a stable home: without being financially secure, one cannot have access to sustainable housing. There are many people who have at best limited access to somewhere warm, safe and secure to live. They have often been in and out of various types of accommodation due to short term arrangements because financial exclusion has undermined sustainability. The quality of accommodation is invariably at the lower end of the market. This insecurity of tenure and access to inferior housing means that basic safety and physiological needs are not met. This then feeds into poor wellbeing.

The cost of obtaining and maintaining accommodation requires constant financial discipline, especially for those on low incomes. Household costs such as rent, Council Tax, gas, electricity, water, telephone, mobile phone and broadband are all subject to regular increases. Mortgage costs, fluctuate with interest rates, which have been at historic low levels since the “credit crunch” in 2008/09 but there is no guarantee that this will continue and if rates were to begin rising then so too would mortgage repayments.

People on low incomes are particularly vulnerable to these cost increases which can easily push people who were “just about managing” into difficulties. Once financial security is lost it is a spiral that is difficult to escape, leading to debt which can mean that housing costs go unpaid and ultimately the home is at risk. This can be a gradual process but sometimes homelessness can be triggered by a financial crisis such as losing a job, or having problems with claiming or receiving benefit.

Financial exclusion is closely linked with both fuel poverty and food poverty. Broadly speaking fuel poverty has three influencing factors: household income; energy prices; and home energy efficiency. Those on low incomes are often unable to access the best energy tariffs as they have pay as you use meter arrangements applied to them by utility companies, the unit costs of which are among the highest on the market. This is then compounded by the household living in the least energy efficient accommodation resulting in a higher proportion of limited funds being spent on high-cost energy. If money is being exhausted by energy costs this leads to impossible choices between spending on rent, utilities or food which leads to reliance on foodbanks.

Lack of financial security may also increase the risk of other issues such as mental health, worklessness and social isolation. A 2010 study found that half of UK adults in problem debt were also living with mental health issues.<sup>10</sup>

As with many of the other priorities in this strategy the shortage of affordable housing is both a contributor to the issues arising and a constraint upon finding solutions. This applies as much to those looking to buy a home as it does to those seeking to rent. Financial issues therefore present challenges both to preventing and to tackling homelessness.

People may lack budgeting skills leading to debt. Those on limited incomes but with access to mainstream credit are more likely to turn towards short-term/high interest credit and do not take advantage of options to reduce utility costs etc. A 2014 report found that where clients struggled to repay their debt 84% reported that they were not warned of the risks of extending their loan further.<sup>11</sup>

People on lower incomes and people who are street homeless in particular, can find it difficult to open a basic bank account. Those that do may only be able to obtain accounts with high charges and

high interest rates on overdraft facilities. Around 1.2 million people in the UK did not have access to a bank account in 2017.<sup>12</sup> Some people may prefer to use cash to keep control of their limited finances but many transactions can be more expensive or impossible without a bank account as many organisations (including local authorities) move to cashless transactions. Dealing in cash will also prevent a credit rating being established.

For those on fixed or limited incomes pressure is increased by welfare reform changes, the most significant being: removing the spare room subsidy; freezing Local Housing Allowance (LHA) rates until 2020; and reducing LHA rates from 50<sup>th</sup> percentile to 30<sup>th</sup> percentile (effectively reducing affordable rented accommodation in the private sector from five in 10 to three in 10 properties). One analysis found that 65% of non-working households have a shortfall between their rent and the housing support levels, with over 170,000 households having a shortfall of more than £100 per month.<sup>13</sup>

Wage growth has generally been below inflation for a number of years and when added to the freeze on welfare benefits this has resulted in a real terms reduction in income. An analysis of the cheapest 25% of private rents compared to the lowest paid 25% of employees found that rent is more than a third of full-time pay in over half of English local authorities.<sup>14</sup>

Once people are homeless financial problems, for example housing-related debts or county court judgements, can be a major barrier to regaining a stable home. There are often restrictions in social housing allocations policies of both council and housing association landlords about offering a home to, or even admitting onto the housing register, someone with these kinds of debt.

When it comes to gaining access to private rented housing many people do not have funds to make upfront payments of deposits and rent in advance, borrowing in order to do so and therefore starting their tenancy in high levels of debt.<sup>15</sup> Many local authorities offer support with these payments but this is not always sufficient for a landlord, with a common question being “what will happen at the end of the payment”. Landlords may also look to the local authority to be a guarantor for the life of the tenancy.

The underlying problem is a scarcity of affordable/sustainable accommodation. There are more people chasing fewer affordable properties. In a survey of 2,500 residential landlords, 25% were looking to reduce their housing portfolio.<sup>16</sup> In the social housing sector the Right To Buy continues to outstrip the building rate so that overall numbers continue to decline. This enables landlords to be selective in accepting more financially secure tenants to reduce their exposure to risk. When allocating tenancies, social housing providers are increasingly risk averse to prospective tenants with financial problems.<sup>17</sup>

The national response to COVID-19 is likely to have a significant impact on financial well-being. While many of the factors contributing to financial exclusion remain constant, the scale of the issue will be increased due to fallout from the economic shock caused by lockdown measures. Within the first six weeks of lockdown there were an additional 1.8 million claims for Universal Credit. By the end of May 2020 over 8 million UK employees were being paid via the government’s furlough scheme. A survey conducted by Make UK, a manufacturing industry lobby group, revealed that 25% of companies questioned were drawing up plans for redundancies. A decline in job vacancies across key sectors such as hospitality will disproportionately affect lower-income workers.

Economically challenging times mean that many households fall back on the support of voluntary providers to augment statutory provision. However, charitable giving usually decreases during times of economic hardship.

There may also be new endeavours and initiatives which agencies and partners must understand quickly in order to harness benefits to their customers in a timely manner.



## 4.2 What are we currently doing to tackle issues of homelessness and financial inclusion?

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to financial inclusion (and are explained in more detail in section 1.3 above):

- Through the HRA17, making referrals for financial and budgeting advice to ensure that income is maximised and expenditure is proportionate and utilising Flexible Homelessness Support Grant where appropriate.
- Housing-related support services include helping customers with financial issues.
- p.h.i.l. and other preventative services. These provide a holistic and proactive approach to homelessness prevention enabling people to stay in their own home or be assisted in moving to a new home, including looking at the financial security of the individual.
- Financial interventions such as grants to sustain tenancies and rent deposit and guarantee schemes.
- Financial inclusion initiatives using Discretionary Housing Payments.
- Improving access to affordable housing to ensure a good supply of suitably priced, high quality accommodation.

There are several other initiatives aimed at mitigating or tackling the challenges and risks around homelessness and financial inclusion, some of which are listed below.

**Citizens Advice** has a network of bureaux offering financial advice and debt management across Warwickshire. In addition it has a national contract to support clients applying for Universal Credit. This support is available from the point of application up to receipt of the first payment and includes help with requesting advance payments or alternative payment arrangements.

**The Warwickshire County Financial Inclusion Partnership** brings together activities regarding financial inclusion across the county including both local authorities and partner agencies. It is currently adopting two overarching priorities:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• <b>Addressing Poverty Now</b> <ul style="list-style-type: none"> <li>– Debt advice</li> <li>– Income maximisation</li> <li>– Affordable credit</li> <li>– Fuel poverty</li> <li>– Food poverty</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• <b>Breaking the Cycle of Poverty</b> <ul style="list-style-type: none"> <li>– Educational attendance and attainment</li> <li>– Pathways to employment</li> <li>– Health</li> <li>– Money management/financial resilience</li> </ul> </li> </ul> |
|--|--|

**A new Family Poverty Strategy** is being created by WCC to support the partnership.

**Charities specifically for Armed Forces veterans** (like the Royal British Legion and the Soldiers, Sailors, Airmen and Families Association) have been set up to help with financial difficulties, securing a home, discharging bills or even furnishing a home with basic necessities such as white goods.

## 4.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for those who are at risk of homelessness due to financial exclusion. These will be taken forward as recommendations from this strategy.

### 1. Making a collective effort to lobby government over required national policy changes.

There are some changes that would help to tackle financial inclusion that can only be achieved by action at national level: reintroducing LHA at the 50<sup>th</sup> percentile to increase the amount of affordable accommodation; allowing Universal Credit claimants the choice to have the housing element paid direct to the landlord; increasing the provision of new-build affordable housing; and providing sustainable funding for all activity around homelessness. In the latter case, funding at present is sporadic and short term. A consolidated grant guaranteed in the medium term would allow service planning to be sustainable and more coherent.

**2. Ensuring homelessness is seen as a more broadly-based problem than simply a “housing issue”.**

This involves developing agreements and protocols around joint working across the various services such as health, social care, criminal justice and housing in order to enable support to be provided on a coordinated basis and in a concerted fashion. This is important because placing homeless people into accommodation without appropriate, coordinated support is setting them up to fail.

**3. Learning from the Community Financial Inclusion Officer scheme.**

WCC provided financial support to councils for the provision of Community Financial Inclusion Support Officers in 2019/20. These officers worked with clients to ensure that they received help and support around debt management and budgeting advice. Although this project has now ended learning from the activity needs to be embedded across D&Bs to ensure close working relationships with external partners such as Citizens Advice.

**4. Undertaking a financial support gap analysis across the county, identifying target audiences, geographical areas covered and areas of potential duplication.**

This analysis can be used for service planning to ensure financial support is available across the whole of the county and that the quality of the service provided is assured. It is also essential that financial support is delivered in locations where it can be utilised by clients (e.g. the provision of additional support and advice at foodbank locations to try and reduce the need for future food vouchers by resolving underlying issues) and in appropriate digital formats (to access bank accounts and Universal Credit).

**5. Making the most of available funds by reviewing activities within local authorities to ensure best use of resources.**

This should include:

- Making best use of prevention funding and discretionary housing payments.
- Creating a package of incentives for landlords to rent accommodation to those who would otherwise find these solutions unaffordable.
- Reviewing relationships with external agencies such as foodbanks, community advice and other support agencies to ensure close working relationships, avoid duplication of service delivery, and aim for the best placed service to deliver support in every case.

**6. Encouraging engagement with financial inclusion services as a condition within support provided under the HRA17.**

A key part of this legislation is that local authorities are able to set out actions that homeless applicants must take as part of the process to resolve homelessness or the threat of homelessness. There could be a condition that anyone at risk of financial exclusion must engage with financial advice. If courses around life skills, financial skills and housing skills were available (the provision of which would involve some joined-up working between partners) there could be conditionality around this also i.e. to realise a housing solution they must first commit to attending the course.

**7. Promoting the use of schemes such as Housing First and the Rugby Housing Pathway to enable engagement with financial inclusion services.**

These specialist schemes can allow the accommodation provider to insist on engagement with financial support as a condition of accessing their services.



## Chapter 5 - Homelessness and young people

**Our objective is to enhance and improve services that prevent homelessness among young people.**

### 5.1 What do we know?

For the purposes of this strategy Young People covers single people aged 16 and 17, young people in care, and care leavers. This chapter will also include young parents, up to and including 25 years of age.

The importance of collaboration to prevent homelessness for 16 and 17 year olds is underpinned by the specific statutory guidance which was published by MHCLG and the Department for Education in April 2018.

Self-evidently the supply and availability of suitable accommodation will be a key determinant of the level of homelessness among young people. For the most part young people with no children only need shared or bedsit/one-bedroom self-contained accommodation and unfortunately there is a significant shortage of this in both the public and private sectors in Warwickshire.

Over the twenty year period from 2011 to 2031, across the housing market area as a whole, the largest requirement for affordable housing to deal with both the backlog of need and newly arising need has been found to be for one bedroom dwellings. This was also true of five of the six councils covered by the assessment (the D&Bs and Coventry). The sole exception was Stratford-on-Avon where the one bedroom need was second to two bedroom need.<sup>18</sup>

Social and affordable housing is in high demand from all types of household and single people place the greatest demand on all the D&B housing registers in terms of housing need. It is important to stress that even when such accommodation does become available young people are in competition with other households with a one bedroom need thus exacerbating the problem.

Given the shortage of, and high demand for, social and affordable housing, young people will often need to look to the private rented sector but this also presents challenges.

Often landlords require references, deposits and rent in advance, all of which may be difficult for some young people to provide. Some landlords are reluctant to take on young tenants, who have no experience of managing their own home and paying bills and who may need welfare benefits to assist them to pay their rent. The Residential Landlords Association found that “The majority of landlords are willing to let to tenants who are under 35 (87%). Of those who are not, the largest group of under 35’s who landlords are not willing to let to are single people who claim housing benefit/universal credit (79% of landlords).”<sup>19</sup>

As well as housing supply and demand, there are non-housing factors in early life that can contribute to homelessness among this age group. There are several issues identified by partners that work with young people to prevent homelessness and enable planned and sustainable accommodation options. Young people in general may lack the financial resources, the awareness and knowledge of the reality of “having your own place” and all the obligations and expectations that this entails. National Research by Homeless Link states that:

*“Explanations of the causes of homelessness tend to focus on either structural or personal factors. Structural factors include social and economic issues such as poverty, the welfare safety net, unemployment, housing supply and housing cost issues. Personal factors cover issues such as mental health, substance dependency, lack of social support, or family breakdown.”*<sup>20</sup>

Graph 11 in the report<sup>20</sup> showed that, of the young people accessing services in August 2017, the top 10 reasons for needing accommodation (with multiple responses permitted) were:

- Parents/carers no longer willing to accommodate (49%).
- Drug or alcohol problems (31%).
- Mental or physical health problems (26%).
- Leaving care (17%).
- Anti-social behaviour or crime (17%).
- Overcrowded housing (12%).
- Other debt-related issues (12%).
- Unemployment (11%).
- Domestic abuse (11%).
- Financial problems caused by benefit reduction (9%).

This suggests that homelessness is more likely among young people affected by such circumstances than among young people who do not face similar challenges in life.

Where any of these vulnerabilities exist they add to the difficulty of sourcing appropriate accommodation and support created by the supply problems referred to above. Other challenges include:

- The shortage of specialised accommodation with support for people with particular vulnerabilities (for example mental health, learning difficulties, autism, complex needs, young parents and care leavers).
- Mental health services are not easily accessible or responsive in a timely manner and therefore mental health support isn't readily available when, or how, it is needed.

Again the Homeless Link report states: *"83% of providers said the number of young people presenting with multiple and complex needs had increased in the last year due to limited capacity and resources in the homelessness sector, a lack of specialist mental health services and inadequate early intervention initiatives."*<sup>20</sup>

As regards young people leaving the care of the social services authority, WCC data shows that across the county over 100 children aged 16 to 18 leave care every year. Over 80% are looked after until their 18<sup>th</sup> birthday.

Across Warwickshire, according to D&B statistics, there were 86 homelessness applications from young people in 2018/19 and 129 in 2019/20. Of these, just over half (55% in 2018/19 and 51% in 2019/20) were from people leaving care.

## 5.2 What are we currently doing to tackle young people's homelessness issues?

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to young people (and are explained in more detail in section 1.3 above):

- p.h.i.l. and other preventative services.
- Support services providing accommodation-based and floating support for 16 -25 year olds.
- Research undertaken by Doorway on working practices in statutory services for young people and care leavers.
- Rough sleeping initiatives.
- Financial inclusion being proactively promoted by D&Bs.
- Improving access to affordable housing.

There are several other initiatives aimed at young people to mitigate or tackle the challenges and risks mentioned above, and in turn reduce the impact of homelessness, some of which are listed below.

**Two dedicated Leaving Care Accommodation Personal Advisers** have been appointed. One of these officers works with 18 year old care leavers who are homeless or at risk of homelessness. The second officer works with 17 year olds in care who are considering their housing options when they reach 18. These two posts were initiated with government funding up to March 2021. However, they have now been made permanent.

**A pilot House Project for care leavers** has been run by NBBC, who committed to providing a quota of three one bedroom flats to be let as Equitable Tenancies (ET) to young people in care aged 17. An ET runs for 12 months, with WCC acting as a guarantor for the tenant. If the tenancy is conducted satisfactorily, the care leaver becomes an introductory tenant in their own right at the end of the ET, with the prospect of becoming a full secure tenant after a further 12 months. Once a care leaver becomes an introductory tenant, NBBC will release a further 1 bed flat for another care leaver so that there are always 3 units being used by The House Project.

**The Warwickshire Young Persons Protocol**, originally developed over 10 years ago and reviewed in 2017, sets out the way WCC and the D&Bs will respond if and when approached by a young person under 18 that is homeless or potentially homeless.

**An Independence Training project** to provide care leavers with the skills needed for independent living was commissioned by WCC and run by Doorway. This ran from 1<sup>st</sup> August 2018, initially for one year but with options to extend, which were taken up, for two further years. An internal WCC service is being set up to run from when the Doorway project concludes in July 2021.

**WCC reorganisation** of its team structure for children in care led to the development of a team specifically for those aged 14-18 years. This new team is able to begin working with young people at an earlier age and can prioritise preparing them to become more independent and to plan for the longer term. The team was established following feedback from young people that the previous situation where they transferred at 16 years of age to the Leaving Care Team was not appropriate as this was a key stage in their life; sitting exams and leaving school so that a change of worker at that stage was unhelpful.

**WCC engaged with the MHCLG Homelessness Advice and Support Team (HAST)** in 2019 regarding preventing and reducing youth homelessness in the county, with HAST putting forward a number of recommendations. In response, WCC has undertaken a review of the arrangements for supporting 16 and 17 year olds who are homeless or threatened with homelessness in Warwickshire.

### 5.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for young people at risk of homelessness. These will be taken forward as recommendations from this strategy.

#### 1. Expanding pre-tenancy training.

With the success of the Doorway Independence Training project referred to above, WCC and D&Bs will consider whether this could be offered more widely, to all young people at risk of homelessness.

It could also be considered for young people more widely by seeking to establish working arrangements alongside schools and colleges around life skills, financial skills and housing skills. While many young people pick up the basic skills from their parents and others, those from more dysfunctional backgrounds do not and the school setting is an opportunity for some targeted work around these essential skills.

#### 2. Maximising opportunities for joint working for officers and roles between partner agencies.

The opportunities that present themselves to those statutory and third sector organisations involved with young people are varied. WCC and the D&Bs, though working in isolation in some respects, are now more than ever working collaboratively and closely to support young people experiencing

homelessness. Many of these young people have vulnerabilities and these issues cannot be resolved by one single agency. The links established through some of the initiatives mentioned in this chapter mean that professionals can explore options and support individual young people to make informed choices about their lives in a holistic way. This can involve third sector organisations too, especially if the individual has a better rapport with, and more trust in, such an organisation.

### **3. Considering expanding the House project across the county.**

The House project has been explained in 4.2 above. This was a pilot scheme and so, as the findings and learning from it become clearer, D&Bs will consider with WCC whether it is appropriate to initiate the service in other parts of the county.

### **4. Embedding Duty to Refer processes at a county level.**

Opportunities exist through the statutory Duty to Refer, which may generate greater knowledge of housing obligations and limitations among other agencies. It is envisaged that this will enhance the focus on earlier interventions, for example more robust pathway planning earlier in the pre-leaving care stage.

### **5. Reviewing the long standing Young Persons Protocol in Warwickshire.**

The last refresh of the protocol preceded the HRA17 so it requires a further review, in part to take account of the new legislation, but also in light of recommendations by Doorway who conducted an operational review of how the protocol is actually working on the ground. In October 2020 the government published good practice advice on joint housing protocols for care leavers that will also be used to inform the review. A revised protocol will give a renewed commitment to stop the passing of 16/17 year olds between housing and social care services.

### **6. Moving forward with the WCC review of support arrangements for young people.**

This review was explained in section 5.2 above. The recommended approach arising from the review is to develop a hybrid model, introducing housing expertise into the Initial Response Service and working across family information services, early help, front line social care teams and leaving care. This would build upon and strengthen existing service delivery models, whilst responding to all the recommendations made in the 2019 report from HAST.

## Chapter 6 - Homelessness and domestic abuse

**Our objective is to prevent domestic abuse and the crisis homelessness resulting from it wherever possible.**

### 6.1 What do we know?

The Government definition of domestic violence and abuse is “Any incident or pattern of incidents of controlling, coercive or threatening behaviour, violence or abuse between those aged 16 or over who are or have been intimate partners or family members regardless of gender or sexuality. This can encompass, but is not limited to, the following types of abuse: Psychological; Physical; Sexual; Financial; Emotional.” Further information about this definition can be found on the government’s website.<sup>21</sup>

National research shows that domestic abuse accounts for 16% of all violent crime and one in four women will experience domestic abuse in their lifetime. Domestic abuse also has more repeat victims than any other crime and, on average two women in England and Wales are killed every week by a current or former male partner. However, the prevalence of domestic abuse has reduced from 7% in 2011/12 to 6% in 2017/18 indicating a gradual, longer term downward trend.<sup>22</sup>

Around one in every 20 women has experienced extensive physical and sexual violence and abuse. Of these women: more than half have a common mental health condition; over a third have made a suicide attempt; a fifth have self-harmed; one in five has experienced homelessness; half have a disability that means they need help with everyday activities; and one in three has an alcohol problem.<sup>23</sup>

Women in poverty are particularly likely to experience the most extensive violence and abuse in their lives: 14% of women in poverty have faced extensive violence and abuse, compared to 6% of women not in poverty.<sup>24</sup>

There is a significant toll on the health of those experiencing domestic abuse: 36% of women in the “Extensive physical and sexual violence” group of the Adult Psychiatric Morbidity Survey had attempted suicide. In the same group, women were more than twice as likely to have an alcohol problem and eight times more likely to be drug dependent than women with little experience of violence and abuse.<sup>24</sup>

Financial abuse often sits beside physical and emotional abuse and is demonstrated to lead to increased debt problems, a lessening of financial capability, and rent and utilities arrears which may become a barrier to future rehousing. Thus, financial abuse can contribute to a cycle of poverty and dependence that can result in repeat and chronic homelessness.<sup>25</sup>

International research found that children who live with, and are aware of, violence in the home face many challenges and risks that can last throughout their lives, including:

- An increased risk of children becoming victims of abuse themselves.
- Significant risk of ever-increasing harm to the child’s physical, emotional and social development.
- A strong likelihood that this will become a continuing cycle of violence for the next generation.<sup>26</sup>

Many children do cope with and survive abuse, displaying extraordinary resilience. However, the physical, psychological and emotional effects of domestic violence on children can also be severe and long-lasting. Some children may become withdrawn and find it difficult to communicate; others may blame themselves for the abuse. All children living with abuse are under stress that may lead to a wide range of problems.<sup>27</sup>



Under-reporting is a major challenge in the identification and prevention of domestic abuse. Research identified six main reasons as to why people chose not to contact the police (the first three being the most significant):

- Concerns related to the perpetrator.
- Concerns related to the Police and Criminal Justice System.
- Concerns about children and the involvement of social services.
- Practical barriers such as housing and/or financial concerns.
- The abuse being normalised.
- Cultural or community barriers.

The fear of not being believed or taken seriously was also a major contributing factor.<sup>28</sup>

Across Warwickshire the most recent police data reveals that there were 1,895 domestic abuse offences and crime incidents recorded in March 2019 and that the percentage of “violence with an injury” incidents that have a domestic abuse marker has risen from 27.9% in April 2014 to 35.5% in March 2019.<sup>22</sup>

National statistics demonstrate a near doubling in the number of domestic abuse related crimes for Warwickshire recorded by the police in the past four years from 3,498 in 2015/16 to 6,825 in 2018/19. As a percentage of all crimes the figure for Warwickshire, at 16%, is now higher than both regional and national prevalence rates (which are 15% and 14% respectively).<sup>29</sup>

There are clear links between domestic abuse and homelessness, with domestic abuse being both a cause and consequence of homelessness. A charity found that a third of their female clients said that domestic violence had contributed to their homelessness, as did 8% of male clients.<sup>30</sup>

Domestic abuse, as a cause of homelessness, is different from the other primary causes of homelessness. The levels of harm the survivor and their children are exposed to are potentially and directly life threatening. It is often the case that the survivor will have a range of additional needs including substance misuse or mental health related challenges, resultant in part from many years of abuse. Further compounding the difficulties experienced is the often unplanned nature of the event triggering crisis homelessness, necessitating emergency responses that are not always well matched to the household’s needs and preferences.

Secure, affordable, decent housing, both temporary and permanent, is a key determinant of the ability of a survivor and their family to escape abuse and avoid future risk. The supply of such accommodation is limited, which can lead to delays in moving, both into and on from, temporary or refuge accommodation. Delays can also be caused by local authority housing allocation scheme constraints which can hold up, or even prevent, allocation of social housing to those without local connections, with a history of anti-social behaviour, with rent arrears or with any housing related debt that may have been incurred as a result of abusive behaviour. The end result can be survivors either staying in the abusive home or staying at unsuitable, unsafe accommodation. The pressures of such unsuitable accommodation can also push the survivors into returning to the abuser, which is rarely a safe option.

H-CLIC data shows that between April 2018 and March 2019 around one in ten of all presentations to local authorities in Warwickshire for assistance with emergency accommodation under homelessness legislation were a result of domestic abuse, some 219 households. This is roughly 90 per 100,000 households in Warwickshire, higher than for the West Midlands region (80 per 100,000) but lower than for England (96 per 100,000).

Countywide there are four refuges for survivors of domestic abuse provided by Refuge Domestic Violence Service Warwickshire (RDVSW). In the 2018/19 financial year it received 342 referrals.

The need for services for women and girls is well established, however it is important to note that within Warwickshire there is no specific male-only accommodation for domestic abuse survivors.

Whilst women are around twice as likely to have experienced domestic abuse as men (7.9% compared with 4.2%), the figure for men still represents a large number of crimes.<sup>31</sup> Furthermore, it is understood there is no provision regionally and there are only 20 beds of this nature in the whole of England.

## 6.2 What are we currently doing to tackle homelessness and domestic abuse?

The prevention of homelessness resulting from domestic abuse may be achieved in two ways: by (preferably) preventing the domestic abuse from occurring at all, or by preventing the crisis homelessness that arises as a consequence.

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to domestic abuse (and are explained in more detail in section 1.3 above):

- p.h.i.l. and other preventative services which actively seek early contact with people who may become homeless.
- Housing-related support services which include: training and awareness raising of front line professional/voluntary sector staff to recognise those at risk of or experiencing domestic abuse; and signposting and support to access specialist services.
- Refuge provision for survivors.
- Developing a Domestic Abuse Strategy.
- Improving access to affordable housing.

There are several other initiatives aimed at mitigating or tackling the challenges and risks around homelessness and domestic abuse, some of which are listed below.

**An Independent Strategic Review of Domestic Abuse Services and Support Across Warwickshire<sup>22</sup>** was recently completed by WCC. This detailed examination of the existing provision and approach provides examples of some of the good work underway aimed at preventing domestic abuse.

**Five Domestic Homicide Reviews** have taken place from which agencies have been implementing the learning. Amongst other things this included the roll-out of additional training for the housing sector and support for a successful multi-agency bid for increased Independent Domestic Violence Adviser (IDVA) capacity around housing, health and rural outreach, with the Housing IDVA hosted by RDVSW and co-located with p.h.i.l.

As regards preventing crisis homelessness, there is a variety of services specifically targeted towards the reduction of harm to survivors of domestic abuse that can also be seen, to some extent, as tools in homelessness prevention. These include: the Sanctuary Scheme; the IDVA work; the support of Civil Protection Orders; the Refuge Rural Outreach Workers; the police focus on enforcement and prevention; and close working with the Crown Prosecution Service to improve the judiciary system.

**WCC commissions four refuges across Warwickshire** that are part of a wider national network of supported schemes. This ensures that those who have lived through domestic abuse are enabled to rebuild their lives in a setting where they are protected and have specialist support on hand. Whilst these schemes operate within Warwickshire it is critical that they are considered as an element of a national resource/network of facilities because those experiencing domestic abuse will often need to distance themselves from the abuse to ensure their family's safety.

Within one borough the existing refuge building is limited in terms of its facilities and layout and this has prevented the current service from providing a more client focussed premises equivalent to other purpose-built refuges in the county. To date partners have been unable to identify new affordable premises that would be suitable for a domestic abuse refuge so work is continuing with local planning departments and local Registered Providers to investigate other potential alternatives.

### 6.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for those who are suffering domestic abuse and are at risk of homelessness. These will be taken forward as recommendations from this strategy.

#### **1. Taking forward the Independent Strategic Review of Domestic Abuse Services and Support Across Warwickshire.**

This detailed review<sup>22</sup> provides examples of some of the excellent work undertaken that is aimed at preventing domestic abuse. The Violence Against Women and Girls Board will consider it as part of their future strategic planning and commissioning and will:

- Explore whether domestic abuse can be considered by social landlords as a breach of tenancy conditions so that perpetrators can be held accountable and potentially evicted as part of a multi-agency response.
- Consider whether a mechanism can be introduced to facilitate the early identification of properties where property damage and repairs indicate that abuse is present.
- Work with agencies such as the police to ensure the safety of survivors so that staying at home is a safe and realistic option for more survivors.

#### **2. Catering for multiple disadvantage.**

Commissioners of new domestic abuse services can ensure that services are able to cater for multiple disadvantage and address issues around poor mental health and substance misuse alongside the core service provision.

Within Warwickshire, a Dual Diagnosis policy operates between the providers of substance misuse and adult mental health services to ensure that appropriate, collaborative interventions are provided to those who have a dual diagnosis. There is an opportunity to expand this to incorporate those who are also experiencing or perpetrating domestic abuse.

#### **3. Treating all survivors of domestic abuse as having a priority need for accommodation.**

The HRA17 requires that local housing authorities provide meaningful support to everyone who approaches them as homeless or at risk of homelessness within 56 days. However, the government's Domestic Abuse Bill proposes to change this so that people fleeing domestic abuse will be automatically considered in priority need and therefore benefit from the statutory homelessness process and receive an offer of settled housing. If the bill fails to go forward and become law a countywide agreement to treat all survivors of domestic abuse as having a priority need for accommodation under the legislation (and therefore avoid risk of return to the abuser) should be evaluated and implemented if appropriate.

#### **4. Creating women-only spaces in temporary accommodation.**

It is reported that mixed shared accommodation can be detrimental to recovery for some at risk of domestic abuse. Therefore D&Bs and other commissioners of supported and similar accommodation should improve the existing provision of temporary and supported accommodation by providing some women-only spaces in temporary accommodation where these do not currently exist.

#### **5. Increasing outreach work.**

Reducing crisis homelessness resulting from domestic abuse is contingent on the early identification and reduction of domestic abuse. A key measure in the early identification of domestic abuse is the existence of a network able to identify domestic abuse and intervene to reduce the impact. Outreach work across the landscape is an important element of this work but Warwickshire has recently lost two outreach workers funded by MHCLG, leaving noticeable gaps in this service,

including in the rural south of Warwickshire. This should therefore be considered as a priority alongside more significant interventions taking place for higher risk households.

#### **6. Promoting and encouraging early contact with D&Bs and domestic abuse support services.**

Early intervention is crucial to preventing crisis homelessness. The Duty to Refer is a simple mechanism for public sector organisations to refer those at risk of homelessness to local authorities so promotion of this should be undertaken within the wider public sector: health, social care, police and probation services.

In addition to the Duty to Refer, and for cases where homelessness may be more than 56 days away, p.h.i.l. and other preventative services can be contacted for support, advice and signposting. Promotion of the Duty to Refer should be accompanied by details of those services.

There are also other specialist domestic abuse support services available across Warwickshire. To increase the quantity of early referrals to p.h.i.l. and the domestic abuse support services, a series of promotional events for public sector professionals should be delivered highlighting: the benefits of early intervention; the Duty to Refer; p.h.i.l.; other prevention services; and specialist domestic abuse support services.

#### **7. Specialist training to ensure early identification.**

Specialist training has been demonstrated to be effective in equipping other front line workers (e.g. housing, benefits, rents, property maintenance and repairs) with the skills to identify and report the signs of abuse with a particular focus on: the identification and impact of coercive control; identifying young people (aged 16 to 24) at risk through domestic abuse; and having a psychologically informed approach. The training would ensure routine professional curiosity when supporting residents, tenants and homeless applicants so as to identify early domestic abuse support needs and implement safety planning.

The recent independent strategic review<sup>22</sup> found that health services provide a significant opportunity, including extra capacity within the Hospital IDVA role, for routinely screening for domestic abuse at mental health services access-points. Therefore, to achieve increased prevention of crisis homelessness we should seek to maintain the Hospital IDVA presence and expand this where evidence suggests that the greatest levels of early identification can be achieved.

In addition screening for domestic abuse should be mandatory where vulnerable households are accessing support services commissioned by the public sector. This would include all support and outreach services funded through schemes such as the Rough Sleeper Initiative, Cold Weather Fund and Housing-Related Support, or services with charitable and other public funding. Contracts should be amended and developed to require providers, where appropriate, to screen clients for vulnerability to, or current experience of, domestic abuse. Training plans, policies and procedures should also be required to provide staff with appropriate skills to safeguard those at risk of, or experiencing, domestic abuse.

#### **8. Addressing “Move On” challenges.**

Housing allocation schemes in all five D&Bs should be reviewed to ensure that arrears, debts, anti-social behaviour and other factors that may limit rehousing options always require an evaluation of whether these may have arisen from, or be a consequence of, domestic abuse. Where this is the case these factors should not be regarded as behaviour of choice but as a consequence of the domestic abuse.

## Chapter 7 - Homelessness and offending

**Our objective is to deliver better focussed housing and other support services for those at risk of homelessness when leaving prison.**

### 7.1 What do we know?

Several research studies have found that having a stable home following release from prison reduces the risk of re-offending.<sup>32</sup> However a high proportion of prisoners require help with housing upon their release. According to the government's Rough Sleeping Strategy<sup>33</sup> *"In 2016-17 30% of adult prisoners under supervision from Community Rehabilitation Companies (CRC) (excluding London) were discharged to unsettled or unknown accommodation on their first night of release."*

Local data on offenders is collected and managed through the Integrated Offender Management system (IOM), which covers those deemed to pose the greatest threat, risk and harm to communities. This shows that, as at October 2020, there were 180 IOM offenders across Warwickshire, of which 91 were in custody and 89 were in the community. Of those in the community, 10 were street homeless, nine were either in bed and breakfast accommodation or living with friends/sofa surfing and 18 were living in approved premises. That equates to 42% of IOM offenders in the community who were not in permanent and settled accommodation.

The National Probation Service (NPS) had 379 cases "in the community" as at October 2020, of which fewer than five were recorded as No Fixed Abode (NFA). However, there were 59 cases (15.5%) that were not in permanent, settled and suitable accommodation and had accommodation needs.

For children that are leaving custody the best way to help them to make a positive shift is to change their view of themselves and their identity. Research on adverse childhood experiences recognises stable accommodation as a key factor in helping offenders to abstain from committing further crimes and children that have no stable accommodation identified as part of their resettlement planning are at higher risk of re-offending upon release.<sup>34</sup> Government guidelines set out clear responsibilities for statutory strategic partners around the resettlement of children in the youth justice system.<sup>35</sup>

While housing is extremely important, support services can also be crucial for ex-offenders with specific needs. Suitable accommodation and support can provide the foundations for an offender to leave behind a chaotic lifestyle, offering a platform for change, opening up opportunities to employment and training, whilst also enabling access to health and social care. Unfortunately however, both suitable housing and support services are in high demand and access is constrained by supply and eligibility rules that it may be difficult for offenders to satisfy. This provides the strategic context for preventing and tackling homelessness among offenders.

The vast majority of offenders at risk of immediate homelessness are single people (because those with families can move back in with their family) therefore one bedroom accommodation is the main housing need of this group. As has already been explained in chapter four above, this is the type of accommodation for which there is the greatest need. As regards supply of mainstream housing therefore many of the comments set out in chapter four about the shortage of one bedroom accommodation apply equally to offenders. However there are several additional factors that can affect an offender's ability to access such housing as is available, including the appropriate support.

For an offender that will be homeless upon release, planning is required well in advance of the discharge date. However, there may be communication issues between prison/probation authorities and D&Bs and lack of understanding and clarity as to the relative responsibilities of, and restrictions upon, each organisation that hamper such planning. For example, being an offender, of itself, may not be a sufficient vulnerability for them to be considered a priority under homelessness legislation even if a referral is made under the Duty to Refer.

The licence conditions that an offender may have to comply with following release can constrain the ability to meet housing needs. If for example an offender is required to remain in, or indeed be prohibited from entering, a prescribed area then this will further reduce the amount of accommodation that D&Bs can look to provide.

Standard landlord requirements may be difficult for offenders to meet, such as the need for references, deposits, rent-in-advance and a full housing history. In addition, some landlords may be cautious about accepting someone with a criminal record as a tenant.

Offenders are less likely than the general population to have employment upon leaving prison.<sup>36</sup> As a result they are more likely to encounter problems of affordability with housing, needing to resort to welfare benefits to help pay their rent. Recent research found that 87% of private sector tenants were only entitled to a level of Local Housing Allowance that was lower than their actual rent.<sup>37</sup>

Some offenders will have other specific needs that a landlord may not be able or willing to provide support for, such as a need for drug and alcohol support services. Research by the Revolving Doors Agency stated that:

*“Evidence illustrates that as a group, those who have or are at risk of offending frequently suffer from multiple and complex health issues, including mental and physical health problems, learning difficulties, substance misuse and increased risk of premature mortality. These underlying health issues are often exacerbated by difficulties in accessing the full range of health and social care services available in the local community.”<sup>38</sup>*

As indicated earlier these needs can be met either by purpose-built supported housing schemes or by support services provided to occupiers of mainstream housing.

Obviously the latter option is inhibited by the supply issues with mainstream housing but also by the availability of support services. Purpose-built schemes are also very limited in number.

There are other challenges in ensuring the right support: offenders often lead a chaotic lifestyle, which adds a layer of complexity, which is important to consider in terms of their ability to successfully negotiate hurdles. The services that the offender wants may be different from the services that are, or can be made, available. Data protection regulations may make information exchange more complicated and, as with many public sector bodies, organisational capacity may be under pressure. As every case is different it is important to understand the specific needs in relation to each individual, to determine and manage the risks and to seek to address all of this holistically when housing individual offenders.

Taken together the issues surrounding the housing of offenders create a range of direct and indirect impacts upon the wellbeing of the individuals concerned, including impacts upon: physical health; mental health; the ability to rehabilitate from a life of crime; the ability to gain employment; the ability to gain support from recognised professionals; and the ability to form meaningful and valuable personal relationships.

## 7.2 What are we currently doing to tackle homelessness and offending?

There are a number of initiatives that are being undertaken towards preventing and tackling homelessness generally across Warwickshire set out in chapter one. The following are of particular relevance to offending (and are explained in more detail in section 1.3 above):

- Implementing the Duty to Refer following the HRA17. This applies to prisons, youth offender institutions, youth offending teams and probation services (including CRCs).
- p.h.i.l. and other preventative services.
- Rent and deposit guarantees.
- Rough sleeping initiatives.
- Housing-related support.
- Improving access to affordable housing.

There are several other initiatives aimed at mitigating or tackling the challenges and risks around homelessness and offending, some of which are listed below.

**There is a clear strategic local understanding** of the problem in terms of demand and risk. This is discussed at Reducing Reoffending Board meetings and the importance of this area has resulted in the formation of a Housing Task and Finish Group.

**Police and Probation staff** involved with IOM and multi-agency public protection arrangements (MAPPA) regularly report on activity and performance in managing IOM offenders. This includes the risk that offenders are likely to cause criminal behaviour. As such, data is available to understand housing needs and the challenges that exist regarding the IOM/MAPPA cohort and offenders in general. This position is regularly reviewed at local and force level meetings and the challenges that exist have been escalated to the Office of the Police and Crime Commissioner and the Safer Warwickshire Partnership Board, but progress is slow. The challenges are replicated across the whole country: this is a national rather than a local problem.

**The restorative approach to children leaving custody** as set out in 6.1 above, facilitating an identity shift whereby children are motivated and ready to change for themselves, is widely endorsed in Warwickshire as an effective approach to working with children and families. It is therefore crucial that resettlement services involve children as the primary agents in their own resettlement, rather than defining problems or solutions on their behalf.

**The Bail Remand, Intensive Care & Support service** is run by Barnardo's. It is a fostering service working in partnership with Warwickshire Youth Justice Service (WYJS) to provide children supervised by WYJS with an alternative to custody placements for remand, sentence, and rehabilitation into the community from custody.

WYJS works closely with colleagues in WCC Children Services so that stable accommodation can be identified at the beginning of a child's custodial sentence. Where there are placement difficulties there is a clear escalation process in place to address this.

### 7.3 What opportunities will be taken to improve services?

A number of system-wide actions have been referred to in section 1.4 above that the Strategic Homelessness Board is proposing. In addition the following opportunities have been identified that will improve services for offenders at risk of homelessness. These will be taken forward as recommendations from this strategy.

#### 1. Achieving greater housing opportunities for offenders.

The underlying problem is understood as a lack of housing options for offenders and the requirements for this can be quantified. The solution is to better understand the need and to identify and facilitate access to adequate housing stock across all tenures that is suitable for offenders who are homeless. Affordable housing will not be available in every case so while D&Bs should gather and assess the available data to determine the overall shortfall in housing provision in their areas and seek to deliver more affordable accommodation, the criminal justice agencies should consider adopting policies that help offenders to meet their housing needs in the private rented sector especially when the offender is not owed a duty by the D&Bs.

#### 2. Planning support services for offenders that need them.

There are increasing numbers of people being released from prison with housing and support needs. Support services from a range of commissioners and providers can help to support offenders on release and address some of the chaotic behaviours that can be a barrier to obtaining more settled housing. Such services are also valuable in helping offenders to stay long term in accommodation once they have found somewhere to live.

A review of the nature and extent of support services required to meet future need would help to inform planning by organisations involved in the provision of such services.

### **3. Enhancing strategic leadership**

There are specific strategic challenges explained in this chapter. Partners should seek to agree strategic leadership around housing and offending across Warwickshire to ensure that challenges and issues can be escalated and resolved.

One option is for the Community Safety Partnership Boards and the Office of the Police and Crime Commissioner to lead in co-ordinating interaction to raise the national profile of the issues involved and to seek to secure additional resources for Warwickshire for the housing and support services identified as being required under recommendations one and two above.

### **4. Preparing offenders for release.**

Support organisations should work together to seek to understand what opportunities exist, prior to release, to prepare people leaving prison with new and different life skills, including education, that will help them to re-acclimatise and integrate into society and to find employment.

### **5. Working better together.**

Police and probation staff can provide details of IOM offenders who are homeless and require suitable housing. Well-established police and partnership processes and procedures are in place to refer offenders. However, system-wide actions should be reviewed and considered post-referral by relevant local authorities and agencies.

There is a clear need for better understanding among the agencies involved with offenders as they leave prison, of the relevant responsibilities but also the constraints upon each other. The Duty to Refer is now a legal duty but could be improved in terms of information exchange, timing, and better understanding of roles and responsibilities. Consideration should therefore be given to:

- A training programme for staff in all of the relevant agencies to cover the Duty to Refer and also the wider roles and responsibilities of all of the various agencies.
- Relaunching the Housing Task and Finish Group, led by the NPS.

### **6. Considering reciprocal rehousing arrangements between D&Bs.**

There are occasions when it can be inappropriate for offenders to live in the area with which they have a local connection so that there is a need for rehousing in the area of a different local housing authority. However local allocation policies often require a local connection for an applicant to be admitted to the local housing register, or higher priority may be given to those with a local connection. D&Bs should explore whether there is the potential for some form of reciprocal arrangement for assistance with regard to the rehousing of offenders across the county.



## Appendices

### Appendix one – Key messages from public engagement

The Draft Countywide Homeless Strategy survey received 45 responses. Of these, 28 were from members of the general public and the remainder from other groups (business, statutory partner, local Councillor/elected member, voluntary community sector).

In total, 91.1% (n=41) of all respondents stated that they agreed (either agree or strongly agree) with the vision set out for this strategy. Just 6.8% (n=3) disagreed (either disagree or strongly disagree) with the vision.

Respondents generally agreed with each of the strategic priorities.

- Priority 3 (domestic abuse) had the greatest agreement – 93.3% (n=42) of all respondents stated they agreed or strongly agreed with this priority.
- A small percentage, 8.9% (n=4), of all respondents disagreed (disagree or strongly disagree) with Priority 1 (health).

Respondents were asked whether there were any other priorities, issues, drivers, policies or strategies that they felt should be considered and addressed. In total, almost half of all respondents (48.9%, n=22) stated that there were other priorities to consider. A wide variety of themes and issues were mentioned, with concerns regarding health (including mental health) and the need to consider specific groups (e.g. asylum seekers, those with a disability or long-term health condition, single parents with children) featuring in multiple comments.

Overall, respondents either agreed or agreed to some extent that the recommendations proposed for each strategic priority are the correct ones to focus on for 2021/22:

- Priority 1 – Health: 62% agreed, 31% agreed to some extent
- Priority 2 – Young People: 60% agreed, 24% agreed to some extent
- Priority 3 – Domestic Abuse: 73% agreed, 15.6% agreed to some extent
- Priority 4 – Offending: 57.8% agreed, 24.4% agreed to some extent
- Priority 5 - Financial inclusion: 64.4% agreed, 22.2% agreed to some extent

For each priority a small number of respondents (n=1-3) said the recommendations were not the correct recommendations to focus on. Proposed recommendations under the financial inclusion priority had the most negative responses with 6.7% (n=3) of all respondents stating that the recommendations were not the right recommendations to focus on.

## Appendix two - Summary of the Homelessness Reduction Act 2017

The Homelessness Reduction Act 2017 (HRA17) reforms homelessness legislation so that support is offered to all eligible people who are threatened with homelessness or who are homeless, providing support to a broader range of people than ever before. It does this through five key measures.

### **1 New prevention duty**

HRA17 shifts the focus of services from crisis intervention to prevention, meaning that services will intervene earlier and help more people to avert crisis.

Local housing authorities must take reasonable steps to prevent homelessness for any eligible applicant at risk of homelessness within 56 days, regardless of priority need. This can involve assisting them to stay in their current accommodation, or helping them to find a new place to live.

### **2 New relief duty**

Local authorities must take reasonable steps to help an applicant to secure suitable accommodation. Help could be, for example, providing a bond guarantee, funding a rent deposit or working with a private landlord to make properties available.

### **3 Personal Housing Plans**

Local authorities must carry out a holistic assessment of the applicant's housing needs, support needs and the circumstances that led to them becoming homeless. This assessment will result in developing a Personal Housing Plan with the applicant that sets out the reasonable steps that the housing authority, the applicant and, if applicable, other professionals will take in order to prevent or relieve their homelessness.

### **4 Information**

HRA17 strengthens the duty on local housing authorities to provide free advice and information designed to meet the needs of certain vulnerable groups, including those who are not eligible for further assistance. This means that people at risk of homelessness will receive more meaningful information earlier, to help prevent their homelessness.

The Act requires local authorities to give free information and advice on:

- Preventing homelessness and securing accommodation when homeless.
- The rights of people who are homeless or threatened with homelessness.
- How to get help.
- Information on tenants' rights; rights to benefits; advice on debt; rent and mortgage arrears; help for people at risk of violence and abuse; and advice on how to obtain accommodation in the social sector and private rented sector.

### **5 Duty to Refer**

By placing duties on public bodies other than housing authorities HRA17 aims to reduce homelessness by joining up services to provide better support for people, especially those leaving prison/hospital and other groups at increased risk of homelessness, such as people fleeing domestic abuse and care leavers.

Certain named public authorities must refer users of their service, who they have reason to believe are homeless or threatened with homelessness, to a local housing authority of the service user's choice.

### Appendix three – Data about homelessness in Warwickshire

All data in this appendix is taken from MHCLG, which compiles information from H-CLIC returns from all local housing authorities. The full dataset, including a wide range of other information, can be found on the gov.uk website.<sup>39</sup>

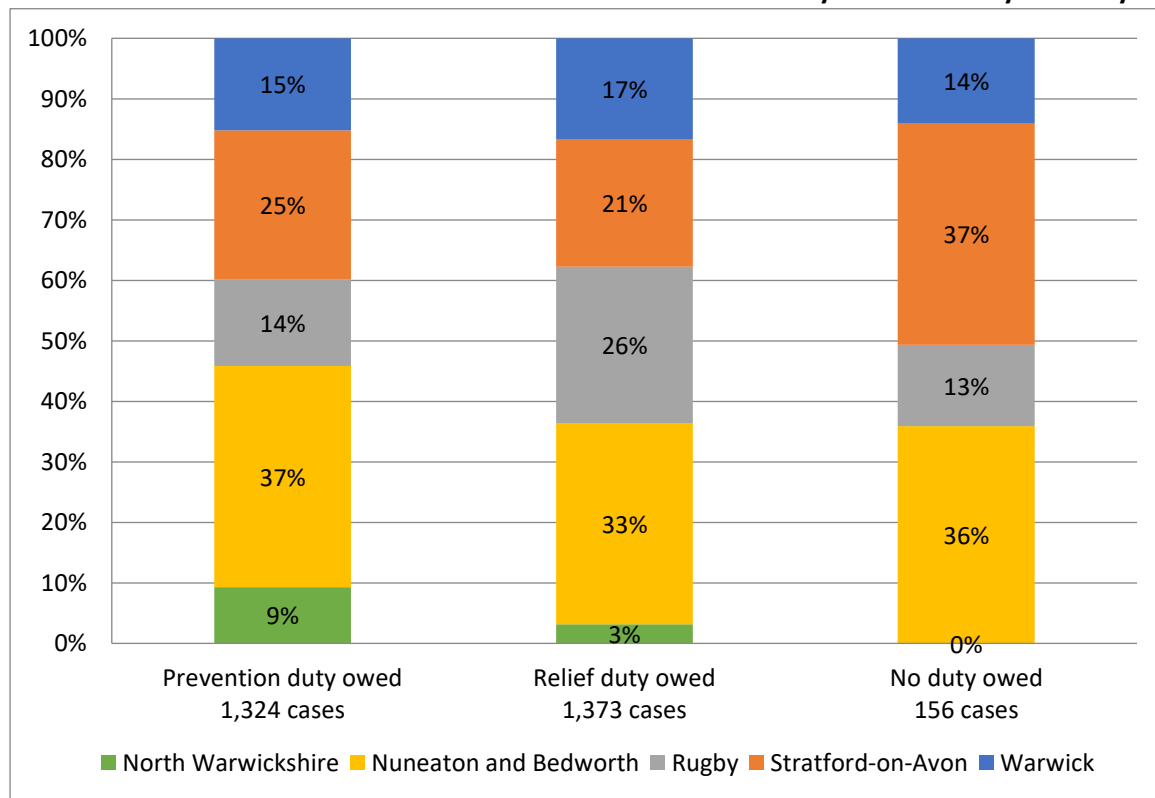
In 2018/19, the first year of implementation of the HRA17, D&Bs received 2,476 approaches across Warwickshire. This increased to 2,853 in 2019/20, an increase of almost 15% compared to an increase of only 5% for England over the same period.

In 2019/20 the duty owed to applicants was split fairly evenly between prevention (46%) and relief (48%) with around 5% owed no duty.

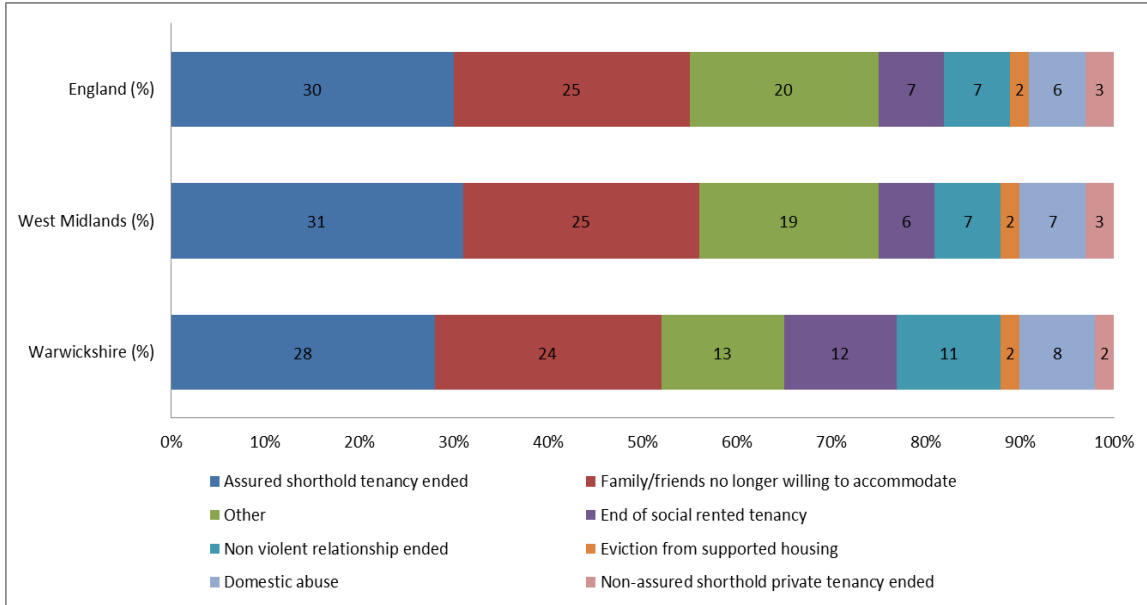
Tables one to eight show the following key information for 2019/20:

- Homelessness assessments in Warwickshire by local authority and duty owed.
- The reason for the loss, or threat of loss, of the last settled home of households owed the prevention duty.
- The reason for the loss, or threat of loss, of the last settled home of households owed the relief duty.
- The support needs of households owed a homelessness duty.
- Referrals made under the Duty to Refer by the various referring bodies.
- The number of households in temporary accommodation as at 31st March 2020 by the type of accommodation occupied.
- The number of households in temporary accommodation as at 31st March 2020 by household composition.
- Official numbers of people sleeping rough by local authority for 2016 to 2019.

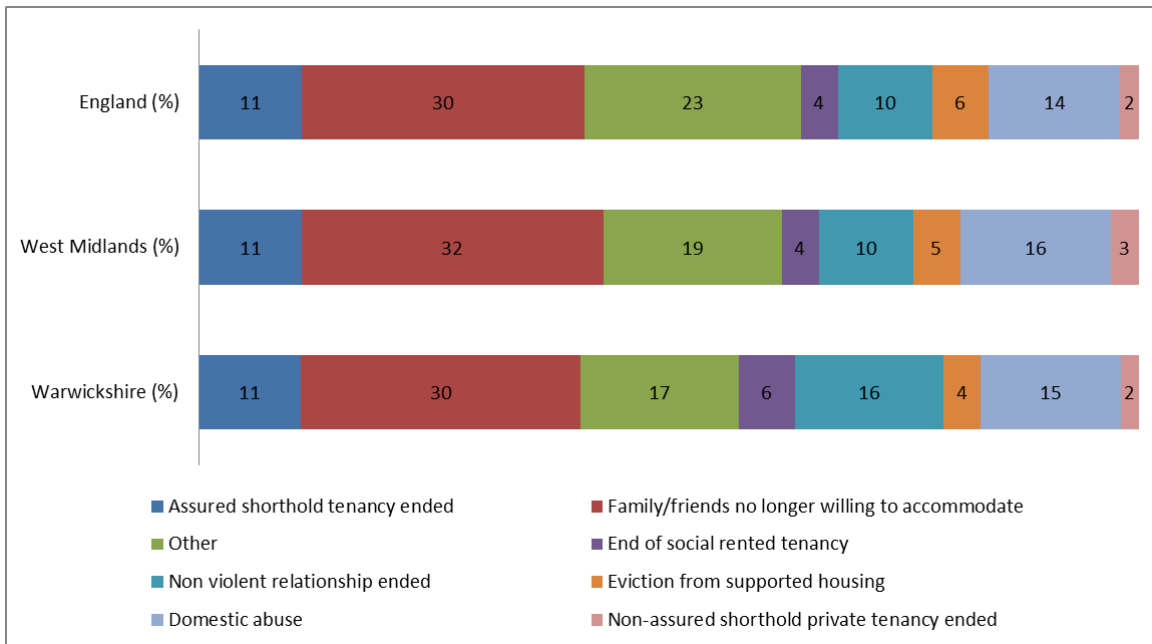
**Table 1 – Homelessness assessments in Warwickshire in 2019-20 by local authority and duty owed.**



**Table 2 - Households owed a prevention duty by reason for loss, or threat of loss, of last settled home 2019-20**



**Table 3 - Households owed a relief duty by reason for loss, or threat of loss, of last settled home 2019-20**

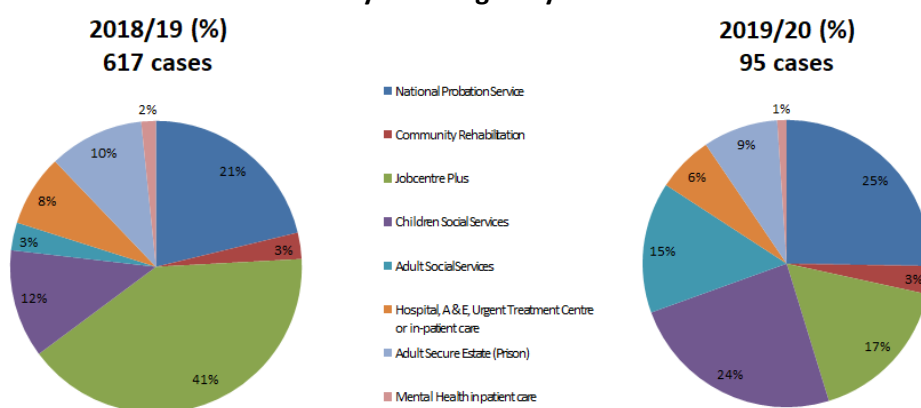


**Table 4 – Support needs of households owed a homelessness duty 2019-20  
(Where one household has multiple needs all needs are counted.)**

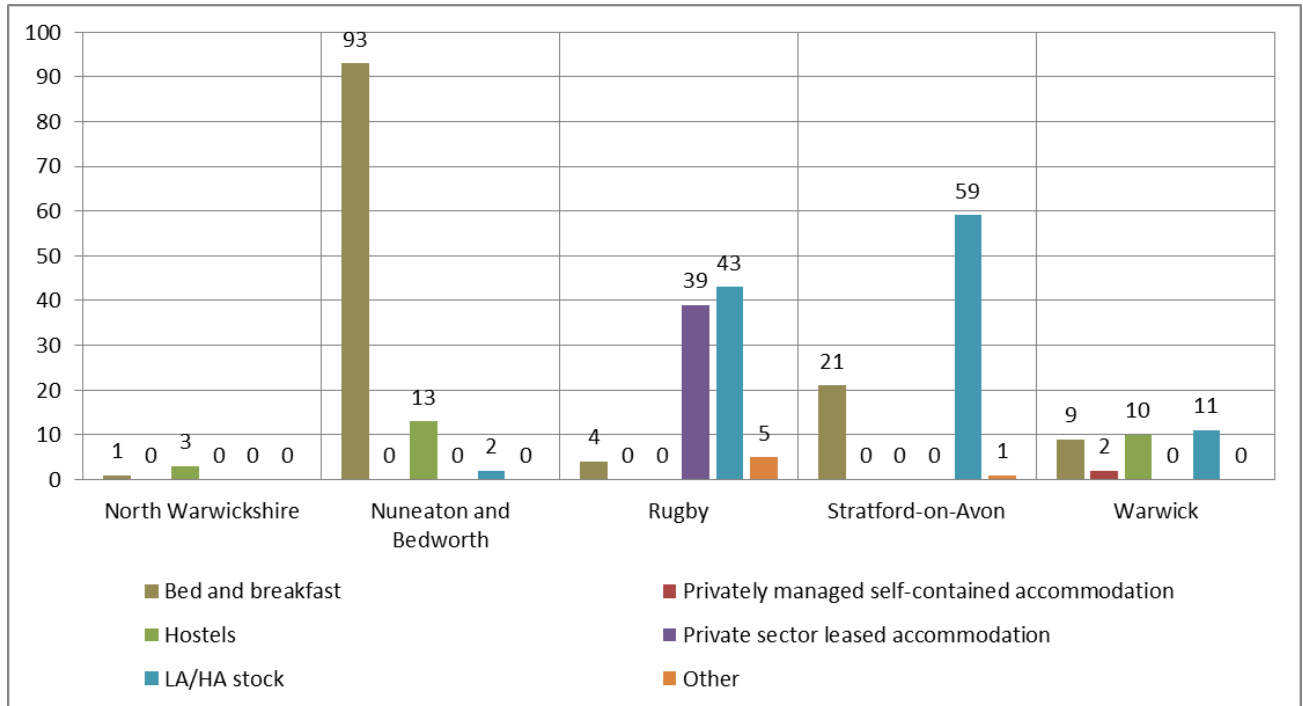
Support needs of household	Warwickshire		West Midlands
	Count	Percent	Percent
History of mental health problems	714	27	23
Physical ill health and disability	423	16	14
At risk of / has experienced domestic abuse	277	10	12
Drug dependency needs	127	5	5
Young person aged 18-25 requiring support to manage independently	141	5	8
Offending history	139	5	5
History of repeat homelessness	125	5	4
Learning disability	98	4	4
Alcohol dependency needs	110	4	4
History of rough sleeping	89	3	3
At risk of / has experienced sexual abuse / exploitation	40	2	1
At risk of / has experienced abuse (non-domestic abuse)	64	2	2
Care leaver aged 18-20 years	41	2	2
Old age	41	2	1
Access to education, employment or training	62	2	6
Young person aged 16-17 years	49	2	2
Young parent requiring support to manage independently	38	1	2
Care leaver aged 21+ years	26	1	1
Served in HM Forces	31	1	0.6
Former asylum seeker	5	0.2	1
<b>TOTAL*</b>	<b>2,640</b>	<b>99.2</b>	<b>100.6</b>

\* Percentages do not add up to 100 due to rounding.

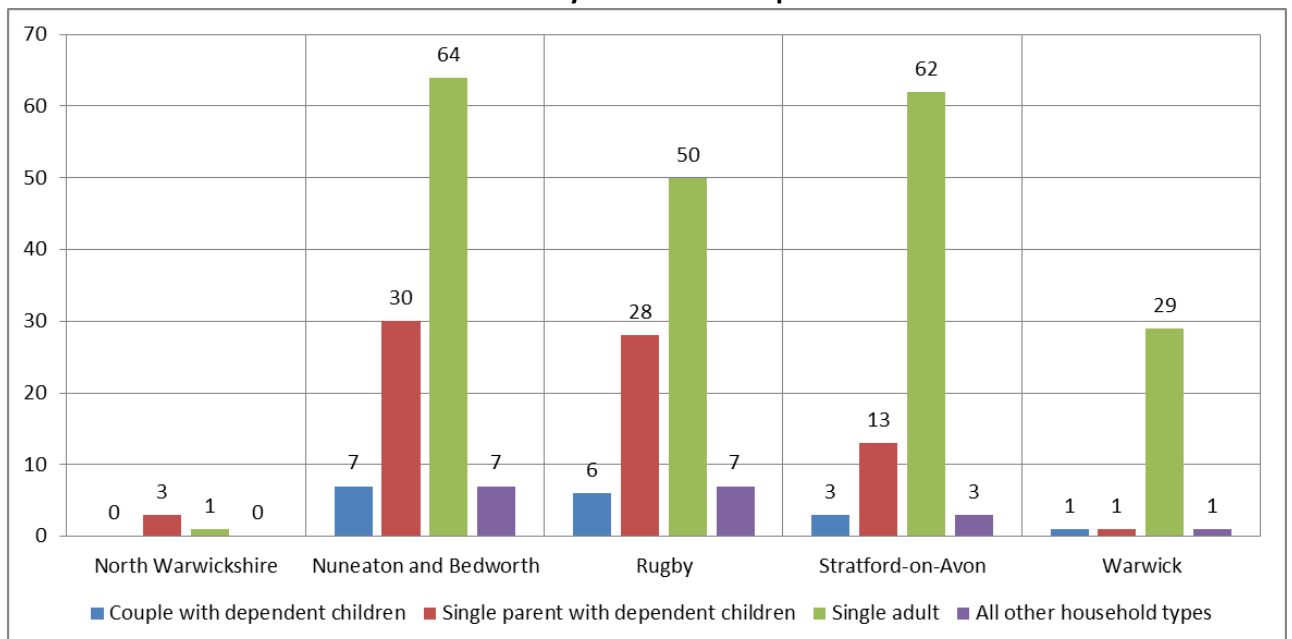
**Table 5 – Referrals made under the Duty to Refer  
by referring body 2018-19 & 2019-20**



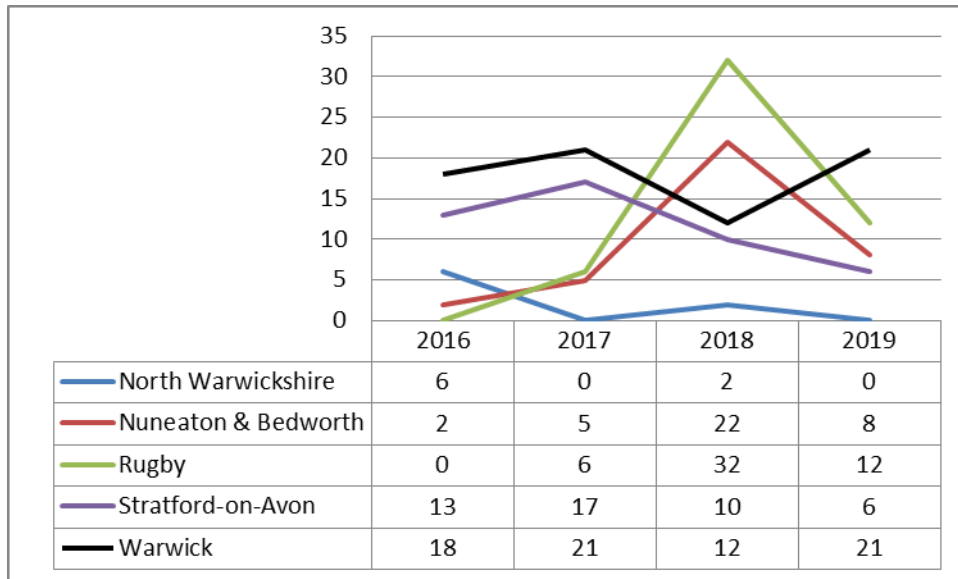
**Table 6 - Number of households in temporary accommodation as at 31st March 2020 by type of accommodation**



**Table 7 - Number of households in temporary accommodation as at 31st March 2020 by household composition**



**Table 8 - Rough sleeping counts 2016-2019 by local authority**

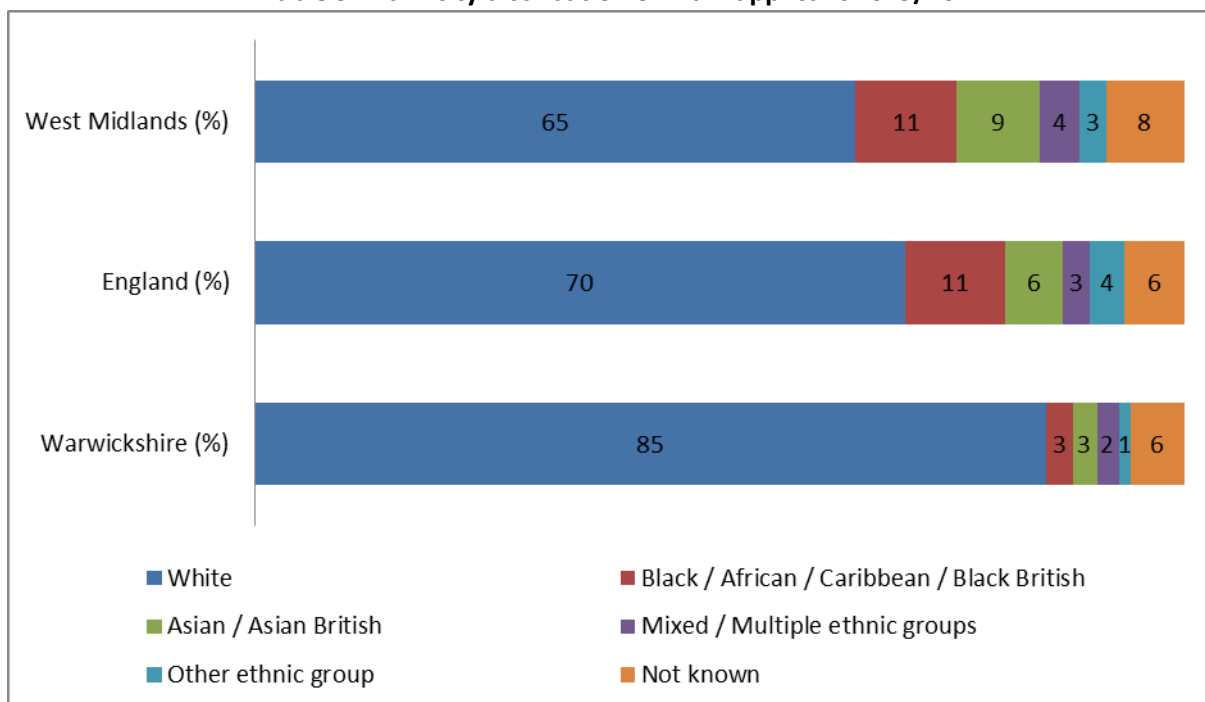


**Equalities information**

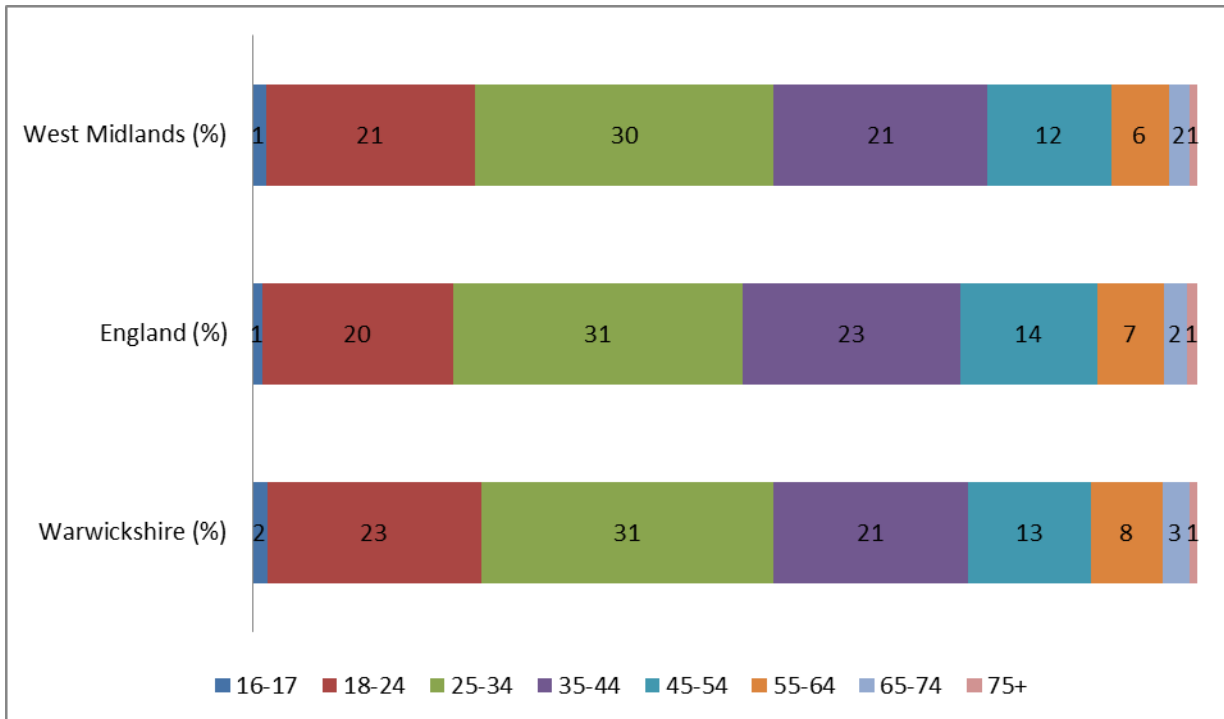
For applicants seeking assistance under homelessness legislation the following tables show information on various characteristics that are protected under the Equalities Act 2010. This information is drawn from the MHCLG database referred to earlier. It should be noted that the information is only collected for those owed a prevention or relief duty under the legislation so the tables do not include those where it was found that no duty was owed.

As regards information about households that include someone with a support need due to a disability, the data is included in table four above. If any other protected characteristic is not covered below it is because the information is not collected through the H-CLIC data returns.

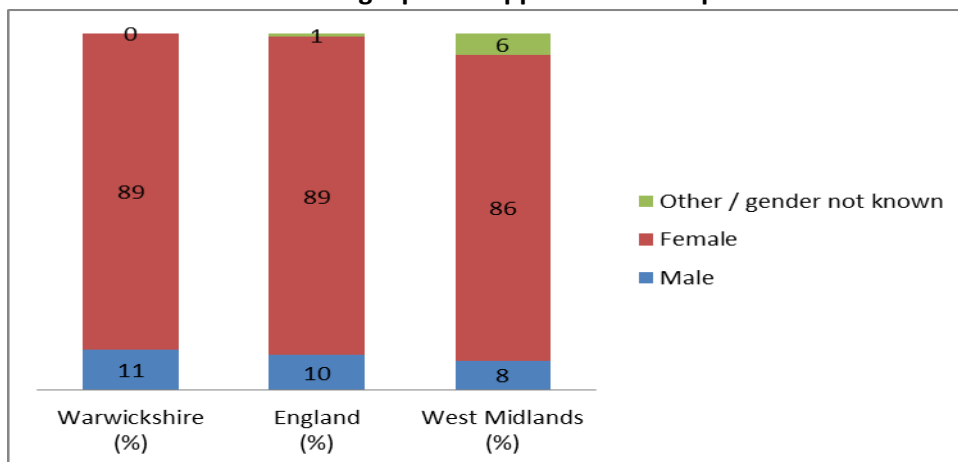
**Table 9 - Ethnicity distribution of main applicant 2019/20**



**Table 10 - Age distribution of main applicant 2019/20**



**Table 11 - Gender of single parent applicant with dependent children**



**Table 12 Gender of single person applicant**





Appendix four - Extract from the Annual Report 2019 of the Director of Public Health for Warwickshire.

**Table 2: Warwickshire Health Profile 2019**

● Better ● Similar ● Worse

Table 2 shows the current health performance of the Warwickshire County and allows comparisons of performance between the districts and boroughs. The values are coloured to indicate statistical significance compared to England. This is the most recent compiled and published data as of 6th August 2019. <sup>7</sup>

Short name	Unit	Eng	Warwickshire	North Warwickshire	Nuneaton & Bedworth	Rugby	Stratford-on-Avon	Warwick	Period
Under 18 conceptions	per 1,000	17.8	17.5	18.6	22.0	21.8	11.1	14.2	2017
Low birth weight of term babies	%	2.8	2.4	2.4	2.6	3.4	1.7	1.9	2017
Breastfeeding initiation	%	74.5	Not published data quality issues	61.2	61.1	82.6	81.2	80.2	2016/17
Smoking prevalence in adults	%	14.4	14.1	14.4	16.6	23.1	9.4	9.9	2018
New sexually transmitted infections	per 100,000	784	548	537	675	554	466	505	2018
5 year olds free from dental decay	%	76.7	78.4	79.3	71.8	78.1	82.6	80.9	2016/17
Overweight & obese (reception)	%	22.4	22.3	27.2	23.5	22.9	22.7	17.7	2017/18
Overweight & obese (Year 6)	%	34.3	31.7	31.9	37.6	33.6	28.4	26.0	2017/18
Hospital admissions for unintentional and deliberate injuries in children (aged 0-14 years)	per 10,000	96.4	118.3	91.9	111.7	153.0	110.5	113.5	2017/18
Overweight & obese (adults)	%	62.0	62.4	70.6	71.9	65.8	56.4	52.8	2017/18
Incidence of TB	per 100,000	9.2	5.5	3.6	7.8	5.6	2.9	6.4	2016-18

Suicide rate (aged 10+)	per 100,000	9.6	11.3	12.4	14.2	9.8	10.7	10.1	2015-17
Infant mortality (under 1 year)	per 1,000 live births	3.9	4.2	3.1	6.4	3.5	2.7	3.9	2015-17
Mortality rate from causes considered preventable (all ages)	per 100,000	181.5	171.8	179.3	213.1	178.6	147.2	153.2	2015-17
Under 75 mortality rate: cardiovascular	per 100,000	72.5	66.8	75.7	79.9	68.2	53.7	62.4	2015-17
Under 75 mortality rate: cancer	per 100,000	134.6	127.6	124.3	145.7	127.0	120.3	120.3	2015-17
Hip fractures in people aged 65 and over	DSR per 100,000	578	615	668	713	515	516	694	2017/18
Emergency hospital admissions for intentional self-harm (all ages)	per 100,000	185.5	157.7	107.6	154.9	187.0	174.3	155.0	2017/18
Killed or seriously injured on the roads*	per 100,000	40.8	62.6	105.5	31.6	75.0	75.1	50.9	2015-17
Hospital admissions for alcohol-related conditions (Under 18 years).	per 100,000	32.9	49.6	48.7	67.9	49.8	40.1	39.5	2015/16-2017/18
Sickness absence - the percentage of working days lost due to sickness absence	%	1.1	1.4	1.3	3.1	0.8	0.2	1.3	2015-17

The values are coloured Red, Amber and Green (RAG) to indicate statistical significance compared to England. RAG ratings are affected by small numbers for some indicators.

\*This includes all people (residents & non-residents) killed or seriously injured on Warwickshire roads.

## Appendix five - Glossary of abbreviations

A&E	Accident and Emergency
CRC	Community Rehabilitation Companies
CWPT	Coventry and Warwickshire Partnership Trust
D&Bs	The five District and Borough Councils of Warwickshire collectively
ET	Equitable Tenancy
H-CLIC	Homeless Case Level Information Collection system
HAST	Homelessness Advice and Support Team at MHCLG
HRA17	The Homelessness Reduction Act 2017
IDVA	Independent Domestic Violence Adviser
IOM	Integrated Offender Management system
LHA	Local Housing Allowance
MAPPA	Multi-agency public protection arrangements
MHCLG	The Ministry of Housing, Communities and local Government
NBBC	Nuneaton and Bedworth Borough Council
NFA	No Fixed Abode
NHS	National Health Service
NPS	National Probation Service
NWBC	North Warwickshire Borough Council
p.h.i.l.	Preventing Homelessness Improving Lives
RBC	Rugby Borough Council
RDVSW	Refuge Domestic Violence Service Warwickshire
SDC	Stratford-on Avon District Council
WCC	Warwickshire County Council
WDC	Warwick District Council
WYJS	Warwickshire Youth Justice Service

## Appendix six - References

- <sup>1</sup> [Homeless Health Needs Audit](#), Homeless Link, 2019
- <sup>2</sup> [The health of homeless people in high-income countries](#), Fazel et al, 2014
- <sup>3</sup> [Office for National Statistics](#), 2018
- <sup>4</sup> [The prevalence of mental disorders among the homeless in western countries: Systematic review and meta-regression analysis](#), Fazel et al, 2008
- <sup>5</sup> [The Autism Employment Gap](#), National Autistic Society, 2016
- <sup>6</sup> [The prevalence of autistic traits in a homeless population](#), Churchard et al, 2018
- <sup>7</sup> [Cognitive impairment and homelessness: A scoping review](#). Stone, Dowling & Cameron, 2018
- <sup>8</sup> [Chance of a lifetime: the impact of bad housing on children's lives](#), Shelter, 2006
- <sup>9</sup> [Preventing homelessness to improve health and wellbeing](#), Public Health England, 2015
- <sup>10</sup> [Mental Health Foundation website](#)
- <sup>11</sup> [Citizens Advice press release](#), 2014
- <sup>12</sup> [Financial Inclusion Report 2018-19](#), HM Treasury & Department for Work and Pensions, March 2019
- <sup>13</sup> [From the frontline](#), Shelter, August 2019
- <sup>14</sup> [Joseph Rowntree Foundation website](#), February 2018
- <sup>15</sup> [Access to rent: deposit loan scheme](#), JRF, April 2018
- <sup>16</sup> [National Residential Landlords Association](#), May 2019
- <sup>17</sup> [The homelessness monitor: England 2019](#), Crisis, May 2019
- <sup>18</sup> [Coventry and Warwickshire Joint Strategic Housing Market Assessment](#), Table 71, GL Hearn, 2013
- <sup>19</sup> [State of the PRS \(Q1 2019\). A survey of private landlords and the impact of welfare reforms](#), RLA, 2019
- <sup>20</sup> [Young and Homeless 2018](#), Homeless Link
- <sup>21</sup> [Information for Local Areas on the change to the Definition of Domestic Violence and Abuse](#), Home Office, March 2013
- <sup>22</sup> [An Independent Strategic Review of Domestic Abuse Services and Support Across Warwickshire](#), July 2019
- <sup>23</sup> [Hidden Hurt, Violence, Abuse and Disadvantage in the Lives of Women](#) Scott and McManus, Agenda, 2016
- <sup>24</sup> [Joining the dots](#), McManus and Scott with Sosenko, Agenda, September 2016
- <sup>25</sup> Women's Aid (2019) [The Domestic Abuse Report 2019: The Economics of Abuse](#). Bristol: Women's Aid.
- <sup>26</sup> [Behind Closed Doors](#), Unicef, 2006
- <sup>27</sup> [Women's Aid, Survivors Handbook](#)
- <sup>28</sup> [Survivor's Justice](#), Mayes, Moroz and Frolunde, Victim Support, December 2017
- <sup>29</sup> [Domestic abuse prevalence and trends, England and Wales: year ending March 2019](#), ONS
- <sup>30</sup> [Rebuilding Shattered Lives](#), Hutchinson, Page and Sample, St Mungo's
- <sup>31</sup> [Domestic abuse in England and Wales year ending March 2018](#), ONS
- <sup>32</sup> [Housing support for ex-offenders \(England and Wales\)](#), Bellis and Wilson, 2017
- <sup>33</sup> [Rough Sleeping Strategy](#), MHCLG, 2018
- <sup>34</sup> [Now all I care about is my future](#), Beyond Youth Custody partnership, 2017
- <sup>35</sup> [Standards for children in the youth justice system 2019](#), Ministry of Justice, 2019
- <sup>36</sup> [Prison: the facts Bromley Briefings Summer 2019](#), Prison Reform Trust, 2019
- <sup>37</sup> [Evidencing the link between the Local Housing Allowance freeze and homelessness](#), LGA, 2020
- <sup>38</sup> [Balancing Act: Addressing health inequalities among people in contact with the criminal justice system](#), Revolving Doors Agency, 2013
- <sup>39</sup> <https://www.gov.uk/government/collections/homelessness-statistics#homelessness-prevention-and-relief>

## Warwickshire County Council Equality Impact Assessment (EIA) Form

The purpose of an EIA is to ensure WCC is as inclusive as possible, both as a service deliverer and as an employer. It also demonstrates our compliance with Public Sector Equality Duty (PSED).

This document is a planning tool, designed to help you improve programmes of work by considering the implications for different groups of people. A guidance document is available [here](#).

Please note that, once approved, this document will be made public, unless you have indicated that it contains sensitive information. Please ensure that the form is clear and easy to understand. If you would like any support or advice on completing this document, please contact the Equality, Diversity and Inclusion (EDI) team on 01926 412370 or [equalities@warwickshire.gov.uk](mailto:equalities@warwickshire.gov.uk)

<b>Service / policy / strategy / practice / plan being assessed</b>	Preventing Homelessness in Warwickshire: a multiagency approach 2021-2023
<b>Business Unit / Service Area</b>	People Group / Public Health
<b>Is this a new or existing service / policy / strategy / practice / plan?</b> If an existing service / policy / strategy / practice / plan please state date of last assessment	New
<b>EIA Review team – list of members</b>	Emily Fernandez / Minakshee Patel
<b>Do any other Business Units / Service Areas need to be included?</b>	No
<b>Does this EIA contain personal and / or sensitive information?</b>	No

<p><b>Are any of the outcomes from this assessment likely to result in complaints from existing services users, members of the public and / or employees?</b></p>	<p>No If <b>yes</b> please let your Assistant Director and the Customer Relations Team know as soon as possible</p>
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**1. Please explain the background to your proposed activity and the reasons for it.**

In April 2018 the Homelessness Reduction Act 2017 (HRA17) came into force bringing sweeping changes in how councils should respond to homelessness and one of the most significant changes was the introduction of a “Duty to Refer” which required other public bodies to become more involved in homelessness service provision. The broad aim of HRA17 is to reduce homelessness by introducing systems to ensure early intervention and prevention.

Even though the District and Boroughs are responsible for implementing HRA17, the legislation is underpinned by a requirement to provide a holistic assessment of the households needs which results in a joint, multi-agency approach to achieving a positive outcome.

A recent consultation paper, “Tackling Homelessness Together”, set out the Government’s concerns that partners were not engaging positively to resolve homelessness and are not co-operating. As such they are proposing statutory requirements to provide for specific structures which could include a duty to co-operate and the establishment of Homelessness Reduction Boards.

However, Warwickshire already has an established Strategic Housing Board.

The new obligation highlighted in HRA 17, intensified conversations that were already ongoing between the District & Boroughs and WCC culminating in a conference on homelessness in the autumn of 2018 that involved a wide range of statutory and voluntary organisations who were working in the field of homelessness. Following the conference all six councils agreed to develop a countywide strategy.

In order for Warwickshire County Council and District / Borough Councils to deliver on the actions identified in HRA 17, a Countywide Homelessness Strategy – ‘Preventing Homelessness in Warwickshire: a multiagency approach 2021 -2023’ has been developed and this Equality Impact Assessment is related to that Strategy.

**2. Please outline your proposed activity including a summary of the main actions.**

Public Health has been working with the Heads of Housing from the 5 District and Borough Councils in developing the Strategy. The strategy provides details on the background, key data on homelessness across Warwickshire, specific information and recommendations in five key social policy areas where co-ordinated action can have the greatest impact in preventing and tackling homelessness. The five areas are:

- Health.
- Young people.
- Domestic abuse.
- Offending.
- Financial inclusion.



### 3. Who is this going to impact and how? (customers, service users, public and staff)

It is good practice to seek the views of your stakeholders and for these to influence your proposed activity. Please list anything you have already found out. If you still need to talk to stakeholders, include this as an 'action' at the end of your EIA. **Note that in some cases, there is a duty to consult, see [more](#).**

This Strategy will have an impact on staff, customers, service users and the wider community. Views were sought on the Draft Countywide Homeless Strategy using an online survey that was available between 5th October and 1st November 2020. Responses were invited from the general public, businesses, statutory partners, local councillors/elected members, and voluntary and community sector. The results and feedback will assist in getting the strategy right for those who are at risk of homelessness, currently homeless or sleeping rough on Warwickshire streets. It will inform the priorities and recommendations of the final version of the strategy being presented to the Health and Wellbeing Board in March 2021.

A summary of the findings from the survey are listed below, however the full consultation report is available as an Appendix to the Strategy.

- The Draft Countywide Homeless Strategy survey received 45 responses. Of these, 28 were from members of the general public and the remainder from other groups (business, statutory partner, local Councillor/elected member, voluntary community sector).
- In total, 91.1% of all respondents stated that they agreed (either agree or strongly agree) with the vision set out for this strategy. Just 6.8% disagreed (either disagree or strongly disagree) with the vision.
- Respondents generally agreed with each of the strategic priorities; Priority 3 (domestic abuse) had the greatest agreement – 93.3% of all respondents stated they agreed or strongly agreed with this priority.
  - A small percentage, 8.9% of the respondents disagreed (disagree or strongly disagree) with Priority 1 (health).
  - Overall, respondents either agreed or agreed to some extent that the recommendations proposed for each strategic priority are the correct ones to focus on for 2021/22:
  - Priority 1 – Health: 62% agreed, 31% agreed to some extent
  - Priority 2 – Young People: 60% agreed, 24% agreed to some extent
  - Priority 3 – Domestic Abuse: 73% agreed, 15.6% agreed to some extent
  - Priority 4 – Offending: 57.8% agreed, 24.4% agreed to some extent
  - Priority 5 - Financial inclusion: 64.4% agreed, 22.2% agreed to some extent

An equality analysis of the respondents is also included in the consultation report.

Data on homelessness in Warwickshire is taken from Ministry of Housing, Communities and Local Government, which compiles information from H-CLIC returns from all local housing authorities. Full information is available as an Appendix to the Strategy.

**4. Please analyse the potential impact of your proposed activity against the protected characteristics.**

**N.B** Think about what actions you might take to mitigate / remove the negative impacts and maximize on the positive ones.

This will form part of your action plan at question 7.

	<b>What information do you have? What information do you still need to get?</b>	<b>Positive impacts</b>	<b>Negative impacts</b>
<b>Age</b>	Consultation data and service user data is both available.	The service is open to everyone from the age of 16+	
<b>Disability</b> Consider <ul style="list-style-type: none"> <li>• Physical disabilities</li> <li>• Sensory impairments</li> <li>• Neurodiverse conditions (e.g. dyslexia)</li> <li>• Mental health conditions (e.g. depression)</li> <li>• Medical conditions (e.g. diabetes)</li> </ul>	Consultation data is available; however, it is not broken down into the different categories. Service user data is not collected through the H-CLIC data returns. However, is picked up as part of the support needs of household.	The service is open to everyone irrespective of what disability they present with. The service provision is based on individual needs.	
<b>Gender Reassignment</b>	Consultation data is available, however. Service user data is not collected through the H-CLIC data returns	The service provision is based on individual needs.	
<b>Marriage and Civil Partnership</b>	Data not collected either as part of consultation monitoring or the H-CLIC data returns. However, not required.	The service provision is based on individual needs.	
<b>Pregnancy and Maternity</b>	Data not collected either as part of consultation monitoring or the H-CLIC data returns. However, not required.	The service provision is based on individual needs.	

<b>Race</b>	Consultation data and service user data is both available.	The service is open to everyone irrespective of their ethnicity. The service provision is based on individual needs.	
<b>Religion or Belief</b>	Consultation data is available, however. Service user data is not collected through the H-CLIC data returns	The service provision is based on individual needs.	
<b>Sex</b>	Consultation data and service user data is both available.	The service is open to everyone irrespective of their gender. The service provision is based on individual needs. A specific priority relating to Domestic Abuse has been identified within the Strategy.	
<b>Sexual Orientation</b>	Consultation data is available, however. Service user data is not collected through the H-CLIC data returns	The service is open to everyone irrespective of their sexual orientation. The service provision is based on individual needs.	

**5. What could the impact of your proposed activity be on other vulnerable groups e.g. deprivation, looked after children, carers?**

There will be a positive impact as there are priorities identified within the Strategy to support vulnerable groups. They are:

- Young people, which includes looked after children, care leavers
- Domestic Abuse
- Financial Inclusion
- Offending

**6. How does / could your proposed activity fulfil the three aims of PSED, giving due regard to:**

- the elimination of discrimination, harassment and victimisation
- creating equality of opportunity between those who share a protected characteristic and those who do not
- fostering good relationships between those who share a protected characteristic and those who do not

The service is available to anyone who presents as homeless and are owed a duty under HRA17 irrespective of their specific protected characteristic. The service provision is based on individual needs.

**7. Actions – what do you need to do next?**

Consider:

- Who else do you need to talk to? Do you need to engage or consult?
- How you will ensure your activity is clearly communicated
- Whether you could mitigate any negative impacts for protected groups
- Whether you could do more to fulfil the aims of PSED
- Anything else you can think of!

<b>Action</b>	<b>Timescale</b>	<b>Name of person responsible</b>
Strategy to be adopted by Health & Wellbeing Board	March 2021	Emily Fernandez, WCC
Strategy to be adopted by District & Boroughs	February 2021	District & Boroughs Heads of Housing



# DRAFT COUNTYWIDE HOMELESS STRATEGY

## SURVEY RESULTS

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**Author: Chloe Kinton**

**Date published: November 2020**

**Report produced by Business Intelligence, Commissioning Support Unit**

## BACKGROUND

Warwickshire County Council, North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council, Warwick District Council and Stratford-on-Avon District Council recognise the importance of tackling and preventing homelessness in Warwickshire. In developing the draft countywide strategy on homelessness, joint working and collaboration has taken place with a wide range of stakeholders, including; health, police, probation, county and district and borough councils, the voluntary and community sector.

The Homelessness Reduction Act 2017 came in to force on 3 April 2018. It introduced fundamental changes to how Local Authorities assess and assist homeless applicants. The intention of the Act is to give a greater focus on prevention. The aim of the changes is to reduce homelessness by introducing systems to ensure early intervention and prevention. In October 2018, the Duty to Refer brought a wide range of other statutory organisations into firm collaboration with local authorities to implement the legislation.

The legislation requires statutory agencies to act to promote positive outcomes for applicants. The inclusion of the Duty to Refer in the Act indicates Government awareness that better partnership working is needed to resolve homelessness when it occurs. In addition, a recent consultation paper – ‘Tackling Homelessness Together’ set out Government concerns that partners are not engaging positively to resolve homelessness and not co-operating. As a result, Government is now proposing statutory requirements to provide for specific structures which could include a duty to co-operate and the establishment of Homelessness Reduction Boards. The development of the Strategic Homelessness Board in Warwickshire supports the legislative changes and anticipates the Government’s further proposals.

The Board is developing a Warwickshire-wide Homeless Strategy, proposing recommendations for consideration by partners which are concerned with how statutory agencies in Warwickshire will work together to promote and deliver the changes expected by Government and which will benefit residents. These objectives are intended to define a new culture of collaboration and effective joint working arrangements. They include:

- Supporting and fully utilising the Homelessness Strategic Board to promote collaboration, challenge systems of work, develop new initiatives and deliver joint training.
- Evolving the strong partnership working built during the COVID-19 pandemic to anticipate challenges to residents from a recession – particularly in connection with their financial circumstances, unemployment and the actions of private landlords to evict tenants.
- Enabling front line teams to act in partnership to intervene early where there is a housing issue – to encourage a culture of professional curiosity and ensure teams know that homeless is everybody’s business.
- Developing agreed pathways for referrals which underpin a culture of collaboration
- Agreeing formal monitoring systems to provide information to the Board about the effectiveness of joint working.
- Setting out specific actions to include joint working with regard to tackling domestic abuse, working with



young people and offenders, health and financial inclusion.

- Using Local Plans, Lettings Schemes and intervention in the private sector housing market to deliver a sufficient range of affordable housing options to meet housing needs in Warwickshire.

Views were sought on the Draft Countywide Homeless Strategy using an online survey that was available between 5<sup>th</sup> October and 1<sup>st</sup> November 2020. Responses were invited from the general public, businesses, statutory partners, local councillors/elected members, and voluntary and community sector. The results and feedback will assist in getting the strategy right for those who are at risk of homelessness, currently homeless or sleeping rough on Warwickshire streets. It will inform the priorities and recommendations of the final version of the strategy being presented to the Health and Wellbeing Board in March 2021.

## METHODOLOGY

In order to gather views, an online survey was available on Ask Warwickshire using Citizen Space (a paper-based version of the standard online survey could be requested by telephone or email and alternative formats and languages could also be requested). Respondents were also able to respond directly via email or in writing to Public Health Warwickshire.

This report is structured in three main sections. First, the key messages of the analysis on the Draft Countywide Homeless Strategy. The main section of the report presents the results from the survey which includes: about respondents, our vision, strategic priorities, recommendations, further comments and Housing Related Support. This is followed by a section that presents the equality and diversity analysis.



## KEY MESSAGES

- The Draft Countywide Homeless Strategy survey received 45 responses. Of these, 28 were from members of the general public and the remainder from other groups (business, statutory partner, local Councillor/elected member, voluntary community sector).
- In total, 91.1% (n=41) of all respondents stated that they agreed (either agree or strongly agree) with the vision set out for this strategy. Just 6.8% (n=3) disagreed (either disagree or strongly disagree) with the vision.
- Respondents generally agreed with each of the strategic priorities.
  - Priority 3 (domestic abuse) had the greatest agreement – 93.3% (n=42) of all respondents stated they agreed or strongly agreed with this priority.
  - A small percentage, 8.9% (n=4), of all respondents disagreed (disagree or strongly disagree) with Priority 1 (health).
- Respondents were asked whether there were any other priorities, issues, drivers, policies or strategies that they felt should be considered and addressed. In total, almost half of all respondents (48.9%, n=22) stated that there were other priorities to consider. A wide variety of themes and issues were mentioned, with concerns regarding health (including mental health) and the need to consider specific groups (e.g. asylum seekers, those with a disability or long-term health condition, single parents with children) featuring in multiple comments.
- Overall, respondents either agreed or agreed to some extent that the recommendations proposed for each strategic priority are the correct ones to focus on for 2021/22:
  - Priority 1 – Health: 62% agreed, 31% agreed to some extent
  - Priority 2 – Young People: 60% agreed, 24% agreed to some extent
  - Priority 3 – Domestic Abuse: 73% agreed, 15.6% agreed to some extent
  - Priority 4 – Offending: 57.8% agreed, 24.4% agreed to some extent
  - Priority 5 - Financial inclusion: 64.4% agreed, 22.2% agreed to some extent
- For each priority a small number of respondents (n=1-3) said the recommendations were not the correct recommendations to focus on. Proposed recommendations under the financial inclusion priority had the most negative responses with 6.7% (n=3) of all respondents stating that the recommendations were not the right recommendations to focus on.
- The final section of the survey focused on eligibility criteria for Housing Related Support (HRS). The majority of respondents felt that all of the statements provided should be included as a criteria that makes a person eligible for HRS. In particular, 93.3% (n=42) considered ‘Their health needs impacting their ability to maintain their tenancy (disability/mental health/substance misuse)’ should be eligible. A large amount of debt which may affect their tenancy was the only eligibility criteria that received less than 75% support (71.1%, n=32).





## DRAFT COUNTYWIDE HOMELESSNESS STRATEGY RESULTS – SURVEY ANALYSIS

### ABOUT RESPONDENTS

In total, the online survey received 45 responses. At the beginning of the survey, respondents were asked to state in what capacity they were responding to this questionnaire. Depending on how a respondent answered, they were then asked which Warwickshire district or borough they live in, work in or represent. The results of this are presented in Table 1 below.

**Table 1. Respondent background and Warwickshire borough/district**

	General public	Business	Statutory partner	Local Councillor / elected member	Voluntary and community sector	Other	Total
North Warwickshire	1	0	0	0	0	0	1
Nuneaton & Bedworth	2	1	0	0	0	3	6
Rugby	5	0	1	1	0	0	7
Stratford-on-Avon	9	0	0	1	0	1	11
Warwick	11	0	0	0	3	2	16
Countywide	N/A	0	1	0	3	0	4
Outside of Warwickshire	N/A	0	0	0	0	0	0
Not answered	N/A	0	0	0	0	0	0
<b>Total</b>	<b>28</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>6</b>	<b>6</b>	<b>45</b>

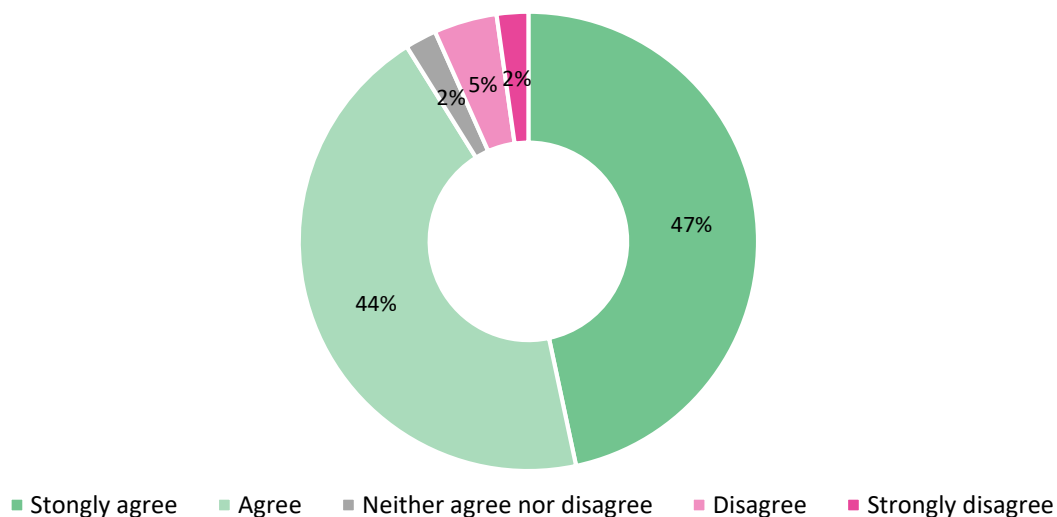
The figures in Table 1 indicate that the majority of respondents who completed the survey were members of the public (62.2%, n=28), with 11 residing in Warwick District and 10 in Stratford-on-Avon District. There were six respondents who answered in their voluntary and community sector capacity, two local councillors/elected members (WCC, District/Borough, Town Council) and just one business. Of those who stated 'other', there were two householders/landlords, a housing solutions team member, a health/nursing service and an adult social care practitioner. Indeed, 60% (n=27) of all respondents stated they live, work or represent either Stratford-on-Avon District or Warwick District (see Table 1).



## OUR VISION

The first section of the survey focused on Our Vision (that statutory agencies in Warwickshire will work together to promote and deliver the changes expected by the Government in the Homelessness Reduction Act 2017, for the benefit of our Warwickshire residents). Respondents were asked to what extent they agree or disagree with the vision set out for this strategy. The results of this are presented in Figure 1.

**Figure 1. How strongly do you agree or disagree with the vision set out for this strategy?**



As Figure 1 shows, 91.1% (n=41) of all respondents stated that they agreed (either agree or strongly agree) with the vision set out for this strategy. Just 6.8% (n=3) disagreed (either disagree or strongly disagree) with the vision.

Those respondents who stated they disagreed or strongly disagreed with the vision were asked to explain their answer in the open text box. However, only two of the three respondents who disagreed with the vision chose to comment. A further five respondents (who answered strongly agree, agree or neither agree nor disagree) also made a comment. All seven comments are presented below along with the capacity in which the respondent answered the survey:

- *“A young girl and her partner that I know who have fallen on hard times and have had to sleep on people’s sofa’s for the last two months were told by RBC that they wouldn’t be housed as this young girl wasn’t pregnant so they didn’t meet the criteria for housing these two young people are only 20 years old so why is the council promoting young adults who have no job or place to live to create a life to get someone to help them. Absolutely disgusting. Especially when there are several properties flats and houses sat empty in the town”* (General Public; disagree with vision).
- *“There is a need to get to the root of the problem with homelessness and the cause. The problem does not necessarily stop with providing a roof over someone’s head. It may have complied with a ‘duty’ but, there needs to be intensive work needed for some of our counties most vulnerable. Also, a ‘hidden homeless’ and vulnerably housed community need to be better supported”* (General Public; disagree with vision).
- *“It’s too long and wordy to be a vision. A simple statement of what you’re aiming to do is required”* (Local Councillor/elected member; neither agree nor disagree with vision).

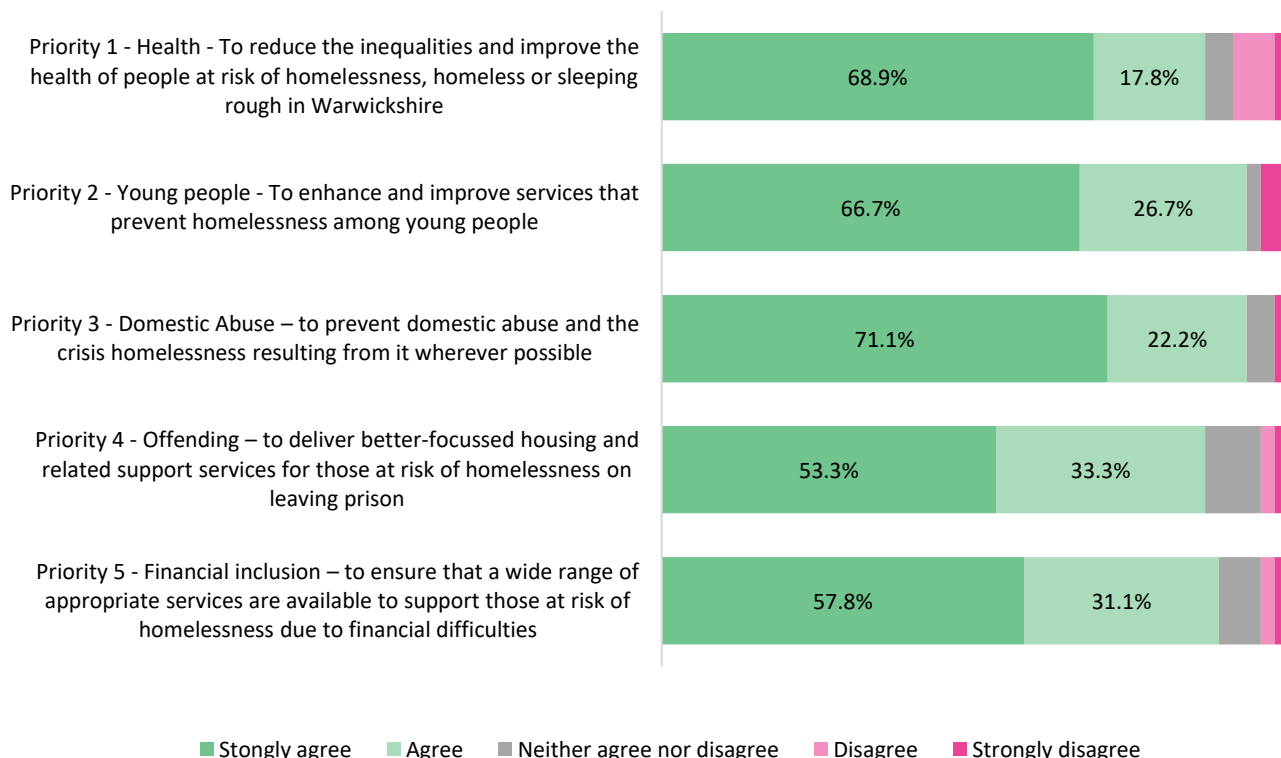


- “Ensuring early intervention and prevention is the best way to try and reduce homelessness. Now, particularly, with COVID-19, agencies across Warwickshire need to work together to ensure nobody is at risk of being homeless. Joined up thinking and working will be crucial” (General Public, agree with vision).
- “Anything that benefits the residents is good” (Business; strongly agree with vision).
- “I believe we all want to achieve the best possible outcome & this will only be reached by working together, and highlighting any barriers we feel we face” (Statutory partner, strongly agree with vision).
- “I agree there needs to be promotion of working together between statutory agencies, and feel it is also imperative there is clarity regarding roles and responsibilities e.g. we often find Housing Dept's state someone is vulnerable as they are homeless and therefore require residential care to be provided when the individual has no care and support needs. By virtue of being homeless, any individual could be considered to be vulnerable, but that does not mean residential care should be provided when the need is for accommodation NOT care and support” (Other respondent; strongly agree with vision).

## STRATEGIC PRIORITIES

The next section of the survey focused on the five strategic priorities. Respondents were asked how strongly they agreed or disagreed with each of the strategic priorities – health, young people, domestic abuse, offending, and financial inclusion. The results of each of these are presented in Figure 2 below.

**Figure 2. How strongly do you agree or disagree with the five strategic priorities?**



As Figure 2 shows, respondents generally agreed with each of the strategic priorities. For Priority 3 (domestic abuse), 93.3% (n=42) of all respondents stated they agree or strongly agree with this priority. Further to this, both Priority 4 (offending) and Priority 5 (financial inclusion) saw 8.9% (n=4) and 6.7% (n=3) of respondents respectively state that they neither agreed nor disagreed with these priorities. Interestingly, 8.9% (n=4) of all



respondents disagreed (disagree or strongly disagree) with Priority 1 (health). In terms of the capacity in which they were responding to the survey, there was no statistical significance in the way respondents answered.

Following this, respondents who disagreed or strongly disagreed with any of the five priorities were asked to explain why. In total, five respondents made a comment, and these are presented below. Two of the comments related specifically to the health priority:

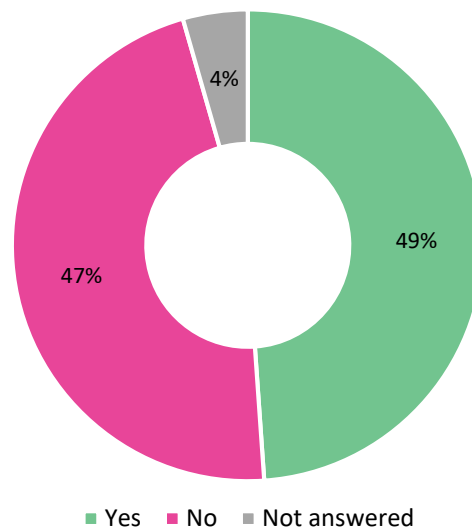
- *“Health - needs to be clear on the lack of mental health support availability and drug and alcohol services. Where an individual has a mental health issue and a substance addiction, Mental Health decline to support unless the individual will engage with substance misuse support services such as Change, Grow, Live, even where the individual is misusing substances as a form of self medication and/or feel unable to begin to address addiction issues, and/or has a long standing serious mental health condition. Mental Health services overall are seriously lacking and needs are not being addressed across the board. Financial inclusion - should consider whether this is because for example an individual is not claiming the correct benefits or needs to be supported to manage their money as they have mental capacity issues. I think it is more difficult in situations where addiction is at play and an individual is spending all money on substances to feed their addiction, therefore placing their tenancy at risk” (Adult Social Care practitioner).*
- *“I don’t agree with the Health priority - if you can identify who’s at risk of being homeless you should be offering appropriate support to prevent it rather than improving their health. I’m guessing that this priority was included at the request of your health partners. Strongly agree with assisting young people and offenders from drifting into homelessness” (Local Councillor/elected member).*
- *“I think people hitting poverty is more of a priority than single people coming out of custody due to people having children and living in poor conditions” (Business).*
- *“I see no mention of support for homeless veterans who have put their lives on the line for this Country” (General Public).*
- *“Please refer to previous statement as telling young couple who have lost their home and job through no fault of their own to get pregnant to get houses is disgusting” (General Public).*

The final question in this section asked respondents whether there were any other priorities, issues, drivers, policies or strategies that they felt should be considered and addressed. In total, almost half of all respondents (48.9%, n=22) stated that there were other priorities to consider. Similarly, 46.7% (n=21) said no. Just two respondents did not answer this question (see Figure 3).

In terms of the capacity in which they were responding to the survey, 17 (60.7%) respondents who identified as members of the general public felt there were other policies or strategies to consider compared to 5 (29.4%) from the other groups. This is a statistically significant difference in response to this question.



**Figure 3. Are there any other, priorities, issues, drivers, policies or strategies that should be considered and addressed?**



Those respondents who stated 'yes' were asked to explain their answer in more detail. In total, 21 respondents left a comment to this question and these are presented below. A wide variety of themes and issues were mentioned, with concerns regarding health (including mental health) and the need to consider specific groups (e.g. asylum seekers, those with a disability or long-term health condition, single parents with children) featuring in multiple comments:

- *"1 - Health - homeless people are less likely to want to or comply with health services for fear being sent into the hospital or because they have bad experiences with authority. Community-led nursing services should be increased. 2 - Young people - there are good initiatives from St Basils and other charitable organisations but, young people are more likely to 'sofa surf' or enter into risky and dangerous situations to keep from being homeless. Also, the transition from being a 'looked after child' to becoming independent is a fraught one and additional steps need to be in place to make sure a stable home life is in place. There needs to be a wrap-around and holistic approach to reducing homelessness. Sadly, it is not one size fits all - people often have had chaotic lives and traumatic experiences. All agencies need to be involved. We might be able to house people but, if they cannot read to pay bills, manage a bank account or have basic cooking skills being able to manage a tenancy successfully becomes untenable"* (General Public).
- *"Mental Health, substance misuse"* (Adult Social Care practitioner).
- *"Asylum seekers/refugees"* (General Public).
- *"Consider issue of companion animals being allowed in shelters/housing. Consider idea of community and sense of belonging. Consider employment and communities/projects offering housing for work/labour"* (General Public).
- *"Digital inclusion - with more and more services mainly accessed online (UC with its journals), all the housing bidding services etc it does disadvantage those that struggle with technology or literacy. I guess you are including disabilities in with health but learning difficulties may not be a medical issue as such"* (Voluntary and community sector).
- *"Disability should be explicitly referenced, not just health"* (General Public).
- *"Greater account to be taken of the fact that many people need support to access the help that is often out there and available to them, they just cannot access it. They are not being lazy or feckless but genuinely are unable to access help they are entitled to without support"* (General Public).



- *“How staff respond to each case and being forthcoming with all information of all help available to these young people who have never had dealings with the councils before so are not aware of what help is available such as your discretionary funds” (General Public).*
- *“Interdependencies of drug and alcohol being a barrier to people being able to secure or sustain tenancies” (General Public).*
- *“It would be good to see mental health more called out specifically in the listed priorities, perhaps including it in Priority 1” (Local Councillor / elected member).*
- *“Mental health issues such as schizophrenia” (General Public).*
- *“More work needs to be done to ensure that all agencies working with those who are homeless do so in a trauma informed way. Also, more needs to be done to address the trauma suffered by those who become homeless. Counselling those who have suffered trauma in their lives is essential if the hard work to house such individuals is to be sustained” (General Public).*
- *“Need to ensure alcohols drug related homelessness addressed i.e. If not already covered by 'health' priority” (General Public).*
- *“Old people who are homeless should also be included” (General Public).*
- *“Referral of those already homeless” (General Public).*
- *“Single parent families with children” (General Public).*
- *“Support our veterans!” (General Public).*
- *“The issues associated with COVID-19 (furlough and job losses, health etc). Also, more longer-term, how Brexit may need to be considered” (General Public).*
- *“There is a very big gap in service provision in this area, for patients who are alcohol dependent. Although they can get help at CGL for this addiction, for those patients who want to continue drinking and who are homeless, who may or may not have mental health issues on top of their dependency, there is little provision for them. Often they slip through the gap of all services and the only alternative presently, is to end up rough sleeping. This area needs a supported "wet house" or equivalent for a certain, small number, of patients” (Health / nursing service).*
- *“There is evidence that the number of homeless people is higher than official/reported statistics. Any scheme to tackle homelessness needs to ensure that we can include ALL of the homeless. We need to ensure that children in homeless families or children leaving care services do not fall into homelessness by giving more focused support in their teenage years” (General Public).*
- *“Yes - you're only looking at the demand side - you should also be looking at supply, i.e. affordable housing. Unfortunately the whole strategy seems to be light on data - how many people are genuinely homeless now, how many are expected to become homeless in future, how many appropriate units of affordable housing are available now, how many are needed in future, what are you doing to ensure their provision” (Local Councillor / elected member).*

## RECOMMENDATIONS

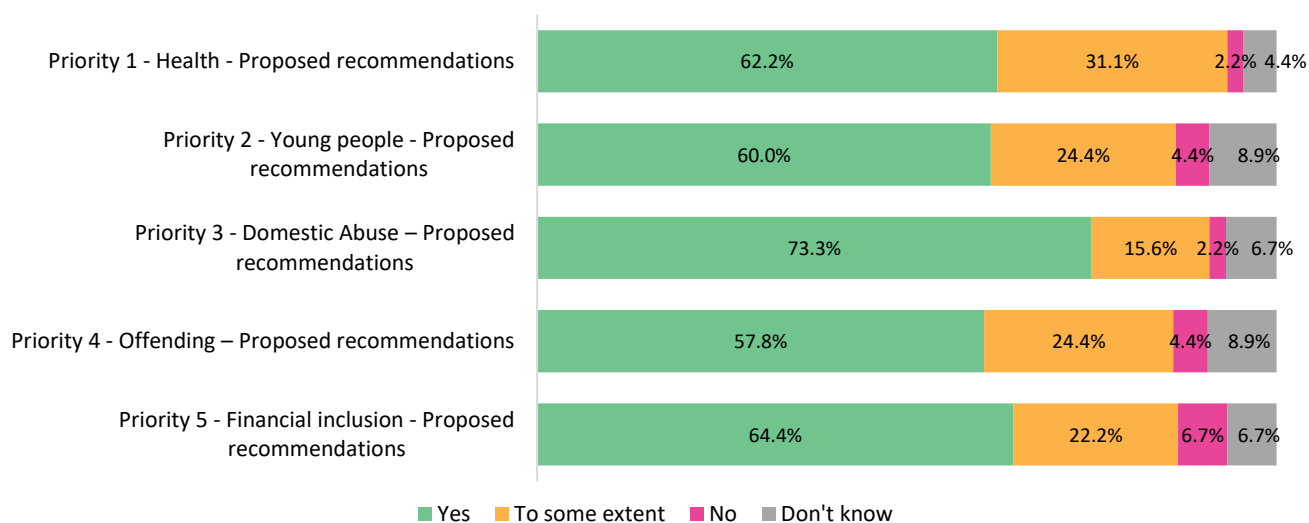
The next section of the survey focused on recommendations. The draft Strategy outlines recommendations under each strategic priority for actions to focus on for 2021/22 and the survey sought to understand respondents' thoughts about the recommendations they would like to see being undertaken under each of the five strategic priorities.

For each strategic priority, respondents were asked whether the proposed recommendations were the right recommendations to focus on for 2021/22. The results of this are presented in Figure 4 below. As the chart shows, there is general agreement that each of the recommendations are the correct ones to focus on for 2021/22, wholly or to some extent. In particular, 73.3% (n=33) of all respondents suggested that the



recommendations regarding Priority 3 (Domestic Abuse) are the right ones to focus on. However, 6.7% (n=3) of all respondents stated that the recommendations put forward regarding Priority 5 (financial inclusion) were not the right recommendations to focus on. There was no statistical significance in responses based on the capacity in which they were responding (general public v all other groups) to the recommendations.

**Figure 4. Are these the right recommendations to focus on for 2021/22?**



If a respondent answered 'no' or 'to some extent' to any of the five proposed recommendations, they were then asked to explain why.

For Priority 1, fifteen respondents made a comment on the recommendations regarding health. These are presented below. A wide variety of themes and issues were mentioned, with concerns regarding mental health featuring in multiple comments:

- “Add help to overcome communication barriers to the issues to cover” (General Public).
- “COVID-19 and its implications need to be present (this may be linked to mental health)” (General Public).
- “It would be good to see something here that recognises the impact of trauma on those who are homeless. Trauma counselling needs to be offered to enable traumatised individuals to work on putting their lives back together. If the trauma is not addressed, we just see a continuing revolving door of homelessness and addiction” (General Public).
- “Mental health services are severely stretched and some effort needs to be made to ensure that people do not drift into homelessness by ensuring a preventative policy is closely linked to existing mental health services” (General Public).
- “Need to focus on mental health for those at risk of homelessness, not just for those who are already street homeless/rough sleeping. Prevention is better than cure! This would take into account the preventative agenda/approach” (Adult Social Care practitioner).
- “Not sure all alcohol/drug uses recognise or would describe their condition as mental health issue - so need to ensure 'pathways' are not restricted to mental health labels. Are all homeless people in the system? Do you need to think about establishing outreach services?” (General Public).
- “Priority One should be to quantify, address and eradicate homelessness. The whole strategy is predicated on an assumption that we will always have homeless people. You're addressing symptoms not the cause” (Local Councillor / elected member).
- “Promote awareness of the right to access a GP when homeless” (General Public).



- *“Should also include better access to GPs services” (General Public).*
- *“The dual diagnosis work needs to be very robust since most of these patients have drug or alcohol issues and presently fall through the gap of mental health service support- if they are using they cannot be treated by M Health services. It is very frustrating as they cannot stop using to get their mental health treatment- the 2 things are inextricably linked” (Health/nursing service).*
- *“There is a great deal in these recommendations which is aspirational - I would like to see more focus on action and less: - "development" - "consideration" etc.” (General Public).*
- *“These pathways and interventions should not be restricted to those that are street homeless/rough sleeping. Many people who are at risk of becoming homeless or are sofa surfing will also have these needs, surely it is better to help them before they end up sleeping rough” (Voluntary and community Sector).*
- *“These points sound good but, in an overworked, under-resourced service I would like to see this in action before I pass judgment. Needle exchange, homeless women to be able to access free sanitary products, sexual/ domestic violence support. This needs to be conducted in a non-judgmental way” (General Public)*
- *“They appear to be the right focus from a lay person’s perspective” (General Public).*
- *“We must remember that some people choose to be homeless. The fact that they have chosen an alternative lifestyle to most of us doesn't give us the right to impose our lifestyle on them” (General Public).*

For Priority 2, twelve respondents made a comment on the recommendations regarding young people. These are presented below. A variety of themes and issues, with support, communication and joined-up thinking featuring in multiple comments:

- *“I think you need also to consider more substantially funding to Doorway, they are an important partnership and provide more support than the house project. I also think WCC should consider rent guarantor schemes for people on UC and benefits major stumbling block in private renting” (Housing Solutions team member).*
- *“I would like to see the Housing First model used across the county in its original form, provide accommodation quickly and make sure that the wrap around collaborative support is set up to then tackle the problems and issues. At the moment it is hard to house people unless they are tenancy ready, this is very hard to achieve while someone is homeless whether they are rough sleeping or sofa surfing” (Voluntary and community sector).*
- *“There needs to be emphasis on developing a cross county protocol for care leavers -  
- Local connection - as WCC care leavers can apply to all 5 district/boroughs but some district/boroughs are not accepting care leavers that do not have a local connection. This is not in line with government guidelines. - Care leavers should not have to go through the homeless route to gain priority - it should be automatic care leaver priority across all 5 councils - special agency referral for all care leavers that are tenancy ready. - An emphasis on pre-tenancy training standardised across the county for all care leavers...almost a passport for independent living - this could be introduced into schools for all young people not just care leavers” (Statutory partner).*
- *“To free up accommodation on the housing register for young people. Not acceptable for young people to be in supported accommodation for 2-3 years. Young people become very disillusioned and demoralised negative impact on their recovery” (Voluntary and community sector).*
- *“Very young people i.e. 18-21, do not have a need for, or the resources to deal with conventional accommodation. Something like Halls of Residence would be more appropriate” (Local Councillor / elected member).*
- *“Add - overcome any communication barriers” (General Public).*
- *“Are three flats per year sufficient for the number of care leavers?” (General Public).*





- *“Consider outreach services and develop pilot schemes to explore fostering of homeless people; with appropriate training and support” (General Public).*
- *“Engage with charities such as St Basils who have a reputation of providing a good standard of supported accommodation for all levels of homeless young people. Again wrap around help and support, to be able to keep and manage their tenancy it is likely they will have to work therefore, having access to education support and training opportunities is important. Young homeless people can often be NEET or estranged from their family due to broken relationships, abuse or broken foster/adoption placements. Therefore, it is important not to just focus on the housing as without all the other strands of support offered the young person may fail to thrive” (General Public).*
- *“If young people are old enough to vote then they are old enough to start accepting some personal responsibility” (General Public).*
- *“More work needs to be done to ensure that Children’s Services teams operate in line with the Countywide protocol. At present the imperative appears to be to reduce or restrict the number of young people in foster care rather than ensuring the best outcome possible for young people” (General Public).*
- *“What about other support for young people e.g. developing their life skills, e.g. how to manage a budget, cook etc... developing employability skills” (General Public).*

For Priority 3, seven respondents made a comment on the recommendations regarding domestic abuse. These are presented below. The themes of communication and support were mentioned in multiple comments, and the consideration of domestic violence in relation to other groups (such as the LGBTQ+ community) was also mentioned:

- *“Need more rooms in local Refuges, we are currently having to place too far away” (Housing Solutions team member)*
- *Need to consider domestic abuse from an inclusive perspective eg: by stating 'women only spaces' is there an assumption domestic abuse happens to women? What about men, transgender, children and young people, etc?” (Adult Social Care practitioner)*
- *“Add - overcome any communication barriers” (General Public).*
- *“More work to be done to ensure that those experiencing domestic abuse do not need to flee their homes, local areas and support networks” (General Public).*
- *“Provision of intensive psychological support to engender positive relationships going forward and a process of healing. Access to justice - legal advice or improving legal aid to allow perpetrators to be brought to justice or apply for non-molestation orders. Increasing funding for more refuges. During lockdown, it was reported that up to 5 women a week were being murdered by their partner however, if there was access to a safe place for women this would not such a stain on our nation. Improving domestic violence services for LGBTQ+ community. It is often this community that suffers the most due to stigma firstly attached to being part of the LGBTQ+ community and the stereotype of what a domestic violence survivor is meant to be” (General Public).*
- *“Raise awareness of what domestic abuse is - often victims don't recognise/acknowledge the abuse. Establish victim abuse help line on similar lines to 'child line' - many 5 year olds I meet now quote what is acceptable and not acceptable behaviour from adults and this is a great success in terms of educating victims so they can refer themselves” (General Public).*
- *“There's nothing around long term support for counselling and development/learning opportunities. Women are usually at a disadvantage when it comes to their career options so a part of this should be around empowering women to be able to be financially independent. When you need two wages to be able to live then you set the system up to fail, people won't leave if they can't see a way out” (General Public).*



For Priority 4, eleven respondents made a comment on the recommendations regarding offending. A variety of different themes and issues were mentioned and these are presented below:

- *“DTR, need to give local housing teams more notice, very often people are released from detention and DTR are received the same day”* (Housing Solutions team member).
- *“These people also need more support post offending re job opportunities. A lot of boredom is involved and there are very limited opportunities to have a future once offended”* (Health / nursing service).
- *“Really need to improve the notice periods for prison release and possibly improve the communication options for prisoners and support workers prior to release. I know that at the moment referrals are made maybe a week before release and that is the first thought about housing after release. If more assessments and interviews can be done by councils and the voluntary sector while the prisoner is still in prison it would make the transition so much smoother”* (Voluntary and community sector).
- *“Add - overcome any communication barriers. Additionally, focus on encouraging change of setting/relocation - so previous unhelpful 'friendships' can be addressed”* (General Public).
- *“Agreements to be sought with housing providers that they will provide suitable and affordable housing to ex-offenders”* (General Public).
- *“Don't work in isolation with this one - set up collaborative project with Nacro or similar organisation they have the expertise and have already done plenty of research on this issue. They are nationwide and already work closely with prisons, offenders, local authorities, probation etc etc”* (General Public).
- *“Seem good but don't understand who is involved in the joint working - is that probation & housing”* (General Public).
- *“There is a tendency to push ex-offenders to the back of the queue for funding. This is why it is important that when an offender is released from prison it must be to an address. Also, improving the quality and standard of hostels and halfway houses and understanding the nature of offender on release. Having a stable, safe home with intensive support whilst expensive at the outset when balanced against the costs of the justice system reconvicting and imprisoning offenders it is fiscally irresponsible to allow these placements to breakdown with no other support provided, leading to reconviction and further imprisonment”* (General Public).
- *“They offended and must not be ranked above veterans”* (General Public).
- *“Why do services have to be re-tendered so frequently? It must be difficult for providers to really develop and embed services which could end before implementation and makes everything feel so 'temporary’”* (General Public).
- *“Work with colleagues who re supporting offenders before they are released to put in place accommodation provision to avoid last minute referrals. Understand the needs of ex-offenders better to enable suitable wrap around support to be considered and delivered locally”* (General Public).

For Priority 5, twelve respondents made a comment on the recommendations regarding financial inclusion. These are presented below. There was a stronger negative sentiment regarding this recommendation than the other four, and this comes across in several of the comments:

- *“CFISO, who are they? Where are they based?, how do LA refer to the house project, money better spent with the LA team or already established providers i.e. Doorway, P3. More floating support needed”* (Housing Solutions team member).
- *“I haven't seen (maybe I missed it) any proposals to involve the private rented sector in the various schemes. As a landlord with two two bed low rent (£450/month) properties, I do not rent to persons on UC, and in fact my agent, a well-known Estate Agent doesn't either. The apparent discrimination occurs for financial reasons - the need for a deposit and a month's rent in advance and failure to prove adequate income to maintain the lease. Landlords, especially small ones may be relying on the income for a pension, live in fear of having to evict a tenant or for that matter having to find a new tenant. The costs plus lost*



*income and delays for eviction are horrendous. The costs to find a new tenant are not insignificant. My agent charges me £560 a time and the Council charges me full council tax while it's empty. If private landlords could be supported to take on 'high risk' tenants, there would a noticeable increase in available accommodation” (Private landlord).*

- *“None of this actually provides homeless people with a sustainable income. Why is there nothing about employment - trains and supporting homeless people to get jobs? The whole strategy seems based on low level state support which will do nothing other than maintain a dependency culture amongst the homeless” (Local Councillor / elected member).*
- *“See previous comments relating to financial inclusion” (Adult Social Care practitioner).*
- *“Add - overcome any communication barriers” (General Public).*
- *“Clarify expectations in commissioning of services such as CAB, what their role will be to support referrals from HRS providers as there is often a suggestion that there is duplication and confusion about who is paid to deliver the service. (General Public).*
- *“consideration of the impacts of COVID-19 (furlough, job losses) and the potential impact of Brexit (funding cuts) (General Public).*
- *“Fully support” (General Public).*
- *“Housing First needs to include work on the impact of trauma on the homeless and rough sleepers. Provision of housing on its own without suitable support and counselling will not be sufficient to prevent such individuals from becoming homeless again in the future. (General Public).*
- *“This all smacks of jobs for the boys syndrome - lots of words and minimal action. We know the financial factors that lead to homelessness. Work more closely with job centre plus. Set up system of short and long term interest free loans to help people who have lost their jobs and also consider grant scheme - develop similar approach to furlough/ grant scheme that govt produced to help with impact of COVID-19. Offer training on household budget and house maintenance management to those facing eviction” (General Public).*
- *“What a load of waffle” (General Public).*
- *“What are financial inclusion services, is this benefits or job opportunities? Focus surely needs to be on preventing homelessness where at all possible as so much harder to climb out of the whole/start from nothing than have shelter and a safe space from which to get your life back on track. When people become homeless it sounds like a 'housing first' approach is a good way to go. People need basic needs met before they can get their head above water & swim” (General Public).*

## FURTHER COMMENTS

Following the section on recommendations, respondents were asked if they had any additional comments that they would like to share in relation to the Draft Countywide Homeless Strategy. In total, 16 respondents gave a comment to this question. These included general comments in relation to the Draft Countywide Homeless Strategy, with many respondents returning to issues and themes raised earlier in the survey:

- *“Council cutbacks on supported housing have frustrated the needs and causes of homelessness. WCC need to stop naval gazing and get back to basics - focus on front line services, stop indulging in pointless ventures such as 'WOW' awards and trim down tall management structures. Too much time spent conducting internal reviews and re-structuring and not enough attention given to service delivery” (General Public).*
- *“Encourage a culture within the general population wherein people know how to inform the relevant services of a person in need of help/intervention. This could be done through ads/posters online and in*



*public places with high numbers of foot traffic. Use the community to help the vulnerable” (General Public).*

- *“I am impressed with the strategies that are being put in place for 2020/2021” (Business).*
- *“I believe the strategy needs to take a more preventative proactive approach as currently appears to be focussed on those who are street homeless/rough sleepers, rather than those whose tenancy is at risk. Need to consider how the needs of those with mental health issues and substance/alcohol misuse can be supported to prevent loss of tenancy. Need more clarity around roles and responsibilities of lead agencies e.g. Housing Dept's, Adult Social Care, etc. Housing tend to take the stance when they evict from accommodation, this then becomes a Social Care responsibility and they no longer have a duty to house (e.g. where there is substance misuse issues and challenging behaviours as a result, etc) even where the individual has no social care needs” (General Public).*
- *“It’s a bit wordy and could maybe be simplified somewhat?” (General Public).*
- *“More work needs to be done to have a coherent strategy in relation to begging in the area. Most members of the public assume beggars are homeless when in fact most beggars are doing so to fuel drug and alcohol addictions and have their own accommodation. Countywide support and promotion of the Meaningful Change campaign could act to educate the public in this area. More work to combat loneliness and social isolation. Some rough sleepers and homeless individuals are reluctant to take on their own tenancies as they rely on the street community for their social interactions. More opportunities should be provided for positive social interaction in order to break the street links that result in a continuation of negative habitual behaviour. More work to be done on peer mentoring for homeless and former rough sleepers. Those with lived experience who have turned their lives around can deliver a powerful message that change is possible and achievable. More survey work to be undertaken to understand the causes of rough sleeping and the motivations and aspirations of those who sleep rough” (General Public).*
- *“Multi-agency working is defiantly necessary sharing proportionate and lawful risk information supporting individuals with homelessness and staff with safety” (Other, not specified).*
- *“Need to look at ways to encourage private LL to rent to social housing tenants” (Housing Solutions team member).*
- *“Not at this time, but would like to see the actions and benefits that arise from this initiative on a regular basis” (General Public).*
- *“Prevention is better than cure - there is nothing in the strategy that overtly looks at the reason people become homeless - to build in any preventative work that could be done prior to becoming homeless. You almost need an 'at risk of becoming homeless' strategy to run alongside this strategy -that various services could tap into as they see someone at risk of becoming homeless” (General Public).*
- *“Stop advising people to have children they can’t afford so that they can get somewhere to live. Work closely with the job Centre and place where people can train for a career so you can all work in conjunction with each other to get these people back on their feet” (General Public).*
- *“Targeted prevention is always crucial. More consideration to the draft around COVID-19 and it's direct and indirect impact on homelessness” (General Public).*
- *“The impacts of the pandemic must make reducing and addressing homeless a higher priority than ever. Not only in the short term to get people of the street while the virus is out there but to help reduce people slipping into trouble as financial & job losses hit. Fear of losing your home places massive strain on mental health, relationships, families and individuals” (General Public).*
- *“The objectives are admirable, but implementation is the key” (General Public).*
- *“The strategy is negative and reactive and based on the assumption that we’ll always have homeless people who will be dependent on the state. From my experience there are all sorts of categories of homeless people. Those who find themselves on the street because of unfortunate circumstances - coming out of prison, family break up, job loss etc. These people need a short-term support to get them back functioning in society. There are people with mental health issues - they will probably always need*



state support. There are some who are temporarily homeless - falling out with parents, domestic abuse etc. Again, short term, bespoke support. And there are some who make a deliberate lifestyle choice - the homeless 'industry' doesn't like to recognise this preferring to categorise all homeless people as victims of an uncaring society. The strategy seems more aimed at perpetuating the homeless industry than in doing something about it. There's no analysis of numbers, no data, nothing about solving the problem, nothing about employment, very little about housing supply. Have you actually taken the trouble to involve homeless people? No, I thought not" (Local Councillor / elected member).

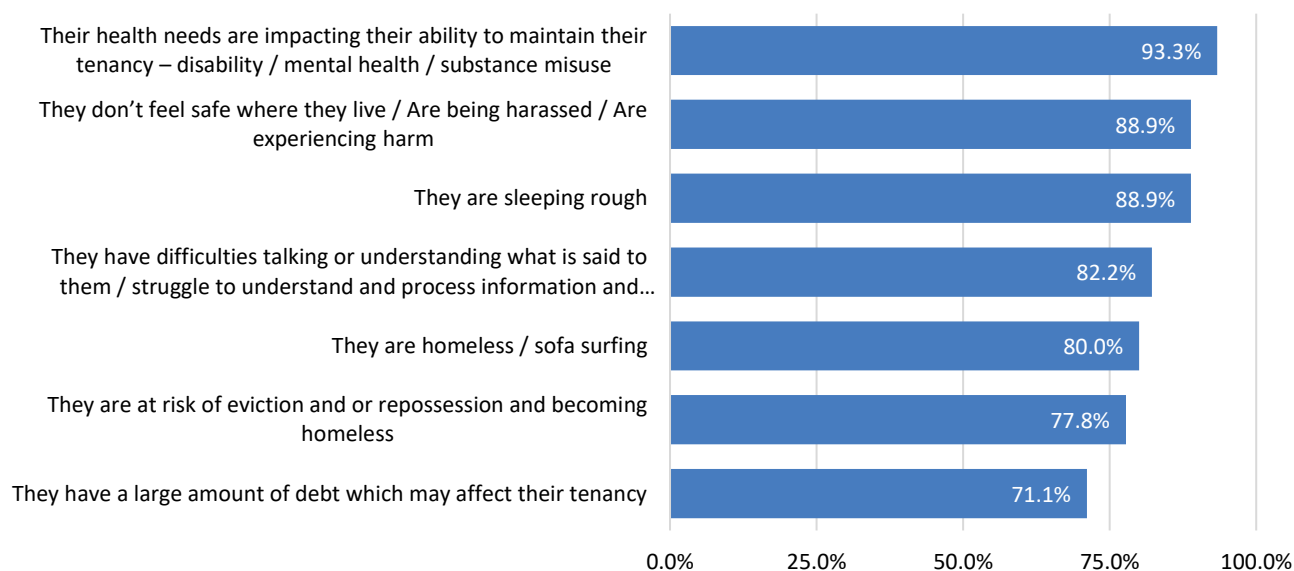
- "What awareness raising and preventative work will be undertaken with schools and colleges to support and help young people? Can you link with existing groups working with young people eg: princes trust, groundwork, Prospects?" (General Public).

## HOUSING RELATED SUPPORT

The final section of the survey focused on Housing Related Support (HRS). Warwickshire County Council is preparing to re-tender HRS services in 2021. Since Housing Related Support services are considered a preventative service for homelessness across Warwickshire, the survey sought respondents' views on the eligibility criteria.

A person is eligible for an HRS Support assessment if one or more of the statements (listed below) is true. Respondents were asked to select all of the statements that they felt should be included as eligibility criteria (and could therefore select multiple options). The results of this are presented in Figure 5 below.

**Figure 5. A person is eligible for an HRS Support assessment if one or more of these statements is true. Please tick all the ones you feel should be included**



As Figure 5 shows, the majority of respondents considered each of the statements should be included as an eligibility criteria for housing-related support. In particular, 93.3% (n=42) considered 'Their health needs are impacting their ability to maintain their tenancy (disability/mental health/substance misuse)' should be eligible. A large amount of debt which may affect their tenancy was the only statement that received less than 75% support (71.1%, n=32). There was no statistical significance in responses based on the capacity in which they were responding (general public v all other groups) to the statements.



## EQUALITY AND DIVERSITY ANALYSIS

The online survey asked respondents to complete information regarding equality and diversity. The results are set out in Table 2 below.

**Table 2. Overall online respondent profile**

Gender	Female	31
	Male	12
	Non-binary	0
	Prefer to self-describe	0
	Prefer not to say	1
	Not answered	1
Gender identity	Yes	43
	No	0
	Prefer not to say	1
	Not answered	1
Age in years	Under 18	0
	18-29	1
	30-44	14
	45-59	16
	60-74	10
	75+	2
	Prefer not to say	0
	Not answered	2
Long standing illness or disability	Yes	7
	No	34
	Prefer not to answer	3
	Not answered	1
Ethnicity	White-English/Welsh/Scottish/Northern Irish/ British	39
	White - Irish	2
	White - Gypsy or Irish Traveller	0
	Other White background	1
	Black or Black British - African	0
	Black or Black British - Caribbean	0
	Other Black background	0
	Asian or Asian British – Bangladeshi	0
	Asian or Asian British – Indian	0
	Asian or Asian British - Pakistani	0
	Chinese	0
	Other Asian Background	0
	Mixed – White and Asian	0
	Mixed – White and Black African	0
	Mixed – White and Black Caribbean	0
	Other Mixed background	0
	Arab	0
	Other Ethnic background	0
	Prefer not to say	2
	Not answered	1
Religion	Buddhist	0



	Christian	18
	Jewish	0
	Muslim	0
	Hindu	0
	Sikh	0
	Spiritual	1
	Any other religion or belief	1
	No religion	19
	Prefer not to say	4
	Not answered	2
Sexual orientation	Heterosexual or straight	40
	Gay man	0
	Gay woman / lesbian	1
	Bi / bisexual	0
	Other	0
	Prefer not to say	3
	Not answered	1



**AGENDA MANAGEMENT SHEET**

**Report Title:** Draft Housing Revenue Account Capital & Revenue Budgets 2021/22 and Medium Term Financial Plan 2021-25

**Name of Committee:** Cabinet

**Date of Meeting:** 1 February 2021

**Report Director:** Interim Chief Financial Officer and Head of Communities and Homes

**Portfolio:** Communities and Homes

**Ward Relevance:** All

**Prior Consultation:** Housing Revenue Account Capital & Revenue Budgets 2021/22 and Medium Term Financial Plan 2021-25

**Contact Officer:** Jon Illingworth Interim Chief Financial Officer  
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**Public or Private:** Public

**Report Subject to Call-In:** Yes

**Report En-Bloc:** No

**Forward Plan:** Yes

**Corporate Priorities:** This report relates to the following priority(ies):

**(CR) Corporate Resources**  To provide excellent, value for money services and sustainable growth

**(CH) Communities and Homes**  Achieve financial self-sufficiency by 2020

**(EPR) Environment and Public Realm**  Enable our residents to live healthy, independent lives

**(GI) Growth and Investment**  Optimise income and identify new revenue opportunities (CR)

Prioritise use of resources to meet changing customer needs and demands (CR)

Ensure that the council works efficiently and effectively (CR)

Ensure residents have a home that works for them and is affordable (CH)

Deliver digitally-enabled services that residents can access (CH)



- Understand our communities and enable people to take an active part in them (CH)
- Enhance our local, open spaces to make them places where people want to be (EPR)
- Continue to improve the efficiency of our waste and recycling services (EPR)
- Protect the public (EPR)
- Promote sustainable growth and economic prosperity (GI)
- Promote and grow Rugby's visitor economy with our partners (GI)
- Encourage healthy and active lifestyles to improve wellbeing within the borough (GI)
- This report does not specifically relate to any Council priorities but

**Statutory/Policy Background:** The Council has a statutory duty to set an annual Housing Revenue Account (HRA) revenue budget that will enable it to determine the level of council house rents.

**Summary:** The primary purpose of this report is to present a first draft HRA revenue position (see Appendix A) and a capital position (see Appendix B) for 2021/22 based on budget submissions, plus a HRA Medium Term Financial Plan (MTFP) (see Appendix C).

**Financial Implications:** As detailed within the report and appendices.

**Risk Management Implications:** There are no risk management implications arising from this report.

**Environmental Implications:** There are no environmental implications arising from this report.

**Legal Implications:** Set out within the body of this report

**Equality and Diversity:** A full Equality Impact Assessment will be presented with the final budget report at Council on 2 February 2021.

**Options:** Not applicable

**Recommendation:**

- (1) The draft revenue and capital budgets at Appendices A and B for 2021/22 be noted; and
- (2) in consultation with the Leader of the Council and Executive Director, delegated authority be given to the Head of Communities and Homes and the Chief

Finance Officer to approve any short term additional Property Repairs Service resourcing to deal with current capacity issues.

**Reasons for Recommendation:** To give Cabinet an initial view of the Housing Revenue Account revenue and capital budgets for 2021/22 onwards and to ensure that the Council has earmarked balances to continue demolition, design and rebuild costs at Biart Place and Rounds Gardens (notwithstanding Central Government financial support.)

**Cabinet - 1 February 2021**

**Draft Housing Revenue Account Capital & Revenue Budgets  
2021/22 and Medium Term Financial Plan 2021-25**

**Public Report of the Interim Chief Financial Officer and Head of  
Communities and Homes**

**RECOMMENDATION**

- (1) The draft revenue and capital budgets at Appendices A and B for 2021/22 be noted; and
- (2) in consultation with the Leader of the Council and Executive Director, delegated authority be given to the Head of Communities and Homes and the Chief Finance Officer to approve any short term additional Property Repairs Service resourcing to deal with current capacity issues.

**1. INTRODUCTION**

1.1 The Council is required by the Local Government and Housing Act 1989 (section 74) to keep a Housing Revenue Account (HRA) which records all revenue expenditure and income relating to the provision of council dwellings and related services. The use of this account is heavily prescribed by statute and the Council is not allowed to fund any expenditure for non-housing related services from this account. In addition, the Act ensures that the HRA does not fall into a deficit position.

1.2 In accordance with the constitution, the Council is required to carry out an annual review of rents and notify tenants not less than 28 days prior to the proposed date of change.

1.3 The Council has a retained housing stock of c3,700 homes currently available to let and manages an additional 60 leasehold properties with an annual rent roll of c.£16m.

1.4 Following on from the initial draft report presented in December, the purpose of this report is to present an updated draft HRA revenue position (see Appendix A) and a capital position (see Appendix B) for 2021/22 plus a HRA Medium Term Financial Plan (MTFP) (see Appendix C) ahead of the final budget presentation and rent setting at Full Council on 2 February 2021.

**2. BUDGET AND POLICY FRAMEWORK**

2.1 Significant activities within or impacting upon the Housing Revenue Account in 2020/21 include:

- The completion of 19 property acquisitions so far this year including 10 Section 106 acquisitions at Coton Park; and
- A further 9 agreements on S106 properties in the current year.

2.2 The Council responded to several consultation papers from the Ministry of Housing, Communities and Local Government (MHCLG) in 2018/19 including the Green Paper, ***A New Deal for Social Housing and future proposals on the Use of Right to Buy Receipts.***

2.3 Among the consultation questions within the Green Paper the following have particular financial implications for the HRA moving forward:

- Are there any changes to what constitutes a Decent Home that we should consider?
- Do we need additional measures to make sure social homes are safe and decent?
- Views on whether the Government's current arrangements strike the right balance between providing grant funding for housing associations and HRA borrowing for local authorities; and
- What level of additional affordable housing, over existing investment plans, could be delivered by social housing providers if they were given longer term certainty over funding?

2.4 Following on from this on 17 November 2020 the white paper, **the Charter for Social Housing Residents** was released and commitments in the charter include;

- Consultation in respect of electrical safety, installation of carbon monoxide monitors
- A review of the Decent Homes Standard to support the decarbonisation and energy efficiency of social homes and improve communal and green space. Part 1 of the review is anticipated to be completed in Autumn 2021 but this phase will be focused on 'is the current DHS fit for purpose'?

2.5 Rent guidance allows increases of CPI + 1%. CPI as at September 2020 was 0.5% meaning that the indicative rise in rents for current tenants will be 1.5% (0.5% plus 1%) For the purposes of financial planning within the Medium-Term Financial Plan (2020-2024) rent uplifts are estimated at 3% (Bank of England CPI target of 2% + 1%).

2.6 On 9 October 2019, Chief Finance Officers across the country were informed that, with immediate effect, **"HM Treasury is ...restoring interest rates to levels available in 2018, by increasing the margin that applies to new loans from the Public Works Loans Board (PWLB) by 100bps (one percentage point) on top of usual lending terms."**

2.7 Following the lifting of the borrowing cap for the HRA in 2018/19, the Council has introduced a local limit on indebtedness to ensure compliance with the Prudential Code for Capital Finance in Local Authorities. It is recommended that the level remains at **£152m** approved in 2019/20 which will provide:

- Capacity to increase the Council's HRA Capital Financing Requirement to meet refurbishment costs at the multi-storey flat sites subject to Government support or Homes England grant; and
- Subject to support for the schemes above, capacity to increase the stock base via bids on developer affordable housing projects and/or RBC projects.

2.8 Council received several reports in 2018/19 concerning the condition and potential options for both **Rounds Gardens and Biart Place**. In summary, approval was given to:

- Proceed with the Biart Place redevelopment design and procurement;
- Install additional fire alarms at Rounds Gardens based on recommendations by the fire risk assessor and Warwickshire Fire and Rescue Service and commence decanting the blocks with a deadline of 31 March 2022, which is still on target to be delivered with 75% of the decant complete; and
- Proceed with the Rounds Gardens redevelopment, design and procurement.

2.9 The structural findings in respect of the blocks at both sites, which account for almost 10% in total of the Council's HRA stock, were unanticipated. The measures required to respond to these findings will have an extraordinary impact on the HRA's financial resources, which will impact on its ability to meet to both current and emerging housing needs. This will, in turn, have a potential impact on the General Fund, as unmet housing need must be increasingly met via temporary accommodation.

2.10 To ensure that the Council has continuing earmarked balances to commence demolition and rebuild costs (notwithstanding central Government financial support) in 2021/22, it is proposed that £3.147m that would otherwise have been set aside for the repayment of debt as part of the HRA Medium Term Financial Plan will be utilised as Revenue Contributions to Capital Expenditure.

2.11 The updated HRA Medium Term Financial Plan (Appendix C) also contains continuing Revenue Contributions to Capital Expenditure in place of voluntary debt repayments. Adjustments have also been made for temporary rent loss and additional interest on debt where timelines can be estimated.

### **3. REVIEW OF HRA BALANCES**

3.1 The HRA draft budget for 2021/22 (Appendix A) takes into account the re-introduction of social housing rent guidance in 2020/21 allowing for CPI + 1% rent increases. The 30-year HRA financial plan has also been updated to reflect changes, including high-rise site redevelopment, where the impact can be forecast.

#### **HRA Revenue Balance**

3.2 The level of the HRA Revenue balance was re-assessed prior to rent setting in 2018/19 considering potential risks arising from the Council's capacity to manage in-year budget pressures and the wider reform and regulatory environment. Further recommendations were made during 2018 and 2019 as part of reports to Council concerning high-rise sites.

3.3 After assessing for the above, the estimated HRA Revenue balance at 31 March 2021 will be £4.418m. This level is considered prudent to meet further revenue costs arising from decisions on the future of the high-rise sites and other potential risks moving forward over the term of the HRA Medium Term Financial Plan.

### Major Repairs Reserve

3.4 The Major Repairs Reserve (MRR) reflects the need to replace major components as they wear out. This funding, together with previous allocations of supported borrowing and revenue contributions, has enabled the Council to maintain our housing stock in a good condition. As the housing Green Paper drew specific reference to “what constitutes a decent home” balances will require reviewing in light of any regulatory changes in future years. A major upgrade to the Council’s asset management system is currently in development which will utilise digital technology to better inform officers about stock condition, including energy efficiency. In turn this will allow for more accurate forecasting of component (bathrooms, kitchens, central heating, etc) replacement programmes.

3.5 The forecast MRR balances reflecting the capital programme proposals at Appendix B are as follows:

	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s
<b>Balance b/fwd</b>	<b>1,699</b>	<b>1,196</b>	<b>2,925</b>	<b>5,078</b>
Depreciation/Appropriations from HRA Revenue	2,878	2,950	3,024	3,099
Interest Received	15	15	15	15
Capital Financing	(3,396)	(1,236)	(886)	(886)
<b>Balance c/fwd</b>	<b>1,196</b>	<b>2,925</b>	<b>5,078</b>	<b>7,306</b>

### Housing Repairs Account

3.6 The Housing Repairs Account is an earmarked reserve used to mitigate the risks associated with cyclical and responsive repairs over time. The forecast balance over the period of the medium-term financial plan is **£0.668m**.

### Housing Capital Investment Balances

3.7 In addition to the above, the Council has also made revenue contributions set aside for capital investment in prior years to fund new build, estate regeneration and other works, for example, upgrades to the Housing Management System software. Capital investment balances will be utilised to fund redevelopment costs at Biart Place and Rounds Gardens over the period of the HRA Medium Term Financial Plan subject to availability of financial support from Central Government or grant aid from Homes England. Costs in excess of available balances will be met via additional borrowing. Where Right-to-Buy (RTB) receipts are utilised to fund replacement homes, only 30% of the total cost may currently be funded from this source. The forecast balances over the period of the medium-term financial plan are as follows:

	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s
<b>Balance b/fwd</b>	<b>6,966</b>	<b>6,100</b>	<b>5,260</b>	<b>5,949</b>
Contributions from HRA	3147	2,840	2,369	1,000
Capital Financing for New Build / Acquisitions / Other Projects	(4,013)	(3,680)	(1,680)	(1,680)
<b>Balance c/fwd</b>	<b>6,100</b>	<b>5,260</b>	<b>5,949</b>	<b>5,269</b>

### Right-to-Buy (RTB) Capital Receipts

3.8 The Council entered a 1-4-1 retention agreement with MHCLG in 2012 allowing it to retain a greater proportion of receipts upon the condition that they are utilised in provision of replacement housing within 3 years. Receipts under the 1-4-1 retention agreement that are not utilised must be returned to Her Majesty's Treasury (HMT) and incur an interest charge of Bank of England Base Rate plus 4%. Only 30% of the expenditure incurred on replacement housing may be financed from RTB receipts.

3.9 It is assumed that 22 homes will be sold under the Right-to-Buy scheme per year over the period of the medium-term financial plan producing an average receipt of £0.085m per property (prior to pooling). Forecast balances over the period are as follows:

	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s
<b>Balance b/fwd</b>	<b>7,281</b>	<b>7,181</b>	<b>7,581</b>	<b>7,981</b>
Net Pooling Contribution	900	900	900	900
Capital Financing for New Build / Acquisitions	(1,000)	(500)	(500)	(500)
<b>Balance c/fwd</b>	<b>7,181</b>	<b>7,581</b>	<b>7,981</b>	<b>8,381</b>

## 4. MEDIUM TERM FUNDING OPTIONS

4.1 As noted in sections 2 and 3, sums set aside for the voluntary repayment of debt will be diverted to balances during the period of the HRA Medium Term Financial Plan to fund redevelopment costs at the high-rise sites. In the absence of significant Central Government financial support or grant from Homes England, the revised debt repayment schedule will now extend to **2049/50**, subject to sensitivity around project timelines and cost estimates.

4.2 The chart below compares the original debt repayment schedule (*self-financing*), the revised schedule following the 1% rent cut (*rent cut*), and the updated schedule in light of the current redevelopment estimates (*high-rise sites*). The level of the proposed "debt cap" is also included for reference.



4.3 Reducing the level and extending the timeline of debt repayments to 2049/50 will increase the net interest payable by the HRA during this period. All debt rescheduling and increases to the HRA debt pool will be undertaken in conjunction with the principles set out in the Council’s Treasury Management Strategy.

4.4 An updated HRA medium term financial plan reflecting the above position is included at Appendix C. The remainder of the report concentrates on proposals for 2021/22 including:

- Rent
- Service Charges
- Performance management – voids and debt collection
- Expenditure assumptions
- Housing repairs and capital programme
- Capital financing

## 5. RENT

### Background

5.1 The Welfare Reform and Work Bill 2015 introduced a requirement for local authorities and other registered providers to reduce rents by 1% a year for four years beginning 2016/17. In 2019/20 this would have produced a rent increase of 3.40% (September 2018 CPI + 1%). The Council implemented the rent change in 2016/17, with an estimated cumulative rent differential over the 4-year period of **£5.107m**.

5.2 On 4th October 2017, the Department for Communities and Local Government (DCLG) announced that social landlords will be allowed to increase social housing rents “limited to the Consumer Price Index (CPI) plus 1% for 5 years from 2020.” This represents a return to the previous rent settlement, which was meant to run from 2015 to 2025 but was replaced with a 4-year reduction by 1% annually from 2016.

5.3 Properties below target rent (the equivalent rent in the Housing Association sector) are still allowed to have rents uplifted to that rate at the point of vacancy and



subsequent re-let, with rents subsequently increased using the standard CPI + 1%. It is estimated that 150 homes below target rent will be re-let during 2020/21 based on historic trends and stock availability following the decant of Biart Place.

5.4 Rent estimates for 2021/22 assume a stock level of 3,517 available to let HRA properties at the start of April 2021. It is estimated that stock will fall by an estimated 22 Right-to-Buy sales in year. It is also assumed that the Rounds Gardens site will be fully decanted by 31 March 2022. The fall in numbers will be mitigated by the acquisition of c.38 open market homes (including purchases from developers as part of S106 provisions). A void rate of 1.00% (excluding any decant properties) is estimated for 2021/22.

### Rent Calculation

5.5 The calculations for rents are based on average rents over the entire year, i.e. without any free weeks. The percentages applied to this may not be the same as the ones applicable when considering a 48 or 49-week rent year. 2021/22 is a 48-week rent year and therefore rents will be charged accordingly.

5.6 The following calculations are based on stock numbers as at October 2020.

	2020/21 £'s	2021/22 £'s	Average % Increase	Average £ Increase
Average Weekly Rent (52-week basis)	85.14	86.59	1.70	1.45

5.7 Since 2021/22 is a 48-week rent year the rents will be charged accordingly and therefore the figures shown here are for illustrative purposes. Estimated rental income from dwellings of £15.716m for 2021/22 has been included within the draft HRA revenue budgets as shown in Appendix A. The estimate is based on the central business case of:

- An average 1% void rate across the stock;
- Full decant of Rounds Gardens by March 2022
- 22 Right-to-Buy sales in 2021/22;
- Acquisition of 38 new build (open market and S106 developer) properties; and
- 150 re-lets where rent is uplifted to target rent

5.8 For each 1% change in the void rate the HRA rent loss is equivalent to £0.158m. Each additional RTB sale produces an average rent loss of £4,530 in a full year. The average target rent in 2021/22 (52-week basis) will be £96.71 as compared to the average current rent of £86.59 (see above.)

5.9 The assumptions are that in 2021/22 we will acquire more stock that we dispose of and this is partly as a result of the Housing Acquisition Fund. This c£13m fund, established in 2018/19 was created to alleviate the cost of temporary

accommodation as well as have a positive impact on waiting lists. To date, 10 properties have been secured under the scheme with a number of other opportunities being considered.

## 6. SERVICE CHARGES

6.1 In line with government guidance, the Council carried out an exercise of de-pooling rent and service charges in 2006/07. This enabled tenants to see the estimated amount spent on services that had previously been included within the rent. Income from service charges is estimated at £0.946m in 2021/22 (including a void allowance of 1.00%).

6.2 The average weekly impact upon utilities and cleaning service charges arising from the estimates of costs associated with that service in 2021/22 (on a 52-week basis) is as follows:

Charge Type	Average Charge p/w (52 wk basis) £	Average Change p/w £
<b>Communal Lighting - Electricity</b> (Rebateable – eligible for Housing Benefit)	1.02	0.00
<b>Communal Heating - Gas</b> (Rebateable – eligible for Housing Benefit)	0.40	0.02
<b>Communal Cleaning</b> (Rebateable – eligible for Housing Benefit)	2.93	0.03
<b>Communal Heating – Gas</b> (Non-Rebateable – Very Sheltered Housing only – not eligible for Housing Benefit)	6.90	0.05
<b>Subtotal</b>	11.25	0.10
<b>Independent Living Co-ordinator</b>	8.59	0.13
<b>Concierge</b>	2.28	0.03
<b>Control centre operators</b>	16.33	0.23

## 7. PERFORMANCE MANAGEMENT

7.1 The financial management of the HRA is directly linked to key performance in several operational areas – void management, rent collection and arrears recovery.

### Void Management

7.2 There is a direct relationship between the time a property remains void and the rent foregone. Consequently, ensuring that homes are re-let in the most efficient manner is a key priority for housing and property repairs service staff.

7.3 For 2021/22 the target for void property rent and service charge loss will be set at 1.00%, equating to £0.158m. Most recent performance data shows void loss,

excluding properties at the multi-storey flats, running at 2.7%. Where rechargeable works are identified at the point of tenancy termination, tenants are offered the opportunity to make good, or will be billed for the costs. Void rechargeable repairs (the works identified through this process) year to date are £0.023m. There has been an impact on void rent loss and property turnaround times due to the COVID-19 pandemic. The national lockdown enforced in March 2020 prevented people from moving house until the end of June 2020. The only allocations that were able to take place during this period of time were for those applicants who were homeless.

## Rent Collection/Bad Debt Provision

7.4 The collection rate for rent and service charges and the performance in managing rent debt is critical to the financial position of the HRA and has a direct impact on the amount of bad debt provision that must be set aside.

7.5 Government had originally intended to introduce Universal Credit on a phased basis from October 2013. However, full Borough-wide implementation for new claimants was not introduced until October 2015 and the transition for existing claimants is scheduled for completion in 2023/24.

7.6 Arrears greater than 4 weeks amounted to £1.044m as at January 2021 and 49% of this total (£0.509m) relates to current tenants. The level of rent arrears has been reviewed in year and will be monitored until final budget setting in February. The HRA's contribution to the bad debt provision is currently estimated at £0.057m in 2021/22 reflecting the above circumstances.

## 8. EXPENDITURE – ASSUMPTIONS

### Employee costs

8.1 The HRA budgets are based on the current staffing establishment, following the announcements Comprehensive Spending Review employee costs have remained at 2020/21 levels which had led to a reduction of £0.027m from the costs identified in the previous draft budget report. Progression through pay scales and increased employer contributions to the Local Government Pension Scheme have also been included in the base budget.

8.2 Several members of staff spend their time on both HRA and General Fund activities and as a result staff costs are split based on percentages of time relevant to services.

### Utility Costs

8.3 Gas and electricity costs have been estimated to attract the following inflation in 2021/22 as per ESPO Energy Briefing:

	Inflation Rate
Gas	5.0%
Electricity	-2.9%

However, an estimated decrease in gas costs of 15% and an increase of electricity costs of 1.5% for the current year have also been included in the estimates.

8.4 The level of utility costs is subject to variation as further information about future energy inflation and current consumption is refined prior to rent setting.

### **Central Recharges**

8.5 These costs are currently estimated at £2.636m in 2021/22 and include the HRA's proportion of Corporate Property, ICT, Legal, Human Resources, Payroll and other costs. This is a minor variance from the previous report as a result of the iterative way in which recharges are established

### **Charges for Capital**

8.6 MHCLG and the Chartered Institute of Public Finance and Accountancy (CIPFA) produced guidelines regarding council dwelling depreciation and impairment to coincide with the introduction of 'self-financing' in 2012. Depreciation is used to provide a measure of the cost of the economic benefits embodied in an asset that have been consumed during the year. Estimates for 2021/22 charges are based around this guidance and there is no increase on financial year 2020/21. If the final depreciation charge for 2021/22 is less or more than the estimate (£2.878m), the excess or deficit is transferred to the Major Repairs Reserve to ensure the smoothing of costs for major works over the medium term.

### **Amounts set aside for the repayment of debt/ Revenue Contributions to Capital Expenditure**

8.7 The HRA business plan initiated at the point of self-financing assumed that all in-year surpluses would be utilised in the repayment of debt, subject to the maintenance of a prudent HRA working balance. Prior to the introduction of the 1% rent cut and the redevelopment projects at high rise sites, estimates were that the HRA self-financing debt allocation of £72.949m would be repaid in 2024 (12 years following the settlement). As noted in sections 2 and 3, sums set aside for the voluntary repayment of debt will be diverted to balances during the period of the HRA Medium Term Financial Plan to fund redevelopment costs at the high-rise sites. In the absence of significant government financial support or grant funding from Homes England, the revised debt repayment schedule will now extend to 2049/50, subject to sensitivity around project timelines and cost estimates.

8.8 Unlike the General Fund, there is no statutory requirement to set aside money from revenue for debt repayment within the HRA allowing flexibility to adjust debt repayment considering HRA business planning needs in future years.

## **9. HOUSING REPAIRS & MAJOR WORKS**

### **Housing Repairs**

9.1 Housing repairs expenditure covers both planned and responsive maintenance, some of which is capital funded. The funding is split between:

- the Housing Repairs Account for revenue expenditure such as boiler servicing, electrical inspections, etc.; and
- the Major Repairs Reserve (MRR) for capital works including the replacement of significant components (kitchens, bathrooms, central heating, etc.)

9.2 The transfer to the Housing Repairs Account in 2021/22 is estimated at £3.991m (£3.837m 2020/21). Works within this total include:

- Gas servicing and maintenance works – (£0.390m);
- Responsive repairs and voids (£2.514m);
- Repainting schemes - (£0.210m); and
- Electrical inspections and maintenance (£0.065m).

## **Major Works**

9.3 The Council is required to produce a capital programme which takes account of at least the next three financial years. To compliment this the Council is in the process of formulating a Carbon Management plan with the intention of applying for grant funding through the Social Housing Decarbonisation scheme. The full programme is included at Appendix B. Material items within the programme include:

### Heating Upgrades (£1.735m)

9.4 The proposals for 2021/22 include a heating upgrade/replacement programme of approximately 610 properties as part of the lifecycle replacements funded via the Major Repairs Reserve. The new boilers will be high efficiency and will run on natural gas and LPG fuel, with 97% of consumption being turned into heat. For 2022/23 the number required for replacement will be nominal as all gas assets will be no older than 8 years and should have a life expectancy of 15 years.

In readiness for the completion of the 2022/23 capital programme the council will have sufficient time to consider alternatives to gas, with performance, functionality, ecological and financial considerations taken into account. Trials of these will need to take place and be assessed before wholesale changes can be implemented.

### Bathrooms (£0.438m)

9.5 The proposals for 2021/22 include a bathroom replacement programme of approximately 125 properties to ensure continuing compliance with Decent Homes standards. A further 670 replacements will be undertaken in the period 2022/23 to 2027/28 at an approximate 135 properties per year. Funding is via the Major Repairs Reserve.

### Acquisitions (£1.685m)

9.6 To maintain compliance with its retained Right-to-Buy 1-4-1 Agreement with MHCLG, and to access homes made available via S106 agreement with developers the Council will acquire approximately 12 properties in 2021/22. The average cost of acquisition is estimated at £0.140m of which a maximum 30% (£0.042m) is currently funded via Right-to-Buy sales receipts. The balance (70%) is funded via Housing Capital Investment balances. Where larger new build or acquisition schemes are

envisaged, such as those outlined in section 2, reports will be brought to Council outlining operational and financing recommendations.

## **10. PROPERTY REPAIRS SERVICE**

10.1 The Property Repairs Team is currently undertaking an analysis of the resourcing requirement. This work will analyse the impact of the outstanding responsive repairs and work required to make void properties suitable for re-let, as a result of this the recommendation could be to deploy additional trades operatives to support the existing team. It is proposed that a separate report is presented to Cabinet following the outcome of the work. This will not have an impact of the rents proposed in this report but could have an impact of the costs identified in appendix A.

## **11. CONCLUSION**

11.1 The estimates contained within this report represent the latest information and sensitivity analysis available in preparing the HRA revenue budget for 2021/22 and the HRA medium term financial plan 2021-25. There are minor changes from the information presented to Cabinet in December

11.2 Any changes made to any of the recommendations will potentially affect the content of the subsequent appendices. If any changes to the rent setting levels are proposed, it is important to be clear about the effects of the change and to build these in during the consideration of each recommendation.

11.3 Although the proposal is to increase rents, the council will remain the provider with the lowest rents in the borough. The government recommended CPI +1% enables the HRA to have a fundable 30-year business plan to enable residents to continue to receive a high quality service.

**Name of Meeting:** Cabinet

**Date of Meeting:** 1 February 2021

**Subject Matter:** Draft Housing Revenue Account Capital & Revenue Budgets 2021/22 and Medium Term Financial Plan 2021-25

**Originating Department:** Corporate Resources

**DO ANY BACKGROUND PAPERS APPLY**  YES  NO

**LIST OF BACKGROUND PAPERS**

<b>Doc No</b>	<b>Title of Document and Hyperlink</b>

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

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Exempt information is contained in the following documents:

<b>Doc No</b>	<b>Relevant Paragraph of Schedule 12A</b>

**DRAFT REVENUE BUDGETS 2021/22 SUMMARY****HOUSING REVENUE ACCOUNT**

	2020/21 Original Budget £000s	2020/21 Revised Budget £000s	2021/22 Draft Budget £000s	Notes
<b>INCOME :-</b>				
Rent Income From Dwellings	(15,743)	(15,743)	(15,716)	1
Rent Income From Non - Dwellings	(133)	(133)	(127)	2
Charges For Services	(997)	(997)	(946)	3
Contributions Towards Expenditure	(214)	(214)	(215)	
<b>Total Income</b>	<b>(17,088)</b>	<b>(17,088)</b>	<b>(17,004)</b>	
<b>EXPENDITURE :-</b>				
Transfer To Housing Repairs Account	3,837	3,837	3,991	
Supervision & Management	5,643	5,643	5,543	4
Rents, Rates, Taxes & Other Charges	5	5	5	
Depreciation and Impairment	2,137	2,137	2,878	5
Debt Management Cost	24	24	24	
Provision For Bad or Doubtful Debt	114	114	57	
Amounts set aside for the repayment of debt	0	0	0	6
<b>Total Expenditure</b>	<b>11,761</b>	<b>11,761</b>	<b>12,498</b>	
HRA Share of Corporate & Democratic Core Costs	224	224	254	
<b>NET COST OF HRA SERVICES</b>	<b>(5,103)</b>	<b>(5,103)</b>	<b>(4,252)</b>	
<b>HRA SHARE OF OPERATING INCOME &amp; EXPENDITURE INCLUDED IN THE WHOLE AUTHORITY INCOME &amp; EXPENDITURE ACCOUNT</b>				
Interest Payable & Similar Charges	1,532	1,532	1,839	
Interest & Investment Income	(220)	(220)	(783)	
<b>NET OPERATING EXPENDITURE</b>	<b>(3,791)</b>	<b>(3,791)</b>	<b>(3,196)</b>	
Revenue Contributions to Capital Expenditure	3,743	3,743	3,147	6
Contributions to (+) / from (-) Reserves	48	48	49	
<b>Surplus(-)/Deficit for year</b>	<b>0</b>	<b>0</b>	<b>0</b>	



## Notes

- 1 Rent estimates based on rent increase of 1.5% and estimated 22 RTB sales in year.
- 2 Garage rents have been increased in line with national guidance but this has been offset by an increase in the number of void/empty properties.
- 3 The net change in service charge income reflects any inflationary rises noted within the report and includes a void allowance of 1.00%.
- 4 The main adjustments from the supervision & management revised budget for 2021/22 are:

	£
Salaries (incremental and pay award costs) (including staff transferred from general fund)	81
Non capital costs relating to the purchase/valuation of properties	46
Contractual inflationary increases	30
Maintenance and repair costs	15
Internal Recharges	(13)
Removal of bin rotation budgets for multi storey flats	(28)
Reduced security required for decanted multi storey flats	(236)
Other net changes less than £10,000	6
Total change in Supervision & Management budget	<hr style="width: 100%; border: 0.5px solid black; margin-bottom: 5px;"/> (100)

- 5 MHCLG and CIPFA have produced guidelines regarding council dwelling depreciation to co-incide with the introduction of HRA self-financing. Estimates for 2021/22 have been prepared on this basis.
- 6 Sums set aside for the voluntary repayment of debt will be diverted to balances during the period of the HRA Medium Term Financial Plan to fund redevelopment costs at the multi-storey sites.

Proposed Housing Revenue Account (HRA) Capital Programme 2021/22 and onwards

	Revised 2020/21 Capital Programme £000s	Proposed 2021/22 Capital Programme £000s	Proposed 2022/23 Capital Programme £000s	Proposed 2023/24 Capital Programme £000s	Proposed 2024/25 Capital Programme £000s
<b>Improvements &amp; Capitalised Repairs</b>					
Bathrooms	343	358	358	358	358
Bathrooms - Voids	80	80	80	80	80
Fire Risk Prevention Works	70	70	70	70	70
Heating Upgrades	1,423	1,735	350	0	0
Kitchen Improvements	99	52	52	52	52
Kitchen Improvements - Voids	120	120	120	120	120
Patterdale Sheltered Scheme	37	0	0	0	0
CCTV Upgrades	45	0	0	0	0
Soffit / Gutter Improvements	111	0	0	0	0
Replacement Footpaths	120	0	0	0	0
External Walls	89	0	0	0	0
Housing Window Replacement	34	0	0	0	0
Roof Refurbishment - Lesley Souter House	70	0	0	0	0
Roof Refurbishment - Tanser Court	0	175	0	0	0
Entrance Doors / Door Entry Systems	311	350	0	0	0
Electrical Upgrades - Community Rooms	186	150	0	0	0
Boiler Works - Tanser Court	105	0	0	0	0
LED Lighting	16	0	0	0	0
Laundry Equipment	0	100	0	0	0
<b>Housing Management System</b>	307	60	60	60	60
<b>Mobysoft</b>	84	0	0	0	0
<b>Disabled Adaptations</b>	206	206	206	206	206
<b>Lifeline Renewal Programme</b>	64	30	30	30	30
<b>Property Repairs Vehicle Replacement</b>	300	0	0	0	0
<b>Purchase of Council Homes</b>	15,186	1,685	1,685	1,685	1,685
<b>Rugby Gateway Houses - CALA Homes</b>	434	0	0	0	0
<b>Rounds Gardens Capital</b>	2,494	0	0	0	0
<b>Biart Place</b>	1,134	0	0	0	0
<b>Biart Place Demolition</b>	2,083	0	0	0	0
<b>HRA Garage Sites</b>	1,229	0	0	0	0
<b>Bell House Redevelopment</b>	1,965	0	0	0	0
<b>TOTAL</b>	<b>28,744</b>	<b>5,171</b>	<b>3,011</b>	<b>2,661</b>	<b>2,661</b>
<b>Draft Financing: -</b>					
Revenue Contributions / RTB Receipts	25,361	1,775	1,775	1,775	1,775
Major Repairs Reserve	3,384	3,396	1,236	886	886
<b>TOTAL</b>	<b>28,744</b>	<b>5,171</b>	<b>3,011</b>	<b>2,661</b>	<b>2,661</b>

**MEDIUM TERM FINANCIAL PLAN - HOUSING REVENUE ACCOUNT (HRA): 2021/22 - 2024/25**

	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s
<b>EXPENDITURE</b>				
Supervision & Management	5,543	5,682	5,824	5,969
Repairs & Maintenance	3,991	4,091	4,191	4,291
Rents, Rates, Taxes	5	5	5	5
Charges for Capital	2,878	2,964	3,053	3,145
Debt Management	24	25	25	26
Provision for Bad Debts	57	58	60	61
HRA Share of Corporate & Democratic Core Costs	254	260	267	274
Revenue Contributions to Capital Expenditure	3,147	2,056	1,756	1,781
Net Interest Payments	1,056	2,366	2,918	3,157
Contribution to/from(-) reserves	49	50	52	54
<b>Total</b>	<b>17,004</b>	<b>17,557</b>	<b>18,151</b>	<b>18,763</b>
<b>INCOME</b>				
Dwelling Rent	(15,716)	(16,256)	(16,815)	(17,393)
Non Dwelling Rent	(127)	(126)	(125)	(123)
Service Charges	(946)	(954)	(982)	(1,012)
Contributions towards expenditure	(215)	(221)	(228)	(235)
<b>TOTAL</b>	<b>(17,004)</b>	<b>(17,557)</b>	<b>(18,151)</b>	<b>(18,763)</b>

Impact on Average Rent (52 week basis):	£	£	£	£
Prior Year	85.14	86.59	89.19	91.87
Current Year	86.59	89.19	91.87	94.63
Increase £'s	1.45	2.60	2.68	2.76
Increase %	1.70	3.00	3.00	3.00

**AGENDA MANAGEMENT SHEET**

**Report Title:** Review of the Home Environment Assessment and Response Team (HEART) project

**Name of Committee:** Cabinet

**Date of Meeting:** 1 February 2021

**Report Director:** Head of Communities and Homes

**Portfolio:** Communities and Homes

**Ward Relevance:** All

**Prior Consultation:** Portfolio Holder

**Contact Officer:** Raj Chand (Head of Communities and Homes)  
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email: raj.chand@rugby.gov.uk  
Michelle Dickson (Communities & Projects Manager) tel: 01788 533843 email: michelle.dickson@rugby.gov.uk

**Public or Private:** Public

**Report Subject to Call-In:** Yes

**Report En-Bloc:** No

**Forward Plan:** Yes

**Corporate Priorities:** This report relates to the following priority(ies):

**(CR) Corporate Resources**  To provide excellent, value for money services and sustainable growth

**(CH) Communities and Homes**  Achieve financial self-sufficiency by 2020

**(EPR) Environment and Public Realm**  Enable our residents to live healthy, independent lives

**(GI) Growth and Investment**  Optimise income and identify new revenue opportunities (CR)

Prioritise use of resources to meet changing customer needs and demands (CR)

Ensure that the council works efficiently and effectively (CR)

Ensure residents have a home that works for them and is affordable (CH)

Deliver digitally-enabled services that residents can access (CH)

Understand our communities and enable people to take an active part in them (CH)

- Enhance our local, open spaces to make them places where people want to be (EPR)
- Continue to improve the efficiency of our waste and recycling services (EPR)
- Protect the public (EPR)
- Promote sustainable growth and economic prosperity (GI)
- Promote and grow Rugby's visitor economy with our partners (GI)
- Encourage healthy and active lifestyles to improve wellbeing within the borough (GI)
- This report does not specifically relate to any Council priorities but

**Statutory/Policy Background:**

The relevant legislation for the provision of Disabled Facilities Grants is set out in the Housing Grants, (Construction and Regeneration ACT 1996), the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

**Summary:**

The report sets out the findings from a recent review of the HEART project and a resulting improvement plan to ensure that services are responsive to the needs of the vulnerable customer base

**Financial Implications:**

There will be financial implications arising from the proposed review of the IT system. However, these costs will be met from HEART reserves rather than resulting in a direct cost to the Council

HEART Budget reserves will also be utilised to increase the staff establishment and recruit dedicated duty officers support customer assessments and release other staff to undertake home visits.

The consultant has recommended a review of fee charges in order to revise the staff structure and meet current demand

**Risk Management Implications:**

The proposed improvement plan will enable HEART to deliver a more timely and focused response to the needs of vulnerable residents, and in doing so reduce health inequalities for this vulnerable cohort.

**Environmental Implications:**

There are none.

<b>Legal Implications:</b>	None arising directly from this report.
<b>Equality and Diversity:</b>	An equality impact assessment has been carried out and is included as Appendix 1.
<b>Options:</b>	<p>Endorse approval of the proposed improvement plan:</p> <ul style="list-style-type: none"> <li>• Robust plan for improving service delivery and achieving efficient working practices</li> <li>• Responsive to changes that have arisen in the operating environment since the project was established</li> </ul> <p>Do not approve the proposed improvement plan:</p> <ul style="list-style-type: none"> <li>• More time will need to be dedicated to finding a proposal that has the broad in principle support of all parties, at the expense of implementing identified opportunities</li> <li>• Additional consultancy expense</li> <li>• Delays in implementing more efficient working practices to benefit the vulnerable cohort</li> </ul>
<b>Recommendation</b>	<p>(1) The improvement plan as outlined in section 5.0 and detailed in Appendix 2 of the report be approved; and</p> <p>(2) the Head of Communities and Homes be given delegated authority to oversee the implementation as part of the current role as a member of the HEART Management Board.</p>
<b>Reasons for Recommendation:</b>	<p>The improvement plan is based on robust evaluation of the project to date. Appendix 3 - Board Report</p> <p>It has the broad in principle agreement of all parties to the HEART agreement.</p> <p>The costs of implementing the improvement plan will be borne from existing HEART balances, without incurring additional costs payable by the Council.</p>

**Cabinet - 1 February 2021**

**Review of the Home Environment Assessment and Response Team (HEART) project**

**Public Report of the Head of Communities and Homes**

**Recommendation:**

- (1) The improvement plan as outlined in section 5.0 and detailed in Appendix 2 of the report be approved; and
- (2) the Head of Communities and Homes be given delegated authority to oversee the implementation as part of the current role as a member of the HEART Management Board.

**1.0 Introduction**

In June 2016, Cabinet endorsed the business case for the inclusion of Rugby Borough Council in the creation of the Home Environment Assessment and Response Team (HEART) project, a formal shared service arrangement between:

- Warwickshire County Council
- Nuneaton and Bedworth Borough Council
- North Warwickshire Borough Council
- Rugby Borough Council
- Warwick District Council\*
- Stratford District Council \*

*\*joined the partnership in 2017.*

The aims of HEART are:

- to provide a new customer focused service delivery model, bringing together different professions from many organisations providing the services in Warwickshire
- to improve the delivery of the Disabled Facilities Grants service both in quality and timescales
- offer a holistic assessment which is much more than just delivering adaptations
- to delivering better outcomes for service users, resulting in a positive impact for people with disabilities and other service users as defined under the protected characteristics in the Equality Act 2010.
- to improve health and reduce health inequalities for residents

## **2.0 HEART project governance**

The project is hosted by Nuneaton and Bedworth Borough Council and overseen by a Director of the Council who reports into the HEART Management board which comprises of senior officers from each partner organisation and has become part of the Warwickshire Cares Better Together infrastructure, because the services provided can act to improve outcomes for well-being. These include reducing non elective admissions to hospital, reducing delayed transfers of care from hospital, reducing permanent admissions to residential and nursing care and help to increase the effectiveness of re-ablement services.

The current contract is for 5 years, and is hosted by Nuneaton and Bedworth Borough Council, who also provide:

- a line managed staffing structure, comprising two teams – one for the North of the County and one for the South
- use of IT
- dealing with complaints
- governance of the project management board (made up of senior officers from each of the member organisations listed above)

## **3.0 Independent review of the HEART service**

As part of the agreement, there was a requirement that after the new arrangements had bedded in then there would be a formal review of the project. This review was carried out by independent consultants between June and September 2019 and centred on five key lines of enquiry identified by the Management board:

- Leadership and governance and operational management is effective - to include partnership arrangements, governance, the board and reporting.
- Data is recorded and counted accurately (operational and strategic level) - to include operational data, trends, understanding system wide and highlighting pressure points.
- Processes are optimized - to include the flow through the system and testing process when under pressure and working with partners.
- Demand is actively managed - to include performance against priority outcomes, benchmark comparisons, capacity and productivity.
- Service offer and capacity is appropriate - to include expenditure and how we compare nationally, capacity in the system and cost benefit analysis of services as well as consistency across the teams.

## **4.0 Summary of review findings**

In conducting the review, the consultants identified some positive performance data, most notably:

- that demand for HEART services continues to rise – 8% over the last year.



- Home Safety cases are a significant part of the increase with interventions providing quick solutions for clients
- The average time taken to deliver adaptations for adults in the south team is 145 days and 197 in the north team. When a system review was originally undertaken to inform the business case for establishing HEART, there were significant issues with the old way of delivering services including delays of over 395 days from customer enquiry to providing an adaptation.
- Customer satisfaction rates are high, and the team receive many appreciate comments about the work that they undertake

However, the review also identified a problem in the current system, most notably:

- A lack of staff capacity is a contributory factor in the increasing waiting times customers are experiencing for the service.
- The absence of appropriate IT systems is a factor in demand not being met more efficiently.
- A more flexible system of assessing customer needs and prioritising interventions should be introduced.
- The systems of work in HEART could be more efficient and should be reviewed to provide for better service pathways which are fully implemented by staff and meet customer needs
- In line with the findings of the Foundations report data collection methods and performance reporting should be improved
- The management board reflect on its own role in delivering the HEART service and to ensure that the leadership, governance and operational management is provided in a manner which allows HEART to thrive and meet customer expectations.

It should also be noted that the Government grant funding which supports the delivery of the HEART services has increased over the last 2 years. Each authority receives a designated amount. The grant funding is spent in the designated Borough or District and is not pooled. For Warwickshire the grant funding for 2019/2020 is £4,516,609. This is capital funding and can be used for capital spending only. It does not support revenue funding which is required for staff. Services are allowed to charge a fee for the assistance that is provided to a customer to deliver an adaptation or home improvement. This fee does support the funding of the staff structure. Given the need to enhance the team in order to reduce waiting lists for visits and meet increasing demand the Board will be recommending a review of the fee structure.

## **5.0 Recommended improvements arising from the review**

To respond to the independent review and address matters that have come to the Board's attention over the last 12 months a service improvement plan, to provide better outcomes for service users, has been drafted for approval, and is included in appendix 2. The improvement plan focuses on:

- Specifying and procuring an IT system to support the HEART service and integrate effectively with the County Council's preferred IT software. Agree a revised privacy statement which will enable all staff to fully utilise both IT systems which are used by the service.
- Reviewing the performance data provided to the Board to ensure the information can be used to give strategic direction for the service
- Updating and revising the staff structure, management structure, how HR policies support the team, where the team is based and how budget provision can support recruitment of additional staff.
- Using budget reserves to increase the staff establishment and recruit dedicated duty officers support customer assessments and release other staff to undertake home visits.
- Reviewing the level of fee charges in order to revise the staff structure and meet current demand
- Appointing an experienced consultant to review and recommend efficiencies in systems of work and in accordance with recommendations update procedures.
- Revising procedures to enable the team to assess the need for urgent action and fast track interventions for customers at an early stage
- Reflecting on the requirements of the shared service agreement and recommending changes where they are needed to enhance governance, leadership and service performance.
- Refreshing the Business Case in order to give clear direction for the shared service

The Board is acting promptly where it can to complete actions in the improvement plan however some have financial implications and will require consideration and agreement before they can be completed.

## **6.0 Conclusion**

The consultant undertook an options appraisal to include in their final report. Their recommendation is that whilst the difficulties being experienced by the service need to be addressed the underlying premise of HEART with its concept of a holistic, unified service to deliver adaptations in Warwickshire remains the most preferable option.

Whilst this report and the initial action plan were drafted in February 2020 progress was inevitably interrupted by the Government's COVID-19 virus safety requirements. The action plan shows that good progress is now being made by the team with the support of the consultant.

It has been agreed that there will be a further independent review in March/April 2021 to evaluate the Board's achievements in the completion of the improvement plan and to consider whether the performance of the service has improved.

**Name of Meeting:** Cabinet

**Date of Meeting:** 1 February 2021

**Subject Matter:** Review of the Home Environment Assessment and Response Team (HEART) project

**Originating Department:** Communities and Homes

**DO ANY BACKGROUND PAPERS APPLY**  **YES**  **NO**

**LIST OF BACKGROUND PAPERS**

<b>Doc No</b>	<b>Title of Document and Hyperlink</b>
1.	Business Case - 2016

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

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Exempt information is contained in the following documents:

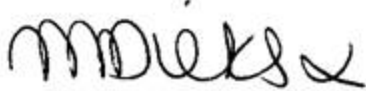
<b>Doc No</b>	<b>Relevant Paragraph of Schedule 12A</b>

# EQUALITY IMPACT ASSESSMENT (EqIA)

## Context

1. The Public Sector Equality Duty as set out under section 149 of the Equality Act 2010 requires Rugby Borough Council when making decisions to have due regard to the following:
  - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
  - advancing equality of opportunity between people who share a protected characteristic and those who do not,
  - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
  - age
  - disability
  - gender reassignment
  - marriage/civil partnership
  - pregnancy/maternity
  - race
  - religion/belief
  - sex/gender
  - sexual orientation
3. In addition to the above-protected characteristics, you should consider the crosscutting elements of the proposed policy, such as impact on social inequalities and impact on carers who look after older people or people with disabilities as part of this assessment.
4. The Equality Impact Assessment (EqIA) document is a tool that enables RBC to test and analyse the nature and impact of what it is currently doing or is planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. The questions will enable you to record your findings.
6. Where the EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. Once completed and signed off the EqIA will be published online.
8. An EqIA must accompany all **Key Decisions** and **Cabinet Reports**.
9. For further information, refer to the EqIA guidance for staff.
10. For advice and support, contact:  
Minakshee Patel  
Corporate Equality & Diversity Advisor  
[minakshee.patel@rugby.gov.uk](mailto:minakshee.patel@rugby.gov.uk)  
Tel: 01788 533509

## Equality Impact Assessment

<b>Service Area</b>	Communities and Homes
<b>Policy/Service being assessed</b>	HEART shared service improvement plan
<b>Is this is a new or existing policy/service?</b> <b>If existing policy/service please state date of last assessment</b>	Following a review of the current HEART service provision (conducted by an independent consultant), an improvement plan has been recommended to increase efficiencies and improve outcomes for vulnerable service users.
<b>EqIA Review team – List of members</b>	Michelle Dickson Minakshee Patel
<b>Date of this assessment</b>	17 December 2020
<b>Signature of responsible officer (to be signed after the EqIA has been completed)</b>	

A copy of this Equality Impact Assessment report, including relevant data and information to be forwarded to the Corporate Equality & Diversity Advisor.

If you require help, advice and support to complete the forms, please contact Minakshee Patel, Corporate Equality & Diversity Advisor via email: [minakshee.patel@rugby.gov.uk](mailto:minakshee.patel@rugby.gov.uk) or 01788 533509

**Details of Strategy/ Service/ Policy to be analysed**

<b><u>Stage 1 – Scoping and Defining</u></b>	
(1) Describe the main aims, objectives and purpose of the Strategy/Service/Policy (or decision)?	<p>The aim of the HEART is to improve the delivery of the Disabled Facilities Grants service both in quality and timescales and offer a holistic assessment which is much more than just delivering adaptations. The report indicates it is delivering better outcomes for service users. This should result in a positive impact for people with disabilities and other service users as defined under the protected characteristics in the Equality Act 2010.</p> <p>The service aims to improve the quality of life and social justice for residents in the north of the County so it is much closer to that enjoyed by the rest of Warwickshire it also aims to provide a choice of housing to meet the needs of the residents of the Borough. In addition we are working in partnership to improve health and reduce health inequalities for residents in the Borough.</p> <p>A review of the service has been carried out, by instruction of the management board, utilizing the expertise of an external consultant, who has developed a recommended improvement plan.</p>
(2) How does it fit with Rugby Borough Council's Corporate priorities and your service area priorities?	<p>Enable our residents to live healthy, independent lives</p> <p>Prioritise resources to meet changing customer needs and demands</p> <p>Ensure residents have a home that works for them and is affordable</p>

(3) What are the expected outcomes you are hoping to achieve?

The improvement plan will focus on:

- Specifying and procuring an IT system to support the HEART service and work effectively with the County Council's preferred IT software. Agree a revised privacy statement which will enable all staff to fully utilise both IT systems which are used by the service.
- Reviewing the performance data provided to the Board to ensure the information can be used to give strategic direction for the service
- Updating and revising the staff structure, management structure, how HR policies support the team, where the team is based and how budget provision can support recruitment of additional staff.
- Using budget reserves to increase the staff establishment and recruit dedicated duty officers support customer assessments and release other staff to undertake home visits.
- Reviewing the level of fee charges in order to revise the staff structure and meet current demand
- Appointing an experienced consultant to review and recommend efficiencies in systems of work and in accordance with recommendations update procedures.
- Revising procedures to enable the team to assess the need for urgent action and fast track interventions for customers at an early stage
- Reflecting on the requirements of the shared service agreement and recommending changes where they are needed to enhance governance, leadership and service performance.
- Refreshing the Business Case in order to give clear direction for the shared service



Appendix 1

<p>(4) Does or will the policy or decision affect:</p> <ul style="list-style-type: none"> <li>• Customers</li> <li>• Employees</li> <li>• Wider community or groups</li> </ul>	<p>The Home Environment Assessment and Response Team (HEART) project, a formal shared service arrangement between:</p> <ul style="list-style-type: none"> <li>• Warwickshire County Council</li> <li>• Nuneaton and Bedworth Borough Council</li> <li>• North Warwickshire Borough Council</li> <li>• Rugby Borough Council</li> <li>• Warwick District Council</li> <li>• Stratford District Council</li> </ul> <p>The project board is made up of senior officers from the partner organisations.</p> <p>The delivery of the improvement plan will increase the number of staff available to deliver the service.</p> <p>The desired outcome for the end user is increased efficiency, responsiveness and reduced waiting times for home adaptations and improvements. In achieving this it is hoped that the health inequalities for this cohort will be reduced.</p> <p>In addition, there will be a reduction in non-elective admissions to hospital, reducing delayed transfers of care from hospital, reducing permanent admissions to residential and nursing care and help to increase the effectiveness of re-ablement services.</p>
<p><b><u>Stage 2 - Information Gathering</u></b></p>	<p>As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).</p>

Appendix 1

<p>(1) What does the information tell you about those groups identified?</p>	<p>Disabled Facilities Grants are intended for those that qualify under the appropriate legislation:</p> <ul style="list-style-type: none"> <li>• Housing Grants, (Construction and Regeneration ACT 1996)</li> <li>• The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002</li> </ul>
<p>(2) Have you consulted or involved those groups that are likely to be affected by the strategy/ service/policy you want to implement? If yes, what were their views and how have their views influenced your decision?</p>	<p>Customer insight has been considered by the consultant in developing their recommendations. They have drawn upon customer satisfaction data and case studies.</p>
<p>(3) If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary.</p>	<p>This is unnecessary as the improvements relate to efficiencies to be gained by reviewing, adapting existing and commissioning additional support for the responsive delivery of the service, for example IT and additional staff recruitment.</p>

**Stage 3 – Analysis of impact**

<p><b>(1) Protected Characteristics</b> From your data and consultations is there any positive, adverse or negative impact identified for any particular group, which could amount to discrimination?</p> <p>If yes, identify the groups and how they are affected.</p>	<p><b>RACE</b></p> <p>No</p>	<p><b>DISABILITY</b></p> <p>No</p>	<p><b>GENDER</b></p> <p>No</p>
	<p><b>MARRIAGE/CIVIL PARTNERSHIP</b></p> <p>No</p>	<p><b>AGE</b></p> <p>No</p>	<p><b>GENDER REASSIGNMENT</b></p> <p>No</p>
	<p><b>RELIGION/BELIEF</b></p> <p>No</p>	<p><b>PREGNANCY MATERNITY</b></p> <p>No</p>	<p><b>SEXUAL ORIENTATION</b></p> <p>No</p>

## Appendix 1

<p><u>(2) Cross cutting themes</u>                  (a) Are your proposals likely to impact on social inequalities e.g. child poverty, geographically disadvantaged communities? If yes, please explain how?                   (b) Are your proposals likely to impact on a carer who looks after older people or people with disabilities? If yes, please explain how?</p>	<p>The proposed improvements will help to reduce the health inequalities for people with disabilities.</p> <p>Any impact on carers are likely to be positive as adaptations to the home will facilitate increased independent living as far as is practicably possible.</p>
<p>(3) If there is an adverse impact, can this be justified?</p>	<p>N/a</p>
<p>(4) What actions are going to be taken to reduce or eliminate negative or adverse impact? (this should form part of your action plan under Stage 4.)</p>	<p>N/a</p>
<p>(5) How does the strategy/service/policy contribute to the promotion of equality? If not what can be done?</p>	<p>It helps to ensure that mandatory DFG's are carried out in a more efficient and timely way which will be to the benefit of the service user.</p>
<p>(6) How does the strategy/service/policy promote good relations between groups? If not what can be done?</p>	<p>N/a</p>
<p>(7) Are there any obvious barriers to accessing the service? If yes how can they be overcome?</p>	<p>DFGs are mandatory. Health and social care professionals in Warwickshire are well acquainted with HEART and its service objectives.</p>

<p><b><u>Stage 4 – Action Planning, Review &amp; Monitoring</u></b></p>																														
<p>If No Further Action is required then go to – Review &amp; Monitoring</p> <p>(1) Action Planning – Specify any changes or improvements that can be made to the service or policy to mitigate or eradicate negative or adverse impact on specific groups, including resource implications.</p>	<p>EqlA Action Plan</p> <table border="1" data-bbox="875 464 2116 692"> <thead> <tr> <th data-bbox="875 464 1120 539">Action</th> <th data-bbox="1120 464 1364 539">Lead Officer</th> <th data-bbox="1364 464 1615 539">Date for completion</th> <th data-bbox="1615 464 1865 539">Resource requirements</th> <th data-bbox="1865 464 2116 539">Comments</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Action	Lead Officer	Date for completion	Resource requirements	Comments																				
Action	Lead Officer	Date for completion	Resource requirements	Comments																										
<p>(2) Review and Monitoring State how and when you will monitor policy and Action Plan</p>	<p>It has been agreed that there be a further independent review of the service in March / April 2021 to evaluate the Board’s achievement in the completion of the improvement plan and to consider whether performance has improved.</p>																													

Please annotate your policy with the following statement:

**‘An Equality Impact Assessment on this policy was undertaken on (date of assessment) and will be reviewed on (insert review date).’**

20/10/2020

<b>HEART Improvement Plan Summary</b>	<b>Start Date</b>	<b>End Date</b>	<b>Latest Status</b>
<b>Case Backlog from Covid</b>			
Identify the Current Backlog - Complete	27/07/2020	28/08/2020	COMPLETE - new weekly reporting routines developed - further development work in progress
FLARE Data Cleansing	28/08/2020	30/10/2020	Ongoing activity, using the new data reporting routines.
Identify Urgent Cases	28/09/2020	30/10/2020	Ongoing activity, Triage Trial being implemented looking to see how the cases can be flagged on the Civica FLARE system so that urgent cases can be identified and reported on more easily.
Backlog Recovery Plan	28/09/2020	02/01/2021	This is dependent upon several issues, but mainly staffing levels within the team. Recruitment currently underway. A large number of cases have been impacted by Covid-19, due to non-availability of contractors/ limited access to homes etc.
<b>Systems and Processes</b>			
New Housing Assistance Management Software to Replace the CIVICA FLARE System.	21/09/2020	30/06/2021	Planning has started - Business case being developed for board on the 12/11/2020 - Option to go with the CIVIC CX Software already procured by Nuneaton Bedworth Borough Council - Timescales and Costs still to be worked up with suppliers and partners
Staff and Team Communications to be reviewed and enhanced where required - Complete	03/08/2020	17/09/2020	COMPLETE - 121 meetings set every 6 weeks, Team meetings set up on a regular basis. Occupational Therapists / Housing Assessment Officers / Housing Improvement Officer champions confirmed. Meeting held on the 14/10/2020 to discuss the role with the champions.
Conduct a 3Q's Staff Analysis to identify current issues that impact upon the service - Complete	26/08/2020	21/09/2020	COMPLETE - findings published and being used alongside the initial review to inform the continuous improvement activity - biggest issue being the need for a new software solution
Develop an appropriate priority Triage process for the HEART service.	01/09/2020	27/11/2020	Draft Procedure developed - Trial to be conducted in October and November. Staff Training and Reporting process being developed. See also 1.3 above for reporting.
MOSAIC (Warwickshire County Council's Social Care System) - Non - WCC Staff to start using MOSAIC for HEART client assessments	21/09/2020	27/11/2020	Staff meetings held week beginning 5/10/2020 to get full team feedback - Results confirm the move to MOSAIC use by the Non-WCC staff - Implementation plan to be developed by a working group.
Development of the Performance Reporting Process for HEART	31/08/2020	31/12/2020	Work in progress - Draft PowerBi dashboard report is now in development - will include backlog reporting, Budget reporting, run charts and trends etc.
Customer Satisfaction Survey - Feedback volume and it's use	01/09/2020	30/10/2020	Review the customer satisfaction survey taking in to account the DFG best practice guidance. Look at moving to 100% customer surveys instead of the current 20%
Improve Customer access to HEART service details	01/09/2020	30/10/2020	Working on getting "SARA" added to the HEART website in a prominent place, including a link through to relevant WCC web page. Helpful links pages to be added to the HEART web site.
<b>Staffing</b>			
Staff Vacancies	26/08/2020	30/11/2020	Current Vacancies - 2 x Duty Officers - 3 x Housing Assessment Officers, 1 x Housing Improvement Officer - Recruitment currently under way with the first interviews, week beginning 12/10/2020
Improvement Project Support Staff	26/08/2020	30/11/2020	Manager has submitted job profile to Human Resources for review. Back-fill will be required to support the new software implementation.
Relaunch the HR group to support the HR protocols across the partners to ensure agreement adhered to:	01/09/2020	31/03/2021	Timings to be reviewed and advised.
<b>Promote the HEART Service</b>	<b>TBA</b>	<b>TBA</b>	<b>On Hold at present, Whilst Service capacity is reinstated</b>

## Report of the HEART Management Board

February/October 2020

### 1 Introduction

- 1.1 This report provides information about the HEART shared service partnership. The partnership was established to better deliver the legal requirements on Borough and District Councils to provide mandatory grants for private housing assistance (Disabled Facilities Grants). Its' aim is to deliver holistic home assessments and interventions to enable applicants to remain independent at home.
- 1.2 The HEART shared service is a legal partnership of the six Councils in Warwickshire. It is delivered by two teams – one in the north and one in the south – with the host authority, Nuneaton and Bedworth Borough Council, provides a single line managed staff structure.
- 1.3 The information in this report provides the background to the establishment of the partnership and an update on current performance. It also sets out the HEART Management Board's recommendations for improvements which need to be made in order to deliver a successful service.

### Recommendations

- a That the progress to provide one, consistent service to deliver Disabled Facilities Grants for the whole County be noted; and
- b That the findings of the independent review of the service be considered; and
- c That action plan to improve the service be agreed: and
- d That a further independent review by undertaken in March/ April 2021 to provide assurance that the actions to improve the service have been completed: and
- e That the necessity to consider the position of the host in advance of the end of the 5 year contractual term of the shared service partnership in March 2022 be noted.

### 2 Background

- 2.1 In 2011 an ambitious and challenging collaborative project was proposed for Warwickshire with the aim of creating a new way of delivering grant assisted home improvements and housing adaptations for disabled and older people across Warwickshire.
- 2.2 The project was agreed following a fundamental system review which had shown that the traditional way of delivering services to provide Disabled Facility Grant adaptations was inefficient. This included delays of over 395 days from a customer enquiry to providing an adaptation. Whilst not satisfactory this level of performance was in line with the national picture. In Warwickshire there was a 35% drop out rate as teams struggled to deliver across the organisational barriers of up to 3 organisations in each district and borough locality. Until the review was undertaken there was no comprehensive information which showed how the system was performing.
- 2.3 The aim of the project was to create a new customer focused service delivery model. This would bring together different professions from the many organisations providing the services in Warwickshire, create a new job role and link together existing service within a service model that involved working together to deliver holistic housing assessment and appropriate solutions.

- 2.4 A Business Case was drafted in 2012 which set out a comprehensive proposal to improve and explore the future delivery of housing adaptations and the range of services provided by Home Improvement Agencies across Warwickshire. Stage 1 was to develop the experimental service in Nuneaton and Bedworth and North Warwickshire involving the Borough and County Councils. Stage 2 was to roll in Rugby Borough Council area which required the involvement of Orbit Housing Group. Stage 3 was to establish a similar service to south Warwickshire involving the District and Borough Councils as well as Age UK and Warwickshire County Council.
- 2.5 The proposal was ambitious and challenging because it involved many partners. Staff from all organisations were to be brought together in one service, new systems of work needed to be forged from disparate methods of service provision, it had to deal with a variety of organisational cultures and policies and provide data for two separate IT systems.

### 3 Partnership Proposal

- 3.1 In 2016 the Business Case was revised. (*Appendix 1*) It reflected on the experience of the pilots and set out a comprehensive and radical proposal for the service.
- 3.2 At that time, as part of the pilot experiment, there was a single line managed team for the north of the County with agreed working protocols in place. The service in the south was in the pilot project phase. Age UK and Orbit Housing Group continued to provide Home Improvement Services.
- 3.3 The new Business Case asserted that following the initial review and the implementation of new ways of working the pilots were showing that the redesign of the customer pathway, using a lean thinking approach, had brought significant improvements. The initial customer contact assessment steps had reduced from 22 to 1 through direct contact to the integrated team, there was a single assessment process, collaborative working had improved, and a range of interventions could be offered to customers requiring assistance. Evidence was shared that showed that the time taken from initial enquiry to the delivery of a solution for the customer had reduced significantly (from an average of 365 days to 138 days) and the drop out rate had reduced.
- 3.4 The Business Case proposed a shared service vehicle involving the 5 Districts and Boroughs and County Council. There would be a host authority with a distinct role in the partnership for delivery and a Governance Board comprising of senior managers from each partner. Whilst the host would provide the organisational and support functions the spirit of the partnership was to be one of shared endeavor to improve and develop the service.
- 3.5 The Business Plan promoted the development of one organisation - HEART - the new Home Environment Assessment and Response Team. This organization would create a streamlined, customer focused service delivery model across Warwickshire which would bring different professions together. To do this a new role of 'Housing Assessment Officer' was created to combine case work skills of an Occupational Therapy Assistant and Housing Case Worker. This role, and the necessity for its development, encapsulated the need for the service to have a holistic and tailored approach to meet the needs of customers in order to enable them to live independently.
- 3.6 The Business Case gave a firm basis and clear direction for the new service. It is underpinned by a legal contract. The shared service contractual agreement was signed by Warwickshire County Council, Nuneaton and Bedworth, North Warwickshire and Rugby in October 2016. In 2017 Warwick and Stratford joined the legal partnership. The contract is for 5 years and set out the terms for the host authority (Nuneaton and Bedworth Borough Council) and for the other partners. It includes terms for financial arrangements, a combined staff structure, employment arrangements, use of IT, dealing with complaints and the role of the management board- with the Chair of the board being decided annually. It makes provision for any partner to leave the

partnership if they give 12 months notice. Given its ambition and challenges it also set out a requirement for the management board to conduct a formal review when the arrangements had been in place for 2 years.

#### 4 Development of the Shared Service

4.1 From the Spring of 2017 the partnership acted to build on the early successes of the pilot projects.

- In accordance with the partnership agreement the host appointed a Head of Home Environment Services to lead and manage the service and report to the management board.
- The structure of the team was established using a combination of HR procedures which included a mix of secondments and permanent posts.
- The role of Housing Assessment Officer was novel and created for the Warwickshire model therefore bespoke training was provided for existing staff and newly recruited team members.
- Comprehensive information about the service was developed to be presented to the Board in order to track performance and to allow for service improvements to be developed. The reports expose areas of the service which would have otherwise remained hidden to scrutiny and therefore invite intervention when appropriate.
- The new model demanded a holistic response to a customer's request for assistance. In order to deliver this a joint Financial Assistance Policy was developed and agreed in September 2017. This enabled Assessment Officers to deliver more than Disabled Facilities Grants to ensure that the whole house environment was suitable to promote independence. It also provided for a none means tested grant for urgent, priority cases.
- Noting that part of the delay in delivering adaptations was due to contractors not acting quickly enough a procurement exercise was undertaken to provide a firm contractual framework for quality and delivery for all adaptations.

4.2 The novelty and the ambition of the service was recognised as national good practice by Foundations, the professional body for Home Improvement Agencies, for forging better service methods in the delivery of Disabled Facility Grants and Home Improvement Services generally.

4.3 Recognising its role in enabling residents to remain independent at home the HEART Management Board has become part of the Warwickshire Cares Better Together infrastructure because the services provided can act to improve outcomes for well being. These include reducing non elective admissions to hospital, reducing delayed transfers of care from hospital, reducing permanent admissions to residential and nursing care and help to increase the effectiveness of re-ablement services.

4.4 The most recent performance reports show that demand for HEART services continues to rise – 8% over the last year. Home Safety cases are a significant part of the increase with interventions providing quick solutions for clients. The average time taken to deliver adaptations for adults in the south team is 145 days and 197 in the north team. Customer satisfaction rates are high and the team receive many appreciate comments about the work that they undertake.

4.5 The performance reports show sufficient detail to indicate where there are problems in the system which need addressing. Over the last 12 months there have been significant delays in both teams between the initial assessment and a home visit. This has been due to staff shortages in the team.



## 5 Improving Performance

- 5.1 The HEART management board has received reports about intransigent matters which are hampering the development and improvement of the service and which need to be addressed. These include a difficult environment for recruitment which is resulting in staff shortages and the limitations of the use of the IT systems used by the team and which are not fit for the purpose of supporting the new service.
- 5.2 There have been difficulties in achieving a settled staff structure with a positive team culture since the shared service was established. Secondment arrangements caused significant problems for managers and staff. Vacancies have impeded the service from the outset of the partnership. This has been exacerbated by staff in the same team having different pay grades and working to different terms and conditions. Recruitment exercises have frequently caused internal churn of staff rather than delivering new staff into the team. Following concerns raised by the Head of Home Environment Services with the Board a meeting with HR Managers in February 2019 discussed how these issues could be addressed.
- 5.3 Unfortunately there has continued to be a high level of vacancies and some long term sickness the team. Using agency staff has only been partly successful in helping to reduce waiting lists for services. Agreed systems of work have been disrupted as a consequence of vacancies and the use of agency staff who are not trained for the Housing Assessment Officer role. Some of these issues have caused pockets of low morale however individuals in the team are committed to providing a good service for customers and where necessary have stepped out of their job role to fill in service gaps caused by vacancies. In doing so the systems of work recommended by the Business Case have been disturbed and now need to be revised and reformed.
- 5.4 The staff structure established for the shared service agreement reflects the level of grant income and customer demand at the time it was agreed. Subsequently Government has increased the level of capital grant income available for adaptations in order to support people to remain independent at home and demand has increased. The Board will make recommendations for the review of the staff structure to support current demand and reduce the time customers wait for the full service but in doing so revenue funding has to be made available to support capital budget spending.
- 5.5 HEART staff input information into two IT systems. This has been the case since its inception. One supports the housing element of the service and the other the social care aspect. The housing IT system is no longer fit for purpose. The County Council has recently implemented a new IT system for social care which is being implemented in HEART. Following an Internal Audit report about data accuracy in performance reports and concerns raised by the Head of Home Environment Services about the staff time taken to input and find data in 2018 the Board commissioned an independent review of data management systems and the production of performance reports from Foundations. A report was presented to the Board at its meeting in February 2019. The report set out some significant issues with data reporting mechanisms and indicated that the IT systems used are not fit for purpose for the HEART service. It also noted a conservative estimate of 5 to 6 days per month used in providing management information and therefore the need to a system which would enable automation was urgent. As well as concerns about data entry the staff have to use two IT systems and not all staff are allowed to use the social care system due to data protection requirements.
- 5.6 As the IT systems have not fully supported the HEART service and cause duplication and inconsistent management data the Board committed to make improvements. This includes implementing a new system to support the HEART service, providing for an agreed joint data security policy to enable all staff to access the systems which reflect service activity and seeking a way of integrating the systems to avoid time being spent in duplicate entry.

5.7 The Government grant funding which supports the delivery of the HEART services has increased over the last 2 years. Each authority receives a designated amount. The grant funding is spent in the designated Borough or District and is not pooled. For Warwickshire the grant funding for 2019/2020 is £4,516,609. This is capital funding and can be used for capital spending only. It does not support revenue funding which is required for staff. Services are allowed to charge a fee for the assistance that is provided to a customer to deliver an adaptation or home improvement. This fee does support the funding of the staff structure. Given the need to enhance the team in order to reduce waiting lists for visits and meet increasing demand the Board will be recommending a review of the fee structure.

## 6 HEART Shared Service Partnership Review

6.1 In accordance with the HEART shared services agreement an independent review has been undertaken after two years of its implementation.

6.2 The review was conducted by an independent consultant. It considered five key lines of enquiry agreed by the Board:

Leadership and governance and operational management is effective  
To include partnership arrangements, governance, the board and reporting.

Data is recorded and counted accurately (operational and strategic level)  
To include operational data, trends, understanding system wide and highlighting pressure points.

Processes are optimised  
To include the flow through the system and testing process when under pressure and working with partners.

Demand is actively managed  
To include performance against priority outcomes, benchmark comparisons, capacity and productivity.

Service offer and capacity is appropriate  
To include expenditure and how we compare nationally, capacity in the system and cost benefit analysis of services as well as consistency across the teams. Leadership and governance and operational

A summary of the independent review is included with this report at *Appendix 2*. Its main findings are:

- A lack of staff capacity is a contributory factor in the increasing waiting times customers are experiencing for the service.
- The absence of appropriate IT systems is a factor in demand not being met more efficiently.
- A more flexible system of assessing customer needs and prioritising interventions should be introduced.
- The systems of work in HEART could be more efficient and should be reviewed to provide for better service pathways which are fully implemented by staff and meet customer needs
- In line with the findings of the Foundations report data collection methods and performance reporting should be improved
- The management board reflect on its own role in delivering the HEART service and to ensure that the leadership, governance and operational management is provided in a manner which allows HEART to thrive and meet customer expectations.

The reviewer undertook an options appraisal to include in her final report. Her recommendation is that whilst the difficulties being experienced by the service need to be addressed the underlying premise of HEART with its concept of a holistic, unified service to deliver adaptations in Warwickshire remains the most preferable option.

To respond to the independent review and address matters that have come to the Board's attention over the last 12 months a service improvement plan has been drafted for approval. This includes:

- Specifying and procuring an IT system to support the HEART service and work effectively with the County Council's preferred IT software. Agree a revised privacy statement which will enable all staff to fully utilise both IT systems which are used by the service.
- Review the performance data provided to the Board to ensure the information can be used to give strategic direction for the service
- Updating and revising the staff structure, management structure, how HR policies support the team, where the team is based and how budget provision can support recruitment of additional staff.
- Use budget reserves to increase the staff establishment and recruit dedicated duty officers support customer assessments and release other staff to undertake home visits.
- Review the level of fee charges in order to revise the staff structure and meet current demand
- Appoint an experienced consultant to review and recommend efficiencies in systems of work and in accordance with recommendations update procedures.
- Revise procedures to enable the team to assess the need for urgent action and fast track interventions for customers at an early stage
- Reflecting on the requirements of the shared service agreement and recommending changes where they are needed to enhance governance, leadership and service performance.
- Refresh the Business Case in order to give clear direction for the shared service

The Board is acting promptly where it can to complete actions in the improvement plan however some have financial implications and will require consideration and agreement before they can be completed.

The Board has appointed an experienced consultant to work with the team to provide system improvements which will result in better outcomes for customers. In order to track the actions required to deliver the improvements a plan which will be monitored by the Board has been produced. The current version is attached at *Appendix 3* for information. Whilst this report and the initial action plan were drafted in February 2020 progress was inevitably interrupted by the Government's COVID-19 virus safety requirements. The action plan shows that good progress is now being made by the team with the support of the consultant.

It has been agreed that there will be a further independent review in March/April 2021 to evaluate the Board's achievements in the completion of the improvement plan and to consider whether the performance of the service has improved.

The report of the independent reviewer includes reference to some positive case studies. They are included here to indicate the breadth of the HEART service and how it can reach out to meet its customers individual needs.

Case 1 - "Urgent potential hospital discharge case – HEART intervention:

The ward manager contacted the HEART duty desk to discuss an elderly patient. There was concern that mould and damp in the person's home was an infection risk. It would seem that mould had been a long-standing issue in the property and an investigation determined that this was mainly due to condensation (not opening windows).

The Private Sector Housing Manager (RW) instructed that permission should be gained from the customer and access via a key-holder to enter the property. The ward manager obtained these and the customer's key safe number which was given to the HAO.

Following an inspection visit to the home, the HAO has engaged with contractors to look at a preventative solution regarding issues with the flat roof, which is causing the damp problems.

Urgent work will be undertaken so that the customer can be discharged home to a better environment that will reduce the risk of infection and readmission."

Case 2 - "Delayed hospital discharge case – swift HEART intervention resolved issue.

The SM for Integrated Care Services was notified of a delayed hospital discharge patient that OT's had visited her home and discovered issues with her toilet and other faults in the home.

The ambulance crew had isolated the water due to a leaking pipe from the downstairs toilet area and a leak from the upstairs toilet.

The HEART Manager (LP) arranged for a member of the technical team to visit the property to assess the situation with the water. Permission to access the property was gained from the customer.

The customer wanted to be there when HEART arrived so a plan was agreed for her to be discharged to the home address with 2 members of staff from the hospital. It was arranged for a HAO and a plumber from Activate Energy to meet at the property at the same time.

The water leaks were successfully repaired to facilitate discharge."

## HEART Review - Executive Summary

The independent review of the HEART service was commissioned by the HEART Board to provide assurance (to the HEART Board, the Housing Board and wider partners on the Warwickshire Cares Better Together (BCF) Programme) that the HEART service has a robust work programme to deliver improved health and social care outcomes and maximise people's independence in their own homes.

HEART is a partnership service between Warwickshire Councils. The service provides advice and assistance to deliver disabled adaptations and home improvements to keep customer's homes safe, secure and warm. Caseworkers assess needs and housing conditions and provide tailored advice and support on a range of issues including:

- Home equipment and adaptations
- Housing conditions, repairs and safety matters
- Benefits, grants or loans for essential building works

The HEART service with the Disabled Facilities Grant can support the Better Care Fund priorities which can improve the following outcomes:

1. Reduce non-elective admissions
2. Reduce delayed transfers of care
3. Reduce permanent admissions to residential and nursing care
4. Increase the effectiveness of reablement

### The Review Process

The review was conducted by an independent consultant and covered what was included in the review outline, scoped by Board, under 5 key lines of enquiry:

1. Demand: current and future
2. Service offer and capability
3. Process
4. Data and information
5. Leadership, governance and operational management

The methodology of the review included a desktop review of all relevant information, data and board papers, plus shadowing at the HEART board and several meetings with HEART staff.

### Demand: current and future

The HEART review identified that demand has not been effectively managed, resulting in a waiting list of people waiting for an assessment. Lack of staff capacity has been identified as a contributory factor to the waiting list and funding for additional staff to alleviate this pressure has recently been approved by the HEART board. Staff and stakeholders have fed back, as part of the review, that they are concerned that there are vulnerable people waiting for an assessment.

Staff capacity challenges and the absence of an effective triage system has resulted in the current service not meeting current levels of demand, with a reported average 56 days wait for a home assessment visit.

Referrals to HEART have previously been processed in date order and there was an absence of an effective triage system to help identify and prioritise urgent cases. Duty and triage have been prioritised as urgent business by the HEART Board.

The absence of an appropriate IT system has contributed to demand not being met more efficiently. This has exacerbated the lack of consistency around demand figures reported to the HEART Board and has resulted in not being able to compare performance figures year on year.

Minor adaptations are fast tracked through direct issue because they are non means tested, as part of the Home Safety Grant scheme. More complex customers are required to wait for lengthy periods of time for a home assessment visit. Customers requiring a major adaptation face lengthy waiting times, delays in between DFG processes, which can result in cancellations, dropouts and lower DFG completion rates. Without an effective triage process, there is a high risk that the current ways of working are resulting in inequitable access to HEART services.

The review highlighted that there is no evidence of explicit reviews, against the outcomes framework, to verify whether customer needs had been met.

The review highlighted inconsistencies in the way in which the 'drop out' rate had been calculated. Changes to the parameter, had not been agreed by the HEART Board in advanced, resulting in a misplaced confidence in the representation of dropouts.

There is no strategy in place to improve the uptake of adaptations, both DFG eligible and fee-paying individuals.

The hospital discharge grant was identified as an option that can be used to meet demand, a non means tested option to support older or disabled people being discharged from hospital.

Most patients can be discharged safely from hospital without the adaptation in place on a temporary basis but that is not the case if the accommodation needs deep cleaning or decluttering due to the risk to the patient of falls etc.

Opportunities to further explore the use of hospital discharge grants for deep cleaning, hazard removal and urgent home repairs will be explored as part of the service improvement plan.

## Service Offer and Capability

The review identified several areas which will enhance the HEART offer, these include:

- Putting the person at the centre with better communication and promoting choice – there is a need to develop better partnerships with health and social care, using strengths-based approaches and good conversations. It is recommended that HEART assessment forms are aligned with this new approach.
- Triage/prioritising - eligibility criteria is deemed unclear and inconsistent, it is recommended that the eligibility criteria for the HEART service is developed in a user-friendly version for customers and staff and volunteers, that illustrate the customer journey. Customers with more complex needs tend to wait longer, due to requiring a home assessment visit by an occupational therapist. There appear to be three sets of customers; self-funders, those assessed and eligible and those assessed and not eligible.
- Strength based approach using good conversations
- Collaborative working with partners e.g. Fire Service
- Better identification of need – through advertising services and use of JSNA insight
- Culture and policy changes - an indication was provided during the review that the HEART service was being used for housing suitability services. This is not a service HEART should be undertaking.

The review identified inconsistencies in approach given to customers and referrers, depending on the member of staff on duty, this also highlights inconsistencies in induction and training.

Stronger links are required with health and social care partners to ensure early identification and efficient management of customers who will benefit most from housing adaptations and interventions.

HEART needs to be promoted more amongst health, social care and the third sector.

It is imperative to improve the customer experience from the first point of contact through to completion.

### Early intervention/prevention

Home safety grant – this has grown in success, from 11 orders in 17/18 to 588 orders in 18/19. Further consideration is needed to ensure there is ample staff capacity to process the increasing demand. The HEART board should consider linking Home Safety Grants with the Fire Service/Hospital Liaison. The home safety grant is non means tested and there was some feedback as part of the review that some HEART staff felt this should not be used by people who own their own homes. Training and guidance have now been issued to address this challenge.

A positive example of using the Home Safety Grant has been used to cover the costs of repairing stair lifts for customers when their 5-year guarantee expires.

### Staff feedback

Staff fed back that their skills and expertise were not being used efficiently, either they were being asked to do tasks that another staff level could complete, or, they were being allocated customers that should have been supported by a more senior member of the team. It is recommended that staff capacity and skills need reviewing.

Staff also fed back that increased workflow was due to having to use a cumbersome IT system, which if streamlined, would release staff capacity.

The standard operating procedure was reported as not being fit for purpose, going forward it is recommended that both the induction process and standard operating procedure are reviewed and updated.

Recruitment and retention were identified as a challenge for the HEART service, holding vacancies and a delay between recruitment approval from Board and appropriate remedial action. Inconsistent terms and conditions remain a challenge with differences in local arrangements, resulting in inequity across roles.

It has become evident that whilst the ambition of the HACEP project is well intentioned (installing level access showers to customers who had previously had bath lifts, central heating for customer with no central heating and external wall insulation), it may have resulted in an adverse impact on staff capacity to deliver HEART core business, as they were required to spend time on the project, potentially resulting in an inequitable service offer, not based on need.

## Process

The current processes at HEART are not optimised to enable flow through the service and this is evident given the number of customers waiting for a home assessment visit. Unclear processes, pathways and a lack of a suitable IT system has left staff feeling unable to work efficiently.

The review identified that a greater strategic oversight is required to develop pathways into HEART and to work more effectively with the third sector to avoid hospital admissions and facilitate hospital discharges.

The review identified a lack of an effective triage system. Referrals into the service are processed in date order, regardless of complexity, resulting in potentially vulnerable complex patients waiting longer than less complex patients. Since the start of the review, this matter has been given urgent attention and appropriate pathways are now being designed/developed.

The review reported concern that the HEART service is hampered by lengthy waiting times, cumbersome processes and unclear pathways. Induction and training is lengthy and the manual/standard operating procedure needs to be reviewed and updated, along with an appropriate ICT infrastructure to support.

## Data and Information

The review highlighted that a disproportionate amount of time has been spent on producing figures for performance reports and that these data reports have been assessed as often incorrect, which has resulted in the Board making decisions on incomplete or inaccurate data. Moving forward, data functions need to be improved to ensure consistency and accuracy of performance reporting.

The HEART service does not actively use insight to target preventative services, for example the JSNA data can be used to target interventions or address inequalities.

The review identified that the 'drop out' calculation had been altered, which has resulted in a low percentage being reported. Going forward the HEART Board will need to review and agree the parameters of this calculation to ensure this is reported consistently in the future.

The current IT system and ways in which data is captured is not fit for purpose and there are multiple opportunities for error. The performance report development review, undertaken by Foundations in 2018 highlighted challenges around data extraction from Flare being incorrect and often require rerunning and management time to check their accuracy. A disproportionate amount of time is spent on producing performance report for Board due to the IT system.

The review highlighted that customer outcomes are 'assumed' (based on experience of what adaptations can achieve for customers but moving forward, more customer outcomes can be achieved working in a strengths based approach) via a matrix, rather than established, meaning unvalidated customer outcomes have been reported.

There is little evidence to suggest that data is used proactively to identify trends or forecast demand.

IT would benefit from a case management solution.

## Leadership, Governance and Operational Management

The review highlighted perceptions of ineffective leadership from staff, Board members and stakeholders, suggesting this as a reason as to why the service is not fully meeting all of the objectives within the Shared Service Agreement.

Concerns were raised about low staff morale, due to a number of factors.

There should be a renewed focus on staff capacity and the structure required to meet demands.

Stakeholders fed back that the financial position of the service is unclear and greater transparency and accountability about spend is required. In addition, decisions about spending priorities in relation to the reserves is also required.



Outcomes and recommendations from the Performance Report Review carried out by Foundations in December 2018 have not been given adequate leadership focus, in particular the challenge around ICT infrastructure, systems, processes and case management. This delay has resulted in a disproportionate amount of management time being spent entering KPI data and staff are left feeling frustrated that the various IT systems do not support them to work effectively.

The review identified some internal leadership challenges, both in relation to the HOST organisation and the HEART service. More leadership time should be directed towards improving customer pathways, identifying blockages and causes, process mapping and developing a more efficient workflow and IT system. Internal leadership needs to be more present in both north/south office locations.

Staff fed back they do not feel there is a positive culture within the team. There were concerns from staff that there had been a recent investigation, which some staff were involved in giving evidence, however they had not been provided any feedback on the outcome and therefore, lack confidence that the matter had been effectively addressed.

Staff also fed back that their professional opinions and professional requirements/standards were not respected, because some instructions and directives could compromise their professional registration.

The review highlighted the need to produce an up to date, refocused business plan, which reflects the current issues of concern.

Much of the 'project' work has not been formally evaluated, nor sufficient evidence presented to Board to provide a strategic business case for such projects. It is recommended that for the foreseeable future, HEART 'core business', should be the focus of the Board and the staff team.

Since the start of the review, HEART staff have been more regularly consulted and communicated with, and this has been welcomed by the staff team.

The absence of suitable IT system coupled with the standard operating procedure/manual being out of date has resulted in staff feeling ill equipped and not confident in their roles.

Since the initiation of the HEART review, staff have reported an improved relationship with the Director of Housing and Communities.

## HEART Board

Momentum is lost between Board meetings and there is a recommendation to increase the frequency of these meetings in order to retain a focus on continuous improvement. There needs to be a stronger strategic oversight and the effectiveness of decisions needs to be regularly monitored. Going forward, the Board should decide on the strategic priorities, agenda and monitor progress of the service improvement plan.

It has been acknowledged by Board members that there is a need for a structural and governance change and moving forward, it is imperative for business cases to be presented to the Board for full consideration and approval, as well as prioritising how reserves are spent. This will also allow for clarification as to whether the objectives of such business cases are aligned to those within the shared partnership agreement.

## Financial position

The financial position of the HEART service requires clarity and transparency around underspend, reserves fee income and any surplus that had been agreed to return to partners.

## Shared partnership agreement

It is recommended that the shared partnership agreement is reviewed during the improvement plan, to reintroduce some of the key principals and quality assurance.

### Objective 1 – integrate housing and occupational therapy services to meet statutory requirements

To support a more effective integration of the service, there needs to be clearer pathways to ensure quality of services, information and advice, access and that better customer experience is achieved.

Staff feedback indicated that the role of OTs within HEART is not fully optimised and the shortage has resulted in delays before allocations or assessment home visits can take place. It is recommended that the capacity of OTs is increased so that statutory requirements are met in a timely manner.

Difficulty in resolving HR challenges around varied terms and conditions and pay needs a renewed focus, this will enhance the integration of housing and OT services.

### Objective 2 – maximise customers potential within their homes and improve quality of life

This objective was identified as being partly met, due to pathways and processes requiring simplifying, with a more customer focused approach, in order to support customers meeting their full potential.

### Objective 3 – reduce pressure on residential care, hospital and reduce care and support needs

Urgent improvements are required to make HEART a more responsive service as the waiting times for assessment and delays in DFG completion are compromising the aim of reducing pressure on more expensive placements. An analysis of why people drop out of the process may give further insight to improve service provision.

### Objective 4 – to be proactive and avoid crisis situations for customers and carers

The review concluded that this objective is compromised because; the lack of an effective triage system to deal with urgent and complex referrals, the waiting list is not effectively managed, processes are not mapped to avoid blockages and joint working with other services that could support are underdeveloped. In order to resolve these complex service challenges, more proactive leadership is required with a renewed focus on customers.

### Objective 5&6 – promote health and wellbeing, falls prevention, hypothermia, reducing hazards in the home

More evidence is required about how this objective has been met.

Hoarding has been identified as an increasing demand, however a better understanding around the challenges of this is required. The introduction of the Hospital Liaison Officer project will assist with this. It could also be considered as part of the Home Safety aspect of HEART, providing it is planned and resourced appropriately.

### Objective 7 – prevent hospital admissions and facilitate timely hospital discharges

Further work is required to make more frequent use of the hospital discharge grant to avoid readmission.

**Objective 8 – develop staff with skills and capabilities to provide intervention and achieve better outcomes for customers**

This objective was judged as being partly met. Recent developments since the review, have been made to support improvement of staff performance, such as a renewed focus on induction and training.

Staff recruitment and retention continues to be a challenge, impacting on the service's ability to meet demand.

The quality of staff supervision requires monitoring and consideration needs to be given around who mentors new staff within the service.

Staff have fed back that complex cases are sometimes allocated to the Home Assessment Officers and they do not feel skilled or competent enough to assess or case manage. Improving recruitment and retention of OTs will support a resolution to this, along with the renewed focus on induction and training to upskill and increase confidence of the Home Assessment Officers.

Opportunities to further develop the role of the Hospital Liaison workers to support an improved transition to out of hospital.

The review highlighted outcomes are 'assumed' using a matrix which captures potential outcomes. Practitioners need to be implementing a more strength-based approach with customers which will be more focused on customer outcomes.