

**To: Deputy Leader and Members of the Resources Board
Councillors D Wright, Chambers, Davey, Davis,
N Dirveiks, Henney, Lea, Moss, Simpson and Waters**

For the information of other Members of the Council

For general enquiries please contact Emma Humphreys/Amanda Tonks on 01827 719221 or via email – emmahumphreys@northwarks.gov.uk or amandatonks@northwarks.gov.uk.

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

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

RESOURCES BOARD AGENDA

5 SEPTEMBER 2017

The Resources Board will meet in the Committee Room at The Council House, South Street, Atherstone, Warwickshire on Tuesday, 5 September 2017 at 6.30pm.

AGENDA

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

- 4 **Minutes of the Resources Board held on 22 May 2017** – copy herewith, to be approved as a correct record and signed by the Chairman.

5 **Public Participation**

Up to twenty minutes will be set aside for members of the public to put questions to elected Members. Questions should be submitted by 9.30am two working days prior to the meeting. Participants are restricted to five minutes each. If you wish to put a question to the meeting please contact Amanda Tonks or Emma Humphreys on 01827 719222 or email democraticservices@northwarks.gov.uk.

**PART A – ITEMS FOR DISCUSSION AND DECISION
(WHITE PAPERS)**

- 6 **Housing and Planning Act 2016 – Private Sector Housing Enforcement Implications** – Report of the Assistant Director (Housing)

Summary

This report is to inform Members of the introduction of new legal powers to assist with the regulation of standards in private housing.

The Contact Officer for this report is David Baxendale (719322).

- 7 **Capital Programme 2017/18 Period 4 Update** – Report of the Assistant Director (Finance and Human Resources)

Summary

This report updates Members on the progress of the 2017/18 Capital Programme in terms of expenditure up to the end of July 2017.

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

- 8 **General Fund Budgetary Control Report 2017/18 Period Ended 31 July 2017** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers revenue expenditure and income for the period from 1 April 2017 to 31 July 2017. The 2017/18 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services report to this Board.

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

- 9 **Housing Revenue Account Budgetary Control Report 2017/2018 Period Ended 31 July 2017** – Report of the Assistant Director (Finance and Human Resources)

Summary

The report covers total Housing Revenue Account revenue expenditure and income for the period from 1 April to 31 July 2017.

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

- 10 **Internal Audit Performance for First Quarter 2017-18** – Report of the Deputy Chief Executive

Summary

The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

The Contact Officer for this report is Barbara Haswell (719416).

- 11 **Internal Audit – Performance for 2016/17** – Report of the Deputy Chief Executive

Summary

The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

The Contact Officer for this report is Barbara Haswell (719416).

- 12 **Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April – June 2017** – Report of the Chief Executive and the Deputy Chief Executive

Summary

This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to June 2017.

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

- 13 **Online Services Update and Plans for Promoting and Increasing Use – Report of the Assistant Director (Corporate Services) and Assistant Chief Executive (Community Services)**

Summary

This report gives an update on those services we deliver online, via the Internet and on the use of the Council's Website. The report also provides information on the progress made in promoting and increasing the use of the internet for those services that can be most effectively provided online.

The Contact Office for this report is Linda Bird (719327).

- 14 **Local Discretionary Rate Relief Scheme to provide Revaluation Support to North Warwickshire Businesses – Report of the Assistant Chief Executive (Community Services)**

Summary

This report sets out proposals for a local Discretionary Rate Relief Scheme for the Council to assist businesses facing an increase in their bills for 2017/18 onwards arising from the recent revaluation.

The Contact Officer for this report is Bob Trahern (719378).

- 15 **HEART Shared Service – Report of the Assistant Director (Housing)**

Summary

The HEART shared service delivers grants for adaptations and provides for contractors to undertake the work. To underpin the partnership a joint policy has been drafted which gives a framework for the financial assistance provided. This report submits the joint Housing Financial Assistance policy for the Board's approval.

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

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

Recommendation:

That under Section 110A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

**PART C – EXEMPT INFORMATION
(GOLD PAPERS)**

- 17 **Irrecoverable Local Taxation Debts** – Report of the Assistant Chief Executive (Community Services)

The Contact Officer for this report is Bob Trahern (719378)

- 18 **Council Garage Site** – Report of the Assistant Director (Housing)

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

- 19 **Exemption to Contract Standing Orders** – Report of the Assistant Director (Housing)

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

- 20 **Request for Right of Way Over Council Land** – Report of the Assistant Director (Housing)

The Contact Officer for this report is Paul Roberts (719459)

- 21 **Corporate Counter Fraud Annual Report 2016-17** – Report of the Deputy Chief Executive

The Contact Officer for this report is Barbara Haswell (719416)

JERRY HUTCHINSON
Chief Executive

NORTH WARWICKSHIRE BOROUGH COUNCIL

MINUTES OF THE RESOURCES BOARD

22 May 2017

Present: Councillor D Wright in the Chair

Councillors Chambers, Davey, Davis, N Dirveiks, Humphreys, Lea, Moss, Phillips and Waters

Apologies for absence was received from Councillors Henney (Substitute Councillor Phillips) and Simpson (Substitute Councillor Humphreys)

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

Councillor Lea declared a non-pecuniary interest in Minute No 15 (land at Trinity Close, Warton) and took no part in the discussion or voting thereon and Councillor Humphreys declared a non-pecuniary interest in Minute No 21 (Land Issues), left the meeting and took no part in the discussion.

2 **Minutes of the Resources Board held on 30 January 2017**

The minutes of the meeting of the Board held on 30 January 2017, copies having previously been circulated, were approved as a correct record and signed by the Chairman.

3 **Public Participation**

Mr D Pickard of Atherstone asked the following question:-

In December 2013, North Warwickshire Borough Council (NWBC) completed a sale of Atherstone Arcade to Atherstone Town Council (ATC). The sale was at a value discounted by 50% of the then market price of £200,000 on condition that ATC put the building into community use. This was done in good faith by that administration, after having received a detailed expression of interest on a NWBC tender document (copy attached for reference of members).

A covenant regarding community use was put into effect and was to be monitored subsequently by Resources Board. I understand, however, that this does not happen.

ATC have made a number of, largely restorative, H&S changes to the building fabric. The largely pre-existing shops and commercial leases still operate for the ground floor while ATC collect the rent. A ground floor toilet has been installed, exclusively for the use of the shops. There has been no visible action to use the vacant upper floor for community use, or for a much needed Town Centre Council Chamber and offices. There is no community use whatever and specialists are not engaged in structural discussions. A public 'consultation' request with a closing date of 31 Jan 2016 appears to have been abandoned.

There remains, therefore an absence of community space for use either by ATC or groups around the town or in Atherstone's hinterland.

It appears that now, ATC are renegeing on their public duty to provide the public space that they had previously advocated and requested for this community asset. This also appears to be in conflict with the contract of sale between NWBC and ATC.

Since this conflict is in direct contravention of the sales agreement, How does NWBC defend a loss of £100,000 by discounting for public use, while abjectly failing to monitor the progress of ATC in approving its jointly approved plans?

Can NWBC Resources Board explain how the general public cannot regard this shabby saga as being deliberately obscured from the relevant taxpayers?

The following response was given by Councillor D Wright, Chairman of Resources Board:-

The Contract of Sale of the Arcade to Atherstone Town Council includes a covenant which lasts for a minimum of five years but also for as long as the Town Council remains the owner of the property. That covenant requires Atherstone Town Council to make all reasonable efforts to allow and encourage Community use of the building.

In addition, there is a ten year restriction on the sale of the property which protects the Borough Council in relation to the originally discounted sale price.

The Arcade is under the ownership of Atherstone Town Council who are now responsible for the maintenance, upkeep and any future refurbishment of the building.

It is understood that the Town Council is in the process of writing to Mr Pickard to answer similar questions which he has raised with them on this same issue.

The Town Council is required to submit reports on Community Use and such reports are now considered by the Community & Environment Board following a decision made by the Council's Resources Board in June 2015. It is understood that the Town Council will submit a report on Community Use at the Arcade to the Community & Environment Board in time for its next meeting.

4 Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April 2016 - March 2017

The Chief Executive and Deputy Chief Executive informed Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April 2016 to March 2017.

Resolved:

That the performance achieved, as set out in the report of the Chief Executive and Deputy Chief Executive be noted.

5 Internal Audit – Plan of Work for 2017-18

The Deputy Chief Executive explained the basis upon which the Audit Plan for 2017-18 had been developed, using a variety of sources of information, to ensure that all appropriate aspects of service activity continued to be embraced as part of the approved three year review programme.

Resolved:

That the Audit Plan be approved.

6 Homelessness Service Update

The Assistant Director (Housing) provided an update on the current homelessness service and current trends and information about the Homelessness Reduction Bill and Implications for the Council.

Resolved:

- a That the current homelessness situation and trends be noted;**
- b That the implications of the Homelessness Reduction Bill be noted; and**
- c That a designated Homeless Persons Officer is recruited.**

7 Tenant Partnership Agreement 2017/18

The Assistant Director (Housing) presented the Council's Tenant Partnership Agreement to the Board for their consideration and provided background information about the regulatory framework for social housing landlords.

Resolved:

- a That the Homes and Communities Agency's regulatory requirements are noted;**
- b That the revised Tenant Partnership Agreement be agreed; and**
- c That the tenant participation activities undertaken during 2016-17 highlighted within the Tenant Partnership Agreement be noted.**

8 Payroll System

The Assistant Director (Finance and Human Resources) reported that notification had been received from Warwickshire County Council that the charge it made for running the Council's payroll system would increase from April 2017. Approval was sought for a supplementary estimate to cover this increase.

Recommendation to Executive Board:

That a supplementary estimate of £5,970 be approved.

9 Risk Management Annual Report 2016/17

The Assistant Director (Finance and Human Resources) informed Members of risk management actions undertaken during 2016/17 and the risks identified for 2017/18.

Resolved:

That the report be noted.

10 Annual Treasury Report for 2016/17

The Deputy Chief Executive reported on the out-turn for 2016/17, highlighted any areas of significance and sought to clarify a potential area of confusion in the 2017/18 Investment Strategy.

Resolved:

- a That the Annual Treasury Report for 2016/17 be noted;**
- b That the 2017/18 Investment Strategy be amended to include the clarification as set out in the report of the Deputy Chief Executive;**

Recommended:

- c That the Annual Treasury Report be approved; and**
- d That the amended 2017/18 Investment Strategy be approved.**

11 Rent Collection Policy

The Assistant Director (Housing) presented an updated rent collection policy and outlined how the Council would manage the collection of rent from tenants living in its housing stock.

Resolved:

- a That the excellent rent collection performance at the end of the 2016/17 financial year be noted; and**
- b That the updated Rent Collection Policy as set out in Appendix A to the report of the Assistant Director (Housing) be adopted with immediate effect.**

12 Members' Allowances Out-turn for 2016/17

The Assistant Director (Finance and Human Resources) advised Members of the allowances paid for 2016/17 and presented a revised appendix for allowances paid in 2015/16.

Resolved:

That the report be noted.

13 Flexible Tenancy Policy

The Assistant Director (Housing) sought approval for a policy approach to the management of Flexible Tenancy types in the Council's stock.

Resolved:

That the Flexible Tenancy Policy be adopted.

14 Exclusion of the Public and Press

Resolved:

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

15 Land at Trinity Close, Warton

The Assistant Director (Housing) asked the Board to consider the terms of sale for the development of its land off Trinity Close, Warton.

Recommended:

- a That the land be declared surplus to requirements; and**
- b That the Council's land off Trinity Close Warton as set out at Appendix A to the report of the Assistant Director (Housing), be sold in accordance with the valuation recommended by the independent Valuer.**

16 Garage Site – Church Lane Middleton

The Assistant Director (Housing) provided the Board with information about the Council's garage site at Church Lane Middleton.

Resolved:

- a That the condition of the garage site at Church Lane Middleton be noted; and**
- b That Middleton Parish Council be consulted before any decisions are made about the future of this site.**

17 Irrecoverable Local Taxation Debts

The Assistant Chief Executive (Community Services) detailed the amounts recommended for write off in accordance with the write off policy agreed by the Resources Board on 23 May 2016.

Resolved:

- a That the write off of balances over £5,350 totalling £46,842.78 in respect of unpaid Non Domestic Rates, as outlined in Appendix A which have already approved for write off under the Chief Executives Emergency Powers, be noted; and**
- b That Appendix B which summarises the total amount of write offs in the year to date and over the last 5 years, which includes those written off by the Assistant Chief Executive (Community Services) under delegated powers, be noted.**

18 Request to Purchase Land

The Assistant Director (Housing) informed the Board about a request to purchase land in the Council's ownership in Old Arley.

Resolved:

That the request to purchase the piece of land in Old Arley shown at Appendix A to the report of the Assistant Director (Housing) be refused.

19 Housing Maintenance Service

The Assistant Director (Housing) updated Members with regard to progress to improve the Housing Maintenance service for tenants and reported on proposed changes to the staff structure of Housing Direct Works.

Resolved:

- a That the current structure of the Asset Management Section be sustained until March 2018;**
- b That the role of Quantity Surveyor within the Asset Management Section be replaced by the role of Senior Surveyor;**
- c That the revised structure for the Housing Direct Works Section set out at Appendix A to the report of the Assistant Director (Housing) be agreed and implemented; and**
- d That the new job descriptions that support the revised structure are considered by the Special Sub-Group in advance of the implementation.**

20 Complaint Following Stage 2 Response

The Assistant Director (Housing) detailed a complaint against the Council with regard to decision making in relation to a claim for Housing Benefit, Council Tax Support and an application to join the Housing Register.

Resolved:

That the complaint made against the Council be not upheld.

21 **Land Issues**

The Assistant Director(Streetscape) and the Assistant Chief Executive & Solicitor to the Council updated Members on issues relating to land ownership at Sheepy Road, Atherstone and the steps being taken to date to tackle them. Members' view were sought on their preferred approach on a number of related matters.

Resolved:

- a That the contents of the report be noted;**
- b That the actions taken to date be endorsed and delegated authority be given to the Assistant Chief Executive and Solicitor to the Council to take all necessary steps, including legal action, in respect of the issues highlighted in this report and all associated matters;**
- c That the proposed course of action outlined in the report of the Assistant Chief Executive & Solicitor to the Council be agreed; and**

Recommendation to Executive Board:

- d That a budget is established, as set out in the report of the Assistant Chief Executive & Solicitor to the Council, to meet the potential cost of any future legal action.**

D Wright
CHAIRMAN

Agenda Item No 6

Resources Board

5 September 2017

Report of the Assistant Director Housing

Housing and Planning Act 2016 – Private Sector Housing Enforcement Implications

1 Summary

- 1.1 This report is to inform Members of the introduction of new legal powers to assist with the regulation of standards in private housing.

Recommendation to the Board

- a That the report be noted, and**
- b That the enforcement policy for private sector housing is updated and implemented as described, and subsequently promulgated, and that the Council's scheme of delegation in the Constitution is similarly revised as appropriate.**

2 Consultation

- 2.1 Councillors D Wright and Chambers have been sent an advanced copy of this report for comment. Any comments received will be reported verbally at the meeting.

3 Background

- 3.1 Members are aware that the Council has powers and duties to regulate standards of safety in private sector housing accommodation. From time to time, those powers are revised as developments require, to introduce more effective tools to protect resident's safety and health. These can include both physical housing standards, overcrowding, the provision of amenities and essential utilities, licensing of certain shared housing (Houses in Multiple Accommodation or HMOs), provision of smoke detectors and carbon monoxide alarms, protection from retaliatory eviction and related matters.
- 3.2 The Council has an enforcement policy which describes how those powers can be used, to provide a balanced and transparent service which functions for both tenants and landlords and their agents.

- 3.3 New powers introduced or commencing (in part, so far) on 6th April 2017 under the Housing and Planning Act 2016 give Councils new options to address offences under earlier legislation. They do not create any new offences other than breach of a Banning Order (not yet implemented – scheduled 1st October 2017), but provide alternative means of addressing existing offences.

4 Rogue landlords and housing enforcement

- 4.1 The Government began implementation Part 2 of the Act on rogue landlords and property agents in England from April 2017, with a number of further provisions expected to come into force in October 2017, according to DCLG's* implementation timetable. (Department for Communities and Local Government).

- 4.2 From 6 April 2017, rent repayment orders and civil (fixed) penalties became available to housing authorities taking action against landlords and property agents.

- 4.2.1 Rent repayment orders (RRO) will be available upon application to the First Tier Tribunal (FTT) in relation to a range of specified housing-related offences. Those offences are;

- Failure to comply with an Improvement notice (section 30)
- Failure to comply with a Prohibition Order (section 32)
- Breach of a Banning Order made under section 21 of the Housing and Planning Act 2016
- Using violence to secure entry to a property under section 6 of the Criminal Law Act 1977
- Illegal eviction or harassment of the occupiers of a property under section 1 of the Protection from Eviction Act 1977

In practice, the Act expands the availability of rent repayment orders in a number of additional areas beyond those already provided for by the Housing Act 2004, including illegal eviction and harassment of tenants under the Protection from Harassment Act 1977. These Orders may be applied for in the event of offences committed – to the satisfaction of the Council and First Tier Tribunal, not just for convictions. Tenants may apply for such Orders independent of the Council, if they have been paying the rent.

4.2.2 Local authorities will be able to impose a Civil Penalty Notice (CPN) of up to £30,000 on landlords and agents as an alternative to prosecution at the Magistrates' Court under the Housing Act 2004 for offences as follows;

- Failure to comply with an Improvement notice (section 30)
- Offences in relation to licensing of HMOs – Houses in Multiple Occupation (section 72)
- Offences in relation to licensing of houses under part 3 of the Act (section 95)
- Offences of contravention of an overcrowding notice (section 139)
- Failure to comply with management regulations in respect to HMOs (section 234)

Recipients of penalty notices will be entitled to appeal the service of the notice and amount of the fine to the First Tier Tribunal.

4.2.3 DCLG has issued statutory guidance on both issues, as below;

<https://www.gov.uk/government/publications/civil-penalties-under-the-housing-and-planning-act-2016>

<https://www.gov.uk/government/publications/rent-repayment-orders-under-the-housing-and-planning-act-2016>

Both sets of guidance encourage but do not explicitly require Council's to 'develop and document their own policy(ies) on determining whether to issue a CPN and/or an RRO and the amount(s) to seek'.

4.3 It is anticipated that October 2017 will also see the launch of the national database of rogue landlords and property agents and the introduction of banning orders.

4.3.1 The database of rogue landlords and property agents will be operated by DCLG but its content will be managed and maintained by local authorities. Details of landlords and property agents who have been convicted of various housing-related offences will be made more widely available, some on a mandatory and others on a discretionary basis.

4.3.2 Banning Orders will prohibit landlords or agents from letting their own properties or from any involvement in the lettings and property-management industry or associated companies.

- 4.4 Local authorities will be able to apply to the First Tier Tribunal for the making of an order following the commission of ‘banning order offences’ by landlords and agents, which may then be made on a discretionary basis for a minimum period of 12 months and maximum unlimited period. Further, the making of a banning order will provide grounds for the making of a management order under s. 101 of the Housing Act 2004, permitting local authorities to take over the management and letting of the property in question and to keep the receipts of rent generated by lettings.
- 4.5 A public consultation on banning order offences launched on 13 December 2016 and closed on 10 February 2017. Outcomes are awaited.
- 4.6 Banning orders are a severe sanction and will be reserved for the most serious cases, given their effect will be to deprive landlords and agents of their income and livelihood for a potentially unlimited period of time. The Government’s proposed list of offences however covers a wide range of circumstances, including not only the typical housing-related offences contained in the 1977* and 2004 Acts but also a broad range of “serious criminal offences” if committed by landlords or agents at their properties. It also cites the controversial ‘right to rent’ offences arising from Part 3 of the Immigration Act 2014, which criminalise landlords who fail to confirm their tenants’ immigration status. (*Criminal Law Act 1977 section 6 – using violence to secure entry to a property, and Protection from Eviction Act 1977 section 1 – illegal eviction or harassment of occupiers of property)
- 4.7 Effectively, the new powers give Councils additional options in regard to Rent Repayment Orders (RRO) of up to a maximum 12 months’ rent, and Civil Penalty Notices (CPN) of up to £30,000 as an alternative to prosecution. The burden of proof for those offences remains the same criminal Court standard – beyond reasonable doubt. Cases also have to pass the threshold of guidance issued to Crown Prosecutors, that of a reasonable prospect of conviction and a ‘public interest’.
- 4.8 These new options need adding to the existing tools in the Council’s enforcement powers, and have to fit in relation to more and less severe options. Each case is individually assessed against a range of aggravating and mitigating circumstances to determine both the available options and the most appropriate choice. The Council’s constitution has a scheme of delegation, with certain decisions requiring Members consideration or notification, but with many other routine and lower impact operational decisions being taken by the Assistant Director (Housing) and/or Environmental Health Manager (Private Sector Housing).
- 4.9 Some options can be chosen in combination, whilst others may be exclusive – for example, if a caution has been given and accepted, or a civil penalty notice issued and paid, a prosecution cannot be undertaken for the same matter.

- 4.10 Appendix A contains a proposed update to the Council's existing Private Sector Housing enforcement policy and protocols, and in particular a matrix of some of the matters the Council may consider in determining which course or courses of action to take, and to determine the amounts of CPN and RRO sought. Most actions and notices are subject to appeal usually to a First Tier Tribunal, a quasi-Court specialising in housing and property matters. The actions of the Council and its staff have to be accountable, evidenced and proportional. The new 'decision matrix' helps officers to evaluate the merits of each case. This evaluation could form part of an evidence file, and may then be disclosable to the Tribunal or similar. This, however, should be an advantage as it will demonstrate the Council's reasonableness in reaching its decisions.
- 4.11 It is proposed that decisions to issue, revoke or vary RROs and CPNs, or to uphold, waive or reduce them on consideration of representations and the amounts, and that the amounts sought up to the statutory maximum should be determined by the Assistant Director (Housing) and/or Environmental Health Manager (Private Sector Housing). However, relevant reports will continue to be made to local Members and the Board as appropriate, along with the outcomes of any appeals and statements of income received.
- 4.12 The new legislation also introduced powers for the Council to access and use data held in all of the three statutory tenancy deposit security schemes, which will help to identify both rented properties and those landlords whom manage them. Hitherto, there was (and is) no national database or requirement to license most private rented accommodation, but this new provision gives Council's lawful access to useful data for very restricted purposes.

5 Report Implications

5.1 Finance and Value for Money Implications

- 5.1.1 The impact of the proposals cannot be quantified but should as a minimum be positive, as the Council can retain income from Civil Penalty Notices and recover rent benefits via RROs (unlike court fines which belong to the Treasury), and providing a quicker and less expensive alternative to prosecution.

5.2 Safer Communities Implications

- 5.2.1 Healthy and safe housing and more secure tenancies all have positive implications for safer and stable communities.

5.3 Legal and Human Rights Implications

5.3.1 The new provisions are intended to be used by Council's and have to be integrated into its practice, following appropriate consideration and care, to protect the human rights of both tenants and property owners. Owners (landlords and their agents) have rights of challenge and appeal. Tenants also have rights to take civil or private legal action, but should not have to do so if it is more appropriate for the Council to act in their defence.

5.4 Environment and Sustainability Implications

5.4.1 Broadly neutral or positive – improving housing standards should reduce energy waste and inefficiency, and also reduce the need for extra housing.

5.5 Health, Wellbeing and Leisure Implications

5.5.1 Clearly positive for both health and wellbeing, if it supports the Council's efforts to reduce or remove serious safety hazards from accommodation. Neutral leisure impacts.

5.6 Human Resources Implications

5.6.1 These new powers will need training out amongst the small team, but may enable greater effectiveness if they reduce the time taken to resolve particular cases. This may be offset by greater case demand as the Council engage more proactively with the rented sector as a result of deposit scheme data, for example.

5.7 Risk Management Implications

5.7.1 As changes to an existing policy, the risk assessment is will be updated.

5.8 Equalities Implications

5.8.1 There is no apparent equality implication, and so an Equality Impact Needs Assessment not been carried out.

5.9 Links to Council's Priorities

5.9.1 Private sector housing enforcement is a statutory duty and service, and the Council should conduct it effectively in the context of available powers.

The Contact Officer for this report is David Baxendale (ext. 2322)

Background Papers

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

Background Paper No	Author	Nature of Background Paper	Date

Appendix A

Private Sector Housing - Enforcement Policy & Protocol (revised September 2017)

- What is this document? This document explains North Warwickshire Borough Council's (NWBC) policy regarding enforcement of powers and duties introduced by the Housing Act 2004 and associated matters, **as updated by the Housing and Planning Act 2016 and other legislation relating to smoke and carbon monoxide detectors, retaliatory and illegal eviction and harassment, 'redress schemes' and suchlike.**
- Why was it written? It was written to enable the enforcement decision making processes to be understood and properly used, following the principles of clarity, consistency, fairness and helpfulness.
- Who is it for? It is suitable for a wide audience including elected Members, officers and staff, the public (as owners, occupiers, landlords and tenants) letting/managing agents. It may also assist in any dealings with Residential Property Tribunals (First and Upper Tier) and Courts.

POLICY: OVERVIEW

Legislation has provided powers, duties and opportunities, both civil and criminal, to improve housing conditions for over 150 years. Councils as local housing authorities have a key role to use legal powers and other measures to target and improve, close (prohibit occupation in whole or part) or demolish the worst properties and those occupied in particular by vulnerable residents. The Housing Act 2004 was enacted with major provisions introduced to consolidate the powers and opportunities available to Councils to meet those difficult goals, and in particular;

- Replace the pass/fail fitness standard with an evidence based Housing Health and Safety Rating System [HHSRS],
- Replace many enforcement powers with new measures,
- Introduce mandatory licensing of certain Houses in Multiple Occupation [HMO] and the opportunity to use additional and selective licensing elsewhere,
- Introduce management orders and powers to deal with empty dwellings and overcrowding,
- Create Residential Property Tribunals to arbitrate on specialist matters formerly referred to County Courts, (now renamed First and Upper Tier Tribunals, Property Chamber)

Those powers have been revised and updated by changes introduced under the Housing and Planning Act 2016 (pending some commencement Orders), along with other legislation as this report describes.

Concerns about housing standards come to the Council's attention in several ways, both direct and indirect. Residents may make a complaint or request a service or advice, a grant or other aid. Information may come from staff of other teams or departments, from elected Members, from other agencies, carers, agents, family or friends. The Council is *obliged* to investigate on receipt of an *official complaint* from a Justice of the Peace or Parish/Town Council, and the need to inspect in most other circumstances above or otherwise where the Council believe there are hazards is implied.

It is usual to offer to visit and sometimes inspect the subject property, but if the resident (or landlord) refuses then entry can still be gained by warrant if necessary for compelling reasons.

There are several different types of property **tenure** which may influence the Council's ability to act or choice of action;

Council housing - as a landlord the Council is obliged to meet legal standards and work towards the Decent Homes goal. It has processes to both improve and maintain its properties by programmed works and in response to complaints, requests or the findings of stock condition or property surveys (e.g. on a property being vacated). Private sector housing staff do not currently inspect Council housing unless requested by or agreed with senior management and in a technical advisory capacity, as the Council cannot take enforcement action against itself. Generally, Council housing is in good condition.

Registered Social Landlord [RSL] - These bodies are similar to the Council as a landlord but staff can inspect and can take enforcement action if necessary, though informal contacts and negotiation are more usual and formal enforcement almost never necessary. Generally, RSL housing is in good condition.

Private sector rented - owned by a person or company, sometimes represented by a local professional managing agent, and occupied by tenants or as part of an occupational e.g. agricultural lease or similar. This sector features disproportionately higher levels of older and poorer condition properties and vulnerable residents. Some tenancies require tenants to maintain the property. **Private sector tenants may have different types of contract, the standard being a six month Assured Shorthold Tenancy (AST), whereas others may have secure tenancies with different rights.**

Private sector owner-occupied - occupied by the owner and/or their family, and generally in better condition than most private rented though some older housing stock occupied by elderly/retired or low-income groups may have hazards without the resources to maintain (i.e. capital value is 'locked in' with little available revenue to maintain or improve).

Vacant - Most vacant properties are for sale or recently sold and awaiting their new residents or repairs, with most vacancies brief and measured in a few weeks or months. Some properties remain vacant for prolonged periods for a variety of reasons, and subsequently deteriorate. The latter can become a problem to its neighbours and community, a lost housing resource and a target for crime, arson and vandalism.

Other – some properties are now in shared ownership, or else have released equity and are partly owned by non resident individuals or companies. Other property may be let on a license rather than a tenancy, with fewer rights to the occupier. Also, some properties are let as lodgings, usually with a live-in landlord (or as a sub-let 'room share' arrangement), and others may be occupied by extended family. Responsibilities and rights can become complex and staff take great care to ensure the most appropriate solutions are implemented.

Priority will usually be given to dealing with occupied property over vacant, and within occupied property to that where vulnerable residents or other risk groups live or visit frequently e.g. the elderly, small children, low income, ill/frail, disabled, overcrowded etc., and for tenanted property above owner-occupied.

What is an 'inspection' and who does them? - anyone may see things or be told about conditions in a dwelling which raise their concerns. Those concerns should be passed in confidence and swiftly to a trained, qualified and experienced inspector (allocated by the Environmental Health Manager). Only those staff should conduct a detailed inspection and have authorised rights of entry under legislation and the Council's scheme of delegation. Prior notice of inspection except in an emergency is required, and a warrant can be sought in some circumstances to enter by force and leave secure.

Inspections should be recorded thoroughly in writing and 'scored' under the HHSRS on return to the office. Photographs are useful if permitted by the occupier/landlord. HHSRS guidance and regulations must be followed, and standard scoring / inspection forms

completed where available. Note – an inspection (**Housing Act 2004, section 239**) differs from an informal advice visit. Some tenants are fearful of alerting their landlord to a potential complaint and provoking eviction, and so their wishes for initial informality and confidentiality must generally be respected. **A Code of Practice on Powers of Entry under the Protection of Freedoms Act 2012 requires Council inspectors to issue a 'notice of powers and rights' to the owners and occupiers of inspected properties.**

Due to the relatively low number of complaints of poor housing conditions in North Warwickshire and the diversity of matters which could influence the Council's response, this document cannot be over-prescriptive. However, similar cases should be treated consistently unless there are good reasons for variation, and ALL decisions and actions should be justifiable with their key reasoning recorded. There are usually a number of possible responses, and the least formal or stringent intervention should usually be employed if it is sufficiently effective. Actions can be stepped up or down, suspended or revoked as necessary.

Housing Act 2004 Part 1 - Housing Health & Safety Rating System [HHSRS] and Enforcement (General)

Dwellings, as from 6.4.2006, are inspected and judged against a standard known as the *HHSRS* which replaced the *fitness standard* in previous legislation (Housing Act 1985 and prior). A record of property inspection shall be made in accordance with Regulations and Guidance. The calculation of hazard scores shall be undertaken by the published method. The outcome of those calculations may be that a dwelling contains;

- a) one or more category 1 (serious) hazards,
- b) one or more category 2 (less serious to minor) hazards, or
- c) a combination of category 1 and 2 hazards, or
- d) no undue hazards.

Note: EVERY property, even a brand new house, will have at least some category 2 hazards because no home is 100% safe – most, though, will be low scoring and not requiring any remedial action. It would be impossible to score zero for all 29 hazard categories. **See Hazard list at Appendix C.**

Hazards are classified on a number scale of 1 to 5000+ and grouped into ten bands, labelled A-J. Bands A-C are category 1 hazards (scoring 1000 points or higher) where the Council has a duty to act, bands D-J are category 2 (up to 999 points) where the Council have discretionary powers but no obligation. This system allows different problems to be prioritised relative to each other, singly or together. For example, it may be more urgent to deal with a band A hazard than a band C (even though both are category 1), or to use a different type of enforcement measure. Several band E hazards may be compared differently to a single band D hazard, though scores cannot be simply added. The number of hazards, their scores (bands and categories) and relationships to each other should influence the chosen course of action.

Other factors to consider when choosing or consulting on a measure include;

- The urgency of risk
- The wishes of the occupants and owner,
- Compliance history of the landlord or agent,
- The presence of vulnerable or high-risk groups or overcrowding,
- Evidence of intent, profit, gain or malice (by a landlord),
- If a response is mandatory or optional.
- **new 2017 'decision matrix' of aggravating and mitigating factors for consideration**

The range of responses to hazards identified under the HHSRS are;

1. no action, advice only or informal persuasion (verbal or written),

2. consideration of financial or technical aid under the Council's policies, or referral to other agency or scheme,
3. a Hazard Awareness Notice (no enforceable outcomes or sanction)
4. an Improvement Notice (which may be suspended)
5. a Prohibition Order (which may also be suspended and which may apply to part or all of a premises)
6. Emergency Remedial Action and/or Emergency Prohibition Order (category 1 hazards only)
7. Demolition or Clearance (again, category 1 hazards only)

Councils will also want to consider the practicality and merits of doing work-in-default for non-compliance and/or summons for prosecution, together with the recovery of enforcement costs. **Work in default would require an appropriate BUDGET, though sums expended should be recoverable.**

Examples of when each of the above would and would not be appropriate and technical instructions on their application are detailed in national enforcement guidance (see References, resources, links). These notes do not need nor intend to duplicate that guidance. Procedures relating to serving, applying or appealing various orders and notices are at schedules 1-3 of the 2004 Act.

Housing Act 2004 Part 2 and schedules 4 & 5 - Mandatory Licensing of Houses in Multiple Occupation (HMOs)

A national scheme of licensing for certain types of HMO was also introduced on 6.4.2006, requiring HMOs which required a license to apply by 3.7.2006. The Council has an application system including forms and fee structures to enable applications to be received, processed and determined. This includes a *fit & proper person test* for HMO owners/managers and is available online by download, or can be supplied by email.

The enforcement provisions apply where an HMO which should be licensed is not (or fails to apply), or a licensed HMO does not meet the conditions of the license, the owner/manager fails to meet or maintain *fit & proper* status, or if an application is refused or revoked. There are also provisions to surrender and transfer licenses and for Temporary Exemption Notices (3 months, maximum twice, **which tolerate an unlicensed HMO whilst works are undertaken to exempt it from the licensing regime**).

Part 1 of the 2004 Act (the Housing Health & Safety Rating System) applies to HMOs as do HMO Management Regulations. There are only a small number licensable HMOs in North Warwickshire and efforts continue to identify more. All licensable and non licensable HMOs are inspected proactively, as well as on receipt of any complaint.

HMOs which fail to meet or maintain the conditions of their license may be subject to criminal sanctions (prosecution, fine on conviction of up to £5,000) and/or license revocation, **and potentially a Civil Penalty Notice from 6.4.2017.**

If applications for an HMO license are refused or revoked the Council may be obliged to seek an Interim Management Order which takes control of the property, but would seek to do this via an appropriate third party. Longer term (Final) Management Orders can follow if conditions require them - see below.

NOTE: recent Government consultation on extending the mandatory licensing scheme is due to report later in 2017 and may see much wider application of the mandatory scheme – this will be reported further in due course.

Housing Act 2004 Parts 2 & 3 and schedules 4 & 5 - Additional and Selective Licensing

Parts 2 and 3 of the 2004 Act introduce the options for additional and selective licensing for other types of HMO and non-HMO property. Local circumstances do not currently justify invoking either of those options but the matter will be kept under review.

Housing Act 2004 (other)

Interim and Final Management Orders (IMOs / FMOs) are prescribed in detail in part 4, chapter 1 of the Act and schedule 6. Councils have a *duty* in some circumstances and a *power* in others to make IMOs of up to 12 months, effectively taking control of the premises to secure safe living conditions. An IMO can be followed by an FMO of up to five years if conditions require it. This happens very rarely, and appeals provisions exist.

Interim and Final EMPTY DWELLING Management Orders (IEDMO / FEDMO) are prescribed in detail in part 4, chapter 2 of the Act and schedule 7. These are intended to secure the occupation of dwellings which meet certain criteria such as being wholly unoccupied for more than six months, and are a *discretionary power not a duty*. A Council must make an application to a First Tier (Residential Property) Tribunal. This is a potentially useful mechanism but with complex financial and management implications, liabilities and risks. Its use by other Councils is being monitored, and since their introduction the scope of eligibility has been narrowed to require evidence of Anti-Social Behaviour and that the property had been vacant for at least two years – increased from an original six months. Alternative powers and opportunities exist to tidy up the appearance of buildings, property and sites via different legislation, but they would not necessarily bring the property directly back into occupation or use. Recent (2017) data suggests that EDMOs are used very sparingly by Councils, particularly since changes in their rules meant their remit was much more narrowly focused. For example, none have been issued by Midlands authorities since 2011.

Chapter 3 of part 4 of the Act describes an overcrowding notice mechanism that can apply to HMOs not requiring a mandatory license and not subject to an IMO or FMO. The notice specifies the maximum number of persons that a room can accommodate for sleeping, and relates that number to person's ages and gender. It specifies offences of failing to comply with the notice or allowing overcrowding, and the Council may vary or revoke the notice, which can also be appealed.

Other parts of the Act discuss secure tenancies, right-to-buy issues, overcrowding (general, not HMO), energy efficiency, mobile homes, gypsies & travellers, Residential Property Tribunals, enforcement matters and HMO 'declarations' and definitions. They are not described further in this note and the original texts and guidance should be studied.

Smoke Detectors and Carbon Monoxide Alarms

Legislation introduced in 2015 required landlords to install, test and maintain smoke and carbon monoxide detectors in certain properties and circumstances, and was reported to Members in November 2015.

Landlord Redress Schemes

Letting and Managing Agents acting as third-parties for landlords and property owners have recently had to become members of an approved complaints (or 'redress') scheme, of which three have statutory status. All have so far been found compliant, but offenders may be subject to a financial penalty of up to £5000.

Retaliatory Eviction

Powers introduced in 2015 also improved tenant's protections from retaliatory evictions, when they report concerns about repairs for example, and some landlords would respond by issuing a section 21 no-fault 'Notice to Quit'. This was reported to Members in November 2015.

Right to rent

For information only, this requirement is not enforced or administered by the Council but instead by the National Immigration service as part of the Home Office Border Force. However, as we may come across circumstances, staff may refer cases onwards for investigation.

Letting agents fees

Legislation requires letting agents to prominently display their fees on their website and premises, but this again is not enforced by local Councils but by Trading Standards authorities. Proposed changes may also soon result in such fees being abolished.

Banning Orders and the Database of Rogue Landlords

(to be added – after October 2017)

PROTOCOL: PRIVATE SECTOR HOUSING ENFORCEMENT

Our duties and obligations;

The Council currently offers grants, loans, advice and assistance for private sector residents, both owner-occupiers and tenants as well as landlords. It has enforcement roles in relation to 'fitness for human habitation' (now 'hazards' under the Housing Act 2004), overcrowding and Houses in Multiple Occupation [HMO's]. It is obliged to investigate complaints of poor housing and to 'consider the housing conditions in its district ... to determine how to perform its functions' in certain respects [Housing Act 1985 section 605]. It is obliged to consider applications for Disabled Facilities Grants which remain the only mandatory grant, and give decisions within six months.

How we encourage and support compliance;

The Council has a corporate Housing Strategy, a Private Sector Housing Renewal Strategy (delivered via the County wide HEART service – policy update report September 2017), a Home Energy Conservation Act Strategy. It also has powers and projects relating to fuel poverty and empty homes.

Private Sector Housing is a small team of housing professionals and specialists who offer information, advice and assistance on all of the above matters. Printed information is available by post or Email, through Council offices and via the internet, in addition to home visits. This information includes (via HEART) lists of local tradespeople and advice on choosing and managing a contractor and standards of work.

The Council's has grant budgets for decent homes, disabled facilities and energy/minor repairs. The budget also supports the HEART service (a County wide expanded Home Improvement Agency) operated by Nuneaton and Bedworth Borough Council, covering North Warwickshire since 2004 – recently recommissioned with a broader remit.

The Housing Act 2004 made provision for a mandatory HMO (House in Multiple Occupation) licensing scheme, selective licensing of private sector landlords in low demand areas and a Housing Health and Safety Rating System to replace the fitness standard. There are only six licensed HMOs in North Warwickshire. Several others are known, but are not of sufficient size or risk to meet the criteria for mandatory licensing.

What we do when the law is broken;

The Council must consider the most appropriate course of action in respect of dwellings with HHSRS category 1 or 2 hazards. The result may be an Improvement Notice or Prohibition Order (suspended option available for each), Hazard Awareness Notice or notice of Emergency Remedial Action or Emergency Prohibition Order. Guidance from the DCLG assists in that determination. However, where the property is owner-occupied such outcomes are not forced on unwilling residents unless there are compelling reasons. Failure to comply with a notice or order would be an offence, and the result may be work-in-default [for repairs type notices] and/or prosecution, or from 6/4/2017 A Civil Penalty Notice and/or Rent Repayment Order plus rogue landlord consequences (banning order, listing of rogue landlords). The circumstances of the failure to comply or breach would be considered in the context of **this** Enforcement Policy before a decision on prosecution or other sanctions was taken. Protection of the health and safety of tenants, their families and visitors is paramount. The deterrence of harassment is also significant.

In all such cases, and those below, correspondence with the owner/agent is vital, joint site visits may be appropriate, and pre-formal enforcement negotiations by letter(s) and meeting(s) may be required. The intentions of the owner/agent and the plans of any tenants e.g. to move elsewhere may be relevant. Staff would assist by detailing the building problems and potential remedies, and providing lists of contractors and standards of work. Where some problems are beyond our knowledge, staff may suggest an appropriate professional e.g. plumber, electrician, structural engineer.

Where a dwelling is not unsafe (HHSRS 1), but may be overcrowded, other notices and mechanisms may be appropriate [e.g. limiting number of occupants]. Each case must be judged on its merits, and action under legislation other than the Housing Acts, e.g. the Environmental Protection Act 1990, may be more appropriate (to deal with as prejudicial to health).

Failure to license an HMO would be an offence requiring consideration of prosecution and/or RRO, if the owner continually refuses to comply or meet standards, as would breaching conditions of licensing or failure to pay the fee. Further powers exist to deal with HMO's inadequate for their occupants, for fire safety or neglect of management.

Tenants of rented property have certain rights, and their landlords have certain obligations, where there is disrepair. Extensive guidance is available from documents from the DCLG which can be downloaded from their website. Basically, there are three types of rights;

- Repairing obligations in the tenancy,
- The Duty of Care, and
- Nuisance.

Action can be taken under the Landlord and Tenant Act 1985, Defective Premises Act 1972 and/or the Environmental Protection Act 1990 **by the tenant.**

References, resources, links etc.

<http://www.communities.gov.uk/corporate/> and follow the menu bars to Housing.

'Housing disrepair legal obligations: Good Practice Guidance'.

<https://www.gov.uk/government/publications/housing-disrepair-legal-obligations-good-practice-guidance>

Housing Act 2004 ISBN 0-10-543404-3 or

<http://www.opsi.gov.uk/acts/acts2004/20040034.htm>

Explanatory Notes to the Act - <http://www.opsi.gov.uk/acts/en2004/2004en34.htm>

Factsheets to the Act -

http://www.odpm.gov.uk/stellent/groups/odpm_housing/documents/divisionhomepage/035234.hcsp

Regulations, Guidance and commencement Orders arising from the 2004 Act, including;

- The Housing Health and Safety Rating System (England) Regulations 2005
 - HHSRS Operating guidance;
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf
 - HHSRS Enforcement guidance;
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7853/safetyratingsystem.pdf (under review)

Housing and Planning Act 2016

<http://www.legislation.gov.uk/ukpga/2016/22/contents/enacted>

Rent Repayment Orders guidance

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/606654/Rent_Repayment_Orders_guidance.pdf

Civil Penalty guidance

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/606653/Civil_Penalties_guidance.pdf

Smoke & Carbon Monoxide guidance

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/464717/1509_29_SC_Explan_book_Annex_A_LandlordsTenants_REVISED.pdf

Retaliatory Eviction guidance

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/465275/Retaliatory_Eviction_Guidance_Note.pdf

Redress Schemes guide

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/361556/Lettings_Agents_and_Property_Managers_redress_scheme_leaflet.pdf

Right to Rent guide

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/573057/6_11_93_HO_NH_Right-to-Rent-Guidance.pdf

The DCLG website <https://www.gov.uk/government/organisations/department-for-communities-and-local-government>

The Chartered Institute of Housing <http://www.cih.org/> and Chartered Institute of Environmental Health <http://www.cieh.org/> (see especially HMO Licensing Project Plan) and professional groups representing landlords, and tenant's organisations such as Shelter.

Appendix A1: Housing Act 2004 / Housing & Planning Act 2016 'enforcement' decision matrix: Relevant factors and options

On identifying a problem or issues with a property, the Council inspector – with appropriate supervision and reference to Management – will consider where on an escalating scale of intervention those matters should be addressed;

No further action – in negotiated agreement with tenant if any and resolved positively
 Informal advice or warning – verbal and/or written, potential RRO if offence admitted
 Serve of a variety of enforcement notices – in accordance with HHSRS or other statutory guidance, local policy, statement of reasons etc., - **see list below**

On breach of notice or further incident – the above and/or;

Formal legal caution – recorded and valid for 3 years (requires admission of guilt), can also expose landlord to CPN/RRO by admission

Works-in-default (WID) - If no need to escalate, could still issue CPN and/or RRO. **Requires budget**, may have to recover costs, may do so by agreement and property charge.

Variation of notice – extra time or altered terms

Civil Penalty Notice (new as at 6.4.2017) – detailed statutory guidance, local supplementary principles of size of financial penalty, challenge mechanism, criminal burden of proof, income to Council not Treasury, can combine with WID, only with RRO for Improvement Notice offence, can enter on Rogue Landlord Database if 2nd or further CPN.

Rent Repayment Order (new as at 6.4.2017) – detailed statutory guidance, complex formula for determining amounts excepting maximum 12 months rent on conviction (if Council or tenant applies to FTT), can be split with tenant or tenant can make own claim, challenge mechanism, criminal burden of proof, can be done without prosecution, sum retained by Council not Treasury
 Waive or reduction of RRO / CPN on representation.

Prosecution – Crown Prosecutors code of practice, discussion with Assistant Director, Legal etc., conviction requires consideration of RRO and Banning Order / Rogue Landlords Database

Banning Order – on conviction for relevant 'Banning Order' offence (when implemented)

Rogue Landlords Database (for convicted Banning Order offence and/or 2 or more CPNs)

Revoke HMO License (or refuse application or renewal) – may require IMO (Interim Management Order), leading to FMO (Final Management Order)

NOTE – some of the above options can be used in combination, others are exclusive.

What offences?	options
Housing Act 2004 section 30 (Improvement notice - IN)	Caution / informal, work in default (WID), prosecution, RRO and CPN
Housing Act 2004 section 72 (HMO license)	Caution / informal, CPN, RRO, prosecution
Housing Act 2004 part 3, s.95 (selective licensing)	Caution / informal, CPN, RRO, prosecution
Housing Act 2004 section 32 (Prohibition Order - PO) and EPO (Emergency PO)	Caution / informal, prosecution
Housing Act 1985 section 139(7) (overcrowding)	Caution / informal, CPN, prosecution
HMO Management Regs s.234	Caution / informal, CPN, prosecution
Local Govt. Miscellaneous Provisions Act 1976 (Request for Information – failure to return)	Caution/informal, prosecution

Smoke/Carbon Monoxide alarm	Caution / informal, WID, CPN
Landlords Redress Scheme (not being a member of an approved scheme)	Caution / informal, CPN to max. £5000,
Housing and Planning Act 2016 s.21 - breach banning order	Caution / informal, RRO, prosecution
Criminal Law Act 1977 s.6 (violence to secure entry)	Caution / informal, RRO, prosecution
Protection from Eviction Act 1977 s.1 - illegal eviction or harassment	Caution / informal, RRO, prosecution

NOTE; Emergency remedial action is only followed by cost recovery option, subject to First Tier Tribunal appeal - NOT prosecution or other sanction
Demolition Order (HA 1985) updated by HA 2004 but no additional sanction powers

Statutory guidance requires that Councils consider the following factors in determining their decisions to apply a CPN and/or an RRO, and the amount of CPN to seek;

CPN and RRO;

- a. Punishment of the offender – to have a real economic impact on the offender demonstrating the consequences of not complying with their obligations, to include the behaviours of both landlord and tenant, financial circumstances of the landlord, previous convictions, proportionality and any pattern of offending.
- b. Deter the offender from repeating the offence – sufficiently high to deter repeat.
- c. Deter others from committing similar offence – ditto robust and proportionate to send a clear deterrent message to others.
- d. Removing financial benefit the offender may have obtained as a result of offending – it should not be cheaper to offend than to comply,

CPN only;

- e. Severity of the offence – more serious attracts higher penalty
- f. Culpability and track record of offender – slight overlap with (a) above, but also if the actions were deliberate and if they knew or should have known, for examples being a professional landlord
- g. The harm or potential for harm (risk) and actual or possible impacts to the tenant – greater harm/risk attracts higher penalty

In addition, not just for CPN/RRO decisions but for other options as indicated above, the following list of aggravating and mitigating factors may be considered relevant

FACTORS - (mitigation/reduction)	FACTORS + (aggravation/escalation)
Single offence	Multiple offences
Less culpable	More culpable
Minor / technical, complex	Serious, simple to understand
Little/no harm	Greater harm
Little/no risk	Greater risk
Accidental / misunderstanding (technical)	Deliberate, predictable
Not preventable or foreseeable	Preventable, forewarned or obvious
Good record, no previous offences	Poor record, prior compliance problems
Accredited or member of professional body	Not accredited, nor member of prof. body etc.
Not on rogue landlord database	On rogue landlord database
Recent / brief or resolved offence	Long standing, ongoing problem(s)

No financial gain	Financial gain (how much?)
No vulnerable tenant / group	Vulnerability, several persons exposed
Compliant, cooperative, engaged	Not compliant, uncooperative, disengaged
Enforcement fee paid	Enforcement fee not paid
Req. for info (RFI) returned	RFI not returned
Put right, properly and promptly	Not put right, or not swiftly or fully
Tenant fault / contribution (unreasonable) or obstruction / agenda	No tenant fault / contribution
Amateur landlord, little/no experience, single property?	Professional / multiple (portfolio) landlord or agent - experienced
Little / no community impact	Higher community impact
No aggravating circumstances (violence)	Harassment / intimidation, illegal or retaliatory eviction
Single agency (Council) only	Other agencies – Trading Standards, Health & Safety Executive, Fire etc.
No campaign	Campaign (target)

DCLG have not produced a 'Civil Penalties Matrix', akin to sentencing guidance, on these new powers – leaving Councils to produce their own. Draft guidance from a West Midlands group is at Appendix B, for reference only. A consortium of Greater London Authorities is also apparently working on such a document which will – when produced - be referred to alongside any other relevant professional guidance in determining CPN levels and discounts. Such documents may be added as references to this policy in due course.

Appendix B

Charging table for determining value of Financial Penalties imposed under Housing Act 2004

Failure to comply with an Improvement Notice (Section 30)		£
1st offence	<i>(note 1)</i>	5000
2nd subsequent offence by same person/company	<i>(note 2)</i>	15000
Subsequent offences by same person/company	<i>(note 7)</i>	25000
Premiums (use all that apply)		
Acts or omissions demonstrating high culpability	<i>(note 8)</i>	+2500
Large housing portfolio (10+ units of accommodation)	<i>(note 3)</i>	+2500
Multiple Category 1 or high Category 2 Hazards	<i>(note 4)</i>	+2500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	<i>(note 5)</i>	+2500
Perpetrator demonstrates Income to be less than £440/week	<i>(note 6)</i>	-50%

Offences in relation to licensing of HMOs under Part 2 of the Act (Section 72)		£
Failure to obtain property Licence (section 72(1))	<i>(note 1)</i>	10000
2nd subsequent offence by same person/company	<i>(note 2)</i>	30000
Perpetrator demonstrates Income to be less than £440/week	<i>(note 6)</i>	-50%
Breach of Licence conditions (Section 72(2) and (3)) - Per licence breach		5000
Perpetrator demonstrates Income to be less than £440/week	<i>(note 6)</i>	-50%

Offences in relation to licensing of HMOs under Part 3 of the Act (Section 95)		£
Failure to Licence (section 95(1))	<i>(note 1)</i>	10000
2nd subsequent offence by same person/company	<i>(note 2)</i>	30000
Perpetrator demonstrates Income to be less than £440/week	<i>(note 6)</i>	-50%

Breach of Licence conditions (Section 95(2)) - Per licence breach		5000
Perpetrator demonstrates Income to be less than £440/week	(note 6)	-50%

Offences of contravention of an overcrowding notice (section 139)		£
1st relevant offences	(note 1)	5000
2nd subsequent offence by same person/company	(note 2)	15000
Premiums (use all that apply)		
Acts or omissions demonstrating high culpability	(note 8)	+2500
Vulnerable occupant and/or significant harm occurred as result of overcrowding (note 3)		+2500
Perpetrator demonstrates Income to be less than £440/week	(note 6)	-50%

Failure to comply with management regulations in respect of HMOs (Section 234)		£
1 st relevant offences	(note 1)	1000/offence
Second subsequent offences by same person/company for the same offence		3000/offence
Premiums (use all that apply)		
Acts or omissions demonstrating high culpability	(note 8)	+2500
Large housing portfolio (10+ units of accommodation)	(note 3)	+2500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	(note 5)	+2500
Perpetrator demonstrates Income to be less than £440/week	(note 6)	-50%

NOTES

Note 1 – Offences that may be dealt with by way of imposing a financial penalty

The starting point for a financial penalty is based on the number of previous convictions or imposition of a financial penalty for the same type of offence in the previous four years.

After the starting point has been determined, relevant Premiums are added to the starting amount to determine the full financial penalty to be imposed

No single financial penalty may be over £30,000. Where the addition of all relevant premiums would put the penalty above the maximum, it shall be capped at £30,000

Note 2 - 2nd subsequent offence by same person/company

The Council will take into account any such convictions or financial penalties irrespective of the locality to which the offence relates.

Note 3 - Large housing portfolio (10+ units of accommodation)

The premium is applied where the perpetrator has control or manages of 10 or more units of accommodation.

For the purposes of this premium, the definition of a person having control and person managing are as defined by Housing Act 2004 Section 263.

Note 4 - Multiple Category 1 or high Category 2 Hazards

This premium will apply where the failure to comply with the Improvement Notice relates to three or more Category 1 or high scoring Category 2 hazards associated with different building deficiencies. For the avoidance of doubt this means that where two hazards are present but relate to the same property defect, they are counted as one hazard for purposes of this calculation.

For the purpose of this premium, a high scoring category 2 hazard is defined as one scored following the Housing Health and Safety Rating System as “D” or “E”.

Note 5 - Vulnerable occupant and/or significant harm occurred as result of housing conditions

This premium will be applied once if either the property is occupied by a vulnerable person or if significant harm has occurred as a result of the housing conditions.

For purposes of this premium a vulnerable person is defined as someone who forms part of a vulnerable group under Housing Health and Safety Rating System relating to hazards present in the property or an occupant or group of occupants considered by the Council to be at particular risk of harm that the perpetrator ought to have had regard.

For purposes of this premium, significant harm is defined as physical or mental illness or injury that corresponds to one of the four classes of harm under the Housing Health and Safety Rating System Operating Guidance.

Hazard	Vulnerable age group (age of occupant)
Damp and mould growth	14 and under
Excess Cold	65 or over
Excess Heat	65 or over
Carbon Monoxide	65 or over
Lead	under 3 years
Personal Hygiene, Sanitation and Drainage	under 5 years
Falls associated with baths etc.	60 or over
Falling on level surfaces etc.	60 or over
Falling on stairs etc.	60 or over
falling between levels	under 5 years

Electrical hazards	under 5 years
Fire	60 or over
Flames, hot surfaces etc.	under 5 years
Collision and entrapment	under 5 years
Collision and entrapment - low headroom	16 or over
Position and operability of amenities etc.	60 or over

Note 6 - Perpetrator demonstrates Income to be less than £440/week

This premium will be applied after all other relevant premiums have been included and if applicable will reduce the overall financial penalty by 50%.

To be applicable, the person served by the Notice of Intent must provide sufficient documented evidence of income.

The figure of £440/week is to be calculated after omission of income tax and national insurance.

The Council reserves the right to request further information to support any financial claim, and where this is incomplete or not sufficiently evidenced may determine that the premium should not be applied.

Note 7 - Previous history of non-compliance with these provisions

This premium is applied where there has been a conviction or imposition of a financial penalty for the same type of offence in the previous four years.

The Council will take into account any such convictions or financial penalties irrespective of the locality to which the offence relates.

Note 8 – Acts or omissions demonstrating high culpability

This premium will be applied where, the person to which the financial penalty applies, acted in a reckless or deliberate manner in not complying with the statutory notice or previous relevant formal advice.

Consideration MAY be given to permitting a discount or reduction in the level of CPN fine where, for example, compliance with the requirement is met within the ‘notice of intent’ stage (20%), and for early payment following the final penalty notice (20%) except where appealed. However, the value of the CPN fine should never be lower than the actual cost of compliance. The Council has to issue a Notice of Intent, inviting the recipient to make representations within 28 days against the fine or its level. The Council may then issue a final notice, which can be appealed to the First Tier Tribunal.

Appendix C: the 29 HHSRS Hazards

	Hazard	Health Effects
1	Damp and mould growth Health threats due to dust mites, mould or fungal including mental and social wellbeing health threats associated with damp, humid and mouldy conditions	Allergies, asthma, effects of toxins from mould and fungal infections
2	Excess cold Threats to health from cold indoor temperatures. A healthy indoor temperature is 18°C to 21°C	Respiratory conditions: flu, pneumonia and bronchitis Cardiovascular conditions: heart attacks and strokes
3	Excess heat Threats due to high indoor temperatures	Dehydration, trauma, stroke, cardiovascular and respiratory
4	Asbestos and MMF Exposure to asbestos fibres and Manufactured Mineral Fibres (MMF)	Asbestos: Damage to lungs MMF: Damage to skin, eyes and lungs
5	Biocides Threats to health from chemicals used to treat timber and mould growth	Risk from breathing in, skin contact and swallowing of the chemical
6	Carbon Monoxide and fuel combustion products Excess levels of carbon monoxide, nitrogen dioxide, sulphur dioxide and smoke	Dizziness, nausea, headaches, disorientation, unconsciousness and breathing problems
7	Lead Threats to health from lead ingestion from paint, water pipes, soil and fumes from leaded petrol	Lead poisoning causing nervous disorders, mental health and blood production issues
8	Radiation Health threats from radon gas and its daughters, primarily airborne but also radon dissolved in water	Lung cancer caused by exposure, which increases amount and length of exposure
9	Uncombusted fuel gas Threat from fuel gas escaping into the atmosphere within a property	Suffocation
10	Volatile organic compounds Threat to health from a diverse group of organic chemicals including formaldehyde that are gaseous at room temperature and can be found in a wide variety of materials in the home	Allergies, irritation to the eyes, nose and skin, headaches, nausea, dizziness and drowsiness
11	Crowding and space Hazards associated with lack of space for living, sleeping and normal household or family life	Psychological distress and mental disorders, increased risk of hygiene issues, accidents and personal space and privacy compromised
12	Entry by intruders Problems keeping a property secure against unauthorised entry and maintaining defensible space	Fear of burglary occurring, stress and anguish caused by burglary and injuries caused by the intruder
13	Lighting Threats to physical and mental health associated with inadequate natural or artificial light, including the psychological effects associated with the view from the	Depression and psychological effects due to lack of natural light. Eyestrain from glare and inadequate light

	property through glazing	
14	Noise Threats to physical and mental health due to exposure to noise within the property or within its curtilage	Psychological and physiological changes resulting from lack of sleep, poor concentration, headaches and anxiety
15	Domestic hygiene, pests and refuse Health hazards due to poor design, layout and construction making it hard to keep clean and hygienic, attracting pests and inadequate and unhygienic provision for storing household waste	Stomach and intestinal disease, infection, asthma, allergies, disease from rats and physical hazards
16	Food safety Threats of infection from poor provision and facilities to store, prepare and cook food	Stomach and intestinal disease, diarrhoea, vomiting, stomach upset and dehydration
17	Personal hygiene, sanitation and drainage Threats of infections and threat to mental health associated with personal hygiene, including personal and clothes washing facilities, sanitation and drainage	Stomach and intestinal disease, skin infections and depression
18	Water supply Threats to health from contamination by bacteria, parasites, viruses and chemical pollutants due to the quality of water supply for drinking household use such as cooking, washing and sanitation	Dehydration, fatigue, headaches, dry skin, bladder infections and legionnaires disease
19	Falls associated with baths Falls associated with a bath, shower or similar facility	Physical injuries: cuts, lacerations, swellings and bruising.
20	Falls on the level surfaces Falls on any level surface such as floor, yards and paths, including falls associated with trip steps, thresholds or ramps where the change in level is less than 300mm	Physical injuries: bruising, fractures, head, brain and spinal injuries
21	Falls associated with stairs and steps Falls associated with stairs and ramps where the change in level is greater than 300mm. It includes internal stairs or ramps within a property, external steps or ramps associated with the property, access to the property and to shared facilities or means of escape from fire and falls over stairs, ramp or step guarding	Physical injuries: bruising, fractures, head, brain and spinal injuries
22	Falls between levels Falls from one level to another, inside or outside a dwelling where the difference is more than 300mm. Including falls from balconies, landings or out of windows	Physical injuries
23	Electrical hazards Hazards from electric shock and electricity burns	Electric shock and burns
24	Fire Threats to health from exposure to uncontrolled fire and associated smoke. It includes injuries from clothing catching fire, a common injuring when trying to put a fire out.	Burns, being overcome by smoke or death

25	Flames, hot surfaces and materials Burns or injuries caused by contact with a hot flame or fire, hot objects and non-water based liquids. Scalds caused by contact with hot liquids and vapours.	Burns, scalds, permanent scarring and death.
26	Collision and entrapment Risks of physical injuries from trapping body parts in architectural features such as trapping fingers in doors and windows and colliding with objects such as windows, doors and low ceilings	Physical injuries such as cuts and bruising to the body
27	Explosions Threats from the blast of an explosion, from debris generated by the blast and from partial or total collapse of a building as a result of the explosion	Physical injuries, crushing, bruising, puncture, fractures, head, brain and spinal injuries.
28	Ergonomics Threats of physical strain associated with functional space and other features at the dwelling	Strain and sprain injuries
29	Structural collapse and falling elements The threat of the dwelling collapsing or part of the fabric being displaced or falling due to inadequate fixing or disrepair or as a result of adverse weather conditions.	Physical injuries

Agenda Item No 7

Resources Board

5 September 2017

**Report of the Assistant Director
(Finance and Human Resources)**

**Capital Programme 2017/18
Period 4 Update**

1 Summary

- 1.1 The report updates Members on the progress of the 2017/18 Capital Programme in terms of expenditure up to the end of July 2017.

Recommendation to the Board

That progress made against the 2017/18 Capital Programme is noted.

2 Introduction

- 2.1 The Executive Board approved the Council's Capital Programme of £8,848,930 for 2017/18 in February 2017.
- 2.2 At the Executive Board on 19 June, it was agreed to carry forward £2,155,010 of unspent 2016/17 budget. This gives a total approved capital programme for 2017/18 of £11,003,940 (Appendix A).
- ...

3 Budget Profiling

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

4 Housing Schemes

- 4.1 The original budget for 2017/18 is £7,827,800 and there is an agreed carry forward of £2,090,690, which provides a total Housing Capital budget of £9,918,490 (Appendix A).
- 4.2 There has been a total of £1,753,273 spent or committed on the housing capital programme during the first four periods of 2017/18; this is compared to a profiled budget of £1,756,423.
- 4.3 Work is in progress on the new build programmes at Church Walk, Mancetter and St Helena, Polesworth. Church Walk is scheduled for completion by December 2017 and St Helena by March 2018.

- 4.4 Work has begun on the kitchen and bathroom replacements contracts, although no invoices have yet been received. Phase 2 of the roofing programme at Bank Road, Atherstone began in August, whilst the Bretts Hall roofing programme is in progress. Chancery Court is due for completion in September and Water Orton is expected to commence in October.
- 4.5 The new tender for heating installations, servicing and works, was completed in August, with work due to commence in October. Work in relation to the windows and insulation budgets is expected to begin in Wood End and on flats in Atherstone town centre in the next 4 months, subject to planning permission.
- 4.6 An electrical supervisor is due to be appointed in August, with work likely to commence in November. A leaseholder consultation has been completed in relation to the essential works that are required at Alder and Heather Court Flats.
- 4.7 There will be no vehicle replacements in the 2017/18 financial year, however these replacements are still scheduled to take place in future years. The schemes to cover Disabled Facility Adaptations and Multi Trade Contracts are ongoing and progressing.

5 General Fund Schemes

- 5.1 The original budget for 2017/18 was £1,021,130 and there is an agreed carry forward of £64,320, providing a total General Fund Capital budget of £1,085,450 (Appendix A).
- 5.2 There has been a total of £84,885 spent and committed against the general fund capital projects for 2017/18, compared to a profiled budget of £53,893.
- 5.3 Various items of equipment, totalling £46,000, have been purchased to replace existing equipment at Polesworth Leisure Centre. These items will be funded from the Leisure Equipment Fund and the sale of existing equipment.
- 5.4 The Disability Discrimination Act budget remains unspent, pending a review into Council owned buildings, which is expected to be carried out in January 2018. However, £18,000 has been committed to work to be undertaken as part of the Bretts Hall Recreation Ground project.
- 5.5 The remaining budget for refurbishment of council owned buildings will be spent on revamping the pool lighting at Atherstone Leisure Centre. This work is due to take place over the Christmas period.
- 5.6 Work relating to IT projects is expected to commence in November. These include upgrades to the Oracle and Ingress systems, firewall installations and PC replacements. Contactless pay and encryption facilities are scheduled to be installed in late 2017 too.

6 Report Implications

6.1 Finance and Value for Money Implications

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

6.2 Environment and Sustainability Implications

6.2.1 Expenditure incurred as part of the Council's Capital Programme enables the Council to continue to improve and deliver a range of services to the people of North Warwickshire. The implementation of the capital programme will lead to improvements in the quality of life for the communities of North Warwickshire.

6.3 Risk Management Implications

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

6.4 Equality Implications

6.4.1 The Council is required to ensure it meets the requirements of the Equality Act 2010. The Act brings together all previous equality legislation and includes a public sector duty (the equality duty) replacing separate duties relating to race, disability and gender equality. The capital programme includes some provision for improving accessibility as previously required under the Disability Discrimination Act. The DDA defines discrimination in a number of ways and outlines four specific types of discrimination: direct discrimination, failure to make reasonable adjustments, disability-related discrimination and victimisation.

6.4.2 Failure to make reasonable adjustments could result in limiting access to services provided from our buildings and facilities by disabled people and the potential for legal challenges being taken against the Council.

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

Capital Budgetary Control Summary 2017/18 - as at P4

APPENDIX A

			(A)	(B)	(C)	(D)
Cost Centre Description	Original Budget 2017/18	Budget Brought Forward from 2016/17	Total 2017/18 Approved Budget	Profiled Budget	Total Yr To Date	Total v Profiled Bud
Hsg Disabled Facility Adaptation CH	180,250	0	180,250	42,000	41,951	(49)
Hsg Windows	257,500	0	257,500	0	0	0
Hsg Kitchens and Bathrooms	763,500	150,000	913,500	0	0	0
Hsg Insulation	103,000	259,350	362,350	0	0	0
Hsg Roofing	1,065,000	484,280	1,549,280	180,000	182,081	2,081
Hsg Heating	309,000	98,320	407,320	135,000	131,601	(3,399)
Hsg Electrics	409,000	0	409,000	0	0	0
New Build Housing Project	3,304,060	798,740	4,102,800	1,250,000	1,248,341	(1,659)
Multi Trade Contract	206,000	0	206,000	106,000	105,876	(124)
Replace DLO Vehicles	99,000	0	99,000	0	0	0
Replace Warden Vehicles	96,000	0	96,000	0	0	0
Replace Housing Inspectors Vehicles	74,000	0	74,000	0	0	0
Alder & Heather Court Flats - Essential Works	831,220	300,000	1,131,220	0	0	0
Hsg Capital Salaries	130,270	0	130,270	43,423	43,423	0
Total HRA	7,827,800	2,090,690	9,918,490	1,756,423	1,753,273	(3,150)
DDA	288,510	20,240	308,750	0	0	0
Refurbishment of Council Owned Buildings	30,000	0	30,000	3,000	2,935	(65)
Polesworth Leisure Equipment	0	0	0	0	46,000	46,000
General Leisure Equipment	20,000	0	20,000	5,200	5,233	33
Bretts Hall Recreation Ground	0	30,000	30,000	0	0	0
Atherstone Leisure Centre Roof Replacement	15,000	0	15,000	0	0	0
Computer Software	30,000	0	30,000	6,000	6,009	9
Infrastructure Improvements	20,000	1,730	21,730	0	0	0
IT Backup Disaster & Recovery	0	1,110	1,110	0	0	0
Payment Management System Upgrade	40,000	0	40,000	0	0	0
Easyline Replacement	10,000	0	10,000	0	0	0
Life Lines	23,000	0	23,000	7,667	4,255	(3,412)
Transport	448,540	11,240	459,780	0	0	0
Decent Homes Standard Assistance	77,500	0	77,500	25,833	14,260	(11,573)
Capital Salaries	18,580	0	18,580	6,193	6,193	0
Total General Fund	1,021,130	64,320	1,085,450	53,893	84,885	30,992
Total Expenditure	8,848,930	2,155,010	11,003,940	1,810,316	1,838,158	27,842

Agenda Item 8

Resources Board

5 September 2017

**Report of the Assistant Director
(Finance and Human Resources)**

**General Fund Budgetary Control
Report 2017/18
Period Ended 31 July 2017**

1 Summary

- 1.1 The report covers revenue expenditure and income for the period from 1 April 2017 to 31 July 2017. The 2017/18 budget and the actual position for the period, compared with the estimate at that date, are given, together with an estimate of the out-turn position for services reporting to this Board.

Recommendation to Resources Board

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

2 Introduction

- 2.1 Resources Board is responsible for monitoring the Council's overall financial position on the General Fund, and this report gives details of the position at 31 July.
- 2.2 The Board is also directly responsible for a number of internal and front line services. Accounting rules require front line services to show the total cost of providing the service, which includes support costs such as finance and IT services, as well as costs and income directly incurred.
- 2.3 Internal service costs are therefore recharged to all the services they support, both those that remain within Resources Board and those which are the responsibility of other Boards. This report provides some detail on both the front line services relating to this Board and the internal service costs that are recharged, at 31 July 2017.
- 2.4 Where possible, the year-to-date budget figures have been calculated with some allowance for seasonal variations, in order to give a better comparison with actual figures.

3 Services Remaining Within Resources Board

3.1 The total expenditure for those services that remain within Resources as at 31 July 2017 is £978,506 compared with a profiled budgetary position of £995,303; an under spend of £16,797 for the period. Appendix A to this report provides details of the profiled and actual position for each service reporting to this Board, together with the variance for the period.

3.2 Democratic Process

3.2.1 There are under spends to date on members basic and special responsibility allowance, training and mayoral transport.

3.3 Finance Unused Land and Assets

3.3.1 The over spend relates to the business rates, utility costs and professional fees incurred to date on the sale of the old Coleshill Leisure Centre. In addition there are business rates, utility costs and asbestos removal relating to the guide hut in Atherstone.

3.4 Rent Rebates

3.4.1 The current under spend relates to higher than expected recovery of Housing Rent Rebates overpayments.

4 Services Recharged to Other Directorates and Services

4.1 Net expenditure for those services that are recharged to other Directorates and Services, as at 31 July 2017, is £8,685, compared with a profiled budgetary position of £70,664; an under spend of £61,979 for the period. However the Council's budget requirement for 2017/18 assumed that there would be a salary vacancy saving in the year of £175,820 and this was included as a central amount. When the appropriate proportion of this is taken into account, the under spend reduces to £3,369.

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

4.3 Directorate Budgets

4.3.1 Current vacancy levels within the Directorates are in line with the profile target, taking into account the use of temporary and agency staff to cover key duties and any recruitment costs resulting from these vacancies, and excluding vacancies that relate to the Housing Revenue Account.

4.3.2 The areas with vacancies are Heritage and Conservation, Planning, IT, Community Support, Financial Services (HR) and Leisure Facilities. Most of these remain unfilled. The table below relates to the General Fund only.

	£
Current agency staff variance	(26,030)
Current salaries underspend	(33,640)
Sub total	(59,670)
Less Central Vacancy factor	58,610
TOTAL	(1,060)

4.3.3 In addition to the salary savings identified above there are underspends on officer travel expenses and equipment budgets.

5 Performance Indicators

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

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

5.3 The main reason for the variance in the performance figures for registration of electors is an increase in the number of electors above budget of 457.

5.4 The main reason for the variance in the performance figures for rent allowances is due to the receipt of the additional subsidy administration grant, partially offset by a lower number of claimants, therefore resulting in a lower administration cost per claimant.

5.5 The main reason for the variance in the performance figures for rent rebates is due to higher recovery of housing rent rebates overpayments and the receipt of the additional subsidy administration grant, partially offset by a lower number of claimants has resulted in a lower administration cost per claimant.

6 Overall General Fund Position

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

6.2 The actual level of Board expenditure for the period to 31 July 2017 is £2,984,977 compared with a profiled budgetary position of £3,068,679, an under spend of £83,702. The variations on Resources Board account for some of this underspend, and are detailed in sections 3 and 4.

6.3 Income on Planning Control is currently ahead of target by £72,780 as a result of an increase in the number of planning applications being submitted and the receipt of a larger application. However planning income can vary significantly in year, so this additional income is not yet certain. Land charge income is ahead of profile and associated costs are less than expected, giving a favourable variance. There is also a favourable variance on Building Control.

- 6.4 Within the Community and Environment Board, there are higher refuse and recycling costs as a result of increased demand on green waste, although demand is expected to fall from October 2017 as a result of seasonal changes. In addition the Leisure Centres are not currently achieving the level of income anticipated in the budget. These costs are being partially offset by a reduction in employee and vehicle running costs within Amenity Cleaning and Grounds Maintenance.
- 6.5 As well as expenditure directly attributable to services, and included in the Board totals, there are a number of other amounts that need to be taken into account that provide the total net expenditure for the General Fund. This includes investment income, external interest payments and adjustments to reverse capital charges included within Board expenditure, from out of Council expenditure.
- 6.6 Taking these amounts into account, net expenditure for the Council to the end of July totals £2,497,891, compared with a profiled position of £2,592,798. This increases the general under-spend for the period to £94,907. Investment income has performed better than profiled budget by £11,205 adding to the under spend.

7 Risks to Services

- 7.1 In setting the budget in January 2017, a number of key risks to the overall budgetary position of the Council were highlighted and these are shown below:-
- A pay award of 1% has been assumed in preparing the budgets. Any settlement above or below this would affect the financial position of the Authority. A ½% variation would equate to £40,250.
 - A vacancy factor of £175,820 has been included within the overall estimates. Should vacancies be less than expected, additional costs will be borne by the Authority.
 - There are potential additional costs for the Council in carrying out its planning function. If the Council loses a planning appeal, an award of costs can be made against the Council (the appellant's costs for the appeal). If the Council consistently loses appeals it will become a designated authority, which means that prospective applicants can submit their applications directly to the planning directorate. This would mean the Council would lose the accompanying planning fee.
 - Council expenditure on housing benefit is significant, although the majority is recouped through grant. The transfer of housing benefit into the universal credit administered nationally will impact on council resources.
 - The current economic situation could have an increasing impact on the industrial rent income that the Council can obtain. In addition, the NDR on vacant commercial properties will impact directly on the Council's costs.

- The economic situation could also impact on other Council services such as Homelessness, with increased demand leading to additional expenditure.
- The Council is promoting recycling activities across the Borough. Reductions in income for recycling materials could add to the existing costs of the service.
- Limited budgetary provision is available for one off spending on areas such as public enquiries on planning, un-adopted roads and contaminated land issues.
- Reduction or cessation of grants received for Community Development work could impact on the ability of the Council to meet some corporate priorities, as could failure to secure funding for the Branching Out Bus in future years.
- Deterioration of the Council's assets could require costly remedial action, and could also impact on the ability of some services to generate income. Income generation could also be affected more widely by the current economic position.

8 Estimated Out-turn for the General Fund

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

Board		£
	Approved budget 2017/2018	8,364,770
Resources	LA Trading Company (agreed by board in June 2017 as a supplementary)	6,000
Resources	WCC Payroll (agreed by board in June 2017 as a supplementary)	5,970
Planning	Legal Fees for Arragon properties (agreed by board in June 2017 as a supplementary)	125,000
	Expected Out-turn 2017/2018	8,501,740

9 Report Implications

9.1 Finance and Value for Money Implications

9.1.1 The Council's original budgeted contribution from General Fund balances for the 2017/2018 financial year was £452,770. This has increased by £136,970 for the approved supplementary budgets, as shown above in section 8.1. With last years experience in mind, the use of balances has not been adjusted for the improvement in planning income at this stage, in case it does not continue.

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

9.2 Environment and Sustainability Implications

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

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

Background Papers

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

Background Paper No	Author	Nature of Background Paper	Date

SERVICE REMAINING WITHIN RESOURCES BOARD
Budgetary Control Report 2017/18 as at 31 July 2017

Description	Approved Budget 2017/2018	Profiled Budget to July 2017	Actual to end July 2017	Variance to Date	Comments
Cost of Democratic Process	561,530	192,977	184,180	(8,797)	See 3.2
Election Expenses	22,060	10,833	11,105	272	
Registration of Electors	68,250	20,601	21,808	1,207	
Business Rates	79,220	71,603	70,607	(997)	
Council Tax Collection	318,620	125,556	125,532	(24)	
Miscellaneous Finance	26,410	22,137	21,731	(406)	
Compensation and Pension Increases	428,690	131,806	132,089	283	
Assisted Car Purchases	(140)	(47)	(100)	(53)	
Electricity at Work	23,650	5,603	5,338	(265)	
Finance Unused Land and Assets	3,160	1,053	10,207	9,154	See 3.3
Corporate and Democratic Core	555,240	156,437	157,365	928	
Unallocated Central Support Services	111,200	33,829	32,187	(1,642)	
Coleshill Shops and Flats	(61,370)	(17,653)	(18,903)	(1,250)	
The Pavilions, Holly Lane	(76,390)	(33,177)	(33,177)	-	
Carlyon Road Industrial Estate	(91,790)	(44,175)	(44,392)	(217)	
Innage Park Industrial Estate	(16,230)	10,598	8,657	(1,941)	
Polesworth Workspace Units	60	(217)	(1,001)	(784)	
Maya Bar and Restaurant	(10,600)	(3,817)	(3,818)	(1)	
Homeless Persons	91,510	29,452	29,109	(343)	
Public Conveniences	64,840	15,998	13,830	(2,168)	
Customer Contact	85,880	34,660	33,280	(1,380)	
Rent Allowances	32,010	(4,179)	(6,195)	(2,015)	
Housing Rent Rebates	34,140	(14,982)	(21,479)	(6,497)	See 3.4
Concessionary Fares	-	-	(148)	(148)	
Council Tax Support	221,320	58,210	58,340	130	
Car Parks	77,490	47,748	48,231	483	
Broadband Delivery UK	50,320	-	107	107	
Animal Control	73,710	28,597	28,711	114	
Abandoned Vehicles	8,880	4,087	4,093	6	
Private Sector Housing Assistance	49,100	18,254	18,256	2	
CCTV	128,940	37,770	38,345	575	
Borough Care	303,120	(52,200)	(53,329)	(1,129)	
North Warwickshire LEADER	27,170	53,208	53,208	-	
EAFRD Dest Develop	-	16,548	16,548	-	
Leader loans	-	38,185	38,185	-	
TOTALS	3,190,000	995,303	978,506	(16,797)	

RECHARGED SERVICES
Budgetary Control Report 2017/18 as at 31 July 2017

Description	Approved Budget 2017/2018	Profiled Budget to July 2017	Actual to end July 2017	Variance to Date	Comments
Building Maintenance Fund	-	6,800	6,800	-	
Council Offices	20	23,304	25,493	2,189	
Central Telephones	-	886	(210)	(1,095)	
Recruitment	-	(432)	600	1,032	
Printing and Stationery	10	785	(1,522)	(2,307)	
Training	-	-	(340)	(340)	
Depot and Stores	-	14,881	13,209	(1,672)	
Postal Services	-	6,370	7,010	640	
Chief Executive Directorate	30	(303)	(2,092)	(1,789)	
Assistant Chief Executive	4,050	6,324	(19,522)	(25,846)	
Directorate of Community Services	3,150	(31,062)	(25,073)	5,989	
Deputy Chief Executive	15,790	3,361	(40,208)	(43,569)	
Corporate Services	2,080	47,332	37,226	(10,106)	
Transport	60	(7,582)	7,313	14,896	
TOTALS	25,190	70,664	8,685	(61,979)	
Central Vacancy Factor	(175,820)	(58,610)	-	58,610	
Insurance Premium Tax	1,400	-	-	-	
TOTALS	(149,230)	12,054	8,685	(3,369)	

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

	Budgeted performance	Profiled Budgeted performance	Actual performance to Date
Registration of Electors			
Cost per elector for the Electoral Register	£1.38	£0.59	£0.44
Business Rates			
% of NDR Collection Rate	99.30%	39.72%	39.26%
Cost per NDR Property	£34.90	£31.54	£30.54
Council Tax Collection			
% of Council Tax Collection Tax	98.00%	39.20%	39.98%
Cost per Household	£11.38	£4.48	£4.49
Coleshill Shops and Flats			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Shop	(£9,637)	(£2,812)	(£2,926)
The Pavilions			
Occupancy Rate	100.00%	100.00%	100.00%
Annual Income per Unit	(£10,446)	(£4,446)	(£4,446)
Carlyon Road Industrial Estate			
Occupancy Rate	81.00%	81.00%	81.00%
Annual Income per Unit	(£5,223)	(£2,223)	(£2,223)
Innage Park Industrial Estate			
Occupancy Rate	85.00%	85.00%	85.00%
Annual Income per Unit	(£5,635)	(£2,032)	(£2,029)
Polesworth Workspaces			
Occupancy Rate	75.00%	75.00%	87.00%
Annual Income per Unit	(£1,488)	(£496)	(£496)
Rent Allowances			
Number of Claimants	1,710	1,710	1,640
Rent Allowances per Claimant	£4,791	£1,474	£1,582
Cost of Administration per Claimant	£18.72	-£2.44	-£3.78
Rent Rebates			
Number of Claimants	1,585	1,585	1,523
Rent Rebates per Claimant	£3,694	£1,136	£1,491
Cost of Administration per Claimant	£21.54	-£9.45	-£14.10

CONSOLIDATED GENERAL FUND POSITION
Budgetary Control Report 2017/18 as at 31 July 2017

Board	Approved Budget 2017/2018	Expected position at 31st July 2017	Actual position at 31st July 2017	Variance
Executive	569,340	197,454	197,902	448
Planning and Development	377,880	143,961	53,502	(90,459)
Licensing Committee	17,950	12,509	12,299	(210)
Community and Environment	5,200,890	1,677,898	1,704,584	26,686
Resources (including staff vacancies)	3,055,130	1,007,357	987,191	(20,166)
Payments to Parish Councils	59,000	29,500	29,500	-
Other Contingencies	59,450	-	-	-
Net Board Expenditure	9,339,640	3,068,679	2,984,977	(83,702)
Investment Income	(80,000)	(26,667)	(37,872)	(11,205)
Revenue Contribution to Capital Spending	119,000	39,667	39,667	-
Use of Balances	(589,740)	(196,580)	(196,580)	-
Financing Adjustment	(876,900)	(292,300)	(292,300)	-
Net Expenditure	7,912,000	2,592,798	2,497,891	(94,907)

Use of Balances - Original Budget	452,770
Planning and Development - Legal Costs	125,000
Resources - WCC Payroll	5,970
Resources - LA Trading Company	6,000
Use of Balances - Approved Budget	589,740

Agenda Item No 9

Resources Board

5 September 2017

Report of the Assistant Director
(Finance and Human Resources)

Housing Revenue Account
Budgetary Control Report 2017/2018
Period Ended 31 July 2017

1 Summary

- 1.1 The report covers total Housing Revenue Account revenue expenditure and income for the period from 1 April to 31 July 2017.

Recommendation to the Board

To consider if any further information is required.

2 Introduction

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

3 Overall Position

- 3.1 The Housing Revenue Account (HRA) includes all costs and income relating to the letting and management of the Council's housing stock, and this has to be kept separate from General Fund expenditure. The actual position for the HRA for the period ended 31 July 2017 is a surplus of £434,572, compared with a forecast surplus position for the period of £360,350. Where possible, the forecast position has been profiled to reflect seasonal variations in expenditure and income, in order to give a better comparison with actual figures. The actual position is a favourable variance of £74,222 against the forecast position. Appendix A to this report provides details of the profiled and actual position for expenditure and income incurred by the HRA.

...

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

- 3.3 Supervision and Management General – There is an under spend on council tax paid on void properties at this point, although this is expected to relate to timing differences. In addition there is a general underspend on supplies and services budgets.
- 3.4 Supervision and Management Special – There is a general under spend on premise related costs on the flats and communal centres budgets.
- 3.5 Rent collection income is higher because there has been a lower level of voids at 1.19% against the budgeted level of 2%. In addition some new build rental properties have come on line earlier than expected.

4 **Housing Repairs Fund**

- 4.1 The Housing Repairs Fund covers expenditure on all repairs and maintenance, both day to day and programmed, whether carried out by Housing Direct Works or external contractors. This includes any surplus or deficit on the operation of Housing Direct Works.
- 4.2 The balance on the Fund at the start of the year amounted to £487,589. The balance can be used to cover timing issues between years. In 2017/18 the contribution to the fund is £3,063,310. Any over-spend in the repairs fund would impact on the use of Housing Revenue Account balances if it exceeded the balance on the fund and the contribution in the year. The current overspend mainly relates to vacancies and the high sickness levels in Housing Direct Works which has increased the need to use subcontractors to complete outstanding works.

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

5 **Housing Direct Works**

- 5.1 There is an under spend on employee costs reflecting to the current level of vacancies, which have been covered by the use of sub contractors shown with in the supplies and services line below. There is an increase to date in supplies and services due to the use of sub contractors to cover for vacancies identified above, however, the majority of this is offset by lower use and cost of materials and scaffolding costs. There is an underspend on vehicle fuel due to the price per litre being lower than expected and lower vehicle maintenance due to the replacement of part of the vehicle fleet in 2016-17. A lower level of work has been undertaken for the General Fund Building Maintenance works and capital. Appendix C to this report provides the profiled and actual expenditure of Housing Direct Works in more detail.

...

6 **Risks to the Budget**

- 6.1 The key risks to the budgetary position of the Housing Revenue Account in 2017/18 include:

- The potential ongoing impact of sustaining rent income levels with the changes being implemented as welfare reforms;
- The requirement on the Council to meet statutory housing needs and support tenants to sustain their tenancies as well as manage them in moving on as secure tenancies are replaced with insecure ones;
- A change in interest rates, if funds need to be borrowed;
- A reduction in the rent levels assumed in the Business Plan, as this could impact significantly on the expected surpluses. More attractive Right to Buy conditions could encourage higher sales;
- The requirements of an ageing stock and the need to meet the Decent Homes Standard are likely to continue to increase the demand for capital works. Work to keep the Council's asset in good condition will be prioritised and accommodated within existing budgets;
- Any reduction in the performance of Housing Direct Works will put pressure on the Council to use external contractors, which will impact on the level of expenditure;
- Asbestos removal is an ongoing cost pressure over the next few years until the full picture of the level of asbestos contained in council houses and the cost of removal is assessed;
- The levy for high value vacancies could be significant, requiring reductions in other spending.

7 Estimated Out-turn

- 7.1 The estimated out-turn for the Housing Revenue Account remains the same as that included in the original budget.
- 7.2 The estimated out-turn for the Repairs Fund remains the same as that included in the original budget. Measures are in place to prevent the current overspend continuing into the second half of the year, however if high levels of sickness continue there will be a need to provide cover. If it does continue, the fund has sufficient capacity to cover the additional costs.

8 Report Implications

8.1 Finance and Value for Money Implications

- 8.1.1 The Council is currently forecasting a contribution to the Housing Revenue Fund balance for the 2017/18 financial year of £316,740. Income and expenditure will continue to be closely managed and any issues that arise will be reported to this committee for comment.

8.2 **Environment and Sustainability Implications**

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

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

HOUSING REVENUE ACCOUNT

	Original Budget 2017/2018	Expected Spend to July 2017/2018	Actual Spend to July 2017/2018	Variance	Comments
EXPENDITURE					
Repairs and Maintenance	3,063,310	1,034,787	1,034,787	-	Comment 3.2
Supervision and Management - General	1,414,700	469,348	450,039	(19,309)	Comment 3.3
Supervision and Management - Special Services	496,410	146,780	135,930	(10,850)	Comment 3.4
Provision for Bad Debts	172,410	57,470	57,470	-	
Interest on Loans	1,593,150	531,050	531,050	-	
Revenue Set Aside (debt Repayment)	1,600,000	533,333	533,333	-	
Capital Expenditure - New Build	1,159,490	386,497	386,497	-	Comment 3.2
Capital Expenditure	2,164,020	721,340	721,340	-	Comment 3.2
Total Expenditure	11,663,490	3,880,605	3,850,446	(30,159)	
INCOME					
Gross Rent Income from Dwellings	(11,493,850)	(4,070,739)	(4,115,756)	(45,017)	Comment 3.5
Gross Rent Income from Non-Dwellings	(354,610)	(133,651)	(132,763)	888	
Charges for Services and Facilities	(90,980)	(22,968)	(22,902)	66	
Total Income	(11,939,440)	(4,227,358)	(4,271,421)	(44,063)	
NET COST OF SERVICES	(275,950)	(346,753)	(420,975)	(74,222)	
Investment Income- Other	(40,790)	(13,597)	(13,597)	-	
TOTAL (SURPLUS)/DEFICIT FOR THE YEAR	(316,740)	(360,350)	(434,572)	(74,222)	

Appendix B

HOUSING REPAIRS FUND (to end of July 2017)

	£
Balance available at 1 April 2017	487,589
Contribution 2017/18 (to July 2017)	1,034,787
Expected Use of Fund (to July 2017)	(1,093,241)
Surplus on the Fund at 31 July 2017	429,135

APPENDIX C

HOUSING DIRECT WORKS

Budgetary Control Report as at 31 July 2017

	Original Budget 2017/2018	Expected Spend 2017/2018	Actual Spend 2017/2018	Variance
EXPENDITURE				
Employee Costs	950,720	314,150	290,299	(23,851)
Supplies and Services	601,660	200,863	208,210	7,347
Transport	98,500	26,597	23,085	(3,512)
Income	(56,190)	(18,730)	(6,986)	11,744
Gross controllable Expenditure	1,594,690	522,880	514,608	(8,272)
Central Support	270,400	90,133	90,133	-
Housing Direct Works Expenditure	1,865,090	613,013	604,741	(8,272)

Agenda Item No 10

Resources Board

5 September 2017

Report of the Deputy Chief Executive

Internal Audit – Performance for First Quarter 2017-18

1 Summary

- 1.1 The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

2 Recommendation to the Board

That the report be noted.

3 Introduction

- 3.1 The PSIAS - Public Sector Internal Auditing Standards on Internal Audit in Local Government defines standards of best practice for internal audit. The Standard requires that Members both approve the Internal Audit Section's strategic work plan and receive periodic reports on performance against plan. This report summarises performance for April to June 2017.

4 Summary of Work Completed

- ... 4.1.1 Appendix A to the report summarises progress on the approved audit plan for the period, identifying audits completed and indicating the extent of progress on those audits still outstanding. Appendix B provides definition for the levels of assurance applied.
- 4.1.2 Internal Audit continue sample testing on key financial systems and plan to carry out intensive reviews of three major financial systems during the year, namely; benefits, NDR and debtors.
- 4.1.3 Audits have been finalised on service areas in street cleaning, housing rents, recruitment, data protection, council hubs and housing tenancy fraud. A substantial level of assurance was given on the first three areas and adequate assurance for the remaining three.

Street Cleaning

Scope

To undertake a review of the Council's carriageway and precinct sweeping service, using a generic audit brief agreed with the Deputy Chief Executive.

Work Undertaken

Sources of income (if any); staffing management; schedules of cleansing; contingency arrangements; use of agency workers; procurement; vehicles used; insurance issues; refuelling; driver licensing and vehicle checks; risk assessments; inspections and performance data, any potential for fraud, bribery and corruption.

A substantial assurance was given as there are no key areas of concern. However there is scope for potential efficiency gains from enabling the mechanical carriageway sweeper vehicle to re-fuel at the Lower House Farm facility when working in the vicinity.

Housing Rents

Scope

The audit of Housing Rents is a whole service review carried out as part of the planned audit programme.

Work Undertaken

Testing on a sample basis was undertaken on the following areas: debit control; rent charged; terminations, transfers and exchanges; cash receipts and refunds; current and former tenants arrears; former tenant write offs; and benefits and rent systems reconciliations; risk assessments; performance management; and counter fraud considerations.

A substantial assurance was given as there were no major key controls absent or any high risk areas of service delivery that were under managed. There are opportunities to further develop areas connected to the number of direct debit payers, provide recovery action at the earliest opportunity and also use system data for checks on the potential for fraudulent activity in tenancies and payments.

Recruitment

Scope

The scope of this audit was to ensure that the Council's recruitment and selection process: adheres to any relevant legislation; complies with an approved up to date Council Recruitment & Selection Policy and Procedure; verifies the identification and 'Right To Work in the UK' status of each applicant interviewed; obtains proof of necessary specific qualifications/professional accreditation; involves the appointed person undergoing an induction in accordance with the Council's approved Recruitment Induction Policy.

Work Undertaken

A sample of ten appointments were selected and tests carried out to confirm that each step outlined above had been completed and appropriate evidence existed to confirm adherence to council policy and legislation.

A substantial assurance was given on the systems and procedures reviewed with the Council's policy being clear and comprehensive. However, there are some minor issues that when addressed would strengthen control chiefly

based on the emergence of new legislation or relevant government guidance / good practice; longer retention periods; improved consistency in paperwork; and strengthening of wording in council policy.

Data Protection

Scope

Review Council policies and procedures relating to Data Protection and access to information for adequacy, completeness and compliance with statutory / legislative requirements; identify any training / awareness completed recently; review a risk assessment if completed; review requests for information under the Freedom of Information Act 2000 and sample test to confirm compliance with proper procedures and timescales; check information sources (including web-site and intranet for references to the DPA and FOIA and assess if it is sufficient and appropriate; and ensure that the Council has an approved Records Retention & Disposal Policy available to staff.

Work Undertaken

Work carried out confirmed compliance on areas highlighted above. Training / awareness initiatives have taken place and satisfactorily. An adequate level of assurance was given mainly because of incomplete outstanding previous audit actions; no confirmation of e learning completion by staff; an out of date data transfer log.

Community Hubs

Scope

To obtain historic and current information relating to the setting up of these relating to cost, equipment etc. and identify ongoing current costs and provide a summary report on the usefulness of the service, future plans and also identify any areas for improvement or cost saving.

Work Undertaken

Discussion with officers; analysis of returns; budget review; visit to three hubs. Costs are relatively low and the Hubs are not actually owned by the Council.

An adequate level of assurance was given due to: a lack of up to date statistical information on usage; no detailed records of equipment and costs of such supplied to each venue; unclear financial information without a defined budget code, to obtain this may have been disproportionate in cost.

Housing Tenancy Fraud

The primary scope of this audit was to follow-up on progress with implementation of agreed actions arising from previous audits up to July 2015. In addition, this audit also gives consideration to the emerging potential risk of 'Right to Buy' Fraud.

Work Undertaken

Considered the Audit Commission's 'Protecting the Public Purse' October 2014; researched good practice to help tackle the emerging risk of Right-To-Buy Fraud and made recommendations in the audit report to help strengthen safeguards against this type of fraud; liaised with IT and on discovering some concerns in relation to Data Protection storage of photographs this was also discussed with the Council Data Protection Officer.).

An adequate assurance was given. Whilst progress has been made there are key areas of good practice which have not yet been put into place, especially: occupancy home visit checks (OHVC); checking Direct Debit mandates to the corresponding signed Tenancy Agreements; and no credit reference data sharing exercises have been carried out. Capacity issues have had to be overcome and efforts continue to fully implement the agreed Action Plan. Audit view is that without the introduction of OHVCs and credit reference data sharing, the chance of detecting and then successfully proving any fraud is remote.

- 4.2 The Internal Audit Section continues to undertake work recorded under contingency audits namely in vehicle management. There are also reviews carried out either resulting from departmental requests, external audit suggestions, counter fraud activity or monitoring of reporting information from the National Fraud Initiative.
- 4.3 The performance standards set by the Audit Commission require that Internal Audit complete at least 90% of planned work in the year unless there are good reasons otherwise. In calculating that statistic, planned work deferred at client request is ignored if such deferrals have appropriate justification. All client requests for deferrals have been based on sound, service based justifications.

5 Report Implications

5.1 Risk Management Implications

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

5.2 **Links to Council's Priorities**

- 5.2.1 The audit programme agreed and delivered is aligned to both the priorities of the Council and the requirements of external assessors.

The Contact Officer for this report is Barbara Haswell (719416).

Planned Audits Completed first quarter 2017-18

Audit	Quarter Due	Status	Assurance Level	Tot No. of Recs	Priority1	Priority2	Not Agreed
Street Cleaning	1	Final	Substantial	4	1	3	
Housing Rents	1	Final	Substantial	10	0	10	
Recruitment	1	Final	Substantial	10	1	9	
Data Protection	1	Final	Adequate	6	2	4	
Housing Tenancy Fraud	1	Final	Adequate	10	4	6	1
Council Hubs	1	Final	Adequate	4	4	0	
Performance Management	1	Draft	Substantial	2	0	2	

Progress Against Audit Plan Audit

Audit	Status	Due	Audit	Status	Due
Recruitment	Final	Qtr 1	Streets	Final	Qtr 1
Perf Mgmt	Draft	Qtr 1	Data Prot	Final	Qtr 1
Rents	Final	Qtr 1	Ten Fraud	Final	Qtr 1
Hubs	Final	Qtr 1	Homeless-ness	Ongoing	Qtr 2

Performance of Audit 2017-18 for Quarterly Indicators			
No.	Indicator	Suggested Frequency	Performance for 2016-17
1	Performance reports to Resources Board	Quarterly	Sep-17
3	Number of audits where time taken to complete the work is more than 10% longer than planned.	Quarterly	0
4	Number of audits completed by set deadline	Quarterly	6
5	Final report issued within 4 weeks of completion of fieldwork	Quarterly	6
9	Questionnaire:Feedback obtained from report recipients is good (average 4 out of 5)	Quarterly	Good in those obtained
10	% of sickness levels within Audit is below 5%	Quarterly	0.00%

2017-18 Internal Audit report recommendations Not Agreed

Audit	Recommendation	Management Response
Housing Tenancy Fraud	For RTB applications Tenants photos to be given to surveyors for verification on visits and prevent fraud at early stage	ADH not comfortable with surveyors checking this - not responsible and not in their job description

Agenda Item No 11

Resources Board

5 September 2017

Report of the Deputy Chief Executive

Internal Audit – Performance for 2016-17

1 Summary

- 1.1 The report allows the Board to monitor the progress of the Council's Internal Audit function against the agreed plan of work for the year.

Recommendation to the Board

That the report be noted.

2 Introduction

- 2.1 The document Public Sector Internal Audit Standards defines standards of best practice for internal audit. The Code requires that Members both approve the Internal Audit Section's strategic work plan and receive periodic reports on performance against plan. This report summarises performance with reference to the Annual Plan for April 2016 to March 2017.

3 Summary of Work Completed

- ... 3.1 Appendix A summarises progress on the audit plan for the period, identifying audits completed and indicating the extent of progress on those audits still outstanding, whilst Appendix B provides definition of the level of assurance given.
- ... 3.2 The operational plan for 2016-17 was approved by Resources Board on 23 May 2016 and progress reports were reported to the Board in September, November 2016 and January 2017.
- 3.3 16 reviews were completed. Of these 12 (75%) received a substantial level of assurance; 4 (25%) received an adequate level of assurance; 67 recommendations were made of which 20 (30%) were priority 1 and 47 (70%) priority 2.
- 3.4 In light of these results the Head of Audit can express a satisfactory opinion on the overall adequacy and effectiveness of the Council's control environment.
- 3.5 Audit reports submitted to Board for the first, second and third quarters of the year detail individual audits completed to that time. This report text refers only to those completed during the final quarter.

Internal Audit can place a substantial level of assurance on the following final reviews:

Fees and Charges, Officers Travel, Creditors, Borough Care and Council Tax.

Only material recommendations are included in reports, lower risk matters that may have been identified during audits are recorded and communicated through departmental memorandum, with identified actions and implementation dates monitored through the existing follow up of recommendations proven audit process.

Fees and Charges

Scope

To review the Councils fees and charges levied with a view to comparing with other similar service providers for rate of charge comparison and also identify areas where potential income could result from introducing charging.

Work Done

Obtained fees and charges schedule for 2016/17 and Board Approval; basis of updates obtained; selection of fees for comparison; review of council websites for NWBC and near neighbours to compare fees charged; discussions with relevant officers on matters arising from notes on fee setting and comparisons

A substantial level of assurance was given as satisfactory processes are in place; fees are competitive overall while there is some potential for charging currently free services.

Officers Travel

Scope

To establish the existence of an effective and up-to-date Council policy relating to the claiming, authorisation and payment of officers travel, subsistence expenses and to confirm adherence to this in the processing of such claims and payments.

Work Done

Sample audit testing was carried out on 29 claims in relation to accuracy, compliance with policy, timeliness and relevance.

A substantial level of assurance was given as there were only some low risk issues that do not substantially impact on internal control.

Creditors

Scope

To confirm that creditors processes comply with the Council's regulations and policy; meet the desired internal control; provide a satisfactory level of assurance to meet the expectations of both internal and external audit; ensure that all risks have been identified, documented and assessed; confirm that there is documentary evidence to support supplier payment transactions; and that procurement obtains best value and achieves best practice.

Work Done

Reviewed Financial Regulations, procurement policies and procedures, and checked that they specify clearly the procedures and responsibilities for raising and authorising orders; receiving works, goods and services; and invoice checking, processing and paying. Verified system users and password control; confirmed the existence of an up to date Authorised Signatory Register

Undertook sample audit testing of: payments of over £20,000; monthly reconciliations; official purchase orders; separation of duties; documentation in support of payments; VAT arithmetic accuracy; timely payments; discounts/allowances/reductions; valid authorised signatory prior to payment; prevention of duplicate payments; IT back up and disaster recovery plans; data protection compliance; current risk assessment.

A substantial level of assurance was given in light of no high risk areas becoming evident after the above tests were completed.

Supporting Older People/Borough Care

Scope

The scope of this audit was to review key areas of the Borough Care (BC) service including: budgets; fees and charges; sources of income; recovery action for non-payment of subscription fees; client service agreements for the alarm service; employee management; procurement; stock records, use of the vehicle tracking system; IT issues, risk management and performance.

Work Done

Work carried out confirmed compliance in areas detailed above including data protection; system access control and back-up.

A substantial level of assurance was given as there were no high risk matters of concern. Management attention was drawn to possible improvements in the client agreement in relation to arrears recovery and client account closures.

Council Tax

Scope

To confirm that;

Council Tax processes comply with the authority's regulations and policy, meet the desired internal controls and risk management arrangements and provide a satisfactory level of assurance to meet expectations of both internal and external audit; there is documentary evidence to support all transactions; performance information is up to date and in line with expectations.

Work Done

Testing has been carried out on the following areas to confirm compliance with expected procedures and controls, efficiency and effectiveness:

staffing arrangements; users access to Academy System; setting Council Tax parameters; Valuation Office listings reconciliation to Academy; single persons discount approvals; exemptions; long term empty properties; recovery timetable and process; refunds; write offs; suspense account; inter system reconciliations; risk assessments; back-up & disaster recovery; Corporate Debt Strategy; benchmarking information; register of interests; collection performance data and results.

A substantial level of assurance was given because all key major controls are in place and performance is good.

- 3.6 The Internal Audit Section has undertaken a range of work recorded under contingency audits. These are reviews carried out either resulting from departmental requests, external audit suggestions or where Internal Audit have responsibility for service activity- this relates to counter fraud activity and monitoring of reporting information from the National Fraud Initiative.
- 3.7 IT Audit work has been incorporated into the major service reviews that are now undertaken by the in house team. There is an opportunity to use the county wide negotiated IT audit contract should it be decided that a detailed piece of work be undertaken.
- 3.8 The Council continues it's arrangement for the provision of support in Counter Fraud through the engagement of TIAA, a professional organisation experienced in this field. Each year the level of support required is reviewed and amended accordingly. Currently the support is for 18 days and has proved invaluable during the year both in proactive and reactive measures.

4 Report Implications

4.1 Risk Management Implications

- 4.1.1 Failure to provide an effective Internal Audit Service may adversely affect the level of internal control operating within the Council and will attract criticism from external assessors, such as the External Auditor.

4.2 **Links to Council's Priorities**

- 4.2.1 The audit programme agreed and delivered is aligned to both the priorities of the Council and the requirements of external assessors.

The Contact Officer for this report is Barbara Haswell (719416).

Planned Audits Completed fourth quarter 2016-17

Audit	Quarter Due	Status	Assurance Level	Tot No. of Recs	Priority1	Priority2	Not Agreed
Fees and Charges	3	Final	Substantial	1		1	
Officers Travel	4	Final	Substantial	0			
Creditors	4	Final	Substantial	6	2	4	
Supporting Older People/Borough Care	4	Final	Substantial	4	1	3	
Council Tax	4	Final	Substantial	4		4	

Progress Against Audit Plan

Audit	Status	Due	Audit	Status	Due
Community & Corporate Plan	Final	Qtr 2	Democratic Services	Final	Qtr 2
Performance Information & Management	Final	Qtr 2	DBS checks	Final	Qtr 2
Corporate Governance	Final	Qtr 2	Creditors	Final	Qtr 3
Emergency Planning	Final	Qtr 1	Fly tipping	Final	Qtr 1
Leisure Centres	Final	Qtr 1	Responsive repairs	Final	Qtr 1
Council House Voids	Final	Qtr 3	Council house sales	Final	Qtr 3
Officers Travel	Final	Qtr 4	Council Tax	Final	Qtr 4
Fees and Charges	Final	Qtr 4	Borough Care	Final	Qtr 4
Support to Voluntary Organisations	Postponed		Office cleaning	Postponed	

Performance of Audit 2016-17			
No	Indicator	Suggested Frequency	Performance for 2016-17
1	Performance reports to Board	Quarterly	Sep & Nov 2016, Jan & Sep 2017
2	90% of audit plan delivered	Annual	Achieved
3	Number of audits where time taken to complete the work is more than 10% longer than planned	Quarterly	13 of 16 - in depth audit estimated times varied due to complexity of reviews
4	Number of audits completed by deadline	Quarterly	16
5	Reports issued within 4 weeks of completion of fieldwork	Quarterly	16
6	90% of recommendations accepted by management	Annual	All accepted
7	Number of recommendations implemented by target date	Annual	All implemented however a few target dates re negotiated due to work load.
8	Details from benchmarking	Annual	None done this year.
9	Questionnaire feedback obtained from reports is good	Quarterly	Good in those returned
10	% sickness level is below 5%	Quarterly	3.6% achieved
11	Training for unqualified staff at least 5% of available time	Annual	3.2% achieved but will be exceeded next year due to professional training
12	Compliance with PSIAS	Annual	No self assessment done. External assessment planned for Nov 2017.

Agenda Item No 12

Resources Board

5 September 2017

Report of the Chief Executive and the Deputy Chief Executive

Progress Report on Achievement of Corporate Plan and Performance Indicator Targets April - June 2017

1 Summary

- 1.1 This report informs Members of the progress with the achievement of the Corporate Plan and Performance Indicator targets relevant to the Resources Board for April to June 2017.

Recommendation to the Board

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

2 Consultation

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

3 Background

- 3.1 This report shows the first quarter position with the achievement of the Corporate Plan and Performance Indicator targets for 2017/18. This is the first report showing the progress achieved so far during 2017/18.

4 Progress achieved during 2017/18

- 4.1 Attached at Appendices A and B are reports outlining the progress achieved for all the Corporate Plan targets and the performance with our local performance indicators during April to June 2017/18 for the Resources Board.
- 4.2 Members will recall the use of a traffic light indicator for the monitoring of the performance achieved.

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

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

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

5 Performance Indicators

- 5.1 The current performance indicators have been reviewed by each division and Management Team for monitoring for the 2017/18 year. The review by Internal Audit of the 2016/17 returns has highlighted an amendment to the indicator for payment of invoices as shown below:
- There is a slight discrepancy in the 2016/17 year end performance score for NW PLI 052 (Financial Services) reported of 96.14%, as it should be 94.98%, i.e. against a target of 98%

6 Overall Performance

- 6.1 The Corporate Plan performance report shows that 92% of the Corporate Plan targets and 73% of the performance indicator targets are currently on schedule to be achieved. The report shows that individual targets that have been classified as red, amber or green. Individual comments from the relevant division have been included where appropriate. The table below shows the following status in terms of the traffic light indicator status:

Corporate Plan

Status	Number	Percentage
Green	12	92%
Amber	1	8%
Red	0	0%
Total	13	100%

Performance Indicators

Status	Number	Percentage
Green	11	73%
Amber	4	27%
Red	0	0%
Total	15	100%

7 Summary

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

8 Report Implications

8.1 Safer Communities Implications

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

8.2 Legal and Human Rights Implications

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

8.3 Environment and Sustainability Implications

8.3.1 Improvements in the performance and quality of services will contribute to improving the quality of life within the community. There are a number of actions and indicators which contribute towards the priorities of the sustainable community strategy including financial inclusion, improving broadband access, providing adaptations and preventing homelessness.

8.4 Risk Management Implications

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

8.5 Equality Implications

8.5.1 There are a number of equality related actions and indicators highlighted in the report including improving broadband access, the borough care review and providing adaptations and preventing homelessness.

8.6 Links to Council's Priorities

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

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

Background Papers

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

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

NWCP Resources Board 17/18

	Action	Priority	Reporting Officer	Update	Status	Direction
NWCP 040	To continue to contribute to the effective provision of services through implementing the actions and projects which help deliver the ICT Strategy and to report on progress to the Resources Board by March 2018	Responsible Financial & Resource Management	Linda Bird	A number of projects are progressing as planned. Progress report will be reported to Resources Board in January 2018.	 Green	
NWCP 050	To continue to seek opportunities to rationalise the Council's property portfolio including:- a) Working with partners in the public and voluntary sectors and reviewing the Council's property assets to ensure they support the Council's priorities and deliver key services in the most efficient and cost-effective way	Responsible Financial & Resource Management	Richard Dobbs	The latest round of the One Public Estate programme has been launched - NWBC will work on OPE with WCC and other local organisations. Possible options to replace the existing depot are also being explored including the potential to work in partnership with neighbouring authorities.	 Green	
	b) Continue to work through a programme of capital and maintenance improvements to key Council buildings, community buildings, shops and industrial units, including seeking ways to reduce, where possible, our carbon footprint.	Responsible Financial & Resource Management	Richard Dobbs	Two Units at Carlyon Road industrial estate have been brought back into service through a rent incentive initiative. Options to improve the energy efficiency and carbon footprint through relamping at ALC are being developed.	 Green	
	c) Identify (and dispose of as appropriate) any land or property which is surplus to requirements	Responsible Financial & Resource Management	Richard Dobbs	This process is ongoing with several sites under review with a view to disposal where appropriate	 Green	
NWCP 082	To work to improve broadband access for the people and businesses of North Warwickshire through the work of the Council and specifically the Coventry, Solihull and Warwickshire BDUK Project and report on progress by December 2017	Supporting Employment & Business	Linda Bird	The CSW Broadband cross council working group met on 5th July for a progress update. Tenders for Contract 3 have been evaluated and details will become available in the autumn, after which the CSW team will hold meetings in each Council area. The Council is providing some match funding for work in Contract 3. Further details will be reported in the November or January cycle of Board meetings.	 Green	
NWCP 084	To implement the Borough Care Review recommendations, including promoting the service to increase customer take-up and working with the Borough Care Task and Finish Group to develop and shape the service and report on progress to the Resources Board from June 2017	Creating Safer Communities	Angela Coates	The Borough Care Task and Finish Group meets to oversee the delivery of the recommendations. The promotional work is at an early stage with extensive engagement with partner agencies being undertaken. The promotional material is being refreshed.	 Green	
NWCP 037	To work in partnership to develop the HEART (Home Environment & Assessment Response Team) shared service to meet the needs of residents so that they can remain independent in their own homes and to report annually on progress from September 2017. This will include proactive support for the work of the HEART Management Board and monitoring of Business Case actions and performance	Promoting Sustainable & Vibrant Communities	Angela Coates	All Councils are not part of the shared service. The service has been formally launched at the H&WBB and at an open engagement event on 18 August. A shared policy for delivering adaptations and warm and well grants has been drafted and will be submitted to the Resources Board in September.	 Green	

	Action	Priority	Reporting Officer	Update	Status	Direction
NWCP 062(1)	To revise the Asset Management Plan for the Council's own stock by June 2017	Responsible Financial & Resource Management	Angela Coates	Due to the absence of the designated officer appointed to deliver actions from the fire risk assessments delivered in April this objective will be delayed until January 2018.	 Amber	
NEW	To review the Housing Direct Works service to ensure it is efficient and provides good customer service. Review to be complete by September 2017	Responsible Financial & Resource Management	Angela Coates	The review is complete and the new structure will be implemented from October 2017.	 Green	
NWCP 098	To ensure good collection rates of rent revenue for the Council's Housing Revenue Account by taking action to mitigate risks to income from changes to welfare benefits and to report quarterly to Board	Responsible Financial & Resource Management	Angela Coates	Rent collection performance remains strong.	 Green	
NWCP 112	To continue to ensure that all debts due to the Council, wherever possible, are recovered efficiently in accordance with the Council's Corporate Debt Framework	Responsible Financial & Resource Management	Bob Trahern	indicated that the Council was in the upper quartile in its collection of both in year collection of Council Tax (55th of 326 Councils) and NDR (9th of 326 Councils) indicating that our approach is working. In respect of arrears we are also performing very well, CT (123rd of 326 Councils) and again 9th in NDR. The work we are undertaking to target our worst arrears cases is well underway in this year and delivering some positive results as well as challenges in seeking to engage positively with customers in debt.	 Green	
NWCP 113	To report on changes to Homelessness Legislation and take action to implement new requirements, starting with a report to Resources Board following publication of the statutory consultation	Promoting Sustainable & Vibrant Communities	Angela Coates	A timetable has not yet been produced for the enactment of the Homelessness Reduction Bill.	 Green	
NEW	To review the Local Council Tax Reduction Scheme, to ensure that it remains affordable and fit for purpose by December 2017	Responsible Financial & Resource Management	Bob Trahern	Work is well underway in reviewing the local scheme and a report will be taken to the Executive Board by November 2017 to confirm the CTRS scheme to be adopted in 2018/19	 Green	

NWPI Resources 17/18

Ref	Description	Section	Priority	Year End Target 2017/18	Outturn 2016/17	April - June Performance	Traffic Light	Direction of Travel	Comments
NWLPI 052	The % of invoices for commercial goods and services which were paid by the authority within 30 days of such invoiced being received by the Authority (former BV8)	Financial Accountancy	Public Services & Council Tax	98	96.14%	98.99%	 Green		
NWLPI 57	Percentage of calls answered through the Central Control system within 60 seconds. (TSA national standard 96.5%):	Community Support	Housing	99	99.00%	99.00%	 Green		
NWLPI 135	Percentage of response repairs completed right first time	Housing Maintenance	Housing	92.00%	87.87%	84.85%	 Amber		The requirement to source parts for gas heating repairs continues to dampen performance in this area.
NWLPI 068	Gas certificates completed	Housing Maintenance	Housing	100.00%	100.00%	99.99%	 Green		There was one outstanding for June. An injunction was sought and the annual service is now complete.
@NW:NI156	Number of households living in temporary accommodation (snapshot at end of each quarter)	Housing Management	Housing	6	6	8	 Amber		The level of homelessness applications continues to be high. We avoid using temporary accommodation where possible.
NWLPI 136	Number of tenants with more than 7 weeks rent arrears - as an average over the year	Housing Management	Housing	2.75%	2.77%	3.17%	 Amber		We continue to providesystems of work for early intervention on rent arrears collection.
NWLPI 070	Average time taken to re-let local authority housing (former BV212)	Housing Management	Housing	30 days	50.46 days	43.48 days	 Amber		Performance is improving in this area. If capital works properties and hard to let properties are excluded performance is 30 days end to end.
NWLPI 039	The percentage availability of corporate systems available to users Monday to Friday 8.30 am to 5.30 pm :	Computer Services	Public Services & Council Tax	99.7	99.9%	100.0%	 Green		
NWLPI 040	The percentage of initial response to helpdesk calls within two hours of a call being placed :	Computer Services	Public Services & Council Tax	95	97%	99%	 Green		
NWLPI 041	Percentage of Service Desk Calls resolved in target (total of IS3 to IS6)	Computer Services	Public Services & Council Tax	95	95%	95%	 Green		

Ref	Description	Section	Priority	Year End Target 2017/18	Outturn 2016/17	April - June Performance	Traffic Light	Direction of Travel	Comments
NWLPI 096	The Percentage of Calls answered in 20 seconds in the contact centre	Revenues & Benefits	Public Services & Council Tax	75	74%	83%	 Green		
@NW:NI181	The average time taken in calendar days to process all new claims and change events in Housing Benefit and Council Tax Benefit	Revenues & Benefits	Public Services & Council Tax	7.5	8.77	7.85	 Green		
NWLPI 106	The percentage of non-domestic rates due for the financial year which were received by the authority (former BV10)	Revenues & Benefits	Public Services & Council Tax	98.6	99.57	30.31	 Green		Target for April-June is 30%
NWLPI 107	Proportion of Council Tax collected (former BV9)	Revenues & Benefits	Public Services & Council Tax	97.8	98.57	30.38	 Green		Target for April-June is 30%
NWLPI 161	Percentage of abandoned calls in the Contact Centre	Contact Centre	Public Services & Council Tax	5	5	3	 Green		

Agenda Item No 13

Resources Board

5 September 2017

Report of the Assistant Director (Corporate Services) and Assistant Chief Executive (Community Services)

Online Services Update and Plans for promoting and increasing use

1 Summary

- 1.1 This report gives an update on those services we deliver online, via the Internet and on the use of the Council's Website. The report also provides information on the progress made in promoting and increasing the use of the internet for those services that can be most effectively provided online.

Recommendation to the Board

That the report is noted.

2 Report

- 2.1 This report provides the annual update on the development and use of online services such as those provided via the Council's website and directly through "self-service" over the Internet. Progress on the actions identified in the 2016/17 update report and plan is described throughout this report and summarised in Appendix 1.

...

- 2.2 Online and social is no longer an optional extra or a 'nice to have' but an expectation.
- Our customers and citizens expect to be able to easily find, access and use Council services online.
 - A web search is many people's first thought when trying to find out information.
 - People expect to see Council events and decisions on social media.
 - There is an assumption that we will use 'social' to support and collaborate with others in ways that will be of help or interest to people or organisations that 'like' or 'follow' the Council.
 - Customers assume that they can use social media to ask questions, comment and complain and that they'll get a speedy response; and, if relevant, that will follow through to a service being delivered.
- 2.3 This cultural change from online being an add-on to it being an expectation will be incorporated into the Council's Customer Access Strategy which is due to be updated during this financial year and which will help guide future work on online service provision.

- 2.4 It is recognised that the internet is not, and may never be, the most appropriate way to deliver some very complex or personalised services. There are people who have never used, have no intention of using, or are unable to use the internet. We need to be wary of excluding people, particularly those most disadvantaged in society, from services due to their lack of access to, or skills to use, the Internet. We need to encourage, help and if feasible incentivise people to learn about, use and benefit from online services. “Learn My Way”, the Hubs and the B.O.B projects have already been successful in getting people job ready, able to claim benefits and take more control of their lives.
- 2.5 However, there’s now a large and growing percentage of the population with resources and skills to use online services and younger age groups “digital natives” live in a mobile, connected and social world; in 2017 (Jan – April)¹:-
- 90% of households in Great Britain had internet access (up from 89% in 2016 and 57% in 2006).
 - 88% of adults used the internet every week, for real life activities such as buying goods and services.
 - 73% of adults used the internet “on the go” via a mobile phone or smartphone (a 3% increase on 2016).
 - For the 16 – 24 age group the use of the internet “on the go” rises to 98%.
 - 77% of adults have bought goods or services online, with the largest rise being for people in the 55-64 age group.
- 2.6 The internet is still developing and new applications and uses are emerging such as activities that are considered part of the “sharing economy”. This is generally regarded as the use of the internet for sharing assets that were previously unused, or under used. The ONS survey for 2017 included these activities for the first time and asked about the use of the internet to arrange accommodation (e.g. Airbnb, SpareRoom etc) an activity carried out by 28% of adults and book transport (e.g. Uber, LiftShare etc) which was done by 22%. Those aged 25 to 44 years were more likely to use relatively new ways of arranging such services. The impact of and opportunity to apply this sort of thinking to public services will need to be explored in the new Customer Access Strategy.
- 2.7 The Council has taken decisions to close channels when they are not well used and disproportionately costly to maintain. For example the cash office was closed, a number of years ago, and alternative payment routes were made available. Similar decisions will be needed in the future as people move to online channels. The need for and cost of maintaining channels will be reviewed regularly.

¹ ONS – Internet Access – Households and Individuals: 2017, release date: 3 August 2017.

- 2.8 Internet usage figures for the Borough are currently lower than the national average, due to known problems with the availability of broadband and the age profile of residents. However, with continued investment in broadband and the changing demographic of the borough, this is expected to change. Our aim is for the website to be the channel of choice and first point of call for council information and for the completion of service request.
- 2.9 We must continue to plan online services around our ever changing customer base and increasingly for those using services 'on the go' using mobile devices and phones. Our own data reflects the national figure as in June 2017, 59% of visitors to our website used a phone or tablet device.
- 2.10 Section 5 of this report provides information on our plans to encourage the migration to self-service and for monitoring satisfaction with this move.

3 Update 2016/2017

3.1 Update on the Council's Website and Online, Self Service Forms.

- 3.1.1 The Council's website is designed to be 'responsive' this means that it works well on different sized screens including Smartphones and Tablet devices. People using the site can rate and comment on pages by clicking on a 'thumbs up' or 'thumbs down' icon. The feedback is predominantly positive but any negative comments are used to improve the website.
- 3.1.2 Socitm² who carry out annual website assessments rated the Council's website as 3 Star (out of 4). It passed all the tests for mobile access and accessibility. We were also recognised as being one of just 46 councils that passed all four service task tests which shows we are achieving a good or very good customer experience online across a range of services.
- 3.1.3 In addition to updating the website on a day to day basis, to keep it current and relevant, each year we aim to carry out major reviews of at least 3 areas of the website to develop and improve the content and structure. Two of the areas identified in 2016/17 were included in the Socitm tests. Pleasingly the process for applying for Single Person Discount scored a high 3 star and Temporary event notices was judged to be 4 star.
- 3.1.4 During 2016/17 the website was ranked in the top 10, of 406 websites, in an assessment that measures accessibility, functionality and performance.
- 3.1.5 The average number of visitors per month to the Council's website continues to increase. The number of webpages visited, in an average month, has gone up from 86,036 in 2010 to 697,806 in 2016/17. This is a crude measure as it includes some double counting; but it shows a growing trend.
- 3.1.6 In general website use reduces the demand for information and services provided in paper format, via the phone or in person. The graph shows the

² Socitm : Society of IT Managers. Produce "Better Connected" an annual website review (since 1999)

increasing trend for people to visit the website and overtime a decrease in calls to the Contact Centre.



3.1.7 The change in channel (e.g. telephone, website, post) will deliver savings or free up resource to do other work. Estimates suggest that the average cost of a digital (online) transaction is 15p, compared with £2.83 for the telephone and £8.62 face-to-face³. If, for example, 5% of website visitors telephoned us a 2 minute call would add over 55 hours of work into the Contact Centre each month, costing £4,735 and requiring 1.5 extra staff. The change in customer behaviour away from telephone contact has already allowed significant reductions to the staffing level in our Contact Centre/One Stop Shop to be achieved, over the last 6 years.

3.1.8 The Customer Relationship Management (CRM) system is used by the Contract Centre (CC) to log request for service made via the phone and in the One-Stop-Shop. We are in the second year of a two year project to redevelop our online forms using the functionality in the CRM system. During 2016/17 self-service accounted for 13% of the transactions recorded through the CRM. Our challenge is to encourage people to move to the website for both simple and more complex services currently being fulfilled through the Contact Centre or in the One Stop Shop.

3.1.9 The following Table shows the service forms completed by service area in the Contact Centre, the number of self-service (online) forms completed and the most frequently accessed website pages.

³ Local Government Information Unit "Connected Councils" Report March 2016 quoting Society of IT Managers estimated transaction costs.

Forms Completed in the CRM by Telephone/OSS	Forms 16/17	Self-service (online) Forms	Online 16/17	Website (Pages Visited)	Pages 16/17
Council tax & NNDR.	10157	Contact Us	2259	ALC - pool	21118
Housing	9082	Housing Enquiry	1550	Planning	23526
Benefits	7469	Food Bank	1085	CLC classes	8956
Replacement and New Bin Requests	3828	Problem Reporting (litter, fly tipping)	488	Payments and parking fines	20356 1
Rubbish and Recycling	2580	Missed Bin	483	Housing - apply	11367
Warwickshire C.C	2013	Replacement Bin	407	Recycling	2131
Bulky Household Collections	1502	Council Tax Registration	327	ALC fitness class times	7036
Pests	1359	Sports Fixtures	318	Jobs	10005
Missed Domestic Bins	1329	Single Person Discount	103	Household recycling centres	5906
Report fly tipping	952	To be categorised	97	Local Plan	10021
Planning	946	Local Plan	58	Leisure booking	4011
Streetscape Services	876	Dogs	45	Councillors - name	2994
Environmental Health	860	Sports Pitch Hire	45	Prices at CLC	4126

3.1.10 This information demonstrates people's willingness to use the website for finding out information about our services for example visits to the recycling page has increased by 187% since 2015/16. Issues of local interest such as the Local Plan are also popular and has seen a 153% increase in visits.

3.1.11 This channel shift is already saving staff time as they no longer have to rekey information from the web forms. The new forms are helping to streamline processes, deliver quicker turnaround times and they give a more complete view of the services used by a customer. Customers can register and create a "customer account" so that they can see and track the services they have used. We currently have 4842 customers registered on the CRM.

3.1.12 Customer Services staff are using a Web Chat solution which is offered when people visit the website, between Feb 17 – Jul 17, they handled 959 web chats. Council Tax, Planning, Leisure, Refuse and Recycling and Housing are the most asked about services, each generating an average of 17 enquiries a month. This channel is proving popular and its use is increasing.

3.2 Update on the Council's use of Social Media

3.2.1 Staff in the Contact Centre respond to service questions that come in through social media, such as Facebook or Twitter. These are a growing and instant way for customer to raise questions and also air and share their views. In general these channels give the customer a consistent and speedy response and provide the Council with a more complete view of the enquiries it gets.

3.2.2 The Council continues to make good progress on developing its presence on social media, we now have:

- 1338 people “liking” (subscribed to) our corporate Facebook page, which is a 51% increase in 12 months (887 in 2016).
- 5566 followers on the corporate Twitter account which is a 10% increase on the 2016 figure of 5034.

3.2.3 The Community Development Team and Leisure Centres have their own Facebook pages and Twitter accounts. This enables them to engage with their audiences. We are now recording the numbers of people signed up to these accounts and figures as at 11th August 2017 are shown below.

Table 2		
Service/Team	Facebook	Twitter
Coleshill Leisure Centre	1737	509
Arley Leisure Centre	700	152
Atherstone Leisure Complex	2080	371
Polesworth Sports Centre	1268	71
Community Development	543	

3.2.4 Social media is particularly important during events or at times of service disruption and in fast changing situations, such as Election declarations or emergencies. Our Twitter account is followed by local people, national organisations and by local and national media and is often where they pick up our news. The following screenshot shows one of our tweets which was re-tweeted by the Alzheimer’s Association to their 152,000 followers and a tweet that was acknowledged and re-tweeted by GreatUKGovTweets.



3.2.5 The reach of social media was seen again during the Aviva Women's Tour. Nearly 4,500 people looked at the pictures, on Facebook, of the window dressing competition. The promotion of the Big Day Out reached over 11,000 people and it was shared 46 times. Our challenge now is to start using social media strategically and engagingly in support of Council priorities.

Post Details

North Warwickshire Borough Council
Published by Helen Thom [?] · 2 June · €

Dordon Big Day Out this Sunday, 4th June, Recreation Ground, Long Street, Dordon B78 1QA.
Family Fun Day - inflatables, stalls, dog agility show

BIG DAY OUT
Join us for a FAMILY FESTIVAL of FUN as we tour the Borough with the 'Big Day Out'.
Come along to our next venue:
DORDON
Long Street Recreation Ground
Sunday 4 June
11-3pm

11,130 people reached [View Results](#)

Performance for your post

11,130 People Reached

160 Likes, Comments & Shares

84 Likes	49 On Post	35 On Shares
30 Comments	18 On Post	12 On Shares
46 Shares	44 On Post	2 On Shares

451 Post Clicks

137 Photo views	1 Link clicks	313 Other Clicks
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NEGATIVE FEEDBACK

2 Hide Post	1 Hide All Posts
0 Report as Spam	0 Unlike Page

Insights activity is reported in the Pacific time zone. Advert activity is reported in the time zone of your advert account.

3.2.6 We are currently arranging further training for staff that actively use or plan to use social media for work. This is being funded by the LGA as part of their Communications Health Check support package.

4 Online Services Update

4.1 We now have a number of online systems used to enable customers to self-serve. These are now integral to the service and their development and improvement is built into Service Plans. Examples of this are:-

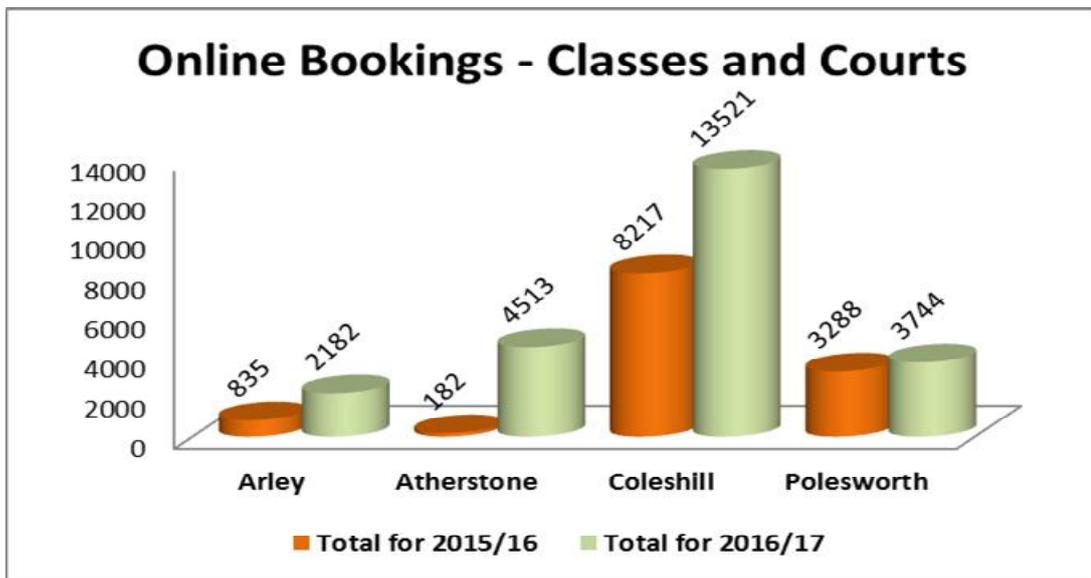
4.1.1 Online Planning:-

- 59% of the 711 applications submitted in 2016/17 were through the Planning Portal (online), this is slightly down on the 15/16 figure of 62% of the 746 applications.
- Details of listed buildings and planning decision notices are available online. Planning pages are often the most used on the website.
- Consultees and the public are able to view applications over the Internet and make comments electronically.

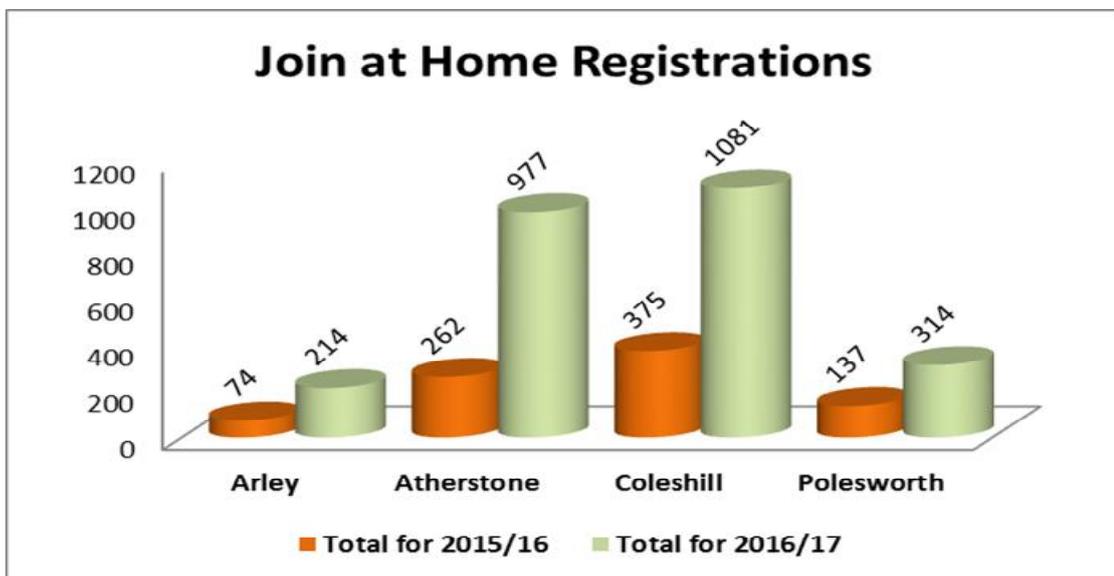
4.1.2 Online Leisure Booking:-

- All Leisure Centres are able to take online bookings and payments for classes and facilities. The table below shows that web booking has taken off across the Centres. Numbers of bookings increased by between 14%

and 161% over the last two years. Atherstone Leisure Complex was last to implement and therefore has a disproportionate increase between years.



- People can complete joining information online and then manage their membership and bookings using a Member Portal. The number of people signed up to use the “Join at Home” module is shown in the graph below.



- In 2016 we completed the implementation of the “Learn to” module for swimming and gym courses and introduce payment by Direct Debit to help spread the cost of these for customers. Across all the Centres 46% of payments are now made by Direct Debit.

4.1.3 Online Council Tax and Business Rates billing:-

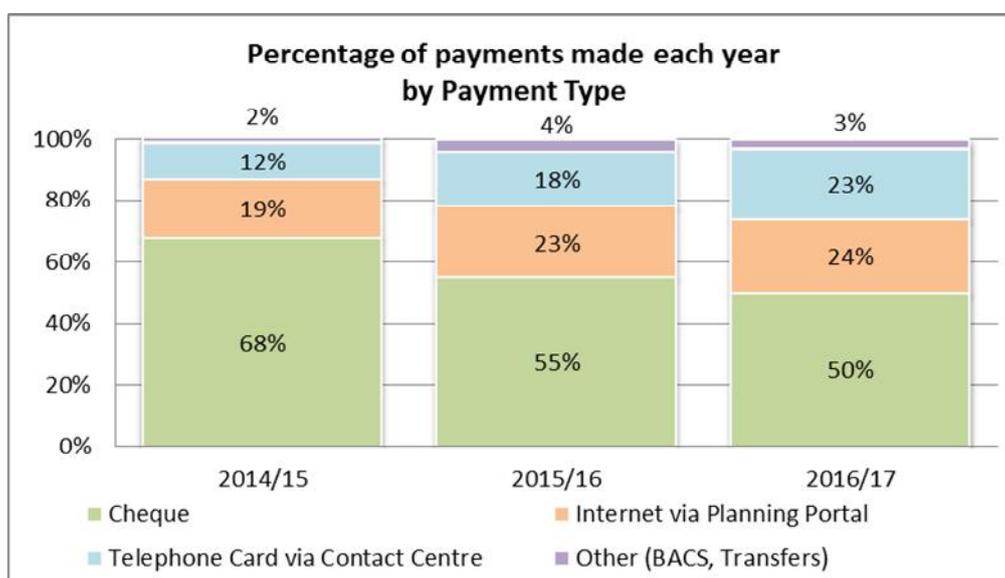
- People can sign up to e-billing for Council Tax and/or Business Rates and receive bills and adjustment notices via email. There are now 972 people signed up to receive e-bills, this is a 14% increase in twelve months.
- We now have 4373 people signed up for online Accounts, which is nearly 17% of bill payers and is an increase of 22% on last year's figure.
- 331 people have made Benefits claims online during 2016/17. This means 88%, of these claims, were done using our eClaim form which populates the back office system saving about 20% of processing time.

4.2 The Council has to comply with the Payment Card Industry Data Security Standard. The payments management system, implemented in 2012 has enabled us to improve and increase our online payments and this will continue to be a priority.

4.3 People can pay for services in a range of ways including by automated telephone payment, by telephone to the Contact Centre, using Direct Debit, via online payments, at the Post Office, by standing order, by cheque or in in some circumstances in cash. Table 3 shows the changes by payment type, over the last 10 years, and reflects changes in people's payment habits and the proactive work we have done to enable this transition. Over the 10 year period all the figures are going in the direction we want to, enabling staff to be more efficient, for example web payments are increasing and payment by cheque decreasing.

Table 3								
Method of Payment	2007/08	2008/09	Oct 12- Sept 13	2013/14	2014/15	2015/16	2016/17	Increase/ Decrease from 15/16 to 16/17
Web Payments	1,800	2,200	5,350	7,775	9,622	14,194	18,709	32%
Card Payments by Phone	10,500	11,300	18,400	22,202	23,583	43,045	43,475	1%
Cash - Face to Face. Excl Leisure.	900	1,200	600	660	569	508	642	26%
BACS	263,000	280,900	247,216	261,135	275,859	285,104	302,207	6%
Cheque			6,100	6,652	6,041	5,176	4,728	-9%
3rd Party (Post Office, Bailiff)			48,600	54,723	50,570	42,954	37,059	-14%
Bank (Direct Payments)			14,650	17,660	20,734	26,358	27,695	5%

- 4.4 The Council has reduced the costs of collection by introducing cheaper methods of payment, for example over 75% of Council Tax and Business Ratepayers choose to pay by Direct Debit. On-going promotion of, and incentivising payment by, this very cost effective method has enabled staff savings to be made in the areas of cash and cheque reconciliation.
- 4.5 Online payment can be used to pay for any “sundry debt”. Recent development has added the ability to pay online for replacement bins and a bulky waste payment process is being developed
- 4.6 Another example of the result of the work done to encourage people to move from costly payment methods is the decrease in the number of cheques received for planning applications over the last 3 years.



5 Increasing the use of Online Services Plans

- 5.1 Online services deliver efficiencies for the Council by moving contact and service provision to less costly channels. Over time these efficiencies become sufficiently significant to enable the Council to achieve cash savings, savings in salary cost by reducing staffing levels or minimise additional costs if demand for services increases or a new service is introduced.
- 5.2 There is extensive research on how to encourage people to move to different ways of using services. This movement is known as “channel migration”. However, getting citizens and customers to make the change is not always a simple or quick process, as they need to:-
- Be skilled - to use the internet and online services.
 - Have access - to use the internet when and where it’s convenient.
 - Understand why - convinced that there is a benefit to them.
 - Secure – believe our online service are trustworthy, secure and reliable.
 - Aware - that our services are available online.

- 5.3 The Council has a number of projects and services to help address these issues and remove barriers to being online.
- 5.3.1 The Community Hubs, Information Points and the B.O.B project encourage the use of and allow free access to the internet. They have helped residents engage with the Council and partners services, as easily as possible. To date this approach, which is part of our wider customer access and community partnership priorities, has helped residents to get online, save money and access jobs. The Customer Access Strategy which is due to be updated this financial year will build on this work.
- 5.3.2 The CRM platform, introduced in 2014, has enabled us to provide a better and more consistent service across the various channels. A self-service form completed on the website appears as part of the customer's history to Contact Centre staff and can go direct to front line staff to deliver the service. It is also helping us deliver a more informed and targeted customer experience as residents transact with us and a history develops.
- 5.3.3 The Council has committed a second tranche of match funding, to the Coventry, Solihull and Warwickshire Broadband Project, to help improve broadband access across the sub region. The Council's funding is part of Contract 3 which is being awarded now and which will start delivering improvements from late 2017 with the aim of achieving 98% superfast coverage for Warwickshire. A more detailed report on Broadband will be provided to Board in November 2017.
- 5.3.4 The Council has always taken information security management seriously and complied with government and banking compliance regimes and as far as possible industry good practice. However, the threat to our information and services from cyber-attack is an increasing risk. Further work to improve our defences against an attack and our ability to respond to and recover from such an incident is a priority.
- 5.3.5 The Council is working with the LGA to develop communications capacity to meet existing and new challenges. The aim of the work is to take advantage of both existing promotional and communications methods and exploit the opportunities presented by newer options such as social media. We need to ensure our use of social media supports Council priorities, service plan projects or promotions and information published on the website. Work on communications is the subject of reports to Executive Board and will be included in the updated Customer Access Strategy.
- 5.4 New data protection regulations (General Data Protection Regulation) come in to full effect in May 2018. It will impact on how we collect, store and use customers' personal information. Awareness sessions have been held and Policy Support is developing a plan for progressing work needed to comply. It is anticipated that the new regulations will impact on online services.

- 5.5 As online services are increasingly seen as just part of, and integral to, service development and provision we have moved away from separate, detailed online plans, such as those developed in the early 2000's in response to the national e-government programme. We now require details of the projects and initiatives to promote and develop online services to be part of Division's Service Plans, ensuring a link to Council and service priorities. The Council's Customer Access Strategy and the ICT Strategy provide the direction for this work. However, some key aims and associated actions are summarised in the table below:

2017/18 Aims and Actions	
Security Aim	Work to ensure the Council's online services are as secure as possible. Test and confirm this through Cyber Essentials, Public Sector Network (PSN) compliance and PCIDSS.
Actions	Procure Cyber Essentials testing and PSN Health Check so that it is complete and compliance achieved by March 2018. Organise Cyber security e-learning by Jan 18. Work with Audit on PCIDSS review and compliance plan.
Online Forms Aim	Continue to develop the Council's CRM and online forms to ensure they provide a good customer experience and result in the service being delivered as expected.
Actions	Complete the migration of the higher volume forms from the old forms package to the new one. Work with services to ensure online services meet customers' needs and use process which are efficient.
Monitoring Aim	To have information and statistics to plan and help monitor the use of online services and the effectiveness of social media and other channels on a more frequent basis.
Action	Identify methods for capturing and analysis take-up data that is achievable given capacity and skills. To develop ways of more easily measuring the effectiveness of channels, particularly social media. Report progress annually to members.
Engagement Aim	To understand how we inform, consult and engage residents, customers and local businesses, mindful of data protection regulation. To plan to improve how we engage based on information from the residents' survey
Action	Review personal information we collect and how it is used in order to comply with data protection and prepare for GDPR. To utilise contact details and interests to enable consultation and provide opportunities better inform and market services.
Access Aim	To produce an updated Customer Access Strategy that takes account of demographics, customers' needs and Council priorities and capacity.
Action	Update Customer Access Strategy during 2017/18.
E-Payment Aim	Continue to develop e-payments to enable online services to be paid for seamlessly and securely.
Action	Upgrade payments management system to meet PCIDSS requirements on encryption and provide the ability to take

	contactless payments to meet the need identified by Leisure.
Payment Shift Aim	Work across all divisions to move payments away from costly channels, such as face to face and by cheque, to online and automated methods.
Action	Work with Planning and Revenues and Benefits to encourage the people who pay them to move away from cheques. Aim for a 5% decrease during 2017/18
Trust Aim	Ensure our website remains reliable, secure, accessible and responsive.
Action	Monitor website performance and ensure content is accessible and complies with website standards. Achieve 4 star "Better Connected" rating and remain in the top 10% of websites as assessed by Sitemorse.
Skills Aim	Take part in campaigns such as Get Online and Get Safe Online and to encourage people to safely use, enjoy and benefit from the internet.
Action	Promote campaigns and encourage people to sign up to training and to any sessions run at Hubs.
Promotion Aim	Work with other local councils, partners and organisations to develop and continually promote our online service; through our own publications, on the website, through social media, at events and on Council assets.
Action	Ensure online services are continually promoted and highlighted in Council publications and via other channels.
Feedback Aim	Gather feedback on the problems people have when using the website and online services and use their feedback to make improvements.
Action	Use feedback through "thumbs up/down" ratings, Social Media comments and customer feedback during calls and web chats to improve content, forms and services. Publish 10 new examples of improvements by March 2018.
Channel Shift Aim	Work with members and officers to ensure they are considering and committed to taking advantage of online service provision and delivering transformation/channel shift.
Action	All 18/19 Services Plans to identify projects which result in channel shift and/or a new online service.

6 Report Implications

6.1 Finance and Value for Money Implications

6.1.1 There are no financial implications arising directly from this report. However, it is anticipated that increasing the use of online services will deliver savings and efficiencies that will contribute to corporate financial savings targets.

6.1.2 In order to achieve savings and efficiencies invest to save business cases may need to be developed.

6.2 Risk Management Implications

- 6.2.1 Whilst there are operational and financial benefits to moving towards our online ambitions, there are reputational and operational risks related to managing and securing our information in an online environment. These risks are predominantly managed by Information Services, but all data users have responsibility for ensuring data transfer, its capture and use is secure and managed appropriately and complies with regulation and legislation.
- 6.2.2 Many of the security related threats and risks are global or national. We aim to reduce and control them by the Council demonstrating on-going compliance with Public Sector Network (PSN) connectivity compliance, Payment Card Industry Data Security Standard (PCIDSS) compliance and aided by achieving Cyber Essentials certification. The impact of recent cyber-attacks on a number of public and private sector organisations has reinforced the need to focus on cyber-attack prevention and recovery for business and reputational reasons.
- 6.2.3 One of the barriers to using online service is people being concerned about online security and not trusting organisations to keep their information safe and secure. Measures to improve security reduce risk and hopefully improve people's perception of how trustworthy an organisation is; ideally this translates into an increased willingness to use online services.
- 6.2.4 There are local issues and reputational risks involved in how we manage the increasing use of social media and the different customer expectations and styles needed to respond appropriately. The Council has a Social Media policy, guidelines on its use and has trained and supported staff to use these channels to ensure reputational risks are managed. Further social media training is planned for October 2017

6.3 Environment and Sustainability Implications

- 6.3.1 Providing information and services online enables people to access them at their own convenience without having to travel to a Council building or incur additional costs such as call charges. The work on developing community hubs is an example of technology helping local communities to access services and information which is contributing towards one of the priorities of the North Warwickshire Sustainable Community Strategy 2009 – 2026.

6.4 Equalities Implications

- 6.4.1 The responsive nature of the website has made it easier for all people to use it on a range of devices. The site has passed recent accessibility and mobility tests and achieved AA level W3C-WAI Web Content Accessibility compliance. The website contains specific functionality to make it more easily readable for people with visual impairments and can be read out to people using reader software readily available on the Internet. The report identifies at paragraph 2.4 the need to help people who don't have access to or the ability

to use the internet and highlights some examples of how the risks of social isolation can be addressed.

6.5 Safer Communities

6.5.1 The Council's website and associated systems supports the work on reducing crime and disorder by providing information on Safer Communities activities and contacts. For example we actively promote cyber security information and information about Policing services is provided and people are able to report incidents of anti social behaviour and hate crime to the Council via the Contact Centre and website.

6.6 Links to Council's Priorities

6.6.1 The on-going development of online services supports commitments made in the Council's Customer Access Strategy. The provision of services via the web compliments and supports other access channels and the majority of the Council's priorities.

The Contact Officer for this report is Linda Bird (719327).

Background Papers

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

Background Paper No	Author	Nature of Background Paper	Date

Progress against 2016/2017 Aims and Actions

Appendix 1

2016/17 Aims		Planned Action	Progress made in 2016/17
Security Aim	Work to ensure the Council's online services are as secure as possible. Test and confirm this through Cyber Essentials accreditation and Public Sector Network (PSN) compliance.	Procure Cyber Essentials and PSN Health Check so that it is complete and compliance achieved by February 2017. Hold Cyber security briefings for computer users by Oct 16.	<ul style="list-style-type: none"> The Council passed the Cyber Essentials certification and the higher "Cyber Plus2 Level. The Council maintained its PSN compliance. Cyber security briefing were provided and attended by the majority of staff.
Online Forms Aim	Continue to develop the Council's CRM and online forms to ensure they provide a good customer experience and result in the service being delivered as expected.	Migrate at least 3 additional, high use, forms from old website to CRM forms by April 2017. Act on negative feedback where customers have found forms difficult to use or where the form has failed. Publish the improvements made on the "you said, we did" page.	<ul style="list-style-type: none"> Migrated/improved replacement bins, single person discount and missed bins forms. The web team act on any negative feedback and publish details of any improvements made on the website.
Monitoring Aim	Develop a "digital dashboard", initially based on the figures used in this report, to help us target and monitor progress in moving services online.	Produce a quarterly "digital dashboard" from Q2 2016/17 and report progress to EMT and annually to members.	<ul style="list-style-type: none"> A template for a 'Digital Dashboard' was produced but staff had higher priority tasks and were unable to do the work involved in collecting and publishing information on a quarterly basis. The Online Services Report has been produced for September Resources Board.
Engagement Aim	To improve how we inform, consult and engage residents, customers and local businesses.	Collect and utilise contact details and interests to enable consultation and provide opportunities better inform and market services.	<ul style="list-style-type: none"> A residents' survey on communications and peoples willingness to engage online was completed in July 2017. The results will be presented to Executive Board and used to inform communications, customer access strategy and online services plans.

Progress against 2016/2017 Aims and Actions

Appendix 1

Access Aim	Continue to provide Hubs in our communities to enable access to the internet and provide opportunities for people to get the skills they need.	Develop Hubs as WiFi hotspots by September 2016.	<ul style="list-style-type: none"> Hubs and information points have been set up as agreed by the member steering group.
E-Payment Aim	Continue to develop e-payments to enable online services to be paid for seamlessly and securely.	Identify an additional service whose payment could be moved online and develop the form to enable this by April 2017.	<ul style="list-style-type: none"> Payments for replacement bins has been brought online and the bulky waste payment process is being developed.
Payment Shift Aim	Work across all divisions to move payments away from costly channels, such as face to face and by cheque, to online and automated methods.	Work with Planning and Revenues and Benefits to encourage the people who pay them to move away from cheques. Aim for a 5% decrease during 2016/17.	xx
Online Shift Aim	Investigate the incentives and benefits we could pass back to the customer for them using online services.	Evaluate the impact of the prize incentive to move to Benefits eClaims by Dec 2016. Investigate differential charging.	xx
Trust Aim	Ensure our website remains reliable, secure, accessible and responsive.	Monitor website performance and ensure content is accessible and complies with international website standards. Achieve 4 star "Better Connected" ratings for Mobile, Navigation, Search and Accessibility.	<ul style="list-style-type: none"> The website has been in the top 10 of the 406 websites tested by Sitemorse for accessibility, functionality and performance. Although the website was rated 3 Star overall it passed all the tests for mobile access, search, navigation and accessibility.

Progress against 2016/2017 Aims and Actions

Appendix 1

Skills Aim	Take part in campaigns such as Get Online and Get Safe Online and to encourage people to safely use, enjoy and benefit from the internet.	Promote campaigns and encourage people to sign up to training and to any sessions run at Hubs.	<ul style="list-style-type: none"> • This has been promoted in north talk, on the website and using social media. • Sessions have been run at hubs and on B.O.B.
Promotion Aim	Work with other local councils, partners and organisations to develop and continually promote our online service; through our own publications, on the website, through social media, at events and on Council assets.	Ensure online services are continually promoted and highlighted in 16/17 editions of north talk and other media and channels. Reuse refuse vehicle advertising by March 2017.	<ul style="list-style-type: none"> • Online services have been promoted in north talk, on the website, using social media and on print media in Leisure Centres. • Promotional banners have been displayed on refuse vehicles and can be reused when appropriate.
Feedback Aim	Gather feedback on the problems people have when using the website and online services and use their feedback to make improvements.	Use feedback through “thumbs up/down” ratings and Social Media comments to improve content, forms and services. Publish at least 10 examples of improvement by March 2017.	<ul style="list-style-type: none"> • The web team act on any negative feedback. • Twenty examples of the improvements made are published on the website under ‘you said, we did’.
Channel Shift Aim	Work with members and officers to ensure they are considering and committed to taking advantage of online service provision and delivering channel shift.	All 17/18 Services Plans to include at least one project which result in channel shift and/or a new online service.	<ul style="list-style-type: none"> • EMT members included a channel shift project in their Service Plans. Examples include: <ul style="list-style-type: none"> ○ Use SMS to contact benefits claimants. ○ Provide monthly payments data for publishing online for Transparency Code. ○ Distribution of maintenance jobs using Total Mobile system and iPads. ○ Implement ‘Learn to’ for swimming and gym programmes.

Agenda Item 14

Resources Board

5 September 2017

Report of the Assistant Chief Executive (Community Services)

Local Discretionary Rate Relief Scheme to provide Revaluation Support to North Warwickshire Businesses

1 Summary

- 1.1 This report sets out proposals for a local Discretionary Rate Relief Scheme for the Council to assist businesses facing an increase in their bills for 2017/18 onwards arising from the recent revaluation.
- 1.2 Councils have been given funding from the Government to distribute to businesses facing increases in Business Rates following the revaluation and have been given the responsibility to design their own relief schemes. The Council has been awarded £262,000 to award over a 4 year period with £153,000 available in 2017/18 and reducing thereafter as outlined in paragraph 4.2.
- 1.3 The scheme being proposed for adoption targets relief at independent small and medium sized businesses in North Warwickshire who are not exempt from rates and are facing an increase in their Business Rates of £100 or more following the revaluation.

Recommendation to the Board

To approve and adopt the preferred option in respect of a Local Discretionary Rate Relief Scheme for revaluation support as set out in this report.

2 Consultation Undertaken

- 2.1 Before the Council can adopt a local scheme it has needed to consult on its proposals with precepting authorities, in our case Warwickshire County Council and Warwickshire Police Authority. In addition, and as part of a two week consultation exercise undertaken alongside our shared service partner, Nuneaton and Bedworth Borough Council with whom we have developed the rationale behind the proposed scheme, consultation has also been conducted with the Federation of Small Business (FSB) and the Coventry and Warwickshire Chamber of Commerce despite there being no specific requirement to do so.

- 2.2 I attach the consultation document issued on 27 July 2017 on which comments and preferences as to two alternative options were requested at Appendix A. Comments received have been very supportive of the Council's proposed approach with both agreeing that Option 2 as outlined was their preferred option.
- ...
- 2.3 The FSB went further by providing additional comments they felt should be addressed around the application process and the treatment of satellite assessments occupied by larger and multi national companies. Having reviewed these comments this has resulted in the Council reviewing its modelling and proposing a third option which we consider achieves our ambitions and also allow us to give increased targeted support than was originally proposed.
- 2.4 These options are outlined later in this report for Members consideration.

3 Background to this Report

- 3.1 The Government has undertaken a national revaluation of all commercial premises in England and Wales. The 2017 revaluation of all non-domestic rate properties came into force on 1 April 2017. The rateable values of the properties in the rating list are based on rental levels as at 1 April 2015. The previous revaluation which came into force on 1 April 2010 were based on rental levels as at 1 April 2008.
- 3.2 Following the 2017 revaluation the rateable value of businesses in the Borough have gone up from 97,909,119 to 106,792,735 an increase of 9.07%
- 3.3 As with previous revaluations, the Government introduced a five year transitional scheme to phase in increases and decreases in rates payable. based on the size of the business to minimise the impact. The transitional scheme operates as a self financing model so that the phasing in of decreases funds the phasing in of increases. Small businesses are defined as having a rateable value up to £20,000, medium between £20,000 and £100,000 and large at over £100,000: Transitional relief limits increase in bills arising from the revaluation over the life of the valuation list as follows:

Year	Small property	Medium property	Large property
2017/18	5%	12.5%	42%
2018/19	7.5%	17.5%	32%
2019/20	10%	20%	49%
2020/21	15%	25%	16%
2021/22	15%	25%	6%

3.4 The table below confirms details of the impact of the revaluation locally:

Number of Business Rate Properties:	2310
Businesses with a zero rates bill (due to receiving Small Business Rates Relief):	1079
Businesses whose business rates bill has decreased or remained the same	498
Businesses whose business rates bill has increased	733

3.5 As a result of these changes and following significant lobbying, in the Chancellors budget on 8 March 2017, he announced that £300 million extra funding would be given to local authorities to design discretionary relief schemes to provide additional help to those businesses facing increases in their business rates following the revaluation. The Government have described this initiative as “revaluation” support. The relief scheme to be adopted will be administered under Section 47 of the Local Government Finance Act 1988 as amended and fully paid for by the Government up to a maximum level as outlined in paragraph 4.2.

3.6 At the same time, they also announced other Government schemes to support businesses following the revaluation. These include support for pubs that have a rateable value of below £100,000, who will receive a £1,000 discount on their bill for 2017/18 only. There is also a Supporting Small Businesses scheme, which provides relief to businesses who as a consequence of the revaluation have lost relief under the previous small business or rural rate relief schemes. These impact on less than 100 businesses locally and will be administered by the Council in line with the legislation. It is anticipated that by the time this report is considered the software changes necessary to implement these changes will have been received and the businesses contacted who qualify for this relief.

4 Discretionary Rate Relief Scheme

4.1 In relation to the revaluation support scheme, Billing Authorities have been given the responsibility to design their own discretionary business rates relief scheme to determine how the funding for “revaluation support” is best distributed across its local area. This is subject to minimal Government guidance other than that this extra relief can only be targeted at businesses that have seen their rates bills increase in April 2017 as a result of the revaluation.

4.2 The overall increase in net rates payable in North Warwickshire for 2017/18 is £3.1 million (net rates payable in March 2017 was £43.7m against net rates payable in April 2017 of £46.8m). The assistance the Council is able to offer under the scheme will be limited to the funding provided by Department for Communities and Local Government (DCLG) which is £262,000 over a four year period to be awarded by year as shown in the table below.

Amount of DRRS Funding (£000s)				
2017-18	2018-19	2019-20	2020-21	TOTAL
153	74	31	4	262

4.3 Any relief awarded in excess of the funding would be a direct cost to the Council to be paid from its own resources. DCLG have not confirmed if any underspends can be rolled forward to the next financial year but the assumption made is that this will not be possible in developing the proposed scheme which has been reinforced in a recent letter.

5 Principles behind the design of a Discretionary Business Rate Relief Scheme for North Warwickshire.

5.1 To ensure we are able to deliver the Governments ambitions with the limited guidance given following an aborted Central Government consultation process, officers have worked with the other Warwickshire Councils in considering the best approach to developing the rationale to inform the development of the discretionary rate relief scheme. These principles were agreed and are consistent with many other schemes nationally as follows:

- To target relief at businesses that are facing an increase in their business rate bills following the revaluation, particularly focussing on small and medium sized businesses in different sectors and locations across Warwickshire.
- Distribute the extra relief in a way that is proportionate to how much a businesses' bill has gone up and in a fair manner.
- Assess eligibility for discretionary relief net of other reductions such as transitional relief.
- Ensure that the extra relief is distributed to local businesses quickly and smoothly.
- Be relatively simple for the Council to administer.

6 Proposed Scheme to be adopted

6.1 Comprehensive modelling has been undertaken to determine the localised make up of impacts on businesses in North Warwickshire taking into account:

- The level of funding available with the assumption that it will not be possible to roll over any underspends and that funding should be spent in-year.
- The number of businesses affected by the 2017 revaluation.
- The expectation of the Government as set out in its limited guidance.
- Consideration of existing transition schemes that account for large increases.
- Software constraints.
- Administrative complexity and the limited new burdens funding available to implement and oversee this scheme.

- 6.2 It has been determined that those eligible for the scheme must have faced a sizeable increase in their business rate bills following the April 2017 revaluation and that the property must have been occupied and shown in the valuation list on both 31 March 2017 (the last day of the old valuation list) and 1 April 2017 (the first day of the new valuation list). In this way the relief is property not person related and impact can be demonstrated that the ratepayer is experiencing an increase in rate liability.
- 6.3 Based on this criteria, the total number of businesses that are affected by an increased Rateable Value and increased rates bill is **733**. Ignoring those properties occupied by the Council and Precepting Authority which are not eligible to receive assistance this reduces the number by 26 to **707**.
- 6.4 It is then proposed that the relief to be awarded will be calculated as a percentage of the increase in net rates payable (i.e.) the amount of the increase only and will be awarded for the entire four year period on a sliding scale in line with the profile of the funding available. This approach was explained in the consultation as Appendix A
- 6.5 Both the proposed options on which consultation took place restricted the relief to those businesses who have seen their business rates bill increase by **£100 or more**. This is because not to do so would mean that the value of any relief applied under this threshold would in these cases be negligible, and needed to be balanced against the high administrative cost and burden for the Council to apply the relief.
- 6.6 Restricting the relief scheme to those with an increased rates bill of £100 or more only excluded **113** businesses. The average increase for those 113 businesses is £48.75 – the lowest being 77p and the highest £99.28. The table below shows a breakdown of the increase in rates bill by bands:

Increase in Rates Bill	Number of Businesses
£0 - £20	24
£21 - £40	21
£41 - £60	25
£61 - £80	26
£81 - £100	17
TOTAL	113

- 6.7 This resulted in a consultation document being drafted on the best way to distribute the maximum funding available across the 4 years by proposing two alternative options for consideration;

7 OPTION 1

- 7.1 To award a fixed percentage of relief to all businesses with an increased Rateable Value (RV) whose business rates bill had increased by £100 or more. Based on the modelling the following percentages can be applied as a

reduction to the increased part of bill on 2016/17 levels as follows and reflects the funding available each year:

OPTION 1	Year 1 (2017/18)	Year 2 (2018-19)	Year 3 (2019/20)	Year 4 (2020/21)
Percentage	19.5%	9%	3.5%	0.5%
Relief Total	£149,759	£69,119	£26,880	£3,849
Funding Allocation	£153,000	£74,000	£31,000	£4,000
	(£3,241)	(£4,881)	(£4,120)	(£151)

8 **OPTION 2**

- 8.1 To award a fixed percentage of relief to all businesses with an increased RV whose business rates bill had increased by £100 or more and whose RV is below £200,000. To exclude these very large businesses means that 62 hereditaments would not qualify. These are almost exclusively occupied by multinational and national companies whom it is considered should be excluded from relief as businesses more likely to be better equipped to cope with the increase in business rates proposed. Based on the modelling undertaken, by excluding these the scheme can be made more attractive for the rest with the following proposed percentages applied that reflects funding available each year:

OPTION 2	Year 1 (2017/18)	Year 2 (2018-19)	Year 3 (2019/20)	Year 4 (2020/21)
Percentage	23.5%	11%	4.5%	0.5%
Relief Total	£151,965	£71,133	£29,100	£3,233
Funding Allocation	£153,000	£74,000	£31,000	£4,000
	(£1,035)	(£2,867)	(£1,900)	(£767)

9 **OPTION 3**

- 9.1 To award a fixed percentage of relief to all businesses with an increased RV whose business rates bill had increased by £100 or more and whose RV is below £100,000. This has regard to the comment that multi nationals do operate out of some smaller satellite premises as outlined in paragraph 2.3 and we have also taken a further review of the local impact in the area caused by the valuation rather than simply using the suggested £200,000 cut off point as proposed by the Government. This is an approach also already adopted by others in the sub region. Based on the modelling undertaken, by excluding those assessments above £100,000 would mean 94 businesses would not qualify. The outcome of this would be that it would make the scheme

significantly more attractive for the remaining medium sized businesses with the following proposed percentages applied that reflect the funding available each year:

OPTION 3	Year 1 (2017/18)	Year 2 (2018-19)	Year 3 (2019/20)	Year 4 (2020/21)
Percentage	37.5%	18%	7.5%	0.9%
Relief Total	£151,719	£72,825	£30,343	£3,640
Funding Allocation	£153,000	£74,000	£31,000	£4,000
	(£1,281)	(£1,175)	(£657)	(£360)

10 Officer recommendation is that the preferred option for the Council is Option 3 for the following reasons:

- A fixed percentage is believed to be the fairest method of distributing the Council's allocation of Government funding for the local discount relief and this will allow the biggest reductions of 37.5%; 18%; 7.5% and 1.0% to be passed onto medium sized businesses who most likely need it most.
- It ensures that the value of the extra relief given out is proportional to the amount that a businesses' bill has increased by. As such, those local businesses facing the most significant increases in their bills following the revaluation would receive the most support under the proposed scheme
- It ensures that the extra relief available supports all types of businesses across the whole borough and does not propose to exclude any type of business.
- Restricting relief to businesses whose net rates bill has increased by £100 or more helps to reduce the administrative burden and cost for the Council and local businesses in applying the scheme. It also prevents very small adjustments to builds that would be negligible and have little impact on a businesses ongoing viability.
- It provides a consistent method of calculating how much relief is awarded to any business, ensuring that the relief scheme is transparent and that businesses are treated fairly against a clear criterion.
- It will be easier to administer. The only matter to be checked will be that state aid limits is below the permitted level to be eligible to receive relief. As it is expected that this will be the case, it is proposed to automatically award relief in the consultation response from the FSB and require the ratepayer to advise that this is not the case following receipt of the bill that will be accompanied by a letter explaining the reason for sending it to them.

11 For option 3 a total of **500** businesses would be eligible for the relief and attached at Appendix B are the written guidelines for the relief scheme that will be published on the Council's website.

- 11.1 It is proposed that any underspend from the scheme which is expected to be very small is set aside and is used on an exceptional basis to target support to organisations that are facing extreme hardship. This could include supporting new businesses starting up in the Borough after April 2017 or dealing with the impacts of valuation changes. It is suggested that the decision to allocate this relief is delegated to the Assistant Chief Executive (Community Services) to make any such decisions before the end of each financial year. This takes into account that any underspend will result in the unspent grant that will need to be returned to the Government.

12 Other Options Considered

- 12.1 There were other schemes that the Council could adopt, including targeting relief at particular types of businesses or geographical areas or using all of the funding for a hardship fund and inviting applications. It is considered that all these would have been significantly more administratively onerous, a lot longer to introduce and promote and demonstrate fairness. It is felt that the proposed scheme meets more closely the rationale set out in paragraph 5.1 of this report and will provide support quickly and effectively.

13 Report Implications

13.1 Finance and Value for Money Implications

- 13.1.1 The Department for Communities and Local Government (DCLG) has confirmed that local authorities will be fully compensated for offering this extra discretionary business rates relief for revaluation support through the Section 31 Grant providing the expenditure is within the maximum levels as advised.

13.2 Human Resources Implications

- 13.2.1 The impact of implementing the proposed scheme should have minimal impact on staffing levels.

13.3 Risk Management Implications

- 13.3.1 A failure to design and implement a Local Discretionary Rate Relief Scheme would result in the grant being returned to Central government and local businesses would suffer as a result.

13.4 Equalities Implications

- 13.4.1 There are no direct implications, but the proposed scheme is supportive of the Council's economic priorities including equality for businesses and economic opportunities for all residents.

The Contact Officer for this report is Bob Trahern (719378).

North Warwickshire BC - Consultation - Business Rate Relief Schemes

1. Background

- 1.1 The 2017 revaluation of all non-domestic rate properties came into force on 1 April 2017. The rateable values of the properties in the rating list are based on rental levels from 1 April 2015. The previous revaluation which came into force on 1 April 2010 was based on rental levels from 1 April 2008.
- 1.2 Following the 2017 revaluation the rateable value of businesses in the borough has gone up from £97,909,119 to £106,792,735, an increase of 9.07%
- 1.3 As with previous revaluations, the Government has introduced a five year transitional scheme to phase in increases and decreases in rates payable. The transitional scheme operates so that the phasing in of decreases funds the phasing in of increases.
- 1.4 The table below confirms details of business rates properties and the impact of revaluation:

Number of Business Rate Properties:	2310
Businesses with a zero rates bill (due to Small Business Rates Relief or Schedule 5 exemption):	1079
Businesses whose business rates bill has decreased or remained the same	498
Businesses whose business rates bill has increased	733

1.5 In the Spring Budget the Chancellor announced three measures to help reduce the impact of business rate increases from April 2017:

- Supporting Small Business Relief
- Business Rate Relief Scheme for Pubs
- Discretionary Rate Relief Scheme

1.7 This document deals with the Discretionary Rare Relief Scheme which all Councils have been tasked with designing and consulting on before their implementation

2. Discretionary Rate Relief Scheme

2.1 Each Billing Authority will need to set up its own local Discretionary Rate Relief Scheme (DRRS). The purpose of which is to provide support to some ratepayers facing an increase in their bills because of the revaluation. The relief scheme will be administered under Section 47 of the Local Government Finance Act 1988 as amended.

2.2 Before the Council can introduce its own scheme it will need to consult on its proposals with its precepting authority. Consideration may also be given to extending the consultation to the Federation of Small Business and the Coventry & Warwickshire Chamber of Commerce (although there is not specific requirement to do so)

2.3 The overall increase in net rates payable in NWBC for 2017/18 is £3.1 million (net rates payable in March 2017 £43.7m, net rates payable in June 2017 £46.8m). The assistance the Council is able to offer under the scheme will be limited to the funding provided by DCLG which is £262k over a four year period as shown in the table below.

Amount of DRRS Funding (£000s)				
2017-18	2018-19	2019-20	2020-21	TOTAL
153	74	31	4	262

2.4 Any relief awarded in excess of the funding would be a direct cost to the Council. DCLG have not yet confirmed if any underspends could be rolled forward to the next financial year however the assumption is that this will not be possible.

3. Proposals

3.1 The Government's expectation regarding a local discretionary rate relief scheme was set out at point 4.6 of The Department for Communities and Local Government consultation paper 'Business Rates – Consultation on proposals on the design and implementation of locally administered Business Rates Relief Scheme':-

'To allocate the resource between authorities the Government has assumed that authorities will provide support only to those ratepayers who are facing an increase in their bills following revaluation – and will make this a condition of the grant. It further assumes that, by and large, more support will be provided to; ratepayers or localities that face the most significant increases in bills; and ratepayers occupying lower value properties'

- 3.2 Comprehensive modelling has taken place to determine the make up of DRRS for NWBC taking into account:-
- the level of funding available with the assumption that it will not be possible to roll over any underspends and that funding should be spent in-year
 - the number of businesses affected by the 2017 revaluation
 - the expectation of the Government as set out in 3.1
 - existing transition schemes that account for large increases.
 - software constraints
 - administrative complexity and limited new burdens funding
- 3.3 Our proposal is to offer relief to those businesses and organisations that are facing a sizeable increase in their business rate bills following the April 2017 revaluation and that the property was occupied as at 31.03.2017 & 01.04.2017
- 3.4 The total number of businesses that are affected by an increased RV and an increased rates bill is **733**. This is based on the property being occupied as at 31.03.2017 & 01.04.2017. Those properties occupied by the Local Authority and Precepting Authority are not eligible to receive this rate relief reducing the number by 26 to **707**.
- 3.5 Businesses whose bills have decreased or remained the same following the revaluation would not be eligible for the relief.

- 3.6 It is proposed that the relief will be awarded as a percentage of the increase in net rates payable and awarded for the 4 year period with two possible options as set out in 3.9.
- 3.7 Both options restrict the relief to those businesses who have seen their business rates bill increase by **£100 or more**. This is because the value of any extra relief applied under this threshold would be negligible, and this needs to be balanced against the high administrative cost and burden for the Council to apply the relief.
- 3.8 Restricting the relief scheme to those with an increased rates bill of £100 or more excludes 113 businesses. The average increase for those 113 businesses is £48.75 – the lowest being 77p and the highest £99.28. The table below shows a breakdown of the increase in rates bill by band.

Increase in Rates Bill	Number of Businesses
£0 - £20	24
£21 - £40	21
£41 - £60	25
£61 - £80	26
£81 - £100	17
TOTAL	113

3.9 OPTION 1

To award a fixed percentage of relief to all businesses with an increased RV whose business rates bill has increased by £100 or more. Based on the modelling the following percentages can be applied that reflects funding available each year:-

OPTION 1	Year 1	Year 2	Year 3	Year 4
Percentage	19.5%	9%	3.5%	0.5%
Relief Total	£149,759	£69,119	£26,880	£3,849
Funding Allocation	£153,000	£74,000	£31,000	£4,000
	(£3,241)	(£4,881)	(£4,120)	(£151)

OPTION 2

To award a fixed percentage of relief to all businesses with an increased RV whose business rates bill has increased by £100 or more and whose RV is below 200k (this eliminates 62 mainly multi national type businesses). Based on the modelling the following percentages can be applied that reflects funding available each year:-

OPTION 1	Year 1	Year 2	Year 3	Year 4
Percentage	23.5%	11%	4.5%	0.5%
Relief Total	£151,965	£71,133	£29,100	£3,233
Funding Allocation	£153,000	£74,000	£31,000	£4,000
	(£1,035)	(£2,867)	(£1,900)	(£767)

4. Recommendation

4.1 The preferred option for NWBC is Option 2 for the following reasons:-

- A fixed percentage is believed to be the fairest method of distributing NWBC's allocation of Government funding for the local discount relief
- It would ensure that the value of the extra relief given out is proportional to the amount that a businesses' bill has increased by. Those local businesses facing the most significant increases in their bills following the revaluation would receive the most support under the proposed scheme
- It would ensure that the extra relief available supports different types of businesses across the whole borough and do not propose to exclude any type of business.
- Relief would be targeted to those businesses with an RV of less than 200k which is both in keeping with the Governments intention as stated in 3.1 and supports medium sized businesses in the NWBC area. Further information regarding the impact on businesses with an RV of more than 200k can be found at 4.2

- Restricting relief to businesses whose net rates bill has increased by £100 or more helps to reduce the administrative burden and cost for the both local businesses and NWBC. This is because the value of any relief applied under this threshold would be negligible.
- It provides for a consistent method of calculating how much relief to award any one business, ensuring that the relief scheme is transparent and that businesses are treated fairly against a clear criterion.
- State aid limits apply to any business eligible for this relief

4.2 There are 62 businesses with an RV of over 200k who have had an increase in RV due to the revaluation that have been excluded from the scheme in Option 2. Most of these are large multi national companies. There are two schools included however these will be eligible for 80% mandatory relief so the actual increase in their rates bill is minimal. A full list of businesses is shown in Appendix A.

4.3 For option 2 : A total of 532 businesses would be eligible for the relief:

No. of businesses with an RV increase and increased rates bill:	733
No. of properties occupied by NWBC & WCC so not eligible for the relief:	26
No. of businesses with an increase in net rates payable of <£100 so excluded from the scheme:	113
No. of businesses with an RV of over 200k so excluded from the scheme:	62
Total businesses eligible	532

5. Proposed Next Steps

- 5.1 Before the Council can introduce its own scheme it will need to consult on its proposals with its precepting authority this is a requirement of the funding from the DCLG. We have also decided to consult with the Federation of Small Businesses and the Coventry and Warwickshire Chamber of Commerce although there is no legal requirement to do so. Any comments will be invited by not later than Friday, 11 August 2017
- 5.2 A report outlining the proposed scheme with any comments made following consultation will be presented to the Resources Board at North Warwickshire BC on Tuesday 5 September 2017
- 5.3 If approved, it is expected that this relief will need to be applied for. We will do this by writing to the businesses identified as entitled alerting them to their entitlement to the scheme. This will be necessary to have a signed form as they need to confirm that they are not receiving State Aid. Failure to complete an application will result in no relief being awarded

Guidelines for the Granting of Discretionary Revaluation Support

Version Control

<i>Version</i>	<i>Version date</i>	<i>Revised by</i>	<i>Description</i>
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1.0 Purpose of the Policy

- 1.1 The purpose of this policy is to determine the level of Discretionary Business Rates Relief to be granted to certain defined ratepayers within the Council's area.
- 1.2 The Local Government Finance Act 1988 and subsequent legislation requires the Council to grant discretionary relief for premises occupied by Charities and similar organisations that own or occupy them wholly or mainly for charitable purposes. Likewise, certain premises situated within a rural settlement area will be eligible for relief. Powers have also been granted under the Localism Act 2011, which allow for the granting of discretionary rate relief to any premises where the Council feels the granting of such relief would be of benefit to the local community.
- 1.3 In addition to the above, Central Government is keen that in certain cases, assistance should be provided to businesses who have had increases in their rate liability due to the revaluation of premises in April 2017. In these cases, and where the Council meets Central Government guidelines, grants are available under section 31 of the Local Government Act 2003.
- 1.4 Whilst the Council is obliged to grant relief to premises, which fall within the mandatory category, the Council also has powers to grant discretionary relief and reductions to ratepayers, subject to certain criteria being met.
- 1.5 This document outlines the following areas:
- Details of the criteria for receiving an award under the Discretionary Business Rates Relief Scheme;
 - The Council's general policy for granting of all types of Discretionary Reliefs;
 - Guidance on granting and administering the reliefs;
 - European Union requirements including provisions for State Aid; and
 - The Council's Scheme of Delegation.
- 1.6 This document covers all aspects of the new Discretionary Business Rates Relief scheme which is available from 1st April 2017. Where businesses apply for relief they will be granted (or not granted) relief in line with the following policy.

2.0 Discretionary Relief - Legislative Background

Introduction

- 2.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to 'top' up cases where ratepayers already receive mandatory relief.
- 2.2 Over recent years, and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.
- 2.3 The range of bodies, which are eligible for discretionary rate relief, is wide and has been developed by both the Council and Central Government to address certain issues with business rates.
- 2.4 Unlike mandatory relief, ratepayers are obliged to make a written application to the Council. The Council will expect all businesses to make applications in such a format as is required (which may vary from time to time) and for the business to provide such information, evidence, certificates etc. as required in order to determine whether relief should be awarded.
- 2.5 The Council is obliged to consider carefully every application on its merits, taking into account the contribution that the organisation makes to the amenities within the authority's area. There is no statutory appeal process or Tribunal against any decision made by the Council, although as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.
- 2.6 The granting of discretionary relief falls broadly into the following categories:
- a. Discretionary Relief – Charities who already receive mandatory relief;
 - b. Discretionary Relief – Premises occupied by organisations not established or conducted for profit whose main objects are charitable or are otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts **or** premises occupied by organisations not established or conducted for profit and wholly or mainly used for purposes recreation;
 - c. Discretionary Relief – Granted under the Localism Act 2011 provisions;
 - d. Local Newspaper Relief (from 1st April 2017 for a period of two years);
 - e. Local Public House Relief (from April 2017 for a one year period);
 - f. Supporting Small Businesses Relief (from 1st April 2017 for a period of five years or until business pay their full rate charge or their transitional rate charge (calculated in accordance with the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016); and
 - g. Discretionary Business Rates Relief Scheme (from 1st April 2017 for a period of up to four years).
- 2.7 This policy document purely covers the granting of awards under the Discretionary Business Rates Relief Scheme (g. above) which covers a period from 1st April 2017 for up to four years. The decision to grant or not to grant discretionary relief is a matter purely for the Council. The Council's policy for granting other reliefs can be found on the Council's website www.northwarks.gov.uk.

The Council's general approach to granting Discretionary Relief

- 2.8 In deciding which organisations should receive discretionary rate relief, the Council has considered the following factors and priorities:
- a. That any award should support business, organisations and groups that help to retain services in the Council's area and not compete directly with existing businesses in an unfair manner;
 - b. It should help and encourage business, organisations, groups and communities to become self-reliant;
 - c. Awarding discretionary relief should not distort competition or significantly change the provision of services within the Council's area;
 - d. To enable appropriate organisations to start, develop or continue their activities, which deliver outcomes to the community and that also relate to the priorities of the Council, which, without granting discretionary relief they would be unable to do;
 - e. To assist the Council in delivering services which could not be provided otherwise;
 - f. To assist the Council to meet its priorities
 - g. To ensure that the financial impact of awarding discretionary business rate relief is justified in terms of the local outcomes achieved by the organisation receiving it.
- 2.9 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 where hardship is proven to the Council, then there will be no requirement to grant Discretionary Rate Relief for that amount.
- 2.10 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the criteria is met irrespective of whether discretionary relief can be granted or not.

The Council's approach to granting Government led Discretionary Relief schemes

- 2.11 Over the past few years, a number of schemes have been led by Central Government but without specific legislative changes. These are administered under S47 of the Local Government Finance Act 1988 and guidance is often provided. The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximising any grants receivable. However, the Council reserves the right to vary its approach where thought appropriate.
- 2.12 In the case of the Discretionary Business Rate Relief scheme, Central Government is keen that individual Councils develop their own scheme to meet local needs. Government has allocated funds to the Council using a particular methodology, but it has been keen to point out that this should have **no** bearing on the actual scheme adopted by the Council.

3.0 Effect on the Council's Finances

- 3.1 The granting of discretionary relief will, in the main, potentially involve a cost to the Council. Since the change to the funding for Non-Domestic Rating in April 2013, the effect of the relief is complex.
- 3.2 Any amounts granted prior to 1st April 2013 and continuing since that date will be included in the Council's baseline within the Business Rates Retention Scheme. Any amounts granted for similar cases after 1st April 2013, the costs of the relief will be borne in accordance with the Business Rates Retention Scheme share namely 50% borne by Central Government, 40% by the Council and 10% by Warwickshire County Council. This also applies where mandatory relief is granted.
- 3.3 In March 2017, Central Government announced that it would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation. Government determined that Councils would be best placed to determine how this fund should be targeted and administered to support those businesses and locations within their area that are in the greatest need.
- 3.4 Where Central Government leads an initiative such as the Discretionary Business Rates Relief Scheme, grants are often made available. This is not automatic and Central Government will look to the Council to adopt any recommended criteria when granting in these areas to ensure that any grant is paid
- 3.5 Every authority within England is to be provided with a share of the fund to support their local businesses. This is to be administered through billing authorities' discretionary relief powers under section 47 of the Local Government Act 1988. The full effects of the financial allocation are shown below.
- 3.6 The allocation of monies to authorities and the methodology of the funding award is completely separate to the scheme itself and Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies.
- 3.7 The funding is not provided equally over the four-year period but in the following approximate proportions:
- Year 1 (2017/18) 58%
- Year 2 (2018/19) 28%
- Year 3 (2019/20) 12%
- Year 4 (2020/21) 2%
- 3.8 Councils will be compensated for any relief granted under section 31 of the Local Government Act 2003. The Government has decided that any underspend cannot be 'vired' from one year to the next.

3.9 A key criteria of reimbursement will be that all Billing Authorities will consult with major precepting authorities when formulating their schemes.

3.10 The financial effects to the Council of the Discretionary Business Rates Relief Scheme are shown in the following table

Amount of discretionary fund awarded (£000s) - North Warwickshire District Council			
2017-18	2018-19	2019-20	2020-21
153	74	31	4

3.11 The above is to be awarded up to the maximum level set by Central Government. It is possible for the Council to grant more relief than that allocated by grant. However, once the maximum grant level has been reached, any additional amount granted is borne:
40% by the Council, 10% by the County Council and 50% by Central Government.

4.0 Discretionary Relief - EU State Aid requirements

- 4.1 European Union competition rules generally prohibit Government subsidies to businesses. Relief from taxes, including non-domestic rates, can constitute state aid. The Council must bear this in mind when granting discretionary rate relief.
- 4.2 Rate relief for charities and non-profit making bodies is not generally considered to be state aid, because the recipients are not in market competition with other businesses. However, where other bodies receive relief and are engaged in commercial activities or if they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.
- 4.3 Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)¹. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years).
- 4.4 Where the relief to any one business is greater than the De Minimis level, then permission will need to be obtained from the European Commission. In such cases the matter will be referred to the Department for Communities and Local Government (DCLG) for advice and then referred back to the Council for consideration. It will be for the ratepayer to provide confirmation as to whether the State Aid provisions apply to them.
- 4.5 In all cases, where discretionary relief is to be granted or where liability is to be reduced, when making an application, ratepayers will be required to provide the Council with sufficient information to determine whether these provisions are applicable in their case.

5.0 Administration of Discretionary Relief – General approach

5.1 The following section outlines the procedures followed by officers in granting, amending or cancelling discretionary relief and reduction. This is essentially laid down by legislation²

Awards and Evidence

5.2 The Council will identify businesses eligible for the relief based on the criteria in section 8.3. Businesses identified as eligible will have the relief automatically awarded. Businesses will be required to sign and return a declaration confirming their eligibility and that any award is within their State Aid limits.

5.3 Organisations are required to provide any such evidence, documents, accounts, financial statements etc. necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect organisations claiming relief to facilitate this where necessary.

5.4 **The Council will provide this service and guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties.**

Granting of relief

5.5 In all cases, the Council will notify the ratepayer of decisions made.

5.6 Where an application is successful, then the following will be notified to them in writing:

- The amount of relief granted and the date from which it has been granted;
- If relief has been granted for a specified period, the date on which it will end;
- The new chargeable amount;
- The details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
- A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.

5.7 Where relief is not granted then the following information is provided, again in writing:

- An explanation of the decision within the context of the Council's statutory duty; and
- An explanation of the appeal rights (see below).

5.8 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made. In such cases, the Council *may* backdate its decision.

²The Non-Domestic Rating (Discretionary Relief) Regulations 1989

- 5.9 A decision to award discretionary relief and how much relief is given is normally only applicable to the financial year for which the application is made. However, the Council reserves the right to grant relief for any other period as appropriate. In relation to the Discretionary Business Rate Relief scheme, awards will, in the main be granted from 1st April 2017.
- 5.10 A fresh application for discretionary relief will be necessary for each financial year **or** at such time-period as the Council determines.

Variation of a decision

- 5.11 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:
- Where the amount is to be increased due to a change in rate charge or a change in the Council's decision which increases the award – this will apply from a date determined by the Council as appropriate;
 - Where the amount is to increase for any other reason it will take effect at the expiry of a financial year, and so that at least one year's notice is given;
 - Where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief or exemption this will apply from the date of the decrease in rate charge; and
 - Where the amount is to be reduced for any other reason, it will take effect at the expiry of a financial year, and so that at least one year's notice is given.
- 5.12 A decision may be revoked at any time, however, a one year period of notice will be given and the change will take effect at the expiry of a financial year.

6.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

- 6.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011. However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.
- 6.2 The Council's scheme of delegation allows for the Assistant Chief Executive (Community Services) to award, revise or revoke any discretionary relief applications. However, any application which is considered to be of a significant nature will be subject to consultation with the S151 Officer of the Council.
- 6.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

Reviews

- 6.4 The policy for granting relief will be reviewed annually or sooner where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.

Appeals

- 6.5 Where the Council receives an appeal from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by a Senior Officer within the Revenues Service. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.
- 6.6 Where the ratepayer continues to be aggrieved by the decision, the case will be referred to the section 151 Officer for review. Where appropriate, cases of this nature may also be referred to the Executive member as appropriate.
- 6.7 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

7.0 Consultation

- 7.1 The Council has consulted with the major preceptors in relation to this scheme and has taken their comments into account when determining the eligibility criteria. This is an essential part of the Discretionary Business Rates Relief Scheme and is in line with the grant determination issued by the Department of Communities and Local Government (DCLG) No.31/3071.
- 7.2 The grant determination states that a condition of the fund is that consultation is undertaken with 'relevant authorities'. Relevant authorities for the purposes of this scheme means:
- a. Any major precepting authority; and
 - b. Any combined authority.
- 7.3 In the case of the Council only the major precepting authorities have been consulted namely:
- a. Warwickshire County Council; and
 - b. Warwickshire Police and Crime Commissioner.

8.0 Decisions by the Council under this scheme

- 8.1 Decisions by the Council are made directly in line with the Scheme of Delegation as outlined within section 6 of this policy. Any decision to award relief under this scheme will follow the core principles of the Council's discretionary relief policy as defined by section 2.8.
- 8.2 It should be noted that, whilst the funding from Central Government for Discretionary Business Rate Relief Scheme is limited, the decision of the Council whether to award any relief under this scheme **will not be influenced** by the level of that funding.

Discretionary Business Rate Relief Scheme- the Council's policy for granting discretionary relief.

Criteria for relief under this scheme

- 8.3 The Council has decided that relief under the scheme will be awarded using the following criteria:
- a. The scheme is designed **solely** to assist ratepayers who have suffered significant increases in rate liability due to the revaluation and the subsequent increase to their Rateable Value;
 - b. Relief will not be awarded where mandatory relief is granted and in line with legislative requirements, no relief can be granted to any precepting authority;
 - c. Relief will only be granted to those hereditaments whose rateable value at 1st April 2017 of the hereditament is less than £100,000;
 - d. In assessing any potential entitlement to an award under this scheme, the Council will compare the following:
 - i. The rate liability of the ratepayer at 31st March 2017 for the 2016/17 financial year after any reliefs and reductions; and
 - ii. The rate liability of the ratepayer at 1st April 2017 for the 2017/18 financial year taking into account any transitional relief or discretionary relief granted under any other provision;
 - e. Relief will **not** be awarded where the calculation in d. above would result in an increase of less than £100;
 - f. Relief will only be given to premises which are liable for occupied rates. **No relief within this scheme will be granted for unoccupied premises** or where the premises becomes re-occupied;
 - g. Relief will only be granted to ratepayers to premises that were occupied on both 31st March 2017 and 1st April 2017. Relief will cease at any point the hereditament becomes unoccupied and will not be re-granted;
 - h. Relief may be awarded for more than one premises as long as **all** other criteria are met;
 - i. Relief (or further relief) will **not** be awarded where the hereditament has an increase in Rateable Value after the 1st April 2017 which increases the rate charge above the 1st April 2017 value.
 - j. Where a ratepayer is in receipt of any award under this policy, the authority will **not** consider any application for relief under Section 44A of the Local Government Finance Act 1988 for the same hereditament.

Amount of Relief

8.4 The amount of relief is tapered and will be calculated as follows:

2017/18

In accordance with the provisions detailed within paragraph 8.3 relief will be awarded to the value of 37.5% of the increase calculated in 8.3d

2018/19

The relief for 2018/19 shall be 18% of the increase calculated in 8.3d

2019/20

The relief for 2019/20 shall be 7.5% of the increase calculated in 8.3d

2020/21

The relief for 2020/21 shall be 1% of the increase calculated in 8.3d

8.5 In exceptional circumstances, the authority shall consider applications on a case by case basis where the ratepayer falls outside of the criteria detailed in paragraph 8.4 but where the ratepayer can demonstrate that they are experiencing severe financial difficulties due to the revaluation on 1st April 2017.

Variation and amendment of relief under the scheme

8.7 As with all reliefs, the amount of relief awarded under the Discretionary Businesses Rates relief scheme will be recalculated in the event of a change of circumstances. In effect, relief is calculated on a daily basis in line with the ratepayer's liability on that day. This will include, for example, a backdated change to the rateable value of the hereditament. This change of circumstances could arise during the year in question or during a later year.

8.8 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) requires the Council to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, the Council may still make decisions which are conditional upon eligibility criteria or rules for calculating relief which allow the amount of relief to be amended within the year to reflect changing circumstances.

9.0 Reporting changes in circumstances

- 9.1 Where any award is granted to a ratepayer, the Council will require **any** changes in circumstances which may affect the relief to be reported as soon as possible and in any event not more than 21 days from the happening of the event. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.
- 9.2 Where a change of circumstances is reported, the relief will, if appropriate be revised or cancelled. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.
- 9.3 Where a change in circumstances is not reported and it is subsequently identified that it would have reduced the relief awarded, the Council reserve the right to remove any award completely.

10.0 Fraud

- 10.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

Agenda Item 15

Resources Board

5 September 2017

Report of the Assistant Director (Housing)

HEART Shared Service

1 Summary

- 1.1 The HEART shared service delivers grants for adaptations and provides for contractors to undertake the work. To underpin the partnership a joint policy has been drafted which gives a framework for the financial assistance provided. This report submits the joint Housing Financial Assistance policy for the Board's approval.

Recommendation to the Resources Board

That the joint Housing Financial Assistance Policy for the HEART shared service is approved.

2 Consultation

- 2.1 The Chair (Councillor Wright) and Shadow Chair (Councillor Chambers) of the Resources Board have been sent an advance copy of this report.

3 Background

- 3.1 At its meeting in May 2016 the Resources Board approved the formation of a shared service with the County Council and other Boroughs and Districts in Warwickshire to provide for Disabled Facilities Grants. The provision of Grants is a mandatory requirement for District and Borough Councils. In October 2016 the shared service was formed with a contract setting out how all parties would act in partnership.
- 3.2 The partnership agreement set out the five separate financial assistance policies in appendices. It also stated an intention to bring together the policies to form one unified policy to underpin the shared service.

4 Housing Financial Assistance Policy

- 4.1 The District and Borough Private Sector Housing leads have worked together to provide a joint Housing Financial Assistance Policy. The proposed Policy is attached at Appendix A for consideration. It supports the terms of the partnership contract and the ambitions of the Business Plan.

- 4.2 Members will recall that the Business Case for the **Home Environment Assessment and Response Team (HEART)** service is:

“To provide customers with the advice and information to help them make the right choice, and provide practical help to deliver the right housing solution when they want it”

and the vision for the shared service is:

“To be the service of choice for advice, assistance and interventions to adapt or improve the home environment to enable activities of daily living and protect and improve the health, safety and wellbeing of residents to prevent, reduce or delay greater needs arising.”

- 4.3 These statements show that HEART is a holistic service. For the District and Borough Councils this includes adaptations and home improvements. However the service also supports the ambitions of the Warwickshire Better Together partnership with health and social care and therefore Members will note from the policy the clear intention to support both preventing admissions to hospital and enabling prompt discharge.

5 Report Implications

5.1 Financial and Value for Money

- 5.1.1 Government continues to provide funding for Disabled Facilities Grants which remain mandatory. For North Warwickshire this is £596,324 for 2017/2018. In addition the Housing Revenue Account provides a budget of £180,000 for adaptations required in the Council's own stock. Although we are part of a shared service the grant provision designated for North Warwickshire is used for our own residents as the grant funding is not pooled.
- 5.1.2 The grant provision is part of Government Better Together funding which is paid to the County Council. The mandatory grant is given directly to the Boroughs and Districts from the County Council and has to support the provision of Disabled Adaptation Grants however it is not ring fenced entirely for that provision and therefore can be used for home improvement grants and to support hospital discharge arrangements. The Housing Financial Assistance Policy provides a clear framework for spending the grant.
- 5.1.3 The requirements for the Better Care Fund are set out in the Government's "Integration and Better Care Fund planning requirements for 2017-19". Adherence to these requirements is overseen by the Health and Well Being Board.

5.2 Legal and Human Rights Implications

- 5.2.1 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.
- 5.2.2 The partnership arrangements ensure that all of the Local Authorities involved can contribute to the Care Act 2014 principle of universal assessment of need.
- 5.2.3 The shared service provisions set out in the Business Case are in accordance with Section 101 of the Local Government Act 1972 and of the Local Government (Arrangements for the Discharge of Functions) (England) Regulations 2000 and;
- 5.2.4 The “Integration and Better Care Fund planning requirements document for 2017 -19” explicitly states that the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 enables authorities to use specific funding for wider purposes and it invites Council to act to use the funding to improve delivery and reduce bureaucracy involved in the grant application process.

5.3 Environment and Sustainability Implications

- 5.3.1 By supporting people to be able to live independently the Council is contributing directly towards the developing healthier communities’ priority of the Health and Well Being Strategy.
- 5.3.2 The roll out of this work and continued delivery of this service should provide our customers with consistent information, advice and adaptations that will assist in improving their quality of life.

5.4 Equality Implications

- 5.4.1 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. 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.
- 5.4.2 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

5.5 Risk Management

5.5.1 The Council requires the grant funding provided by Government to deliver its mandatory duties to provide Disabled Facilities Grants. The use of grant for wider purposes could put the funding for this specific duty at risk. However this is recognised in the partnership documentation and the service will always act to provide funding for mandatory grants.

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

Background Papers

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

Background Paper No	Author	Nature of Background Paper	Date

Warwickshire
Housing
Authorities



Housing Financial
Assistance Policy
2017

Date of Issue :	30/6/2017	Next Review :	Last Review:	Updated to reflect board comments from 26 th May 2017
		1/7/2019	N/A	
Last Reviewed by	David Baxendale / Paul Coopey			
Policy Owner	Housing Authorities / HEART Management Board		Page 2 of 61	
Approval Date	To be confirmed			
Author	David Baxendale			
Version Control	v 1.00			
Document ID.	HEART MB - HFAP			

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a Contacts for HEART service and partner organisations

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c Regulatory Reform Order 2002 – articles 3 & 4

d1 narrative summary of financial assistance measures

d2 tabulated summary of financial assistance measures

Key definitions, references and abbreviations

RRO – Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

<http://www.legislation.gov.uk/uksi/2002/1860/article/3/made>

The 'Act' (1996) – Housing Grants, Construction and Regeneration Act 1996

<http://www.legislation.gov.uk/ukpga/1996/53/contents>

The 'Guidance' (2003) – Circular 05/2003 from the Office of the Deputy Prime Minister (ODPM)

<http://webarchive.nationalarchives.gov.uk/20120919132719/www.communities.gov.uk/documents/corporate/pdf/145088.pdf>

DFG – Disabled Facilities Grant.

DDFA – Discretionary Disabled Facilities Assistance

BCF – Better Care Fund

WCC – Warwickshire County Council

NBBC – Nuneaton & Bedworth Borough Council

NWBC – North Warwickshire Borough Council

RBC – Rugby Borough Council

SoADC – Stratford on Avon District Council

WDC – Warwick District Council

HEART – Home Environment Assessment and Response Team

DBEIS – Department for Business, Energy and Industrial Strategy

HHSRS – the Housing Health & Safety Rating System, the prescribed system under the Housing Act 2004 for measuring hazards associated with housing conditions

ECO – Energy Company Obligation

Certified Date – the date certified by the service on behalf of the Council as that on which the execution of eligible works is completed to the Councils (HEART) satisfaction. In this instance being the works complete date.

Dwelling – a building or part of a building occupied or intended to be occupied as a separate dwelling, together with any yard, garden, outhouse and appurtenance belonging to it or usually enjoyed with it.

Exempt disposal – a disposal or transfer of the whole or part of the premises to a person whose main residence is the property and who is (a) one of the joint owners of the dwelling, or (b) the wife, husband or partner (including same sex) of the owner or one of the joint owners of that property.

Relevant disposal – a conveyance of the freehold or an assignment of the lease, or the granting of a long lease (one of over 21 years, otherwise than at rack rent)

Member of family – a person is a member of the applicant’s family if they are the spouse of the applicant or living together as partners, or is the grandparent, parent or dependent child of the applicant or their spouse or partner (inclusive of same sex partners, step-children, adopted and foster children).

Owner-occupier – whilst this term is self-explanatory, where appropriate it will include certain tenants with repairing type leases (sometimes called FRI or Full Repairing and Insuring Leases, of a suitable duration) who would otherwise be unable to insist their ‘superior landlord’ undertake renovations. Repairing lease tenants would qualify for DFG in their own right, with permission.

1 Introduction

1.1 HEART is a delivery body, a partnership between Warwickshire County Council (the 'welfare' authority) and the five District and Borough Councils of Warwickshire (the 'housing' authorities);

Nuneaton and Bedworth BC

North Warwickshire BC

Rugby BC

Stratford on Avon DC

Warwick DC

1.2 Each of the five District & Borough Councils are obliged, under the 2002 RRO, to publish a policy addressing any non-mandatory forms of private sector housing assistance, and only to deliver assistance in accordance with that policy.

1.3 Each Council developed local policies independently, though there will have been consultation between neighbours. Policies were then revised in different directions and at different times, being delivered in a variety of ways and with a distinct local focus. Not surprisingly, though the general aims of many policies may have similar roots, in practice they look quite different.

1.4 However, the HEART partnership is the delivery body for many of the forms of assistance which Councils can offer, and in order to do so effectively it is necessary to harmonise the aims and some of the details of those partner Councils.

1.5 This policy is being prepared by all five Councils for them to consider mutual adoption and consistent delivery through HEART. Once appropriate approvals have been given and delegated, the HEART service will act on behalf of the partner Councils and will take decisions on matters within this policy on their behalf. A decision by HEART will be a decision of the partner Council in that regard, and the HEART service will be responsible and accountable to the partner Councils and other authorities for the decisions and actions it takes. In this policy, therefore, unless stated otherwise any reference to a Council or Councils includes or means HEART.

1.6 The policy has been prepared as much as possible in accordance with withdrawn government guidance ODPM Circular 05/2003 ('the guidance'), which was not replaced but which still reflects best practice and thinking on the subject.

2 Context

2.1 Housing is in short supply, with a backlog of unmet demand exceeding supply, and first time buyers facing competition against buy to let investors in a harsh lending environment with slow wage growth. This has contributed to an increase in private rented accommodation which now stands as the second largest tenure in England, with social housing in third place. Property values (prices) and rents have also risen, increasing pressure on domestic. Changes in benefits rules are also contributing to an increase in the development of smaller shared accommodation. Central public funds for the renovation of private sector housing were cancelled in 2010, with limited local provision.

2.2 A changed definition of fuel poverty reduced the number of households falling into that group (without affecting the circumstances of those no longer counted), but whilst domestic SAP ratings gradually improve, increasing fuel costs offset some of that progress and some families continue to struggle to achieve affordable warmth. Public investment in domestic energy efficiency including that required from utility companies has reduced, along with the closure of the Green Deal programme, though ECO funding has been further extended to late 2018. Being 'hard to heat' is a feature of many older and solid-wall type properties and those not on mains gas networks, some of which are rented and/or occupied by vulnerable people who may be retired or with young children and few resources or choices. Some families find themselves overcrowded, whilst other older couples or single people find themselves under-occupied in homes which may be expensive to heat and difficult to clean, decorate and maintain, but are unwilling or unable to downsize.

2.3 With an ageing population, and people living longer with illness, disabilities and frailty, many homes are in need of some form of adaptation like a stair-lift or wet room (level access shower) to reduce social care costs and the risks of unnecessary GP visits, expensive hospitalisation or supported care.

2.4 Nationally, housing legislation and finance has leaned towards new build for private sale and rent, and away from public provision, with little attention to the condition of existing privately owned homes as evidenced by the recent housing White Paper. Some other recent and current developments are looking to try to improve the rental market and specifically to address the most extremely inefficient homes in energy terms. Resources for joined up health based housing projects via the Better Care Fund has recently increased, with recognition of the true value of spend-to-save intervention measures in health, home safety and adaptations.

2.5 At a local level,

2.5.1 Nuneaton and Bedworth Borough Councils Housing Strategy plays a vital role in determining the council's vision and priorities for housing in the future. The current Housing Strategy covers 2017-2022 and consists of a number of pledges, namely:-

To rise to the challenge of the changing legislation and maximise its use to improve housing conditions

To make best use of the capital resources available to address poor housing conditions or personal needs

To complete a Council Housing stock condition survey of all of our properties

To build more Council homes on Housing Services land to add to our social housing stock

To review and monitor housing needs in the Borough in order to keep our stakeholders informed and enable the appropriate delivery of housing types for our current and future population of the Borough

To continue to work in partnership with our statutory and third sector colleagues to deliver housing and housing related support to those vulnerable residents of our borough that require it

To endeavour to maximise the resources available to deliver these services by ensuring close and ongoing liaison with all partner agencies

2.5.2 North Warwickshire Borough Council is looking to adopt a Housing Strategy that complies with the vision required for the Borough and which fits in with our Sustainable Community Strategy 2009-2026.

Rural North Warwickshire is a community of communities. A place where people want to live, work and visit, now and in the future, which meets the diverse needs of existing and future residents, is sensitive to the local environment and contributes to a high quality of life. A place which is safe and inclusive, well planned, built and run and which offers equality of opportunity and good services to all. With this in mind, we are working towards the following aims:

- Encouraging the development of housing that meets the needs of our future population. Therefore making sure that there is a mix of open market, shared ownership, starter homes and affordable/social rent.
- Looking at where we can regenerate properties to bring them up to a good standard and in some cases, bring empty properties back into use.
- To help reduce/prevent homelessness by looking at triggers and seeing if there is any support that can bring about preventative measures.

2.5.3 Rugby Borough Council's private housing priorities are to improve:

- The quality of the private sector.
- Access for households to live in private-sector properties

Sitting under this are the following themes:

- Bring empty homes back into use
- Improved private-sector housing conditions (both private-rented and owner-occupied)
- Working more closely with private-sector landlords
- Increased support and housing options for potentially vulnerable home-owners and tenants.

The Strategy Will Help to Meet the Strategic Objectives of the Council. The overall objective of the council is to achieve a *borough that is clean, green and safe*. Our priorities are to achieve outcomes for: People, Business, The environment, and how the council operates.

The outcomes which are sought by the Corporate Strategy that are most relevant to the private-sector housing strategy are:

- High standards of existing and future housing stock
- Regeneration of our priority neighbourhoods
- Improved health and wellbeing for all age groups

2.5.4 Stratford-on-Avon District Council has adopted a Housing Strategy that has a vision of being “a District of sustainable communities offering more people the opportunity to live in good quality housing of their choice”. As part of this, three key aims have been developed:

1. To support communities including the supply and choice of good quality affordable homes for local people
2. To improve existing housing and help people to live as independently as possible
3. To prevent homelessness and reduce the harm caused by it.

The Council's financial assistance is primarily focused on the second of these, but does help support the other objectives too. The Council employs an Independent Living Officer, who signposts people to grant assistance. The Council also has an Empty Property Officer, who calls upon grant funding to deliver the Council's aims.

2.5.5 The key objectives for Warwick District Councils Housing Strategy are:

- Providing suitable accommodation, information and advice for the homeless in an effort to prevent and reduce homelessness
- Meeting the need for housing across the District by addressing the need for new home provision
- Improving the management and maintenance of existing housing
- Ensuring people are supported to sustain, manage and maintain their housing

Our vision is to make Warwick District a great place to live, work and visit.

2.5.6 HEART Business Case

The HEART Business Case was adopted by all partner Councils during 2016. The business case can be found on each Councils web site within the Council report sections. The following aims were included within the document:

- A. To enable customers with multiple and complex conditions to maximise their potential and live in their chosen home environment.
- B. To reduce pressure on other expensive services e.g. residential homes, hospitals, and home care by postponing the need or reducing the amount of care and support required.
- C. To improve quality of life for older and disabled people and their carers (improved dignity, less stressful, empowering, and improved flexibility in daily tasks).
- D. To be proactive and avoid where possible, crisis situations for customers and carers in regards to managing in their chosen home environment.
- E. To promote positive health and well-being styles of living, prevention of falls, and reduce hypothermia in older people.
- F. To improve living conditions by reducing hazards in the home.
- G. To reduce demand elsewhere in the housing, health and care system.
- H. To prevent hospital admissions and/or facilitate timely hospital discharges.
- I. To develop practitioners with the skills and capabilities that enables them to provide the appropriate intervention, to minimise risk to their customers and carers, be outcome focussed and able to 'get it right first time'.
- J. To contribute to the following strategic drivers:
 - Integration & Partnership working.
 - New legislation – Care Act.
 - Safety, Well-being & Prevention.
 - Preventing & Facilitating hospital discharges.
 - Better outcomes for customers & carers in their home environment (Public Health, Social Care & NHS Outcomes Frameworks for 2015-16).
 - Maximising capacity to meet demand within existing or less resources, e.g. Avoidance of growth in Non-Elective Admissions.
- K. Potential for strategic thinking and planning in building accessible new homes, refurbishment programmes, and best use of stock with registered social landlords.

2.5.7 Better Care Fund Principles

The £5.3bn Better Care Fund was announced by the Government in the June 2013 spending round, to ensure a transformation in integrated health and social care.

The Better Care Fund (BCF) is one of the most ambitious programmes across the NHS and local government to date. It creates a local single pooled budget to incentivise the NHS and local government to work more closely together around people, placing their wellbeing as the focus of health and care services, and shifting resources into social care and community services for the benefit of the people, communities and health and care systems

National conditions are applied the BCF. In 2016/17 these conditions were:

NHS England will also require that Better Care Fund plans demonstrate how the area will meet the following national conditions:

- Plans to be jointly agreed;
- Maintain provision of social care services;
- Agreement for the delivery of 7-day services across health and social care to prevent unnecessary non-elective (physical and mental health) admissions to acute settings and to facilitate transfer to alternative care settings when clinically appropriate;
- Better data sharing between health and social care, based on the NHS number;
- Ensure a joint approach to assessments and care planning and ensure that, where funding is used for integrated packages of care, there will be an accountable professional;
- Agreement on the consequential impact of the changes on the providers that are predicted to be substantially affected by the plans;
- Agreement to invest in NHS commissioned out-of-hospital services, which may include a wide range of services including social care;
- Agreement on local action plan to reduce delayed transfers of care.

As DFG is allocated through the BCF then Housing authorities are included in agreeing the local plans and using the funding to work towards delivery of BCF metrics.

For Housing this included where feasible:

Contributing to the transfer of care from the NHS to Social Care – delayed discharge.

Contributing to preventing admissions to hospital – through prevention of accidents and ill health from unsuitable housing conditions.

2.6 Councils are obliged, under the 1996 Housing Grants, Construction and Regeneration Act, to facilitate the delivery of the last remaining mandatory grant for private housing assistance – the Disabled Facilities Grant (DFG). However, if they wish to go further, they are required to do so under an adopted and published policy via the 2002 RRO (see above). Whilst reference to the mandatory DFG is not required in this policy, it provides useful context through which some of the other forms of assistance can be framed and understood.

2.7 The context of this policy is therefore to deliver safer and appropriate housing which is affordable to heat, and which reduces the risks of ill health, accidents and the costs of their impacts on residents and wider society. Further, it is to do so in a county-wide consistent and harmonised way, through a joint delivery partnership – HEART.

3 Priorities and capital resources

3.1 The following capital financial resources are available to apply and deliver through this policy:

Capital grants from central government distributed through the Better Care Fund or otherwise.

Where capital monies are provided through the BCF they will be allocated for spending in line with decisions regarding capital expenditure agreed with the Warwickshire Cares Better Together Board and the Capital Annex of the HEART partnership agreement.

Local capital from the Boroughs and Districts which each Council may provide for any specified purpose.

Monies from national schemes such as energy company obligations.

Money provided from partners or other public sector organisations to address specified problems.

Money obtained from charitable or other sources on behalf of customers.

3.2 The above will be targeted in accordance with the following priorities;

Local Housing Authorities are obliged first and foremost to deliver mandatory DFGs either via the 1996 Act route or an equally effective parallel pathway. Alternative discretionary assistance should not normally be promoted at the expense of delays to the statutory grant. They may then consider measures which will prevent injury or ill health, and/or limit harmful effects, reduce risks, reduce care costs and negative impacts etc., to promote recovery and improve quality of life and support carers.

3.3 In addition to mandatory DFGs, Councils will therefore determine their local priorities to offer;

- Discretionary Disabled Facilities Assistance (DDFA)
- Relocation assistance
- Hospital discharge support
- Home Safety Check Scheme
- WaSH Grant
- Energy efficiency support

3.4 Not all of the above forms of financial aid can or will be delivered or deliverable via HEART, and some partner Councils may pick and choose from the discretionary menu to suit their local circumstances, priorities and resources. However, those partner Councils wishing to deliver assistance outside of HEART and not contained in this policy will need their own local policy to do so. Partner Councils may choose to NOT offer any of the assistance types detailed in this policy – with the exception of mandatory DFG – or to modify conditions, criteria, limits etc. ONLY IF they have provided a codicil to this policy if they require the HEART service to act differently in their local area.

3.5 Budgets will be set for each form of assistance based on available resources and some forms of assistance may not be funded in any particular year. To ensure the delivery of mandatory DFG's and maximum impact of resources the budgets for each form of assistance will be transferrable. Each Councils funding will be ring fenced for spending within their local areas.

4 Assistance types – details

4.1 Mandatory Disabled Facilities Grants (included for context and for a small number of variable options)

4.1.1 The Council will award mandatory Disabled Facilities Grant (DFG) according to the governing legislation – principally the 1996 Act and subordinate Regulations and Orders as amended - and guidance issued by central Government, and which details amongst other matters the types of work that are to be funded, the maximum grant payable (currently £30,000), and the test of financial resources where applicable. A more detailed information leaflet is available on request, along with online materials.

4.1.2 Qualifying criteria – all owner-occupiers and tenants, licensees or occupiers who are able to satisfy the criteria in sections 19-22 of the 1996 Act are eligible to *apply* for DFG, but applicants must be aged 18 or over (this does not apply to the disabled person, who may be younger). Tenants of Council and other Social Housing are also eligible to apply, but Councils and some social landlords (Registered Providers) may have parallel and equally effective systems which can be no less effective or generous than DFG. Being eligible to apply does not automatically confer approval – some cases will not meet statutory tests as described below, and others may have significant means tested contributions in excess of the cost of works. Other (private) landlords may also apply for mandatory DFG on behalf of their disabled tenants.

4.1.3 As a part of the application process, the Councils will require certificates relating to property ownership and future occupation, and will request permission from the owner as standard legislation does not specify owner's permission for grant aided works to tenanted property, but the Council would reasonably want to ensure the tenant has the right to carry out the works and that the landlord would not object or attempt to reinstate the property and evict the client. The Council can also waive the owner's certificate requirement if it is considered 'unreasonable in the circumstances'.

4.1.4 Qualifying works – eligible works for mandatory DFG are set out in section 23(1) of the 1996 Act, as amended. These are;

(a) facilitating access by the disabled occupant to and from the dwelling, qualifying houseboat or qualifying park home, (now including the garden) or

(b) making the dwelling, qualifying houseboat or qualifying park home safe for the disabled occupant and other persons residing with him;

(c) facilitating access by the disabled occupant to a room used or usable as the principal family room;

(d) facilitating access by the disabled occupant to, or providing for the disabled occupant, a room used or usable for sleeping;

- (e) facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a lavatory, or facilitating the use by the disabled occupant of such a facility;
- (f) facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a bath or shower (or both), or facilitating the use by the disabled occupant of such a facility;
- (g) facilitating access by the disabled occupant to, or providing for the disabled occupant, a room in which there is a wash hand basin, or facilitating the use by the disabled occupant of such a facility;
- (h) facilitating the preparation and cooking of food by the disabled occupant;
- (i) improving any heating system in the dwelling, qualifying houseboat or qualifying park home to meet the needs of the disabled occupant or, if there is no existing heating system or any such system is unsuitable for use by the disabled occupant, providing a heating system suitable to meet his needs;
- (j) facilitating the use by the disabled occupant of a source of power, light or heat by altering the position of one or more means of access to or control of that source or by providing additional means of control;
- (k) facilitating access and movement by the disabled occupant around the dwelling, qualifying houseboat or qualifying park home in order to enable him to care for a person who is normally resident and is in need of such care;

4.1.5 The Councils will include as part of the mandatory DFG the cost of a maintenance agreement for a period of five (5) years from the certified date for stair lifts, through floor lifts, Clos-o-mat type toilet, step-lifts and similar equipment installed with the assistance of that grant. Where installing a reconditioned stair lift, any unspent warranty will be increased to a full 5 years if possible and affordable.

4.1.6 A DFG will only be made if the works are both 'necessary and appropriate' and 'reasonably practicable', where the housing authority has consulted the welfare authority or its agents. Where an applicant prefers a different scheme of works to that approved by the Councils, the Council may offer to 'offset' the value of the original scheme towards those greater works with appropriate safeguards. This is at the discretion of the Council (HEART).

4.1.7 Works which have been commenced prior to the approval of an application will not be eligible for financial assistance without prior written consent from the Local Authority/HEART by a person authorised to give such consent.

4.1.8 Unexpected works which arise during the carrying out of eligible works will be considered for assistance if the works could not have been reasonably foreseen before commencement, if they are vital to the completion of a safe and effective scheme. Unforeseen works carried out without prior approval of the Council will not be eligible for assistance. Approval should always be sought in writing, timed and dated with details of the

extra items and costs. Where unforeseen works are necessary these will be added to the grant up to the specified maximum for mandatory DFG. Costs above the mandatory grant maximum may be supported as discretionary DDFA in accordance with this policy. Care must be taken when agreeing to schemes of works on third-party property such as tenanted accommodation, that the property owner is fully engaged with the decision process. This is also particularly important where an Architect or similar is acting on the customers behalf, and where issues like Planning Permission, Building Control and other regulation are involved. Specialist advice from a private Occupational Therapist may be necessary to ensure that the objectives of the original scheme are being effectively met.

4.1.9 Councils are funding the HEART service in part through agency fees which have been harmonised at 12.5%. Where those fees take the cost of works above the specified maximum, then these will be paid as Discretionary DFA. HEART fees have no impact on an applicant's assessed contribution – the applicant does not contribute towards the fees. An applicant's actual costs may exceed their assessed contribution if the works cost exceeds the maximum, or the applicant has arranged for a wider scope or better quality of works or product, or has chosen a more expensive contractor.

4.1.10 The Councils DFG award is for a sum of funding only, and is not inclusive or exclusive of using particular contractors or products. Customers may specify and choose their own contractors, agent, products and design – but take responsibility for those choices which may fall outside of the remit of any HEART contractors, as long as the result meets the Councils and Occupational Therapist's requirements.

4.1.11 Financial Assistance - Mandatory DFG will be subject to a means test in accordance with the regulations made under the 1996 Act, as amended. The maximum mandatory DFG award is £30,000 minus any contribution required by a 'means test' (test of financial resources). Successive applications may be awarded for those persons whose condition is degenerative, or they develop additional needs, or the delivered scheme fails to meet the needs. Where successive applications are awarded, the applicants contribution to the first grant award will be taken into account if within the time period of the contribution originally calculated (10 years if owner, 5 years if tenant). NOTE: where an applicant is in receipt of a recognised, qualifying, means tested benefit they will not be further means tested and they will have no calculated contribution to make. Where works are for the benefit of a child or young person of 19 years age or younger at the date of application – they too will be exempt a means test.

4.1.12 Where works are being carried out to Council properties, the Council will carry out or arrange those works directly without a formal DFG application – however the works must comply with the DFG legislation and be recommended by the welfare authority (WCC Occupational Therapist or similar).

4.1.13 Public and private DFG applications or recommendations will usually be processed in chronological order, excepting in emergency circumstances at the discretion of the Council or HEART service. Enquiries for DFG will initially be assessed to determine if alternative services, equipment, support or advice are more appropriate as well as or initially instead of more significant works. The purpose of the screening assessment is to support reablement and to reduce, delay or otherwise avoid creating dependency where independence is a viable, healthier and better long-term option.

4.1.14 Recovery of Assistance Awarded – Some mandatory DFG may be recoverable in accordance with permitted values. Where the customer is an owner-occupier and not a tenant, a sum of up to £10,000 may be recovered for works in excess of £5,000. This sum would only be recovered if the property was sold or title otherwise transferred within 10 years of the certified (completion) date of works, subject to the Councils discretion to reduce or waive in the case of financial hardship. NOTE: this is separate and different to the potential repayment of grant in the event of a breach of occupancy conditions or detected fraud. Also, Councils are entitled to recalculate grant awards in limited circumstances, like for example if any relevant insurance claims are pending, and to cease making payments and to seek repayment in some cases as detailed in sections 40-42 of the 1996 Act.

4.1.15 The Council will also impose a standard condition that it may recover specialised equipment, such as stair lifts, where no longer required. For clarity – the equipment is the property and responsibility of the customer, both during and after any warranty period, but in the event it is no longer required for the customer the Council have an automatic first right to recovery for re-use, subject to the condition of the equipment and any making-good costs. Such equipment recovery, assessment, repair, refurbishment, cleaning, storage and reinstallation is at the Councils discretion, cost and risk, and not at the customers. The customer or their family, executor or heirs should notify the Council in such circumstances, and the Council will endeavour to provide a swift assessment and decision. The Council may also waive this recovery requirement if it considers it appropriate to do so, and is not obliged to remove or dispose of unwanted equipment.

4.1.16 Conditions relating to Contractors, Standard of Works and Invoices –

- In approving an application for financial assistance, the Council will require as a condition that the eligible works are carried out in accordance with any specification it has decided to impose,
- An applicant must take all reasonable steps to pursue any relevant legal or insurance claim (e.g. medical negligence or accident) which can be made in relation to the eligible works and must notify the Council of the outcome of such a claim and repay the equivalent financial assistance so far as is appropriate, in the Councils view,
- The eligible works must be carried out by the contractor(s) upon whose estimate the financial assistance is based, or if two estimates were submitted, by one of

those contractors. The Council's consent must be obtained prior to the works if a contractor who did not submit an estimate is to carry out the works, and if an agreement is given, an estimate from the new contractor must be submitted to the Council (this does not automatically convey a difference in revised grant award – any additional costs must be separately financed by the client),

- An invoice, demand or receipt will not be acceptable if it is given by the applicant or a member of the applicant's family. Where works are carried out by the applicant or a member of their family, only the cost of materials used will be eligible for financial assistance,
- It is a condition of the financial assistance that the eligible works are carried out within 12 months of the date of approval of the application. This period may be extended by the Council if it thinks fit, particularly where it is satisfied that the eligible works cannot be completed for good cause – requests for additional time must be made in writing before the 12 month period ends, and approved extra time will be confirmed in writing by the Council,
- The payment of the financial assistance to the applicant will be dependent upon the works being carried out to a standard that is satisfactory to the Council and upon receipt of a satisfactory invoice, demand or receipt for the works and any preliminary or ancillary services or changes,
- The Council will usually make payments direct to the contractor on behalf of the client, and not usually to the applicant. Where the applicant disagrees with a payment made direct to a contractor, no payment shall be made until any dispute is resolved. Legislation permits the Council to make payment by delivering to the applicant an instrument of payment in a form made payable to the contractor, OR by making payment direct to the applicant in accordance with information provided prior to grant approval. NOTE: contractors receiving direct payment may be required to provide sufficient information to be set up on the Council's financial systems – BUT this should not frustrate the client's choice, as the mandatory DFG grant (only) is an award of funds and not an award tied to a specific contractor with additional financial conditions. Other discretionary awards and forms of assistance may allow different rules on payment in kind etc.

4.1.17 Recovery of compensation – it is a condition of the grant that the applicant must take all reasonable steps to pursue any relevant claim for personal injuries which caused the applicant to apply for a DFG or related assistance, and to repay to the Council the grant or assistance, so far as is appropriate, out of the proceeds of any claim, or to use that award directly to fund the adaptations work.

4.1.18 Future occupation of the dwelling – it is a condition of the grant that throughout the grant condition period (that is 5 years from the date of certification) the dwelling is occupied in accordance with the intention stated in the certificate of owner occupation or availability for letting, or intended tenancy. NOTE: there are no provisions regarding the possible

repayment of a mandatory DFG in the event of an exempt disposal of the property. No conditions apply in respect of future occupation of a dwelling where a DFG is approved for works to the common parts of a dwelling.

4.1.19 Recovery of specialised equipment –

- Where a mandatory DFG is approved for the installation of a stair lift, or a through floor lift, or other specialist equipment the applicant shall notify the Council if, and as soon as, the equipment is no longer needed within a period of 5 years after the certified date.
- The Council, HEART service or its agents shall be entitled upon reasonable prior written notice given to the applicant or their representative either following the giving of notification above, or at any time during the 5 year period after the certified date, to inspect the equipment and to remove it at their discretion.
- The Council agrees, within a reasonable time following an inspection of the equipment, to:
 1. notify the applicant in writing whether the equipment is to be removed, and
 2. if the equipment is to be removed, to remove it or arrange for it to be removed and forthwith make good any damage caused to the property by its removal by the Council or its agents,
- the Council agrees that where the applicant has contributed to the cost of installing equipment which the Council intends to remove, to pay him/her within a reasonable time of that removal the proportion of the reasonable current value of its original cost (residual value – at time of removal) which represents the proportion of their contribution to the cost of the installation.
- Subject to the Council giving prior written notice in accordance with the above, the applicant agrees, within their power, to give reasonable access to the property to the Council and its agents for the purposes of inspection and removal of equipment, and will not act to prevent, delay, prohibit or frustrate such activity.

4.1.20 Where a charge (repayable grant or loan) is due for recovery, on receipt of a written request from the responsible person the HEART or Private Sector Housing Manager will consider the options to reduce or waive repayment in particular circumstances to be determined in accordance with the following criteria;

- (i) the extent to which the recipient of the grant would suffer financial hardship were he to be required to repay all or any of the grant;
- (ii) whether the disposal of the premises is to enable the recipient of the grant to take up employment, or to change the location of his employment;

- (iii) whether the disposal is made for reasons connected with the physical or mental health or wellbeing of the recipient of the grant or of a disabled occupant of the premises;
- (iv) whether the disposal is made to enable the recipient of the grant to live with, or near, any person who is disabled or infirm and in need of care, which the recipient of the grant is intending to provide, or who is intending to provide care of which the recipient of the grant is in need by reason of disability or infirmity.

If that initial decision is not accepted and further appealed, details of that appeal will be determined by the Head of Home Environment Services together or in consultation with the appropriate Head of Housing from the Council for that address or area.

4.1.21 Where funds are repaid, they will return to the home Council for that property who may determine to redirect back into their local HEART capital resources, or otherwise.

4.1.22 All recoverable charges will be recorded as local land charges. Any Council wishing to record charges on the national Land Registry may do so directly themselves, either at their expense or added to the repayment cost ONCE HAVING INFORMED THE LIABLE PARTY.

4.2 Discretionary Disabled Facilities Assistance (DDFA)

4.2.1 The Council will consider applications for discretionary Disabled Facilities Assistance (DDFA), subject to terms and conditions. A means test of financial resources similar to that applied to mandatory DFG will be applied to all applications for DDFA, excepting applications where the works are for the benefit of a disabled child or young person as defined by the relevant regulations.

4.2.2 DDFA may be awarded and will be subject to the availability of resources. An extra £10,000 may be available as a top-up to owner occupiers* with sufficient equity (works costing £30-40,000). A further £10,000 may be available as a 0% repayable loan (charge) for when works cost £40-50,000 and there is no viable alternative such as relocation support. *tenant cases depending on particular circumstances – as tenants have no equity and landlords may decline charges, RSL's may be requested to accept charge against property. Whilst tenants should not be disadvantaged, nor should their landlords be rewarded with improved properties with no security of tenure for the tenant. Offers should represent good value, but be prudent and low risk.

Where the landlord is a private landlord or RSL options will be explored with the owners of the property depending on circumstances.

4.2.3 DDFA will be registered as a local land charge against the property and any sum over £40,000 will be recovered on the sale or transfer of the property, subject to rules regarding exempt sales. Note – this is separate to the £10,000 recoverable DFG which expires at 10 years from certification of works completion.

4.2.4 Council's are required first to consult the 'welfare authority' to consider what assistance would be necessary and appropriate for the client, and then apply a test of what is reasonable and practicable in the circumstances of the property (as at 4.1.6). The service must consider viable alternative solutions which appear more cost effective. Such solutions may include contributions towards alternative house purchase and moving costs to an adapted or more economically adaptable and suitable property. Moving and house purchase finance will be determined on a case by case basis determined by the tenure and location of the original and new properties, the residual equity and any increased mortgage debt, whether moving within the District/Borough, or the County, or beyond, whether the original property is unadaptable, unaffordable or poor value to adapt, or that moving is purely an occupier choice or as a result of a landlords refusal to permit adaptation – see examples at 4.2.14. DFG of up to £30,000 is available for adaptations in move-on properties (within the local or County area only), but may be reduced by any contributions to moving costs and purchase contributions. DDFA is available to owner-occupiers with sufficient equity, but also to tenants subject to individual determination and equitable opportunities dependent on the attitude of RSL or private landlords as regards repayable charges as above. Note – neither tenants nor owner occupiers will be disadvantaged and the system

will be equitable as far as possible, to be 'tenure blind'. Tenants, however, with works projected to cost in excess of £30,000 will be encouraged or required to consider housing options such as relocation in priority to actual works to their rented home. Case workers may have similar options conversations with owner-occupiers. **As there are too many variables to set a fixed policy on awards for moving or buying property, each case will be determined on its merits subject to resources by recommendation from the Case Officer to the HEART Manager with sufficient discretionary authority to approve works of that value.**

4.2.5 Qualifying criteria – these are the same as for mandatory DFG.

4.2.6 Qualifying works – applications within this heading will be considered for the following purposes;

To top up the financial assistance for adaptation works where the reasonable cost of the required work exceeds the set maximum for mandatory DFG (currently £30,000). The amount of DDFA in such circumstances shall be reasonable. The Council reserves the right to consider alternative solutions where they appear more cost effective, reasonable, practicable or appropriate. NOTE: Welfare Authorities (Warwickshire County Council) also have resources and responsibility for adaptations and equipment under other legislation, e.g. the Care Act. HEART service staff may also assist with charitable applications.

Assist the disabled person to move to a more suitable property where it is impracticable to adapt or more cost effective than adapting the current home of a disabled person to make it suitable for his or her present or future needs, even though the new property may need some adaptation.

4.2.7 Rehousing options include trying to identify and offer suitable accommodation in the social rented sector. The Council will, however, bear in mind that for many disabled people the location of their home is a key consideration – often they have an established support system and network of friends, family and local organisations that, understandably, they will wish to maintain.

4.2.8 Works which have been commenced prior to the approval of an application, and unforeseen works – the same conditions apply to DDFA as to DFG.

4.2.9 Financial Assistance – all DDFA will be subject to a means test the same as that for mandatory DFG, including the exemptions for young people. DDFA to meet the difference between the maximum mandatory grant that can be awarded and the total eligible cost of the qualifying works, inclusive of HEART fees, will not incur any interest charges to maintain or increase its value over time (i.e. the liability will not grow).

4.2.10 Unless specified below, where properties are owner occupied the DDFA awarded will be placed as a charge on the property and will be recoverable on the sale or transfer of the property title, subject to the rules regarding exempt sales.

4.1.11 Circumstances where DDFA may NOT be registered as a charge against the property;

- Applicants for DDFA who are not owner occupiers will be referred for a financial assessment for a commercial loan. If it is not possible for the applicant to obtain affordable loan finance, then the DDFA may be in the form of a grant award, subject to conditions.
- Applicants who have transferred ownership of a property to others within the previous 10 years or where the transfer did not involve a sale at market value, or those who are not owners but who are living with family, then the family will be asked to register the DDFA loan as a charge.

4.2.12 Conditions relating to contractors, standards of work and invoices – as for mandatory DFG

4.2.13 Conditions restricting future use and ownership of the property – the following additional conditions will apply where the Council has made an award of DDFA;

- The owner will notify the Council in writing if a relevant disposal of the property is proposed.
- The owner of the property will provide, within 21 days of a written notice from the Council, a statement confirming the ownership and occupancy of the dwelling. If the property has been sold or transferred the statement will include the date of transfer of ownership.
- DDFA will be registered as a charge against the property and will be repayable on sale or transfer of the property, subject to exempt sales. The charge will be binding on successors in title.
- It is a condition of DDFA that where an owner makes a relevant disposal of the dwelling, other than an exempt disposal, the DDFA shall be repayable subject to above.
- If a relevant disposal takes place after a period of 5 years after the certified date of completion of works, no amount shall be recovered which, after repayment of all charges registered against the property, results in owner(s) having a residual equity of less than £10,000. No account will be taken by the Council of charges subsequent to the charges registered by the Council.
- If the property is transferred, or the sale price does not reflect the market price, the Council will have the right to seek an independent valuation of the market value, which will be binding on both parties, in order to recover the grant repayable.

4.2.14 Criteria for consideration in cases of help to buy/move; (this is not an exclusive or exhaustive list, as other factors may become apparent with experience) –

- The disabled person may wish or need to move to give or receive care, or to receive medical treatment,
- The disabled person may wish or need to move to maintain or gain employment,
- The cost of works to the property may exceed the benefit to the client,
- The cost of works may exceed the available grant and loan maximum and any available client or third party contribution,
- The client's calculated contribution may be unaffordable and moving/buying is a better financial solution,
- The client may need to move to reduce rent and/or release spare bedrooms which they can no longer afford (e.g. benefits cap and/or the spare room subsidy),
- A different property may provide a greater benefit for the client for the funds,
- The current property may not be adaptable, and another property may be more amenable to adaptation,
- The current property may contain hazards or defects which would not be sufficiently addressed by the works or otherwise by the client or owner,
- The property owner (landlord) refuses to permit the adaptation,
- The property is for sale, or pending foreclosure, bankruptcy (as security against debt) or repossession,
- The tenancy is due to end and not be renewed, or is otherwise unstable,
- Relationship breakdown,
- The client wishes to downsize and/or release equity (some of which could be used towards adaptation and moving costs),
- The client wishes to move to or purchase in another Council area and may be entitled to mandatory DFG in addition to support to move or buy (this may be within or outside of Warwickshire),

4.3 Hospital Discharge Grant

4.3.1 Hospital Discharge Grant (HDG) of up to £10,000 will be payable where housing defects or adaptation works are preventing discharge from hospital as assessed by professionals attached to either Social Services, Acute or Primary Care Trust, or a senior officer working in the recognised hospital discharge process, or to reduce the risk of re-admission or address significant difficulties in providing safe and dignified home based care. Works may include adapting the living environment to accommodate a disability, remedying defects including safety hazards including security, and thermal comfort measures (insulation, heating).

4.3.2 Hospital Discharge Grants will NOT be subject to a test of applicant's financial resources (i.e. NOT means tested) where it facilitates rapid discharge and the release of a hospital or care bed resource. In such cases, clients may be assessed ahead of date order and as a priority – which will impact on other less urgent cases. Contractors may also be asked to prioritise or re-schedule works to accommodate the need for a rapid adaptation, and may charge a premium for such. Additional works that may assist with reducing re-admission may also be included within the considered works, or other forms of assistance included within this policy.

4.3.3 Conditions;

The works must be necessary in order to facilitate discharge from hospital or care or reduce readmission, to save or reduce hospitalisation or residential care costs or to facilitate safe and dignified home care and avoid or reduce the cost of a care package,

Assessment for HDG will take priority over other casework at the discretion of the HEART Team Manager or Head of Home Environment Services.

The Council reserve the right to refuse this award if there is doubt or another form of assistance is more appropriate, or where the primary responsibility lies with an alternative organisation.

All other conditions i.e. relating to repayment, contractors, standards of work and invoices etc. that apply to DFG will apply to HDG.

4.3.4 HEART and Councils will work with other agencies including Health and Social Care to provide a flexible and rapid offer for genuine and needy cases where other assistance types are likely to be ineffective. This will include exchange of information, getting approval of the customer and family / carers, access to the property for assessment, completion of appropriate records, liaison with contractors and the conduct of work. The form of this flexible package cannot be prescribed in greater detail – each case will have its own merits and opportunities, some of which may be fluid in any event.

4.4 Home Safety Grant and 'Handyperson'

4.4.1 A free home safety check (inspection) will be offered to any qualifying resident assessed by HEART for other services or as a stand-alone request or referral. Qualifying criteria defining the vulnerable target group are; available to those of any tenure aged 55 or over, or a household containing a disabled person.

4.4.2 Assessment may indicate a need below the level that qualifies for statutory intervention through Social Care, for equipment (aids), and/or minor works or adaptations (half step, grab rail, ramp, key safe, smoke and CO alarms etc.). Assessed minor works are not means tested, up to financial limits.

4.4.3 If NO Care Act need is assessed but preventative works are strongly indicated, equipment and minor works of up to £500 can be funded, reimbursed if agreed prior to works being commenced or otherwise provided via any approved 'handy-person' scheme or directly purchased by or on behalf of the customer if suitability is agreed. This can fund both labour and materials – see examples at 4.4.7. Fees on the value of each works / equipment will be applied by HEART and in addition to the maximum aware where necessary. Cases costing more than the maximum sum may be referred if eligible for DFG, or WaSH grant and subject to means test. Provision of assistance is a *spend-to-save* measure intended to reduce more expensive accidents and their consequences.

4.4.4 HEART processing fees for Handy-Person type works and services will be 12.5% (2017) or whatever standard fee rate applies.

4.4.5 To facilitate a better service, it is proposed to explore the options to establish, procure or contract one or more Handy-person services. To fully explore the opportunities would delay the agreement of the principal tools of this policy, and thus will be addressed retrospectively.

4.4.6 The service will make award(s) to a maximum of the £500 of Home Safety Grants within a 3 year period, the awards are per household, not per person.

4.4.7 The safety check aims to provide a free Home Environmental risk assessment to identify potential hazards, such as -

- Falls Prevention; Advise on safe clear floor pathways, ill-fitting carpets, trailing electrical wires, uneven floors, furniture obstructions, garden paths and shed / garage access, access to main doors (front, side, rear), bins etc.
- Mobility and use of facilities; Freedom of movement within home, identify ill-fitting doors and windows, stair & grab rails, steps, lighting, switches and sockets, changing a lightbulb, putting up or adjusting curtains / blinds and fittings,
- Hazards from hot surfaces and materials; Radiators, gas fires, hot water cooker arrangements,

- Warm Home Assessment; Identify damp & mould, insulation (cavity & loft), lack of central heating, draught proofing, water cylinder jacket, fuel poverty assessment, tariff/supplier choice, meter position and readability
- Security checks; Window & door locks, fitting key safes,
- Fire Safety; Smoke alarms, carbon monoxide detectors.

Provision of remedial work once agreed by the Service User

- Grab rails
- Stairs rails
- Internal Ramps (half steps)
- Refitting and/or easing doors
- Easing Windows
- Key safes
- Fit Smoke Alarms
- Door Safety chains
- Access to Property (Minor trip hazards)
- Change & fit light bulbs
- Tack loose fitting carpets
- Re-route trailing wires
- Fixing loose floor boards (or refer on to others)
- Relocate small items of furniture
- Remove minor slip trip or fall hazards within the home or garden.

4.5 Warm and Safer Homes (WaSH)

4.5.1 The Decent Homes Standard contains four elements, that dwellings¹;

1. meet the current statutory minimum standard for housing (that a property is free of category 1 hazards as identified by an appropriately trained professional under the Housing Health and Safety Rating System - Housing Act 2004)
2. are in a reasonable state of repair
3. have reasonably modern facilities and services
4. provide a reasonable degree of thermal comfort

4.5.2 Further detail is available at section 4 of the linked document;

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7812/138355.pdf. This standard was originally introduced for social housing, then adopted as an aspirational target for private housing – but not as an enforceable standard excepting the first element.

4.5.3 All partner Councils agree that reducing category 1 HHSRS hazards is a key aim along with element 4 on thermal comfort, which has significant crossover with fuel poverty and health risks particularly to vulnerable groups. Elements 2 and 3 are important but less vital, and in the context of existing budgets, staffing and priorities there is no intention to include them in any current discretionary scheme as stand-alone items (i.e. excepting where they also meet element 1, HHSRS hazard). Element 4, thermal comfort, would be treated under the separate Energy Efficiency support (details following) except where it also constitutes a category 1 hazard which takes priority. Offers may be combined at the discretion of the service. NOTE: at the discretion of HEART, a category 2 hazard that will deteriorate over time or adversely affect the occupant due to health conditions will be considered for assistance. See 4.5.6 below for an indicative list of HHSRS hazard categories and circumstances which should be recognisable to Housing Assessment Officers, and circumstances suggesting escalation to more experienced surveyors.

4.5.4 For **owner-occupiers** partner Councils will award SUBJECT TO RESOURCES a discretionary sum for works identified or agreed by the service, as follows;

1. Grant of up to £10,000 for works agreed by service.
2. Full costs awarded if a member of the household is in receipt of a qualifying means tested benefit, otherwise
3. where the applicant has a qualifying health risk (to be agreed and varied as appropriate by HEART Board members) which can be alleviated or improved by works to the home, subject to the DFG test of financial resources – an

¹ excludes certain mobile homes, houseboats as defined in legislation (Housing Act 2004)

applicant's calculated contribution is offset against the cost of works. Where Board members agree to provide assistance based on designated health conditions such as Dementia, then they will agree the specific details and criteria of any assistance under this section.

4. Minimum property ownership period of 3 years before award, no repeat application or further award within 3 years of certification (completion)
5. An expectation of reasonable care, not due to deliberate or negligent damage, use of insurance award

*qualifying means tested benefits;

- Income Support
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Support under Part IV of the Immigration and Asylum Act 1999 (? or perhaps not)
- The Guarantee element of State Pension Credit
- Child Tax Credit (provided you are not also entitled to Working Tax Credit, and your annual gross income does not exceed £16,190 as assessed by Her Majesty's Revenue and Customs)
- Working Tax Credit run-on (paid for 4 weeks after you stop qualifying for Working Tax Credit)
- Universal Credit (during the initial roll-out of this benefit) – or equivalent

4.5.5 For **private sector landlords**, there is not just an expectation but a legal obligation for their properties to be free of category 1 HHSRS hazards. Action on category 1 and relevant category 2 hazards will be referred to local private sector housing teams for enforcement consideration in accordance with their policies.

4.5.6 The Housing Health & Safety Rating System classifies 29 hazard types, split into four broad groups; physiological, psychological, protection against infection, and protection against accidents. Within each hazard profile (see HHSRS Operating Guidance), properties are allocated an average risk rating dependent - in some cases - on property age, tenure, HMO or non-HMO, house or flat. Certain hazard profiles identify a 'vulnerable client group', based on age. The top four hazards, by average HHSRS score, are Excess Cold, Falls on Level Surfaces, Falls on Stairs and Entry by Intruders. The remaining 25 hazards score on average very low, and conditions would have to be severe to escalate towards a category 1 score. A numerical score is calculated by a function of the probability of an incident occurring within the next 12 months (based on observable or reported data), together with the severity of harm types resulting from the incident, and range from zero to several thousands. The cut-off between category 2 hazards and the more severe category 1 hazards is a score of 1000

points or more. Councils have discretion to act on category 2, but MUST act on category 1 hazards, and can do so regardless of tenure – but not in the Council’s own stock.

Those other 25 hazards are;

- Damp and mould growth
- Excess heat
- Asbestos and manmade fibres (MMF)
- Biocides
- Carbon monoxide, Nitrogen Dioxide and Sulphur Dioxide
- Lead
- Radiation, including Radon
- Un-combusted fuel gas (asphyxiation, not explosion of fire)
- Volatile Organic Compounds (VOCs)
- Crowding and Space
- Lighting
- Noise
- Domestic hygiene, pests and refuse
- Food safety
- Personal hygiene, sanitation and drainage
- Water supply
- Falls with baths
- Falls between levels
- Electrical hazards
- Fire
- Flames and hot surfaces
- Collision and entrapment, including low architectural features
- Explosions
- Position and operability of amenities
- Structural collapse and falling elements

Housing Assessment Officers may consider the following to be likely category 1 hazards;

1. Excess cold - ineffective or lack of heating systems, occupier(s) unable to maintain comfortable temperatures, lack of radiators or central heating to commonly used rooms, sole means of heating to a room is electric on-peak fires or convector heaters, uncontrollable draughts, exacerbating factors such as broken window(s), windows which cannot be closed, lack of insulation (loft, cavity wall or hot water tank)
2. Slips, Trip, Falls - Very uneven or unstable flooring or external yards/pathways, holes and/or rot to floorboards, dangerous changes in level, poor slip resistant surfaces to external steps, missing balustrading/guarding to stairs or external steps
3. Lack of security - Insecure windows and doors, faulty/broken locking mechanisms or glazing, if high crime rate area

4. Electrical Hazards – live bare wires at accessible level, water/moisture ingress to electrical fixtures and fittings, damaged lighting/power fixtures or fittings, missing blanking plates or circuit breakers to consumer units
5. Lack of electric supply
6. Lack of hot and cold water to washing and bathing facilities or other disrepair
7. Smell of natural gas, signs of incomplete combustion to gas appliances, gas appliances marked as do not use by gas safety engineers, open flue gas fires within sleeping rooms
8. Lack of food storage, preparation areas and water supply available for preparing/cooking food
9. Fire Risk within properties where occupier exhibits behavioural problem leading to high fire loading – such as hoarding
10. Structural Collapse – falling brickwork, defective chimney stacks/pots, other building elements either at risk of falling from height or being heavy (window frames etc.)
11. Falls on Stairs - no handrail, handrail not extending to full length of flight, steep stairs, narrow stairs, twisting stairs, gaps in balustrades / spindles, poor lighting

Housing Assessment Officers may also consider the following cases likely category 2 hazards that need to be rectified, as they will deteriorate over time:

1. Damp and Mould - Extreme condensation and mould growth, resulting from lack of natural or mechanical extract ventilation, inadequate heating or insulation, penetrating dampness from holes in the roof etc.
2. Toilets blocked due to defects or other defective foul or surface water drainage such as gullies, pipework, guttering etc.
3. Operation of windows/doors - difficult to open/close, external doors swollen, missing door/window handles
4. Collapse of internal elements such as falling plasterwork, fixtures and fittings etc.

4.6 Energy efficiency support

4.6.1 Fuel poverty, or ‘affordable warmth’, is a key health issue as it impacts severely and directly on the most vulnerable sections of our communities – from the very young to the oldest. Around 30,000 excess winter deaths are attributed to cold related illness annually. These can include flu, pneumonia and chest infections as well as strokes and heart attacks. It can also contribute to increased risk of falls. Those impacts which are not fatal may nonetheless be debilitating with severe and permanent effects, and all may bear upon stretched medical and social care services. Increases in allergies and asthma from exposure to mould spores from condensation and damp are also harmful, and in the very young can develop into whole lifetime conditions which can affect educational achievement and employment prospects. NICE guidelines advocate action to address fuel poverty and excess cold.

4.6.2 Funding for domestic energy efficiency improvements via national schemes like ECO (Energy Companies Obligation) and the Green Deal have lacked stability and the Green Deal has now been withdrawn since 2015. Phase 2 of ECO was due to expire on 31.3.2017 but is being extended in a modified form until September 2018. Exact details of modifications and guidance are awaited from DBEIS. Energy companies are still delivering schemes, in some cases nationwide and in others bespoke with local partners such as Councils.

4.6.3 Councils can play an important role in delivering schemes, particularly in partnership with energy companies, as they have a track record of delivery along with local data, knowledge and networks of connections and communications, and can act as a trusted brand and bridge between communities and the private sector. Councils can generate publicity and capture potential leads for onward referral, and also act as intermediaries and ambassadors of their constituents in dealings with other funders or providers. Councils can also ‘top up’ energy company offers and fill gaps where certain customers, properties or works may not be covered by ECO-type schemes.

4.6.4 As schemes and relationships with funders and their delivery infrastructure may change on a rapid cycle – and it would not be possible or prudent to re-write this policy every time such a change occurred – only a generic description of the types of assistance which may be offered can be given at this point. This policy may be supplemented by codicils from time to time which capture more specific offers, but in general the service will offer appropriate grants and/or loans, materials and the provision of works directly or otherwise with partners to the criteria, limits and terms & conditions as are negotiated and agreed to provide maximum impact and benefit. This is likely to include a Statement of Intent under new ECO2 rules to target flexible eligibility provision and declare households as qualifying under Fuel Poor (FP) or LVC (living on a low income and vulnerable to the effects of cold housing), and any solid wall in-fill insulation scheme, pending DBEIS guidance.

4.7 Other forms of assistance

4.7.1 Councils may from time to time wish to consider grants or other financial and non-financial assistance for purposes not aligned to the Better Care Fund, or to address local issues, either directly or via HEART. These matters may include; empty homes, conversions / HMOs, assistance to down-size and release larger family housing.

4.7.2 As those issues are not directly associated with the HEART harmonisation agenda, they are not explored here further and await development at the discretion of the Councils or HEART Management Board.

NOTE: If a Council is going to offer or deliver any RRO qualifying assistance directly or through HEART, it should be included either in their own stand-alone policy or in this policy as an appendix/codicil or otherwise.

5 Assistance process, and access

5.1 Customers may refer themselves or be referred to the HEART service either directly or indirectly by all appropriate channels – telephone, email, regular mail (post) or at appropriate offices (main office at Town Hall, Nuneaton – satellite offices at Bedworth and partner Councils offices and satellites). Satellites, partners and switchboards will have been briefed to channel all relevant enquiries to the HEART duty desk at Nuneaton Town Hall (for the North – NBBC, NWBC and RBC) and Warwick District Council HEART duty desk at Riverside House, Leamington Spa for the South (WDC/SoADC), which serve to screen incoming contacts to either immediately signpost or redirect or to conduct initial enquiries for processing onwards. Other District/Borough Council offices and sites may be used by staff as drop-in offices and for occasional meetings.

5.2 The HEART duty desk operates from 0900-1700, Monday to Friday excluding Bank and Public holidays. There is no emergency out of hours service or contact (messages can be left), but staff will sometimes have to arrange home or other visits or make contact with customers outside of those hours by agreement to deliver better and more effective service. Enquiries will usually be addressed in chronological order as received, excepting cases as detailed further under prioritisation (section 9).

5.3 All information received and processed will be treated in accordance with confidentiality and data protection rules, as agreed in the HEART Data Sharing Protocol.

5.4 Staff have all had additional training in equalities and diversity, and on the safeguarding of both adults and children. In appropriate circumstances, staff may be legally obliged or directed by a supervisor to refer cases of ‘concern for welfare’ to other appropriate agencies for investigation in line with agreed policies.

5.5 Once initial screening has occurred, unless referred to other services, each case will be allocated to an Occupational Therapist, Housing Assessment Officer, or Home Improvement Officer as appropriate to the needs and circumstances. Those staff will normally make contact by telephone or otherwise as directed, and will then usually arrange for a home visit to view the property and discuss the customer’s wishes and needs. The outcome of that visit will inform any schedule or specification of works, and the staff will provide and assist the customer to complete any necessary application documentation. Customers may be asked to sign a customer agreement for some types of work, but HEART fees for financially assisted works are all grant aided and are not paid by the customer.

5.6 Once customers have been supported to apply for assistance, they should receive written notification of a decision in due course. Prior to that, the HEART service can arrange for contractors to visit and view the property and quote for the identified works, and can also engage a design professional who may draw plans and assist with the process for more major, complex and expensive adaptations which may require planning permission and

which may need refinement from an initial brief. An asbestos testing contractor may also be engaged to check if works require special protection. Other professionals such as structural engineers etc. may also be necessary from time to time. The value of some works may dictate that two or even three different quotes are obtained to compare value. (Note- see section 8 – contractors are a customer choice, customers may choose contractors other than those working with the HEART service, and are not obliged to use the least cost contractor but may be liable for additional costs outside of any award).

5.7 The customer's key worker will contact the customer regularly with updates, and will visit during works and on completion as appropriate. Some cases require one or more pre-start meetings, as some customers may have to make temporary arrangements to facilitate the works.

5.8 During and on completion of works, contractors may make requests for interim or final payments, which will be checked by the service before approval with the customer's permission only. In the case of dispute over value, work quality or otherwise, the HEART service will mediate towards mutual satisfaction and a fair outcome for all. After completion and final payment, customers should receive any appropriate warranty, guarantee, certificate or similar. If customers have any contribution to pay towards works, for extra works or other purposes, the customer should pay the contractor directly and up front i.e. before Council funds, and in any event for works outside of grant scope. –The Council is not responsible for chasing applicants for money and receiving it and then paying it out to a contractor. Contractors should be responsible for obtaining the money owed to them by clients

5.9 Stair lifts and similar are usually provided with a standard 5 year warranty. Whilst the lift becomes the property of the customer, if the customer no longer requires it or can no longer use it, the HEART service has 'first call' to survey and remove any reusable lift for other customers. 'Make good' works will be offered (or compensation to the value of any décor), together with the proportional residual value of any original customer contribution. See 4.1

5.10 Customers are able to make repeat or successive applications if their needs change and within the specific assistance type conditions. If customers are concerned or unhappy with any issue and wish to speak with a supervisor, they may ask for the Senior Housing Assessment Officer or Senior Occupational Therapist, and may then escalate to the HEART Team Manager as appropriate in advance of options to appeal or complain.

5.11 ALL applicants for and beneficiaries of financial assistance must have a valid UK NI number, a UK address and the right to reside in the UK and to receive the benefit of public funding. Grants and assistance will be provided for works to Warwickshire properties only, but relocation support (costs) may be provided for moves outside Warwickshire County.

6 Assistance conditions, and advice

6.1 Assistance conditions will be particular to each assistance type and will be provided in writing with any application form, paperwork, and approval or otherwise. Customers may ask their key worker for clarification or further detail as necessary.

6.2 Approvals of grant or loan will usually relate to a sum of money and not be specific to a particular contractor or set of contractors the customer must use. However, the Council must have received and be satisfied with quotes from alternative contractors in advance of works.

6.3 An approval may be for less than 100% of the cost of the works, and the customer should be informed of their contribution or shortfall and should not instruct the commencement of works until that sum can be covered. Customers should also be aware of the possibility of unforeseen works which may fall outside of the scope of further financial aid, and may require a reasonable contingency.

6.4 Customers may be assisted by their key worker to seek charitable finance for any shortfall or assessed contribution, but should seek professional independent financial advice for any commercial loan or equity release type product.

6.5 Certain assistance types may require a minimum period of occupation or ownership to avoid the partial or complete repayment of funds. Some assistance types may have a non-expiring obligation to repay funds, and unless otherwise stated will usually be in the form of a zero-interest loan or charge not requiring periodic repayment, but terminal settlement. Mandatory DFGs may require up to £10,000 to be repaid if circumstances are triggered within 10 years of the certified (completion) date.

7 Fees and Ancillary Charges

7.1 The Council will consider reasonable fees for financial assistance. The following fees will be eligible for financial assistance if they have been properly incurred in making an application or seeking approval for the proposed works, or to ensure the satisfactory completion of works assisted under this policy;

- Confirmation, if sought by the Council, that the applicant has a relevant owners interest
- Relevant legal fees
- Technical and structural surveys
- Design and preparation of plans and drawings
- Preparation of schedules of relevant works
- Assistance in completing forms
- Advice on financing the costs of the relevant works which are not met by grant
- Applications for building regulations approval (including application fee and preparation of related documents), ditto planning permission, listed building consent and conservation area consent (and similar)
- Obtaining of estimates
- Advice on contracts
- Consideration of tenders
- Supervision of the relevant works
- Disconnection and reconnection of utilities where necessitated by relevant works
- Payment of contractors
- In a case where the application is for DFG or DDFA, the reasonable services and charges of a (private) occupational therapist in relation to the relevant works

7.2 HEART fees – The HEART service charge fees for the services they provide which are in excess of the statutory minimum necessary to approve the grant application. Currently the fees are set at 12.5% of cost of works. This can be amended by the agreement of the HEART Management Board.

7.4 In order to streamline the process, these fees will be deducted at source by HEART. Any HEART fees will be excluded from any repayable element of financial awards, and in any case these fees will be in addition to the maximum amounts specified for any particular award. The fees will be based on the maximum grants amount and will not be paid on the discretionary elements of DDFA.

7.5 Where the Council / HEART service is not assisting the works with grant or financial award, but the customer still requires technical or professional services to support their project, the customer will be responsible for paying HEART fees accordingly. Customers will need to sign an appropriate customer agreement form. Dispute resolution will be between customers and their chosen contractors, but with appropriate support from HEART staff.

7.6 The HEART Management Board will set the level for technical and professional services for privately funded customers.

8 HEART Contractors

8.1 The HEART service currently operates an open list of contractors which can be joined on successfully meeting the requirements of the contractor's standards and code of conduct. In addition some contractors may be accessed through framework agreements provided by external organisations.

8.2 All Councils are keen to promote the economy within their local areas and as such capital spending can contribute towards this objective. Where feasible and not to the detriment of the service provided then local contractors will be given the opportunity to tender for works.

8.3 HEART has a number of types of contractors and specialist services within its supply chain. These include

- Architects
- Structural Engineers
- Asbestos surveying companies
- Stair lift manufacturers and installers
- Bathroom installers
- General builders
- Specialist builders
- Gas and electricity contractors

As HEART effectively links contractors and suppliers with grant applications it is recognised that a responsibility and relationship exists between the contractor and HEART. It is therefore the commissioning intention of HEART to procure and manage the supply chain through a series of appropriate tenders and frameworks. Some of these frameworks may be national public sector frameworks that the Council can access. Further commissioning may be necessary to create more local frameworks where effectively contractors are working for HEART and HEART is making its own contractors available to customers. Procurement will seek to ensure a suitable legal relationship between HEART and contractors where each body is responsible for their work and actions and suitable arrangements are in place to ensure poor performance is rectified.

8.4 Each job that is intrusive will be subject to an asbestos survey to determine if specialist removal or precautions are necessary to complete the job. This survey will be paid via the capital grant irrespective of whether work progresses as will other specialist survey or design works where the grant works do not progress.

9 Prioritisation

9.1 Where possible the Council will commence consideration of an enquiry for assessment for financial support or other services within this policy in chronological order of receipt of enquiry, subject to the following provisions;

- With the agreement of HEART senior supervisor, an enquiry must be considered as urgent if the customer would be unable to remain in their home safely unless the works are expedited, notwithstanding that care in the home is provided, OR that required works are necessary to facilitate discharge from hospital or nursing or residential care,
- Any priority scheme agreed for DFGs
- The property subject of the enquiry is in such a condition as to present an immediate and significant danger to the occupants or visitors.
- For the purposes of budgetary control a category of financial assistance may be given priority over another, or sums may be switched between categories but NOT to the detriment of mandatory DFGs
- For the purposes of policy or project implementation a category of financial assistance may be given priority over another
- Where different or dedicated staff resources are employed to work in one area, then the enquiries generated for those specific work areas will be considered within their own chronological priority order, irrespective of the wider enquiries.
- NOTE: devolved budgets are NOT pooled – if a budget for an area is fully committed, budgets from other areas will not be transferred but sub-budgets for different assistance types in that local area may be reallocated at the discretion of the home partner Council. This means that some enquiries or applications may be suspended pending identification of local funds, whilst later cases from other areas go ahead.

9.2 Where resources (financial, staffing or other) are limited, those services which are provided for vulnerable groups or most vulnerable individuals will take priority over other types of assistance or cases.

9.3 Where a property, case, customer or category of service is to be considered outside of chronological order the Head of Service or HEART Team Manager / Private Sector Housing Manager or Team Leaders will sanction the action and a written record will be retained on file in justification of that decision.

10 Enforcement Policies

10.1 Although this Financial Assistance Policy is designed to support and encourage the co-operation of owners and landlords to maintain and improve their homes, it must be borne in mind that the Council may have to resort to statutory action. This may be necessary;

- To comply with legislation compelling the Council to act, as a mandatory duty or statutory function,
- To protect the living conditions of private tenants, particularly those living in shared accommodation or houses in multiple occupation (see separate local HMO licensing policies)
- To protect the conditions of owner occupiers where necessary and appropriate, or those of their neighbours affected by poorly maintained property

10.2 Each Council has adopted its own enforcement policy to ensure that their actions are carried out with clearly understood principles, practices and standards, in a consistent way, proportional to the issues being addressed, and with a courteous and helpful approach by the Council staff involved. Councils will seek to act with an open, transparent and honest approach. Each Councils policies and actions should reflect the principles of the Regulators Code; <https://www.gov.uk/government/publications/regulators-code>.

10.3 A copy of each Councils housing enforcement policy will be available online and at each principal office of the Councils at reasonable time and without charge. Printed copies can be provided for a nominal charge, but free copies will be available on request to voluntary organisations and partners, particularly those representing customer groups who may receive assistance under this policy, Warwickshire County Council Social Services (Adult and Children's Social Care), the Library Service and the National Health Service.

10.4 Each Councils policy may be updated from time to time.

11 Complaints

11.1 Whilst each partner Council has its own separate formal complaint process, HEART has a process which should be used regardless of the location of the service provided or requested, or the particular employing organisations involved.

Note – if Councils have opted to provide any assistance within this policy directly and outside of HEART then their own process should be followed – details via their individual websites, main offices or contact centres which can be referred onwards by HEART or for which HEART can give details.

11.2 Any member of the public who is dissatisfied with the performance of the HEART service in administering this policy may make a formal complaint through the HEART procedure. However, we would encourage both the public and the staff (and their supervisors) to try to address any misunderstandings or disagreements by mutual agreement – within the jurisdiction of the staff to do so – to avoid the need for a matter to escalate to formality. Staff should still make supervisors and managers aware of such issues even if resolved, in order to facilitate learning and service improvement.

11.3 Complaints that amount to a disagreement with the Council about its decisions, or the Policy, rather than the way in which the decisions or policies have been implemented, cannot be considered under this (HEART) Complaint Procedure:

https://www.nuneatonandbedworth.gov.uk/info/19999/feedback/201/customer_feedback

Where appropriate an appeal can be made to the Appeals Panel to consider the merits of a decision on whether a case outside of policy should receive assistance – see ‘Appeals and out of policy cases’ – section 12.

11.4 Examples of the type of complaint that will come within this complaints procedure are;

- Failure of HEART to provide the service to an appropriate level or standard as described in this policy
- Unhelpful attitude of a HEART service employee
- Neglect or delay in answering a query or responding to a request for service outside of that which is reasonable
- Failure to follow the services agreed policies, rules or procedures
- Failure to take account of relevant matters when coming to a decision
- Failure to inform people of their rights
- Malice, bias or the non-application of Equal Opportunities policies or principles

11.5 Complaints, compliments and feedback are made through the NBBC web site as above.

11.6 The complaints procedure is not a substitute or alternative to any person's right to complain to their elected representatives or to the appropriate Ombudsman, but the latter will usually insist on the customer using the service complaints process first.

12 Appeals and out-of-policy cases

12.1 The appeals process has been designed to incorporate the following key principles;

- Accessibility
- Simplicity and clarity
- Promptness of action and speed of resolution
- Objectivity and independence
- Confidentiality
- Comprehensiveness

12.2 There are two forms of appeal which may occur;

- a. Issues of a professional or technical nature, e.g. where an applicant disagrees with the assessment of conditions or needs,
- b. 'special case' issues where the works, social or financial circumstances of the applicant or type of assistance required are not accounted for within the policy or where the customer believes the policy to be wrong or unfair.

12.3 In order to properly consider appeals, there will be two levels of escalation; The Supervisors Panel (Private Sector Housing Manager and Heart Service Manager), and the Senior Management Panel (Head of Home Environment Service and the local Head of Housing or equivalent).

12.4 Technical / professional appeals may be in relation to;

- Hazards determined under the HHSRS
- The perceived condition of any building element
- The remedial works determined by the Council

12.5 Special Case Appeals – where the works, social or financial circumstances of the applicant or type of assistance requested for are not accounted for within the policy, the applicants will be able to appeal.

12.6 Where the Supervisors Panel declines an appeal then the appellant (client, disabled person or applicant – directly or via an advocate or agent) may escalate to the next level (Senior Management).

12.7 Appellants will be eligible to appeal where it is argued that their special circumstances are not adequately reflected through the existing policy. The claim can only be successful if they establish to the satisfaction of the Panel that their case falls within the following criteria;

- Failure to carry out works will place the applicants or existing family's health and safety at immediate risk,

- The applicant or member of their family has a specific and serious medical condition or disability – including mental health – which is being aggravated by the existing condition of the property and the provision of assistance would significantly improve the condition,
- The condition of the house will imminently prevent the ability of the existing family to continue to live together,
- The condition of the property will lead to the intervention of other statutory services, thereby causing additional expenditure from other public sources e.g. children being taken into care,
- The work would be of wider benefit than to the applicant and their family e.g. where other properties are affected.

12.8 In all of the above cases;

- The applicant has no means by which they could reasonably be expected to fund the work, either privately or with ‘welfare’ assistance, and
- The assisted works must significantly reduce the problems under the above criteria, described by the applicant or identified by the Council

12.9 Where the applicant does not fulfil the above criteria, they will be notified and they may then appeal to the Senior Management Panel to decide their case. Where a Panel agrees that the case fulfils the above criteria, then the assistance may be agreed.

12.10 Initial assessments – a form will be provided to the applicant in order for them to document their case, along with the criteria listed above. It will be for the applicant to provide sufficient detail concerning their case. Where the applicant requires support to make an appeal submission, the HEART service may assist with the form.

12.11 Initial assessments will be carried out by the Supervisors Panel based on the evidence provided on the form. Clients will not be requested to attend an initial hearing, but submit written representations only. If the Supervisors Panel require further information from the client, they will make appropriate arrangements.

12.12 Written notification of the Supervisors Panel decision will be given to the applicant along with information concerning their legal rights or how the claim will progress.

12.13 The initial assessments will be recorded along with reasons for the decision.

12.14 Where the medical criterion is being used it may be appropriate for independent medical advice to be sought which may require revenue funding.

12.15 Upon escalation, the Supervisors Panel will provide reasons for refusing the appeal and will provide information regarding the implications of a positive decision and further information required, and will act to keep the applicant informed of progress.

12.16 The appellant will provide any additional information requested and may be invited to attend or address a **hearing** of the Senior Management Panel if appropriate, or to provide further information to clarify their case. The appellant may bring with them a representative to help or present their case if invited. The Panel will listen to the available evidence and will be able to question both Officers and the Appellant, if in attendance. The applicant may also request a written hearing of the Senior Management Panel and to make representations in person.

12.17 Written notification of the Panel decision will be given to the applicant and where the decision is negative or conditional information concerning their legal rights will also be given.

12.18 The Panels although acting independently are advised that the guidelines described at paragraphs above may also be used to determine any case, however they may also want to consider any individual circumstances that do not fall within the guidelines.

12.19 Decisions to grant appeals and continue and application will then be dealt with in date order from initial enquiry unless the Panel decides to deal with the case urgently, i.e. the appeal will not delay the process excepting for the unavoidable time taken to hear and determine the matter.

12.20 Due to the personal nature of the appeals process, none of the reports will be published unless all methods of identifying the applicant including their address have been removed from the report.

12.21 Outcomes – if the Panel finds in favour of the appellant then it may decide to;

- Offer one of the standard forms of assistance contained in this policy or as so modified, or
- Decide a special form of assistance which would address the issues raised, imposing any terms and conditions as thought appropriate, which nonetheless comply with the spirit of legislation and Council policies.

13 Service standards, Key Performance Indicators and Targets

13.1 There is no national standard for aspects of the above matters excepting a statutory requirement for Councils to determine valid and fully made applications for mandatory DFG within six months. This does not account for pre-application activities such as the screening process and the 'application support' and administration including occupational therapy assessment, means testing, producing specifications, finding contractors etc. In practice, when an application is received by the HEART service it is practically complete and ready for an almost instant decision. In a few cases there may be details to pursue, such as proof of property ownership, landlord or owner's permission etc., and if there are alternative schemes under consideration or issues to do with financing the customers contribution. However, the service records all key activities and dates and can report on a variety of measures, including date enquiry received, date application submitted, date determined, date works started, value of works and contributions, date works finished, and completed as in signed-off.

13.2 There is also a national standard for giving 12 months for works to be completed, but this can be extended by negotiation if there are valid reasons to do so, such as the customer receiving care or wanting works deferred, occasional changes in contractor or specification, complex snagging etc. Generally, for most cases not involving additional building or conversions i.e. level access showers and straight stair lifts, works are complete within 1 week of starting (time between approval and start is dependent upon outside factors). Curved stair lifts have a longer manufacturing lead time, but a short installation time once produced. Conversions and extension buildings take longer but usually within 4 months from start. All key dates and any delays, and the reasons for them, are recorded on a case by case basis. Cases with delays are individually considered to identify any causes which could be avoidable or to pass on any service improvement learning. General Service process times on an officer by officer and HEART wide basis are also considered for any variable factors affecting efficient delivery, as all front line service staff are supervised and monitored frequently.

13.3 Locally, the service aims to apply the funding it receives fully each year with minimal waiting lists and with maximum benefit to customers. All HEART KPI's and measures have been agreed through the partnership agreement which are reported on a quarterly basis to the Management Board. Other forms of assistance may require the development of further KPI's which will be agreed via the HEART Management Board.

13.4 Minor changes to this policy will be made by the Head of Housing or equivalent within each authority whereas more substantial changes will be made in consultation with relevant elected members of each partner authority.

14 Policy implementation plan

14.1 The policy will be implemented from a date to be agreed by Partner Councils and the Service once it has received the necessary political approvals. HEART is already delegated to approve and vary financial assistance offers on behalf of partner Councils, and – where budgets have been devolved – to make and claim payments for such. Systems will be in place to record at each Council each transaction which may require recording as a Local Land Charge, which could trigger notification of liability for repayment, recovery of specialised equipment, or similar including the appropriate legal authority to pursue such claims if any and to write-off, waive or reduce any unrecoverable claims or those accepted as inappropriate or hardship cases.

14.2 This policy will be reviewed no less frequently than five years from commencement, with interim annual reports to partner Councils and KPI reports on a more frequently agreed basis as per the agreed HEART partnership agreement and as directed by the Management Board.

14.3 Notwithstanding the above, if circumstances require the policy to be reviewed then the HEART service will report to the Management Board or each partner authority may request the Management Board to review the policy.

15 Signatories and key dates

This document must be ratified by each partner Housing Authority by its own process, and duly minute as agreed and adopted. The effective date of the policy is that of each partner Council.

Minute reference number Date

Representing (organisation) **Nuneaton & Bedworth Borough Council**

Minute reference number Date

Representing (organisation) **North Warwickshire Borough Council**

Minute reference number Date

Representing (organisation) **Rugby Borough Council**

Minute reference number Date

Representing (organisation) **Stratford on Avon District Council**

Minute reference number Date

Representing (organisation) **Warwick District Council**

Appendix A

Contacts for HEART service and partner organisations

HEART

- Main office base – Town Hall, Coton Road, Nuneaton, Warwickshire CV11 5AA
- Telephone – 02476 376294
- Email – customer.services@nuneatonandbedworth.gov.uk
- Website - https://www.nuneatonandbedworth.gov.uk/info/21036/heart/353/heart_%E2%80%93_helping_you_live_independently_at_home

Warwickshire County Council

- Main office base – Shire Hall, Warwick CV34 4RL
- Telephone – 01926 410410
- Email - customerservicecentre@warwickshire.gov.uk
- Website - <http://www.warwickshire.gov.uk/>

Nuneaton & Bedworth Borough Council

- Main office base - Town Hall, Coton Road, Nuneaton, Warwickshire CV11 5AA
- Telephone – 02476 376376
- Email – customer.services@nuneatonandbedworth.gov.uk
- Website - <https://www.nuneatonandbedworth.gov.uk/site/>

North Warwickshire Borough Council

- Main office base – Council House, South Street, Atherstone, Warwickshire CV9 1AD
- Telephone – 01827 715341
- Email - customerservices@northwarks.gov.uk
- Website - <https://www.northwarks.gov.uk/site/>

Rugby Borough Council

- Main office base – Town Hall, Evreux Way, Rugby, Warwickshire CV21 2RR
- Telephone – 01788 533533
- Email - contact.centre@rugby.gov.uk
- Website - <https://www.rugby.gov.uk/site/index.php>

Stratford on Avon District Council

- Main office base - Elizabeth House, Church Street, Stratford-upon-Avon, Warwickshire, CV37 6HX

- Telephone – 01789 267575
- Email – info@stratford-dc.gov.uk
- Website - <https://www.stratford.gov.uk/index.cfm>

Warwick District Council

- Main office base - Riverside House, Milverton Hill, Leamington Spa, CV32 5HZ
- Telephone – 01926 450000
- Email - contactus@warwickdc.gov.uk
- Website - <https://www.warwickdc.gov.uk/site/>

Service Contacts:

Contact Details – To help us deal with your enquiry please choose the correct team to contact for your property address.

Residents of **Rugby, Nuneaton and Bedworth and North Warwickshire Borough Councils** – contact:

HEARTNorth@nuneatonandbedworth.gov.uk 02476376294

Residents of **Warwick District and Stratford on Avon District Councils** – contact:

southhat@warwickdc.gov.uk 01926 456422

For informal Service Complaints, Press and Partner Enquiries, Councillor and MP Enquiries contact:

HEART@nuneatonandbedworth.gov.uk

Formal complaints, compliments and comments can be made through NBBC web site at:

https://www.nuneatonandbedworth.gov.uk/info/19999/feedback/201/customer_feedback

Appendix (b1) – Local Scheme of Policy Variation – North Warwickshire Borough Council

Appendix (b2) – Local Scheme of Policy Variation – Nuneaton & Bedworth Borough Council

Appendix (b3) – Local Scheme of Policy Variation – Rugby Borough Council

Appendix (b4) – Local Scheme of Policy Variation – Stratford on Avon District Council

Appendix (b5) – Local Scheme of Policy Variation – Warwick District Council

Appendix (C) - Articles 3 & 4 of The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002

Power of local housing authorities to provide assistance

3.—(1) For the purpose of improving living conditions in their area, a local housing authority may provide, directly or indirectly, assistance to any person for the purpose of enabling him—

- (a) to acquire living accommodation (whether within or outside their area);
- (b) to adapt or improve living accommodation (whether by alteration, conversion or enlargement, by the installation of any thing or injection of any substance, or otherwise);
- (c) to repair living accommodation;
- (d) to demolish buildings comprising or including living accommodation;
- (e) where buildings comprising or including living accommodation have been demolished, to construct buildings that comprise or include replacement living accommodation.

(2) The power conferred by paragraph (1)(a) may be exercised to assist a person to acquire living accommodation only where the authority—

- (a) have acquired or propose to acquire (whether compulsorily or otherwise) his existing living accommodation; or
- (b) are satisfied that the acquisition of other living accommodation would provide for that person a benefit similar to that which would be provided by the carrying out of work of any description in relation to his existing living accommodation.

(3) Assistance may be provided in any form.

(4) Assistance may be unconditional or subject to conditions, including conditions as to the repayment of the assistance or of its value (in whole or in part), or the making of a contribution towards the assisted work; but before imposing any such condition, or taking steps to enforce it, a local housing authority shall have regard to the ability of the person concerned to make that repayment or contribution.

(5) Before a local housing authority provide assistance to any person, they shall—

- (a) give to that person a statement in writing of the conditions (if any) to which the assistance is to be subject; and
- (b) satisfy themselves that that person has received appropriate advice or information about the extent and nature of any obligation (whether financial or otherwise) to which he will become subject in consequence of the provision of assistance.

(6) A local housing authority may take any form of security in respect of the whole or part of any assistance.

(7) Where any such security is taken in the form of a charge on any property, the local housing authority may at any time reduce the priority of the charge or secure its removal.

(8) This article is subject to articles 4 and 5.

(9) Nothing in this article affects any power of a local housing authority under Part 14 of the 1985 Act (loans for acquisition or improvement of housing).

Provision of assistance: supplementary

4. A local housing authority may not exercise the power conferred by article 3 in any case unless—

(a) they have adopted a policy for the provision of assistance under that article;

(b) they have given public notice of the adoption of the policy;

(c) they have secured that—

(i) a document in which the policy is set out in full is available for inspection, free of charge, at their principal office at all reasonable times; and

(ii) copies of a document containing a summary of the policy may be obtained by post (on payment, where a reasonable charge is made, of the amount of the charge); and

(d) the power is exercised in that case in accordance with that policy.

Appendix D1 –Assistance Measures – summary

Mandatory: Disabled Facilities Grant (DFG) - Maximum £30,000 grant, partial repayable element (owner occupiers), means tested except children's cases and/or qualifying means tested benefits, stairlift recovery, no limit on repeats.

Discretionary:

Discretionary Disabled Facilities Assistance (DDFA) – Further grant of up to £10,000 and loan of up to £10,000 for works exceeding maximum mandatory DFG or for removal costs and/or purchase cost difference to move to more suitable property. Extra loan element repayable. Means tested INCLUDING child cases.

Hospital Discharge Grant (HDG) – Maximum up to £10,000 to overcome delayed hospital discharge, reduce (re)admission risk enabling safe and dignified home based care. NOT means tested where facilitating rapid hospital discharge, else may be referred for DFG.

Home Safety Grant / Handy-person (HSG) – Free home safety check for those 5+ or with disabled person in household. Minor aids, equipment and adaptations / works of up to £500 (cumulative in 3 years) for non Care Act cases, and £1000 for Care Act assessed needs (via Community Care <Delayed Discharges etc.> Act 2003 funding stream). Not repayable.

Warm & Safer Homes Grant (WaSH) – Maximum up to £10,000 for removal of HHSRS category 1 and key category 2 hazards for owner occupiers, not further/repeat means tested for those already on a qualifying means tested benefit (i.e. passported), OR vulnerable (agreed medical need) and then subject to DFG test of financial resources. Owner occupiers 3 year minimum ownership, no repeat award for 3 further years.

Energy Efficiency Support – not specified, in accordance with offers from utility companies and national schemes which change from time to time, such as the ECO Energy Companies Obligation initiative.

Other – The service may from time to time amend the above offers, including revocation and/or additional measures, along with LOCAL schemes which may be applied directly by relevant Councils in their own areas (see appendices b1 – b5 above).

Appendix D2 –Assistance Measures – tabulated

Assistance Name	Mandatory (M) / Discretionary (D)	Value (max. £)*	Purpose(s)	Criteria	Repayable / other notes
Disabled Facilities Grant – DFG	M	£30,000 Means tested except for child cases <19 years, otherwise means tested benefit passported qualification)	Specified purposes in 1996 Housing Grants Construction & Regeneration Act, section 23 (as amended)	Owner occupier, landlord or tenant, for disabled person. Necessary & appropriate, reasonable & practicable.	Up to £10,000 for works over £5,000 if disposal within 10 years – owner occupiers only. Repeat applications OK.
Discretionary Disabled Facilities Assistance (DDFA)	D	£10,000 grant £10,000 loan / charge (means tested including child cases)	Top-up to DFG, plus and relocation assistance (purchase and move costs)	DFG costs in excess of £30,000 plus agreed move value on case by case basis	Grant not repayable, loan repayable (0%, charge against property – not time expiring)
Hospital Discharge Grant (HDG)	D	£10,000 (not means tested)	Facilitate rapid hospital discharge, prevent or reduce risk of (re)admission	Agreed as urgent, cost saving, best option given alternatives	Not repayable
Home Safety Grant / Handy-Person (HDG)	M/D	£500 over 3 years Not means tested	Minor aids, equipment, repairs and adaptations	Over 55 or disabled person in household	Not repayable
Warm and Safer Home Grant (WaSH)	D	£10,000 <u>Either</u> qualifying means tested benefit OR vulnerable (agreed medical need) with DFG means test	Removal of HHSRS category 1 and key category 2 hazards	Owner-occupiers, 3 years minimum ownership	Not repayable, no re-award for 3 years
Energy Efficiency Support	-	n/a – tba (ECO etc.)	Reduction in fuel poverty, improve domestic energy efficiency	n/a	n/a
Other – revisions, revocations, additions and local schemes as indicated	D	n/a	Tba – including local		

- NOTE: all above for owner-occupiers and private tenants only except where detailed, notwithstanding £500 Home Safety Grant for equipment and minor aids also available to Council tenants.

Agenda Item No 16

Resources Board

5 September 2017

**Report of the
Chief Executive**

Exclusion of the Public and Press

Recommendation to the Board

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

Agenda Item No 17

Irrecoverable Local Taxation Debts – Report of the Assistant Chief Executive (Community Services)

Paragraph 1 – by reason of the report containing information relating to an individual.

Agenda Item No 18

Council Garage Site – Report of the Assistant Director (Housing)

Paragraph 3 - by reason of the report containing financial information.

Agenda Item No 19

Exemption to Contract Standing Orders – Report of the Assistant Director (Housing)

Paragraph 3 - by reason of the financial and business information contained in the report.

Agenda Item No 20

Request for Right of Way Over Council Land – Report of the Assistant Director (Housing)

Paragraph 1 - by reason of the report containing financial information.

Agenda Item No 21

Corporate Counter Fraud Annual Report 2016-17 – Report of the Deputy Chief Executive

Paragraph 7 - by reason of the report relating to action taken in combating fraud.