

Open

Overview & Scrutiny Committee

Agenda

6pm
Thursday, 6th September 2018
Council Chamber
Wyre Forest House
Finepoint Way
Kidderminster



Overview & Scrutiny Committee

Members of Committee:

Chairman: Councillor H E Dyke
Vice-Chairman: Councillor M Rayner

Councillor N Harris
Councillor N Knowles
Councillor S Miah
Councillor H S Williams

Councillor K Henderson
Councillor D Little
Councillor S J Walker
Councillor S J Williams

Would Members please note that, to ensure continuity in scrutiny, substitutes should only be appointed for the Scrutiny Committee in exceptional circumstances.

Information for Members of the Public:

Part I of the Agenda includes items for discussion in public. You have the right to inspect copies of Minutes and reports on this Agenda as well as the background documents used in the preparation of these reports.

Part II of the Agenda (if applicable) deals with items of "Exempt Information" for which it is anticipated that the public may be excluded from the meeting and neither reports nor background papers are open to public inspection.

Declaration of Interests by Members – interests of members in contracts and other matters

Declarations of Interest are a standard item on every Council and Committee agenda and each Member must provide a full record of their interests in the Public Register.

In addition, alongside the Register of Interest, the Members Code of Conduct ("the Code") requires the Declaration of Interests at meetings. Members have to decide first whether or not they have a disclosable interest in the matter under discussion.

Please see the Members' Code of Conduct as set out in Section 14 of the Council's constitution for full details.

Disclosable Pecuniary Interest (DPI) / Other Disclosable Interest (ODI)

DPI's and ODI's are interests defined in the Code of Conduct that has been adopted by the District.

If you have a DPI (as defined in the Code) in a matter being considered at a meeting of the Council (as defined in the Code), the Council's Standing Orders require you to leave the room where the meeting is held, for the duration of any discussion or voting on that matter.

If you have an ODI (as defined in the Code) you will need to consider whether you need to leave the room during the consideration of the matter.

Co-opted Members

Scrutiny Committees may wish to appoint Co-Opted Members to sit on their committee in order to add value to the scrutiny process. To appoint a Co-Opted Member, a Committee must first agree to appoint either a specific person or to approach a relevant organisation to request that they put forward a suitable representative (e.g. the local Police Authority). Co-Optees are non voting by default but Committees can decide to appoint voting rights to a Co-Optee. The Co-Option of the Member will last no longer than the remainder of the municipal year.

Scrutiny Committees can at any meeting agree to terminate the Co-Option of a Co-Opted Member with immediate effect. Where an organisation is appointed to put forward a Co-Opted Member, they are able to send a substitute in exceptional circumstances, provided that they notify Democratic Services in advance. Co-Opted Members must sign up to the Members Code of Conduct before attending their first meeting, failure to sign will mean that they are unable to participate. This also applies to substitute Co-Opted Members, who will need to allow sufficient time before a meeting in order to sign the Code of Conduct.

The following will apply:

- i) The total number of voting co-opted members on any Scrutiny Committee will not exceed 25% at any one time.
- ii) The total number of voting Co-opted Members on any Review Panel will not be limited.
- iii) Those Co-opted Members with voting rights will exercise their rights in accordance with the principles of decision making set out in the constitution.

For Further information:

If you have any queries about this Agenda or require any details of background papers, further documents or information, you should contact Louisa Bright, Principal Committee and Member Services Officer, Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF. Telephone: 01562 732763 or email louisa.bright@wyreforestdc.gov.uk

Wyre Forest District Council
Overview & Scrutiny Committee

Thursday, 6th September 2018

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

Agenda item	Subject	Page Number
1.	Apologies for Absence	
2.	Appointment of Substitute Members To receive the name of any Councillor who is to act as a substitute, together with the name of the Councillor for whom he/she is acting.	
3.	Declarations of Interests by Members In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any Disclosable Pecuniary Interests (DPI's) and / or Other Disclosable Interests (ODI's) in the following agenda items and indicate the action that they will be taking when the item is considered. Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
4.	Minutes To confirm as a correct record the Minutes of the meeting held on the 5th July 2018.	7
5.	How Are We Doing? Performance Update To consider a report from the Business Improvement Officer which provides an update on the performance of the Council for quarter 1 from 1 st April to 30 th June 2018.	13
6.	Homelessness Strategy Refresh To consider a report from the Head of Strategic Growth which sets out the new Homelessness Strategy "Worcestershire's Strategic Direction for Tackling Homelessness 2018-2021" and provides an update on responses to the strategy consultation.	31

7.	<p>Annual Report on Treasury Management Service and Actual Prudential Indicators 2017-18</p> <p>To consider a report from the Corporate Director: Resources which provides a review of the treasury management activities for 2017-18, in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).</p>	55
8.	<p>Cookley and Caunsall Neighbourhood Plan Area Designation</p> <p>To consider a report from the Senior Planning Policy Officer which seeks approval for the designation of part of Wolverley and Cookley Parish as a Neighbourhood Area for the purposes of Neighbourhood Development Planning.</p>	72
9.	<p>Asset Transfer of Spennells Changing Rooms and Adjacent Parcel of Public Open Space</p> <p>To consider a report from the Community Safety and Partnerships Officer which invites Members to discuss the options to bring the redundant Spennells Changing Rooms back into community use.</p>	78
10.	<p>Feedback from Cabinet</p> <p>To note the content of the Cabinet action list, following consideration of the recommendations from its meeting on 17th July 2018.</p>	82
11.	<p>Work Programme</p> <p>To review the work programme for the current municipal year with regard to the Corporate Plan Priority, Annual Priorities and the Forward Plan.</p>	87
12.	<p>Press Involvement</p> <p>To consider any future items for scrutiny that might require publicity.</p>	
13.	<p>To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</p>	
14.	<p>Exclusion of the Press and Public</p> <p>To consider passing the following resolution:</p> <p>“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of “exempt information” as defined in paragraph 3 of Part 1 of Schedule 12A to the Act”.</p>	

Part 2

Not open to the Press and Public

15.	Depot 2020 Masterplan – Improve and Invest To receive a report from the Corporate Director: Community Well-being and Environment on the Depot 2020 Masterplan.	
16.	To consider any other business, details of which have been communicated to the Solicitor of the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.	

WYRE FOREST DISTRICT COUNCIL

OVERVIEW & SCRUTINY COMMITTEE

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY, KIDDERMINSTER

THURSDAY, 5TH JULY 2018 (6PM)

Present:

Councillors: H E Dyke (Chairman), P Harrison, N Harris, K Henderson, N Knowles, D Little, S Miah, H S Williams and S J Williams.

Observers

Councillors: N J Desmond, M J Hart, F M Oborski MBE, T L Onslow, C Rogers and J A Shaw.

OS.11 Apologies for Absence

Apologies for absence were received from Councillors: M Rayner (Vice-Chairman) and S J Walker.

OS.12 Appointment of Substitutes

Councillor P Harrison was appointed as a substitute for Councillor S J Walker.

OS.13 Declarations of Interests by Members

Councillor N Harris declared a Disclosable Pecuniary Interest (DPI) in agenda item 9 – South Kidderminster Enterprise Park: Revised Local Development Order, August 2018, and would leave the room whilst the item was considered.

OS.14 Minutes

Decision: The minutes of the meeting held on 7th June 2018 be confirmed as a correct record and signed by the Chairman.

OS.15 The Environmental Offences (Fixed Penalties) (England) Regulations 2017

The Committee received a report from the Corporate Director: Community Well-being and Environment which detailed the revised Government arrangements that had been made within the Environmental Offences (Fixed Penalties) (England) Regulations 2017. In line with the changes Members were asked to consider formally reviewing and adjusting the fixed penalty charging regime that was currently adopted and in place for Wyre Forest District Council.

The Senior Community and Environmental Protection Officer presented the report and tabled a list which detailed the number of fixed penalty notices which had been issued during 2017/18.

Councillor D Little entered the meeting at this point, (6.08pm).

The Committee supported the proposal and agreed that in line with the revised Government arrangements it would be timely to review the Council's Environmental Education and Enforcement Strategy 2007. The Chairman said this could be included in the review of civil enforcement issues which was on the work programme for the latter part of the year.

Agreed: Recommend to Cabinet that:

The results of a review that suggests amendments to the penalty charging regime as outlined below. This will provide the Council with a more effective enforcement regime in the fight against environmental crime and anti social behaviour.

- **To establish a revised set of maximum penalty charges that will apply to relevant environmental offences within the District and being set within government parameters, as set out in the "proposed new penalty" column in the Appendix of the report.**
- **To establish a revised set of discounted penalty charges that will apply (pending early payment) to relevant environmental offences within the District and being set within government parameters, as set out in the "proposed new discounted penalty" column in the Appendix of the report.**

OS.16

Affordable Housing Review Panel – Conclusions and Recommendations

The Committee received a report from the Head of Strategic Growth and the Housing Enabling Consultant which presented the recommendations from the Affordable Housing Review Panel. The Review Panel was established in response to Members concerns regarding the acute shortage of suitable social and affordable rented accommodation within the District.

The Enabling Consultant led Members through the report and outlined the key topics which were considered by the Panel.

The Chairman of the Review Panel, Councillor N Knowles, thanked the Members of the Panel and the Officers for their hard work and asked the Committee to support the recommendations.

Councillor N Desmond entered the meeting at this point, (6.38pm).

The Committee discussed the findings of the review and acknowledged the challenges surrounding the overall availability of affordable housing in the current stock, and the issues affecting supply, waiting lists and allocations. In relation to the role of shared ownership in the local housing market, Members agreed that it was important that the full details of how the scheme operates was made clear to people from the outset.

Agreed: Recommend to Cabinet:

- 1. To continue to value the close working relationship with The Community**

Housing Group and Oakleaf Commercial Services as there are shared aims and visions and the opportunity to explore future joint ventures.

- 2. To accept the offer of help from the Government appointed Help to Buy Agent Orbit to support future activities and events to raise awareness about shared ownership as a product and its availability in the district.**
- 3. That Cabinet gives serious consideration to the Councils role as a landowner and the use of Council owned sites for the delivery of Social Rent and Affordable Housing.**
- 4. That the affordable housing planning policy makes provision to cover sites that deliver in excess of the Local Plan threshold for affordable housing (currently 30%).**
- 5. As part of the Local Plan Review, officers in conjunction with the Viability Consultant continue to explore the potential of applying different affordable housing thresholds to different types of sites.**
- 6. Officers investigate the possibility of ensuring the full details of how the shared ownership scheme operates is made clear to people from the outset.**

OS.17 Domestic Abuse Pledge “Make a Stand”

The Committee received a report from the Head of Strategic Growth which raised awareness of the national domestic abuse pledge being supported by the Chartered Institute of Housing (CIH), Women’s Aid and Domestic Abuse Housing Alliance (DAHA).

Councillor M Hart left the meeting at 6.57pm and returned at 6.58pm.
Councillor T Onslow left the meeting at 6.58pm.

The Head of Strategic Growth presented the report and outlined the four commitments of the pledge. Members were advised that the pledge was launched at the end of May 2018 and had already been signed up to by 100+ organisations. She added that the topic had been raised at the Worcestershire Strategic Housing Partnership to encourage all Councils and Registered Providers in Worcestershire to commit to the pledge.

She explained that organisations had until September 2019 to put the commitments in place and was pleased to report that Wyre Forest District Council was advanced in its preparations to meet the commitments.

A discussion ensued and there was unanimous agreement by Members for recommending to Cabinet that the authority supports the campaign by signing the pledge and appointing a pledge champion.

Agreed: Recommend to Cabinet that they DECIDE to:

- 1.1 Sign up to the “Make a Stand” Domestic Abuse Pledge.**

1.2 Appoint the Cabinet Member for Housing, Health and Wellbeing as the pledge champion.

OS.18 Lion Fields Future Phases Development

The Committee considered a report from the Head of Economic Development and Regeneration – North Worcestershire, which set out the next steps for the Council in bringing forward re-development proposals for ‘Parcel 4’ of Lion Fields, which covers the redevelopment of the Bromsgrove Street Car Park.

The Economic Development and Regeneration Manager led Members through the report in detail. The Committee acknowledged the importance of the site and discussed the need for providing improved access between the site and the remainder of the Town Centre.

Members supported the proposal which would provide the Council with a clearer understanding of the redevelopment options available.

Agreed: Recommend to Cabinet that:

Further work is commissioned as detailed in the report to the Overview and Scrutiny Committee.

Councillor N Harris left the meeting at this point, (7.37pm).

OS.19 South Kidderminster Enterprise Park: Revised Local Development Order, August 2018

The Committee considered a report from the Economic Development and Regeneration Manager which presented the results of the public consultation on the revised Local Development Order (LDO) for the South Kidderminster Enterprise Park.

Councillor N Desmond left the meeting at 7.39pm and returned at 7.41pm.

Members welcomed the proposal to renew the Order. It was agreed that the pro-active approach to helping businesses develop had been well received and had provided circa £25m of economic investment since its initial adoption in 2012.

Agreed: Recommend to Cabinet that:

The Local Development Order, as attached at Appendix 1 of the report, be adopted for a further 3 years.

Councillor N Harris returned to the meeting at this point, (7.42pm).

OS.20 Council Tax Reduction Scheme Review 2019/20

The Committee considered a report from the Revenues, Benefits and Customer Services Manager which provided information of the work undertaken by the revenues, benefits and customer services section on the redesign of the Council Tax Reduction Scheme for implementation by 1st April 2019.

Agenda Item No. 4

The Revenues, Benefits and Customer Services Manager led Members in detail through the report. She explained that the proposed new scheme would comply with the original principles of the scheme that was set up in 2013. The principles being; Every household with working age claimants should pay something; The scheme should incentivise people into work; People with greater amounts of savings receive less support; Protection would be provided through a Hardship Fund to those who are least able to pay; and the scheme would be in support of the Council's Corporate Plan Priorities of an increased supply of good quality and decent homes in which people can afford to live. She added that it was proposed that the current means tested scheme was replaced by a simple income grid model.

A lengthy discussion ensued. In response to a Member question the Revenues, Benefits and Customer Services Manager confirmed that the hardship fund had been utilised during 2017/18, the exact amount would be circulated to the Committee for information.

Members supported the proposals and looked forward to receiving the results of the consultation at a future meeting of the Committee.

Agreed: Recommend to Cabinet:

To support the proposals to undertake a consultation with Major Preceptors and the public on proposed changes to the Council Tax Reduction Scheme from 1st April 2019.

Councillor N Desmond left the meeting at this point, (8.04pm).

OS.21

Acquisition of Land in Market Street, Kidderminster

The Committee received a report from Corporate Director: Economic Prosperity and Place which set out a proposal for the Council to acquire a vacant parcel of land at Market Street in Kidderminster.

The Corporate Director: Economic Prosperity and Place led Members through the report. He explained that, if necessary the Council could use its compulsory purchase powers to enable the bringing forward of a redevelopment of a vacant eyesore site at a prominent gateway position within Kidderminster town centre, should the current owner of the land fail to bring the site forward for redevelopment within a reasonable time period.

Councillor M Hart left the meeting at this point, (8.14pm).

Members fully supported the proposal and agreed that the compulsory purchase powers were a useful tool for the Council to have in bringing the site forward for redevelopment.

Agreed: Recommend to Cabinet that:

The Council makes a Compulsory Purchase Order ('CPO') to acquire 'The Order' land as detailed if the owner does not advance redevelopment of the site in a timely manner.

OS.22 Treasury Management Review Panel

The Chairman advised that the Treasury Management Review Panel would be formed again for the current municipal year. The first meeting of the Panel and training session for all Members was scheduled to take place on Monday 3rd September 2018.

Agreed: Members to notify the Principal Committee and Member Services Officer if they would like to sit on the Panel for the current municipal year.

OS.23 Feedback from Cabinet

Agreed: The content of the Cabinet decision list following consideration of the recommendations from its meeting on 12th June 2018 be noted.

OS.24 Work Programme

The Committee considered the work programme for the current municipal year.

Agreed: The work programme be noted.

OS.25 Press Involvement

There were no future items for scrutiny that might require publicity.

OS.26 Exempt Information

Decision: Under Section 100A(4) of the Local Government Act, 1972 the press and public be excluded from the meeting during the consideration of the following items of business on the grounds that they involve the likely disclosure of “Exempt Information” as defined in paragraphs 2, 6 and 7 of Part I of Schedule 12A of the Act.

OS.27 Industrial Unit Investment Business Case

The Committee considered a confidential report which sought approval for an industrial unit investment business case using the Council’s Capital Portfolio Fund.

The Corporate Director: Economic Prosperity and Place led Members through the report. He provided the background to the investment opportunity, including its location, condition and valuation. He explained the justification for the investment in the context of the Government’s recently published Statutory Guidance for Local Authority Investments which was set out in detail in the report.

An in depth discussion ensued and Members welcomed the investment within the Wyre Forest District.

Agreed: Recommend to Cabinet that:

The Council invests in the industrial unit from its Capital Portfolio Fund.

There being no further business, the meeting ended at 8.59pm.



Overview & Scrutiny Committee

Briefing Paper

Report of: Rhiannon Foxall, Business Improvement Officer
Date: Thursday 6th September 2018
Open

How Are We Doing? Performance Update

1. Summary

- 1.1 To update Members on the performance of the Council for Quarter 1 (from 1st April 2018 to 30th June 2018).

2. Background

- 2.1 Performance management is instrumental in all council activities as it helps us to keep track of how well we are performing and enables any potential issues to be identified at an early stage so remedial action can be taken. It also informs our decision making processes which underpin the delivery of our Corporate Plan 2014-19.
- 2.2 The Council has a number of processes in place to monitor our performance including:
- Corporate Plan Actions
 - Corporate Risks and associated actions
 - Leading Measures
 - Lagging Measures

3. Progress

- 3.1 **Appendix 1** is a detailed report of performance against our purpose of ['Enabling'](#).
- 3.2 **Appendix 2** is a detailed report of the progress of our [Capital Projects](#).

4. Key Achievements/Issues

- 4.1 There are no significant issues to highlight at the end of this quarter with regards to actions as there are none that are overdue. Therefore no exception report features as an appendix.
- 4.2 **Measure LE134: Monitoring external income on a monthly basis**
The income generation reporting has been reconfigured following a refined definition of 'commercial income'. The data featured in this report is in line with the new reporting parameters and all back data has been updated to reflect an accurate trend.

4.3 Measure LE060: Accuracy rate for salary payments to staff

Following a change in working arrangements for the payroll shared service this measure is currently being reviewed and so does not feature in this report. When the review is complete the data will be refreshed and the revised measure will feature in future reports.

5. Options

- 5.1 That the progress in performance for quarter 1 be noted.

6. Consultation

- 6.1 Leader of the Council
6.2 Corporate Leadership Team

7. Related Decisions

- 7.1 None.

8. Relevant Council Policies/Strategies

- 8.1 Wyre Forest District Council Corporate Plan 2014 – 2019.

9. Implications

- 9.1 Resources: No direct implications from this report.
9.2 Equalities: No direct implications from this report.
9.3 Partnership working: No direct implications from this report.
9.4 Human Rights: No direct implications from this report.
9.5 E-Government: No direct implications from this report.

10. Equality Impact Needs Assessment

- 10.1 An equality impact assessment has been undertaken and it is considered that there are no discernible impacts on the nine protected characteristics as set out by the Equality Act 2010.

11. Wards affected

- 11.1 None.

12. Appendices

- 12.1 Appendix 1 – Full 'Enabling' report
12.2 Appendix 2 – Capital Projects report

13. Background Papers

Corporate Plan action information is available on the Council's Performance Management System, Pentana Performance.

Alternatively, reports can be requested from the Business Improvement Officer.

Officer Contact Details:

Name:	Rhiannon Foxall
Title:	Business Improvement Officer
Contact Number:	Ext. 2786
Email:	rhiannon.foxall@wyreforestdc.gov.uk

ENABLING OTHERS TO DO WHAT THEY NEED TO DO

This report details the progress we have made against our purpose of 'enabling others to do what they need to do'.



Actions

Listed below is the progress against our current major projects that support the delivery of our purpose of 'enabling others to do what they need to do'



WFF 18/19 54

Help me make good financial and budgeting decisions

62%

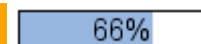


Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2019	Corporate Leadership Team	Cross cutting reporting Further training required following Agresso upgrade as dashboard functionality is now up and running but not fully utilised by all service managers. Enhanced financial reporting	22-Aug-2018

The new Commercial Activity Programme Board established in the 2018/21 MTFS will consider commercial activity and enhanced budgetary control reports being developed to inform decision making. Reports will continue to be developed to meet the needs of the Commercial Activity Programme Board.

WFF 18/19 55

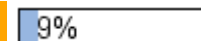
We support our people and enable them to work well



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2019	Rachael Simpson	Induction and Onboarding Current HR forms are being reviewed and options for onboarding are being explored. HR pages – COLIN New COLIN launched 9th July 2018. There will be ongoing work on the HR pages to ensure they remain up to date and the self service element is developed. Developing leadership and personal capability Ongoing support and advice provided	17-Aug-2018

WFF 18/19 57

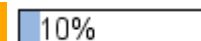
Delivery of the ICT Strategy 2018–2023



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2023	Dave Johnson	See detailed updated below.	16-Aug-2018

WFF 18/19 57.8

Review and Update Security Systems



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2023		Security & Firewalls – Currently replacing firewalls on the	12-Jul-2018

link to RBC and also the PSN line this will be completed in the next 6 months. Looking to trial new VPN client with some users in July. We are currently in the process of building a new Citrix environment and updating the loadbalancers Trialling new module that links to our patch management system (SCCM) to make it easier and quicker to update 3rd party software.

WFF 18/19 57.10

Supporting the Commercial Agenda

5%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2023	Corporate Communications Team	Hosted system has now been upgraded. eStore module configuration & testing is nearly complete. Will then need to request Civica to migrate this to the live system. Currently implementing a mobile Credit Card solution for taking payments when officers on site	12-Jul-2018

WFF 18/19 57.11

Digital by Default

10%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2023	Corporate Communications Team	Working with Digital First Project team, GIS officer and Web Team on rolling out on-line maps. Go live has been delayed due to resource requirements for GDPR however we are looking to publish some of these in the next few weeks for the following areas:- <ul style="list-style-type: none"> • Report it function including fly tipping • Cllr information • Planning applications 	22-Aug-2018

- TPO's
 - Listed Buildings
 - Carparks
- New planning system will have enhanced on-line facilities.

WFF 18/19 57.13

Application Software

10%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2023	Dave Johnson	<p>Business Systems Planning / Land Charges - This has been awarded to IDOX PLC for the Purchase and Support of a Software Application Solutions for an integrated Land Charges and Development Control System. Anticipated go live date January 2019.</p> <p>BACS Payment System - Tender was award to Corvid Paygate. System set up is now complete and live for BACS payments.</p>	12-Jul-2018

WFF 18/19 57.14

ICT Infrastructure

10%



Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2023		<p>We are currently in the process of building a new Citrix environment that includes approx. 16 new servers, new version of Citrix and purchase of new loadbalancers</p> <p>Trialling new module that links to our patch management system (SCCM) to make it easier and quicker to update 3rd party software</p> <p>Trialling new Lenovo laptops as a replacement to our older Dells that will need to be replaced as part of the</p>	22-Aug-2018

Windows 10 upgrade.
Mobile Phones / Tablets – iPads were rolled out to all new members following the elections in May.
Access Control: – Work has now been completed on migrating the Green Street system from the old controller to the new one.
Shoretel: – Have agreed update for Shoretel Phone and Unified Communications system. Modules and equipment that need replacing / upgrading includes:-
• Call logging system
• Call recording system
• Home user phones and connection module
• Upgrade core system (this will required upgrade to Shoretel Communicator on users’ desktop some degree of training will be required
Phase 1 Server Room: at Green Street is progressing

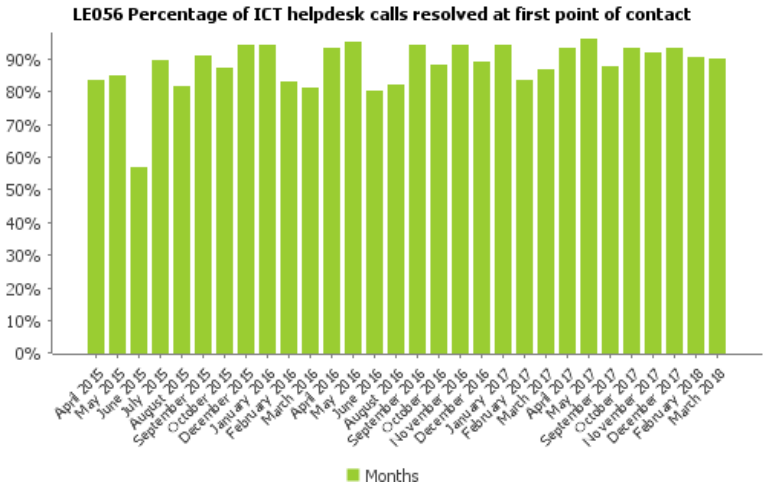


Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2019	Cheryl Ellerton; Tracey Southall	Role is still evolving. Outline report to July 2018 Audit Committee of the ongoing counter fraud arrangements. Awareness work is ongoing.	22-Aug-2018

Measures

As a way of measuring the progress with our purpose, we collect key data to monitor trends and patterns. This data not only helps us to understand the impact of the work that we are doing but it also assists with decision making at a corporate level. The latest available data is detailed below:

LE056 Percentage of ICT helpdesk calls resolved at first point of contact Aim to Maximise



Current Value

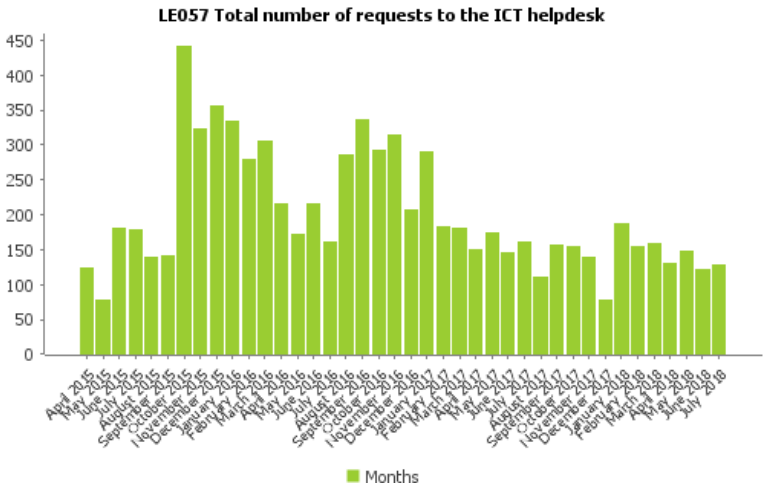
90%



Managed By

Dave Johnson

LE057 Total number of requests to the ICT helpdesk Aim to Minimise



Current Value

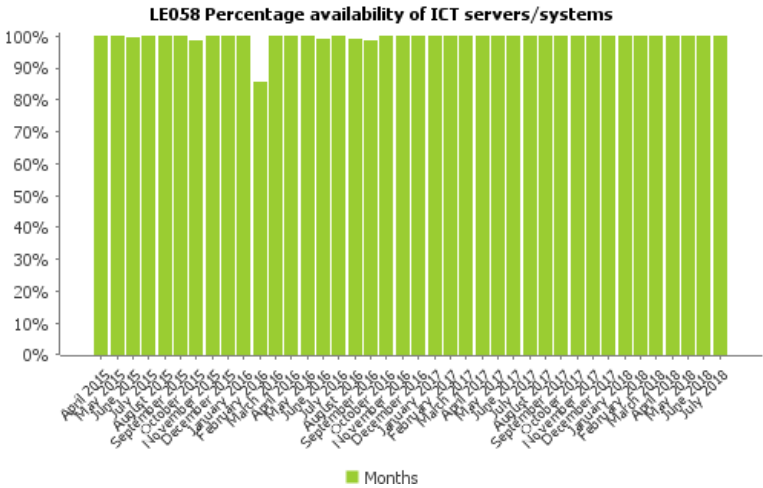
128



Managed By

Dave Johnson

LE058 Percentage availability of ICT servers/systems
Aim to Maximise

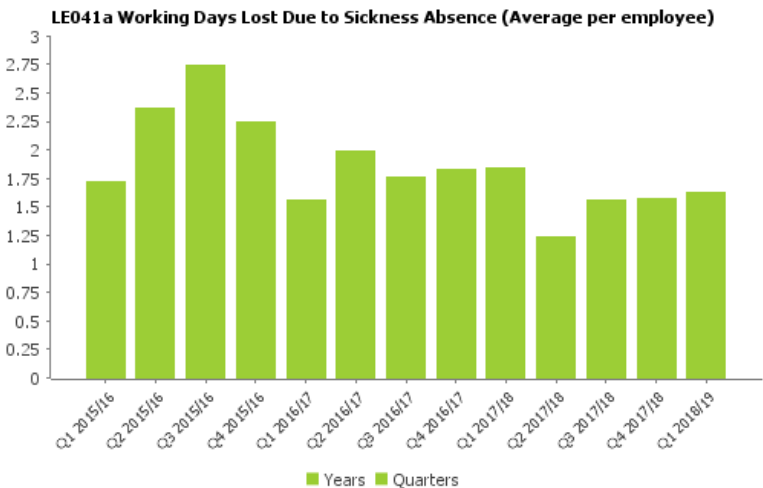


Current Value 99.95%



Managed By Dave Johnson

LE041a Working Days Lost Due to Sickness Absence (Average per employee)
Aim to Minimise



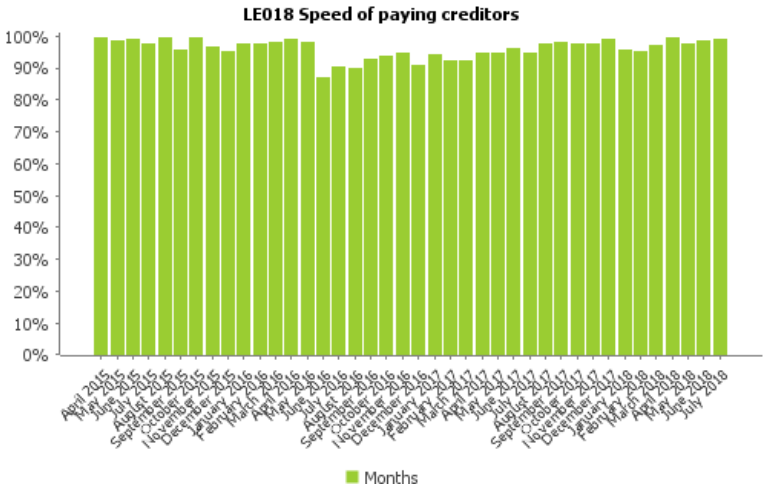
Current Value 1.63



Managed By Rachael Simpson

LE018 Speed of paying creditors

Aim to
Maximise



Current
Value

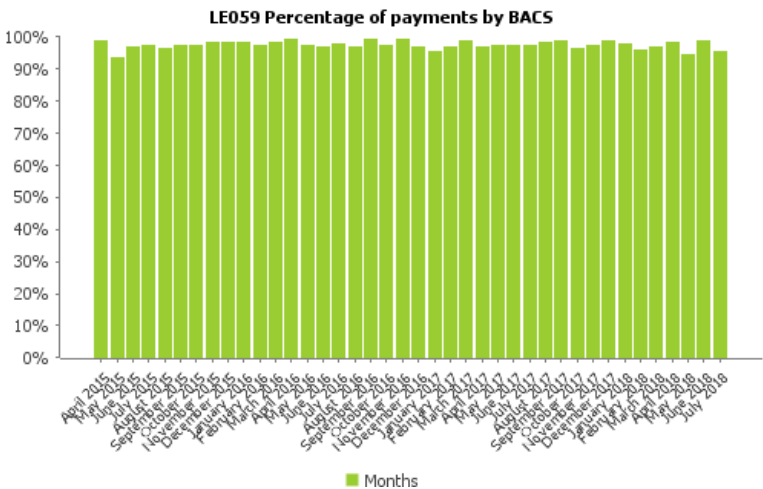
99.17%



Managed By Tracey Southall

LE059 Percentage of payments by BACS

Aim to
Maximise



Current
Value

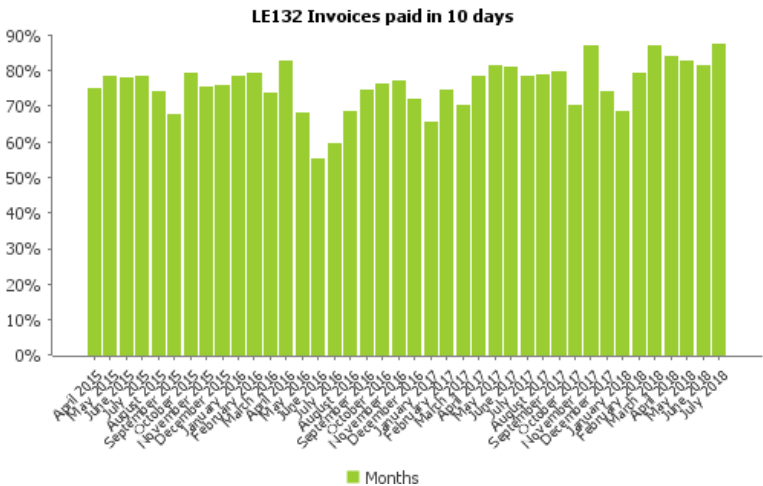
95.34%



Managed By Tracey Southall

LE132 Invoices paid in 10 days

Aim to
Maximise



Current
Value

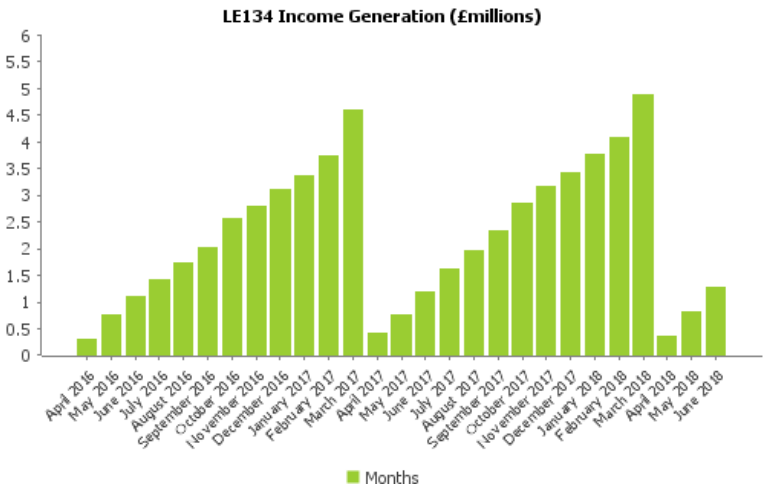
87.52%



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LE134 Income Generation (£millions)

Aim to
Maximise



Current
Value

1.27



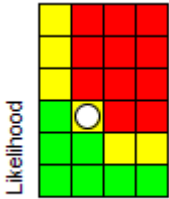

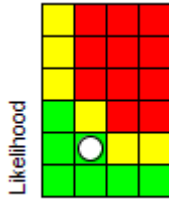

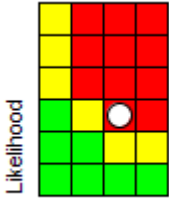

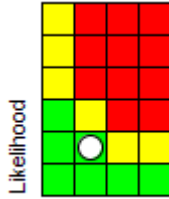

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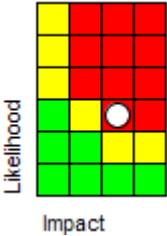

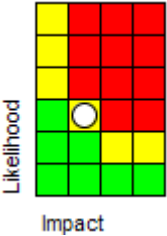

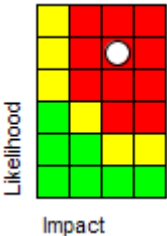

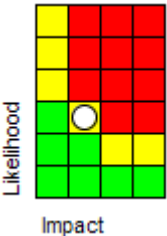

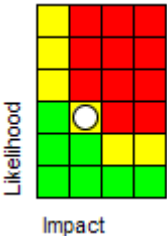

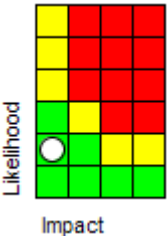

Risks

The below risk(s) has been identified as part of our Corporate Risk Register. All of the actions and measures detailed in this report aim to

mitigate this risk(s) as well as drive forward our purpose of 'enabling others to do what they need to do'.

CORPRISK01	<p>Unable to implement and embed new ways of working. The Council continues to undergo major transformational change that embraces review of processes, cultural and behavioural change, increased standards of delivery etc. Continue to use systems thinking methodology and apply current values in continuous improvement work. The bold and innovative policies for development loans fund and the capital investment fund, together with capital investment in the depot to improve the Council's commercial offer, are significant and must be carefully managed with risk mitigated by robust due diligence and use of external expertise and alternative service delivery vehicles as appropriate.</p>	Current Risk Matrix		Target Risk Matrix	
CORPRISK04	<p>Unable to deliver a sustainable budget for the long term. The 2018/21 Medium Term Financial Strategy projects a much lower level of government funding over the next 2 years with RSG being phased out completely by 2019/20 and NHB being reformed with a higher baseline for which no funding is paid than previously expected. The success of this strategy is reliant on the delivery of significant savings to close the funding gap of circa £1.6m per annum by 2021. This ambitious programme of savings and income generation must be carefully managed by the Leadership team (officers and members) and achieved. The reliance of external income streams/funding brings with it increased risk around the continuation of these income streams that are based on the decisions of third parties. Continuing risks around the reform of the Business Rates Retention Scheme and the imposition of further reductions/cessation in Government funding streams represents significant corporate financial risk. These risks include the uncertainty around the future of New Homes Bonus as it is clear that there will be a significant reduction in this key funding stream. Business Rates reform, growth and the risk of Appeals resulting in lower Business Rates yield is also an important funding</p>	Current Risk Matrix		Target Risk Matrix	

	<p>element of the budget and represent a key risk to future sustainability. The the two significant council policies for development loans fund and capital portfolio fund should help generate both housing and business growth whilst also generating a net revenue income stream to help alleviate the significant financial pressures. This is closely allied to Corporate Risk 03.</p>				
CORPRISK05	<p>Council 'misses' important issues and/or is in breach of a requirement. The Council is a small organisation but it is still expected to respond to, and comply with, new legislation, strategies, audit requirements, health and safety requirements and inspection regimes to meet our insurers high standards.</p>	<p>Current Risk Matrix</p> 		<p>Target Risk Matrix</p> 	
CORPRISK06	<p>Implementation of ICT Strategy. There continues to be significant investment in the development of technology at the Council. The new ICT Strategy was agreed in February 2018 as part of the budget process and is being implemented across the authority with progress and governance provided by the ICT Strategy Board. A number of new websites have been implemented and the focus continues to be on, supporting the move to greater self-service by customers, ensuring continued PSN compliance, update systems to ensure best value / efficiencies and refreshing ICT platforms / systems to deliver ICT services / and systems over the Medium Term Financial Strategy. There are emerging issues around some integration limitations that may hinder some transformation workstreams. A risk of reliance on key suppliers for, network products also exists as the ICT market is very fast paced and companies can frequently be subject to merger/changed ownership. The Council needs to be aware of software support expiry dates; consideration of this issue is included within the ICT Strategy for replacement of corporate system i.e. Office and business systems.</p>	<p>Current Risk Matrix</p> 		<p>Target Risk Matrix</p> 	

CORPRISK07	<p>Not able to maintain a skilled and motivated workforce. Against the background of the continued move away from the National Pay Agreement agreement was reached for a second local agreement as part of the budget process last year. Locally agreed modest pay increases and other changes to conditions the Council needs to continue to maintain a workforce with adequate capacity, skills, experience and motivation – so still being seen by staff as a good employer. Various restructures following the move to the Wyre Forest House has provided slimmer management structures and more devolution of responsibility which should assist in motivation and retention of the workforce, alongside rolling out a management development programme.</p>	<p>Current Risk Matrix</p>			<p>Target Risk Matrix</p>		
CORPRISK08	<p>Capacity to do everything is insufficient. A flexible resource is required to do everything that the Council has committed itself to – transformation, core service review, review of partnerships. The pace of change and need to continue to deliver key projects, represent a significant resourcing risk. This leads to concerns about sufficient capacity to deliver the Wyre Forest Forward Savings/ efficiency plan and the ability to provide effective leadership for the management of the Council. This is particularly true given the increased savings targets from 2018/19 as a result of reductions in central government funding and the additional resource required to deliver the new policies for development loans fund and capital portfolio fund.</p>	<p>Current Risk Matrix</p>			<p>Target Risk Matrix</p>		
CORPRISK09	<p>Unable to effectively improve the Council's reputation. The Council's reputation is extremely important, progressive improvement is important and can be subject to political influence that is difficult to predict and control. Effective consultation and communication with increased focus on customer engagement (both internal and external) are key to this gradual progression – along with purposeful service delivery.</p>	<p>Current Risk Matrix</p>			<p>Target Risk Matrix</p>		

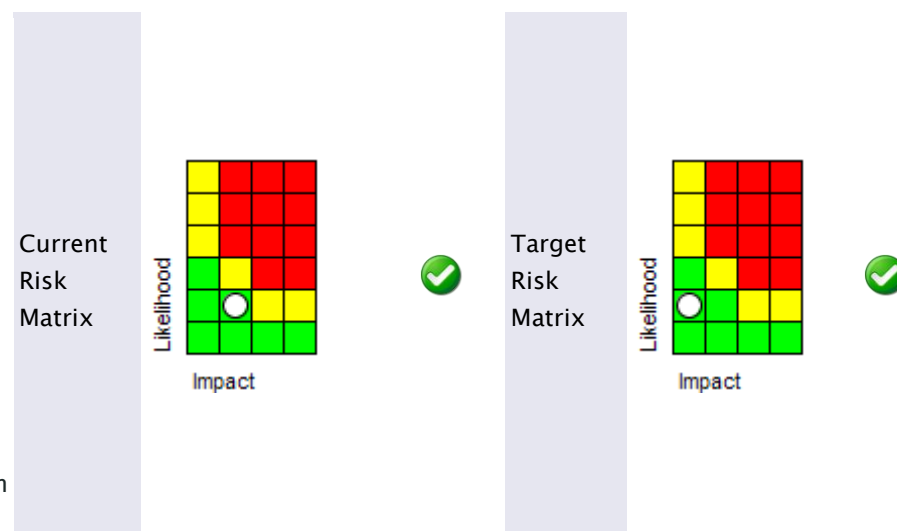
CORPRISK10

Unable to ensure a secure network which would make ICT vulnerable to attacks and threats. The Council has successfully achieved PSN compliance but this needs to be managed and maintained. ICT to regularly review and assess threats and impacts on the network and generate a formal risk/incident log and any remedial account required or acceptance of residual risk by the organisation where judged appropriate.



CORPRISK11

Unable to deliver satisfactory services through alternative Service Delivery Models including Shared Service arrangements and the potential devolution of services public service reform and/or combined arrangements. The Council is partner in a number of Shared Services – Worcestershire Regulatory Services, Emergency Planning, Water Management, Payroll, Building Control, Economic Development and Regeneration – and is either host to the Shared Service or a partner in receipt of a service. Further to the June 2016 Cabinet report the Council has entered into a Limited Liability partnership with Public Sector PLC and has approved the set up of a LATC in readiness for property/housing development utilising the capital portfolio fund where this is the most viable option. However there are always risks around the management of such arrangements, whether the work is being led by another organisation or led by the Council.



CORPRISK12

Effective/strategically focussed political leadership to cope with continuing significant challenges of reduced funding and changing legislative framework. The move to All-out Elections every four years from 2019 may help future political stability but there is a risk of not having a political majority which could exacerbate decision making. Members will still need regular training and all-party updates to ensure skills and knowledge are kept up to date in those challenging times when effective leadership is key to future sustainability.



CORPRISK13

Localism: Sustaining the pace and effectiveness of asset and service transfers to third sector parties, Parish and Town Councils



Capital Projects

This report details the progress of all of our capital projects



WFF 18/19 68	Green street depot 2020 improvement and investment plan	50%
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Due Date	Managed By	Latest Note	Latest Note Date
31-Mar-2020	Steve Brant; Linda Draycott	The tenders were published in May for the Depot 2020 investment and improvement project and we await the submission of tenders from interested bidders on 20th July 2018. The planning , design and technical preparations for the scheme took longer than programmed and some redesign of the scheme has been made, however, the procurement timetable still has a completion date of March 2019. Start on site is expected in late August / September 2018 and the depot will remain operational throughout the capital works.	10-Jul-2018



Overview & Scrutiny Committee

Briefing Paper

Report of: Kate Bailey
Date: Thursday 6th September
Open

Homelessness Strategy Refresh

1. Summary

- 1.1 This report will consider the new Homelessness Strategy “Worcestershire’s Strategic Direction for Tackling Homelessness 2018-2021” and update Overview and Scrutiny on responses to the strategy consultation.

2. Background

- 2.1 In 2017 the Worcestershire Strategic Housing Partnership (comprising of officers from Local Authorities, Clinical Commissioning Group, Registered Providers, Children Services, Adult Services, DWP and Public Health developed their first Housing Partnership Plan (HPP). This is the overarching document which sets out Worcestershire’s combined strategic direction for housing including homelessness. This Partnership Plan was approved by Cabinet on 14 March 2017. Many of the high level actions within the HPP and the projects/proposals developed to achieve them relate either directly or indirectly to the prevention of homelessness.
- 2.2 In 2016/2017 officers undertook a Worcestershire Homelessness Review. The review is a comprehensive assessment of the nature and extent of homelessness across the county, developed by analysing homelessness data and the views of customers and partner organisations (Please see link in Background Papers).
- 2.3 The strategy must set out the local authority’s plans for the prevention of homelessness and for securing that sufficient accommodation and support are or will be available for people who become homeless or who are at risk of becoming so.
- 2.4 The implementation of the Homelessness Reduction Act (HRA) which came into force on 3rd April 2018 and the new Homelessness Code of Guidance developed by Government to assist Local Authorities to implement the Act have placed further requirements on authorities’ strategic response to preventing homelessness. The Act strengthens statutory duties to prevent homelessness for all eligible applicants, including those who do not have priority need or may be considered intentionally homeless.
- 2.5 The Act also creates a new duty on certain public authorities (including prison, social services and acute hospitals) to refer users of their services who

are threatened with homelessness to a housing authority of their choice. This enables the earlier identification of people at risk of becoming homeless.

- 2.6 The Strategic Direction for Tackling Homelessness has been written to expand on the high level actions within the HPP and in response to the new duties of the HRA.
- 2.7 A summary of changes made to the document as a result of the consultation can be seen in Appendix Two.

3. Key Issues

- 3.1 Under the Homelessness Act 2002 all housing authorities must have in place a homelessness strategy based on a review of all forms of homelessness in their district.
- 3.2 The Homelessness Strategy has three main priorities:
 - 3.2.1 Firstly, to prevent homelessness at a much earlier stage by targeting groups that are more vulnerable to becoming homeless (and developing complex needs in the future).
 - 3.2.2 Secondly, to provide flexible and comprehensive responses to those in crisis and those with complex needs.
 - 3.2.3 Finally, to improve the supply of and access to good quality, affordable and supported housing.
- 3.3 For the strategy to be effective it will need to include a strategic response to homelessness prevention that is jointly developed and owned with partners who will be responsible for its delivery. This document will now provide an opportunity to develop an implementation plan, with partners, to help ensure that the objectives set out in the homelessness strategy are achieved.
- 3.4 The consultation responses included suggestions around the further provision of accommodation and support for various client groups, enhancing the work with partners including support providers, charities and almshouses, additional service provision for people mental health issues, creating additional pathways for client groups not included in the Homelessness Reduction Act legislation and enhancing early intervention and pre-tenancy training. These comments have been incorporated into the strategy document as shown in Appendix One.
- 3.5 The council will work with partners through the local Homelessness Forum and homeless customers to develop local actions aimed at addressing issues within the District.

4. Options

- 4.1 To recommend to Cabinet that the draft Homelessness Strategy “Worcestershire Strategic Direction for Tackling Homelessness 2018 – 2021” is approved.

5. Consultation

- 5.1 The Strategic Direction for Tackling Homelessness 2018-21 was publicly available for consultation from 24th April until 19th June 2018. A countywide Stakeholder event was also held at Wyre Forest District Council on 22nd May 2018.

6. Related Decisions

- 6.1 The Worcestershire Housing Partnership Plan was approved in March 2017.

7. Relevant Council Policies/Strategies

- 7.1 Worcestershire Housing Partnership Plan

8. Implications

- 8.1 Resources: The actions developed in response to the review and strategy will be met by existing budgets.
8.2 Equalities: N/A
8.3 Partnership working: The Homelessness Strategy supports the principle of working in partnership including through the Duty to Refer.
8.4 Human Rights: N/A
8.5 E-Government: N/A
8.6 Transformation: N/A

9. Equality Impact Needs Assessment

- 9.1 An equality impact assessment screening exercise has been undertaken and a full EIA is not required.

10. Wards affected

- 10.1 All wards.

11. Appendices

- 11.1 Appendix One: Worcestershire Strategic Direction for Tackling Homelessness 2018-2021
11.2 Appendix Two: Consultation Responses

12. Background Papers

- 12.1 Worcestershire Homelessness Review
<http://www.wyreforestdc.gov.uk/media/3201018/170808-FINAL-Worcestershire-Homelessness-Review.pdf>

Officer Contact Details:

Kate Bailey
Head of Strategic Growth
Ext 2560

Appendix 1

Worcestershire's Strategic Direction for Tackling Homelessness 2018-2021

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1. Foreword by the Chair of Worcestershire Strategic Housing Partnership

I am very pleased to introduce Worcestershire's Strategic Direction for Tackling Homelessness. It is the third homelessness strategy developed for the County and comes at a crucial time with the implementation of the Homelessness Reduction Act in 2018.

This document represents the continued commitment that we have as a County to preventing homelessness in partnership, across sectors and districts. I would like to take this opportunity to thank all of the organisations and individuals who have contributed towards its development.

We are clear that we want to tackle homelessness in all its forms. Although the most acute and obvious form of homelessness can be seen among those sleeping rough, it is much wider than this. It can include those "hidden homeless" who might be sleeping on a sofa. It can also include those who have a roof over their head, but where it is not safe to remain, perhaps due to abuse or violence, or those living in a home that is unsuitable for a variety of reasons e.g. severe overcrowding, poor property standards, poor health.

Homelessness is experienced by single people, couples and families alike. It can be a consequence of individual risk factors and triggers, or wider structural issues that are beyond their control.

The effects of homelessness for families and individuals can be devastating and can have significant negative impacts on health and wellbeing, employment, education, and crime. It can also have significant costs to communities, local authorities and public services.

Tackling homelessness is becoming particularly challenging in today's tough external environment. Welfare reform has increased pressure on people's ability to manage their finances and access and sustain accommodation. The demand for social and affordable housing far outstrips supply.

Whilst reductions in public spending and additional duties contained within the Homelessness Reduction Act have increased pressure on housing and homelessness services. We need to work together to ensure the best use and balance of limited resources.

This is why it is vital that this strategy sits at strategic partnership level within the umbrella of the Worcestershire Strategic Housing Partnership Plan - recognising that tackling homelessness benefits the economy, the health of our population, reduces crime and disorder, and reduces costs to the taxpayer. It should therefore be seen as all of our problem to solve.

Our approach to tackling homelessness is based around 3 Priorities. Firstly, to prevent homelessness at a much earlier stage by targeting groups that are more vulnerable to becoming homeless (and developing complex needs in the future).

Secondly, to provide flexible and comprehensive responses to those in crisis and those with complex needs. We need to design services based on what is best for customers whose needs go beyond homelessness – so that they receive the services they need (not limited by existing practice or legislation).

Finally, to improve the supply of and access to good quality, affordable and supported housing.

This strategy will govern our approach for three years. However, in a period of new legislation, welfare reform and austerity measures, it is vital that it remains responsive.

Kevin Dicks, Chief Executive of Bromsgrove and Redditch Council's and Chair of the Worcestershire Strategic Housing Partnership

2. Introduction

The causes of homelessness are complex, and it is often a combination of individual circumstances as well as structural issues (that are often outside of someone's control) that lead up to crisis point.

Each person or household's journey into homelessness is different and requires a tailored and flexible approach in order to prevent it from happening.

It is widely recognised that individual risk factors and triggers such as poor mental or physical health, adverse childhood experiences, substance misuse, and domestic abuse can increase the risk of homelessness. Recent research found that the chances of experiencing homelessness by age 30 can be predicted by childhood poverty, geography, adverse experiences as a teenager and early adult experiences.

It is vital that the right interventions and solutions are provided at the right time in someone's life, to prevent crisis and a reoccurring cycle of homelessness. The earlier, more "upstream" the intervention, the more chance there is of avoiding a situation that is complex and expensive to resolve, both in the human and financial sense.

Structural issues such as the demand for social and affordable housing outstripping supply, welfare reform, and affordability/access to private rented housing also impact on levels of homelessness.

In order to carry out more "upstream" prevention activities and to mitigate the risk of structural issues resulting in homelessness, true collaboration across statutory, voluntary and community sectors is required – now more than ever with the implementation of the [Homelessness Reduction Act](#) in 2018.

It is also important to recognise that however good our upstream prevention efforts, there will always be some people who find themselves homeless, therefore the need to take a systemic approach and co design services to help people not just at crisis point, but also to recover and move on from homelessness is essential.

To ensure this systemic approach is taken, this document sits within the umbrella of the [Worcestershire Housing Partnership Plan 2017](#), in recognition that homelessness is not just a housing issue and needs to sit within the wider context if we are to truly tackle it.

3. Worcestershire Housing Partnership Plan 2017

In 2017 the Worcestershire Strategic Housing Partnership developed their first [Housing Partnership Plan](#). This is the overarching document which sets out Worcestershire's strategic combined approach for housing including homelessness. The Plan's vision is;

"To create the *right* home environment for Worcestershire residents that is essential to their health, wealth and wellbeing, throughout life"

This new way of developing a partnership document/approach to housing for the County is viewed as a real step forward. It recognises that to maximise the health, wealth and wellbeing of residents and make the most effective use of existing resources, we need to work very closely with partner organisations across a range of sectors.

Creating the right home environment and meeting housing need is not only essential for residents, but is vital to enable the Partnership's organisations to achieve their ambitions, policy objectives and duties, such as reduced homelessness, improved health and wellbeing, educational achievement of children and young people, employment, crime reduction and sustainable, resilient communities.



To achieve its Vision, the Partnership Plan sets out five High Level Actions and a number of Projects to deliver on those actions. The links to the prevention of homelessness are clear throughout many, if not all, of the projects. Therefore, it is important to note that the Partnership Plan has set the Strategic Direction for Tackling Homelessness.

Partnership Plan Projects;

- Develop a county wide supported housing plan
- Undertake a whole systems review of support and accommodation for people with vulnerability or disability
- Develop an 'Housing First' approach to provide permanent housing quickly for homeless people and then provides services as needed
- Develop an intensive support provision for those with complex needs
- Establish clear pathways into support and accommodation for people with complex needs
- Deliver on the Interim Homelessness Action Plan 2017-18¹, central to which is preparation for the Homelessness Reduction Act 2018
- Jointly commission new models of accommodation for young people and care leavers
- Establish a multi agency approach to sharing information relating to issues in the private rented sector
- Demonstrate the impact poor housing has on health and social care intervention, to promote the strategic relevance and future design of services

This document will provide a more in depth focus on homelessness and provide the detail on how all the partners dealing with homelessness are going to work together to address the need at both a county and local level. It will provide the link to the wider strategies of our partners and each district council's corporate objectives.

¹ This action plan was developed as an interim measure to direct homelessness prevention activities whilst the Partnership Plan was in development and until the implications of the Homelessness Reduction Act were known. It will be superseded by this document.

4. Defining Homelessness

The Ministry of Housing, Communities and Local Government (MHCLG) says that someone is considered to be homeless if “they do not have accommodation that they have a legal right to occupy, which is accessible and physically available to them (and their household) and which it would be reasonable for them to continue to live in.”

Local Housing Authorities are bound by various Housing Acts defining what assistance they should provide to those facing homelessness. For further details on definitions of homelessness and the legal duties please see Appendix One.

However this current legislation has been amended to further extend legal duties and these are outlined below.

Homelessness Reduction Act 2017

The Homelessness Reduction Act (HRA) 2017 significantly reformed England’s homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent and relieve homelessness in their areas. It also requires Local Housing Authorities (LHA) to try to help households to secure accommodation but it isn’t a duty to rehouse all homeless households.

The HRA will also impose a duty on some public authorities to refer homeless cases to LHAs and the LHAs will work with public and non-public bodies to ensure an effective referral process. It is essential LHAs are clear to partners about the range of duties we now have.

5. Impact of Homelessness

Identifying and addressing the impact of homelessness for people at every stage of life is essential. The cost of homelessness is too high; for individuals, for communities, for Local Authorities and the tax payer, for it not to be considered a priority.

One of the drivers of the Homelessness Reduction Act was the recognition that homelessness has a higher impact on single people and childless couples who are more likely to be considered “non priority” homeless. The Act will transform the way homelessness services are delivered and ensure that all eligible applicants are given some help to resolve their homelessness regardless of whether they have a “priority need.”

The impact of homelessness on health and wellbeing

Homelessness affects many different household groups and happens for a variety of reasons. The table opposite outlines some of the reasons for homelessness and the variety of impacts homelessness can have on a person’s life. Some groups can be particularly adversely affected including young people and prison leavers, who perhaps don’t have the resilience, social networks and/or income to resolve the issues they face.

“Young people who experience homelessness are at risk of embarking on a ‘career’ in homelessness, criminal justice and health systems, at significant cost to their own health and wellbeing, their families and communities, and to the public purse. Their potential to contribute to and benefit from society and the economy is affected by homelessness.”

Social economic political factors that may lead to homelessness	Consequences of homelessness
<ul style="list-style-type: none"> • Housing market failure including low levels of housing supply • Adverse childhood experiences • Family breakdown or poor relationships • Becoming a looked after child • Domestic abuse • Substance or alcohol misuse • Low income or benefit dependency • Involvement with the criminal justice system • Not in education, employment and training • Welfare reform • Public sector austerity leading to cuts in housing related support and other services • Teenage pregnancy • Overcrowding 	<ul style="list-style-type: none"> • Poor mental health including stress for adults / children – common mental health problems are over twice as high among people who are homeless compared with the general population, and psychosis is up to 15 times as high. • Poor physical health- greater risk of infection (delayed access to health care / immunisations) • Lower education attainment for children especially if access to school places is affected • Social isolation and loneliness • Additional financial burdens • Greater likelihood of not being in education, employment or training • Substance or alcohol misuse • Young people in particular might face; exploitation, abuse and trafficking, involvement in gangs. • Likelihood of premature death, dementia or other long term health condition • Low self-esteem and confidence

6. Evidence Base - Worcestershire Homelessness Review 2017

The evidence base for our Strategic Direction for Tackling Homelessness is the [Worcestershire Homelessness Review 2017](#).

The review is a comprehensive assessment of the nature and extent of homelessness across the County, developed by analysing homelessness data and the views of customers and partner organisations.

It draws a number of conclusions and recommendations which have been used to develop our approach to preventing and managing homelessness locally, and these fed directly into the development of the Worcestershire Strategic Housing Partnership Plan.

It is vital that services are developed and delivered in partnership if we are to truly prevent homelessness from an individual, structural and systemic point of view. We believe that sitting our approach firmly within the Partnership Plan is the key to achieving this, bringing together statutory, voluntary and community organisations.

Local Housing Authorities are also working with the County Council in the development of the Joint Strategic Needs Assessment. The JSNA is designed to inform decisions made locally about what services are commissioned to improve the public's health and reduce inequalities; therefore, it is vital to make sure it contains robust homelessness data and supports the county's homelessness prevention approach.

What did the Homelessness Review tell us?

- Homelessness is increasing locally, as it is nationally. Successful prevention work across the county continues to have an impact as homelessness

applications have remained relatively static whilst approaches for homelessness assistance have increased.

The impact of legislation, national policy, austerity measures and welfare reform will have a huge effect on housing options and the ability to continue preventative work at the same levels.

- Welfare reform will impact the affordability of housing. There are concerns about whether there are any affordable housing options for some households, especially large families and those under 35 in the private rented sector.
- It is becoming increasingly difficult to move people on from temporary accommodation not just due to affordability, but also due to complex or higher support needs and poor tenancy histories – both in the private and social rented sectors.
- The demand for social and affordable housing far outstrips supply, a buoyant private sector housing market means private landlords can afford to be selective.
- Pressures on temporary accommodation are set to increase with the Homelessness Reduction Act.
- The homelessness service does not adequately meet the needs of people with complex needs and the reduction in public sector budgets have meant the removal of housing related support for most homeless households.
- The ending of Assured Shorthold Tenancies continues to be a major reason for homelessness, and should become a priority for prevention work.

- The Single Person and Childless Couples service focuses on prevention work and quickly moving those newly arrived to the streets into long term housing, but there is gap in provision for continuing and entrenched rough sleepers – this will be reduced by the new MOATS service (rough sleeper outreach) commencing in April 2018.
- The Audit of Services identified a number of gaps in provision for certain client groups and also geographically. Gaps could increase as services become unviable due to further funding cuts.
- General lack of supported accommodation especially for victims of domestic abuse, young people, prison leavers and those with low level mental health or learning disabilities.
- General lack of good quality shared accommodation, particularly for young people and those under the age of 35. Particularly acute in some areas.

Recommendations from the review

Increase the range of prevention services

- Protect and increase good quality, cost effective support services that will prevent homelessness from the earliest possible stage and equip people with the skills to establish and maintain lifelong independence (systems thinking approach).
- Develop pathways to ensure a different and more integrated approach to meet the needs of single people and families with complex needs e.g. mental and physical health, social care, substance misuse. Increase service provision to assist entrenched rough sleepers move off the street.
- Increase the use of tenancy ready schemes and tenancy support especially for those in private rented accommodation to improve access and to prevent homelessness.

- Explore gaps in service provision identified by the audit of services - mediation and reconciliation services, support for ex offenders, those with mental health issues, low level Learning Difficulties and Autism.
- Work with partners to improve people's wealth and resilience to prevent homelessness occurring throughout their lives - getting people into work, provision of debt advice/financial management and maximising benefits.
- Upscale communications on housing options and support services to avoid crisis point and improve likelihood of preventing homelessness. Review whether current systems are achieving this.

Increase the supply of accommodation

- Review and expand the provision of interim accommodation and permanent affordable accommodation, particularly for large families and those under 35 who are increasingly finding it hard to access any accommodation options. This may include a local authority owned/procured property.
- Consider how to overcome the lack of supported accommodation for care leavers (especially those with complex needs) and young parents.
- Consider the lack of direct access accommodation for individuals who are homeless in an emergency.
- Improve data recording and analysis to reflect the true nature of homelessness across the County.
- Analyse the cost effectiveness of homelessness services (cost of statutory vs cost of prevention).

7. Achievements - Worcestershire Homelessness Strategy 2012-17

Through the work of the Worcestershire Homelessness Strategy 2012-17 and recommendations from the Homelessness Review, we have been able to improve services across Worcestershire. Under the four goals set out in the Homelessness Strategy 2012-2017 we have achieved the following:-

Improving Pathways

- Reviewed the housing and support pathway for 16/17 year olds.
- Introduced Young People's Pathway Workers within housing advice teams.
- Mapped out local single homeless services and implemented prison and hospital pathways.

Partnership

- Developed a Mental Health and Housing Protocol.
- Established closer working arrangements with Clinical Commissioning Groups and Health and Wellbeing Boards
- Developed agreements with Registered Providers to ensure that their response to flexible tenancies and affordable rent schemes does not increase homelessness.
- We now have one set of generic information for homelessness assistance with local elements for the majority of districts.
- Developed joint arrangements on the use of temporary accommodation and Rent Deposit Schemes across the County.
- Enabled the extension of Domestic Abuse support services, protected refuge accommodation and been able to carry out Survivor and Freedom programmes.
- Improved practice and procedure across Housing Benefit and Strategic Housing.

Preventing rough sleeping

- Established No Second Night Out.
- Developed more accommodation for single homeless people including emergency crash pads and move on accommodation.
- Developed a personalised approach for entrenched rough sleepers.
- Provided an emergency shelter during extreme cold weather and provisions for severe hot weather.
- Enabled support for rough sleepers to return to the area where they can access their support networks and services.

Reducing Financial Deprivation

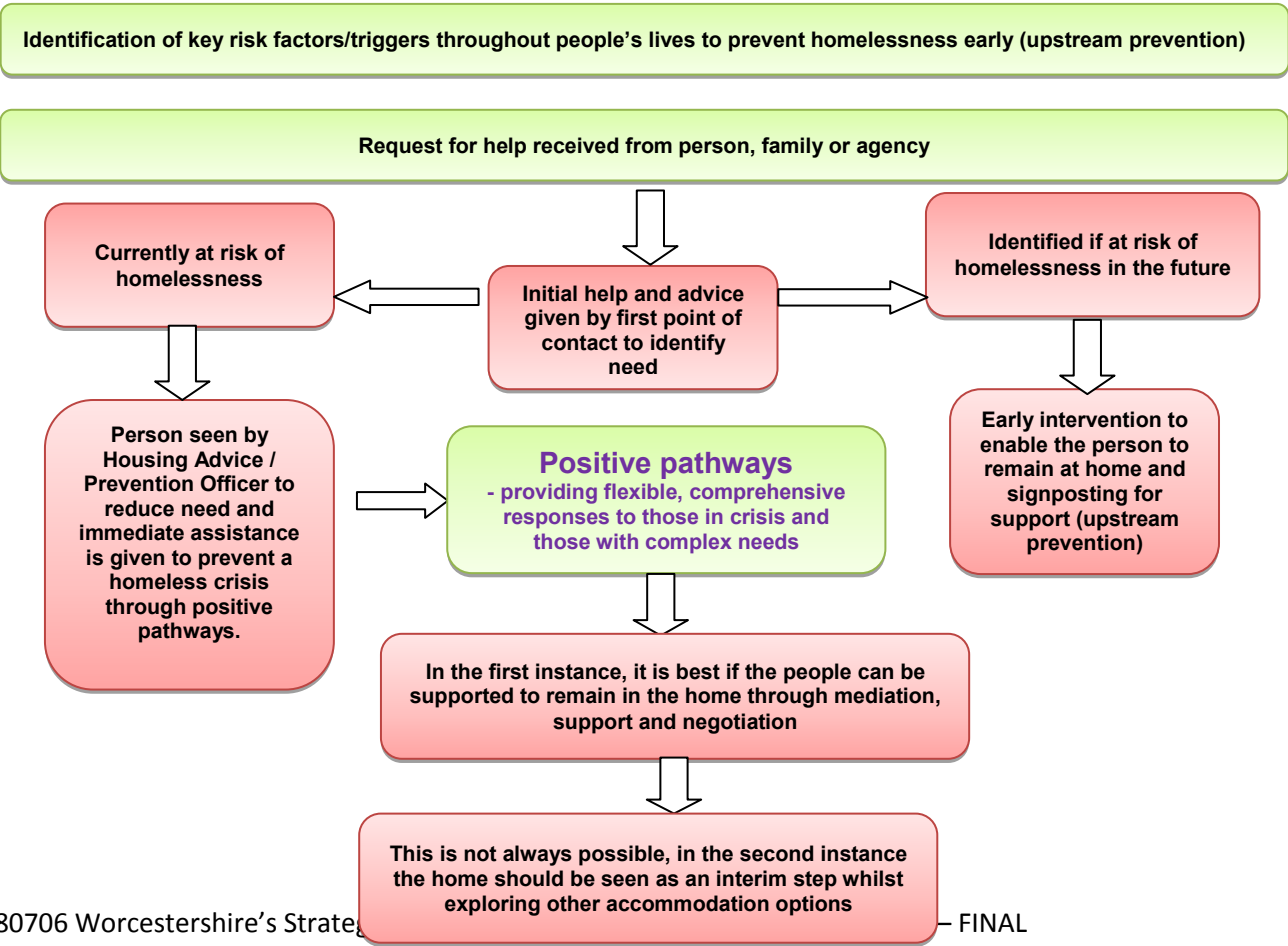
- Secured funding through the Homes and Communities Agency for housing development.
- Established discretionary welfare schemes across the County.
- Developed plans to mitigate the affects of welfare reform locally.

During 2017 and 2018, Worcestershire Local Housing Authorities have been working to an *Interim* Homelessness Strategy Action Plan – whilst this new strategy is in development. This has resulted in;

- Continued joint strategic work to implement the Homelessness Reduction Act.
- Utilising the Rough Sleepers grant of £380k to recruit six homelessness prevention officers working to prevent rough sleeping.
- Developing a new outreach service for entrenched rough sleepers through a joint bid led by Maggs Day Centre.
- The implementation of new data monitoring system to enable a better understanding of need and inform commissioning.
- Identification of funding to enable the continuation of the Hospital and Prison Pathway support work.

8. Positive Pathways Approach

Like many Local Authority Areas, the Positive Pathways Model first developed by St. Basil’s (in relation to young people) has been successfully implemented in Worcestershire. We would like to build on that success and extend the concept across all groups that might be more vulnerable to becoming homeless. The following diagram and Priorities explain how we will do this.



9. Our Priorities for Tackling Homelessness

The Homelessness Monitor 2017 suggests that priorities for homelessness prevention should be based around – “upstream” prevention (preventing homelessness at the earliest stage), systemic prevention (designing services based on what is best for people in crisis) and structural prevention (mitigating the impact of things that are outside individual control e.g. lack of affordable housing, welfare reform).

The Partnership Plan and the Homelessness Review evidence identified a number of priorities and actions to aim to end homelessness from these perspectives – and there are clear links with the Pathways approach we want to achieve.

Priority 1 Prevent homelessness at a much earlier stage

What do we want?

We want to prevent homelessness by identifying the key risk factors/triggers in people’s lives that can cause it, and take action at a much earlier stage.

What does this mean?

We know that individual risk factors and triggers such as poor mental or physical health, adverse childhood/early adult experiences, substance misuse, and domestic abuse can increase the risk of homelessness. Childhood poverty and geography also have a part to play in predicting homelessness.

We need to minimise the risk of homelessness for people experiencing these factors to truly prevent it happening *and* reoccurring throughout life, to

prevent a generation of homeless people with complex needs and to improve health and wellbeing.

The Homelessness Reduction Act provides opportunity to build on our preventative work with partner organisations and to identify those at risk of homelessness at a much earlier stage. However, it is becoming clear nationally and locally that the strengthened duties within the Act have increased pressure on local authority housing teams - and will require improved cooperation across sectors to truly prevent homelessness for all of our customers.

What will we do?

- Gain commitment to the “**Worcestershire Partner Agreement – Duty to Co-operate**” to achieve better joint working across sectors to prevent homelessness earlier.
- **Upscale engagement with/communications to customers, communities and partners** - it is vital that people know where to go to get help and advice on their housing and support options before crisis point – and that this continues throughout lifetimes.
- Identify **critical intervention opportunities** to divert people away from homelessness e.g. through GP’s, schools, custody suites, care leavers panels, prisons etc. Develop a shared approach for going into schools.
- Develop **housing and support pathways for specific vulnerable groups** so that customers and partners are clear on what tools/services there are in place to prevent homelessness for certain groups. This is a key legal requirement for statutory bodies under the Homelessness Reduction Act and we must work together to achieve this.
- **Increase our focus on single people** (including young people) and childless couples who are more at risk of becoming homeless and with **complex needs**.

- Take a **“No First Night Out” approach** - going further upstream to prevent rough sleeping before it even occurs.
- Identify and work with people at risk of losing private and social rented accommodation by **building on relationships with private landlords and developing pre eviction protocols** with registered housing providers.
- **Improve data collection and analysis** across all sectors to understand need, commission services based on “what works” and demonstrate the cost effectiveness of those services. Only by doing this will we commission the right things, and in partnership to ensure continuation funding beyond the life of this approach.
- Protect and increase good quality, cost effective, proactive support services and practical homelessness prevention tools.
- Work with our partners to build family stability and supportive social networks within communities – a key buffer to preventing homelessness and improving resilience.

“There must be a focus on helping people to remain in their own homes (where it is safe to do so), prevention and support services should view losing accommodation as the last resort.”

“By investing in proactive, front line services we will avoid crisis situations and the use of Bed and Breakfast accommodation which is expensive and unsuitable, especially when people have to be placed in temporary accommodation out of area.”

Priority 2 Provide flexible and comprehensive responses to those in crisis and those with complex needs

What do we want?

- To design services based on what is best for people in crisis and for those whose needs go beyond homelessness – so that they receive the services they need (not limited by existing practice or legislation).

What does this mean?

However good our upstream prevention efforts, there will always be some people who find themselves homeless or threatened with homelessness. This is why an improved systemic response (particularly in relation to single homeless people) provided for in the Homelessness Reduction Act is so important for us to achieve.

We must also focus on providing sustained support required by homeless people with needs beyond housing,

Our evidence locally tells us that large families and those with complex needs find it particularly challenging to maintain and access housing, often due to poor tenancy/housing histories. Their needs are not just about housing and they will require intensive support provision to resolve their housing need - for example those with mental health or substance misuse problems.

What will we do?

- Develop a **Housing First Model** - an approach to provide permanent housing quickly for homeless people with mental health issues and

then provides services as needed. This is shown to drastically reduce rough sleeping.

- Develop different and more **integrated pathways to meet the needs of families and single people with complex needs**. Clearly set out what services are available, clarify how referrals are made and when posts/services are at risk/ending. Map services and identify gaps.
- Develop an **intensive support provision** for individuals and families with complex needs. Consider focus on mental health, substance misuse, domestic abuse, tackling loneliness and isolation, improving social skills.
- Address the current gap in provision for continuing and entrenched rough sleepers through providing an outreach support service and via the County's Severe Weather Emergency Protocol (which provides shelter to those sleeping rough over the winter period when temperatures hit zero degrees).
- Address the gaps in provision for care leavers; increasing housing provision for those with complex needs, improving processes to avoid B&B placements, ensuring they are tenancy ready and in work where possible and carrying out joint working/training across teams so that housing expectations are realistic.
- Consider the role of **complementary therapeutic treatments** and support/conciliation to help reduce conflict with neighbours/in shared tenancies.

“The use of psychological or trauma informed care in commissioning and treatment/support services is key to the design of this intensive support service – the need to recognise the impact of life experiences on behaviours – and needs to be understood across sectors. “

Priority 3 Improve supply of/access to good quality, affordable and supported housing

What do we want?

We want to ensure that we work together with partners to make the best use of land and property assets – to meet affordable and supported housing needs.

We want any barriers to accessing accommodation for particular groups to be overcome for example low income households, those with poor tenancy histories, those with high support needs.

What does this mean?

There is not enough affordable housing to meet the need, both nationally and locally. There are also some identified groups who are acutely affected by welfare reform including those under the age of 35 and large families for whom affordability is a huge factor, for any type of housing, including affordable housing.

Other groups such as those with certain support needs, or with poor tenancy histories find it difficult to access any type of housing. If people within these groups become homeless, they often have very limited housing options and remain in temporary or “move on” accommodation for some time. This is often not suitable for the household, and also expensive for local authorities.

In very simplistic terms, it can be said that homelessness is about money. If you have a low or insecure income, or you don’t manage money well (for a variety of reasons which may or may not be outside your control) you can be at risk of homelessness or find it hard to access housing.

What will we do?

- **Work closely with our Registered Housing Providers** in ensuring the most effective use of existing social housing stock and through their plans to develop new housing. We will also look to improve the dialogue with charities to support the expansion of provision.
- Ensure that the new funding for supported housing model supports the existing and future housing related support needs for Worcestershire residents.
- Develop a **county wide supported housing plan** based on housing need evidence.
- **Improve our Private Sector Offer** to potential tenants by ensuring the accommodation is of good quality and meets standards but also **improve our offer to landlords** to ensure they accept homeless applicants. This maybe through offering mediation/support to landlords, or through other incentives.
- Develop **“tenancy ready” training** and providing support to sustain tenancies. Including developing general principles around what tenancy ready training is and mapping what services are already being provided.
- Consider a **“second chance” housing model and** recognising the need to have open and honest conversations about past tenancy history in order to provide the right housing and support for that individual/family.

“If landlords (social or private) can be assured that someone has the skills to manage a tenancy, including financial skills and the payment of rent, then the risk to them is reduced and they may be inclined to offer them housing. Add to that the fact that support will be in place should a problem arise, then the future risk is further reduced.”

- **Review temporary accommodation** to provide more suitable and cost effective solutions for those who are homeless and having difficulty accessing permanent housing.
- **Work with partners to get people into work, improve digital skills, improve financial management skills and provide debt advice.** This is vital to address affordability, and improve people's economic resilience to prevent homelessness reoccurring throughout their lifetime.
- **Develop an approach to reduce former rent arrears** to assist with chances of being re-housed.

“Getting into work and digital skills is a real focus with the introduction of Universal Credit and mitigating the impact of further welfare reform. There is a great deal of work being carried out by voluntary sector partners to address education, training and employment, we need to ensure the strategic links are made to make the best use of resources. Access to sustainable employment is crucial.”

10.Delivering On Our Approach

Oversight

Worcestershire Strategic Housing Partnership (WSHP) is responsible for, and committed to ensuring that this Strategic Direction for Tackling Homelessness is realised. It is a multi-agency, and cross sector partnership, ensuring homelessness prevention is placed in the wider context.

The role of the WSHP is to influence commissioning and system change across sectors to resource and deliver on this Strategy.

Accountability

Worcestershire Strategic Housing Officers Group (WSHOG) is responsible for delivery of this document. WSHOG is a well established group, with a proven track record of housing and homelessness strategy delivery, representing each of the districts.

Assurance

WSHP will seek assurance from the delivery group on the effectiveness of partnership working in the development and implementation of Local Strategy Implementation Plans. In addition, Worcestershire Health and Wellbeing Board will seek assurance on the commitment to the Local Housing and Health Memorandum of Understanding and the Homeless Health Charter.

Monitoring

WSHOG will report progress against Local Strategy Implementation Plans to WSHP. WSHP will undertake a review of progress on an annual basis up to and including 2021.

Governance Structure



180213 WSHP
Delivery Groups Diagram

Equality duty

The Public Sector Equality Duty (Equality Act 2010) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities. Our approach will adhere to this.

11.Implementation

Our approach recognises that the causes of homelessness are complex and multi faceted – and that to tackle it holistically, we need to prevent the structural as well as individual factors that lead to homelessness.

By sitting this Strategic Direction for Tackling Homelessness within the Partnership Plan, we will ensure that homelessness prevention will be placed at the forefront when designing system change needed to achieve our vision.

It is important to recognise that although this is a county approach, there are differences between districts that will need individual district focus. Some districts experience higher levels of rough sleeping, some have higher levels of deprivation and domestic abuse, some have a huge lack of supported and temporary accommodation as compared to others.

Worcestershire Strategic Housing Officers Group will be responsible for delivery of this strategy. Local Strategy Implementation Plans will be developed in partnership with local organisations and partners via local homelessness forums that currently exist or will need to be developed in each of the districts. They will identify a series of actions, initiatives and opportunities.

The Implementation Plan will be delivered by working with key partner agencies and will be achieved through task and finish groups and through the expertise and resources of existing meetings/groups. They will continually be reviewed and monitored by Worcestershire Strategic Housing Officers Group and the Worcestershire Strategic Housing Partnership – to keep up to date and have the flexibility it needs to have.

There will be briefings and regular training on the importance of tackling homelessness, including an annual stakeholder event.

Appendix One – Legal Duties

Legal duties

The primary homelessness legislation – Part 7 of the Housing Act 1996 – provides the statutory under-pinning for action to prevent homelessness and provide assistance to people threatened with or actually homeless.

In 2002, the Government amended the homelessness legislation through the Homelessness Act 2002 and the Homelessness (Priority Need for Accommodation) (England) Order 2002 to ensure a more strategic approach to tackling and preventing homelessness and to strengthen the assistance available to people who are homeless or threatened with homelessness by extending the priority need categories.

Statutory Homelessness – where the rehousing duty is owed

Housing authorities have a legal duty to provide advice and assistance to anyone that is homeless or threatened with homelessness. If a housing authority has reason to believe that someone may be homeless or threatened with homelessness, they must investigate what duty they owe to them under the homelessness legislation.

A ‘main homelessness duty’ is owed where the authority is satisfied that the applicant is eligible for assistance, unintentionally homeless and falls within a specified ‘priority need’ group.

The ‘priority need groups’ include households with dependent children or a pregnant woman and people who are vulnerable in some way e.g. because of mental illness or physical disability. In 2002 the priority need categories were extended to include applicants who are aged 16 or 17, care leavers aged 18-20, people who are vulnerable as a result of time spent in care, in HM Forces,

in prison or custody, and those who are vulnerable as a result of having to flee their home because of violence or the threat of violence

Homelessness Households not owed the rehousing duty

Homeless people not owed the full rehousing duty are typically single people or childless couples who are not assessed as being in ‘priority need’ or those deemed to be intentionally homeless. These groups are only entitled to advice and assistance if homeless, not the “main housing duty”. Some non-priority homeless people are offered access to Local Authority commissioned housing support services.

Street Homelessness

DCLG defines street homelessness as: “People sleeping, about to bed down (sitting on/in or standing next to their bedding) or actually bedded down in the open air (such as on the streets, in tents, doorways, parks, bus shelters or encampments). People in buildings or other places not designed for habitation (such as stairwells, barns, sheds, car parks, cars, derelict boats, stations, or “bashes”)”

Appendix Two: Summary of changes made to Worcestershire's Strategic Direction for Tackling Homelessness 2018-2021 following consultation with customers and partners.

The consultation consisted of a Stakeholder Event (22nd May 2018) and a public online consultation which ran from 24th April -19th June 2018.

Online consultation

Comment	Change made
Respondent thought the document doesn't specifically mention the provision of accommodation for those with substance misuse mental health.	Added specific reference to mental health and substance misuse on P14 in relation to the intensive support service – we are currently focussing on the provision of an intensive support service which is an action in the Partnership Plan – and not provision of different types of accommodation for different groups at this stage. This will come out of the Supported Housing Plan.
Suggestion from a respondent that complementary therapies would be beneficial for rough sleepers/those with adverse experiences as a child/adult	Added specific reference to this on P14 as something that should be considered when developing the intensive support service.
Suggestion that we should consider psychological support/conciliation to help reduce conflict with neighbours/shared tenants	Added specific reference to this on P14 as something that should be considered when developing the intensive support service.
Suggestion that we make specific reference to dialogue with charities and almshouses in increasing housing provision.	Added in comment that we would look to do this as part of making the best use of our assets to increase housing provision. P16.
Question asked about how we are going to ensure the resources are available to successfully implement the strategy.	No change made as this is shown in governance diagram.

Stakeholder event

Comment	Change made
Comments on structure of document/ease of reading/understanding	Numbered priorities. Made slight changes to wording of priorities. Broken down sections to make it easier to read. Section 9.
Worcestershire Partner Agreement – Duty to Co-operate was the subject of one of the workshops and we have now received notification that the Duty to Refer will come in on 1 st October.	Added specific action in around the development of the Duty to Cooperate Agreement. P12.
Support for the a "second chance" model aimed at people who have already lost a tenancy and have limited housing options due to poor tenancy histories – rent arrears, Anti – social behaviour etc.	This was already in the document but added in reference to "second chance". P16.
Develop links with support agencies to enable them to work with housing teams to ensure joint clients are completing actions in their personal housing plans.	Added in by reference to Worcestershire Duty to Co-operate Agreement as this is integral part of this agreement. P12.
To build on the new draft pathways for vulnerable groups. Consider additional groups e.g. autism. Make sure the pathways show how to refer, what services are currently available and which are at risk. Constantly need to be kept up to date – mapping of services and identification of gaps.	Added in on P14.
Support provision for individuals and families with complex needs – suggestion to consider focus on	Added in on P14.

mental health, substance misuse, domestic abuse and tackling loneliness and isolation.	
To develop a shared approach for going into schools to educate young people about housing and homelessness – setting realistic expectations. Police, housing and DWP go into schools currently.	Added in on P12.
Suggestions on how to improve early intervention approach.	All added in on P.12.
Developing general principles around what tenancy ready training is and mapping what services are already being provided.	Added on P.16.
Improve engagement with customers via homelessness forums.	Added on P12.
Suggestion that we should investigate community housing solutions.	Not added anything into this document as this is something that should be considered by the Worcestershire Strategic Housing Partnership.
Suggestion for research into what causes repeat homelessness.	This may be covered within the Customer Journey Mapping that has already been commissioned – however added small comment on P12 regarding helping people to know where to go to get support to prevent homelessness throughout their lifetimes.
Suggestion to develop an approach to help people to reduce rent arrears – in order that they will be considered for rehousing.	Added in P17.
Suggestion that housing and social services need to improve relationships.	Added in reference in relation to statutory partners – Worcestershire Duty To Cooperate agreement.

WYRE FOREST DISTRICT COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

6TH SEPTEMBER 2018

**Annual Report on Treasury Management Service and
Actual Prudential Indicators 2017-18**

CABINET MEMBER:	Cllr. Nathan Desmond
RESPONSIBLE OFFICER:	Corporate Director: Resources
CONTACT OFFICERS:	Tracey Southall Ext 2100 Helen Ogram Ext 2907 Lisa Hutchinson Ext 2120
APPENDICES:	Appendix 1 – Treasury Activity 2017-18
AN OPEN ITEM	

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to provide a review of the treasury management activities for 2017-18, in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

2. RECOMMENDATIONS

Overview and Scrutiny Committee recommends to Council to:

- 2.1 **Approve the actual 2017-18 prudential and treasury indicators in this report**
- 2.2 **Note the annual treasury management report for 2017-18**

3. BACKGROUND

- 3.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2017-18. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 3.2 During 2017-18 the minimum reporting requirements were that the full Council should receive the following reports:
- an annual treasury strategy in advance of the year (Council 22/02/17)
 - a mid year treasury update report (Council 13/12/17)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)

- 3.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
- 3.4 This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Treasury Management Review Panel, reporting to Overview and Scrutiny Committee before they were reported to the full Council. Member training on treasury management issues was undertaken during the year on 4th September 2017 and 29th January 2018 in order to support Members' scrutiny role.

4. **KEY ISSUES**

- 4.1 During 2017-18, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2016-17 Actual £'000	2017-18 Original £'000	2017-18 Actual £'000
Capital expenditure	5,821	42,814	3,452
Capital Financing Requirement	17,545	56,476	18,067
Gross borrowing	17,343	55,703	18,380
External debt	17,004	55,703	18,001
Investments:			
• Longer than 1 year*	85	-	35
• Under 1 year	17,816	14,000	13,508
• Total	17,901	14,000	13,543

*Investments at 31st March 2017 & 2018 include Icelandic investments at impaired values.

Investments and Gross Borrowing balances detailed in the table above reflect the Balance Sheet position including interest accruals, however these are not material.

Actual capital expenditure in 2017-18 was significantly lower than originally anticipated mainly due to slippage in the Capital Portfolio and Development Loans Fund schemes, totalling £35m, Industrial Units Development (£2.15m), Green Street Depot Investment scheme (£0.91m), Worcester Street Improvements (£0.5m), Housing Assistance Schemes (£0.37m) and Vehicle Renewals (£0.28m).

- 4.2 Other prudential and treasury indicators are to be found in Appendix 1. The Corporate Director: Resources also confirms that borrowing was only undertaken for a capital purpose and the statutory borrowings limit (the authorised limit), was not breached.
- 4.3 The financial year 2017-18 continued the challenging environment of previous years, namely low investment returns and market uncertainty.
- 4.4 The Council entered into further external borrowing, drawing a further £1m at the end of 2017-18 to replace a maturity on 2nd April 2018. Competitive rates were achieved with the officers working in close liaison with Link Asset Services (Link), our professional advisors. The borrowing was undertaken within the projected Capital Financing Requirement (CFR) for the period of the current Strategy. Full details can be found in Sections 4 and 8 of Appendix 1.
- 4.5 The full annual review can be found at Appendix 1. This provides greater detail on the treasury activity for 2017-18 along with other relevant information.

5. FINANCIAL IMPLICATIONS

- 5.1 The Financial Implications are contained within paragraph 4.1, and Appendix 1.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 Legal and Policy Implications are contained within paragraph 13.1 of Appendix 1.

7. RISK MANAGEMENT

- 7.1 Risk Management is contained within paragraphs 13.2 to 13.5 of Appendix 1. As demonstrated within this report the current economic position remains volatile; as a result, the risk is managed by regular reviews supported by the Treasury Management Review Panel. The Council will continue to invest with only those institutions which have the necessary credit ratings in order to preserve the Council's Capital.
- 7.2 There is a small increase in risk by placing up to 50% of the total investments with the part-nationalised banks or the Council's own bank. However, such investments are only placed by exception, with the express approval of the Corporate Director: Resources. The Council will continue to aim to achieve the optimum return on its investments commensurate with its investment priorities of security and liquidity.

8. EQUALITY IMPACT ASSESSMENT

- 8.1 This is a financial report and there is no requirement to consider an Equality Impact Assessment.

9. CONCLUSION

- 9.1 Council is asked to approve the Recommendations contained within Paragraph 2.

10. CONSULTEES

- 10.1 Corporate Leadership Team
Leader of the Council
Cabinet Member for Resources
Link Asset Services, Treasury Management Consultants

11. BACKGROUND PAPERS

- 11.1 Treasury Management Strategy 2017-18 approved by Council on 22nd February 2017
- 11.2 Annual Report on Treasury Management Service and Actual Prudential Indicators 2016-17 approved by Council on 27th September 2017
- 11.3 Treasury Management Strategy Statement and Annual Investment Strategy Mid-year Review Report 2017-18 approved by Council on 13th December 2017
- 11.4 Treasury Management Strategy 2018-19 approved by Council on 21st February 2018

APPENDIX 1**TREASURY ACTIVITY 2017-18****1. Introduction and Background**

1.1 This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- The actual prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to its indebtedness, and the impact on investment balances;
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

2. The Council's Capital Expenditure and Financing 2017-18

2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

2.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

£'000	2016-17 Actual	2017-18 Estimate	2017-18 Actual
Capital Expenditure	5,821	42,814	3,452
Resourced by:			
• Capital receipts	644	3,553	396
• Capital grants	1,537	1,167	1,360
• Revenue	42	-	592
Unfinanced capital expenditure	3,598	38,094	1,104

3. The Council's Overall Borrowing Requirement

3.1 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2017-18 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

- 3.2 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board (PWLB), other Councils or the money markets), or utilising temporary cash resources within the Council.
- 3.3 **Reducing the CFR** – the Council's underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.
- 3.4 The total CFR can also be reduced by:
- the application of additional capital financing resources (such as unapplied capital receipts); or
 - charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).
- 3.5 The Council's 2017-18 MRP Policy (as required by CLG Guidance) was approved as part of the Treasury Management Strategy Report for 2017-18 on 22nd February 2017.
- 3.6 The Council's CFR for the year is shown below, and represents a key prudential indicator.

CFR £'000	31 st March 2017 Actual	31 st March 2018 Original Indicator	31 st March 2018 Actual
Opening balance	14,146	18,975	17,545
Add unfinanced capital expenditure (as shown in 2.2)	3,598	38,094	1,104
Less MRP	(199)	(593)	(582)
Closing balance	17,545	56,476	18,067

- 3.7 The borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

- 3.8 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2016-17) plus the estimates of any additional capital financing requirement for the current (2017-18) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs. The table below highlights the Council's gross borrowing position against the CFR for 2017-18 and 2016-17.

£'000	31 st March 2017 Actual	31 st March 2018 Original	31 st March 2018 Actual
Gross borrowing position	17,343	55,703	18,380
CFR	17,545	56,476	18,067

Gross Borrowing balances detailed in the table above reflect the Balance Sheet position including interest accruals totalling £110k (£109k in 2016-17) and the investments placed with this Council by Kidderminster and Stourport Town Councils totalling £270k (£230k in 2016-17).

In accordance with Section 8.5 of the approved Treasury Management Strategy 2017-18, the Council is permitted to borrow in advance of immediate need within forward approved CFR estimates, provided that the decision has been considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. As detailed above, the Council was slightly over borrowed at 31st March 2018, however this was mostly due to the balances held in respect of the Kidderminster and Stourport on Severn Town Councils investments (classified as short term borrowing on Balance Sheet).

- 3.9 The authorised limit - the authorised limit is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2017-18 the Council has maintained gross borrowing within its authorised limit.
- 3.10 The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached. In accordance with Section 8.5 of the approved Treasury Management Strategy 2017-18, the Council is permitted to borrow in advance of immediate need within forward approved limits.
- 3.11 Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2017-18
Authorised limit	£65.000m
Maximum gross borrowing position (during 2017-18)	£18.001m
Operational boundary	£35.000m
Average gross borrowing position	£17.019m
Financing costs as a proportion of net revenue stream	7.02%

4. **Treasury Position as at 31st March 2018**

- 4.1 The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2017-18 the Council's treasury position was as follows:

Treasury position	Principal at 31/03/2017 £'000	Average Rate/Return during 2016-17 %	Principal at 31/03/2018 £'000	Average Rate/Return during 2017-18 %
Fixed rate funding:				
PWLB	16,000	2.96	17,000	2.91
Market – Other Local Authority*	1,000	0.95	1,000	0.80
Market – Mortgage Bonds**	4	6.65	1	6.5
Total Debt	17,004	2.92	18,001	2.82
Fixed Interest Investments***	(17,901)	0.54	(13,543)	0.44
Net (investment)/debt position	(897)		4,458	

* Derbyshire County Council.

** Liverpool Victoria Friendly Society Ltd (*final mortgage maturity September 2018*)

***Principal at 31st March 2017 & 2018 includes Icelandic investments at impaired values. The average rate achieved excludes Icelandic investments.

The maturity structure of the debt portfolio was as follows:

	2016-17 Actual £'000	2017-18 Original Limits £'000	2017-18 Actual £'000
Under 12 months	2	100%	2,001
Between 1 and 2 years	2,002	100%	-
Between 2 and 5 years	-	100%	1,000
Between 5 and 10 years	2,000	100%	1,000
Between 10 and 15 years	2,000	100%	4,000
Between 15 and 20 years	4,000	100%	3,000
Between 20 and 25 years	4,000	100%	3,000
Between 25 and 30 years	-	100%	-
Between 30 and 35 years	-	100%	-
Between 35 and 40 years	-	100%	1,000
Between 40 and 45 years	2,000	100%	2,000
Between 45 and 50 years	1,000	100%	1,000
Total	17,004		18,001

The maturity structure of the investment portfolio was as follows:

	2016-17 Actual £'000	2017-18 Original £'000	2017-18 Actual £'000
Investments:			
• Longer than 1 year*	85	60	35
• Under 1 year	17,816	15,000	13,508
Total	17,901	15,060	13,543

* The only investments held for more than 1 year relate to impaired Icelandic deposits.

The exposure to fixed and variable rates was as follows:

	31 st March 2017 Actual	2017-18 Original Limits	31 st March 2018 Actual
Fixed rate (principal or interest)	100%	100%	100%

5. The Strategy for 2017-18

- 5.1 The expectation for interest rates within the treasury management strategy for 2017-18 (approved by Council in February 2017) anticipated that Bank Rate would not start rising from 0.25% until quarter 2 of 2019 and then only increase once more before 31st March 2020. It was anticipated that there would also be gradual rises in medium and longer term fixed borrowing rates during 2017-18 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period. Against this background and risks within the economic forecast, the strategy was to exercise caution with the treasury operations. This would include the Corporate Director: Resources and the treasury team monitoring interest rates in financial markets and adopting a pragmatic approach to changing circumstances.

Continued uncertainty in financial markets promoted a similarly cautious approach, whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.

- 5.2 During 2017-18, longer term PWLB rates were volatile but with little overall direction, whereas shorter term PWLB rates were on a rising trend during the second half of the year.
- 5.3 In view of this forecast the Council's borrowing strategy was to consider all suitable options and take advantage of the most attractive rates available, both from the PWLB and from the Market including other Local Authorities and other bodies as relevant as and when required. This strategy worked well and allowed further borrowing to be taken at historically low rates; the decision to borrow was fully evaluated and formally signed off in accordance with agreed protocols.

6. The Economy and Interest Rates (as provided by Link Asset Services)

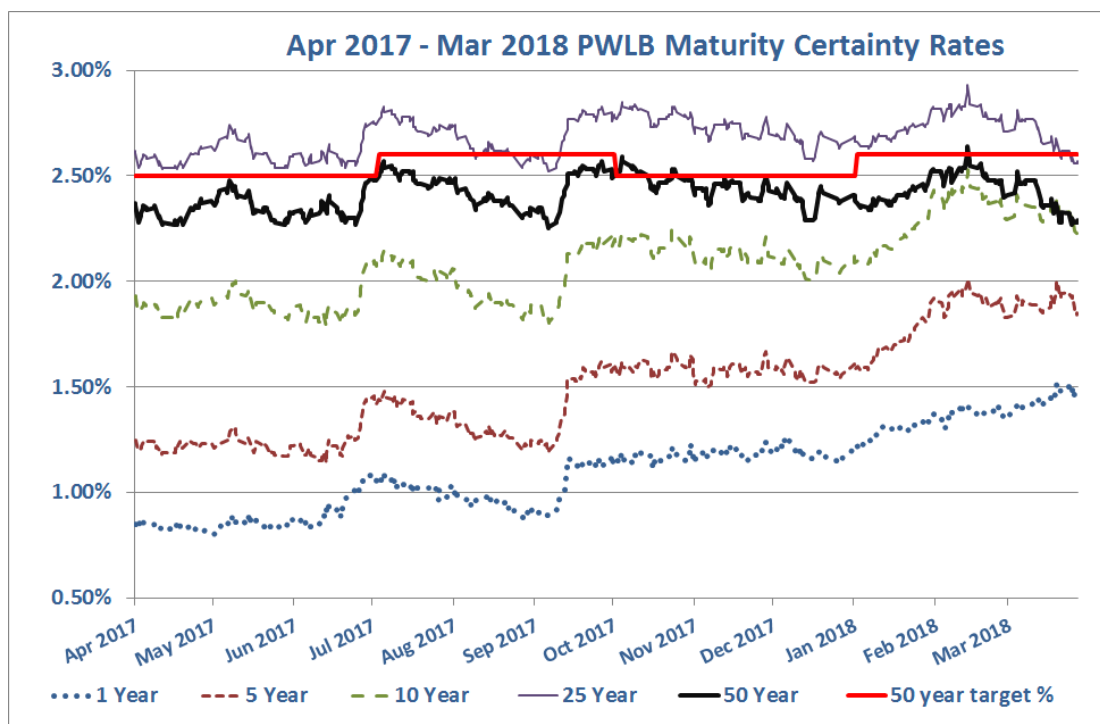
- 6.1 During the calendar year of 2017, there was a major shift in expectations in financial markets in terms of how soon Bank Rate would start on a rising trend. After the UK economy surprised on the upside with strong growth in the second half of 2016, growth in 2017 was disappointingly weak in the first half of the year which meant that growth was the slowest for the first half of any year since 2012. The main reason for this was the sharp increase in inflation caused by the devaluation of sterling after the EU referendum, feeding increases into the cost of imports into the economy. This caused a reduction in consumer disposable income and spending power as inflation exceeded average wage increases. Consequently, the services sector of the economy, accounting for around 75% of GDP, saw weak growth as consumers responded by cutting back on their expenditure. However, growth did pick up modestly in the second half of 2017. Consequently, market expectations during the autumn rose significantly, such that the MPC would be heading in the direction of imminently raising Bank Rate. The minutes of the MPC meeting of 14th September 2017 indicated that the MPC was likely to raise Bank Rate very soon. The 2nd November 2017 MPC quarterly Inflation Report meeting duly delivered by raising Bank Rate from 0.25% to 0.50%. The 8th February 2018 MPC meeting minutes then revealed another sharp hardening in MPC warnings on a more imminent and faster pace of increases in Bank Rate than had previously been expected.

Market expectations for increases in Bank Rate, therefore, shifted considerably during the second half of 2017-18 and resulted in investment rates from 3 – 12 months increasing sharply during the spring quarter.

- 6.2 PWLB borrowing rates increased correspondingly to the above developments with the shorter term rates increasing more sharply than longer term rates. In addition, UK gilts have moved in a relatively narrow band this year, (within 25 bps for much of the year), compared to US treasuries. During the second half of the year, there was a noticeable trend in treasury yields being on a rising trend with the Fed raising rates by 0.25% in June, December and March, making six increases in all. The effect of these three increases was greater in shorter terms around 5 year, rather than longer term yields.

7. Borrowing Rates in 2017-18

- 7.1 **PWLB certainty maturity borrowing rates** - the graph below shows how PWLB certainty rates remain at historically very low levels during the year.



8. Borrowing Outturn for 2017-18

8.1 Treasury Borrowing

During the year the Council entered into further external borrowing with The Public Works Board (PWLb) for £1m. The loan was drawn to fund the maturity scheduled for 2nd April 2018. Loans at 31st March 2018 are detailed as follows:

Lender	Date	Principal	Type	Interest Rate	Maturity
PWLb	15/03/13	£1m	Fixed interest rate	2.62%	15/03/22 (9 years)
PWLb	02/04/13	£1m	Fixed interest rate	1.52%	02/04/18 (5 years)
PWLb	29/07/14	£1m	Fixed interest rate	3.99%	29/07/33 (19 years)
PWLb	20/10/14	£1m	Fixed interest rate	3.54%	20/10/56 (42 years)
PWLb	02/12/14	£1m	Fixed interest rate	3.44%	02/12/39 (25 years)
PWLb	20/01/15	£1m	Fixed interest rate	2.99%	20/01/39 (24 years)
PWLb	04/02/15	£1m	Fixed interest rate	2.87%	04/02/41 (26 years)
PWLb	04/02/15	£1m	Fixed interest rate	2.80%	04/02/37 (22 years)
PWLb	08/04/15	£1m	Fixed interest rate	2.96%	08/04/35 (20 years)
PWLb	02/07/15	£1m	Fixed interest rate	3.35%	02/07/32 (17 years)
PWLb	20/07/15	£1m	Fixed interest rate	3.40%	20/07/31 (16 years)
PWLb	29/07/15	£1m	Fixed interest rate	3.13%	29/07/30 (15 years)
PWLb	06/08/15	£1m	Fixed interest rate	2.96%	06/08/28 (13 years)
PWLb	02/02/16	£1m	Fixed interest rate	2.99%	02/02/63 (48 years)
PWLb	24/06/16	£1m	Fixed interest rate	2.21%	24/06/26 (10 years)
PWLb	03/03/17	£1m	Fixed	2.42%	03/03/62

Lender	Date	Principal	Type	Interest Rate	Maturity
			interest rate		(45 years)
Derbyshire County Council	31/03/17	£1m	Fixed interest rate	0.80%	29/03/19 (2 years)
PWLB	26/03/18	£1m	Fixed interest rate	2.28%	26/03/64 (46 years)
Total		£18m			

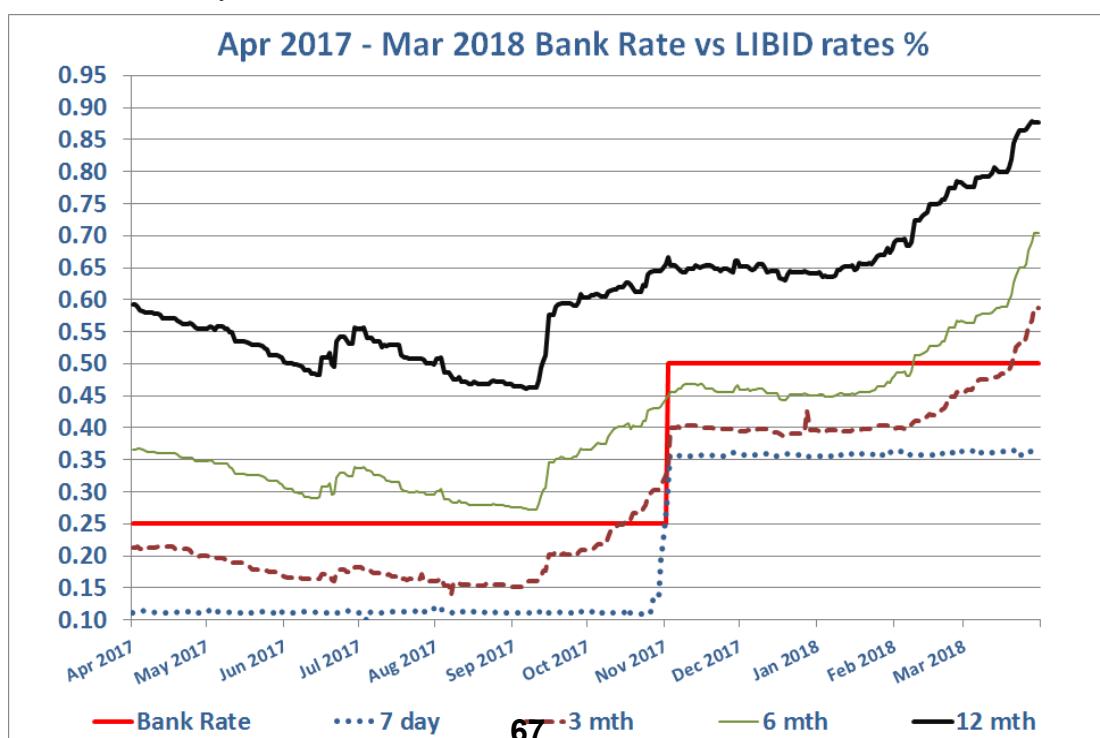
8.2 Rescheduling

No rescheduling was carried out during the year as none of the following conditions/requirements were met:

- the generation of cash savings and/or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

9. Investment Rates in 2017-18

9.1 Investments rates for 3 months and longer have been on a rising trend during the second half of the year in the expectation of Bank Rate increasing from its floor of 0.25%, and reached a peak at the end of March 2018. Bank Rate was duly raised from 0.25% to 0.50% on 2nd November 2017 and remained at that level for the rest of the year. However, further increases are expected over the next few years. Deposit rates continued into the start of 2017-18 at previous depressed levels due, in part, to a large tranche of cheap financing being made available under the Term Funding Scheme to the banking sector by the Bank of England; this facility ended on 28th February 2018.



10. Investment Outturn for 2017-18

10.1 **Investment Policy** – the Council's investment policy is governed by the Ministry of Housing, Communities and Local Government (MHCLG) guidance, implemented in the annual investment strategy approved by the Council on 22nd February 2017. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.). The Link Credit Worthiness Policy adds further layers of check.

10.2 The investment activity during the year conformed to the approved strategy and the Council had no liquidity difficulties.

10.3 Resources – the Council's cash balances comprise revenue and capital resources and cash flow monies. The Council's core cash resources comprised as follows:

Balance Sheet Resources (£'000)	31 st March 2017	31 st March 2018
Balances	4,914	5,151
Earmarked reserves	5,714	6,293
Provisions	1,304	1,649
Usable capital receipts	2,572	2,759
Total	14,504	15,852

10.4 **Investments held by the Council** - the Council maintained an average balance of £20.660m of internally managed funds. The internally managed funds earned an average rate of return of 0.44%. The comparable performance indicator is the average 7-day LIBID rate, which was 0.22%. External Interest received on investments totalled £91,500 compared to the revised budget of £85,000.

11. Performance Measurement

11.1 One of the key requirements in the Code is the formal introduction of performance measurement relating to investments, debt and capital financing activities. Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide. The Council's performance indicators were set out in the Annual Treasury Management Strategy.

11.2 This service has set the following performance indicator:

- Investments – Internal returns (0.44%) compared to the 7 day London Interbank Bid (LIBID) rate (0.22%)

11.3 The Council continues to be a member of the Link regional benchmarking group. The group currently comprises ten Local Authorities (LAs); 2 County Councils and 8 District / Borough/ City Councils and the group meet twice a year. Quarterly performance reports are prepared by Link. The purpose of the benchmarking group is to compare Security of Capital, Liquidity and Yield (SLY - risk and return), aiming to maximise return in line with each authority's individual risk appetite.

- 11.4 Link reported that the results of the benchmarking group at 31st March 2018 were that the Weighted Average Maturity (WAM) was 55 days and the Risk Factor was 2.95 (1 being the lowest, 7 being the highest). Performance against the model band benchmark for 2017-18 was as follows:

June 2017: In line
September 2017: Above
December 2017: In line
March 2018: In line

12. Icelandic Bank Defaults

- 12.1 As has been widely reported, this Council had £9m invested in Icelandic banks at the time of their collapse in October 2008.
- 12.2 The position on recovery of the remaining £6 million Icelandic investments is that, at 31st March 2018, a total of £5.255m had already been received (87.58%). The total recovery of the two remaining investments is estimated to be 88.41% with final payments anticipated within the next two years.

13. Regulatory Framework, Risk and Performance

- 13.1 The Council's treasury management activities are regulated by a variety of professional codes, statutes and guidance:
- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
 - The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken;
 - Statutory Instrument (SI) 3146 2003, as amended, developed the controls and powers within the Act;
 - The SI requires the Council to undertake any borrowing activity with regard to the CIPFA) Prudential Code for Capital Finance in Local Authorities;
 - The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
 - Under the Act the CLG (now MHCLG) has issued Investment Guidance to structure and regulate the Council's investment activities.
 - Under section 238(2) of the Local Government and Public Involvement in Health Act 2007 the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8th November 2007.

- 13.2 The Council has complied with all of the above relevant statutory and regulatory requirements which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.
- 13.3 The Council is aware of the risks of passive management of the treasury portfolio and, with the support of Link, the Council's advisers, has proactively managed its treasury position.
- 13.4 Shorter-term rates and likely future movements in these rates predominantly determine the Council's investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult.
- 13.5 The future financial position for the Council will continue to be challenging. The decision to leave the European Union and the formal commencement of the 'Brexit' process has left Local Government more uncertain than ever about the future of funding for the sector. It is clear that austerity measures are set to continue to balance the national budget. However it remains too early to judge the impact of the decision to leave the European Union on Local Government Finances; at the moment the only tangible impact has been modest financial market volatility but this has not had a material impact to date. The Bank of England increased the Bank Base Rate to 0.50% in early November 2017, (last change was August 2016 to 0.25%). There has been a further Bank Base Rate increase on 2nd August 2018 to 0.75% and there remains speculation that there could be further rate increases to come, although current estimates suggest that they will rise very slowly. The future impact of this will be assessed and taken into account in the Revised Budget. The Public Works Loans Board (PWLb) borrowing rates, whilst still at historically low rates, continue to be volatile as the markets respond to Brexit and global economic events. There remains the potential to make savings in respect of future borrowing that will be taken into account at Revised Budget. The Chancellor's Autumn Budget (date to be confirmed) will be important in terms of providing direction of the Government's spending/borrowing plans going forward and will likely impact on Local Authority funding. Key impacts will be included in future reports.
- 13.6 We previously reported that the 'Markets in Financial Instruments Directive II' (MiFID II) policy statement was issued by the Financial Conduct Authority (FCA) on 3rd July 2017, that included a finalised position for the client categorisation of Local Authorities. This came into effect as part of the full introduction of MiFID II on 3rd January 2018, impacting our Treasury Management Service Strategy (TMSS).

It is important to appreciate that MiFID II does not cover simple term deposits. It is only focussed on regulated products. These include direct investments such as Certificates of Deposit (CD), Gilts, Corporate Bonds and investment funds, including Money Market Funds. Under MiFID II, the FCA is obliged to treat all Local Authorities as "retail clients" under European Union legislation. However, the regulator does offer the option to "opt up" to an Elective Professional Client if the authority meets certain criteria.

We are pleased to report that we successfully opted-up from 'retail' to 'elective professional' status in respect of our Money Market and CD investments, enabling us to continue to use a similar range of investment instruments as previously used.

14. Completion of the sale of Capita Treasury Management Solutions

- 14.1 In 2016 Capita plc had announced its intention to sell Capita Asset Services ("CAS" – collectively; Capita Fund Solutions, Capita Shareholder & Treasury Solutions, Capita Debt & Banking Solutions and Capita Corporate & Private Client Solutions). The rationale for the sale was that CAS was no longer considered core to Capita plc's strategy of focusing on technology enabled outsourcing solutions. The sale was completed on 6th November 2017. This did not impact on the treasury management service we receive from our assigned team under our contract during 2017-18, with the transition to Link Asset Services being straightforward.

15. The Capital Portfolio Fund

- 15.1 Council on the 22nd February 2017 approved £25m Capital Portfolio Fund, funded by prudential borrowing. The detailed Strategy for the Capital Portfolio Fund was initially approved by Cabinet on 14th June 2017 (subsequently updated in Appendix 2 of the Council's Capital Strategy; approved by Council on 23rd May 2018); this sets out the types of property investment to be considered. The MCHLG recommend we report a suite of ratios in respect of this scheme. A number of other quantitative indicators to provide additional transparency and a better indicator of the potential risk of this policy are also to be included. The new prudential indicators in respect of the first completed scheme (Worcester Street/High Street retail parade, Kidderminster) and any other completions up to 30th September 2018 will be reported in the mid year Treasury Report 2018-19 in advance of the statutory requirement to report these from 2019-20 onwards. The performance of the Capital Portfolio Fund will be reported separately in future property focussed reports.



Overview & Scrutiny Committee Briefing Paper

Report of: Helen Wills
Date: 6th September 2018
Open

Cookley and Caunsall Neighbourhood Plan Area Designation

1. Summary

- 1.1 To seek approval for the designation of part of Wolverley and Cookley Parish as a Neighbourhood Area for the purposes of Neighbourhood Development Planning as shown on the map at Appendix 1 to this report.

2. Background

- 2.1 The Localism Act 2011 gave local communities more power to plan for the future of their areas by introducing Neighbourhood Development Plans and Neighbourhood Development Orders. Wolverley and Cookley Parish Council wish to prepare a Neighbourhood Development Plan for part of the Parish that includes Cookley and Caunsall but not Wolverley.
- 2.2 The first formal step in the process of preparing a Neighbourhood Development Plan is the designation of a Neighbourhood Area. On 6th April 2012 the Neighbourhood Planning (General) Regulations 2012 came into force. The Regulations set out the minimum legal requirements to be met when preparing a Neighbourhood Development Plan and set out the procedure for designating a Neighbourhood Area.
- 2.3 Regulation 5 requires the Parish Council to apply to the District Council to designate the area that they wish the neighbourhood plan to cover as a Neighbourhood Area. Such an application was received by the District Council on 6th June 2018. Regulation 6 requires the District Council to publish the application on its website as a minimum to provide the opportunity for representations to be made in support of the designation or otherwise. The public consultation started on Wednesday 27th June and finished at 5pm on Wednesday 8th August 2018. A poster and map have been displayed in 11 locations within Wolverley and Cookley Parish at locations such as schools, post office, shops and public houses. This was in addition to posters being displayed on Parish Council notice boards giving details of the application, the area included in the application, how to submit comments and the deadline for receipt of comments. The District Council provided information on the application on their website for a period of six weeks between Wednesday 27th June and Wednesday 8th August 2018.

- 2.4 Nineteen representations have been received in response to consultation on the proposed Neighbourhood Area designation; these are found in Appendix 2. All of the consultation responses support the proposal for the Neighbourhood Plan area. Therefore, it is recommended that this committee designate Cookley and Caunsall as a Neighbourhood Area for the purposes of Neighbourhood Development Planning.
- 2.5 If the District Council agrees to the designation of the Neighbourhood Area, it will be published on the District Council's website. The next step for the Parish Council would be to begin the preparation of their Neighbourhood Development Plan for submission to the District Council, following the procedures laid down in the 2012 Regulations (and subsequent amendments). Following submission to the District Council, the Neighbourhood Development Plan would then need to be published for a six week statutory consultation period before going through an Examination in Public and then a local referendum where a minimum of 50% of those voting must be in favour of its adoption.

3. Options

- 3.1 The Overview and Scrutiny Committee is asked to consider if the Neighbourhood Plan area designation should be approved. The committee is asked to recommend to Cabinet that the Neighbourhood Plan area designation is:
- approved for the purposes of Neighbourhood Development Planning as shown on the map at Appendix 1 to this report;
 - If the area designation is rejected, then the Parish Council is requested to apply for a Neighbourhood Plan area designation for the whole of Wolverley and Cookley Parish.
 - to make any other recommendation to Cabinet that the Committee wish to be considered.

4. Consultation

- 4.1 The public consultation started on Wednesday 27th June and finished at 5pm on Wednesday 8th August 2018. If the Neighbourhood Area is designated then further consultation will be undertaken both by the Parish and District Council before a Neighbourhood Plan can proceed to referendum.

5. Related Decisions

- 5.1 None.

6. Relevant Council Policies/Strategies

- 6.1 Wyre Forest District Review Preferred Options Document June 2017.

7. Implications

7.1 Financial Implications

The cost of preparing the Neighbourhood Development Plan will be met by the Parish Council. The District Council will be required to meet the costs of the examination and referendum and this will be met from the existing Planning Policy budgets.

7.2 Legal and policy implications

Should the Neighbourhood Development Plan, once prepared, be approved by the community at a referendum, the District Council will be required to formally 'make' the plan (adopt) and it will become part of the Development Plan for the purposes of determining planning applications.

8. Risk Management

8.1 There are no risk management issues.

9. Equality Impact Needs Assessment

9.1 Not applicable.

10. Wards affected

10.1 Wolverley and Cookley ward.

11. Appendices

11.1 Appendix 1 - Area designation application letter and map.

11.2 Appendix 2 - Table of consultation responses received.

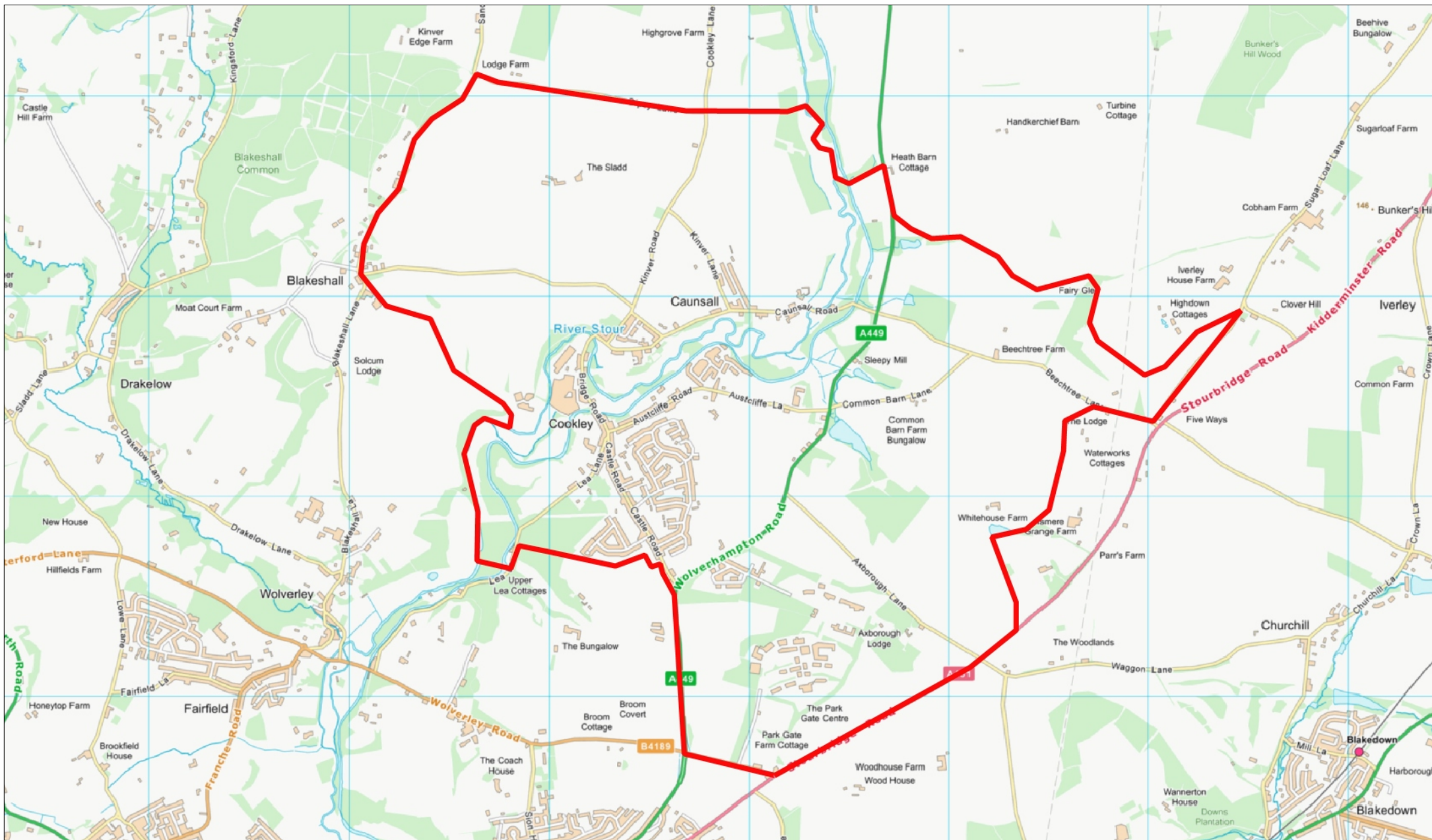
12. Background Papers

12.1 Neighbourhood Planning Regulations (as amended)
http://www.legislation.gov.uk/ukxi/2012/637/pdfs/ukxi_20120637_en.pdf

Section 5 relates to an application for designation of a neighbourhood area.

Officer Contact Details:

Name: Helen Wills
Title: Senior Planning Policy Officer
Contact Number: 01562 732521



Appendix 2: Consultation responses received

Type	Support	Object	Comments
Respondent (3 emails)	X		To enable our village to have more say around what happens within the boundary.
Respondent	X		Cookley & Caunsall should have a voice in the development and growth in the village. I believe that the Neighbourhood Plan would give us that voice and some control on how and where the area is developed. The Neighbourhood Plan is integral to that quality of life within the community.
Respondent	X		Support – Looking forward to being involved to provide our community with the infrastructure, services and resources that it needs whilst protecting the environment and surrounding green belt.
Respondent (plus second email joint with another resident)	X		In favour of a Neighbourhood Plan.
Respondent (plus second email joint with another resident)	X		In favour of a Neighbourhood Plan.
Respondent	X		The local community has a say in what housing developments take place within and surrounding our village.
Respondent (on behalf of 6 residents)	X		Neighbourhood plan is required.
Respondent	X		Support, please listen to local view.
Respondent	X		Vital Neighbourhood Plan can proceed.
Respondent (2 emails)	X		Support.
Respondent (on behalf of 2 residents)	X		Support a Neighbourhood. Would take part in its development by sharing ideas with our local Neighbourhood planning team. Wish to secure our village from unnecessary development and feel that this plan will go some way toward achieving this.
Respondent	X		<p>Support a neighbourhood plan for Cookley and Caunsall on the following grounds:</p> <ul style="list-style-type: none"> • Cookley and Caunsall are two distinct and separate villages with surrounding countryside; • Cookley and Caunsall are developing a community land trust; • It is in line with current strategic planning policy that identifies Cookley as a named larger "village" in the settlement hierarchy

Agenda Item No. 8 Appendix 2

			<p>(Policy DS01).</p> <ul style="list-style-type: none"> The people of Caunsall as a hamlet has traditionally worked with the people of Cookley on community projects and has most of its infrastructure needs met by Cookley.
Respondent (on behalf of 2 residents)	X		In favour of a Neighbourhood Plan.
Respondent	X		Support a Neighbourhood Area for Cookley and Caunsall. I believe Wolverley do not want to be involved in this process so this proposal would give us the opportunity to create a Neighbourhood Plan for the village, for what is most needed in the village moving forward and help preserve our much loved village's needs and identity for future generations.
Respondent	X		Please consider Cookley & Caunsall as regards a Neighbourhood Plan
Respondent	X		Support the Neighbourhood area application. There are many active and passionate people in the area who work hard to improve it. By approving this plan everyone would be given the opportunity to do even more going forward.
Respondent	X		Support Wolverley and Cookley Parish Council's application to designate part of the parish that includes Cookley and Caunsall as a Neighbourhood Area. Cookley and Caunsall are appropriate for designation as a neighbourhood area since they are two distinct and separate villages and surrounding countryside and the application is in line with current strategic planning policy that identifies Cookley as a named larger "village" in the settlement hierarchy.
Respondent	X		I believe in planned development not planning anarchy. Proper planning is essential for people's quality of life.
Respondent	X		I feel strongly as a resident of Cookley that we need a neighbourhood plan to give residents a voice regarding any future proposed developments that will impact them and the environment around them. Concern that the proposed development of Lea Castle, a quarry, and housing at Hurcott are being considered without thought for infrastructure, on busy roads, agricultural land may be lost when housing could be built on existing brownfield sites. Cookley is massively under threat.

Total: 19 responses.



Overview & Scrutiny Committee

Briefing Paper

Report of: Kathryn Underhill, Community Safety & Partnerships Officer

Date: Thursday, 6 September 2018
Open

Asset transfer of Spennells Changing Rooms and adjacent parcel of public open space

1. Summary

To invite Members to discuss the options to bring the redundant Spennells Changing Rooms back into community use.

2. Background

- 2.1 The Changing Rooms located at Heronswood Road Play Area have been closed for over 10 years.
- 2.2 Aggborough and Spennells Ward Members have long held aspirations for the changing rooms to be redeveloped for community use.
- 2.3 In February 2016, DCLG informed the Council that a Public Request to Order Disposal Process (PROD) was initiated. DCLG advised that the Secretary of State was satisfied the land is currently unused and that a direction to dispose is not merited in view of the Council's support of the plan to bring the building into use. The Council will continue to keep DCLG informed of progress.
- 2.4 Following the PROD, the Council was approached by 9th Kidderminster (Spennells) Scout Group (KD9 Scouts) who expressed interest in taking over the Changing Rooms in order to build a new headquarters on the site. There are no community facilities on Spennells Estate and KD9 Scouts currently meet at Rhydd Covert.
- 2.5 Councillor Marcus Hart has been chairing quarterly meetings since June 2017 with representatives from KD9 Scouts, Aggborough and Spennells Ward Members, the Council's Corporate Director for Community Wellbeing and Environment and the Community Safety and Partnerships Officer.
- 2.6 In August 2017, KD9 Scouts formally declared that they wished to take over the changing rooms. However, this is on the principle that the current building is not viable for refurbishment and would need to be demolished. KD9 Scouts also identified that they would require an additional parcel of land for the new building and some outside fenced off space.

- 2.7 KD9 Scouts have employed the services of an architect and draft plans have been drawn up which have been circulated at the meeting referenced above.
- 2.8 A timeline has been developed with key milestones identified. Heads of Terms are in development and a communications plan is being drafted. It is proposed that subject to successful progress being made KD9 Scouts submit a planning application to Wyre Forest District Council in December 2018. KD9 Scouts will require rights of way, utilising the existing pedestrian access via the bridge accessed from the local nature reserve car park and will require use of the Council's existing vehicular access off Heronswood Road.

3. Key Issues

- 3.1 It is important that the proposal to transfer the changing rooms to KD9 Scouts is clearly and accurately communicated to the local community. A partnership statement has been written:

'Wyre Forest District Council and local ward Members are working together with 9th Kidderminster (Spennells) Scout Group to bring the redundant Spennells Changing Rooms back into use for scouting and community purposes. The aspiration is that, subject to full funding from external grants, KD9 Scouts could realise this within two years.'

- 3.2 For insurance purposes, the changing rooms are currently valued at £310,800. This is based on the cost of a full rebuild, as no decision has yet to be taken to insure for demolition and debris removal only.
- 3.3 Based on figures from 2017/18 the NNDR is £2,749.40 and insurance £240.00. KD9 Scouts will be responsible for meeting these costs following completion of the lease.
- 3.4 There will be a cost to the Council associated with the placing of public adverts notifying de-designation/designation of the new area. KD9 Scouts will be responsible for the cost of advertising the Council's intention to dispose of the open space land.
- 3.5 KD9 Scouts will be responsible for the cost of the new build. Responsibility for the cost of the demolition is still to be agreed. This will need to be subject to a further report if financial support is requested in respect of demolition costs. The level of the rent reflects the cost that KD9 Scouts will need to raise for the new building.
- 3.6 In the event that KD9 Scouts is unable to obtain the full funding for the building works, within two years following completion of the lease, they will be permitted to break the lease.
- 3.7 The transfer is consistent with the localism agenda as the proposed new Scout Hut will be made available for wider community use. In addition to use by KD9 Scouts, the building will be available for hire by community groups and organisations, for example youth groups. The income generated will be

used to support the running costs of the building. The intention is that similar principles will apply as to those associated with the lease of the Sons of Rest Pavilion at Brinton Park to KD21 Scouts.

4. Options

- 4.1 To transfer the changing rooms and adjacent parcel of open space to KD9 Scouts.
- 4.2 To transfer the changing rooms to a different organisation by way of advert or tender.

5. Consultation

- 5.1 Cabinet Member for Strategy
- 5.2 Corporate Leadership Team
- 5.3 Financial Services Manager
- 5.4 Principal Solicitor

6. Related Decisions

- 6.1 None.

7. Relevant Council Policies/Strategies

- 7.1 The proposed transfer supports the Council's policy on asset transfers and localism.
- 7.2 Under section 123 Local Government Act 1972, the approval of the Secretary of State is required for a disposal of land at an undervalue rate unless the disposal falls within the General Disposal Consent (England) 2003 ("the Consent"). In order to fall within the Consent, the disposal must assist in the promotion of the economic, social or environmental well-being of the area and the difference between the unrestricted value and the consideration accepted must be £2 million or less.
- 7.3 Under Section 123 (2A) and 127 (3) Local Government Act 1972 and section 233 (4) Town and Country Planning Act 1990, there is a restriction on the disposal of land held as open space. If considering disposal or transfer of this type of land, the Council must advertise its intention to dispose or transfer the land in a local newspaper for two consecutive weeks and must consider any objections received prior to making a final determination in respect of disposal.

8. Implications

- 8.1 Resources: Future costs of the facilities will be the responsibility of KD9 scout group. The disposal falls within the General Disposal Consent (England) 2003. The Council's Localism funding budget is available to support

community groups and/ or third parties who wish to take over services or assets.

- 8.2 Equalities: No direct implications from this report.
- 8.3 Partnership working: Wyre Forest District Council is working in partnership with KD9 Scouts regarding the asset transfer.
- 8.4 Human rights: No direct implications from this report.
- 8.5 E Government: No direct implications from this report.
- 8.6 Transformation: No direct implications from this report.

9. Equality Impact Needs Assessment

- 9.1 None required as there is no current use of the building.

10. Wards affected

- 10.1 Aggborough and Spennells.

11. Appendices

None

12. Background Papers

Correspondence with DCLG Public Request to Order Disposal Process (PROD)

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WYRE FOREST DISTRICT COUNCIL
FEEDBACK FROM CABINET MEETING HELD ON
TUESDAY 17TH JULY 2018

**Agenda
Item No.**

Decision

7.1

Report on Council Tax Reduction Scheme Review

Decision: In line with the recommendations from the Overview and Scrutiny Committee, 5th July 2018.

- 2.2** To undertake a formal consultation with the Major Preceptors and the public on the proposed design of a revised scheme to take place for 10 weeks from 23rd July.

The results of the consultation will be presented to Overview and Scrutiny and Cabinet in November when it will consider any recommendations that will go to full Council in December.

8.1

Report on The Environmental Offences (Fixed Penalties) (England) Regulations 2017

Decision: In line with the recommendations from the Overview and Scrutiny Committee, 5th July 2018.

- 2.1** To establish a revised set of maximum penalty charges that will apply to relevant environmental offences within the District and being set within government parameters, as set out in the “proposed new penalty” column in the Appendix.
- 2.2** To establish a revised set of discounted penalty charges that will apply (pending early payment) to relevant environmental offences within the District and being set within government parameters, as set out in the “proposed new discounted penalty” column in the Appendix.

9.1

Report on the national “Make a Stand” domestic abuse pledge

Decision: In line with the recommendations from the Overview and Scrutiny Committee, 5th July 2018.

- 2.1** To sign up to the “Make a Stand” Domestic Abuse Pledge.

- 2.2 For the Cabinet Member for Housing, Health and Wellbeing to be the champion for the Domestic Abuse pledge.**

9.2 Affordable Housing Review Panel – Conclusions and Recommendations

Decision: The decisions from the Affordable Housing Review Panel be noted.

- 1. To continue to value the close working relationship with The Community Housing Group and Oakleaf Commercial Services as there are shared aims and visions and the opportunity to explore future joint ventures.**
- 2. To accept the offer of help from the Government appointed Help to Buy Agent Orbit to support future activities and events to raise awareness about shared ownership as a product and its availability in the district.**
- 3. That Cabinet gives serious consideration to the Council's role as a landowner and the use of Council owned sites for the delivery of Social Rent and Affordable Housing.**
- 4. That the affordable housing planning policy makes provision to cover sites that deliver in excess of the Local Plan threshold for affordable housing (currently 30%).**
- 5. As part of the Local Plan Review, officers in conjunction with the Viability Consultant continue to explore the potential of applying different affordable housing thresholds to different types of sites.**
- 6. Officers investigate the possibility of ensuring the full details of how the shared ownership scheme operates is made clear to people from the outset.**

10.1 Report on Lion Fields Future Phases Development

Decision: In line with the recommendations from the Overview and Scrutiny Committee, 5th July 2018.

- 2.1 To agree to the proposed approach to developing proposals for Parcel 4 of Lion Fields as set out at paragraph 4.23 with further technical work to be commissioned by the Corporate Director: Economic Prosperity & Place;**
- 2.2 That a further report outlining a delivery strategy for Parcel 4 will be brought back to Cabinet by November 2018.**

10.2 Report on South Kidderminster Enterprise Park: Revised Local Development Order, August 2018

Decision: In line with the recommendations from the Overview and Scrutiny Committee, 5th July 2018.

- 2.1 The revised Local Development Order for South Kidderminster Enterprise Park, as attached at Appendix One, is adopted for a period of three years from 13th August 2018.**

10.4 Report on Acquisition of Land in Market Street, Kidderminster

Decision: In line with the recommendations from the Overview and Scrutiny Committee, 5th July 2018.

- A That if a planning application for the redevelopment of the former British Heart Foundation land is not made within six months of the date of this report or if such an application is made, it is refused (and no appeal lodged) ; or**
- B if such a planning application is made and approved (either by the Council or on appeal) but development is not commenced on site within 12 months of the grant of the planning permission that:**
- 2.1 the Council makes a Compulsory Purchase Order (“CPO”) under section 226(i) (a) of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of the land and new rights within the areas shown edged on the attached Plan at Market Street, Kidderminster for the purpose of securing the redevelopment of the land**
- 2.2 the Corporate Director: Economic Prosperity and Place in consultation with the Solicitor to the Council be authorised to:**
- 2.2.1. Take all necessary steps to secure the making, confirmation and implementation of the Compulsory Purchase Order, including the publication and service of all notices and the presentation of the Council’s case at any Public Inquiry.**
- 2.2.2. Acquire interests in land and new rights within the Compulsory Purchase Order either by agreement or compulsorily.**

- 2.2.3. Approve agreements with land owners setting out the terms for the withdrawal of objections to the Order, including, where appropriate, seeking exclusion of land from the Order and/or making arrangements for relocation of occupiers.**
- 2.3 the Corporate Director: Economic Prosperity and Place in consultation with the Cabinet Member for Planning & Economic Regeneration be given delegated authority to determine the most appropriate method by which the site should be developed.**

13.2

Report on Industrial Unit Investment Business Case

Decision: The Cabinet decided;

- 2.1 To delegate authority to the Corporate Director: Economic Prosperity & Place in consultation with the Corporate Director: Resources and Cabinet Member for Planning & Economic Regeneration to negotiate to agree to the purchase of the property mentioned in the exempt report, converted for use as an Innovation Centre, on the terms set out in the report;**
- 2.2 Subject to 2.1 being agreed and the purchase concluded, to terminate the lease on another building named in the report at the date allowed for a break in the lease;**
- 2.3 That delegated authority is granted to the Director of Economic Prosperity & Place, in consultation with the Chief Financial Officer, Solicitor to the Council and Cabinet Member for Planning and Economic Regeneration to:**
 - (i) Ensure that all appropriate legal agreements are put in place in advance of the Council purchasing the property once the property is in a condition acceptable to the Council and to complete all necessary documentation to acquire the property.**
 - (ii) To appoint a contractor to carry out all work required as part of any agreed dilapidations arising as a consequence of terminating the lease of the other building or to agree a financial settlement with the Landlord in respect of such works if this is more financially advantageous for the Council.**

- 2.4 That delegated authority is granted to the Director of Economic Prosperity & Place, in consultation with the Solicitor to the Council and Cabinet Member for Planning and Economic Regeneration to enter into any necessary agreement with the party named in the report regarding the operation of the Innovation Centre.**

2018-2019 Work Programme

June 2018

“How are we doing?” Q4 update (Housing and Planning)
Wyre Forest District Local Plan Review: Revised Local Development Scheme (Project Plan 2018-2020)
Recommendations from the PACT Review Panel
Tracking Recommendations 2017/2018

July 2018

The Environmental Offences (Fixed Penalties) (England) Regulations 2017
Affordable Housing Review Panel – Conclusions and Recommendations
Domestic Abuse Pledge “Make a Stand”
Lion Fields Future Phases Development
South Kidderminster Enterprise Park: Revised Local Development Order, August 2018
Council Tax Reduction Scheme Review 2019/20
Acquisition of Land in Market Street, Kidderminster (Appendix 2 EXEMPT)
Nominations for the Treasury Management Review Panel
EXEMPT Industrial Unit Investment Business Case

September 2018

“How are we doing?” Performance update
Homelessness Strategy Refresh
Annual Report on Treasury Management Service and Actual Prudential Indicators 2017-18
Cookley and Caunsall Neighbourhood Plan Area Designation
Asset Transfer of Spennells Changing Rooms and Adjacent Parcel of Public Open Space
Depot 2020 Masterplan – Improve and Invest

October 2018

Climate Change Action Plan Update
Health and Wellbeing Action Plan Update

November 2018

“How are we doing?” Performance update
Treasury Management Mid Year Report
Council Tax Reduction Scheme Review 2019/20

December 2018

Future catering arrangements at Wyre Forest House

February 2019

“How are we doing?” Performance update
Treasury Management Report for 2019/20

Review Panels

June – July 2018: Review of service standards for highways maintenance inc grass cutting / weed control

September – November 2018: Review of civil enforcement issues - PSPO

October – December 2018: Review of civil enforcement issues - Parking