

Swindon Borough Council

Cabinet

Wednesday, 11 July 2018

Committee Room 6, Civic Offices

At 6.00 p.m. or at the Conclusion of the Cabinet Open Forum

Conservative Councillors

David Renard (Chair)

Oliver Donachie

Fionuala Foley

Brian Ford

Russell Holland

Mary Martin

Cathy Martyn

Garry Perkins

Gary Sumner

Keith Williams

Committee Officer: Steve Jones (Telephone 01793 463602)

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Swindon Borough Council can be contacted at the Civic Offices, Euclid Street, Swindon, SN1 2JH (Telephone 01793 445500)

Access Arrangements - The venue is wheelchair accessible and an infrared receiver hearing system is provided. If you have any special requirements to enable you to attend the meeting or would like to receive any of the pages contained in this agenda in a larger print size, please contact the Committee Officer as soon as possible prior to the date of the meeting.

AGENDA

NOTE:

A Cabinet Open Forum is held at 6:00 p.m. prior to the start of each scheduled Cabinet Meeting. The Open Forum is similar to the 'public question time' that happens at most Council meetings but without the need for questions. It provides the chance to meet with Cabinet Members as well as Corporate Directors and Directors to discuss matters relevant to the Cabinet and its responsibilities. It provides an opportunity to raise issues and give views. The Forum will normally close at 6.30 pm and the Cabinet will then reconvene for the start of the formal Cabinet meeting. If the Open Forum completes its business earlier than anticipated then the Cabinet Meeting will commence at 6:15pm or at the Forum's conclusion.

1. Apologies for Absence.

2. Declarations of Interest.

Members are reminded that at the start of the meeting they should declare any known interests in any matter to be considered, and also during the meeting if it becomes apparent that they have an interest in the matters being discussed.

3. Minutes. (Pages 5 - 12)

To receive the minutes of the meeting held on 13th June 2018

4. Public Question Time.

See explanatory note below. Please phone the Committee Officer whose name and number appears at the top of this agenda if you need further guidance.

5. Exempt Items - Exclusion of Press and Public.

Certain items are expected to include the consideration of exempt information and the Cabinet is, therefore, recommended to resolve "That, in accordance with Section 100A(4) of the Local Government Act 1972, the public be excluded during the discussion of the matters referred to in the items listed below, on the grounds that they involve the likely disclosure of exempt information, as defined in the respective paragraph of Part 1 of Schedule 12A of the Act".

Item No.	Paragraph No.
12	3

6. Budget Management 2018/19 (CE) (CM:RH) (Pages 13 - 22)

7. Housing Revenue Account Medium Term Financial Plan CDCH (CM:CM) (Pages 23 - 44)

8. Debt Management DF, HRB (CM:RH) (Pages 45 - 60)

9. Temporary Winter Housing Provision CDCH (CM:CM) (Pages 61 - 66)

10. Council Communications Strategy and 2018-20 Campaign Plan DPOI&C, HCI (CM:DR/KW) (Pages 67 - 72)

11. Membership of England's Economic Heartland Strategic Transport Forum (CE) (CM:DR) (Pages 73 - 78)

12. Kimmerfields Update (CE) (CM:GP) (Pages 79 - 86)

Date of Despatch: 03 July 2018

Key:

Officers:

CE	-	Interim Chief Executive
CDCH	-	Corporate Director Communities and Housing
CDCS	-	Corporate Director Children's Services
CDASSH	-	Corporate Director Adult Social Services and Health
DLDS	-	Director of Law and Democratic Services (Monitoring Officer)
DF	-	Director of Finance (Section 151 Officer)
HRB	-	Head of Revenues and Benefits
DPOI&C	-	Director of Performance, Organisational Improvement and Communications
HC	-	Head of Communications

Wards

None

Cabinet Members Responsible for the Service Area concerned:

DR	-	David Renard	Leader of the Council and Chair of Cabinet
RH	-	Russell Holland	Deputy Leader of the Council, Vice-Chair of Cabinet, and Cabinet Member for Finance
OD		Oliver Donachie	Cabinet Member for Economy Prosperity
FF	-	Fionuala Foley	Cabinet Member for Highways and the Environment
BF	-	Brian Ford	Cabinet Member for Adults
MM	-	Mary Martin	Cabinet Member for Children and School Attainment
CM		Cathy Martyn	Cabinet Member for Housing and Public Safety
GP	-	Garry Perkins	Cabinet Member for the Town Centre
GS		Gary Sumner	Cabinet Member for Strategic Planning
KW		Keith Williams	Cabinet Member for Corporate and Customer Services

Diversity Impact Assessments

Diversity Impact Assessments (DIA's) are important to ensure the services we deliver are helping us to meet our vision to make Swindon an equal society ; we are also required by the Equality Act 2010 to demonstrate the equality analysis we have undertaken to support decision making, DIAs are our method of doing this.

Diversity Impact Assessments produced in respect of items to be considered at this meeting can be inspected via the following link:

http://www.swindon.gov.uk/info/20029/people_and_communities/309/diversity_impact_assessments

Public Question Time - Swindon Borough Council remains committed to increasing its accountability to the public and to promoting active citizenship. 15 minutes will be allowed at the start of all Council meetings for questions to the Chair from the public about the work of the Committee (except for confidential matters, and matters relating to planning and licensing applications). We will give priority to those who submit questions in writing at least two days before the meeting. Questions must be relevant, clear, and concise. You may not use Public Question Time as an opportunity to make speeches or statements.

Questions in writing should be sent to the Committee Officer whose contact details appear on the agenda above or to the Director of Law and Democratic Services, we will publish it, along with the answer, alongside the Minutes. The process associated with asking a public question is set out in Part 5 of the Council's Constitution ("Public Question Time at Council Meetings - Protocol and Guidance"), available on the Council's Website (see link below) or from the Committee Clerk named above.

<http://www5.swindon.gov.uk/moderngov/ecSDDisplay.aspx?NAME=SD6032&ID=6032&RPID=5783709>

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CABINET

WEDNESDAY, 13 JUNE 2018

PRESENT:- Councillors David Renard (Chair), Oliver Donachie, Fionuala Foley, Brian Ford, Russell Holland, Mary Martin, Cathy Martyn, Garry Perkins, Gary Sumner and Keith Williams

Councillor Jim Grant attended the meeting in respect of Minutes 4, 8 and 9.
Councillor Jane Milner-Barry attended the meeting in respect of Minutes 5 and 9.
Councillor Matthew Courtliff attended the meeting in respect of Minute 8.
Councillor Bob Wright attended the meeting in respect of Minutes 8, 9, 10 and 12.

1. Declarations of Interest.

The Chair reminded members of the need to declare known interests in any matters to be considered at the meeting.

2. Minutes.

Resolved – That the minutes of the meeting held on 14th March 2018, be confirmed and signed as a correct record.

3. Public Question Time.

There were no public questions.

4. Councillor Gary Sumner

Councillor David Renard, the Leader of the Council, welcomed Councillor Sumner to this, his first Cabinet meeting in his capacity as Cabinet Member for Strategic Planning, and wished him every success.

5. Budget Management 2017/18

Councillor Russell Holland, Deputy Leader of the Council and Cabinet Member for Finance, and the Interim Chief Executive, submitted a joint report presenting the 2017/18 revenue out-turn based on actual expenditure incurred during the financial year ending 31st March 2018.

Councillor Holland referred to the budget underspend achieved in year and thanked officers across the Council for their hard work in respect of that achievement. He also emphasised the importance of continuing that hard work to secure the savings necessary to achieve Swindon Programme objectives.

In response to a question put by Councillor Jim Grant regarding opportunity for the Council to use reduced Housing Revenue Account debt to initiate Council house building, Councillor Cathy Martyn, Cabinet Member for Housing and Public Safety, advised that part of the available “headroom” on the HRA account would be used to support the Queens Drive regeneration project. Councillor David Renard, the

Leader of the Council, assured Councillor Grant that Cabinet would consider any proposals put forward by the other groups on the Council to increase the level of affordable housing in the Borough.

In response to an additional question by Councillor Grant, Councillor Martyn agreed to provide a written response regarding the level of the identified HRA “headroom” that would be used to fund Council house building. Councillor Holland pointed out that the amount (the “headroom”) referred to in the report related to a reduction in debt level and that any funding for increased house building could only be financed through additional borrowing.

Resolved – (1) That the 2017/18 revenue out-turn for each service area, set out in Table 1 and Appendix 1 to the report, be noted.

(2) That the transferred underspend of £97k to the cashflowing reserve be also noted and that the Interim Executive be asked to thank all staff for helping achieve this position.

(3) That the flexible use of capital receipts in 2017/18, as set out in Appendix 2 to the report, be noted.

(4) That it be agreed that the Transformation Fund, set out in paragraph 3.17 of the report, continues to be available to support the delivery of savings identified as part of the Swindon Programme.

(5) That a written response be provided to Councillor Grant regarding the level of the identified HRA “headroom” that might be used to fund Council house building.

The reasons for the decision and alternative options are as set out in the report to the meeting.

6. Capital Monitoring Outturn 2017/18

Councillor Russell Holland, Deputy Leader of the Council and Cabinet Member for Finance, and the Interim Chief Executive, submitted a joint report presenting the final 2017/18 position for the capital programme and some proposed changes to the Council’s capital programme.

Councillor Keith Williams, Cabinet Member for Corporate and Customer Services, responded to a question put by Councillor Jane-Milner Barry regarding the funding to be made available to address the backlog of repair works at Lydiard House and Conference Centre.

Resolved – (1) That the latest 2017/18 Capital Programme position as at financial year end, as detailed in paragraphs 3.1 to 3.4 of the report, be noted.

(2) That the changes to the programme set out in section 3.5 of the report be approved.

The reasons for the decision and alternative options are as set out in the report to the meeting.

7. Treasury Management Performance 2017/18

Councillor Russell Holland, Deputy Leader of the Council and Cabinet Member for Finance, and the Interim Chief Executive, submitted a joint report setting out the Treasury Management performance for 2017/18.

Resolved – That the 2017/18 Treasury Management performance, as detailed at paragraphs 3.1 to 3.17 of the report, and Prudential Indicators, shown at Appendix 1 to the report, be noted.

The reasons for the decision and alternative options are as set out in the report to the meeting.

8. Motion to Amend Central Residents' Season Ticket

Councillor Oliver Donachie, the Cabinet Member for Economic Prosperity, and the Corporate Director for Communities and Housing and the Head of Highways and Transport, submitted a joint report setting out the response to a motion at Council regarding issues around the Residents' Parking Season Ticket charge and seeking Cabinet's agreement to make no further amendments to the season ticket scheme at this time. It was noted that, if the report's recommendations were agreed, there would be no discounted season ticket option for residents to use the short stay town centre and Old Town Council Car Parks.

Resolved – (1) That the Head of Highways and Transport be authorised to undertake a review of the current arrangements after 12 months of their operation. (2) That the Cabinet Member for Economic Prosperity be authorised to report this outcome to the next appropriate meeting of Council.

Councillor Brian Ford made a personal, non-prejudicial declaration of interest in respect of Cabinet's consideration of this matter on the grounds that a family member utilised the residents' car parking season ticket provision for this area.

The reasons for the decision and alternative options are as set out in the report to the meeting.

9. Traffic Management Act 2004 - Enforcement Powers

Councillor Fionuala Foley, the Cabinet Member for Highways and the Environment, and the Head of Highways and Transport, submitted joint report regarding a motion at Council about the obstruction of pavements by vehicles and the outcome of investigations by officers of the options for tackling the issue of parking on pavements throughout the Borough.

It was noted that officers and Ward Members regularly receive complaints about vehicles obstructing pedestrian dropped kerbs and vehicle crossings and that the Council has the option to take on additional powers under the Traffic Management Act (2004) to deal with this issue.

In response to a question put by Councillor Matthew Courtliff regarding the proposals enforcing only prohibitions of double parking and parking at dropped footways, and not in respect of more general parking obstruction, Councillor Foley advised that such obstruction was a matter for Police enforcement and that it would be inappropriate to require enforcement in such cases to be the responsibility of the Council's parking enforcement officers. She added that residents' views on the more general obstruction issues raised by Councillor Courtliff would be obtained through the proposed consultation and that, as part of the consultation review, appropriate

consideration would be given to options open to the Council.

The Council's Head of Highways and Transport commented on the use of existing legislative powers available to the Council to take action over the inconsiderate parking obstruction of pedestrian dropped kerbs and vehicle crossings and assured the meeting that options to use new legislative provisions to combat more general parking obstruction were kept under review.

Councillor Foley, with Councillor Oliver Donachie, the Cabinet Member for Economy Prosperity, responded to additional questions put by Councillors Jim Grant and Bob Wright regarding:

- The staff resource available to support parking obstruction enforcement
- The responsibilities of the Police in respect of highway obstruction enforcement
- The implications of such enhanced enforcement in areas where residents' car parking is already recognised to be deficient
- The inclusion of problems of parking on grass verges as part of the consultation review.

Resolved – (1) That the Motion at Council on 28 September 2017, regarding obstructions of pavements by vehicles (Minute 35 2017/18 refers), be noted.
(2) That the Head of Highways and Transport, in consultation with the Cabinet Member for Highways and the Environment, be authorised to (a) arrange consultation with the local community over proposals to enforce prohibitions of double parking and parking at dropped footways, and (b) confirm the start date, duration and closing dates of that consultation.
(3) That the Head of Highways and Transport, in consultation with the Cabinet Member for Highways and the Environment, be authorised to consider the consultation responses received and, if appropriate, to introduce enforcement powers permitted under sections 85 (prohibition of double parking) and 86 (prohibition of parking on dropped footway) of the Traffic Management Act 2004, in accordance with the delegated authority contained within the Scheme of Delegations 2018/19 (paragraph 147), subject to giving prior public notice of this intention and the date from which it will apply.

The reasons for the decision and alternative options are as set out in the report to the meeting.

10. Libraries Strategy - Delivery Model

Councillor Keith Williams, the Cabinet Member for Corporate and Customer Services, and the Corporate Director for Children's Services, submitted a joint report, outlining the main findings from the development of the Business Plan to establish a Public Sector Mutual (PSM) organisation to deliver the Swindon Library Strategy for a comprehensive and efficient Library service and to promote an increase in literacy and learning within communities. The report sought approval for Swindon Library Service (SLS) to move into a period of transition to prepare for becoming a Public Sector Mutual from April 2020.

It was noted that approval of the recommendations of this report would initiate Swindon Library Service and key Council officers carrying out the recommendations in the business plan where appropriate and to work as outlined to prepare the

service to move into a PSM.

Councillor Williams introduced the report and responded to questions put by Councillors Jane Milner-Barry, Bob Wright and Jim Grant regarding:

- The operational mechanism of the PSM to deliver the Swindon Library Strategy.
- The sustainability of the model.
- The possible award route, as outlined in the Business Plan, and the factors to be taken into account in determining the viability of the PSM
- The term of any arrangement.
- The Council's experiences in relation to the outsourcing of services.
- Decision making regarding the future of associated property assets.
- The Council's future funding commitment to a PSM and its aspirations to maintain and improve the library service.

Resolved – That the Head of Library Services, in consultation with the Cabinet Member for Corporate and Customer Services, the Strategic Commissioner, Routes to Employment, the Corporate Director Children Services, the Director of Finance and the Director of Law and Democratic Services, be authorised:

- a) To implement the transition arrangements outlined in the body of the report to prepare the Swindon Library Service for becoming a PSM by April 2020. This includes the development of a SLS Transition Board to advise the Head of Library Services on the implementation arrangements.
- b) To develop the implementation plan to set out the detailed arrangements for the creation of a PSM, including award route for the delivery of the core library services and the treatment of assets, back office costs, charges for services to non-core community-led Library services and staff transfer and pension arrangements.
- c) To allocate up to £100k of one-off resources be earmarked on the Council's Balance Sheet to fund the costs of any necessary financial, legal or technical advice required to support the implementation of the recommendations and the completion of the relevant contractual documentation as set out in paragraph 3.14.9.

The reasons for the decision and alternative options are as set out in the report to the meeting.

11. Referral from the Scrutiny Committee - Superfast Broadband Extension Programme

Councillor Oliver Donachie, the Cabinet Member for Economic Prosperity, and the Director of Digital Services & Corporate Programmes, submitted a joint report responding to Minute 61 (2017/18) of the Scrutiny Committee on 12th February 2018, referring back to Cabinet for further consideration its decision, responding to Council Minute 81 (2017/18), regarding the work being undertaken to provide superfast broadband to rural parts of the Borough and to update Cabinet on securing ultrafast broadband to support the local economy.

In response to questions put by Councillor Bob Wright, Councillor Donachie, with the Council's Director of Digital Services & Corporate Programmes, advised that, in terms of both customer uptake and its effectiveness as a catalyst for inward investment in fibre deployment across the borough, particularly in the rural areas,

the scheme represented excellent value for money for Swindon residents.

Resolved – (1) That, having due regard to the comments made by Scrutiny Committee at its meeting on 12th February 2018, Cabinet's decision at its meeting on 7th February 2018, as set out in paragraph 3.3 of the report, be re-affirmed.
(2) That it be noted that, in respect of the project target of 95% coverage of Swindon Borough the scheme has advanced superfast broadband coverage to over 99% and take up by households is in excess of 1100 properties.

The reasons for the decision and alternative options are as set out in the report to the meeting.

12. Councillors' Allowances 2019/20 - Recommendations of the Independent Remuneration Panel - Minute For Confirmation

Councillor David Renard, the Leader of the Council, and the Director of Law and Democratic Services, submitted a joint report inviting Cabinet to consider recommendations arising from meetings of the Independent Remuneration Panel on the level of Councillors' Allowances in Swindon for 2019/2020.

It was noted that the Council is required by the Local Authorities (Members Allowances) (England) Regulations 2003 to consider the recommendations of its Independent Remuneration Panel when making decisions relating to its Scheme of Councillors' Allowances. Decisions on the Scheme of Councillors' Allowances require the approval of full Council, which body is not required to adopt all or any of the Panel's recommendations.

Resolved – (1) That the recommendations of the Independent Remuneration Panel on Councillors' Allowances for 2019/2020, as set out in paragraph 3.20 of the report, be accepted and referred to the Council for approval.
(2) That the Director of Law and Democratic Services be authorised to introduce a revised Councillors' Allowances Scheme for 2019/2020 based on the recommendations of the Independent Remuneration Panel, as approved and adopted by the Council.

The reasons for the decision and alternative options are as set out in the report to the meeting.

13. References from other Council Bodies - Health and Wellbeing Board

Councillor Brian Ford, the Cabinet Member for Adults, and the Corporate Director Adult Social Services and Health and Director of Public Health, submitted a joint report regarding recommendations of the Health and Wellbeing Board at its meeting on 28th March 2018, that the Council adopt (a) the finalised Swindon Borough Council Adult Social Care Strategy 2018-2022, and (b) the Prevention Concordat for Better Mental Health in Swindon.

Councillor Ford introduced the report and responded to questions put by Councillor Bob Wright regarding the financial and staffing resources available to effectively support the Prevention Concordat for Better Mental Health in Swindon.

Resolved – That the recommendations of the Health and Wellbeing Board at its

meeting on 28th March 2018, that the Council adopt (a) the finalised Swindon Borough Council Adult Social Care Strategy 2018-2022, and (b) the Prevention Concordat for Better Mental Health in Swindon, be agreed.

The reasons for the decision and alternative options are as set out in the report to the meeting.

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Budget Management 2018/19

Cabinet

Date: 11th July 2018

Authors: Cabinet Member for Finance

Interim Chief Executive

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 This report presents the 2018/19 revenue budget forecast out-turn.
- 1.2 The effective management of financial resources through robust financial management processes underpins the Council's ability to achieve its plans and priorities.
- 1.3 Responsible budget management helps ensure that the Council consistently makes the best use of all available resources as well as providing focus for the Council's transformation programmes.

2. Recommendations

Cabinet is recommended to:

- 2.1 Note the 2018/19 revenue budget forecast out-turn for each service area set out in Table 1 and Appendix 1;
- 2.2 Note that Corporate Management Team will develop plans to mitigate the current forecast overspend;
- 2.3 Approve the virements set out in Appendix 2; and
- 2.4 Approve an addition to the capital programme for the replacement of HR and Finance system as set out in section 3 of this report.

3. Detail

2017/18 General Fund Out-turn

- 3.1 It is forecast that unless mitigating actions are undertaken, the Council's overall budget would be overspent by £2.2m for the financial year.
- 3.2 This is due to a pressure of £2.4m in Children Services as a result of increased demand for both independent fostering placements and residential placements. The following actions are in place to manage the emerging cost pressure.
 - 3.2.1 In order to understand fully the challenges currently facing the commissioning of children's placements, an external review of the

Further information on the subject of this report can be obtained from Mick Bowden on Direct Dial No. 07392 109917 or Email mbowden@swindon.gov.uk

Budget Management 2018/19

Cabinet

Date: 11th July 2018

Children's Placements Commissioning function took place in June and the recommendations are being implemented. Where appropriate the outcomes are being aligned into the Swindon Programme.

- 3.2.2 The Fostering service has identified additional capacity within existing foster carers, which has reduced the number of children going out of Borough to more expensive external placements. The Foster Care Fortnight campaign has been successful in attracting interest from over 70 Swindon residents to become foster carers. A targeted programme of training and support will enable people to become foster carers for Swindon in a timely way.
- 3.2.3 There is an increased level of challenge in place around high cost external and residential placements and we will continue to tighten the controls around placements and the current review processes.
- 3.2.4 There is an increased level of challenge and more effective partnership working with the Clinical Commissioning Group (CCG) about children's health needs, including the funding of costs in external and residential placements. This ensures that all appropriate children's health funded contributions are being made which reduces costs to the Council.
- 3.3 The forecast overspend in Children's Services has been partly mitigated by an anticipated underspend of £200k in Adult Services, arising from the recovery of historical client costs.
- 3.4 Corporate Management Team will be working with the senior management teams to identify options to mitigate this pressure and this will be reflected in future reports.
- 3.5 The budget and projected out-turn by Department is set out in Table 1 below, with a more detailed analysis is set out in Appendix 1.

Further information on the subject of this report can be obtained from Mick Bowden on Direct Dial No. 07392 109917 or Email mbowden@swindon.gov.uk

Budget Management 2018/19

Cabinet

Date: 11th July 2018

Table 1 – General Fund Out-turn By Department

Department	Budget 2017/18 £'000	Full-Year Projected Outturn £'000	Projected Variance £'000
Adult Services	82,883	82,682	(201)
Children Services	33,773	36,170	2,397
Communities and Housing	25,302	25,274	(28)
Economy	(2,178)	(2,178)	0
Resources	21,123	21,118	(5)
Corporate	(17,855)	(17,855)	0
Total Before Use of Cashflowing Reserve	143,048	145,211	2,163
Transfer to/(from) Cashflowing Reserve	(2,824)	(2,824)	0
Total General Fund	140,224	142,387	2,163

Housing Revenue Account (HRA)

- 3.6 HRA Budget Managers are currently forecasting a breakeven position for year-end based on current actuals at the end of May 2018.
- 3.7 However, this is likely to change as the effects of current void levels are assessed and will be dependent on progress to reduce the number of void properties throughout the year. The new interim arrangements with local contractors and switching priority voids to the Council's in-house team is already making significant headway.

Dedicated Schools Grant (DSG)

- 3.8 The Dedicated Schools Grant (DSG) is projecting an overspend of £333k.
- 3.9 The main pressures are due to:
- 3.9.1 An increase in demand for Early Years 30 hour placements for 3 and 4 year olds £404k, partially offset by fewer places taken up in Early Years by 2 year olds (£111k).

Further information on the subject of this report can be obtained from Mick Bowden on Direct Dial No. 07392 109917 or Email mbowden@swindon.gov.uk

Budget Management 2018/19

Cabinet

Date: 11th July 2018

- 3.9.2 Education and Management support provided to a school £103k.
- 3.9.3 There has also been an increase in demand for Post 16 specialist placements and therefore an increase in specialist high needs top up funding £277k.
- 3.9.4 The Early Years overall net increase in demand will also result in an increase in DSG Early Years block funding (£340k) as the funding is paid on the number of places taken up.

HR and Finance System Replacement

- 3.10 Through the work of the Organisational Excellence theme within the Swindon Programme it has become clear that the existing HR and Finance systems are limiting the modernisation of key back office processes as part of the Council's ambition to deliver modern, efficient and effective services.
- 3.11 The business case for the replacement of these systems including the resource to ensure an effective implementation of this very complex project requires an investment of £3.5m.
- 3.12 This project would form part of the Council's capital programme resulting in financing costs of £404k, based on the debt being repaid over a ten year period. However these costs will be mitigated by savings delivered as a result of the efficiencies enabled by these systems.
- 3.13 It should be noted that the business case has been based on information gathered through soft market testing and information shared by other authorities therefore the final position won't be known until the procurement process has been completed.

4. Alternative Options

- 4.1 Cabinet could choose not to approve the virements as set out in Appendix 2.
- 4.2 Cabinet could choose not to approve the replacement of the Finance and HR system and request that officers continue with existing systems. However this would limit the ability of officers to drive modern, efficient and effective processes across HR and Finance processes undertaken across the organisation.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 The 2018-19 budget assumes the use of £2.8m from reserves. If mitigating actions are not identified any overspend would be a further call on the Council's reserves.

Further information on the subject of this report can be obtained from Mick Bowden on Direct Dial No. 07392 109917 or Email mbowden@swindon.gov.uk

Budget Management 2018/19

Cabinet

Date: 11th July 2018

- 5.2 The replacement of the HR and Finance system will result in financing costs of £404k. However it is anticipated that these costs will be mitigated by savings achieved as a result of this project.

Legal and Human Rights Implications

- 5.3 All legal and human rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with Convention rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.4 There are no such direct implications.

Diversity Impact Assessment

- 5.5 A Diversity Impact Assessment (DIA) has not been done as this report is reporting performance in the last financial year and does not make any recommendations to reprioritise the future funding of services.

Risk Management

- 5.6 None other than those highlighted in the body of the report. Individual schemes will have individual Risk Assessments and DIAs.

6. Consultees

- 6.1 The Council's Report Writing standard requires authors to consult appropriate Corporate Directors, Directors or Heads of Service, other officers and relevant partners on the purpose, content, and recommendations of the report before it is presented for decision. In respect of reports to Cabinet, authors are also required to consult the relevant Cabinet Member.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Appendix 1 – Forecast Out-turn by Directorate 2018/19
8.2 Appendix 2 – Proposed Budget Virements

9. Key Decision/Decision in Cabinet Work Programme

- 9.1 This is not a key decision and is included in the Cabinet Work Programme for July 2018.

Further information on the subject of this report can be obtained from Mick Bowden on Direct Dial No. 07392 109917 or Email mbowden@swindon.gov.uk

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Fund	Tier 1 Pillar	Tier 2 Function	Budget 2018/19 £'000	Full-Year Projected Out-turn £'000	Projected Variance £'000	Commentary on Reasons for Variance	
General Fund	Resources	Internal Audit	922	922	0	Saving on staff vacancy.	
		Finance	5,097	5,092	(5)		
		Human Resources and Organisational Development	1,866	1,866	0		
		Corporate	(20,679)	(20,679)	0		
		Digital Services and Corporate Programmes	10,504	10,504	0		
		Law & Democratic Services	1,529	1,529	0		
	Economy	Performance, Organisation Improvement and Communications	1,205	1,205	0	The pressure relates to an increase in demand for both Independent Fostering placements and Residential placements, there is also an impact on the Community team budgets due to availability of suitable placements for children and young people.	
			444	439	(5)		
		Property & Assets	(3,226)	(3,226)	0		
		Growth & Regeneration	1,048	1,048	0		
	Children Services	Routes to Employment & Libraries	(2,178)	(2,178)	0		
		Skills & Attainment	2,149	2,149	0		
		Children, Families and Community Health Services	2,056	2,056	0		
			29,568	31,965	2,397		
	Adult Services	Adults	33,773	36,170	2,397		Dispute over historical costs (provided for in 17-18) has been resolved in the Council's favour resulting in a one off gain in 2018-19.
			70,930	70,729	(201)		
		Public Health	11,953	11,953	0		
	Communities and Housing	Streetsmart and Supported Employment	82,883	82,682	(201)		One-off in year vacancy savings in the waste and recycling service
		Housing Services	16,032	15,948	(84)		
		Highways & Transport	359	359	0		Projected shortfall in planned external income from third parties who carry out work on the highway. Actions to mitigate the budget pressure will be reflected in June monitoring.
			7,102	7,158	56		
		Planning, Regulatory and Heritage Services	1,081	1,081	0		
		Facilities Management	728	728	0		
			25,302	25,274	(28)		
General Fund Total			140,224	142,387	2,163		
Health	Health Adults	Health Adults	0	0	0		
	Health Childrens	Children's Health Delivery Services - CCG Funded Expenditure	1,856	1,847	9		
		Children's Health Delivery Services - CCG Funded Income	(1,856)	(1,847)	(9)		
		Children's Health Commissioning - Expenditure	3,541	3,532	9		
		Children's Health Commissioning - Income	(3,541)	(3,532)	(9)		
Health Total			0	0	0		

Fund	Tier 1 Pillar	Tier 2 Function	Budget 2018/19 £'000	Full-Year Projected Out-turn £'000	Projected Variance £'000	Commentary on Reasons for Variance
Dedicated Schools Grant	DSG Commissioni ng	DSG Skills and Attainment	84,888	84,347	(540)	Early Years 3 & 4 year old places for 30 hr provision increased leading to additional expenditure £404k but also increased DSG offset by fewer 2 year old places taken up (£111k). High Needs top up expenditure increased for Post 16 Specialist provision pupils £277k. £103k expenditure to provide education and management support for a school in financial difficulty.
Dedicated Schools Grant	DSG Commissioni ng	DSG Skills and Attainment	(84,888)	(84,220)	668	Increase in DSG funding received for Early Years 3&4 year olds 30 hours £404k, offset by a (£64k) reduction in DSG funding as fewer 2 year old places have been taken up as above.
Dedicated Schools Grant Total			0	127	127	
Housing Revenue Account	Housing Revenue Account	Supervision & Management	(35,636)	(35,636)	0	
		Special Services	450	450	0	
		Repairs	10,186	10,186	0	
		HRA Capital Financing	25,000	25,000	0	
Housing Revenue Account Total			0	0	0	

	Resources & Corporate £'000	Economy	Children Services £'000	Adult Services £'000	Communities & Housing £'000	Contingency £'000	Total General Fund £'000
Council 22/02/2018	(2,807)	(3,261)	31,827	82,197	28,085	4,183	140,224
<u>Post budget report virements to allocate proposals across Groups:-</u>							
Full year impact of the 2017-18 savings from car mileage rates and headcount reductions.	335	(48)	(15)	(151)	(121)		0
Allocation of corporately held budgets for increases in pay and employers pensions to service areas	(882)	8	139	314	421	0	0
Transfer of Special Educational Needs grant previously held corporately to service area.	121		(121)				0
Transfer of inflation budgets between service areas	(29)	29		5	(5)		0
Transfer of posts, funding for posts and operational budgets between services in line with organisational changes	(217)		93	65	59		0
Transfer of Libraries budgets			1,850		(1,850)		0
Additional Adult Social Care Support Grant	(481)			481			0
Alignment of revised fleet charges to correct budgets	47			(19)	(28)		0
Alignment of the reduction in contingency to the correct budget	2,000					(2,000)	0
Office Accommodation budgets moved between service areas		1,259			(1,259)		0
Adjustments to Better Care and Public Health grants	9			(9)			0
Income for Lysander House consolidated into one budget	165	(165)					0
							0
Cabinet 11/07/2018	(1,739)	(2,178)	33,773	82,883	25,302	2,183	140,224

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Housing Revenue Account Medium Term Financial Plan

Cabinet

Date: 11th July 2018

1.1 Author: Cabinet Member for Housing and Public Safety
Corporate Director for Communities and Housing
Wards: All
Parishes Affected: All

2. Purpose and Reasons

- 2.1 This report sets out the Housing Revenue Account Medium Term Financial Plan “MTFP” over the next 30 years.
- 2.2 The effective management of financial resources through robust financial management processes underpins the Council’s ability to achieve its plans and priorities.

3. Recommendations

Cabinet is recommended to:

- 3.1 Endorse the Medium Term Financial Plan set out at Appendix 1.
- 3.2 Note that the plan will be updated annually to take into account changing policies and updated survey information.

4. Detail

Medium Term Financial Plan

- 4.1 This business plan is produced in order to set out the Council’s overall aims and objectives for the housing service, as a landlord for over 10,300 homes. Following the introduction of “self-financing” in 2012, the Council’s HRA (Housing Revenue Account) took on a significant amount of debt. Managing and repaying this debt from the rent income generated in the HRA is one of the key objectives of the business plan which needs to be financed from within the rent income generated itself.
- 4.2 There is a significant projected under investment in the council housing stock. The key focus for the Council is the medium term horizon and the next five years in particular. Government policy changes have enforced an annual reduction in rents of 1% per annum through to 2019/20 and this will directly affect the amount of funding available for capital investment and assumed in the previous financial plan.
- 4.3 The Council’s projections show a balanced revenue budget over 5 years, with total funding to support the capital programme of £116.2m compared with an investment requirement of £199.3m inflated over the same period. This is based

Further information on the subject of this report can be obtained from Karl Read on 07824 081182, or Email ksread@swindon.gov.uk.

Housing Revenue Account Medium Term Financial Plan

Cabinet

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on assumptions around rent increases being implemented in year 3 onwards, as well as around inflation costs, all of which are detailed in the MTFP itself.

- 4.4 The investment requirements used to formulate the plan are based on both the output of a Stock Condition Survey report from Pennington Choices conducted in 2016 and the latest approved capital programme which includes the Queens Drive redevelopment.
- 4.5 The key messages from the current Medium Term Financial Plan remain the same as that recognised in 2012 following the introduction of Self-financing. There continues to be a shortfall in funding available to undertake the investment required in the next 5 years. As a result of this shortfall, the investment will continue to be prioritised and will be directed largely towards:
- 4.5.1 maintaining homes to the Decent Homes Standard
 - 4.5.2 undertaking structural repairs to the non-traditionally built stock including the multi-storey blocks where viable to do so, and
 - 4.5.3 re-categorisation of the sheltered housing stock where finances allow
- 4.6 Although the Government has introduced a requirement for 1% rent cuts for the 4 year period to 2019/20, and allowing rents to increase by CPI +1% for 5 years beyond that, there is no visibility around rent levels beyond 2024/25. The MTFP has been prepared on the basis of a 3% annual increase from 2020, but this assumption materially affects the outcome of the plan in trying to estimate future resources.

5. Alternative Options

- 5.1 No alternative is proposed. The Medium Term Financial Plan reflects the future financial position of the HRA based on current policies. It is therefore good business practice that an MTFP is produced to aid future decision making through identifying the financial impact of those decisions.

6. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 6.1 The underlying message from the current business plan is that there is insufficient revenue resources to meet the capital needs of the HRA.
- 6.2 The current plan identifies a need for an additional £83.1m of capital over the next 5 years, and this is consistent with previous business plans produced since the initial options appraisal in 2012. The HRA currently has the capacity to borrow a further £58m before it reaches the borrowing limit imposed by Government of £172.6m. However, at least £7.6m of this extra borrowing capacity will be taken up by the debt required to support the Queens Drive

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Housing Revenue Account Medium Term Financial Plan

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development (already approved by Cabinet). In addition, any works required on the refurbishing / replacement of the high-rise blocks (pending the outcomes of the Grenfell enquiry) could reduce the borrowing head room further by as much as £36m, which at this stage has not been factored into the MTFP.

- 6.3 All additional borrowing needs to be considered against the desire to build new property whilst maintaining the existing stock. The current cost of new borrowing over 50 years from the Public Works Loan board is 3.32%, therefore for each £1m borrowed, the HRA debt cost would increase by £43.2k per annum (interest £23.2k plus capital repayment of £20k). However, any additional borrowing required to meet future capital commitments is likely to be at a higher rate and could potentially be as high as 3.5%, with a cost of £55.0k per annum.
- 6.4 This plan supports the current approach of prioritising investment in new build properties in order to meet growing housing needs. This approach will also enable some of the more expensive to maintain stock such as that on Queens Drive to be demolished and replaced with new homes, similar to the recently completed Sussex Place regeneration.
- 6.5 Currently the HRA capital repairs team are entering in to contracts to ensure effective use of the £15.5m of funding available in 2018/19. The entire budget for 2017/18 was spent during the year and capital works continue to be delivered through long term contracts over a number of years with spend aligned to the available budget.

Legal and Human Rights Implications

- 6.6 All legal and human rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with Convention rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 6.7 There are no such direct implications.

Diversity Impact Assessment (DIA)

- 6.8 As the MTFP is based on previous decisions, no Diversity Impact Assessment was required at this time. Any specific budgetary proposals generated as a result of the financial plan will be subject to individual DIAs.

7. Consultees

- 7.1 The Council's Report Writing standard requires authors to consult appropriate Corporate Directors, Directors or Heads of Service, other officers and relevant partners on the purpose, content, and recommendations of the report before it is

Further information on the subject of this report can be obtained from Karl Read on 07824 081182, or Email ksread@swindon.gov.uk.

Housing Revenue Account Medium Term Financial Plan

Cabinet

Date: 11th July 2018

presented for decision. In respect of reports to Cabinet, authors are also required to consult the relevant Cabinet Member.

8. Background Papers

8.1 None.

9. Appendices

9.1 Appendix 1 - HRA Medium Term Financial Plan

9.2 Addendum 1 - 30 Year financial operating account

9.3 Addendum 2 – Capital Investment Requirement

10. Key Decision/Decision in Cabinet Work Programme and Forward Plan

10.1 This is not a Key Decision.

Addendum 1 - MTFP 30 Year Operating Account

Income					Expenditure											
		Net rent	Other income	Misc Income	Total		Deprec-	Respon-	Other	Misc	Total	Net	Repayment	Surplus	Surplus	
Year		Income			Income	Managt.	iation	sive &	Revenue	expenses	expenses	Operating	of loans	to fund	(Deficit)	
		£,000	£,000	£,000	£,000	£,000	£,000	Cyclical	spend	£,000	£,000	(Expendit		Capital	for the	
								£,000	£,000			ure)	£,000	£,000	Year	
															£,000	
1	2018.19	40,423	2,190	6,091	48,703	(12,545)	(9,295)	(11,310)	(69)	(200)	(33,419)	15,285	(8,845)	6,439	(1,443)	
2	2019.20	40,908	2,052	6,210	49,171	(12,796)	(9,525)	(11,472)	(70)	(204)	(34,066)	15,105	(8,679)	6,426	(10,688)	
3	2020.21	41,141	2,062	6,397	49,600	(13,180)	(9,752)	(11,750)	(72)	(210)	(34,964)	14,635	(8,601)	6,035	(13,620)	
4	2021.22	42,580	2,357	6,589	51,526	(13,575)	(9,985)	(12,035)	(74)	(216)	(35,885)	15,640	(8,562)	7,078	(7,100)	
5	2022.23	44,056	2,765	6,786	53,607	(13,982)	(10,376)	(12,326)	(76)	(223)	(36,984)	16,624	(12,888)	3,736	(3,659)	
6	2023.24	45,136	2,209	6,990	54,335	(14,402)	(10,624)	(12,624)	(79)	(230)	(37,958)	16,378	(11,209)	5,168	(4,582)	
7	2024.25	47,127	2,334	7,200	56,661	(14,834)	(10,877)	(12,929)	(81)	(236)	(38,957)	17,704	(7,849)	9,855	(4,581)	
8	2025.26	47,361	2,480	7,416	57,256	(15,279)	(11,136)	(13,240)	(83)	(244)	(39,982)	17,274	(7,683)	9,591	(4,577)	
9	2026.27	48,505	2,633	7,638	58,776	(15,737)	(11,400)	(13,559)	(86)	(251)	(41,033)	17,743	(7,517)	10,226	(4,568)	
10	2027.28	49,672	2,797	7,867	60,336	(16,209)	(11,671)	(13,885)	(89)	(258)	(42,111)	18,225	(7,351)	10,873	(4,555)	
11	2028.29	50,861	2,973	8,103	61,938	(16,696)	(11,947)	(14,218)	(91)	(266)	(43,218)	18,720	(7,185)	11,535	(4,536)	
12	2029.30	52,073	3,162	8,346	63,581	(17,196)	(12,229)	(14,558)	(94)	(274)	(44,352)	19,229	(7,019)	12,210	(4,513)	
13	2030.31	54,334	3,366	8,597	66,297	(17,712)	(12,518)	(14,907)	(97)	(282)	(45,516)	20,781	(6,853)	13,928	(4,484)	
14	2031.32	54,568	3,584	8,855	67,007	(18,244)	(12,813)	(15,263)	(100)	(291)	(46,710)	20,297	(6,687)	13,610	(4,449)	
15	2032.33	55,852	3,813	9,120	68,786	(18,791)	(13,114)	(15,627)	(103)	(300)	(47,934)	20,851	(6,521)	14,330	(4,408)	
16	2033.34	57,161	4,057	9,394	70,612	(19,355)	(13,422)	(15,999)	(106)	(309)	(49,190)	21,422	(6,355)	15,066	(4,360)	
17	2034.35	58,494	4,317	9,676	72,487	(19,935)	(13,737)	(16,379)	(109)	(318)	(50,478)	22,009	(6,189)	15,819	(4,306)	
18	2035.36	61,005	4,597	9,966	75,567	(20,533)	(14,058)	(16,768)	(112)	(327)	(51,799)	23,768	(6,023)	17,745	(4,245)	
19	2036.37	61,239	4,894	10,265	76,398	(21,150)	(14,387)	(17,165)	(115)	(337)	(53,154)	23,243	(5,857)	17,386	(4,176)	
20	2037.38	62,651	5,206	10,573	78,429	(21,784)	(14,722)	(17,571)	(119)	(347)	(54,544)	23,885	(5,691)	18,194	(4,099)	
21	2038.39	64,089	5,537	10,890	80,516	(22,438)	(15,065)	(17,986)	(123)	(358)	(55,969)	24,547	(5,525)	19,022	(4,013)	
22	2039.40	65,555	5,889	11,217	82,660	(23,111)	(15,415)	(18,411)	(126)	(368)	(57,431)	25,230	(5,359)	19,870	(3,919)	
23	2040.41	67,049	6,264	11,553	84,866	(23,804)	(15,772)	(18,844)	(130)	(380)	(58,929)	25,936	(4,209)	21,728	(3,816)	
24	2041.42	69,889	6,681	11,900	88,470	(24,518)	(16,137)	(19,287)	(134)	(391)	(60,467)	28,003	0	28,003	(3,703)	
25	2042.43	70,121	7,134	12,257	89,511	(25,254)	(16,509)	(19,739)	(138)	(403)	(62,043)	27,468	0	27,468	(3,579)	
26	2043.44	71,700	7,606	12,624	91,931	(26,011)	(16,890)	(20,202)	(142)	(415)	(63,659)	28,271	0	28,271	(3,445)	
27	2044.45	73,309	8,104	13,003	94,416	(26,792)	(17,278)	(20,674)	(146)	(427)	(65,317)	29,099	0	29,099	(3,300)	
28	2045.46	74,948	8,628	13,393	96,969	(27,595)	(17,675)	(21,156)	(151)	(440)	(67,017)	29,953	0	29,953	(3,143)	
29	2046.47	76,617	9,181	13,795	99,593	(28,423)	(18,079)	(21,649)	(155)	(453)	(68,760)	30,833	0	30,833	(2,973)	
30	2047.48	79,823	9,768	14,209	103,799	(29,276)	(18,492)	(22,152)	(160)	(467)	(70,547)	33,253	0	33,253	(2,791)	
Totals		1,728,247	138,640	286,916	2,153,804	0	(591,156)	(404,900)	(483,683)	(3,228)	(9,425)	(1,492,392)	661,411	(168,662)	492,749	(137,631)

Approved Capital Programme				Funded by					
		Major	New Build &	Total			Other inc		
Year		Works &	Acquisitions	Capital	Borrowing	Other RTB	Grant	RCCO	MRR
		£,000	£,000	Programme	£,000	£,000	£,000	£,000	£,000
				£,000					
1	2018.19	15,500	10,492	25,992	0	1,218	3,936	1,443	19,395
2	2019.20	15,635	5,937	21,572	0	1,360	0	10,688	9,525
3	2020.21	15,923	15,199	31,122	5,256	1,476	1,018	13,620	9,752
4	2021.22	16,215	4,793	21,008	2,412	1,511	0	7,100	9,985
5	2022.23	16,510	0	16,510	0	1,556	919	3,659	10,376
6	2023.24	16,808	0	16,808	0	1,603	0	4,582	10,624
7	2024.25	17,109	0	17,109	0	1,651	0	4,581	10,877
8	2025.26	17,413	0	17,413	0	1,701	0	4,577	11,136
9	2026.27	17,720	0	17,720	0	1,752	0	4,568	11,400
10	2027.28	18,030	0	18,030	0	1,805	0	4,555	11,671
11	2028.29	18,342	0	18,342	0	1,859	0	4,536	11,947
12	2029.30	18,657	0	18,657	0	1,915	0	4,513	12,229
13	2030.31	18,974	0	18,974	0	1,973	0	4,484	12,518
14	2031.32	19,294	0	19,294	0	2,032	0	4,449	12,813
15	2032.33	19,615	0	19,615	0	2,093	0	4,408	13,114
16	2033.34	19,939	0	19,939	0	2,156	0	4,360	13,422
17	2034.35	20,264	0	20,264	0	2,221	0	4,306	13,737
18	2035.36	20,591	0	20,591	0	2,288	0	4,245	14,058
19	2036.37	20,919	0	20,919	0	2,356	0	4,176	14,387
20	2037.38	21,248	0	21,248	0	2,427	0	4,099	14,722
21	2038.39	21,578	0	21,578	0	2,500	0	4,013	15,065
22	2039.40	21,909	0	21,909	0	2,575	0	3,919	15,415
23	2040.41	22,240	0	22,240	0	2,653	0	3,816	15,772
24	2041.42	22,572	0	22,572	0	2,732	0	3,703	16,137
25	2042.43	22,903	0	22,903	0	2,815	0	3,579	16,509
26	2043.44	23,234	0	23,234	0	2,899	0	3,445	16,890
27	2044.45	23,564	0	23,564	0	2,986	0	3,300	17,278
28	2045.46	23,893	0	23,893	0	3,076	0	3,143	17,675
29	2046.47	24,221	0	24,221	0	3,168	0	2,973	18,079
30	2047.48	24,547	0	24,547	0	3,264	0	2,791	18,492
Totals		595,371	36,421	631,792	7,669	65,619	5,873	137,631	415,000

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Addendum 2 - Capital Investment Requirement

Maintenance Factor	Years 1-5	Years 6-10	Years 11-15
Catch up Repairs	£14,826,006	N/A	N/A
Future Major Works	£48,957,150	£44,508,966	£45,800,794
Related Assets	£1,875,000	£1,875,000	£1,875,000
Contingent Major Repairs	£2,130,000	£2,130,000	£2,130,000
Exceptional Extensive Repairs	£31,697,193	£36,937,500	£0
Improvements	£10,197,000	£3,147,000	£2,697,000
Responsive & Cyclical Repairs (Capital)	£16,400,000	£16,400,000	£16,400,000
Responsive & Cyclical Repairs (Revenue)	£36,758,500	£36,758,500	£36,758,500
TOTAL MAINTENANCE	£162,840,849	£141,756,966	£105,661,294

NEW BUILD PROGRAMME	£36,421,151
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TOTAL CAPITAL INVESTMENT REQUIREMENT	£199,262,000
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Years 16-20	Years 21-25	Years 26-30	Total 30 Year Cost
N/A	N/A	N/A	£14,826,006
£41,242,580	£43,364,616	£48,044,998	£271,919,104
£1,875,000	£1,875,000	£1,875,000	£11,250,000
£2,130,000	£2,130,000	£2,130,000	£12,780,000
£0	£0	£0	£73,905,600
£1,750,000	£1,750,000	£1,750,000	£21,291,000
£16,400,000	£16,400,000	£16,400,000	£98,400,000
£36,758,500	£36,758,500	£36,758,500	£220,551,000
£100,156,080	£102,278,116	£106,958,498	<u>£724,922,710</u>

Housing Revenue Account

Medium Term Financial Plan - Appendix 1

Introduction

- 1.1 This business plan is produced in order to set out the Council's overall aims and objectives for the housing service, as a landlord for over 10,300 homes.
- 1.2 The Council faces substantial challenges as a result of changes in national housing policy, as well as financial issues in response to the wider National budget deficit. It is important therefore, that the Council has an up to date business plan setting out its plans over the short, medium and longer term.
- 1.3 This plan reflects the approved 2018/19 budget and continuing rent reductions over the next 2 years. It also reflects the most recent stock condition survey information which informs future investment requirements.

Background

- 1.4 Under "self financing" the Council is required to plan over the longer term and develop and maintain a 30 year HRA Business Plan to manage its housing assets. The 30 year HRA Business Plan and five-year Medium Term Financial Plan (MTFP) are considered in this report.
- 1.5 The HRA is a 'ring fenced' landlord account. Its main features are:
 - 1.5.1 It is primarily a landlord account, recording expenditure and income arising from the provision of housing accommodation by local housing authorities;
 - 1.5.2 Income comes mainly from rents and service charges to tenants
 - 1.5.3 Expenditure is mainly capital financing cost, loan charges and management and maintenance costs.
- 1.6 The following paragraphs provide details of the latest projections of the HRA and include:
 - A 30 Year HRA Business Plan
 - A 5 Year MTFP; (essentially a "snapshot" of the 30 year plan)
 - Capital Investment requirements
 - the HRA position on loans and investments;
 - HRA levels of reserves.
 - Links to the Housing Strategy

Housing Revenue Account

Medium Term Financial Plan - Appendix 1

Detail

30 Year HRA Business Plan

- 1.7 “Self-financing” introduced in 2012 replaced the previous subsidy system giving local authorities some degree of freedom in determining how HRA surpluses were used when and if they were generated. This freedom came at a cost in that the HRA had to repay the government for the lost subsidy and as a result, the HRA debt increased from £12m to £150m.
- 1.8 The self-financing payment figure was calculated by the Government based on a financial business plan over 30 years using a number of important assumptions, most notably around the level of future rent increases, the rate of Right to Buy sales and the level of “Right to Buy” receipts.
- 1.9 When “self-financing” was introduced in 2012, rents were assumed to increase by the Retail Price Index (RPI) from previous September plus 0.5%, and a convergence factor of up to £2 per week. Two changes since then have resulted in the current approach where the Council is now in the third year of applying a 1% rent reduction. This has significantly reduced the level of resources available for investment. Although the Government will allow rents to increase by CPI +1% for 5 years beyond that, there is no visibility around rent levels beyond 2024/25. There is also little certainty around rent policy after 2020/21 and the business plan is therefore highly dependent on future Government rent policy.
- 1.10 Officers produce and regularly update a 30 year HRA business plan which is used to identify the impact of income and expenditure decisions, as well as to ensure that the capital programme is affordable, not just in the short term, but over the medium and long term. This business plan has been used to inform the 5 year HRA MTFP.
- 1.11 The following paragraphs detail the key assumptions that have been used in the HRA 30 year business plan calculations. These are:
 - 1.11.1 Rent changes to follow current government guidance reducing by 1% per annum during 2018/19 and 2019/20. The rent assumption used for the business plan from 2020/21 and beyond is a 3% increase per annum.
 - 1.11.2 Debt of c£114.5m as at 31/3/2018 continues to be repaid at a rate of £5m per annum.
 - 1.11.3 Inflation increases for Housing Management and Repairs and Maintenance expenditure based on RPI of 2.0% for years 1 and 2, and 3.0% thereafter.
 - 1.11.4 Void property at 1.43% pa throughout the business plan period, with all voids moving directly to target rent levels as is the current policy.

Further information on the subject of this report can be obtained from Karl Read on 07824 081182, or Email ksread@swindon.gov.uk.

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Historically, we have budgeted for voids at 1% and even as low as 0.7%, but until we can have some certainty on voids reducing following the previous contract failure, 1.43% is being used as representative of current empty property levels.

- 1.11.5 Bad debt provision at 1.5% of rent income in line with existing 2018/19 budget forecasts to reflect the impact of Universal Credit.
 - 1.11.6 Annual Right to Buy sales assumed at 72 for year 1, decreasing to 60 per annum for all following years. This affects the overall level of rent income as property numbers reduce.
 - 1.11.7 A minimum working level of HRA revenue reserves of £4m
 - 1.11.8 Capital Investment requirements based on the work carried out by Pennington Choices in 2016/17, with construction inflation at 2.0% per annum in year 1 and 3% for the remaining term of the business case
 - 1.11.9 It has been assumed that the Acquisitions Programme agreed in April 2017 will result in the purchase of 100 two and three bed properties over an 18 month period. During 2017/18 we purchased 46 properties under this scheme and progress continues to be made in 2018/19 to make further purchases. These will be let at an affordable rent.
 - 1.11.10 The Plan does include £1m which has been identified from within the existing Capital Maintenance programme to support Fire Safety Works within the high-rise blocks. It does not however reflect any further costs that may arise from any new Building and Fire Regulations emanating from the Grenfell Inquiry.
 - 1.11.11 The business plan includes the impact of delivering the Queens Drive Regeneration project as agreed by Cabinet in March 2018 at a cost of £30.5m
- 1.12 The outputs of the modelling process over the full 30 year period are shown in Appendix 2 which shows the revenue account projected over the next 30 years. In summary, the results show:
- a) A revenue budget generating a surplus annually over the full 30 year period;
 - b) Housing debt will be paid off in full by the end of 2041/42 taking into account extra borrowing required for the Queens Drive project.
 - c) HRA reserves being maintained to at least £4m to cover contingencies and coming close to this figure in 2020/21.
-

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- d) Capital programme shortfalls against investment requirements in the first 5 years of the Plan is circa £83.1m. This includes capital investment for both planned maintenance and new build projects such as Queens Drive.

1.13 The business plan model **does not include** at this stage:

1.13.1 Investment requirements over and above that identified by the stock condition survey such as:

- a) A whole house retrofit approach when carrying out the exceptional extensive repairs to the non-traditional housing stock
- b) Remodelling of sheltered schemes to bring them up to modern day standards (other than £750k allowance for any works to re-categorise stock)
- c) Installation of new technology to make use of renewable energy such as solar Photo Voltaic (PV) or thermal energy and heat pumps etc.
- d) Regeneration of areas where it is not the most suitable option to repair non-traditional housing stock or improve the high-rise blocks of flats.

5 Year Medium Term Financial Plan (“MTFP”)

Capital Investment Need

1.14 The HRA Capital Programme contributes significantly to the Housing Strategy Priorities in two ways:

1.14.1 First, by improving the condition of the housing stock and providing better homes with modern facilities which are both warmer and more energy efficient,

1.14.2 Secondly, by funding the Development Programme for new housing.

1.15 Funding for capital investment can be provided by the following sources:

- a) Contributions from revenue budget surpluses (The “surplus for investment” in the table below)
- b) New Borrowing (up to the Government imposed “cap” of £172.6m)
- c) Capital Receipts (mainly from Right to Buy sales)

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- d) Capital Grants, where available
 - e) Drawing on existing reserves including the Major Repairs Reserve (MRR)
- 1.16 The Council's housing stock is maintained through its annual repairs and maintenance budget and improved and refurbished through its capital programme. The size of the capital programme depends on the balance between the need of the Council to improve its stock and the availability of funds to finance the improvements, mostly generated from tenant's rents.
- 1.17 Stock investment requirements form a central part of the HRA Business Plan and these have been derived from the last stock condition survey conducted in 2016/17,
- 1.18 The Stock Condition Survey (SCS) identified the investment requirements for the following 5, 10 and 30 year periods and indicated a potential shortfall of £76m within the first 10 years, which is consistent with previous findings.
- 1.19 However, investment programmes have been developed to ensure that homes continue to meet the Decent Homes Standard and resources are aligned with the SCS results from finalised report produced in 2016. The investment programme shows a budget allocation of £15.5m per year (un-inflated) which equates to £77.5m over the next 5 years.
- 1.20 The SCS survey results identified an extensive investment requirement of £73.9m for structural repairs and thermal improvement works to our non-traditional housing stock. A rolling programme of extensive repairs started in 2016/17 with over 200 properties refurbished to date at a cost of around £35k to £40k per property.
- 1.21 An assessment of the investment requirement to bring two of the high-rise blocks of flats up to a modern standard is also being conducted. Early indications are that they require an investment requirement of between approx. £4m and £6m per block. An options appraisal will be undertaken to assess alternative investment approaches or the possible decommission of them as appropriate.

Next 5 Years

- 1.22 The key focus for the Council is the short to medium term horizon and the next five years in particular. The next five years have assumed that the 1% rent reduction continues until 2019/20 and thereafter the rent will revert to CPI +1% (currently estimated at 3%). During this period, an estimated income stream of some £252.6m will be available to the Council to meet its management, repairs, investment and debt costs.

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Housing Revenue Account

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1.23 The headline figures from the Operating Account are shown in the table below:

5 Year Summary - Revenue						
	18/19	19/20	20/21	21/22	22/23	Total
Total Income	48,703	49,171	49,600	51,526	53,607	252,607
Total Expenditure	-33,419	-34,066	-34,964	-35,885	-36,984	-175,318
sub-total	15,285	15,105	14,635	15,640	16,624	77,289
Debt Repayment	-5,000	-5,000	-5,000	-5,000	-9,527	-29,527
Loan Interest	-3,845	-3,679	-3,601	-3,562	-3,361	-18,048
Surplus for Investment	6,439	6,426	6,035	7,078	3,736	29,714
5 Year Summary - Capital Funding						
Borrowing	0	0	5,256	2,412	0	7,669
Other RTB Receipts	1,218	1,360	1,476	1,511	1,556	7,120
Grant Funding	3,936	0	1,018	0	919	5,873
Revenue Contributions	1,443	10,688	13,620	7,100	3,659	36,510
Capital Reserves & Depreciation	19,395	9,525	9,752	9,985	10,376	59,033
Total Funding	25,992	21,572	31,122	21,008	16,510	116,205
Investment Required	44,114	39,560	48,821	38,415	28,351	199,262
Funding Shortfall	-18,122	-17,988	-17,699	-17,407	-11,841	-83,057

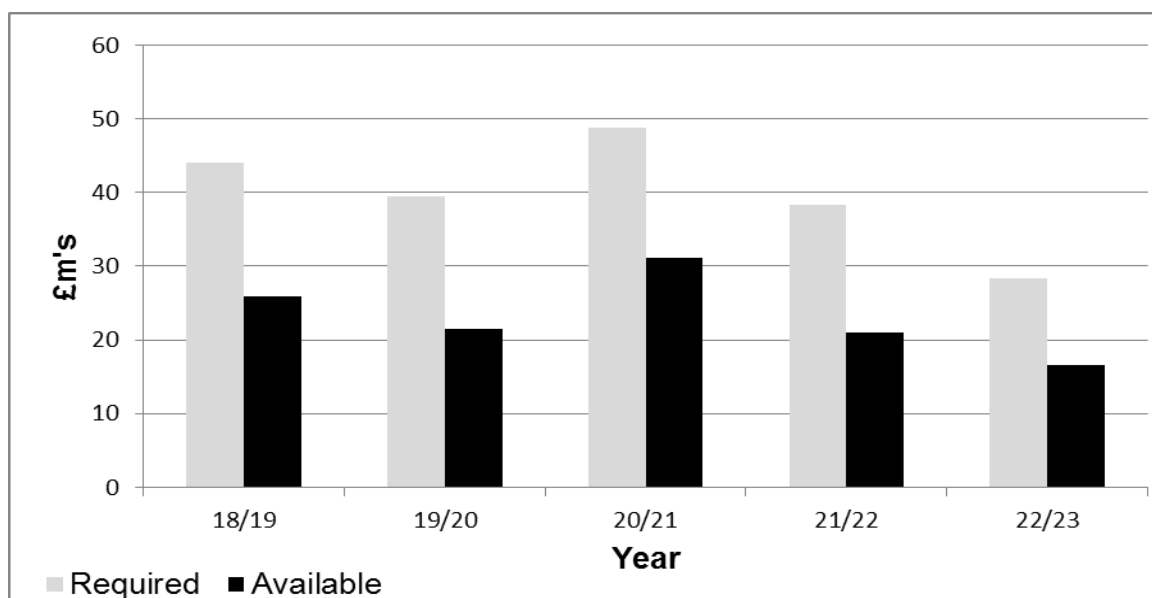
- 1.24 The Council's projections show a balanced revenue budget with funding to support the capital programme of £116.2m. This compares with an investment requirement of £199.3m over the same period, a total shortfall of £83.1m. This shortfall represents a significant increase on last year's MTFP due to the impact of including a significant new build and acquisitions programme of £36m which will draw on funding from both existing reserves and new borrowing.
- 1.25 The Stock Condition Survey breaks down all investment requirements into 5 year bands, other than for Future Major Works which is also provided on an annual basis for the first five years. The investment requirements, other than Future Major works are therefore assumed to be equally spread over each year in the five year band for modelling requirements in the absence of a detailed annual profile at this moment in time.
- 1.26 The headline outputs over the business plan period can be represented graphically and show the investment required compared with the resources available (after running costs and repayment of debt & interest), based on the assumptions previously outlined.
- 1.27 The following graphic shows a clear shortfall in required resources over the next 5 years.

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Housing Revenue Account

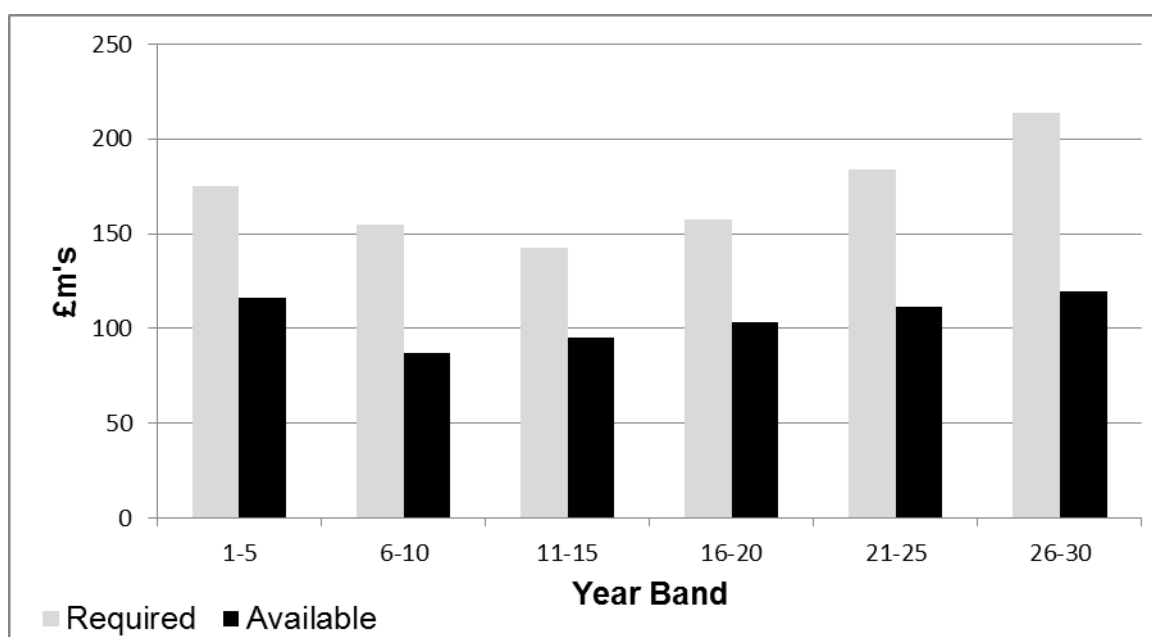
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Graph 1: 5 year annual investment requirement



1.28 The following graph shows the same information on a cumulative basis. This demonstrates that given the current approved capital programme and the required maintenance identified in the stock condition survey, funding will at no point reach a level to meet this demand without increased funding.

Graph 2: 5 year cumulative investment requirement



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- 1.29 Should rents not increase at 3% per annum from 2020 as is the assumption per this business plan, then deficits will increase. The DCLG announced in October 2017 that for 5 years from 2020, social housing rents increases will be limited to the Consumer Price Index (CPI) + 1% which is the assumption used for the Business Plan.

Social Housing Rents

- 1.30 The main source of income for the HRA is rental income from dwellings which forms circa 87% of the total HRA income. This is based on a formula determined by Government aimed to “balance the need to ensure rents remain affordable with the need that landlords have the income they need to remain in good financial health and to invest, particularly in new affordable homes”.
- 1.31 Periodically, the Government amends this approach and has in the past used Retail Price Index (“RPI”) + 0.5% + £2, and then the Consumer Price Index (“CPI”) at September of the previous year + 1%. The Housing and Planning Bill represents the last such change, requiring local authorities to reduce rent levels by 1% per annum for each year from 2016/17 through to 2019/20, significantly reducing the overall resources available to invest in housing stock in contract to the previous approaches.

Affordable Rents

- 1.32 Affordable rent allows local authorities to set rents at levels that are typically higher than social rents, generating additional capacity for investment in new affordable housing. Homes let on affordable rent should be available at a rent level of up to 80% of gross market rents, inclusive of any service charges. Future rent increases / decreases on affordable rents are calculated on the same basis as social rents i.e. all rents will decrease by 1% in 2019/20 including affordable rents. Swindon affordable rents have been set at 80% of the applicable Local Housing Allowance with any service charges then added on top, although this may be subject to change following guidance from Homes England.
- 1.33 The rents on Affordable rented properties are reset to a figure based on 80% of the latest Local Housing Allowance rents when allocated to a new tenant, ensuring they keep track with local market rent levels.
- 1.34 Homes England require the Council to relet some of its social rented properties at affordable rents as a condition of the award of grant under the Governments Affordable Housing Programme to help finance the new build properties.
- 1.35 The Council also apply affordable rents to all new build properties part funded by Homes England grant as part of the grant conditions, and also those acquired

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under its acquisitions programme. At the end of 2018, 285 of the council properties had affordable rents.

Other Rental Income

- 1.36 The HRA includes responsibility for managing some parking spaces as well as some commercial properties such as shops with a budget of £229k in 2018/19. These are subject to periodic rent reviews each year.

Service Charges

- 1.37 In addition to their rent, tenants may also be required to pay service charges relating to additional services provided to specific tenants. Local authorities have discretion to decide what services to charge for separately, and what services should be included within the rent. These charges are reviewed annually with the intention of recovering costs and are subject to consultation and Council approval.

HRA Expenditure

- 1.38 Housing Management costs can broadly be broken down into 3 distinct areas:
- Repairs and Maintenance: this relates to the day to day repairs and maintenance of the housing stock including responsive and void repairs;
 - Supervision and Management (General): these are the costs of policy and management of the housing stock, tenancy administration, rent collection and financing charges;
 - Supervision and Management (Special): these are the running costs of services that benefit specific groups of tenants including communal heating, lighting, lifts, caretaking, cleaning and ground maintenance

Treasury Management and HRA Debt Position

- 1.39 Since the introduction of self-financing in 2012, the HRA has been managing down its debt from an initial balance of £150.5m. This comprises a number of loans of varying maturities and interest rates and are managed as part of the Councils wider debt portfolio through the Councils Treasury Management Team.
- 1.40 As at 31st March 2018, HRA debt stood at £114.5m against a Government imposed cap of £172.6m. The HRA therefore has the ability to borrow a further £58m to fund capital expenditure but is unable to borrow beyond this even if it can afford the loan repayments and interest. The borrowing head room of £58m also needs to accommodate the additional debt required to fund the Queens

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Drive project of at least £7.6m, and any additional works required on the refurbishing / replacement of the high-rise blocks (pending the outcomes of the Grenfell enquiry) that could reduce the borrowing head room further by as much as £36m.

- 1.41 The current policy is to repay debt at £5m per annum which would have originally repaid all HRA debt over the next 23 years. At an average interest rate of 3.32%, this repayment saves £160,000 in interest each year. To the end of 2017/18, the impact of repaying £36m of principal has been an overall reduction in interest payments over the 6 years of around £2.7m.
- 1.42 The Government has allowed Councils to increase their borrowing cap through a bid process and discussions are ongoing with the Home Office to consider options that would provide further capital investment opportunities to support the planned maintenance programme. However, any increase in debt would require the HRA to finance the additional debt payments from existing resources.

HRA Reserves

- 1.43 The overall level of HRA balances at the 31st March 2018 is considerably down on the March 2017 balance at £21.5m. The makeup of this balance is provided in the following table and shows that of this total, £6.3m of revenue balances are unallocated, (excluding the minimum working level of HRA revenue reserves of £4m). The Business Plan assumes that these reserves are the first form of funding drawn down to support future capital spend. Therefore, the plan indicates that these reserves will be near the minimum working balance by 2020/21.
- 1.44 The “Right to Buy” receipts can only be used to fund capital expenditure and must be in line with Government rules around match funding, and must be repaid, with interest, if not spent within 3 years of receipt.

Balances 31/3/18	Allocated
	£m
Capital	10.1
Revenue	11.4
Total	21.5
Allocated to:	£m
Prior year Capital Programme approvals	17.8
Retained Right to Buy Receipts	3.7
Capital Reserves sub-total	21.5

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Earmarked to sheltered schemes	1.1
Minimum Reserve Balance	4.0
Un-allocated	6.3
Revenue Reserves sub-total	11.4

Links to the Housing Strategy

- 1.45 The housing strategy details a number of Action Points and sets out the role that the strategy can play in helping the Council meet its strategic objectives. Specifically the Strategy covers 4 key themes:
- Affordability – improving the offer,
 - Private rented housing – regulation and support,
 - Promoting and maintaining independence, and
 - Housing Growth – increasing the quality and diversity of housing.
- 1.46 The annual budget will therefore be developed with these themes and objectives in mind, alongside the investment needs of existing and future tenants. In practice, these objectives mean that over the next 5 years the HRA will:
- Deliver a Development Programme for new housing
 - Invest in existing property
 - Review sheltered housing with an emphasis on condition and suitability
- 1.47 These are covered in more detail below in the following paragraphs:

Deliver a Development Programme for new housing

- 1.48 Based on its successful bid to the Affordable Housing Programme 2015-18 Swindon Borough Council has a Council housing development programme and the Council has pledged to deliver 266 new homes by March 2020. The Council has delivered on a contract to develop 104 properties by 2018 in exchange for a contribution of grant from the Homes England (formerly the Homes & Communities Agency). The largest single development in this programme was at Sussex Place, which was a £10 million regeneration scheme that is now completed. The programme also included a development at the Hawthorns to increase independent living options for people with care needs which again is completed.

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- 1.49 To deliver the remaining 162 homes alternative sources of funding are being assessed. A new grant funding scheme, the Shared Ownership and Affordable Homes Programme 2016 to 2021 was published on 13th April 2016, and this will be reviewed for further development opportunities.
- 1.50 In addition, the Queens Drive project that was approved by Cabinet on the 14th March 2018 will potentially deliver as many as 149 new units (subject to the final tenure mix) and contributing further to the new homes target.

Investment in existing property

- 1.51 We are realigning our investment programme in line with the recommendations of the Stock Condition Survey, within the constraints of existing budgets.
- 1.52 We are required to ensure our housing stock meets The Regulatory Framework for Social Housing in England from April 2012, which includes a consumer standard known as the Decent Homes Standard.
- 1.53 Over 99.8% of our housing stock met the Decent Homes Standard at 1st April 2018. Our stock condition survey identified that approximately 5% of homes are potentially non-decent during the next 5 years. Surveys and programmes of work are planned to be carried out with the aim to ensure that all homes are compliant and maintained to the Decent Homes standard by 31st March 2018.
- 1.54 The first phase of comprehensive refurbishment, structural repairs, and insulation of our non-traditional stock has been completed with over 200 properties refurbished at the end of 2018. We continue to make provision for these extensive works and plan to let contracts for further phases of these works later in the year.
- 1.55 We have received the recommended 5-year investment profile which was commissioned as part of the Stock Condition Survey, and this has formed the basis for the developing programmes of work to address the areas identified in the Survey report
- 1.56 Given the substantial shortfall between available funding and investment requirement, it is essential that we continue to review the investment plan and set out the priorities and activities within the proposed Asset Management Strategy within the financial constraints.

Housing Revenue Account

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Review sheltered housing with an emphasis on suitability and sustainability

- 1.57 Swindon Borough Council will work to ensure that the housing stock in the Borough supports individuals to live independently for as long as possible.
- 1.58 The Housing Strategy identifies the need to provide a diverse range of options for people with specific housing needs due to medical circumstances. This will assist the Council in the delivery of its Health and Wellbeing Strategy. To assist with this Swindon Borough Council will look to use the Council Housing development and acquisition programme and existing stock to offer improved housing solutions to those with specialist needs as well as reducing costs. These options will be considered in the assessment of those individuals with learning disabilities currently placed out of Borough. This includes the planned development of larger bungalows, which we do not currently have in our housing stock, and the purchase of existing larger properties suitable for people with care needs.

Addendum 1: HRA MTFP 30 Year Operating Plan

Addendum 2: HRA 30 year Capital investment requirements

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Debt Management

Cabinet

Date: 11th July 2018

Author: Deputy Leader of the Council and Cabinet Member for Finance
Director of Finance / Head of Revenues & Benefits

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 The Council's Debt Management Policy requires officers to submit an annual report of write offs to the Cabinet. Debt management is a key component of the Council's Value for Money Strategy and help achieve the "Best use of Resources."
- 1.2 Reducing the requirement for Council Tax recovery action helps households avoid costs and help protect "our most vulnerable." Providing early support for people in debt and reducing the need to use Enforcement Agents (Bailiffs) is one of the Council's pledges (number 24).

2. Recommendations

Cabinet is recommended to:

- 2.1 Note collection rates for Business Rates and Business Improvement District charges improved in the financial year 2017/18. Collection rates for Council Tax and Housing Rents did reduce but note that work continues to maximise these. Most of the collection rates remain above the average compared to other Unitary Authorities (see appendix one).
- 2.2 Note the number of Car Parking Penalty Charge Notices being referred to Enforcement Agents (or Bailiffs) reduced in 2017/18. Unfortunately the number of Council Tax debts referred to Enforcement Agents did increase, although is still significantly less than in the year 2014/15 and work continues to maintain a reduction in referrals.
- 2.3 Authorise the Deputy Leader and Cabinet Member for Finance and Head of Revenues to carry out further research and other work as appropriate in order to continue to assist households in financial difficulty, within the Council's existing local welfare budgets.

3. Detail

Council Tax Recovery

- 3.1 In order to reduce the use of Bailiffs, the Council telephones customers prior to undertaking recovery proceedings for non-payment. Customers are requested to make payment of part or all of the arrears or if unable to, are offered a revised

Further information on the subject of this report can be obtained from Andy Stevens, (01793) 464607, anstevens@swindon.gov.uk.

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payment arrangement. This and an increased use of text reminders to residents' mobile phones did lead to a reduction in the number of summonses being issued in the years from 2014-2017, but in the last year the number has increased from that issued in 2016/17. The numbers of summonses issued is shown below:

	2013/14	2014/15	2015/6	2016/7	2017/8
Council Tax Summonses	14,024	11,016	9,416	8,642	9,630

- 3.2 The increase in the number of summonses is believed to be partly as a result of the Council Tax office undertaking a full review of single person discounts, which resulted in approximately 1,000 discounts being withdrawn. These households received a revised bill, which if unpaid after calls and reminders, has resulted in summonses being issued. Anecdotal evidence indicates that the changes to empty property discounts and transfer of welfare claimants to Universal Credits may have impacted on the numbers of unpaid debts.
- 3.3 The numbers of successful telephone calls (calls answered) in 2017/18 was 3,051. These calls prevented 2,158 summonses having to be issued, by obtaining payments or revising instalment payments.
- 3.4 During 2017/18 the 'in year' Council Tax collection rate reduced from 97.94% in 2016/17 to 97.37% 2017/18. The 'in year' collection rates are shown in appendix 1 and 2. Together with new properties, reductions in Council Tax support, and the full review of single person discounts the amount of Council Tax billed increased by £781,000 in the last six months of the financial year. This amount represents an increase in the amount to be collected of 0.7%. It is hoped that this amount and much of the outstanding Council Tax will be collected in the next few months. In recent years nearly 99% of Council Tax is eventually collected.
- 3.5 As at 31st March 2018 the collection of Council Tax for the six previous financial years was:

	Collection Rate (Excluding Credits)
2011/12	98.98%
2012/13	98.98%
2013/14	98.82%
2014/15	98.73%
2015/16	98.59%
2016/17	98.13%

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- 3.6 Comparisons with other Unitary Councils saw that many of them have experienced a similar reduction in their Council Tax collection rates, although by a smaller percentage.
- 3.7 Debt and Benefits advice is provided to help customers and the Council works with residents to ensure that debts are paid in accordance with Council requirements, and to avoid creating hardship. Before undertaking recovery proceedings, residents are encouraged and assisted in making realistic repayment arrangements. Those with low incomes are given help to claim Benefits to help pay their debts. The Benefits Service ensures that claims for Council Tax Support are paid expediently. If recovery proceedings have been undertaken Attachments of Benefits or Earnings are utilised in preference to Enforcement Agent (Bailiff) referral. A report by the Childrens Society in 2015 entitled 'The Wolf at the Door' highlighted some of the adverse impacts bailiff visits could have on families with children.
- 3.8 The Council works closely with Citizens' Advice Bureau, Christians Against Poverty, and other local partners in order to promote assistance for those having difficulty paying. Through "Financial Inclusion" advice on budgeting supporting, debt advice, cheaper credit, credit union membership and reducing energy tariffs have all been promoted.
- 3.9 With effect from 1st April 2018, Discounts and Exemptions are being automatically granted to Swindon Care leavers under the age of 21. Twelve individuals with Council Tax responsibility are being assisted.
- 3.10 In 2017/8 the Council Tax office issued 55,089 telephone text messages when instalment payments were missed. This is slightly less than the previous year, since a system issue meant that the text reminders could not be issued in May 2017. Where payments are still not made, paper reminders are issued later in the month or at the beginning of the following month. The number of Council Tax 'text' and 'paper' reminders issued in the last five financial years is shown below:

	'Text' Reminders issued prior to 'Paper Reminders'	Paper Reminders
2013/14	43,660	42,280
2014/15	50,547	32,374
2015/16	51,114	32,969
2016/17	61,190	34,542
2017/18	55,089*	36,484

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Debt Management

Cabinet

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*Due to a system issue no text reminders could be produced in May 2017 and so this led to a reduction in the numbers of texts during 2017/18.

- 3.11 The number of Council Tax debts referred to Enforcement Agents (bailiffs) increased to 7,192 in 2017/8. Analysis has shown that 3,105 of these referrals were 'repeat' referrals, where a debt was being passed to a second Enforcement Agent to collect.

Debts Referred to Bailiffs	2012/13	2013/14	2014/15	2015/6	2016/17	2017/18
Council Tax debts	7,045	7,200	8,003	6,104	6,921	7,192
Car Parking PCNs	2,048	2,057	3,260	3,931	6,651*	5,737*

* Includes Bus Lane Contraventions

- 3.12 The number of complaints regarding bailiffs were:

Number of Complaints Recorded	2013/14	2014/5	2015/6	2016/7	2017/18
Council Tax Complaints – Bailiffs	34	20	11	11	14
Car Parking Complaints - Bailiffs	5	6	6	19	36

Business Rates

- 3.13 The Council's Business Rates 'in year' Collection Rate for 2017/18 was recorded as 98.7%. An increase of 0.5% from the 98.2% recorded in 2016/7.
- 3.14 A national revaluation of all rating assessments has been undertaken by the Valuation Office (HMRC) and came into force from the 1st April 2017. Comparing the new valuation list with the previous list in Swindon, 3,100 properties increased in value, 1,000 remained the same and 1,400 properties had decreases in their rateable values. Since the 'multiplier' by which bills are multiplied has reduced, 2,000 ratepayers have had increased bills and 3,500 reduced bills. Of the 2,000 with increases, many were able to claim increased small business rate relief. Utilising funding available from the Minister for Housing, Communities and Local Government, the Council also introduced three schemes to help small and medium sized local businesses that were facing increases in rates.
- 3.15 Under the 3 new schemes 97 businesses were given rates reductions. For businesses that received Small Business Rates Relief in 2016/17 increases have

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Debt Management

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been limited to £600 per annum (this benefited 11 businesses in 2017/18). Public Houses with a rateable value of less than £100,000 have been offered a £1,000 reduction for both 2017/18 and 2018/19. 40 businesses have applied and received this (before relief is granted businesses have to make a state aid declaration). Thirdly medium sized businesses that could have faced increases of up to 42% have had increases limited to 12.5%, and 46 businesses have benefited from this relief and been awarded £57,042 in total. Assistance was offered to many more businesses, but because these reliefs are subject to state aid regulations, many national or multi-national businesses could not make claims as they had received reductions from other Councils.

Business Improvement District Charges

- 3.16 The Council collects Business Improvement District (BID) charges on behalf of InSwindon Ltd who are responsible for Swindon Town Centre management. A collection rate of 96.8% was achieved in 2017/8, which is above the 95% target. The amount collected was £403,155.

Housing Rents

- 3.17 Housing reported a 96.91% in rent collection during 2017/18. This includes current, former and garage rent arrears.

Percentage of Rent Collected						
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Swindon	98.77%	98.61%	98.63%	98.78%	98.06%	96.91%

- 3.18 Current rent arrears have increased in the past year, as a result challenges some tenants are facing in managing their finances following changes in the way Housing Support or Housing Benefits are paid as part of Universal Credit.

Balance of Current Housing Rent Arrears							
April 2005	April 2012	April 2013	April 2014	April 2015	April 2016	April 2017	April 2018
£1.2m	£0.48m	£0.63	£0.65m	£0.756	£0.749	£1.059	£1.275

- 3.19 There has been a significant increase in rent arrears directly linked to the roll out of Universal Credit (UC). The 'full' Universal Credit system went live in Swindon on 30th November 2016. UC is paid directly to the claimant and monthly in arrears, unlike Housing Benefit which is paid weekly and directly onto the tenants rent account. At the end of March 2018 there were 1,387 (555 March 2017)

Further information on the subject of this report can be obtained from Andy Stevens, (01793) 464607, anstevens@swindon.gov.uk.

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tenants claiming UC, 79% were in rent arrears owing a total of £788,198. It is anticipated that rent arrears will continue to increase during 2018/19 as the numbers claiming UC steadily increase. Changes to mitigate the impact have been implemented, including increased automation of the rent arrears processes.

- 3.20 In February and April 2018 the Government introduced a number of measures to reduce the impact on rent arrears. New UC claims now receive their first payment after five weeks instead of six, existing Housing Benefit claimants transferring to UC receive an additional two weeks of Housing Benefits before their Housing Benefit ends and UC Claimants claiming Advance payments now have 12 months to repay the advance (previously this was 6 months).
- 3.21 In March 2018 the Council was invited to register as a Trusted Partner which gives access to the UC Landlord Portal. The portal allows social landlords to: verify a UC claimant's rent, request an Alternative Payment Arrangement (APA) which will result in direct payment to the landlord, and allows recovery of rent arrears and to request more frequent payments than monthly for their tenant. This has the benefit of speeding up the associated processes as it replaces the email verification process for landlords and it streamlines the matching of rent verification data.
- 3.22 In partnership with DWP, the Library Service and Citizens Advice support UC claimants with Budgeting support and help getting online.
- 3.23 There were 20 evictions during 2017/18, compared to 17 in 2016/17 though still less than the 28 in 2015/6. Every effort is being made to focus on early intervention and prevention. It is a long process to reach the stage of eviction. Tenants are given intensive support to ensure they are given every assistance and advice to avoid eviction.

Overpaid Housing Benefits

- 3.24 The value of overpayments created reduced in 2017/18 to £2,221,182 (compared to £2,389,687 in 2016/17, £3,882,089 in 2015/16 and £4,359,822 in 2014/5). The data matching between the Department of Works and Pensions (DWP) and HM Revenues & Customs continues, but since this is now undertaken regularly the value of the overpayments has decreased. Overpayments are also created when claimants transfer to Universal Credit and these Overpayments will transfer to DWP to recover from Universal Credit Payments.
- 3.25 The amount collected in the financial year 2017/18 was £1,699,589. The percentage collected as a percentage of the amount created was 76.52%, which is similar to that in 2016/17 (76.83%).
- 3.26 Many of the overpayments are caused by claimants failing to advise the Council of changes to their financial circumstances promptly. The Benefits Team limit the number and value of overpayments, since claims are suspended as soon as the

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Debt Management

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Council becomes aware of improvements in the financial circumstances of claimants. The Council receives electronic information from the Department of Works and Pensions (DWP), when there are changes to claimant's DWP Benefits or Tax Credits. Overpayments created by error or delay are low and under the threshold set by the DWP, and so the Council receives maximum 'Benefits subsidy'. Unfortunately, many claimants are slow to advise the Council of changes in their circumstances.

- 3.27 Many customers continue to pay back their overpayments in regular instalments based upon their means. These arrangements often exceed 12 months.
- 3.28 The DWP and HMRC have recently introduced a new system, under which addresses and places of employments for former Housing Benefit claimants with overpayments can be traced. It is hoped that this will improve the collection of these debts.

Car Parking Penalty Charge Notices

- 3.29 The collection rate for Penalty Charge Notices issued in 2017/18 and collected by 31st March 2018 was shown as 72.33%. A further 10.93% remained outstanding and continued to be pursued for collection as at the end of April 2018.
- 3.30 Recent comparisons by Marstons Enforcement Agency has shown Swindon has some of the highest collection rates achieved by similar local authorities for bus lane and parking contraventions for debts referred to an Enforcement Agent.
- 3.31 The numbers of Enforcement Agent (bailiff) referrals reduced in 2017/18 and this could be due to a number of reasons, such as better compliance of drivers. The number of Bus Lane PCN's also reduced from the previous year

Miscellaneous Debtors

- 3.32 The value of debts written off from the 'Miscellaneous Debtors' system was £188,466.
- 3.33 The collection rate in respect of Miscellaneous Debts is above average compared with other Unitary authorities. Prompt issuing of reminder notices and telephoning of large value debts has helped maintain this collection rate.
- 3.34 With regards to Social Care debts and Deferred Property Agreements work has been undertaken to ensure billing and that the Council's debt position is protected.

Further information on the subject of this report can be obtained from Andy Stevens, (01793) 464607, anstevens@swindon.gov.uk.

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Debt Management Summary

- 3.35 The total value of debt written off in 2017/18 is £2.331m as detailed in Appendix 4. Whilst it is a significant sum, it is important for Members to note that it represents less than 1% of the total that is collectable for the year. In most cases the debts that were written off also fell due in previous financial years, and a breakdown of the years during which the Council Tax fell due is shown in Appendix 5.
- 3.36 Officers will continue to pursue all debts in 2018/19 and to administer amounts written off in accordance with the criteria set out for irrecoverable debts contained in the Council's Debt Management Policy.

4. Alternative Options

- 4.1 Since this report is for Information only no alternative options are suggested.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 Improved Council Tax and debt collection performance results in additional income for the Council. However, Members are mindful that enforcement actions may have consequences for other Council services if there are adverse effects, especially on children.

Legal and Human Rights Implications

- 5.2 Legal and Human Rights considerations have been taken fully into account in compiling this report. It is considered that the steps taken by the Council in relation to debt management are proportionate and compatible with convention rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 Reducing the numbers of people against whom recovery action is undertaken may help reduce poverty and possible links to crime, in addition to helping meet the Council's pledge number 24.

Diversity Impact Assessment

- 5.4 A Diversity Impact Assessment (DIA) in respect of the Council Tax recovery processes was undertaken and reviewed in July 2017. The effects of the changes previously made to processes were noted to have been positive and no adverse impacts have been highlighted.

Further information on the subject of this report can be obtained from Andy Stevens, (01793) 464607, anstevens@swindon.gov.uk.

Debt Management

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Risk Management

- 5.5 This report is for information only and so there is no decision or risk to be considered.

6. Consultees

- 6.1 The Council's Report Writing standard requires authors to consult appropriate Corporate Directors, Directors or Heads of Service, other officers and relevant partners on the purpose, content, and recommendations of the report before it is presented for decision. In respect of reports to Cabinet, authors are also required to consult the relevant Cabinet Member.

7. Background Papers

- 7.1 None

8. Appendices

- 8.1 Appendix 1 – Collection Performance in 2017/18
- 8.2 Appendix 2 – Council Tax 'in year' collection rates 2004/5-2017/18
- 8.3 Appendix 3 - The net value of payments to Swindon B.C. in 2017/18
- 8.4 Appendix 4 – The value of debts written off and the annual amounts due in 2017/18
- 8.5 Appendix 5 – Breakdown of Council Tax write off by year the debt was due
- 8.6 Appendix 6 – Debt Management Policy extract showing reasons for write offs

9. Key Decision/Decision in Cabinet Work Programme

- 9.1 This is not a Key Decision and is included in the Cabinet Work Programme for July 2018.

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Appendix 1

Summary of Swindon's Debt Collection Rates			
	2016/17	2017/18	Comments and Comparisons
Council Tax	97.94%	97.37%	The collection rate has reduced. A Number of factors may have impacted including a review of discounts, which increased the amount to be collected by 0.7%, changes to empty Council Tax discounts and the increase in Universal Credit claims. It is hoped that much of this balance will be collected during 2018/19. The collection rates for other Unitary Authorities have also reduced. In 2016/17 the Unitary average was 97.0%
Business Rates	98.2%	98.7%	The Collection rate has increased. The Unitary collection rate in 2016/7 was 98.2%.
Business Improvement (Town Centre)	95.8%	96.8%	The Collection has increased (although some of this increase may related to a payment of a balance due for 2016/17).
Housing	98.06%	96.91%	There has been a significant increase in rent arrears directly linked to the roll out of Universal Credit (UC).
Miscellaneous Number of debts paid in 60 days	94.73%	93.90%	The collection rate has reduced slightly. The average for invoices paid in 90 days for other unitary authorities when previously compared was 84%.
Overpaid Benefits	76.83%	76.52%	Similar collection and above the DWP 60% subsidy threshold.
Car Parking Penalty Charge Notices	72.60%	72.33%	Collection rate is above other that of similar Councils (average collection of 67% previously)

*Based on the previous best Value indicator used by local authorities

Appendix 2

Council Tax in Year Collection Rates

In year Council Tax Collection Rates		
Year	Council Tax Collection – Traditional Calculation Method	Council Tax Collection – Excluding Credits
2004/5	95.20%	94.14%
2005/6	97.15%	95.75%
2006/7	98.05%	96.64%
2007/8	97.98%	96.57%
2008/9	97.76%	96.65%
2009/10	97.66%	96.52%
2010/11	97.79%	96.81%
2011/12	97.80%	96.89%
2012/13	97.90%	97.10%
2013/14	97.40%*	96.42%*
2014/15	97.73%*	96.76%*
2015/16	97.82%*	96.79%*
2016/17	97.94%*	96.94%*
2017/18	97.37%**	96.38%**

* The changes to Council Tax Benefits (Support) that were introduced in April 2013 have had an impact on collection rates since 2013/14.

** A full review of discounts resulted in approximately 1,000 discounts being removed and an increase in charges to collect of £781,000 in the last few months of the financial year (0.7%).

Appendix 3

Summary of cash collected 1st April 2017 – 31st March 2018

Debt Type	Cash £
Council Tax	£113,400,194*
Non domestic Rates	£111,562,612*
Benefit Overpayments	£1,699,589
Car Parking Penalty Charge Notices & Bus Lane Contraventions	£1,437,989
Housing Rents	£49,986,903
Oracle Miscellaneous Invoices	£42,714,294
Total Cash	£320,801,581

*Payments made in respect of debts due in 2017/18 only.

Appendix 4

Summary of Write Offs 1st April 2017 – 31st March 2018

Debt Type	Amount Written Off – Relates To All Years	Annual Charges Due
Council Tax	£621,681	£116,458,854
Non domestic Rates	£967,214	£112,997,514
Benefit Overpayments	£0	£2,221,182
Car Parking Penalty Charge Notices & Bus Lane Contraventions	£379,225	£1,631,400*
Housing Rents	£174,562	£52,372,876
Oracle Miscellaneous Invoices	£188,466	£46,036,802
Total	£2,331,148	£331,718,628
Amounts written off as a percentage of the Annual Charges raised	0.7%	

* Value of car parking penalty charge notices once 50% for prompt payment discount granted.

Appendix 5: Council Tax Write Off By Year

Year During Which Amount Fell Due	Amount Written Off
1993-2005	£21,717.66
2006/7	£ 14,540.82
2007/8	£ 24,890.32
2008/9	£ 37,663.58
2009/10	£ 37,800.97
2010/11	£122,061.07
2011/12	£113,926.00
2012/13	£ 71,393.06
2013/14	£ 72,321.62
2014/15	£ 53,036.82
2015/16	£ 23,223.96
2016/17	£ 18,564.88
2017/18	£ 10,540.37
Total	£621,681

Appendix 6: Categories to be submitted for Write Off

Category	Requirement	Action
Claimant deceased	Insufficient funds in estate to discharge debt	Submit for Write Off
Claimant absconded	All attempts to trace debtor have failed. Including tracing agent (above £100). Including long-term imprisonment (36 months).	Submit for Write Off
Claimant in bankruptcy or liquidation or other insolvency proceedings	A claim against the debtor has been lodged with the administrators. No dividend is to be paid or the balance after the dividend is submitted.	Submit for Write Off
Debt cannot be proved (conflict of evidence)	An explanation should be given as to why recovery cannot be made.	Submit for Write Off
Ill Health & no means	Written evidence of one of the following criteria <ul style="list-style-type: none"> • Terminal illness and limited means • Where payment would cause further ill health • Old age and frailty and no financial assistance • Severely mentally impaired and no financial assistance • Long term hospitalisation or residential care and no means left to pay 	Submit for Write Off
Undue hardship	Where the debtor can provide written evidence of genuine financial difficulty. Showing evidence of inability to pay even small instalments or that such payment will cause undue hardship.	Submit for Write Off
All recovery action appropriate to the debt has been taken and has not resulted in collection (All Avenues Exhausted)	Action in the Magistrates Court or County Court has failed to recover the debt. In the case of miscellaneous debts that would be subject to County Court action, external agents are used instead of court action, in order to avoid the council paying large court fees, which would be unlikely to be recovered.	Submit for Write Off

Temporary Winter Housing Provision

Cabinet

Date: 11th July 2018

Author: Cabinet Member for Housing and Public Safety
Corporate Director for Communities and Housing / Head of Housing

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 This report provides a review of the Temporary Winter Housing Provision (TWHP) and requests Cabinet to consider whether a similar provision is set up this coming winter and subsequent winters.
- 1.2 A Cabinet Member Decision Note in Oct 17 approved the setting up of the TWHP at Carfax Street, with a recommendation that the Head of Housing submit a report to the One Swindon Board and the Adults' Health, Adults Social Care and Housing Overview and Scrutiny Committee on the findings from this project. Subsequently a decision was made to review the findings at Cabinet.
- 1.3 A report reviewing the TWHP is attached at Appendix 1.
- 1.4 In pursuit of delivering the Vision for Swindon, this report links to Priority Three: Ensure Clean and Safe Streets and improve our public spaces, as well as Priority Four: Help People to help themselves while always protecting the most vulnerable children and adults and Pledge 25: Deliver a Borough wide approach to increase volunteering enabling more people to become active citizens.

2. Recommendations

Cabinet is recommended to:

- 2.1 Approve the setting up of a temporary winter housing provision to run for no more than 4 months over the winter period 2018/19 for an identified group of rough sleepers in Swindon.
- 2.2 Authorise the Head of Housing in consultation with the Cabinet Member for Housing and Public Safety and other interested parties to set up the project

3. Detail

- 3.1 A full report providing the background to the TWHP and an evaluation of the project is attached at Appendix 1.
- 3.2 In summary, the provision was set up to offer a safe and comfortable environment for an identified group of street homeless who due to their needs, found it difficult to engage with existing outreach services and who would have

Further information on the subject of this report can be obtained from Michael Ash, Telephone Number 464410, mash@swindon@swindon.gov.uk.

Temporary Winter Housing Provision

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opportunities to engage in a programme of activity to support their multiple needs.

- 3.3 The provision was opened beginning of Jan 2018 and closed mid-March 2018 and ran for just short of 11 weeks.

Key Lessons

- 3.4 The short time scale from Cabinet Member approval to opening the doors of the project, including the recruitment of staff and volunteers to safely run the project was probably the biggest challenge. A 4 month lead period would be the preferred option meaning work needs to start mid-summer to have a facility open at start of December
- 3.5 The original idea was to have up to 14 rough sleepers engaged and using the facility. With limited staff and volunteers this was deemed too many and a lower number of 12 was determined to be the maximum number. In reality, there were approximately 8 -10 guests each night which seemed to be a workable option.
- 3.6 This reduced number of guests in fact created a positive, more homely environment where the guests supported one another and relationships were built between guests and between guests and staff and volunteers. 10 would perhaps be an optimum number depending on needs of the individuals for any future provision.
- 3.7 Guests were referred by the multi-agency Swindon Rough Sleeper Panel and were introduced gradually into the project over the first few weeks. This allowed each individual some space and time to familiarise themselves with the rules and to build relationships slowly, this phasing would be the way to manage such a project in future.
- 3.8 A few guests failed to keep their place in the project and new guests who were referred in took their place. Clear rules for guests were set out at the beginning although with a new project it was difficult in the first few weeks to get a consistent approach from staff and volunteers. This was resolved with improved communications.
- 3.9 Over 50 volunteers were utilised amounting to 1850 volunteer hours, approx. value of £17,575 if a financial sum attributed. Two part time Volunteer Coordinators were recruited to manage the volunteers. The maintenance of the volunteer rota amounted to a full time role and the resource required to manage volunteers was underestimated, any future project will need to consider this.
- 3.10 The goodwill of the volunteers from across the Swindon community was overwhelming. The genuine desire to make a difference was evident and there was probably a lot more activities we could have used the volunteers for

Further information on the subject of this report can be obtained from Michael Ash, Telephone Number 464410, mash@swindon@swindon.gov.uk.

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including extending the project's opening hours to include some day time activities.

- 3.11 The feedback received from the volunteers was positive and the volunteers felt good about what they had been part of. If the project runs again then by providing further training, volunteering and employment opportunities this resource could be harnessed more effectively to produce a longer term benefit for Swindon.
- 3.12 Much collaborative partnership working was evidenced through HOSTS (Homeless Organisations Standing Together in Swindon) and good working relations were established by having regular meetings, sometimes almost daily in the first few weeks and then weekly thereafter. This communication was important to enable trust and the success of the project.
- 3.13 Feedback was sought from a range of agencies on the outcomes of the project and the feedback was on the whole positive. There is an ambition from the majority of the agencies dealing with rough sleepers that this should not just be a one off project, but that there should be a regular winter housing provision in Swindon.
- 3.14 Positive outcomes were achieved for the majority of the clients. At the beginning of the project all the guests had been rough sleeping in car parks and other places. At the conclusion of the project, eight were housed and none of these have returned to the streets. 2 are in work and a couple of the others are volunteering. Health issues were addressed and the clients gained self respect and respect for others.
- 3.15 It is important to note some challenges remain concerning a number of the former guests, specifically around rent payments and behaviour.

Next steps

- 3.15 If Cabinet approve the recommendation of providing a temporary housing provision then officers will work with Cabinet Member and all interested parties for a suitable location for the project for winter 18/19.
- 3.16 The Rough Sleeper Strategy and the Homelessness Strategy are currently being drafted and these will focus resources around single homeless and rough sleeping.
- 3.17 Following an invite to bid for funding from the Ministry of Housing and Communities Local Government (MHCLG) to reduce rough sleeping in our area Swindon BC has been awarded £194,000 to be spent by March 2019.
- 3.18 Within this award there is an allocation of £60k this current financial year and £30k for 19/20 to fund a Temporary Winter Housing provision.

Further information on the subject of this report can be obtained from Michael Ash, Telephone Number 464410, mash@swindon@swindon.gov.uk.

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- 3.19 This funding will also be used to launch initiatives such as a Housing First model in Swindon. This will mean that guests at TWHP can move on to the Housing First model. Please see 4.4 below for further information.

4. Alternative Options

- 4.1 There are different models that could be looked at including using a converted bus and the Housing First model.
- 4.2 The “Bus Shelter” project has been running with a converted double decker bus in Dorset and the Isle of Wight. However, consultation in Swindon with the local voluntary sector resulted in a stronger preference for a bricks and mortar offer, hence the TWHP. There are also current limitations with the redevelopment of the town centre, as to a suitable location for the Bus.
- 4.3 One of the successes of the TWHP was the community / homely feel of the building, which helped the guests to change their lifestyles, this would be difficult to replicate in a bus.
- 4.4 The Housing First model is based on the principle that a homeless individual’s primary need is to access stable accommodation, and that other issues that affect the individual can and should be addressed once housing is secured. This stands in contrast to more traditional homelessness pathways, where a ‘stepped’ or ‘ladder’ model is often adopted, as seen in the Swindon housing pathway, which operates a tiered system toward independence. The Housing First model and the TWHP will complement each other, with guests having that clear move on to accommodation with the intensive support, when required.
- 4.5 The volunteers from the TWHP can also be used to develop the Housing First model, offering befriending and mentoring opportunities and support and activities to the guests moving on from the TWHP to the Housing First provision.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 The cost of the project 17/18 was £ 42,000. This included building refurbishment and compliance work, staff costs and other miscellaneous provisions.
- 5.2 Depending on what facilities are available then the anticipated budget required for 18/19 is £60k
- 5.3 It is anticipated that the grant allocated from MHCLG of £60k will fund the TWHP for 18/19.
- 5.4 In August 2012, the government published an *Evidence Review of the Costs of Homelessness* in which it estimated that the gross cost of homelessness is between £24,000 and £30,000 per person. This comprises benefit payments,

Further information on the subject of this report can be obtained from Michael Ash, Telephone Number 464410, mash@swindon@swindon.gov.uk.

Temporary Winter Housing Provision

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health costs in supporting homeless persons with mental health, substance abuse or alcohol dependency problems, and costs to the criminal justice system from crimes committed by the homeless. Most of the identified costs relate to non-statutory homeless single rough sleepers and hostel residents. If only a handful of rough sleepers were moved on from the streets each winter and changed their lifestyles then the TWHP would demonstrate value for money.

Legal and Human Rights Implications

- 5.5 The offer of accommodation under this provision is compliant with the current legislation and statutory guidance (Homelessness Act 2002 and Homeless reduction Act 2017) as will more permanent offers under the Housing Act 1996 ensuring individuals are given the best possible opportunities to access and sustain their home; it is therefore considered that our duty under the Human Rights Act is met.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.6 The Housing Options Team will be required to work closely with the winter provision over the 12 week period.
- 5.7 Staff will be recruited to project manage the TWHP and to fulfil the roles required to manage the volunteers and the guests.

Diversity Impact Assessment

- 5.8 A Diversity Impact Assessment (DIA) has been carried out on the draft Homelessness Strategy, this proposal is consistent with the priorities set out in that strategy. A copy of the DIA is available from the report author. If approval for the scheme is granted for winter 18/19 then a specific DIA will be produced for the TWHP using the evidence on equality issues gathered from the initial project.

Risk Management

- 5.9 The proposal requires clear risk assessments for the operation of the building, professional support will be provided to the volunteer organisations involved in the running of this project

6. Consultees

- 6.1 The Council's Report Writing standard requires authors to consult appropriate Corporate Directors, Directors or Heads of Service, other officers and relevant partners on the purpose, content, and recommendations of the report before it is presented for decision. In respect of reports to Cabinet, authors are also required to consult the relevant Cabinet Member.

Further information on the subject of this report can be obtained from Michael Ash, Telephone Number 464410, mash@swindon@swindon.gov.uk.

Temporary Winter Housing Provision

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7. Background Papers

7.1 None

8. Appendices

8.1 Appendix 1 - Review of Temporary Winter Housing Provision. May 2018 (*The appendix is available online at the Council's website or on request from Committee and Member Services*).

9. Key Decision/Decision in Cabinet Work Programme

9.1 This is a Key Decision and is included in the Cabinet Work Programme for July 2018.

Council Communications Strategy and 2018-20 Campaign Plan

Cabinet

Date: 11th July 2018

Author: Leader of the Council
 Cabinet Member for Corporate and Customer Services
 Director of Performance, Organisational Improvement
 Communications
 Head of Communications

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 This report seeks Cabinet's support to adopt the Council Communications Strategy and 2018-19 Campaign Plan in order to bring shared understanding and focus on how to prioritise professional communications resource to support the Council.
- 1.2 This report also informs Cabinet of how the LGA Communications Peer Review findings have been used to shape the Strategy and Campaign Plan.
- 1.3 Evidence-based and evaluated campaign activity can make a measurable difference to achieving the Council's priorities. The delivery of this Strategy and Campaign Plan aims to increase how informed and engaged residents feel in the work of the Council which in turn is proven to improve overall trust and satisfaction levels.

2. Recommendations

Cabinet is recommended to:

- 2.1 Endorse the Council Communications Strategy.
- 2.2 Note the recommendations of the LGA Communications Peer Review completed in January 2018 (Appendix Two) that have informed the Strategy, Campaign Plan and action plan (Appendix Three).
- 2.3 Authorise the Head of Communications, in consultation with the Cabinet Member for Customer and Corporate Services, to develop the 2018-20 Campaign Plan.
- 2.4 Authorise each Head of Service and Cabinet Member as appropriate to develop a detailed communications plan for each individual campaign/project.

Further information on the subject of this report can be obtained from Phil Avery 07392 109772 pavery@swindon.gov.uk or Samantha Mowbray 07823525337 smowbray@swindon.gov.uk

Council Communications Strategy and 2018-20 Campaign Plan

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Date: 11th July 2018

3. Detail

Value of strategic communications

- 3.1 The purpose of the new Communications Strategy is to prioritise where professional communications resource can most add value to supporting the strategic goals of the Council serving residents. The full strategy is attached at Appendix One.
- 3.2 The Government Communications Service defines a campaign as: “*A planned sequence of communications that use a compelling narrative over time to deliver a defined measurable outcome.*” Therefore, consistent with best practice at both national and local government levels, the Council continues to embed a strategic communication model within the organisation, which recognises the role of timely campaigns to help deliver corporate priorities.
- 3.3 There are two recent examples of how the Council has applied the principles now set out formally in the Strategy. In the first part of 2018, there was the successful multi-channel campaign to support the voter ID pilot in Swindon. The measurable outcomes were to maximise the number of registered voters who presented their poll card or other form of approved ID to vote and maintain voter turnout (both were achieved and turnout increased). Another illustration is the campaign to support Foster Care Fortnight (May 2018), which successfully generated 71 public enquiries in support of the Council’s pledge to recruit more foster carers.
- 3.4 The Communications Strategy outlines the overall approach to managing strategic communications, before presenting the 2018-19 Campaign Plan that lists the specific campaigns the Council will develop, deliver and evaluate over the next two years, along with the criteria used to identify these.
- 3.5 The Campaign Plan has been informed by the LGA Communications Peer Review completed in January 2018 (Appendix Two), insight from the 2017 Swindon residents’ survey, input from the Corporate Management Team and discussions with individual service areas.

Communicating a clear corporate and place narrative

- 3.6 The LGA Corporate Peer Challenge (2016) and LGA Communications Peer Review (2018) undertaken in Swindon both highlighted the importance of the Council having a clear narrative that is central to all communication activity. This would help tie the communications of individual projects and schemes to an

Further information on the subject of this report can be obtained from Phil Avery 07392 109772 pavery@swindon.gov.uk or Samantha Mowbray 07823525337 smowbray@swindon.gov.uk

Council Communications Strategy and 2018-20 Campaign Plan

Cabinet

Date: 11th July 2018

overarching story of what the Council is trying to achieve for residents and the Borough.

- 3.7 Communicating a clear, consistent narrative would help explain how the Council understands what matters to residents and their families: an affordable home, education and career opportunities and a good quality of life. The narrative would link these outcomes to how the local authority is working with partners to deliver the Vision for Swindon so that the Borough continues to thrive in the future and benefits from well-managed growth, investment and regeneration.
- 3.8 If Cabinet endorses the Strategy, officers would develop a detailed campaign plan to communicate and explain the Council's overarching role in Swindon's growth story.
- 3.9 Communications also has a clear role to play in helping to articulate a clear and coherent place narrative to audiences outside the Borough, supporting the Council's economic growth objectives and securing domestic and foreign direct investment. Specific communications activity would be developed in consultation with the Resources and Growth directorate to complement the evolution of the Switch On To Swindon place marketing initiative.

Measuring impact

- 3.10 The extent to which residents feel informed and engaged by their Council, and the trust they place in it, directly affects their views about their local authority and the services they receive. This in turn affects their levels of satisfaction and ultimately, the Council's public reputation.
- 3.11 The ultimate aim of delivering the Council Communications Strategy and 2018-20 Campaign Plan would be to enhance the proportion of residents who are informed and engaged. The Council would seek improved trust and satisfaction ratings when compared with the recent measurements from the Swindon residents' survey (November 2017).
- 3.12 Alongside this, each individual campaign plan would set out clear objectives and how the activity delivered would be evaluated.
- 3.13 There is not a centralised budget for communications. Therefore the Strategy and Campaign Plan would be delivered through no or low cost activity, utilising budget where identified by individual service areas.

Further information on the subject of this report can be obtained from Phil Avery 07392 109772 pavery@swindon.gov.uk or Samantha Mowbray 07823525337 smowbray@swindon.gov.uk

Council Communications Strategy and 2018-20 Campaign Plan

Cabinet

Date: 11th July 2018

4. Alternative Options

- 4.1 The Council could decide not to approve the Council Communications Strategy and 2018-19 Campaign Plan. However, that would mean losing an opportunity to focus and prioritise the Council's professional communications resources to best effect in support of the local authority's objectives.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 There are no financial or procurement implications arising directly from this report.

Legal and Human Rights Implications

- 5.2 Legal and Human Rights considerations have been taken fully into account in compiling this report. It is considered that the recommendations of this report are compatible with Convention Rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 There are no other implications arising from this report.

Diversity Impact Assessment

- 5.4 A Diversity Impact Assessment (DIA) has not been completed for this report, as there are no direct implications on the delivery of any individual service. It would be expected that individual campaign plans would take into account the different needs of Swindon's communities as appropriate, depending on the objectives and outcomes sought by the campaign.

Risk Management

- 5.5 Risks will be managed in line with department risk management techniques and programme management.

6. Consultees

- 6.1 The Council's Report Writing standard requires authors to consult appropriate Corporate Directors, Directors or Heads of Service, other officers and relevant partners on the purpose, content, and recommendations of the report before it is

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Council Communications Strategy and 2018-20 Campaign Plan

Cabinet

Date: 11th July 2018

presented for decision. In respect of reports to Cabinet, authors are also required to consult the relevant Cabinet Member.

7. Background Papers

7.1 None

8. Appendices

8.1 Appendix 1 - Council Communications Strategy and 2018-19 Campaign Plan (*The appendix is available online at the Council's website or on request from Committee and Member Services*).

8.2 Appendix 2 – LGA Communications Peer Review Final Report (January 2018) (*The appendix is available online at the Council's website or on request from Committee and Member Services*).

8.3 Appendix 3 – SBC action plan in response to the LGA Communications Peer Review Final Report (*The appendix is available online at the Council's website or on request from Committee and Member Services*).

9. Key Decision/Decision in Cabinet Work Programme

9.1 This is not a key decision and is included in the Cabinet Work Programme for July 2018.

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Membership of England's Economic Heartland Strategic Transport Forum

Cabinet

Date: 11th July 2018

Author: Leader of the Council
Interim Chief Executive

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 This report seeks authority from Cabinet that the Leader of the Council be authorised to confirm that SBC membership of England's Economic Heartland (EEH) Strategic Transport Forum (STF) will continue with the intention of becoming a subnational transport body by 2021/22.
- 1.2 Although Council has already given permission to the Leader to join EEH STF (Full Council, 19th April 2018) and to meet the relevant annual subscription, Cabinet is asked to agree that SBC confirm its intention to participate in EEH through its progression into a subnational transport body. This would strengthen integration of strategic transport and infrastructure development and make the case for sustained levels of investment in infrastructure and services in response to pressures arising from economic success and to provide the capacity for economic growth.
- 1.3 Continuing as a member of this strategic alliance would contribute towards delivery of the Council's Vision priority to: "improve infrastructure and housing to support a low-carbon economy."

2. Recommendations

Cabinet is recommended to:

- 2.1 Agree that the Leader of the Council be authorised to confirm in writing, as required by the Department for Transport, SBC's participation in the emergent statutory subnational transport body (STB), comprised of the member authorities of the EEH Strategic Transport Forum.

3. Detail

Background

- 3.1 The England's Economic Heartland (EEH) is a strategic alliance of the local authorities within in arc of the south Midlands extending from Oxfordshire in the west to Cambridgeshire in the east. The Strategic Transport Forum (STF) has been established as the focus for taking forward an overarching transport and connectivity strategy for the EEH sub-region. It consists of Highways Authorities

Further information on the subject of this report can be obtained from Philippa Venables, 07824 550469, pvenables@swindon.gov.uk.

Membership of England's Economic Heartland Strategic Transport Forum

Cabinet

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and Local Enterprise Partnerships across the area alongside national transport stakeholders.

3.2 Cabinet resolved (Cabinet Minute 91, 2017/18, 14th March 2018)

3.2.1 That Council be recommended that the Leader of the Council be authorised to accept an invitation to join formally the England's Economic Heartland Strategic Transport Forum; the benefits for Swindon are associated with the development of what has become known as the Cambridge-Milton Keynes-Oxford corridor.

3.3 The Strategic Transport Forum's work with the National Infrastructure Commission, Highways England, and Network Rail has secured investment for the East-West Rail and the Oxford to Cambridge Expressway schemes, which aim to improve transport connectivity across the region significantly.

3.4 The benefits for Swindon of membership the Strategic Transport Forum are focused on the ability to work with EEH partners to improve connectivity between Swindon and the South Midlands/East of England, specifically by providing opportunities to:

3.4.1 Raise Swindon's transport issues and opportunities with national stakeholders at the sub-regional scale to influence infrastructure investment decisions,

3.4.2 Influence the franchise specification for East-West Rail and to influence the case for the westward extension of East-West rail services towards Swindon and Bristol,

3.4.3 Influence the Oxford to Cambridge Expressway corridor route selection, with the aim of ensuring that Swindon enjoys maximum benefits from improved connectivity to the East of England and to press the case for further investment in the A420 corridor, and

3.4.4 Work collaboratively across the EEH sub-region on strategic transport issues that would potentially improve connectivity between Swindon and several key growth areas.

England's Economic Heartland Subnational Transport Body

3.5 On 8th May the Secretary of State for Transport confirmed a financial contribution of £1m for EEH in the year ahead: this was in line with the assumption made in preparing the Business Planning framework considered by the EEH Leaders' meeting on 6th April.

Membership of England's Economic Heartland Strategic Transport Forum

Cabinet

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- 3.6 Of the £1m awarded to England's Economic Heartland, half is available immediately, with the remainder once the membership of the emergent Subnational Transport Body have been confirmed in writing. DfT officials have encouraged clarity on this issue by the summer recess.
 - 3.7 As the work to develop the detailed proposal for the Subnational Transport Body is taken forward there will be a need for each partner, at various stages, to consider and confirm their support for the proposal through its normal democratic processes.
 - 3.8 It is anticipated that the EEH Programme Director write to each partner setting this out and seeking confirmation of their participation in the emergent Sub-national Transport Body.
 - 3.9 Once partners have confirmed their participation it will be this partnership that will be used as the basis to develop the Subnational Transport Body proposal to government.

Sub National Transport Bodies

- 3.10 The Local Transport Act 2008 confers powers upon the Secretary of State for Transport to establish Sub-National Transport Bodies (STB) for specified geographic areas comprising a number of Local Transport Authorities.
- 3.11 Transport for North's status as a statutory body came into effect from 1st April. Both Midlands Connect and Transport for the South East are – like England's Economic Heartland – committed to developing their own proposals.
- 3.12 To give examples of the function and status of a Subnational Transport Body, Transport for the North through its status as an STB has assumed functions comprising:
 - 3.12.1 Developing a Strategic Transport Plan for the North, coordinating investment and work across the region to drive economic growth;
 - 3.12.2 Coordinate and deliver one smart, integrated ticketing system across the North.
- 3.13 Transport for the North will work together with the Department for Transport to:
 - 3.13.1 Agree objectives for the region for Network Rail and Highways England to ensure that their priorities are driven by the needs of the North;
 - 3.13.2 Share responsibility for managing the TransPennine Express and Northern rail franchises, with an emphasis on investment and long-term planning.

Further information on the subject of this report can be obtained from Philippa Venables, 07824 550469, pvenables@swindon.gov.uk.

Membership of England's Economic Heartland Strategic Transport Forum

Cabinet

Date: 11th July 2018

- 3.14 It is anticipated that EEH Subnational Transport Body will consider similar interventions through its business planning process and strategic transport plan, both of which are under way as part of the function of the EEH Strategic Transport Forum.

4. Alternative Options

- 4.1 Swindon could continue to engage with the Forum as a partner with significantly less influence than other members along the corridor and opportunities for joint strategic working and joined up funding bids

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 A £30,000 per annum membership was agreed by March Cabinet. Aside from this, financial and procurement implications will arise from the transport and infrastructure programme activity which is undertaken by SBC as part of the strategic transport work; this will be subject to individual Cabinet approvals.

Legal and Human Rights Implications

- 5.2 Legal and Human rights considerations have been taken fully into account in compiling this report. It is considered that the proposals within this report are compatible with Convention Rights.

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.3 This report has no specific implications other than referred to in the report.

Diversity Impact Assessment

- 5.4 No Diversity Impact Assessment is required in relation to this report as the recommendations would not affect any particular service users.

Risk Management

- 5.5 Risk is assessed as an ongoing activity as part of the Corporate Scorecard and Risk Register process.

6. Consultees

- 6.1 The Council's Report Writing standard requires authors to consult appropriate Corporate Directors, Directors or Heads of Service, other officers and relevant partners on the purpose, content, and recommendations of the report before it is presented for decision. In respect of reports to Cabinet, authors are also required to consult the relevant Cabinet Member.

Further information on the subject of this report can be obtained from Philippa Venables, 07824 550469, pvenables@swindon.gov.uk.

Membership of England's Economic Heartland Strategic Transport Forum

Cabinet

Date: 11th July 2018

7. Background Papers

7.1 None

8. Appendices

8.1 None

9. Key Decision/Decision in Cabinet Work Programme

9.1 This is not a Key Decision

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

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