



Telford & Wrekin
C O U N C I L

Addenbrooke House Ironmasters Way Telford TF3 4NT

CABINET

Date **Thursday, 29 June 2017** Time **5.00pm**
Venue **Meeting Rooms G3/4, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT**

Enquiries Regarding this Agenda:

Democratic Services	Deborah Moseley	01952 383215
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Cabinet Members:

Councillor S Davies	Leader of the Council and Cabinet Member for Neighbourhood Services & Pride Programme
Councillor R A Overton	Deputy Leader and Cabinet Member for Cabinet Member for Housing & Enforcement
Councillor L D Carter	Cabinet Member for Council Finance, Commercial Services & Economic Development
Councillor A R H England	Cabinet Member for Communities, Health & Wellbeing
Councillor R C Evans	Cabinet Member for Customer Services, Tourism & Partnerships
Councillor A D McClements	Cabinet Member for Transport, Infrastructure & Broadband
Councillor J C Minor	Cabinet Member for Leisure, Green Spaces & Parks
Councillor S A W Reynolds	Cabinet Member for Education & Skills
Councillor P R Watling	Cabinet Member for Children's & Adult's Early Help & Support

Invitees

Councillor A J Eade	Conservative
Councillor W L Tomlinson	Liberal Democrat/Independent

AGENDA

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1. **Apologies for Absence**
2. **Declarations of Interest**
3. **Minutes of the meeting of the Cabinet held on 18 May 2017** Appendix A
- K 4. **Service & Financial Planning Report – 2016/17 Outturn and 2017/18 Update** Cllr L D Carter Appendix B
- K 5. **Procurement Update Report** Cllr L D Carter Appendix C

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K	6.	Young High Street Challenge	Cllr L D Carter	Appendix D
K	7.	Academy Conversion Process: proposed recoupment of costs	Cllr S A W Reynolds	Appendix E To Follow
K	8.	Housing Investment Programme Update	Cllr S Davies Cllr L D Carter	Appendix F
K	9.	Pride in Our Community by Securing Safer, Cleaner Neighbourhoods through appropriate use of our Enforcement Powers	Cllr R A Overton	Appendix G
NK	10.	Fixed Penalty Enforcement Policy & Setting of Fixed Penalty Fines	Cllr R A Overton	Appendix H
NK	11.	Telford & Wrekin Homelessness Strategy 2017- 2022	Cllr R A Overton	Appendix I
NK	12.	Representation on Outside Bodies	Cllr R C Evans	Appendix J

<u>Key</u>			
K	Key Decision	C	Item reserved for Council
NK	Non-Key Decision	Orange	Exempt Item

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on
Thursday, 18 May 2017 at 5.00pm at Addenbrooke House, Ironmasters Way,
Telford

PUBLISHED ON WEDNESDAY, 24 MAY 2017

(DEADLINE FOR CALL-IN: TUESDAY, 30 MAY 2017)

Present: Councillors S Davies (Leader and Chair), L D Carter, E A Clare, A R H England, A D McClements, R A Overton, G C W Reynolds, H Rhodes and P R Watling.

Also Present: Councillors A J Eade (Conservative Group Leader) and W L Tomlinson (Liberal Democrat/Independent Group Leader).

CB-087 Apologies for Absence

None.

CB-088 Declarations of Interest

Councillors E A Clare and A R H England declared an interest in minute number CB-090 (Proposed 3G Pitch Development) due to their membership of the Telford Trust and both indicated that they would withdraw from the meeting during determination thereof.

CB-089 Minutes

RESOLVED – that the minutes of the meeting held on 20 April 2017 be confirmed and signed by the Chair.

CB-090 Proposed 3G Pitch Development

(In accordance with their declarations of interest Councillors E A Clare and A R H England left the room during determination of the following application.)

Key Decision identified as **3g Pitch Development** in the Notice of Key Decisions published on 19 April 2017.

Councillor, R A Overton, Cabinet Member: Housing, Leisure & Health, presented the report of the Assistant Director: Commercial Services which proposed that Cabinet approve (subject to planning permission) the development of a 3G artificial turf pitch to increase the usage of the playing fields adjacent to Telford Ski Centre. Since the playing fields adjacent to the Ski Centre were protected under the Council's Green Guarantee, any disposal or change of use was required to be determined by the Cabinet. In this regard, it was noted that the proposals were consistent with the intentions of Green Guarantee protection in terms of the projected level of

community admissions and the associated health benefits, and it was proposed that the new 3G pitch would remain under the protection of the Green Guarantee in the long term.

As part of the Council's Building Schools of the Future (BSF) programme the sports facilities at Madeley Court had closed in December 2011 and were replaced by new school and community facilities on the Abraham Darby site. Due to site constraints it had been determined that the artificial turf pitch would be re-provided elsewhere as part of the programme. The Council's 2016 Playing Pitch Strategy had identified the need for one additional 3G pitch within the borough and specifically highlighted the current lack of community access to 3G pitch provision in South Telford.

The proposed facility was designed to meet with the latest Sport England technical standards and would replace the former Madeley Court artificial turf pitch, which was originally funded by the Big Lottery, and provide associated changing rooms and car parking provision. The proposed development would provide a high quality valuable community resource, improve sport and physical activity opportunities and generate significant additional usage and income. Based upon usage data from similar council facilities it was anticipated that the 3G pitch would generate in the region of 42,000 community admissions from both adults and juniors, bringing with it the associated physical activity and health benefits.

Members welcomed the proposals and noted that if the project progressed, the target date for completion would be April 2018, which would coincide with and be part of the celebrations of Telford's 50th year.

RESOLVED that –

- (a) the current protected status of the playing fields under the Council's Green Guarantee, which is to remain in place be noted and the proposed development of the 3G artificial turf pitch, changing rooms and car park be approved (subject to planning);**
- (b) the use of £427k from the 2016/17 contingency to part fund this project be approved; and**
- (c) authority be delegated to the Assistant Director: Commercial Services (or any officer authorised in writing by that Assistant Director) in consultation with the Cabinet Member for Housing, Leisure and Health to agree and enter into and complete any contracts, land transfers and any other arrangements and documentation and take any required procedural steps to develop the 3G artificial turf pitch, changing rooms and car park as described in this report.**

(Councillors E A Clare and A R H England returned to the room.)

CB-091 Children's and Adults ICT Systems Review, Procurement and Implementation

Key Decision identified as **Children's and Adults ICT Systems Review, Procurement and Implementation** in the Notice of Key Decisions published on 19 April 2017.

All Cabinet Members confirmed that they had read and understood the provided supporting information which was exempt from publication by virtue of Paragraph 3 Part 1 Schedule 12A Local Government Act 1972. No representations had been received for this information to be considered in public

Councillor, P R Watling, Cabinet Member: Children, Young People & Communities, presented the report of the Assistant Director: Early Help & Support and Director of Children's and Adult's Services which explained that the Early Help & Support Service was planning a review of business needs with a view to scoping a specification for the implementation of an ICT system (or systems) suitable to meet the wider needs of Children's and Adults Services. It was proposed that the report be considered as an exception to the usual quarterly Procurement Update report due to the nature and significant positive impact this project and its implementation would have on a number of service areas in the Council. Progress would be reported through the regular procurement update.

Current contracts for the case management systems (children's and adults) were due to end on 31st March 2018. Telford & Wrekin Council Officers had worked alongside Shropshire Council with their scoping and procurement for a new, all age, case management system to ensure that, should the need arise, Telford & Wrekin Council could also access the same contract through a valid procurement process.

A number of opportunities and benefits were noted, including reducing costs, duplication and overlaps, reducing bureaucracy and silo working, and promoting more collaborative working. There were also benefits to procuring the same system as Shropshire Council including economies of scale, sharing of expertise, integration opportunities and potentially substantial discounts.

The ongoing operational costs of the new system were forecast at £163K per year, which was within the cost of the current system and would result in an ongoing cost reduction of around £46K per annum from 2019/20. The implementation of the proposed system solution was estimated to cost around £1.59m over an 18 month period to October 2018, which included a 10% contingency in addition to the cost of purchase, implementation and hosting, and the cost of the project team needed to support the full implementation of such a significant system. Funding was available in the 2017/18 and 2018/19 capital programme, the revenue implications of which were already part of the Council's revenue budget strategy.

In response, to questions from Councillor W L Tomlinson, the Liberal Democrat/Independent Group Leader, it was advised that the proposed supplier had 70% of the market share and during the robust procurement process, their work with other Local Authorities had been considered. The lifespan of the system would

depend on the contract and performance, which was expected to be at least 5 years and up to 10 years.

RESOLVED that –

- (a) authority be delegated to the Assistant Director: Early Help and Support, in consultation with cabinet member(s) responsible for children's and adults social care, to proceed with the next stage of procurement for a Children's and Adults ICT solution, including the Social Care Case Management System and to award the contract and adopt the appropriate process in accordance with the Constitution for the Assistant Direct: Governance, Procurement and Commissioning to conclude all legal formalities for any subsequent contract on behalf of the budget holder;**
- (b) funding for the project, implementation and ongoing support and maintenance of the system(s) and programme team be confirmed and approved;**
- (c) the procurement of the preferred suppliers, resulting from the recent robust joint procurement process with Shropshire Council, following a review of the high level specification, within a 3 months' timeframe be agreed; and**
- (d) the permissible short extension of the existing contracts to cover the implementation period, if the new system cannot go live until October 2018 be agreed.**

CB-092 Draft Annual Governance Statement 2016/17

Non Key Decision

Councillor, S Davies, Leader, presented the report of the Assistant Director: Governance, Procurement and Commissioning which proposed that the Annual Governance Statement 2016/17 be agreed prior to the statement being signed by the Leader and Managing Director. The Statement would then be sent to the Audit Committee for review and approval and would accompany the 2016/17 annual accounts. Cabinet was also requested to approve an updated Local Code of Good Governance which had been further revised to reflect the requirements of new CIPFA/SOLACE guidance.

RESOLVED that –

- (a) the Annual Governance Statement 2016/17, attached to the report as Appendix A be agreed and the information in the report be noted; and**
- (b) the updated Local Code of Good Governance attached as Appendix C to the report be approved.**

The meeting ended at 5.16pm

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Governance, Procurement & Commissioning
Date: 24 May 2017

Signed:

Date:

TELFORD & WREKIN COUNCIL

**CABINET – 29 JUNE 2017
COUNCIL – 20 JULY 2017**

SERVICE & FINANCIAL PLANNING REPORT – 2016/17 OUTTURN AND 2017/18 UPDATE

REPORT OF THE ASSISTANT DIRECTOR: FINANCE & HR (CHIEF FINANCIAL OFFICER)

LEAD CABINET MEMBER: CLLR LEE CARTER

PART A) – SUMMARY REPORT

1.0 SUMMARY OF KEY ISSUES

1.1 2016/17 General Fund Revenue Financial Outturn

The Council has actively managed its budget during 2016/17 and despite some areas of significant pressure, has ended the year in a very positive financial position. This will not only assist in 2017/18 but allows some one-off investments in key areas to drive forward improvement and fund developments. Going forward this will result in a more sustainable financial strategy and provide benefits to the Community.

The gross revenue budget for 2016/17 was £433m and the net budget was £122m. The revenue outturn position is within budget with a final net underspend of £0.166m (which is equivalent to only -0.1% of net budget) after the proposed transfers to reserves and balances have been made. This position has been achieved after delivering £16m of budget savings in 2016/17, on top of the £80m made in the previous 7 years. Savings are now equivalent to £1,300pa for every home in the borough.

Despite the Government's Four Year Grant Settlement, the funding outlook for the medium term is still very uncertain due to the current review of the Business Rates Retention Scheme which is underway. This is the most significant and fundamental change to local government financing in recent times and encompasses reviewing the Relative Needs formulae and moving to 100% Business Rates Retention combined with the transfer of extra responsibilities and Functions to local authorities. Currently the design of the new system is subject to consultation and no detailed information for individual authorities is likely to be known until late 2018. It is therefore not possible to have any real certainty on the further cuts that the Council will face, however it is anticipated that we will need to identify in the region of an additional £30m over the period 2017/18 to 2019/20. This would bring the total savings to around £130m by the end of this period. However, as stated earlier, there are so many changes

proposed to the local government finance system that the position for future years is very difficult to assess at the current time.

Due to the strong financial management exercised by Cabinet Members and budget holders during 2016/17, the Council has been able to create a number of provisions from the 2016/17 outturn position to support its priorities and sustain its financial position going forward.

These include:

- £0.75m for investment in Estate Car Parking;
- £0.6m to fund a further two years of the Job Box and Life Ready Work Ready Programme to reduce the number of NEET young people and unemployed;
- £0.5m to create a High Street Fund providing a range of developments including: CCTV, Wi-Fi, pavement and road improvements, lighting, supporting take-up and growth of empty retail units;
- £0.4m for the development of Madeley Sports Hub;
- £0.1m to fund a programme of improvements and upgrades to Rights of Way.

Our pro-active approach secured a number of favourable variations during the year which contributed to the overall positive position.

These included:

- A benefit totalling £4m has been delivered from Treasury Management the majority of which relates to benefits from low interest rates for short term borrowing and the current Treasury Management Strategy of keeping the majority of new borrowings very short term. Clearly at some point the Council will need to start to lock in to longer term fixed rates but to do this before longer term interest rates start to increase incurs a “cost of carry” compared to the current strategy although there is a risk that longer-term fixed rates (as opposed to base rates) may start to move upwards quickly at some point. This position is monitored regularly by senior finance staff and advice is taken from the Council’s external treasury management advisors to try to manage this risk as far as possible whilst seeking to maximise short term gains.
- A one off benefit of £0.6m following the final winding-up of Transforming Telford Ltd.
- A one off benefit of £0.7m from updating sinking fund requirements for Private Finance Initiative commitments.
- Close management of employee budgets during the year has resulted in savings totalling just under £1.9m relating to vacant posts, many of which are one off savings linked to planned future service restructures

The main pressures experienced during 2016/17 were:

- **Early Help & Support** ended the year with a service overspend of £3.9m. As reported throughout the year, the cost of purchasing care packages from external providers was the key issue with an overspend of £6.1m. One off balances of £0.2m and a specific contingency set aside as part of the budget strategy of £2.5m partly offset the overspend. The Council has invested £4.4m in Adult Social Services in 2017/18 and is committed to effectively meeting the assessed needs of vulnerable adults in the borough. A further £6.8m funding over the next three years was also announced in the Chancellor's Spring Budget for Adult Social Care reflecting the fact that this is a national pressure and funding issue. However, these services comprise a large proportion of the council's overall budget and will need to contribute significantly to the overall savings requirement.
- **Children's Safeguarding** ended the year with a service overspend of £4.1m. This was a combination of the cost of Children in Care Placements, which had an overspend of £3.5m at year end, and other service overspends including the cost of using agency staff; these were offset by the use of one off balances of £0.5m. The Council has invested £4.8m in the Safeguarding in 2017/18 highlighting the very high priority placed on safeguarding children. However, as above, these services comprise a large proportion of the council's overall budget and will need to contribute significantly to the overall savings requirement.

1.2 **2016/17 Capital Outturn.**

Capital spend ended the year at £73.7m against an approved estimate of £87.1m which was in the main due to re-phasing expenditure into 2017/18. This underspend will result in some further treasury management savings to be made in 2017/18.

1.3 **Income Monitoring**

Overall cash collection is in a good position. Collection rates for Council Tax (£75m) and Business Rates (£76m) were ahead of the target for the year and Sales Ledger Income (£37m) was slightly behind. Sales ledger income has increased considerably in recent years as the Council adopts an increasingly commercial approach and has successfully expanded many income sources including new trading with schools outside the borough. In addition to sales ledger income the Council has also implemented a number of initiatives that deliver a direct net income stream to its revenue budget, these include the solar farm and NuPlace. All debt is pursued rigorously and continues to be collected after the end of the financial year with all appropriate recovery avenues being pursued.

1.4 **NuPlace Ltd**

2016/17 was the second year of operation for NuPlace Ltd, the Council's wholly owned housing investment company. NuPlace is a separate legal entity and as such prepares its own accounts but as NuPlace is wholly owned by the Council consolidated group accounts are also prepared. The unaudited accounts show that NuPlace generated an operating profit before taxation of £0.274m in 2016/17 but as expected no dividend was distributed. The Council

also received income from NuPlace totalling £0.529m during 2016/17 net of additional interest and marginal costs.

1.5 General

The draft formal statement of accounts will be considered at the Audit committee on 27 June 2017 and audited by KPMG, the Council’s external auditors during July. The accounts will also be available for public inspection for 30 working days from 19 June 2017.

1.6 Summaries of the outturn on revenue and capital along with major variations are shown as appendices to this report.

1.7 2017/18 Update

The Council faces another very challenging year in 2017/18 and a number of key issues are already highlighted in this first high level review of the budget position. Once the final accounts are completed more detailed new year monitoring will take place and a further, more detailed, report will be brought to the July meeting of the Cabinet with an updated position.

2.0 RECOMMENDATIONS

2.1 Cabinet Members are asked to approve the following recommendations which will go forward to Full Council for final approval:

- (i) to approve:
 - the Revenue outturn position for 2016/17 and related virements in Appendix 3 which is subject to audit by the Council’s external auditors;
 - the transfers to reserves and associated approval to spend the reserves as detailed in section 5 and Appendix 2;
 - the supplementary revenue estimate in relation to the additional Adult Social Care Grant announced after the Council’s budget was set detailed in para. 9.1.
- (ii) To approve the Capital outturn position and related supplementary estimates, re-phasing and virements shown in Appendix 4 and as summarised in the report.
- (iii) To note the performance against income targets.
- (iv) To note the key issues identified for 2017/18

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Delivery of all priority objectives depend on the effective use of available resources. Financial management ensures best use of resources.

TARGET COMPLETION/DELIVERY DATE	Outturn forms the basis of the formal statement of accounts which will be presented to the Audit Committee in draft format at the end of June, are audited during July and the final version of which will be published by the end of September following consideration by the Audit Committee.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and to take action if overspends /shortfalls emerge. There is a requirement to publish the audited Statement of Accounts by the end of September and the draft accounts should be presented to the Audit Committee before the end of June.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	Borough Wide

PART B) – ADDITIONAL INFORMATION

4.0 2016/17 REVENUE BUDGET

4.1 The Council had a gross revenue budget of £433m for 2016/17 and the final net revenue outturn position is as follows (a more detailed summary is provided in Appendix I):

	£m
Net Budget	122.278
Net Expenditure	122.112
Net Underspend	-0.166
Percentage Net Variance	-0.14%

4.2 Variations by Service Delivery Unit are summarised below and further detail is provided in Appendix 2.

Service Area	Service Budget	Service Outturn	Service Variation
Development Business & Employment	(163,536)	(535,686)	(372,150)
Finance & Human Resources	8,411,791	3,416,150	(4,995,641)
Cooperative Council Team	1,446,541	1,255,998	(190,543)
Children's safeguarding	22,052,836	26,143,713	4,090,877
Education & Corporate Parenting	5,100,637	5,157,485	56,848
Early Help & Support	42,592,082	46,488,265	3,896,183
Legal, Procurement & Commissioning	3,578,679	3,049,172	(529,507)
Health & Wellbeing	1,839,839	1,720,723	(119,116)
Customer & Neighbourhood Services	29,048,816	28,339,363	(709,453)
Commercial Services	49,241	44,890	(4,351)
Council Wide	8,321,684	205,070	(8,116,614)
Transfers to Reserve	0	6,827,000	6,827,000
Total	122,278,610	122,112,143	(166,467)

This table shows the position for each service area after the allocation of funds to Council priorities as detailed in section 5.3 of this report. Particularly good performance in a number of service areas including Commercial Services where additional income, early delivery of savings enabled funding for a upgraded cashless catering system to be identified and underspends in Customer & Neighbourhood Services have enabled funding to support Engineering Services to be set aside.

The figures in the table show only the service variation and exclude variances on asset rentals and pension accounting entries which are "non-controllable" accounting entries. The detailed analysis of all variances is shown in Appendix 2.

4.3 Service variances over £0.100m are highlighted below.

Service Area	Variance £m
<u>Business, Development & Employment</u>	
Skills – National Careers Contract; benefit from contract changes resulting in additional one off income and more effective service delivery.	-0.144
Development Management – Planning Determination; cost of planning appeals	+0.152
Development Management – employee cost saving due to vacant posts.	-0.116
<u>Finance & HR</u>	
Treasury –this includes the benefit arising from current low interest rates and lower borrowing than anticipated in the earlier part of the year.	-4.011
PFI Sinking Fund – Updated sinking fund assumptions to reflect current projections.	-0.700
<u>Cooperative Council Team</u>	
There are no variances over £100k to report.	
<u>Children’s Safeguarding & Independent Review</u>	
Children in Care Placements (CiC) –£3.489m overspend in 2016/17 which compares to £1.7m reported at 2015/16 year end. The total number of Looked After Children at the end of the year was 381 which is an increase of 82 within the financial year. Considerable investment has been made in this area as part of the 2017/18 budget strategy and the service has a 4 year placement model in place to manage costs.	+3.489
Internal Foster Carer Costs – payments to Foster Carers including transport costs and foster carer training.	+0.158
Staffing (Safeguarding) – includes the cost of agency social workers.	+0.512
One off Service Balances – use of one off service balances to support Safeguarding pressures.	-0.500
Assessment – the overspend reflects a significant increase in the volume of activity ie. Children in Need and Child Protection Plans	+0.271
Legal – the overspend reflects an increase in the volume of activity and an increase in the use of external barristers.	+0.152

Service Area	Variance £m
<p><u>Education & Corporate Parenting</u></p> <p>Specialist Services – savings target not fully met. +0.104</p> <p>Advisory Management/School Improvement traded Advisory Service – shortfall against additional income target; the position will be kept under review as the impact of new arrangements following restructure becomes clearer. +0.221</p> <p>School Transport – the overspend relates to 2016/17 savings targets not currently being achieved together with an increase in the number of high needs students requiring transport. +0.111</p> <p>Education Services Grant – fewer academy conversions than forecast resulting in less grant being lost. -0.212</p> <p>Contribution from Reserves – one off balances -0.200</p>	
<p><u>Early Help & Support</u></p> <p>Purchasing budgets – the pressure experienced during 2015/16 is continued in 2016/17. A cost improvement plan is in place which includes a number of strategies to reduce demand and deliver care differently which should result in lower costs. +6.121</p> <p>Contingency – included in the budget strategy for 2016/17 and 2017/18 to allow time for the service delivery changes to embed. -2.500</p> <p>Income – higher numbers in residential and nursing care than anticipated has resulted in higher client contributions during 2016/17. -0.579</p> <p>Other Income – largely relates to a shortfall of income generated from the CCG arising from an agreement to Joint Fund Packages of Care. +1.335</p> <p>Employee Costs – savings from vacancies held in year pending the service restructure. -0.467</p> <p>Transfer to Reserves in relation to Better Care Fund Pooled budget and other CCG arrangements +0.816</p> <p>Use of One off Resources identified -0.200</p>	
<p><u>Legal, Procurement & Commissioning</u></p>	

Service Area	Variance £m
Employee and Team Budgets – linked to vacancies in the Procurement and Contracts team.	-0.332
<u>Health & Wellbeing</u>	
Living Well Support Services – vacancies have been carried within the provider services for Healthy Trainer and healthy Lifestyle Hub.	-0.109
Public Health Commissioned – grant income applied to Public Health Devolved Services	+0.313
Contribution from Public Health Reserve	-0.129
Transfer to Reserves – required for the re-commissioning of Drugs and Alcohol Recovery Service and to support Social Prescribing Neighbourhood working.	+0.210
<u>Customer & Neighbourhood Services</u>	
Structures & Geotechnics – shortfall against income target due a number of fee earning posts being vacant restricting fee earning opportunities.	+0.185
Structures & Geotechnics – employee savings due to vacant posts.	-0.102
Transfer to Reserves – to cover shortfall in the above income target pending the outcome of a service review.	+0.150
Highways Footway Lighting – reduction in spend against planned maintenance due to planned upgrade of street lights in 2017/18	-0.185
Concessionary Travel – reduction in the number of concessionary passes being issued.	-0.125
Benefits Service – additional government grant received in respect of Welfare Reforms.	-0.188
Housing Benefit Subsidy – reduced costs arising from proactive review work leading to recovery of overpayments and reduced ongoing benefit costs.	-0.107
<u>Commercial Services</u>	
ICT – pressure arising from a combination of factors including: the increased number of Microsoft licenses required across the	+0.316

Service Area	Variance £m
council; storage and back-up costs and purchase of equipment all required as the use of technology grows.	
Employee Costs – one off capitalisation of salary costs relating to ICT projects.	-0.124
Facilities Management – one off saving due to vacancies and part year impact of restructure	-0.112
Property & Design – benefit from early closure of properties together with reduced spend on repairs and maintenance and utilities.	-0.139
Transfer to Reserves – to fund a replacement schools cashless catering system.	+0.175

4.4 Public Health.

Responsibility for Public Health transferred to the Council from the NHS in April 2013 together with the associated specific ring-fenced grant funding. In 2016/17 this grant totalled £12.98m. The conditions of the grant are that it must be used to address health needs and improve health and well-being in the community. Improving public health outcomes is delivered across a number of Service Areas and a summary of the application of the grant in 2016/17 is shown in the table below:

	£
Public Health Reserve (grant bwfd from 15/16)	178,119
Public Health Grant 2016/17	12,983,260
Total Funding	13,161,379
<u>Application of Funding in 2016/17</u>	
Health & Well Being	9,882,431
Children's Safeguarding	103,816
Commercial Services	342,342
Co-Operative Council	14,197
Customer & Neighbourhood Services	148,406
Development, Business & Employment	479,988
Early Help & Support	742,177
Education & Corporate Parenting	186,951
Governance, Procurement & Commissioning	894,716
Council Wide	107,416
Total Spend	12,902,440
Grant cfwd to 2017/18	258,939

The majority of the 2016/17 grant was allocated to Services during the year, with the exception of £0.21m which was carried forward to 2017/18. Of the £0.178m grant brought forward from 2015/16, £0.129m was applied in 2016/17 leaving £0.049m. Overall, including the balance carried forward to 2017/18 in accordance with the grant conditions, the grant was fully spent in 2016/17.

5.0 **RESERVES & BALANCES**

5.1 The main General and Special Fund balances were £4.491m at 31st March 2016. As part of the budget process a further risk based evaluation of all balances will be undertaken to provide an updated view of balances available for the budget strategy.

5.2 The position on the main General and Special Fund Balances is now:

	£m
Balances at 1 st April 2016	4.491
Contribution to General Fund Balances	0.166
Balances at 31st March 2017	4.657

The General/Special Fund balance forms part of the Council's overall reserves and balances.

In addition to the General and Special Fund Balances, the Council holds a number of contingencies and service balances available to support services in 2017/18. These include:-

- £2.500m specifically set aside to support Early Help & Support services,
- £2.776m general contingency to provide further support to Adults and children's safeguarding or for other services if required.
- £9.7m additional contingency to support the medium term strategy

5.3 The following specific transfers to reserves are proposed and included in the outturn position:-

	<u>£m</u>
• Estate Car parking improvements	0.750
• Skills – additional funding to build on the Job Box and Life Ready Work Ready Programme. This will provide a further two year	0.600

	<u>£m</u>
resources to continue activities to reduce the number of NEET young people and unemployment.	
• High Street Fund – to create a £700k fund to cover a range of developments including: CCTV, wifi, pavement and road improvements, lighting, supporting take-up and growth of empty retail units.	0.500
• Madeley Sports Hub – funding towards the sports hub development	0.427
• Southwater public realm development	0.400
• Events – funding to support events during the 50 th Anniversary of Telford	0.200
• Commercial Catering – funding for an upgraded schools cashless catering system	0.175
• Public Health – funding to pilot a community prescribing project; referring patients to a range of local, non-clinical services and where appropriate managing demand away from council services	0.150
• Engineering Services – funding to support the service pending the outcome of a service review and restructure	0.150
• Campaigns – to support initiatives for the Community benefit such as environmental initiatives, behaviour change and encouraging greater take up of digital channels	0.100
• Rights of Way – improvements and upgrades	0.100
• Partnership Capacity Fund – contribution as agreed in the budget strategy to support capacity in the community	0.095
• Public Health – transition funding required to re-commission substance misuse services during 2017/18	0.060
• Organisational Development – funding to support the workforce through training and development	0.056
• Early Help & Support – funding contribution towards a joint working approach: Transforming Care Partnership to support people with learning disabilities/autism	0.037
• ICT – funding to support the implementation of the new intranet and e-team sites which are integral to new ways of working	0.035
• Telford Town Park – funding for the replacement and safety of the High Ropes equipment in the Town Park	0.030
• Public Protection – funding for consultation in relation to potentially adopting a selective licensing scheme	0.025
• Library Services – funding required to meet commitments as part of the transfer of service provision to Parishes	0.020
Total	3.910

5.4 The overall position also includes transfers to the Invest to Save/Capacity Fund of £2m. This fund is integral to delivery of the council's agenda funding one-off costs necessary to achieve long term financial sustainability and meeting significant resource pressures, examples include homelessness £0.076m as referred to in a separate report on this agenda and £0.080m for ensuring that

the Council maintains robust cyber security arrangements; and the Severance Fund of £1.75m as funding will need to be in place once the Government's temporary freedom to capitalise severance costs ceases.

6.0 2016/17 CAPITAL PROGRAMME

6.1 The capital programme for 2016/17 totalled £87.08m; spend at year end was £73.67m giving a year end variation of £13.41m which is summarised in the table below:

Service Area	Budget	Spend	% Spend	Year End Variance
	£m	£m	£m	£m
Early Help & Support	0.97	0.05	5%	-0.92
Health & Wellbeing	0.76	0.34	45%	-0.42
Development Business & Employment	28.77	24.11	84%	-4.66
Customer & Neighbourhood Services	28.03	29.14	104%	+1.11
Education & Corporate Parenting	15.39	10.31	67%	-5.08
Commercial Services	6.75	4.17	62%	-2.58
Legal Procurement & Commissioning	0.13	0.14	104%	0.01
Cooperative Council	0.30	0.15	51%	-0.15
Finance & Human Resources	5.98	5.26	88%	-0.72
Total	87.08	73.67	85%	-13.41

Note: The budget includes the new allocations, slippage and virements detailed in Appendix 4

6.2 The main scheme re-phasing to 2016/17 are shown below with detail included in Appendix 4.

	£m
<u>Early Help & Support</u>	
Children's and Adults ICT System Review-rephasing of programme following procurement exercise	-0.92
<u>Health & Wellbeing</u>	
Telford After Care Team – slippage in timing of building purchase for substance misuse	-0.39
<u>Development, Business & Employment</u>	
Property Investment Programme – acceleration in spend on Growth Fund investments	+1.09
Superfast Broadband – spend re-profiled by delivery partners; fully committed in 17/18	-2.10

Housing Investment- 2 sites completed, Contract awarded for further 2 sites; programme rephased	-1.35
HCA Land Deal – rephasing of spend and profit share	-1.39
Capital Receipts Site Preparation –linked to disposals in year	-0.35
Town Centre – re-profile of spend in line with delivery of commercial investments in Southwater	-0.20
<u>Customer & Neighbourhood Services</u>	
Telford Growth Package – delivery of key roundabout improvements supporting Growth package delivery	+0.64
Town Centre Connectivity –rephasing of Town Centre dualling works	+0.55
<u>Education & Corporate Parenting</u>	
Building Schools for the Future – slippage of spend, fully committed in future years	-3.78
Early Years Capital Grant – late government allocation, slipped to 17/18 and fully committed	-0.74
Short Breaks for Disabled Children – delay in spend, all fully committed	-0.16
<u>Commercial Services</u>	
ICT – reprofiling of corporate development projects.	-0.59
Supporting Independent living, disabled facilities grant – slippage to future years	-0.65
Housing – Green Deal Communities fund uncommitted grant	-0.31
Wellington Fitness – delay in scheme design and extended consultation period	-0.23
St Georges regeneration – project rephased following consultation with external parties	-0.27

Asset management plan, general works and surveys – urgent works delayed main programme, all fully committed in future years	-0.23
<u>Co operative Council & Commercial Delivery</u>	
Every day Telford, Pride in Your Community – fully committed to future years	-0.15
<u>Finance & Human Resources</u>	
Efficiency Schemes Capitalisation	-0.63

6.3 There are a number of new approvals and virements which are also detailed in Appendix 4 and require formal approval.

6.4 Appendix 5 includes details of Education Section 106 agreements agreed during 2016/17.

7.0 NUPLACE

7.1 2016/17 was the second year of operation for Nuplace Ltd, the Council's wholly owned housing investment company. The principal activity of which is the procurement of the construction and management of private and affordable residential property. During the period the company successfully completed the construction of 2 sites at Fishermans Walk, Randlay and Holybush Road, Madeley and all 132 properties were successfully let. Land at a further 2 sites within the Borough of Telford and Wrekin was purchased at Matlock Avenue, Dawley, and Court Street, Madeley, and construction contracts were let for the delivery of a further 100 units for private market rent. The construction of these sites remains on schedule for delivery of the units within the financial year ended 31 March 2018, and the activity of pre-lets for these sites is strong.

7.2 Nuplace Ltd is a separate legal entity and as such will prepare its own Statement of Accounts and comply with company regulations. The accounts will continue to be audited by KPMG, who also audit the Council's accounts. As Nuplace is wholly owned by Telford & Wrekin Council, the Council is required to prepare Group Accounts as part of its Statement of Accounts for 2016/17 which will consolidate the Council and Nuplace's financial position.

7.3 As anticipated, no dividends were distributed at the end of 2016/17 and as the company ended the year with an operating profit before taxation of £0.274m. It should be noted that the Council has received income totalling £0.529m from Nuplace during 2016/17 net of marginal interest and other costs which is a combination of interest paid relating to the loan agreement and services Nuplace purchased from the Council. The Council will also benefit from additional Council Tax, and New Homes Bonus as Nuplace properties are completed.

8.0 **CORPORATE INCOME MONITORING**

8.1 The Council's budget includes significant income streams which are regularly monitored to ensure they are on track to achieve targets that have been set and so that remedial action can be taken at a very early stage. The three main areas are Council Tax, NNDR (business rates) and Sales Ledger. Current monitoring information relating to these is provided below. The Council pursues outstanding debt vigorously, until all possible recovery avenues have been exhausted, but also prudently provides for bad debts in its accounts.

8.2 In summary, the overall position for council tax and NNDR is above target. Cash collection remains in a very strong position in all three areas.

INCOME COLLECTION – 2017 / 18				
	Actual	Target	Performance	Change in cash collected on last year
Council Tax Collection	97.45%	97.09%	0.36% ahead of target	+£4,688,580
NNDR Collection	98.49%	98.28%	0.21% ahead of target	+ £1,307,427
Sales Ledger Outstanding Debt	6.37%	5.95%	0.42% behind target	+£2,287,342

8.3 **Council Tax (£75.3m)**

The percentage of the current year liability for council tax which the authority should have received during the year, as a percentage of annual collectable debit. The measure does not take account of debt that continues to be pursued and collected after the end of the financial year in which it became due. The final collection figure for all financial years exceeds 99%.

Year end performance 2015/16	97.1%
Year End Target for 2016/17	97.1%

Performance is cumulative during the year and expressed against the complete year's debit.

Month End Target	Month End Actual	Last year Actual
97.09%	97.45%	97.09%

We have collected over £4.6million more in council tax this year compared to last year which is as a result of a decrease in Council Tax Support, growth in the number of domestic dwellings, and an increase in inflation, as well as an increase in collection.

8.4 **NNDR-Business Rates (£76.0m)**

The % of business rates for 2016/17 that should have been collected during the year. This target, as for council tax, ignores our continuing collection of earlier years' liabilities.

The measure does not take into account the debt that continues to be pursued and collected after the end of the financial year in which it became due. As a general rule the final collection figure for any financial year exceeds 99%.

Year end performance 2015/16	98.3%
Year End Target for 2016/17	98.3%

Month End Target	Month End Actual	Last year Actual
98.28%	98.49%	98.28%

Business rates out turned at 98.49% which was an improvement in performance from 2016/17. We collected over £1.3million more than this time last year.

8.5 **Sales Ledger (£36.7m)**

This includes general debt and Social Care debt. Debt below 2 months is classified as a normal credit period.

The target percent is set relating cumulative debt outstanding from all years to the current annual debit. The targets and performance of income collection for 2016/17 are as follows:

Age of debt	Annual Target %	March 2017	
		£m	%
Total	5.95	3.071	6.37%

Sales ledger performance is also slightly outside of target. Large invoices were outstanding at year end for the CCG which had a significant impact on year end performance statistics.

9.0 **2017/18 UPDATE**

The first detailed monitoring report for 2017/18 will be considered at Cabinet in July. However, this section of the report will give an early indication of some emerging issues for the new financial year, informed where relevant, by the closedown position reported above. Inevitably, early focus is on areas of potential pressure and managers are now taking action to seek ways to minimise these pressures and to identify ways to mitigate remaining issues.

9.1 **Revenue**

Safeguarding and Early Help & Support Services

Safeguarding and Early Help & Support Services will continue to be areas requiring close monitoring throughout the year. The key areas of concern being unit costs, complexity of care needs and numbers of Children in Care. Both services have cost improvement plans to assist in the management of cost levels as well as taking a proactive approach to address future changes in funding.

As mentioned earlier in the report the 2017/18 budget includes a contingency of £2.5m specifically for Early Help & Support and additional investment has been included in both areas.

The additional funding made available in the Chancellor's Spring Budget for Adult Social Care, totalling £6.8m over 3 years (which includes £3.519m in 2017/18) is put forward for approval as this was announced after the Council's budget was set. This will be spent in line with the Improved Better Care Fund (BCF) Grant conditions and is treated as a pooled budget as part of BCF.

Treasury Management

A benefit of £1.5m is currently predicted in relation to treasury management which is mainly due to reduced borrowing costs due to low short-term interest rates and rephasing of expenditure in to later years from 2016/17 as explained earlier in this report. This may vary throughout the year dependent on borrowing requirements.

Pension Inflation

The complex discussions as part of the triennial revaluation of the Shropshire Pension Fund were not concluded until after the budget was set. Through constructive discussions with the Actuary and fund administrators and taking advantage of a discount in return for prepayment at the start of the year, employers pension costs are estimated to be £1m lower than budgeted with further savings available in later years which.

General Inflation

RPI was 3.5% in April 2017 from 2.0% in September 2016 showing an increasing trend over the past 6 months. Although the budget includes an allowance for contractual inflation if this trend continues there is likely to be pressure on all services. The position will be monitored and it is suggested that the benefit from the Pension Inflation mentioned above is retained until further information is available.

Highways – Engineers Fee Income

The shortfall in fee income was £300k in 2016/17 and £150k was prudently set aside at year end to acknowledge the part year impact of the service review which will be implemented during 2017/18. The actual shortfall in 2017/18 will depend on the outcome of the review and the pressure may be higher than the amount set aside.

10.0 **PREVIOUS MINUTES**

Council, Service & Financial Planning Strategy: 03/03/16

Cabinet, Service & Financial Planning Report: 2015/16 Outturn and 2016/17 Update - 26/06/16

Cabinet, Financial Management Reports: 21/7/2016; 13/10/2016; 5/1/2017; 23/2/2017

Council, Financial Management Reports: 29/09/16; 24/11/16; 19/01/17

Council, Service & Financial Planning Strategy: 02/03/17

11.0 **BACKGROUND PAPERS**

2016/17 Budget Strategy and Financial Ledger reports

2017/18 Budget Strategy

Report Prepared by:

Ken Clarke, Assistant Director: Finance & H.R. (C.F.O.) – 01952 383100;

Pauline Harris, Corporate Finance Manager – 01952 383701

Summary of 2016/17 Outturn Variations

Service Area	Final Budget	Outturn	Variance	Analysis of Variance			
	£	£	£	Asset Rentals	IAS19	Public health	Service
	£	£	£	£	£		£
Development Business & Employment	243,575	13,430,231	13,186,656	13,546,707	12,100	0	(372,151)
Finance & Human Resources	8,411,791	3,428,450	(4,983,341)	0	12,300	0	(4,995,641)
Co operative Council Team	1,446,541	1,260,198	(186,343)	0	4,200	0	(190,543)
Childrens safeguarding	22,321,293	26,427,570	4,106,277	0	15,400	0	4,090,877
Education & Corporate Parenting	11,424,842	13,941,373	2,516,531	2,401,083	58,600	(100,000)	156,848
Early Help & Support	42,731,841	47,266,669	4,534,828	619,845	18,800	(30,000)	3,926,183
Legal, Procurement & Commissioning	3,581,219	3,059,267	(521,952)	455	7,100	(150,000)	(379,507)
Health & Wellbeing	1,839,839	1,731,223	(108,616)	0	10,500	(32,708)	(86,408)
Customer & Neighbourhood Services	31,731,448	31,630,663	(100,785)	586,668	22,000	0	(709,453)
Commercial Services	3,164,004	3,572,524	408,519	383,870	29,000	0	(4,351)
Council Wide	(4,617,782)	(30,463,023)	(25,845,241)	(17,538,628)	(190,000)	0	(8,116,613)
Transfers to Reserve		6,827,000	6,827,000	0	0	0	6,827,000
Total	122,278,610	122,112,143	(166,467)	(0)	0	(312,708)	146,241

2016/17 Revenue Budget Variations over £50,000									
Description		Budget £	Outturn £	Variation £	Analysis of Variation			Service £	Comments
					Asset Rent £	IAS19 £	Public Health		
Business, Development & Employment									
Skills									
Post 16 Transport	Income	(72,500)	-	72,500				72,500	The loss of contributions towards Post 16 transport previously received from TCAT & New College have created an ongoing pressure. The work underway to develop a new approach to transport assistance and the agreement reached with Walford College regarding direct provision it is hoped will start to mitigate the pressure
National Careers Contract	Net position	(135,340)	(279,793)	(144,453)				(144,453)	Contract changes have resulted in the ability to generate one off higher levels of income in addition to changes on delivering the service more effectively both in house and with external providers.
	Variations under £50,000	1,632,160	1,570,294	(61,866)		3,800		(65,666)	
Development Management									
Planning Applications	Employers	656,910	573,104	(83,806)				(83,806)	One off savings arising from vacancy management and implementation of restructure.
	Income	(1,524,942)	(1,430,888)	94,054				94,054	A small number of planning applications anticipated in final quarter 16/17 have fallen into 17/18 financial year.
Planning Determination Statutory	Supplies & Services	-	152,000	152,000				152,000	Planning appeal costs.
Planning Management Account	Employers	704,628	588,495	(116,133)				(116,133)	One off vacancy management savings and implementation of restructure..
	Variations under £50,000	1,710,489	1,646,473	(64,016)		4,800		(68,816)	
Regeneration & Investment									
PIP & Service Charges	Net Position	(4,677,740)	4,423,376	9,101,116	9,039,789			61,327	This reflects the net current projections for Service charge voids.
MSCP	Income	(331,180)	(402,653)	(71,473)				(71,473)	Overachievement of income targets.
HCA	Income	-	(91,200)	(91,200)				(91,200)	HCA Land deal income received.
	Variations under £50,000	1,098,800	5,606,757	4,507,957	4,506,918		1,200	(161)	
Inward Investment & Business Support									
Management Team	Employers	166,070	81,867	(84,203)				(84,203)	Anticipated early delivery of restructure savings.
	Variations under £50,000	1,051,960	987,244	(64,716)		1,700		(66,416)	
Other	Variations under £50,000	(35,740)	5,155	40,895		600		40,295	
		-	-	-				-	
		-	-	-				-	
Total Business, Development & Employment		243,575	13,430,231	13,186,656	13,546,707	12,100	-	(372,151)	
Finance & HR									
Corporate & Capital Finance	Employees	873,025	778,722	(94,303)				(94,303)	Underspend from vacant posts which are being held vacant to contribute towards 2017/18 savings targets.
PFI HLC Leisure Contribution	Third Party Payments	747,970	47,970	(700,000)				(700,000)	Updated sinking fund assumptions following updated projections mean a reduction in the contribution to the fund for 2016/17
Human Resources	Income	(1,205,293)	(1,302,955)	(97,662)				(97,662)	Additional income generated from Services to Schools. This is mainly due to new business from external schools.
Treasury Management		6,546,631	2,535,290	(4,011,341)				(4,011,341)	Benefits arising from current low interest rates and lower borrowing than anticipated in the earlier part of the year.
Variations Under £50k		1,449,458	1,369,423	(80,035)		12,300		(92,335)	
Total Finance & HR		8,411,791	3,428,450	(4,983,341)	-	12,300	-	(4,995,641)	
Cooperative Council Team									
Community Participation	Employees	547,610	456,639	(90,971)				(90,971)	Under spend on vacant posts due to in year restructure
Organisational Development & Delivery	Employees	657,145	579,600	(77,545)				(77,545)	Under spend from vacant posts not recruited to due to restructure launched in September 2016.
Transfer to Reserves			56,036	56,036				56,036	To support corporate training and development
Voluntary Sector Grants		344,300	249,000	(95,300)				(95,300)	Planned underspend to contribute to Partnership Capacity Fund below

2016/17 Revenue Budget Variations over £50,000								
Description	Budget £	Outturn £	Variation £	Analysis of Variation			Service £	Comments
				Asset Rent £	IAS19 £	Public Health		
Transfer to Reserves			95,000	95,000			95,000	Contribution to Partnership Capacity Fund agreed in the 2017/18 budget strategy
Variations Under £50k	(102,514)	(176,077)	(73,563)		4,200		(77,763)	
Total Cooperative Council Team	1,446,541	1,260,198	(186,343)	-	4,200	-	(190,543)	
Children's Safeguarding								
Children in Care Placements	9,502,127	12,991,203	3,489,076				3,489,076	The total number of Looked after Children total at the end of 2016/17 was 381. This is an increase of 82 within the financial year. Considerable investment has been made in this area as part of the 2017/18 budget strategy. Alongside this the Service has developed a 4 year placement model to ensure that the medium term budget strategy is delivered.
Care leavers Accommodation costs	379,786	314,490	(65,296)				(65,296)	The outturn reflects a significant reduction in placement costs.
Staffing	7,123,568	7,638,875	515,307		3,500		511,807	The outturn variance includes an overspend of £0.7m against agency budgets which has been netted down by vacancies being carried across the service. At the end of March there were 11.8 agency working in CPFS and 2 within the Family Connect Service. Additional investment has been made as part of the 2017/18 Budget Strategy to recognise the pressures arising due to increasing CIN and CP Plans and through the results of the OFSTED Inspection undertaken in 2016/17.
Internal Foster Carers costs (excluding salaries, fees and allowances)	300,897	459,049	158,152				158,152	Specific pressures the most significant of which are travel costs £90k.
Assessment	250,565	521,533	270,968				270,968	Outturn reflects an increase volume in activity (CIN and CP plans).
Legal costs	243,083	394,899	151,816				151,816	Outturn reflects an increase volume in activity (CIN and CP plans) and an increase in the use of external barristers.
Variations under £50,000	3,778,304	3,742,619	(35,685)		10,600		(46,285)	
One off Balances		(500,000)	(500,000)				(500,000)	
Independent Review - Staffing	666,605	714,752	48,147		1,300		46,847	The significant pressure in this area is the cost of agency staff where the current projection is £71k
Independent Review - Under £50k	76,358	150,149	73,791				73,791	
Total Children's Safeguarding	22,321,293	26,427,570	4,106,277	-	15,400	-	4,090,877	
Education & Corporate Parenting								
Miscellaneous School Expenditure	7,605,254	10,390,994	2,785,740	2,739,564	50,200		(4,024)	The increase in asset rental charges was due to changes in the valuation of school premises.
Specialist Services	642,105	747,534	105,429		1,600		103,829	The overspend in this area was due to the savings target not being achieved in full in 2016/17.
Early Years & Childcare	214,321	282,967	68,646		1,000		67,646	Only part year salary savings target achieved in 2016/17 as the restructure in this area took effect from September 2016. Further savings will be achieved in 2017/18 due to a full year impact. Offset by £100,000 additional Public Health Grant funding shown below.
Traded Advisory Service	276,172	499,409	223,237		2,200		221,037	The service had an additional income target for 2016/17 which was not achieved in the context of a reorganisation, including part of the area moving to the Severn Teaching Alliance Teaching School from September 2016. Budgets for 2017/18 will be realigned in the context of the changes to the service.
School Transport	2,852,923	2,964,015	111,092				111,092	The overspend in this area was mainly due to the savings target of £100,000 not being achieved in 2016/17. Part of the context of this is an increase in the numbers of high needs students needing home to school transport. Several initiatives are under way to produce cost savings in 2017/18 and beyond.
Education Service Grant (ESG)	(1,820,185)	(2,032,103)	(211,918)				(211,918)	The majority of ESG is paid for pupils in maintained schools. Academy conversions therefore reduce the grant received in year. A number of conversions were anticipated in 2016/17 which did not take place during the year, most notably Charlton School. This resulted in a higher than budgeted receipt of ESG.
Residential Education Provision (Pre 16)	360,382	14,061	(346,321)	(338,481)			(7,840)	Asset Rental underspend

2016/17 Revenue Budget Variations over £50,000									
Description	Budget £	Outturn £	Variation £	Analysis of Variation				Service £	Comments
				Asset Rent £	IAS19 £	Public Health			
Variations under £50,000	1,293,870	1,374,496	80,626	-	3,600			77,026	
Use of Reserves		(200,000)	(200,000)					(200,000)	One off application of Reserves
Additional Public Health Grant		(100,000)	(100,000)			(100,000)			
Total Education & Corporate Parenting	11,424,842	13,941,373	2,516,531	2,401,083	58,600	(100,000)		156,848	
Early Help & Support									
Purchasing	42,188,894	48,310,120	6,121,226					6,121,226	The year end position reflects actual expenditure for the year including accruals for care orders in place at the end of March where invoices are not received. There has been a reduction mainly due to the realisation of reduced care costs for which accruals were in place in 2015/16, and a reduced cost of care of £250k.
Contingency	2,500,000	-	(2,500,000)					(2,500,000)	The Budget Strategy included this contingency as budgetary growth for 2016-18. This contingency budget is a "Safety net" and is part of the strategy to transform the delivery of services.
Income - Client Contributions	(6,355,872)	(6,935,226)	(579,354)					(579,354)	Client income has not changed materially from 2015/16 outturn position. The 2016/17 budget assumed that with a reduction to clients in residential and nursing care there would be a corresponding reduction in client contributions. The over-achievement in income has occurred as a result of a higher number of clients in residential and nursing care than anticipated and this is reflected in the purchasing pressure reported above.
Income - Other	(10,052,808)	(8,717,558)	1,335,250					1,335,250	This shortfall in income largely arises from a shortfall against the target income to be generated from the CCG.
Employee costs	9,216,729	8,749,794	(466,935)					(466,935)	The EHS restructure was implemented in December 2016 and achieved planned savings targets. The underspend being reported reflects further savings made in 2016/17 from vacancies held in year.
Contribution to Reserves	-	816,029	816,029					816,029	Reflects a movement to reserves in line with the Better Care Fund Pooled budget and other CCG arrangements
Contribution from reserves	-	(200,000)	(200,000)					(200,000)	Use of one off resources
Variations under £50,000	5,234,898	5,243,510	8,612	619,845	18,800	(30,000)		(600,033)	A significant proportion of these underspends are from Cohesion. The remaining EHS underspends are in certain cases offset by pressures reported above, and from capitalisation of ICT costs
Total Early Help & Support	42,731,841	47,266,669	4,534,828	619,845	18,800	- 30,000		3,926,183	
Legal, Procurement & Commissioning									
Commissioning-employee and team budgets	2,398,342	1,917,474	(480,868)		1,300	(150,000)		(332,168)	Vacancies within the Procurement and contracts team have resulted from Voluntary redundancies and are delivering savings in year, in addition to a rationalisation of funding resources.
Commissioning-Contribution to reserves	-	37,325	37,325					37,325	A contribution towards the cost of the Commissioning arrangements for the Transforming Care Partnership initiative
Variations under £50,000	1,182,877	1,104,468	(78,409)	455	5,800			(84,664)	
Total Legal, Procurement & Commissioning	3,581,219	3,059,267	(521,952)	455	7,100	(150,000)		(379,507)	
Health & Wellbeing									

2016/17 Revenue Budget Variations over £50,000									
Description	Budget £	Outturn £	Variation £	Analysis of Variation				Comments	
				Asset Rent £	IAS19 £	Public Health	Service £		
Public Health Commissioned									
Drugs and Alcohol Support Services	2,481,768	2,418,310	(63,458)			(63,458)			Efficiencies made against various commissioned Drugs and Alcohol services. Reductions in take up to commissioned Stop for Life Smoking in Pregnancy have led to savings against the commissioned contract and the Children's Counselling Service needed to be re-rendered in year due to the provider going into administration. Vacancies have been carried within the provider services for Healthy Trainer and Healthy Lifestyle Hub. Public Health Grant and Spend - see detail in the main report Approved reserves to fund transition in the re-commissioning of Drugs and Alcohol Recovery Service (£60k) and to support Social Prescribing Neighbourhood Working (£150k)
Early Help Support Services	827,923	759,855	(68,068)			(68,068)			
Living Well Support Services	816,940	707,450	(109,490)			(109,490)			
Variations Under £50k	6,008,814	5,856,089	(152,725)	-	300	(135,971)	(17,054)		
Public Health - Grant income	(10,053,691)	(9,740,983)	312,708			312,708	-		
Public Health - Other income	(65,000)	(80,000)	(15,000)			(15,000)	-		
Contribution from PH Reserve		(129,180)	(129,180)			(129,180)	-		
Contribution from Other Reserves (Naloxin)		(1,542)	(1,542)			(1,542)	-		
Contribution to Public Health reserve	-	210,000	210,000	-	-	210,000	-		
Public Health Total			-						
Civil Resilience & Coroners Service	516,208	512,858	(3,350)		300		(3,650)		
Variations under £50k			-						
Culture and Wellbeing									
Variations under £50k	1,045,930	928,958	(116,972)		3,200	(32,708)	(87,464)		
Contribution to Reserve	-	30,000	30,000		-	-	30,000	Approved reserves to fund purchase of equipment and consumables for the High Ropes facility in the Town Park.	
My Options	260,947	259,407	(1,540)		6,700		(8,240)		
Variations under £50k			-						
Total Health & Wellbeing	1,839,839	1,731,223	(108,616)	-	10,500	(32,708)	(86,408)		
Customer & Neighbourhood Services									
Public Protection									
Commercial Pollution	Employees	455,284	385,190	(70,094)			(70,094)	Under spend arising from vacant posts as a result of Public Protection restructure	
Highways & Neighbourhood Mgmt									
Public Realm	Employees	535,870	459,227	(76,643)			(76,643)	Vacant posts due to Service restructure	
Transport & Highways Development									
Winter Maintenance	Various	666,200	597,737	(68,463)			(68,463)	Reduced spend on Winter Maintenance due to a mild winter	
Flood Barriers	Supplies & Services	97,000	618	(96,382)			(96,382)	Underspend arising as Barrier not deployed this year	
Highways & Engineering	Income	(1,411,220)	(1,303,429)	107,791			107,791	Vacant posts in this team has reduced the level of income generating work. These posts are currently being recruited to	
Structures & Geotechnics	Employees	358,568	257,030	(101,537)			(101,537)	Vacant posts	
Structures & Geotechnics	Income	(650,650)	(465,246)	185,404			185,404	Vacant posts in this team has reduced the level of income generating work. These posts are currently being recruited to	
Highways Maintenance	Capital Financing	2,296,750	2,755,422	458,672	458,672			Variation on Asset Rental	
Accident Damage	Income	(43,200)	(108,231)	(65,031)			(65,031)	Additional payments received for damage incurred	
Highways Insurance Excess	Various	201,080	137,958	(63,122)			(63,122)	Under spend against insurance budget as majority of claims have been met from the insurance excess fund	
T&W Footpath lighting	Premises-Related Expenditure	593,250	408,204	(185,046)			(185,046)	Reduction in spend against planned maintenance due to the upgrade of street lights in 2017/18	
Traffic Management	Third Party Payments	-	67,457	67,457			67,457	Additional spend with TWS Contractor	
Concessionary Travel	Supplies & Services	1,717,720	1,591,855	(125,865)			(125,865)	Reduction in the number of actual concessionary passes being issued. This is in addition to the £100k saving put forward for 2016/17.	
Highways & Transportation Strategic Policy	Income	(1,548,980)	(1,450,418)	98,562			98,562	£30k budgeted use of reserves not drawn down and shortfall against income targets	
Transfer to Reserves			150,000	150,000			150,000	Engineering Services – funding to support the service pending the outcome of a service review and restructure	
Benefits, Registrars & Customer Services									
Benefits Team C - Assessments	Income	(1,122,050)	(1,310,447)	(188,397)			(188,397)	Additional government grant received in respect of Welfare Reforms	

2016/17 Revenue Budget Variations over £50,000									
Description		Budget	Outturn	Variation	Analysis of Variation			Service	Comments
		£	£	£	Asset Rent £	IAS19 £	Public Health		
Rebates (Subsidy)	Various	(127,500)	(234,813)	(107,313)				(107,313)	Impact of reduced costs of Housing Benefit due to benefits review work and data matching exercises undertaken. This has led to an improved position on recovery of overpayments and also a reduced cost of benefits going forward.
Waste & Neighbourhood Services									
Service & Contract Development	Employees	417,220	334,956	(82,264)				(82,264)	Vacant posts not recruited to in the year due to service restructure
Waste	Various	10,819,040	10,682,738	(136,302)				(136,302)	Savings on Waste Disposal including Wood £58.6k, Green Waste of £20k and Service Contracts £58k
				-				-	
Transfers to Reserves			80,000	80,000				80,000	Funding required to meet commitments in 2017/18
Customer & Neighbourhood Services - other variations <£50k		18,477,066	18,594,854	117,788	127,996	22,000		(32,208)	
				-				-	
				-				-	
Total Customer & Neighbourhood Services		31,731,448	31,630,663	(100,785)	586,668	22,000	-	(709,453)	
Commercial Services									
				-					
Corporate ICT	Supplies & Services	1,200,930	2,077,135	876,205	560,045			316,160	There are a number of pressures currently highlighted in ICT including: growth in the cost and number of Microsoft licenses, due to more employees using ICT to do their jobs effectively and the move to digitally enabled and mobile technology; network contract costs and software support costs (storage area network and back-up environment) are also higher than anticipated. Costs relating to the purchase of thick/thin/laptop client devices have also created a pressure throughout the year. Budget growth of £270k has been given for 17/18 to mitigate licensing pressure going forward.
	Income	(321,140)	(444,655)	(123,515)				(123,515)	One off capitalisation of salary costs across ICT projects.
	Variations under £50,000	(804,224)	(795,775)	8,449		7,000		1,449	
				-				-	
Business Innovation Telford BIT: Facilities Management	Employers	650,729	539,084	(111,645)				(111,645)	One off saving from vacancy management and part year restructure savings.
				-				-	
Properties	Premises	5,650,845	4,933,077	(717,768)	(579,247)			(138,521)	The ongoing Property rationalisation and early closure of a number of properties have delivered early ongoing savings. A number of one off savings have been achieved from reduced spend on R&M and Utilities across all properties.
	Variations under £50,000	(5,665,629)	(5,350,545)	315,084	419,818	5,400		(110,134)	
				-				-	
Housing, NuPlace & Commercial Projects	Variations under £50,000	(88,398)	(15,237)	73,161	(3)	1,600		71,564	
				-				-	
Operations				-				-	
Leisure Services	Leisure Services	1,780,697	1,874,443	93,746		5,200		88,546	There are a number of Leisure sites which have performed better than anticipated. Income targets for the Horsehay Aspirations gym was challenging, however we have seen a 49% increase in membership income on 15/16 levels. The Ice Rink has experienced fluctuations against target during the year, with a strong performance in December, but reduced usage in February. Further work will be completed with customer engagement to understand the factors driving these fluctuations.
				-				-	
Cleaning Services	Variations under £50,000	218,881	102,940	(115,942)		3,000		(118,942)	Additional income generated from new Commercial sites along with part year delivery of restructure savings.
				-				-	
Catering Services	Variations under £50,000	100,918	39,263	(61,655)		4,300		(65,955)	Additional income generated from new External sites.
				-				-	
Other	Variations under £50,000	440,395	437,794	(2,601)	(16,743)	2,500		11,642	
	Approved contribution to Reserves	-	175,000	175,000				175,000	Catering System upgrade
				-				-	
				-				-	
Total Commercial Services		3,164,004	3,572,524	408,519	383,870	29,000	-	(4,351)	
Council Wide									
				-					
Staff Miscellaneous	Employees	926,740	873,428	(53,312)				(53,312)	Under spend on historic pension costs
Purchase Rebates	Income	(473,500)	(686,892)	(213,392)				(213,392)	£50k surplus on dividend from WME plus £163k agency rebate received

2016/17 Revenue Budget Variations over £50,000									
Description	Budget £	Outturn £	Variation £	Analysis of Variation				Comments	
				Asset Rent £	IAS19 £	Public Health	Service £		
Transforming Telford			(649,332)	(649,332)				(649,332)	Transforming Telford residual balance following closure of the company
Asset Management Account and other Council Wide Items	(11,491,473)	(36,225,493)	(24,734,020)	(17,538,628)				(7,195,392)	Includes unused balance in the budget contingency
Budgeted Contributions to reserves	3,094,250	3,094,250	(0)					(0)	
IAS19 Reversals		(190,000)	(190,000)		(190,000)			-	
Variations under £50,000	3,326,201	3,321,016	(5,185)					(5,185)	
Total Council Wide	(4,617,782)	(30,463,023)	(25,845,241)	(17,538,628)	(190,000)	-	-	(8,116,613)	
Transfers to Reserves									
Skills	Job Box and Life Ready Work Ready Programme		600,000	600,000				600,000	Funding for a further two year plan to continue activities to reduce the number of NEET young people and unemployed
Inward Investment & Business Support	High Street Fund		500,000	500,000				500,000	To create a High Street Fund of £700k (£200k from the original programme) to cover a range of items.
Campaigns			100,000	100,000				100,000	To support initiatives for community benefit such as environmental initiatives, behaviour change and encouraging greater take up of digital channels.
Madeley Sports Hub			427,000	427,000				427,000	Madeley Sports Hub Development
Rights of Way			100,000	100,000				100,000	Programme of improvements and upgrades
50th Anniversary Events			200,000	200,000				200,000	Additional events
Estate Car Parking			750,000	750,000				750,000	
Public Realm	Development of South water green space		400,000	400,000				400,000	
Severance Fund			1,750,000	1,750,000				1,750,000	
Invest to Save Fund			2,000,000	2,000,000				2,000,000	
			-	-				-	
Total Transfers to Reserve	-	6,827,000	6,827,000	-	-	-	-	6,827,000	
Total Variations	122,278,610	122,112,143	(166,467)	(0)	-	(312,708)	-	146,241	

2016/17 Revenue Virements for Approval

<u>Virements To:</u>	£	<u>Virements From:</u>	£
Children's Safeguarding			
Children in Care Placements	3,489,076	One off Balances	500,000
Staffing (Safeguarding)	511,807	Care Leavers Accommodation Costs	65,296
Internal Foster Carer Costs	158,152	Variations under £50,000	46,285
Assessments	270,968		
Legal Costs	151,816		
Independent Review - employees	46,847		
	4,628,666		611,581
Education & Corporate Parenting			
Specialist Services	103,829	Education Services Grant	211,918
Early Years and Childcare	67,646	Reserves	200,000
Traded Advisory Services	221,037	Grant Income	100,000
School Transport	111,092		
Asset Rentals	2,401,083		
	2,904,687		511,918
Early Help & Support			
Purchasing of Care - all client groups	6,121,226	Contingency	2,500,000
Income - other	1,335,250	Contribution from reserves	200,000
Contribution to reserves	816,029	Employee Costs	466,935
Asset Rentals	619,845	Income - client contributions	579,354
		Variations under £50,000	630,033

2016/17 Revenue Virements for Approval

Virements To:	£	Virements From:	£
	8,892,350		4,376,322
Customer & Neighbourhood			
Highways & Engineering - income	107,791	Public Protection - Commercial Pollution - employees	70,094
Transfer to Reserves	230,000	Public Realm - employees	76,643
Structures & Geotechnics - income	185,404	Winter Maintenance	68,463
Traffic Management - third party payments	67,457	Flood Barriers	96,382
Highways & Transportation income	98,562	Structures & Geotechnics - employees	101,537
Asset Rentals	586,668	Transport & Highways Dvpt income	128,153
		Footway Lighting	185,046
		Concessionary Travel	125,865
		Benefits - income	188,397
		Benefits - Housing Benefits	107,313
		Waste & Neighbourhood Services - employees	82,264
		Waste - various	136,302
		Variations under £50,000	32,208
	1,275,882		1,398,667
Business, Development & Employment			
Post 16 Transport	72,500	National Careers Contract Income	144,453
Planning Applications - income	94,054	Planning Applications - employees	83,806
PIP & Service Charge net variance	61,327	Planning Management Account - employees	116,133
Planning Appeals - supplies and services	152,000	Regeneration & Investment - income	162,673
		Management Team - employees	84,203
Asset Rentals	13,546,707	Variations under £50,000	201,059

2016/17 Revenue Virements for Approval

Virements To:	£	Virements From:	£
	13,926,588		792,327
Finance & HR		Treasury Management	4,011,341
		PFI Community Contribution	700,000
		Corporate Finance - employees	94,303
		Human Resources - income	97,662
		Variations under £50,000	92,335
	0		4,995,641
Legal, Procurement & Commissioning		Commissioning - employee and team budgets	332,168
		Grant Income	150,000
		Variations under £50,000	84,664
Asset Rentals	455		
	455		566,832
Health & Wellbeing			
Public Health Grant		Living Well Support Services - employees	109,490
Public Health - contribution to reserve	210,000	Drugs & Alcohol Support Services	63,458
Public Health Commissioned - grant income	312,708	Early Help & Support commissioned services	68,068
		Contribution from Reserves	129,180
		Variations under £50,000	152,512
	522,708		522,708
Commercial Services			
Corporate ICT - Supplies & Services	316,160	Corporate ICT - income	123,515
Leisure Services	88,546	Facilities Management - employees	111,645

Appendix 3

2016/17 Revenue Virements for Approval

Virements To:	£	Virements From:	£
Contribution to Reserves	175,000	BIT - Properties	138,521
Asset Rentals	383,870	BIT Variations under £50,000	110,134
		Cleaning Services - variations under £50,000	118,942
		Catering Services - variations under £50,000	65,955
	963,576		668,712
Cooperative Council Team			
OD - Transfer to Reserves	56,036	OD - employees	77,545
Partnership Capacity - Transfer to Reserves	95,000	Voluntary Sector Grants	95,300
		Community Participation - employees	90,971
		Variations under £50,000	77,763
	151,036		341,579
Council Wide & Transfers to Reserves			
Severance Fund	1,750,000	Staff Misc	53,312
ITS/Capacity Fund	2,000,000	Purchase Rebates	213,392
Skills	600,000	Transforming Telford Balance	649,332
Inward Investment & Business Support	500,000	Other Council Wide Items (incl. central contingency)	6,851,997
Campaigns & Marketing	100,000		
Madeley Sports Hub	427,000		
Rights of Way	100,000		
50th Anniversary Events	200,000		
Estate Carparking	750,000		
Public Realm	400,000		
		Asset Rentals	17,538,628
	6,827,000		25,306,661
Total	40,092,948		40,092,948

Capital Approvals - by Service Area

Virements	Service Area	2016/17 £	2017/18 £	2018/19 £	2019/20 £	20/21 £	Funding
Every Day Telford- Pride Hollinswood Centre	Commercial Services	(586.26)					Prudential
Day Opportunities for ALD	Health & Well-Being	586.26					Prudential
ICT/e-Gov	Commercial Services				(411,000.00)		Prudential
Customer Services Systems Development	Customer & Neighbourhood Services				411,000.00		Prudential
3G Pitch	Commercial Services		600,000.00				Capital receipts
Building Schools for the Future	Education & Corporate Parenting		(600,000.00)				Capital receipts
Total		0.00	0.00	0.00	0.00		

Slippage	Service Area	16/17 £	17/18 £	18/19 £	19/20 £	20/21 £	Funding
All Other School Schemes	Education and Corporate Parenting	(7,041.81)	7,041.81				Borrowing Approval
All Other School Schemes	Education and Corporate Parenting	(16,859.26)	16,859.26				Prudential
All Other School Schemes	Education and Corporate Parenting	(47,433.55)	47,433.55				External
All Other School Schemes	Education and Corporate Parenting	(1,402,556.28)	1,402,556.28				Grants
BSF	Education and Corporate Parenting	(7,000.00)	7,000.00				External
BSF	Education and Corporate Parenting	333,000.00	(333,000.00)				Revenue
BSF	Education and Corporate Parenting	(4,108,950.72)	4,108,950.72				Capital receipts
Accommodation Strategy	Commercial Services	(31,038.81)	31,038.81				Prudential
Accommodation Strategy	Commercial Services	(62,297.40)	62,297.40				Revenue
Asset Management Plan-General Works & Surveys	Commercial Services	(274,526.05)	274,526.05				Prudential
Every Day Telford- Pride Hollinswood Centre	Commercial Services	(94,494.63)	94,494.63				Prudential
Housing	Commercial Services	(40,238.81)	40,238.81				Prudential
Housing	Commercial Services	(168,424.06)	168,424.06				Capital receipts
Housing	Commercial Services	(44,937.26)	44,937.26				External
Housing	Commercial Services	(180,658.06)	180,658.06				Grants
Housing	Commercial Services	(309,747.45)	309,747.45				Prudential
ICT/ eGov	Commercial Services	(603,473.61)	603,473.61				Prudential
ICT/ eGov	Commercial Services	(4,034.41)	4,034.41				Revenue
St Georges Regeneration	Commercial Services	(274,468.63)	274,468.63				Prudential
Wellington Fitness	Commercial Services	(140,000.00)	140,000.00				Capital receipts
Wellington Fitness	Commercial Services	(93,663.00)	93,663.00				Prudential
Every Day Telford - Pride in your Community	Co-operative Council	(146,895.76)	146,895.76				Prudential
Customer Services Systems Development	Customer & Neighbourhood Services	(142,420.05)	142,420.05				Prudential
Customer Services Systems Development	Customer & Neighbourhood Services	(10,000.00)	10,000.00				Revenue
Every Day Telford - Pride in your Community	Customer & Neighbourhood Services	(86,155.42)	86,155.42				Prudential
Highways / Footpaths	Customer & Neighbourhood Services	410,536.19	(410,536.19)				Prudential
Ironbridge Gorge stability	Customer & Neighbourhood Services	(444,013.54)	444,013.54				Prudential
Telford Growth package	Customer & Neighbourhood Services	480,969.83	(480,969.83)				External
Telford Growth package	Customer & Neighbourhood Services	155,122.08	(155,122.08)				Grants
Telford Growth package	Customer & Neighbourhood Services	13,104.76	(13,104.76)				External
Town Centre Connectivity package	Customer & Neighbourhood Services	549,939.82	(549,939.82)				Grants
Capital receipts site preparation	Development Business & Employment	(354,228.54)	100,000.00	100,000.00	100,000.00	54,228.54	Capital receipts
Dawley Regeneration	Development Business & Employment	(18,656.75)	18,656.75				Prudential
HCA Land Deal	Development Business & Employment	(704,410.52)	704,410.52				External
Housing	Development Business & Employment	(300,000.00)	300,000.00				External
Housing	Development Business & Employment	(42,408.36)	42,408.36				Prudential
Housing Company - housing	Development Business & Employment	(918,000.00)	918,000.00				External
Housing Company - housing	Development Business & Employment	(436,741.99)	436,741.99				Prudential
Land Deal Board Schemes	Development Business & Employment	(682,727.00)	(489,427.00)	547,000.00	625,154.00		External
Property Investment Programme	Development Business & Employment	254,137.41	12,745,862.59	(1,000,000.00)		(12,000,000.00)	Prudential
Superfast broadband programme	Development Business & Employment	(1,597,974.81)	1,597,974.81				Grants
Superfast broadband programme	Development Business & Employment	(337,852.97)	337,852.97				Capital receipts
Superfast broadband programme	Development Business & Employment	(193,190.64)	193,190.64				Revenue
Town Centre	Development Business & Employment	(209,092.98)	209,092.98				Capital receipts
ICT Social Care Review	Early Help and Support	(367,365.25)	367,365.25				Prudential

Social Care Capital Grant	Early Help and Support	(550,959.32)	550,959.32					Grants
Service Transformation - Invest To Save	Education & Corporate Parenting	(82,059.85)	82,059.85					Prudential
Efficiency Schemes Capitalisation	Finance & Human Resources	(632,140.77)	632,140.77					Capital receipts
Finance Fees	Finance & Human Resources	(100,000.00)	100,000.00					Prudential
Managing the Funding of the Capital Programme	Finance & Human Resources	5,771,127.58	(5,771,127.58)					Capital receipts
Managing the Funding of the Capital Programme	Finance & Human Resources	(5,771,127.58)	5,771,127.58					Prudential
Parks for People	Health & Well-Being	(26,850.98)	26,850.98					Prudential
Public Health Capital Grants	Health & Well-Being	(394,151.11)	394,151.11					Grants
Total		(14,493,330.32)	26,066,947.78	(353,000.00)	725,154.00	(11,945,771.46)		

New Allocations								
Scheme	Service Area	16/17	17/18	18/19	19/20	later years	Funding	
		£	£	£	£			
3G Pitch	Commercial Services		427,000.00					Revenue
Asset Management Plan-General Works & Surveys	Commercial Services	47,448.42						External
Every Day Telford- Pride Hollinswood Centre	Commercial Services	(8,000.00)						Revenue
Horsehay Fitness Facility	Commercial Services	(64,987.51)						Prudential
Housing	Commercial Services	58,129.47						Capital receipts
Housing	Commercial Services		27,546.52					External
Housing	Commercial Services	(309,118.69)	1,729,682.00					Grants
ICT/e-Gov	Commercial Services	22,075.00						External
ICT/e-Gov	Commercial Services		155,000.00					Revenue
Wellington Fitness	Commercial Services		140,000.00					Prudential
Wellington Fitness	Commercial Services		140,000.00					Revenue
Estate Car Parking	Customer & Neighbourhood Services		750,000.00					Revenue
Highways & Bridges Capital Maintenance	Customer & Neighbourhood Services	29,826.69						External
Highways & Bridges Capital Maintenance	Customer & Neighbourhood Services	3,820.00						Revenue
Highways / Footpaths	Customer & Neighbourhood Services	2,550.00						External
Highways / Footpaths	Customer & Neighbourhood Services	9,556.60						Revenue
Integrated Transport	Customer & Neighbourhood Services	5,069.44						External
Integrated Transport	Customer & Neighbourhood Services	31,703.13						Grants
Integrated Transport	Customer & Neighbourhood Services	2,800.00						Revenue
Ironbridge George Stability	Customer & Neighbourhood Services	99,472.81						Prudential
National Productivity Investment Fund	Customer & Neighbourhood Services		695,000.00					Grants
Rights of Way	Customer & Neighbourhood Services		100,000.00					Revenue
Brookside	Development Business & Employment	(148,791.88)						Prudential
HCA Land Deal	Development Business & Employment		3,051,000.00	(36,000.00)	325,160.00			External
HCA Land Deal	Development Business & Employment	(23,222.38)						External
HCA Land Deal	Development Business & Employment	23,222.38						Revenue
Housing	Development Business & Employment	200,000.00	(200,000.00)					Prudential
Housing Company - Housing	Development Business & Employment		(825,664.00)	(916,000.00)				External
Land Deal Board Schemes	Development Business & Employment				659,846.00			External
Malinslee Local Centre	Development Business & Employment	(739.64)						Capital receipts
Pride - High Street Challenge	Development Business & Employment		700,000.00					Revenue
Property Investment Programme	Development Business & Employment	833,180.19						Capital receipts
Property Investment Programme	Development Business & Employment	75,138.12						Prudential
Property Investment Programme	Development Business & Employment		400,000.00					Revenue
Superfast broadband	Development Business & Employment	9,357.71						Revenue
Woodside Local Centre	Development Business & Employment	(78,916.20)						Capital receipts
Woodside Local Centre	Development Business & Employment	(4,593.54)						Prudential
All Other School Schemes	Education and Corporate Parenting	263,922.62						External
All Other School Schemes	Education and Corporate Parenting	(0.77)	(42,884.00)	166,667.00	15,569,046.00	166,667.00		Grants
All Other School Schemes	Education and Corporate Parenting		250,000.00					Revenue
Parks and Play	Health & Well Being	(20.81)						Prudential
Housing & Technology Support for Learning Disabilities	Legal Procurement & Commissioning		14,950.00					Grants
Housing & Technology Support for Learning Disabilities	Legal Procurement & Commissioning	4,793.23	(4,793.23)					Prudential
Total		1,083,674.39	7,506,837.29	(785,333.00)	16,554,052.00	166,667.00		

Section 106 Monetary Contributions Received and Expended for Education Purposes 01/04/16 to 31/03/17

Planning Application No	Scheme	Bal brought forward	Income	Expenditure	Interest	Bal Carried forward	Project
W2010/0011	Wakins Nursery Apley Castle	-30,325.88	0.00	0.00	-68.48	-30,394.36	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
W2005/0961 & TWC	Marshbrook Way Donnington	0.00	0.00	0.00	0.00	0.00	Towards Muxton 3 class extension - completed
W2009/1015	Land at Church Farm Yard	0.00	0.00	0.00	0.00	0.00	Preston St Lawrence CE Primary refurb - completed
TWC/2012/0320 & T	Land off Sommerfield Road	-121,609.68	-125,313.88	0.00	-407.44	-247,331.00	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
TWC/2011/1037	Land at The Walker Institute (Phase 2)	-38,065.72	0.00	0.00	-85.96	-38,151.68	Will be used for expansion in North East Telford - project yet to be confirmed.
W2006/1347	Leegomery Centre	-27,630.77	0.00	0.00	-62.39	-27,693.16	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
TWC/2011/0821	Land at Wellington Rd Newport	0.00	-772,622.48	0.00	-1,308.20	-773,930.68	New primary provision & expansion of secondary provision
TWC/2013/0938	Land to the South Side of Holyhead Rd	-50,544.09	-50,000.00	0.00	-202.91	-100,747.00	Will be used for expansion in North West Telford - project yet to be confirmed.
W2004/0981 & TWC	KMC (comm.centre/sch design)	-660,000.00	-27,629.60	688,338.03	-708.43	0.00	Meadows Primary Extension - completed
W2005/1290	Dawley Bingo Hall	0.00	0.00	0.00	0.00	0.00	Captain Webb Primary redevelopment completed
W2005/0659 & W20	Land @ Britannia Way	-91,539.36	0.00	293.98	-206.09	-91,451.47	To be used within vicinity of development - HLC primary extension
TWC/2010/0638	Land at The Pidgeon Box	-53,996.34	0.00	54,057.53	-61.19	0.00	St Georges Primary Various Works
W2007/1732	Capewell Works	0.00	0.00	0.00	0.00	0.00	Teagues Bridge Primary - 3 class & hall extension - completed
W2005/0661	Parkdale - Hadley	293.98	-293.98	0.00	0.00	0.00	To be used within vicinity of development - HLC
TWC/2012/0371	Land at Muxton C2 & C3	-105,946.87	0.00	106,001.75	-54.88	0.00	Towards Muxton 3 class extension - completed
TWC/2010/0147	Land @ Holyhead Rd (former garage)	0.00	0.00	0.00	0.00	0.00	Meadows Primary Extension - completed
TWC/2012/0211	Land at Maynards Croft Newport	-36,601.67	-2,110.75	0.00	-91.86	-38,804.28	Newport Infant 2 class extension project - completed
TWC/2010/0722	Redhill - Education	-109,461.39	0.00	109,517.89	-56.50	0.00	St Georges Demountable replacement
TWC/2012/0609 & T	Woodlands Primary Redevelopment	-92,621.65	0.00	92,669.63	-47.98	0.00	John Fletcher Primary Works (16/17)
TWC/2012/0787	Former White Hart Pub	0.00	0.00	0.00	0.00	0.00	Captain Webb Primary redevelopment completed
TWC/2013/0297	Land off Edgmond Rd Newport	-206,879.75	0.00	0.00	-571.43	-207,451.18	To be used toward expansion of education facilities in Newport area - project yet to be confirmed
TWC/2014/1122	Land at junction of Stirchley Ave Randlay	-40,182.64	0.00	0.00	-90.12	-40,272.76	Randlay Primary School Kitchen Works (16/17)
W2006/0608	Land off Church Walk Donnington	0.00	0.00	0.00	0.00	0.00	Muxton 3 class extension - completed
TWC/2013/0083	Land at Hadley Park West (Oakehampton Rd)	-365,557.35	-130,807.00	0.00	-1,116.39	-497,480.74	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
TWC/2012/0886	Land at 121-125 Hadley Park Road	-39,494.06	0.00	0.00	-89.18	-39,583.24	To be used within vicinity of development - either HLC, Millbrook or Apley Wood (solutions currently being considered)
TWC/2010/0089	Highfield House	0.00	0.00	0.00	0.00	0.00	St Patricks Primary School refurbishment
TWC/2014/0333	Land at Corner of Stafford Rd/A41 Newport	-73,950.99	0.00	0.00	-167.01	-74,118.00	To be used toward expansion of education facilities in Newport area - project yet to be confirmed
TWC/2010/0828	Lawley Primary New School	-151,400.04	-1,294,736.84	1,112,803.54	-915.39	-334,248.73	1st & 2nd installment re new School at Lawley & school expansion plan sum
TWC/2014/0360	Land at Heath Hill/Balls Hill	0.00	0.00	0.00	0.00	0.00	Cotribution to Captain Webb Primary Extention
TWC/2013/0606	Land at Hadley Park Rd West Millar Homes	0.00	-141,321.36	134,386.00	-16.33	-6,951.69	HLC PRIMARY EXPANSION
TWC/2014/0882 & T	Park Road Malinslee	-52,512.20	0.00	52,582.29	-70.09	0.00	Old Park Primary Extension (16/17)
TWC/2014/0273	Land at The Barnes Church Aston	0.00	-84,611.00	0.00	-10.06	-84,621.06	Moorfield Primary School Enhancement of classroom facilities
TWC/2015/0028	Land at Frome Way Donnington	-98,750.00	-2,083.01	101,119.08	-263.84	22.23	Teagues Bridge Primary - 3 class & hall extension - completed
TWC/2013/0693	Heath Court, Cliff Cres Ellerdine	0.00	-21,513.37	0.00	-15.29	-21,528.66	High Erccall Adaptations
TWC/2015/0997	Former Malinslee Primary School	0.00	-165,916.00	165,986.00	-70.00	0.00	Cont to expansion of Old Park School
TWC/2014/0656	Land adj to Stone House Shifnal Rd Priorslee	0.00	-18,000.00	0.00	-3.24	-18,003.24	Towards Primary Education

Totals

-2,446,776.47	-2,836,959.27	2,617,755.72	-6,760.68	-2,672,740.70
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TELFORD & WREKIN COUNCIL

CABINET –29th JUNE 2017

PROCUREMENT UPDATE

REPORT OF ASSISTANT DIRECTOR OF GOVERNANCE, PROCUREMENT AND COMMISSIONING

LEAD CABINET MEMBER – CLLR LEE CARTER

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

A regular report for Members to consider the update of the Council’s Procurement Intentions Document and update them on the latest information regarding effective procurement and contract management

2. RECOMMENDATION

- 2.1 Cabinet to note the procurement updates in this report
- 2.2 Cabinet to note the Procurement Intentions Document (Appendix 1) and where indicated, approve delegation to the appropriate officers (as per the Contract Procedure Rules) to progress new procurements through the tender process to contract award

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Best value procurement in line with the Contract Procedure Rules promote engagement of local suppliers and stakeholders
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/DELIVERY DATE	The Procurement Intentions Document is a live document regularly updated by SDMs throughout the year with updates to Cabinet every 4 to 6 months dependant upon activity.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The Council has made ongoing savings of £96m since 2009/10. Further savings of £14m will be delivered in 2017/18 and an estimated £15m - £20m will be required in the following two years. The delivery of future cuts will become increasingly challenging as local government

		<p>continues to face Government funding reductions. Delivering savings through effective procurement is therefore an important feature of the budget strategy with over £11.4m being identified since 2009/10. Active contract management also ensures continued value for money is achieved through the life of contracts. Improving social outcomes through the procurement process could also lead to reduced demand on services and potentially lower costs. TAS 17.05.17</p>
<p>LEGAL ISSUES</p>	<p>Yes</p>	<p>The procurement intentions document, Appendix 1, is both transparent for all businesses to be able to see and prepare for forthcoming procurements that the Council will be undertaking but also is a transparent process to evidence appropriate delegations to officers. The delegations sought in this report are for officers to be able to commence and complete the procurement activity detailed in Appendix 1 and for contracts to be executed, depending upon their value, either under seal or under hand and as such the decisions sought may be key decisions or electronically if part of the trial referred to in the report.</p> <p>All contracts must comply with relevant EU requirements as well as provisions contained within the Council's Contract Procedure Rules. In addition, service contracts must comply with the provisions contained in the Public Services (Social Value) Act 2012.</p> <p>Each procurement will need to follow due process in accordance with the Council's constitutional internal and legislative requirements, with advice from Strategic Procurement Team and Legal Services, if appropriate.</p> <p>In respect of the proposed trial of the electronic signatures Cabinet can agree a waiver of the Contract Procedure Rules if it would be in the interests of the efficient management of the service</p> <p>The Council will utilise resources for permitted purposes as set out in the Procurement Plan and will construe its behaviour against Constitutional standards of financial probity and stringent financial planning and financial risk management as well as risk and equality impact assessments and procurement requirements, which may impact delivery of outcomes.</p>

		MG 160517
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	The Procurement Intentions Document is published externally. This helps the Council's supply chain prepare for up and coming tender opportunities.
IMPACT ON SPECIFIC WARDS	No	

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

- 4.1 Council wide procurement continues to drive savings through robust competitive tendering and real time negotiation when brokering services.
- 4.2 The Procurement Team are taking a proactive approach with supporting colleagues to make an early start when retendering. They will be contacting contract manager up to 12 months in advance of their contract expiring to support scoping and market management. This will ensure that we avoid last minute contract extensions and have time to plan for the most economically advantageous tender and get the outcome right.
- 4.3 Early Market engagement is a key factor in getting the outcome right first time and on, or under, budget. The Public Contract Regulations 2015 actively encourage pre market engagement with suppliers and the Council is fully embracing this opportunity wherever possible. Engagement ensure that when officers and stakeholders are scoping a requirement they can be fully aware of what the market place can provide. It is an opportunity for suppliers to freely challenge the way in which a service is designed if they think it can be delivered quicker, better, leaner. The result is that much more officer time and energy is spent on these early engagement sessions than the tender process itself, which by default runs a lot more smoothly when suppliers have been involved early on.
- 4.4 Examples of recent successful pre market engagement are
- The Street Lighting contract led by Waste and Neighbourhood Services Performance Team. The team issued a prior information notice EU wide to invite suppliers to come and talk to them about the art of the possible. The specification changed over a course of a few months as all parties came to understand the requirements on both sides. There was also consultation with Parishes and the feedback was fundamental in again shaping the delivery of services. This led to a successful tender and award of the new contract, without any challenge which will deliver an improved service to the borough along with cashable savings and energy reductions.
 - The Highways retender process has just commenced with market engagement being held last week with the Neighbourhood Services Team.

Suppliers from Telford, around the UK and Europe came to share their knowledge and ideas for our highways. The outcome has confirmed some of the thinking and provided scope for development in other areas. Engagement will continue until we are formally tendering later in the year. Grounds Maintenance and Cleansing pre market engagement commences in June.

- Children's Residential services contracts is currently under review by the Procurement and Brokerage Team and engagement has commenced with a provider forum and market warming event to look at how these complex services can be flexible to meet the needs of our vulnerable children. The team also used the council's online survey system to gather feedback locally and nationally on the draft specification. The feedback is now being collated and is also being shared with the Care leavers groups who have been involved in the process throughout. We will be issuing the tender in the next two months.
- Older People Residential Care Framework; there was 100% turn out for the provider event at the beginning of May to start discussions about how we can create a quality led residential framework. Providers were able to share ideas and strategic plans for the future of this pressured and costly provision which will help shape the procurement and service delivery. Tenders will be issued late June.

5. All events are advertised on our Tenders internet page and, where applicable, a formal Prior Information Notice on the Government's Contract Finder internet site. We also use our twitter account to spread the word. This links in with the Telford Business Board and alerts local suppliers as well as nationals. Time invested at pre market stage is proven in every case to yield a more robust specification which meets best value and the needs of the recipients.
6. Appendix 1 to this report is the regular Procurement Intentions Document which presents to Cabinet up and coming procurements for the next few months. This is a live document so will also provide an update on procurement already approved. This document is also published on the Council's website to encourage local supplier engagement,

7. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

8. PREVIOUS MINUTES

Procurement Update CB-061 2nd February 2017

9. BACKGROUND PAPERS

Report prepared by Sarah Bass, Strategic Procurement Ext 82470

Appendix 1 (Separate sheet)

TELFORD & WREKIN COUNCIL

CABINET - 29 JUNE 2017

YOUNG HIGH STREET CHALLENGE

REPORT OF ASSISTANT DIRECTOR, BUSINESS, DEVELOPMENT & EMPLOYMENT

LEAD CABINET MEMBER – CLLR LEE CARTER

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 'Enterprise Telford, Driving Growth and Prosperity' is the Borough's strategy for economic growth. The strategy acknowledges that if our whole Borough is to benefit from economic growth and we are to build stronger, resilient local communities, we need to focus on both major inward investment and business growth and supporting local businesses particularly in our high streets to grow. Our high streets are important in their local communities and a number are also important assets in attracting visitors locally and regionally through events such as Wellington's annual literary festival, Newport Show and the Ironbridge walking festival.
- 1.2 Mirroring the national picture, our high streets are threatened by changes in household spending patterns, shopping culture and recreation trends. There have been a number of national programmes such as the Portas Pilot to address these challenges but many of the most successful schemes are the result of investment into local projects and initiatives that aim to increase footfall and the attractiveness of high streets. The Pride in the High Street programme aims to support this change supporting our high street's to maintain their role as the centre of communities.
- 1.3 An element that has been missing from most national high street initiatives is the direct engagement of young people. The 'Enterprise Telford - Young High Street Challenge' builds on the work the Council is already doing through Life Ready, Work Ready to engage schools age children in enterprise and business and encourage future entrepreneurs by providing an opportunity for young people to bring new ideas to the regeneration of the Borough's high streets. Working with a national name in youth engagement in enterprise, who are based in Telford - Enterprise Days – the Challenge will engage with more than 1,000 young people to think creatively about new and innovative ideas to regenerate our high streets, recognising that we need to attract young people to the high street as the customers and high street entrepreneurs of the future.
- 1.4 The Young High Street Challenge will see Enterprise Days work with our secondary schools to develop innovative and practical ideas to increase the attractiveness of a high street(s) leading to an event in Global Entrepreneurship 2017 to present and select a project or projects to be then taken forward and implemented in the Borough. The Challenge will culminate in an event in GEW 2018 to celebrate what has been achieved.
- 1.5 The Challenge will compliment investment through the Pride programme into the physical infrastructure of our communities and high streets and the work through Festival Telford and Discover Telford to support the marketing and attraction of our

high streets. By bringing together all of these elements we aim to have a positive and lasting impact on the economies of our high streets, supporting footfall, retaining and growing the high street offer and benefitting residents across the Borough.

2. RECOMMENDATIONS

2.1 That Cabinet approves the Young High Street Challenge concept and method of delivery;

2.2 That Cabinet delegate responsibility to the Assistant Director: Development, Business & Employment to agree the terms and sign the Grant Funding Contract.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	The proposals within this report will contribute directly towards the following priorities: <ul style="list-style-type: none"> • Protect and create jobs as a 'Business Supporting, Business Winning Council' • Ensure that neighbourhoods are safe, clean and well maintained • Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing
	Will the proposals impact on specific groups of people?	
	No	The project(s) that are delivered as a result of have the potential to benefit all our communities. The focus of the participants of the Challenge in 2017/18 will be on secondary age children.
TARGET COMPLETION / DELIVERY DATE	The programme will commence with delivery of the Young High Street Challenge in schools in September/October 2017 leading to a schools competition during Global Entrepreneurship Week (GEW) in November 2017 and delivery of the successful project in GEW and on Small Business Saturday in 2017 and in 2018 as part of Telford's 50 th birthday celebrations.	
FINANCIAL / VALUE FOR MONEY IMPACT	Yes	Approval to create a High Street fund of £700k is included within the 2016/17 Outturn Report (also on this agenda) to contribute towards Supporting Growth in our High Streets. £200k of this fund arose from underspends on the Revitalise programme. Up to £100k is now required to deliver this Young High Street Challenge programme in 2017 & 2018. The programme will grant fund Community Interest Company Enterprise Days to deliver the High Street Challenge in at least 6 schools across the Borough, engaging with more than 1,000 young people to identify innovative ideas to increase footfall and activity in our High Streets. The greater proportion of the funding will be used to deliver an event with locals schools during Global Enterprise Week (GEW) 2017 and to support the implementation of

		successful project(s) developed by local young people, in our High Streets, during 2018. Any underspends will be held within the High Street fund, subsequent reports will be produced as and when future initiatives are identified. AEM 18/05/2017.
LEGAL ISSUES	Yes	Any services which are not carried out in house by the Council will be subject to internal procurement rules and Contract Procedure rules. Grant Funding contract to be entered with Community Interest Company Enterprise Days to ensure delivery of outcome and scrutiny of services. Internal Contract Procedure rules will need to be followed.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	This investment will have an economic impact on the Borough in terms of regeneration and economic growth in our Borough Towns. It will trigger increased spend by local residents and visitors attracted by creating new facilities in key high streets. The project will also add to the scope of the Life Ready, Work Ready programme providing further opportunity for young people in our secondary schools to learn and participate in developing new, innovative and commercial ideas developing their knowledge of business, developing their employability skills and stimulating them to consider their career options whether academic or vocational
IMPACT ON SPECIFIC WARDS	Yes	The initiative will impact on wards which include High Streets.

PART B) – ADDITIONAL INFORMATION

4. BACKGROUND

- 4.1 During late 2015/early 2016 surveys were undertaken of each of the Borough Town High Streets to identify the number of empty retail units, to record the general appearance and condition of property and to map the range of services currently available in each high street in order to identify possible retail and service gaps.
- 4.2 Across the UK high streets the average number of empty retail units was 11.7%, with the highest number being nearly 27% (Blackburn) and the lowest 7% (Cambridge). At the time three of our high streets were equal to or exceeded the UK average.
- 4.3 Nationally, public spending on the accumulation of more 'things' is dropping, while spending on recreation and culture is increasing; between 2010 and 2014 weekly spending on clothes and footwear in the average household dropped while spending on recreation and culture rose by 16% and this trend is continuing. Meanwhile, on-line shopping is growing by more than 11% and it is estimated that it will represent a fifth of all sales by 2020. To survive it is being suggested that high streets must be a collection of 'experiences' where people can engage in social interaction through food and beverage outlets but also go for education and healthcare amongst other things.
- 4.4 Experience has shown elsewhere that with support, simple and small projects can deliver change and help make high streets successful.

- 4.5 One thing that has been missing from most national high street initiatives has been the meaningful involvement of young people in high street regeneration. If high streets are to survive there needs to be some innovative and creative thinking and we need to attract young people to the high street as the customers and high street entrepreneurs of the future. There is a national scheme called 'teenage markets' which is proving to be successful in some destinations, however this is limited in its approach to pop up markets. 'Young High Street Challenge' has the potential to be a new and unique brand that will encourage young people to be important partners in high street regeneration and provide the opportunity for their innovative ideas to be delivered in our Town.
- 4.6 The Young High Street Challenge will be delivered by Telford based Community Interest Company Enterprise Days who have been successfully operating the National Enterprise Challenge (NEC), the biggest schools' enterprise education competition in the UK, in schools since 2013. The National Finals of the National Enterprise Challenge, supported by ex Dragon Theo Prophitis, will be held in Telford in July and are set to attract over 2000 school children from across the country. The Council has sponsored a number of local schools to be part of NEC 2017.
- 4.7 Enterprise Days have brought their knowledge and creative ideas to the Council as innovators in engaging young people and through funding from PiHS will design and deliver the Young High Street Challenge in at least 6 secondary schools, engaging a 1000 young people across the Borough. The challenge will include on site visits to undertake surveys, workshops and marketing training and could focus on a specific high street or initiative(s) which benefit multiple high streets.
- 4.7 The challenge complements the Council's Life Ready, Work Ready programme which is strengthening the connections between schools and the local business community and seeking to better equip and enthuse young people for the world of work. The challenge provides the opportunity for a lasting legacy both in our high streets and by growing young entrepreneurs who will be able to see their ideas delivered.

Delivery Programme

- 4.7 Preparation for the Young High Street Challenge will start in June 2017, with a view to delivering the challenge programme in schools in September/October 2017. On-going support to the school 'challenge' teams will then culminate with an exciting event in Global Entrepreneurship week in November 2017, where with the help of Enterprise Days each school will present its creative ideas for high street regeneration to an expert panel. The winning team(s) will then go on to receive a prize package that will include funding and support to put into practice some of their ideas in our local high streets leading to a celebration of what has been achieved in Telford's 50th birthday year Global Entrepreneurship week in November/December 2018.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

None

6. PREVIOUS MINUTES

None

7. BACKGROUND PAPERS

None

TELFORD & WREKIN COUNCIL

CABINET 29 JUNE 2017

ACADEMY CONVERSION PROCESS: PROPOSED RECOUPMENT OF COSTS

**REPORT OF ASSISTANT DIRECTOR: EDUCATION & CORPORATE PARENTING
LEAD CABINET MEMBER – CLLR SHIRLEY REYNOLDS**

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

1.1 The report seeks to re-iterate the importance of the Local Authority maintaining close and effective relationships with schools and seeks to promote our services to all schools including those who may decide to convert to academy status in the future.

1.2 The report provides an overview of the academy conversion process, the responsibilities and obligations that apply to the Local Authority, including an indication of the resources needed to meet these requirements, and to seek approval to a proposal to secure a contribution from schools, dependent upon the circumstances of the school.

1.3 The recoupment of monies towards the Council's costs associated with the academy transfer process will be within a range of £4,500 and £6,500 and this contribution will be subject to annual review.

2. RECOMMENDATIONS

2.1 Cabinet approves the principle of the recoupment of the local authority's costs from schools in relation to the academy conversion process from September 2017

2.2 Cabinet delegates the Cabinet Member for Education and Skills and the Assistant Director – Education and Corporate Parenting to determine the level of charge to be levied dependent upon individual school factors and also to take responsibility for reviewing charges on an annual basis.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	In the long term this proposal will assist the City Council in ensuring that it can continue to meet its statutory responsibilities regarding the academy conversion process.
	Will the proposals impact on specific groups of people?	
	No	

TARGET COMPLETION/DELIVERY DATE	September 2017	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	We are required to carry out the necessary financial, legal and HR tasks necessary for academy conversion, so the proposed charges will assist the Council's financial position by contributing towards the cost of the resources necessary to undertake this work.
LEGAL ISSUES		<p>Legal Power – Principle legislation comprised of the Academies Act 2010 gives any educational institution ability to apply to the Secretary of state for conversion to an Academy. Section 10 of the education and Adoption Act 2016 sets out a statutory duty that is imposed on Telford & Wrekin Council, and it is legally obliged to facilitate the process of conversion to academy status within a specified time period. No legislation precludes the Local Authority from charging the educational institution for the costs associated with the conversion process.</p> <p>Rationale for Charging and mitigating challenge: Inevitably there will be increased demands on Council Officer time and resources generally when dealing with the intricacies of a complex project which invariably Academy conversions tend to be. Charges must be reasonable and be on a cost recovery basis only. Borough T&W must be able to demonstrate this with transparent cost scheduling. The costs associated more specifically with PFI academy conversions, is arguably substantially higher due to the contractual complexities involved. However, under no circumstances can Local Authorities benefit from this and cannot make any profit. A separate report will follow detailing implications for specific sites.</p> <p>Statutory Guidance and mitigating challenge: Borough T&W must have regard to any Department of Education statutory guidance. Recent guidance includes safeguarding the</p>

		Local Authorities position in permitting them to protect their financial position from liabilities caused by the action or in action of governing bodies. Reciprocal rights to educational institutions place a requirement on Local Authorities to conduct <i>meaningful consultation</i> before proposed changes take effect, and also consulting on any intention to amend the circumstances in which reasonable costs can be recovered in the future. Commercial Transfer Agreement and Land and property structures/ownership will be addressed in accordance with prescribed legal formalities and the law relating to these areas.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	Each academy conversion is unique and officers will continue to ensure that the interests of the Council are protected and any liabilities dealt with in an appropriate manner.
IMPACT ON SPECIFIC WARDS	No	

PART B) – ADDITIONAL INFORMATION

4 CONTEXT

4.1 The Academies Act 2010 gives all maintained schools the opportunity to become academies. Those in the first tranche of new publicly funded academies opened in September 2010. They are independent of Local Authority (LA) control. They are able to set their own pay and conditions for staff, and are able to buy in private services; including buying back services from the LA should they so wish.

4.2 All academies established by the Secretary of State enter into a contract (the Funding Agreement) with a charitable company, which is often referred to as the Academy Trust. The funding agreement provides the framework within which the academy must operate. The on-going funding of the Academy Trust is contingent upon the conditions in its Funding Agreement being met.

4.3 There is no statutory requirement for any formal relationship between Local Authorities and academies beyond that which is required for the delivery of statutory duties, such as the making and reviewing of SEN statements, securing sufficient education in an area and provision of home-to-school transport for eligible children.

4.4 However, councils continue to play a key strategic role locally and Telford and Wrekin recognises that there are significant advantages for both academies and Local Authorities in constructive partnership working, not least

in ensuring that all academies remain committed to putting Children and Young People first by raising aspirations. We are also keen to foster effective relationships in order to encourage all schools and academies to buy back Local Authority services which are well-established and provide value for money.

In Telford and Wrekin there are currently 11 academies:

Phase	Number
Primary	4
Secondary	7
Special	0

4.5 The process of converting to an academy involves the following steps:

- The school or schools make an expression of interest to the Department for Education (DfE) who then confirm that they are acceptable and give the green light for the process to start;
- Employment and HR procedures including all consultation under the TUPE Regulations 2006 with staff and trade unions to ensure that all employees of the converting schools, employed immediately before the conversion, will have their contracts of employment transferred to the new academy;
- Approval of the application by the Secretary of State which triggers the start of legal formalities;
- Other practical issues including arranging to change all service suppliers arrangements to the new academy and changing banking and insurance arrangements and associated site and building transfer arrangements;
- The Secretary of State's final approval and signing of the Funding Agreement

5.0 RATIONALE FOR CHARGING

5.1 The workload associated with each academy conversion will vary according to the complexity of the conversion. However, it is significant and the Council will continue to require additional resources to ensure that the increased workload associated with the academy transfer process is undertaken in a reasonable timescale, as well as ensuring that the Council liabilities are transferred appropriately to the new academy. It is likely that more academy transfers will go ahead over the next 1-2 years. It is therefore important that the Council agree now the resources that are required and seek to recover these costs from the school that are undergoing the process.

5.2 Academy conversions can take about three months pre-conversion (but may take longer, depending upon the complexity of the situation and how quickly the transfer of staff, assets and land can be negotiated with the Council) and four months post conversion (regarding the financial closure of the LA School accounts and transfer to the new charitable company). The DfE has issued model documentation which is intended to make the process more straight forward.

5.3 When entering into an Academy conversion, schools receive a grant from the DfE of up to £25,000 towards their conversion costs. The Council receives no direct source of funding to cover the costs linked to Academy conversions, however, there is a great deal of officer time required to ensure smooth transfer arrangements are undertaken within a reasonable timeframe.

Until now Telford and Wrekin has absorbed the associated costs of the transfer process within existing resources. Given both financial and staffing pressures the current position is unsustainable and therefore we propose the Council should seek to recoup costs associated with the Academy conversion process without reducing school budgets, as the funding is provided separately by Central Government. It is proposed that the council will recoup a contribution towards their costs which will be within a range of £4500 to £6500 with the maximum contribution being capped at £6500.

5.4 The contributions will support the following increased workload:

Area	Description
Legal and Property	To act on behalf of the Council during the Academy transfer process. This may involve purchasing external legal advice where insufficient internal capacity exists to manage the transfer workloads. To date the Council has drafted the lease documentation based upon the standard model DfE lease. Telford and Wrekin Legal Services will be responsible for acting on behalf of the Council in preparation of the Commercial Transfer Agreement and Land Ownership Transfer Agreement (Lease).
Finance	Finance will provide the following support during the transfer process: <ul style="list-style-type: none"> • Assist in the closure of ‘old school’ accounts and determining the final schools balance. • Ensure required closure processes are completed, e.g. bank accounts, purchase cards, petty cash and outstanding income. • Managing the finance related processes for T&W when transacting with schools / Academies /DfE. • Provision of financial advice around transfer arrangements. • Verification of any financial aspects of transfer negotiations.
Employment and HR	The transfer of contracts of employment, historic terms and conditions, supporting staff and trade union meetings and payroll transfers to comply with TUPE regulations.
Project Management	Co-ordination of the conversion process which includes initial DfE response, version agreements CTA and final sign off, school meetings and liaison with the DfE, external solicitors, Council officers, etc

5.6 Several authorities already make a charge to recover the costs of conversion (see below) and it is understood that other LAs are looking at their cost recovery policy also.

Local Authority	Charge
Staffordshire	£6,000
Norfolk	£5,550
Shropshire	£6,750
Leicester City	£5,000
Coventry	£4,250 - £6,750
West Sussex	£15,694 - £19,644
Birmingham	£3,500 - £10,000
Derby City	£7000 (£25 000 PFI)

6.0 LEGAL IMPLICATIONS

There are two main aspects to an academy transfer agreement between the Council and a new academy. These are the Commercial Transfer Agreement (CTA) and the Land Ownership (Lease) documentation.

Commercial Transfer Agreement

The Commercial Transfer Agreement (CTA) is the agreement dealing with the transfer of assets and liabilities from the governors of the old school or schools to the new academy trust. It has the Council as an extra party and the DfE requires a converting school to agree terms with the LA. There may be other matters necessitating supplemental documentation. Some will comprise 'novation agreements' where the current governing body has contracts with third parties for the supply of services or facilities and those contracts have to be 'novated' by fresh agreements under which the new academy takes the place of the old governing body to ensure that there is a continuance of relevant services and facilities.

Depending on circumstances, the final settlement of the CTA can be a much more time consuming exercise than the other documentation. The agreement covers the following areas:

- ensures that all liabilities that were the responsibility of the converting school/governing body transfer to the new academy
- ensures that liabilities that the Council had for the converting school, up until conversion, are covered. This is necessary as the governing body of the old school ceases to exist on the day before conversion and

without this agreement, any liabilities incurred by the governing body of the old school would default to the Council and therefore impact on all schools (School Standards and Framework Act 1998);

- the transfer of contracts and assets – staffing, including terms and conditions;
- the CTA details all contracts in force including those negotiated by the Council on behalf of all schools – the majority of contracts will transfer to the academy;
- the governing body also needs to provide staffing information including terms and conditions, copies of contracts, details of each employee etc. This information will need to be verified where the Council is the employer;
- agreement concerning any credit union loans from the Council.

Land Ownership

When the Secretary of State for Education signs the Funding Agreement, an order will be made in relation to land ownerships. Depending on the pre-conversion category of school, the Secretary of State will either require relevant freeholds to be transferred or require that the freehold owner of the school or schools grants the new academy trust a 125 year lease. The long lease is based upon the DfE model lease and the conveyancing process should be straightforward in most cases. In all cases the process will involve the Council considering and deducing its freehold title to the academy and amending the model lease to reflect each individual lease (i.e. all necessary rights granted and reserved particular to that school site). There are different arrangements for church schools. It is worth noting that although the recommended lease term is 125 years it can be brought to an end if the relevant Funding Agreement is terminated.

7. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

None

8. PREVIOUS MINUTES

None

9. BACKGROUND PAPERS

None

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380895**

TELFORD & WREKIN COUNCIL**CABINET - 29 JUNE 2017****HOUSING INVESTMENT PROGRAMME UPDATE****REPORT OF THE MANAGING DIRECTOR****LEAD CABINET MEMBERS – CLLR SHAUN DAVIES, CLLR RICHARD
OVERTON AND CLLR LEE CARTER****PART A – SUMMARY REPORT****1. SUMMARY OF MAIN PROPSALS**

1.1 In March 2016, Cabinet approved an update to the original Business Case underpinning the Council's Housing Investment Programme (HIP), which made changes to the number and nature of the sites being developed, as well as the Terms of Reference for the HIP Board.

1.2 This report follows the format of previous cabinet reports for the HIP and provides:

- A programme update to year end 2016/17
- An overview of proposals contained within the updated Business Case, appended to this report (Appendix 1).

2 RECOMMENDATIONS

2.1 That Cabinet approve the revised Business Case included at Appendix 1 of this report

2.2 That Cabinet approve the revised terms of reference for the HIP Board included at Appendix 2 of the Business Case

2.3 That Cabinet delegate authority to the Managing Director in Consultation with the Assistant Director for Finance & Human resources, the Leader and Cabinet Members for Housing & Enforcement and Finance, Commercial Services & Economic Development to:

2.3.1 Execute any documents, as required, to implement the recommendations contained within the revised Business Case

2.3.2 Execute any agreements, as required, for the disposals or acquisition of land required to give effect to the recommendations contained within the Business Case

2.4 That Cabinet delegate authority to the Assistant Director: Governance, Procurement & Commissioning to seal or sign any documents required to give effect to the recommendations contained in this report.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Regenerate those neighbourhoods in need and work to ensure that local people have access to suitable housing
	Will the proposals impact on specific groups of people?	
	No	
TARGET COMPLETION/ DELIVERY DATE	Indicative timescales for the delivery of future phases of the programme are included within Section 4.0 of the Business Case appended to this report.	
FINANCIAL / VALUE FOR MONEY IMPACT	Yes	The financial implications are set out in Section 5.0 below.
LEGAL ISSUES	Yes	The legal implications and risks are set out in Section 6.0 below.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	Programme wide risks are included within Section 9.0 of the Business Case appended to this report
IMPACT ON SPECIFIC WARDS	No	Borough wide

PART B – ADDITIONAL INFORMATION

4. INFORMATION

4.1 The Housing Investment Programme (HIP) is a strategic programme, delivering a portfolio of properties for private and affordable rent, and in doing so seeking to;

- Respond to the borough’s housing need for quality rental homes and places to live and in doing so support the Council’s ambitious growth agenda and major investment into the Borough
- Raise the standard of rental provision, both in terms of the quality of the rental homes and the quality of the landlord service, in the Borough;
- Generate a long term income stream for the Council that can contribute towards the protection of frontline services otherwise affected by budgetary constraints;
- Protect Council jobs by utilising these roles in the development, management and maintenance of the portfolio of rental properties;
- Stimulate local economic growth through job creation during both the construction and operational phases of the Programme;
- Regenerate brownfield and stalled sites;

4.2 Nuplace Ltd is the Council’s chosen delivery vehicle for the programme. Having been incorporated in April 2015, Nuplace has been operational for just over two

years with 2016/17 having been a key year in which the company moved from the purely developmental to the operational phase of the programme. This has allowed many of the assumptions of the original Business Case to be tested for the first time. Over this period Nuplace has:

- Developed, and fully let, 136 houses for private rent at Pool View (Randlay), Woodlands Walk (Madeley) and The Oaklands (Dawley).
- Commenced development of a further 154 homes at The Oaklands, (Dawley), Miners Walk (Madeley), Blossom Walk (Hadley) and Springfields (Newport), bringing the total number of homes developed or in delivery to 290. This includes the development of 36 affordable homes across two sites, including a fully affordable scheme in Newport, one of the least affordable parts of the Borough.
- Pre-let over half of the properties on The Oaklands and Miners Walk, despite these sites not due to be complete until May 2018 and September 2018 respectively.
- Delivered combined income to the Council of £1.322m for financial years 2015/16 and 2016/17, of which £0.538m was as a result of services provided to Nuplace by the Council, and £0.785m represented interest on debt finance provided to Nuplace.
- Delivered a profit before interest and taxation to Nuplace Limited for the year ended 31 March 2017 of £438k, and £274k after interest but before taxation, (based on unaudited accounts)
- Through construction contracts for those sites completed, or in delivery, stimulated growth in the local economy amounting to £77.7m as a result of the investment made in the Housing Investment Programme. Nuplace have worked hard with appointed contractor Lovell to develop a comprehensive local supply chain, resulting in between 79 and 93% of investment being within a 30 mile radius of the six development sites.
- Worked with Lovell to support employment and training in the local economy by providing 40 weeks of work placements, 314 weeks of apprenticeships and 33 weeks of graduate training. In doing so the programme has supported 7 Lovell and 29 Sub-Contractor apprenticeships, 1 trainee surveyor, 2 management trainees and 1 sales advisor.
- Regenerated 20 acres of brownfield land, across six sites in the Borough.

4.3 Overall, the programme is performing well against the original priorities. However prevailing market conditions will inevitably have an impact on the ongoing performance of the existing portfolio as well as impacting on decisions for the future direction of the HIP and Nuplace. A review of market conditions has shown:

- Continued buoyancy in the private rented sector (PRS) with a greater number of families and “high earners” now entering the market.
- A growing propensity for older people to rent privately, despite there currently being a long term shortfall of specialist private accommodation to meet this demand.
- Growth in the supply of and demand for one bed and single occupancy properties, and sustained growth in two and three bed properties. Currently, 98% of Nuplace’s portfolio is made up of two and three bed properties, compared to a borough average of 63%.

- A reduction in average monthly rental values within the borough compared to rises experienced regionally and nationally, although rent increases were experienced on one, two and three beds. Despite this reduction, Nuplace continues to command rents circa 10% higher than Borough averages due to the quality of the property and management service.
- 4.4 In summary the PRS looks strong and offers opportunities for further expansion and diversification. Given continued demand and sustained rental values, development of two and three bed properties should continue to be an integral part of Nuplace's business plan. However, there is a danger that over reliance on one section of the market could make Nuplace's business model vulnerable to changing market conditions. Furthermore, assuming that the PRS continues to grow at the rates experienced last year, it is likely that by the end September 2018, when Phase 2 developments are complete, Nuplace will have a significant 14% share of the PRS market in the Borough, with the majority of this being located in south Telford.
- 4.5 In the context of current market conditions and the location, mix and tenure of Nuplace's existing portfolio, opportunities for expansion have been identified which seek to respond to the original objectives contained within the business case but also:
- Deliver a more geographically balanced portfolio by increasing developments in the north of the Borough
 - Avoid an over commitment towards two and three bed properties without first ensuring that rental values and occupancy levels can be maintained in accordance with the model.
 - Respond to the increasing demand for, and rents associated with, one bed properties.
 - Better balance the portfolio and respond to an untapped demand for larger, more executive type homes, both three and four beds.
 - Deliver a positive rental stream and at the same time maximise the gross development value (GDV) of Nuplace's portfolio to deliver both short and long term benefits. Customarily the return on GDV is greatest on larger units.
 - Diversify the portfolio to reduce the risks associated with a very narrow property base. In particular opportunities for Nuplace to expand into developing and managing supported living accommodation are being explored. Whilst having obvious risk mitigation benefits for Nuplace, for the Council, this provides the opportunity to provide high quality accommodation which is designed to specifically meet the needs of key groups within the Borough and in doing so relieve pressure on other service areas within the Council.
- 4.6 These proposals are included within the updated Business Case, included at Appendix 1. This identifies a further five sites (Table 1) across which these objectives could be delivered. Feasibility work has been undertaken to varying degrees with a view to determining deliverability and viability with the decision to include these or other sites within the programme to be subject to a full viability appraisal and approval of the HIP Board.

Site	Land Ownership	Status	Housing Mix	Unit Numbers	Submit Planning Application	Start on Site
Land off Church Road, Snedshill, St Georges	Homes & Communities Agency	Greenfield	2, 3 and 4 beds	37	July 2017	October 2017
Land at junction of Whitchurch Drive & Apley Avenue, Wellington	Homes & Communities Agency	Greenfield / Brownfield	2, 3 and 4 beds & 1 and 2 bed Supported Living/Step Down Care	Houses: 43 Supported Living: 52	October 2017	March 2018
Former Leisure Centre, Stirchley	Telford & Wrekin Council	Brownfield	2 bed bungalows	19	July 2017	October 2017
Southwater	Telford & Wrekin Council	Brownfield	Supported Living	Supported Living: 50	October 2017	May 2018
Scout Hut Site, Longford Road, Newport	Telford & Wrekin Council	Brownfield	2 beds	9	January 2018	April 2018
Total				210		

Table 1: Housing Investment Programme Expansion Proposals

- 4.7 The inclusion of these sites would bring the number of properties to be developed to 500, from the originally envisaged 425, but the principal of development is considered to be largely consistent with the original objectives for the programme. The capital allocations required to deliver this programme are detailed in the Finance section below. Allocations have been increased from £52.9m as at March 2016, to £64.15m, with the increased allocation having been incorporated within the Services and Financial Planning capital programme.
- 4.8 The main adjustment to the delivery assumptions contained in the original business case is the proposal to consider development on third party land with two of the five sites identified currently being owned by the Homes & Communities Agency.
- 4.8 In order to implement the recommendations of the updated Business Case, further delegations are sought to the HIP Board in order to ensure that Nuplace

can work flexibly and commercially whilst having due regard for the legal structure in which it operates. These changes have been captured in amendments to the HIP Board Terms of Reference, included at Appendix 2 of the Business Case and are summarised and justified below:

Delegation	Justification
<p>Implement schemes on third party land, both within and outside of the borough.</p>	<p>Opportunities to expand and diversify the portfolio are supported in the context of prevailing market conditions, and the current performance of the HIP. However, a review of the Council’s remaining land assets, allocated for residential development has shown that there is limited land available which meets the objectives identified, with sites being too small, too large, not well placed geographically or too risky in terms of abnormal costs associated with development. Extending development onto third party land will facilitate expansion in accordance with the objectives outlined in the updated Business Case whilst reducing risk and minimising abortive up-front costs.</p>
<p>Pursue joint developments with third parties where they are in line with the objectives of the original business case and can be delivered within the parameters of existing Council approvals for investment.</p>	<p>As Nuplace’s reputation in the private rental sector grows, other developers and house builders have started to approach Nuplace regarding land led housing development opportunities, both within and outside of the Borough. This would build on the principles established on the joint development being undertaken at The Oaklands in Dawley, where contractor, Lovell, are developing properties for sale alongside those for rent for Nuplace. This approach delivers economies of scale in terms of development cost but also de-risks both the sales and rental elements.</p> <p>Such opportunities to expand the programme would need to be assessed on site by site basis in terms of their ability to meet financial thresholds, as well as the objectives of the Business Case.</p>
<p>Agree adjustments to the levels of return on the Councils debt and equity funding provided to Nuplace, , subject to any adjustments being State Aid compliant</p>	<p>Nuplace is 100% financed by the Council, with funding comprising of a mixture of debt and equity. Cash equity is provided on a project by project basis, having due regard to the levels of return projected. The Council’s debt funding to Nuplace is governed by a 30 year facility agreement, whereby interest on the debt is charged at a fixed rate. This rate was set by reference to State Aid requirements and the level of collaterisation in the company. However the market for long term rates has stabilised at a relatively low level compared to historic rates. An ability to adjust the onward lending rate to Nuplace in response to prevailing market conditions is important if lending is to remain State Aid compliant as well as competitive with what Nuplace could secure on the open market. In order to facilitate the adjustments of returns on both funding streams, it is recommended that approval for any changes is delegated to the HIP Board in consultation with the Section 151 officer.</p>

<p>Agree parameters against which the viability of individual sites will be assessed and;</p> <p>Agreeing variations to these parameters where this will be of benefit to the overall programme.</p>	<p>The original business case was based on a detailed and highly complex financial model encompassing a range of sites envisaged to be delivered at that time. There have been a number of changes to the programme as sites have been included, omitted, re-profiled and costed in more detail. It is recommended that moving forward viability is assessed on a site by site basis with individual sites only being incorporated into the programme, subject to approval of the HIP Board, and only then when pre-determined return on investment thresholds are met. Investment thresholds will be subject to HIP Board approval and will include parameters such as rental yield, return on gross development value, return on debt and equity investment etc. Viability appraisals will be approved in consultation with the Section 151 Officer.</p>
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4.9 Delivery

To date, Nuplace have worked solely with Lovell Partnerships Ltd via an EU compliant Framework to deliver the programme and have experienced positive performance overall, with schemes delivered on budget and to programme, excepting a 2 week delay on a 73 week programme at Woodlands Walk. However, with a further suite of projects in the pipeline and a potential to differentiate the programme to include not just traditional housing but specialist accommodation such as supported living, it was considered prudent to embark on a new procurement exercise to effectively re-test the market. Following a comprehensive tendering exercise, covering both cost and quality criteria, and involving three major design & build contractors on the Constructing West Midlands Framework, Lovell Partnerships Ltd were identified as the preferred contractor with which to develop future phases of the HIP.

Working with a single contractor on a further pipeline of development provides opportunities to deliver greater added value. These objectives were specifically tested as part of the contractor procurement and Lovell made a number of specific commitments to work with Nuplace to deliver added value through community engagement, skills and employment and supply chain engagement. These commitments will be captured in an “Employers Expectations” document which will form part of each contract award to Lovell. Nuplace and Lovell are currently developing a set of Key Performance Indicators which can be used to document added value so that this can form part of the formal reporting to the HIP Board and Cabinet.

5.0 FINANCE

5.1 Capital allocations for the HIP, totalling £64.15m are contained within the Council’s Service and Financial Planning Strategy, of which £21.2m has been spent as at 31 March 2017, with a further £16.9m allocated to sites in development. Therefore, £26.0m remains unallocated for future schemes. Capital is allocated to sites based upon feasibility criteria which are validated to be in accordance with the Business Case. The Council invests capital into the Company through either debt or equity finance and demands a commercial return on both. The rate of return for each investment is dependent upon a range of parameters and is reviewed by the Council’s finance department on a case by

case basis. The rate of return on debt finance is currently 5.29% and the long term rate on equity finance is 6.84%. These rates will be tested for future phases of developments and any changes agreed by the Board in consultation with the Section 151 Officer.

- 5.2 Whilst the interest rate on existing debt finance is set at 5.29% fixed for 30 years, the market for long term rates has stabilised at a relatively low level compared to historic rates. The interest rate on new debt finance forwarded to Nuplace will be established with due consideration to these rates and in consultation with the Assistant Director, Finance & Human Resources and approval of the HIP Board.
- 5.3 Nuplace generates income to the Council from a variety of sources, including services supplied and interest on debt finance. The table below demonstrates the income generated/ forecast to be generated during the first 3 years of operation:

£'000s	Actual 15/16	Actual 16/17	Forecast 17/18
Services income	283	255	366
Interest income	166	618	1,064
Total income	449	873	1,430
PWLB cost of debt finance	(85)	(252)	(790)
Other marginal Council costs	(60)	(92)	(125)
Net incremental income	304	529	515

- 5.4 The original business case was based on a detailed and highly complex financial model, encompassing a range of sites envisaged to be delivered at that time. It is recommended that moving forward viability is assessed on a site by site basis by Finance, in conjunction with the Housing Investment Programme Team, with individual sites only being incorporated into the programme, subject to approval of the HIP Board, and only then when pre-determined return on investment thresholds are met.
- 5.5 The Finance team will work with the Housing Investment Programme Team to establish a robust set of investment and viability thresholds which will include parameters such as rental yield, return on gross development value etc, which will be brought to the Project Board for approval.
- 5.6 Nuplace Limited is forecast to deliver a profit before interest and taxation for the year ended 31 March 2017 of £438k, and £274k after interest but before taxation, which is in line with current expectations, (based on unaudited statutory accounts) The Council will additionally benefit from Council Tax and New Homes Bonus as appropriate on the housing stock delivered. This is forecast to generate an additional £83k in 16/17, rising to £308k in 18/19 and £540k in 19/20 as more sites are developed and units delivered.

6.0 LEGAL

- 6.1 The Council set up Nuplace under s1 of the Localism Act 2011 and s95 of the Local Government Act 2003. Nuplace is a commercial company and must comply with rules and regulations applicable to companies.

- 6.2 The permitted use/purpose of Nuplace is set out in Nuplace's Articles of Association; it is paramount that any new activity Nuplace embarks on is permitted in the Articles of Association. It is confirmed that new activities set out in this Cabinet Report are permitted in Nuplace's Articles of Association.
- 6.3 Nuplace is a contracting authority for the purpose of the Public Contracts Regulations 2015; this means Nuplace needs to comply with EU procurement rules when purchasing goods, works or services. The renewed arrangement with Lovell was fully compliant with EU procurement rules.
- 6.4 Nuplace is a 'Teckcal Company' (regulation 12 of the Public Contract Regulations 2015) which means that the (due to the control, functions and the fact there is no private sector ownership) Council and Nuplace are exempt from Procurement Rules when buying services, goods and works from each other.
- 6.5 State Aid rules apply to the Council when providing aid to Nuplace; therefore in order to prevent breaching State Aid Rules any aid provided to Nuplace by the Council must be on commercial terms. It is important when setting interest rates on the loan to Nuplace, that the Council's finance team confirm it is at a commercial rate in accordance with the State Aid Rules. It is also important that the charges for any services provided by the Council to Nuplace are not subsidised.
- 6.6 Where properties are being built through s106 funds, there will be an s106 obligation that some of the 'lettings' are at "affordable rents". In these cases the rents will not exceed 80% of the local market rents for the property concerned. This has been taken into consideration in the financial modelling.
- 6.7 On the 7 February 2017 the Government released a White Paper called "Fixing our Broken Market". The paper welcomes Councils producing housing for market rents; however the paper goes on to state *"Increasingly and across the country local authorities are using innovative new models to get homes built in their area. There are a number of good examples of Local Development Corporations, local housing companies and/or joint venture models building mixed sites, which include new market housing for sale or private rent, as well as affordable housing. We welcome innovations like these, and want more local authorities to get building. To that end we will seek to address the issues that hold them back. However, we want to see tenants that local authorities place in new affordable properties offered equivalent terms to those in council housing, including a right to buy their home." (para 3.28)*
- 6.8 The Nuplace model does not include for tenants having a right to buy their home. At the moment the White Paper is a consultation document and is not official policy; however it would be reasonable for one to assume that most of what is in will be adopted as such. Therefore the Council and Nuplace should be keep abreast with what is happening in this area, and also should consider any mitigations should this become an issue. This will be picked up by the HIP Board and Nuplace Board of Directors and legal advice will be given as appropriate.

7.0 IMPACT ASSESSMENT

7.1 The recommendations included at Section 2.0 have been made in order to allow more effective management of opportunities and risks associated with the Housing Investment Programme moving forward, as well as ensuring that decisions are made within robust governance structures. An up to date Risk Register is included at Appendix 3 of the updated Business Case, appended to this report.

8.0 PREVIOUS MINUTES

Telford Town Centre	21 July 2009
Housing Investment Programme Cabinet report	25 April 2013
Housing & Property Investment Programme Cabinet report	24 July 2014
Housing Investment Programme Full Council Report	11 September 2014
Housing Investment Cabinet Report	8 January 2015
HIP, Southwater Development Options Cabinet Report	19 March 2015
Housing Investment Programme Update	25 March 2016

Report prepared by Kate Callis, Housing Investment Programme Manager

Housing Investment Programme

Telford & Wrekin Council

Business Case

June 2017



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Appendices

Appendix 1. Housing Management Agreement – Key Performance Indicators

Appendix 2, Housing Investment Programme Board - Terms of Reference

Appendix 3, Strategic Risk Register

Executive Summary

- 1.1 Nuplace Ltd (Nuplace), the company established to deliver the Council's Housing Investment Programme (HIP), was incorporated on 1st April 2015. In operation for just over two years the company have delivered some significant outcomes against the objectives identified within the original Business Case, approved at Cabinet in January 2015 and subsequently updated in March 2016.
- 1.2 To date Nuplace have delivered 136 homes across three sites with a further 154 under construction bringing the total number of houses delivered, or in delivery to 290 of the original intended 425 properties, across a total of six sites. Of these properties, 36 are available for affordable rent, with the remainder being rented on the open market.
- 1.3 At the date of this business case, all 136 completed homes are fully occupied, reflecting the high level of property and management service being delivered by Nuplace.
- 1.4 The company is forecast to deliver a profit before interest and taxation for the year ended 31 March 2017 of £438k, and £274k after interest but before taxation, which is in line with current expectations.
- 1.5 Looking forward, a further five sites have been identified for development, bringing the total number of houses to be developed to circa 500. These sites offer potential to respond to market changes and effectively manage risk while maintaining the delivery of the original objectives of Nuplace, by:
 - Delivering a geographically balanced portfolio by increasing developments in the north of the Borough.
 - Avoiding an over commitment towards two and three bed properties without first ensuring that rental values and occupancy levels can be maintained in accordance with the model.
 - Responding to the increasing demand for and rents associated with one bed properties.
 - Balancing the portfolio and responding to an untapped demand for larger, more executive type homes, both three and four beds.
 - Delivering a positive rental stream and at the same time maximising the gross development value (GDV) of Nuplace's portfolio to deliver both short and long term benefits. Customarily the return on GDV is greatest on larger units.
 - Diversifying the portfolio to reduce the risks associated with a very narrow property base. In particular opportunities for Nuplace to expand into developing and managing supported living accommodation are being explored. Whilst having obvious risk mitigation benefits for Nuplace, for the Council, this provides the opportunity to provide high quality accommodation which is designed to specifically meet the needs of key groups within the Borough and in doing so relieve pressure on other service areas.
- 1.6 Expansion and diversification of the programme requires that suitable land is available in the right location. Whilst the original Business Case envisaged development on Council owned land only, a review of the Council's remaining land assets, allocated for residential development has shown that the availability of suitable sites is limited. As such, Nuplace's ability to meet the objectives above will be limited unless there is potential to extend development onto third party land. In response to this, two of the sites identified for development are currently owned by the Homes & Communities Agency (HCA) and form part of the Council's Land Deal with the HCA. The sites specifically provide opportunities for development in the north of Telford, suit a more executive offer and opportunities for differentiation due to the proximity to relevant services.
- 1.7 As Nuplace's reputation in the private rental sector grows, other developers and house builders have begun to approach Nuplace regarding land led housing development opportunities, both

within and outside of the Borough. For example on a large site, where the sales risk is high, there is potential for the developer to reduce risk by disposing of a predetermined number of houses to Nuplace at a predetermined price. It is recommended that such opportunities to expand the programme merit further consideration.

- 1.8 In accordance with the intentions within the original Business Case, borrowing has to date been via the Public Works Loan Board with £19.1m of the intended £47.2m loan having been drawn down as at 31 March 2017, and a further £15.5m committed toward the six development sites constructed or under construction. The development of the further five sites identified is anticipated to require investment of the remaining unallocated approved borrowing of £12.6m as well as a further investment of £13.4m. This allocation was approved as part of the Council's Service and Financial Planning Strategy for the three years from 2017/18.
- 1.9 The governance structure remains consistent with the original proposals with the three Nuplace Directors now having been in post for just over two years. One of the Directors now also Programme Manages the Housing Investment Programme, providing strategic direction to the programme on a daily basis. The HIP Board meet regularly and have been instrumental in supporting delivery of the programme as well as shaping thinking around future phases. With the core Business Case having been to a large extent proven, it is proposed within this Business Case that further delegations are granted to the HIP Board to allow Nuplace to operate more commercially and with greater flexibility in the future within pre-determined parameters.
- 1.10 To facilitate delivery, Nuplace continue to procure Development and Management Services from the Council, with resources having been refined to meet the demands of the programme as it has moved from the purely development to the operational phase. In 2016/17 The Council received income totalling £0.87m which is a combination of interest charged relating to the loan agreement with Nuplace and the provision of services to Nuplace Ltd. Additional resources will be required to deliver future phases of the programme.
- 1.11 In this context, this Business Case provides an update to that approved at Cabinet on 24 March 2016 and covers the following:
 - An update on the current status and performance of the programme from a development and lettings perspective, including an update on any activities not pursued, unanticipated risks encountered and any assumptions that have not been borne out.
 - An overview of current market conditions in relation to the private rented sector in Telford.
 - Proposals and justification for the further expansion and diversification of the programme including proposals to extend developments on to third party land.
 - Proposals to establish a series of parameters by which to evaluate the viability of investments on a site by site basis.
 - Recommendations for further delegations to the HIP Board to facilitate the above.

The content of this Business Case has been prepared having regard to guidance issued by the Secretary of State under Section 96 of the Local Government Act 2003.

2.0 Programme Update

2.1 Nuplace Ltd (Nuplace), the company established to deliver the Council's Housing Investment Programme (HIP), were incorporated on 1st April 2015. In operation for just over two years the company have delivered some significant outcomes against the objectives identified within the original Business Case, approved at Cabinet in January 2015 and subsequently updated in March 2016. These are summarised against each of the Programme priorities below:

- **Responding to the borough's housing need for quality rental homes and places to live and in doing so supporting the Council's ambitious growth agenda and major investment into the Borough;**

To date Nuplace have:

- Developed, and fully let, 136 houses for private rent at Pool View, Woodlands Walk and The Oaklands. All properties were fully let off plan, evidencing that developments are in demand and meeting local housing need.
- Commenced development of a further 154 homes at sites in Dawley, Madeley, Hadley and Newport, bringing the total number of homes developed or in delivery to 290.
- Commenced development of 36 affordable homes across two sites, including a fully affordable scheme in Newport, one of the least affordable parts of the Borough.
- Delivered a range of property sizes and tenures across these sites as summarised below, with a focus on two and three bed properties as advised in the original Business Case.

	2 Bed	3 bed	4 or more bed	Total	Affordable Units
Nuplace					
Pool View (Randlay)	13	18	0	31	0
Woodland Walk (Madeley)	13	85	3	101	0
The Oaklands (Dawley)	32	15	0	47	0
Miners Walk (Madeley)	36	17	0	53	0
Blossom Walk (Hadley)	19	6	0	25	3
Springfields (Newport)	25	8	0	33	33
Total	138	149	3	290	36
Percentage	48%	51%	1%	100%	12.4%

- **Raising the standard of rental provision, both in terms of the quality of the rental homes and the quality of the landlord service, in the Borough;**

We continue to experience a high level of demand for properties with developments at Pool View and Woodland Walk being fully let. Pre lets are strong on the remaining sites as summarised in the table below:

Site	Launch Date	Pre Lets
The Oaklands	October 2016	25/47
Miners Walk	January 2017	30/53

Of the forty five properties where the tenancy agreement has come up for renewal, thirty tenants have renewed their tenancy with the remaining fifteen having been re-let.

At the outset of the programme, a number of Key Performance Indicators (KPIs) were established through which to monitor the performance of the management service including

level of rent collection, voids, bad debts etc. In all cases KPIs for 2016/17 have been met or exceeded as summarised in Appendix 1.

Tenants remain positive about the quality of the developments and the management service as well as the fact that the scheme is Council backed, thus offering residents a greater security of tenure as evidenced below by comments received from occupants at Pool View, Randlay.

“From the outset, the team in the Nuplace office has been brilliant and the process has been so smooth,”

“We have been kept informed from start to finish and this only added to our excitement of moving in. For years we have rented from a private landlord but there is always the uncertainty around selling up and having to move home. We now have so much more security and are confident any maintenance issues will be fixed quickly. We would advise anyone thinking about renting in Telford & Wrekin to just send in their application form to Nuplace. It was completed quickly and now we are moving into a brand new home so it is definitely worth it.”

Moving forward we are proposing to increase the visibility of the Council brand, alongside that of Nuplace, to capitalise further on this. However, whilst the association with the Council is largely a positive one, it has also brought property management challenges, especially in relation to tenant expectations which are higher than would normally be associated with private rented property and include dealing with neighbour complaints, anti-social behaviour and littering. Some feedback has also been received regarding the level of the rents, due to the link to the Council and expectations being that rents will be akin to those a social landlord would charge.

- **Stimulating local economic growth through job creation during both the construction and operational phases of the Programme;**

This has been, and continues to be, one of the key drivers for the programme. By awarding a pipeline of work to a single contractor, Lovell Partnerships Ltd, it has been possible to deliver positive outcomes in relation to this as well as other social added value.

The economic impact of the investment in the six Nuplace sites, completed, or under construction has been analysed using data on where investment has been spent and then re-spent in the local economy. This analysis shows the local multiplier effect as a ratio of pounds spent on a contract. The results across the six sites are summarised below and show how the multiplier effect is increasing as Lovell’s local supply chain develops over time and more money is spent within Borough. In total, investment made via the construction contracts on each of these sites is estimated to have generated £77.7m into the local economy.

Site	Local Multiplier per £1 Spent
Pool View, Randlay	£2.49
Woodland Walk, Madeley	£2.29
The Oaklands, Dawley	£2.59
Miners Walk, Madeley	£2.53
Blossom Walk, Hadley	£2.49
Springfields, Newport	£2.64

Other, added value, that has been delivered to date or is in the pipeline is summarised below:

Objective	Activity
Community Engagement	<ul style="list-style-type: none"> Worked with Town & Parish Councils to support the following community projects: <ul style="list-style-type: none"> Decoration of Horsehay Methodist Church Decoration of Anstice Community Centre Decoration of Park Lane Centre Sponsored the Friday Lunch Club at the Community Centre in Dawley. Supported in the delivery of DIY SOS in Trench, to be broadcast later this year.
Skills & Employment	<ul style="list-style-type: none"> Skills: <ul style="list-style-type: none"> Visited more than 320 students across primary and secondary schools and colleges. Exhibited at the Telford Apprenticeship Show 16/03/2017. Signed up to the Business School Connector and working with Telford Education Business Partnership to provide STEM activities. Worked with Wrekin View Primary School through the Enabling Enterprise Initiative to carry out exercises such as designing, drawing and creating the tallest tower whilst analysing costs. Attendance at Newport Big Bang Event - Harper Adams University 05/07/2017. Employment & Training: <ul style="list-style-type: none"> Phase 1: Provided 40 weeks of work placements, 216 weeks apprenticeship training for Lovell and Sub Contractor employees and 33 weeks of graduate training and in doing so supported 6 Lovell and 20 Sub-Contractor apprenticeships, 1 trainee surveyor, 2 management trainees and 1 sales advisor through the projects in Telford. Phase 2 (The Oaklands, Dawley): Provided 98 weeks apprenticeship training for Lovell & Subcontractor Employees and in doing so have supported 1 Lovell and 9 Sub-Contractor apprenticeships.
Supply Chain Engagement	<ul style="list-style-type: none"> Developed a significant local supply chain for all key trades through: <ul style="list-style-type: none"> Held "Meet the Buyer" events. Used Telford & Wrekin's portal for engaging with Local SMEs. Included Lovell's supplier application form on the Telford & Wrekin website. Resulted in the following local (within 30 miles) supplier spend figures: <ul style="list-style-type: none"> The Oaklands (Dawley): 79% of contract value Miners Walk (Madeley): 83% of contract value Blossom Walk (Hadley): 88% of contract value Springfields (Newport): 93% of contract value

- Regenerating brownfield and stalled sites;**

Upon completion of the first 290 homes, the programme will have successfully brought 8.08ha (19.98 acres) of brownfield land back into use. Many of the sites on which development has and is being undertaken have been stalled for some considerable time and had become a blight on local communities as well as being the focus for antisocial behaviour. The high quality developments that Nuplace have delivered have added real value to these communities through physical regeneration but also by raising the standard of accommodation generally and the rented sector specifically.

Site	Brownfield land brought back into use (hectares)
Pool View (Randlay)	0.95
Woodland Walk (Madeley)	2.65
The Oaklands (Dawley)	1.53
Miners Walk (Madeley)	1.93
Blossom Walk (Hadley)	0.48
Springfields (Newport)	0.54
Total	8.08

However, development on brownfield sites brings with it some challenges and represents a risky strategy for Nuplace if pursued exclusively as viability tends to be marginal and in some cases cannot be proven. Sites at Hollinswood and Woodside have had to be omitted from the programme at feasibility stage on viability grounds, leading to abortive up-front costs.

Opportunities to review site selection to incorporate third party land and in some cases greenfield sites are explored further in Section 4.0.

- **Protecting Council jobs by utilising these roles in the development, management and maintenance of the portfolio of rental properties;**

Officers from across the Council are engaged in work to support the activities of the Housing Investment Programme. Nuplace buy back a range of services from the Council including; legal, finance and marketing support, programme and project management to deliver the developments and tenancy, estate management and maintenance services, once the properties are operational. To date, the Council has received income totalling £0.87m through a combination of interest charged and the provision of services to Nuplace with this set to grow as more developments come on line.

As the programme has moved from the purely development to the operational phase, resources have continued to be refined to meet the needs of the programme and the high brand aspirations for Nuplace. The Council has continued to undergo significant change and restructuring, with maintaining and improving the servicing of the Nuplace programme being a central objective of that process.

- **Generating a long term income stream for the Council that can contribute towards the protection of frontline services otherwise affected by budgetary constraints;**
- A summary of income generated for years ending 2015/16 and 2016/17 as well as forecast figures for 2017/18 are included within Section 6.0

2.2 Overall, the programme is performing well against the original priorities and in this context, and following a review of market conditions, opportunities for expansion of the programme have been reviewed. A summary of market conditions, which have informed proposals, is included within Section 3.0 below.

3.0 Market Conditions

3.1 Extensive market research was carried out by Savills to underpin the original Business Case and this was supplemented by the Council's own internal team's knowledge on the national, regional and local housing rental market. Many of the findings of this research are still relevant but two years on, it is timely to undertake a current review of market conditions in order to inform the future direction of the programme.

3.2 Supply & Demand

In line with national and regional trends, the private rented sector (PRS) continues to grow within the Borough with the number of private rentals increasing for all property sizes between September 2015 and September 2016:

	Sep-15	Sep-16	Difference	% Difference
Room	147	230	83	36.1%
1 Bedroom	142	170	28	16.5%
2 Bedroom	425	480	55	11.5%
3 Bedroom	394	430	36	8.4%
4 or more Bedrooms	131	140	9	6.4%
Total	1,239	1,450	211	14.6%

This continued growth is predominantly due to affordability but also an increase in supply arising out of the proliferation of buy to let mortgages as well as choice, as employment becomes increasingly mobile, people look for more flexible accommodation options. The demographic of renters is also changing with over half the renters now being families as opposed to single people or couples. Furthermore half of renters are now classified as "high income", whereas historically renting was associated with lower income groups.

This increasing demand continues to be reflected in Nuplace lets, with void rates currently running at well below modelled rates of 5%. All properties at Pool View (Randlay) and Woodland Walk (Madeley) were pre-let prior to completion, with over half of the properties at The Oaklands in Dawley and Miners Walk in Madeley having been reserved, despite the sites not being completed until May 2018 and September 2018 respectively.

3.3 Property Type

In Telford & Wrekin, two and three bedroom properties continue to make up the highest proportion of private rentals, comprising 910 (63%) of the total 1,450 rentals in September 2016. However strong growth was experienced in single rooms and one bed properties.

	Room	1 Bed	2 Bed	3 bed	4 or more bed	Total
Borough Wide (Sept 2016)						
Total	230	170	480	430	140	1,450
Percentage	16%	12%	33%	30%	10%	100%
Nuplace						
Pool View (Randlay)	0	0	13	18	0	31
Woodland Walk (Madeley)	0	0	13	85	3	101
The Oaklands (Dawley)	0	0	32	15	0	47
Miners Walk (Madeley)	0	0	36	17	0	53
Blossom Walk (Hadley)	0	0	19	6	0	25
Springfields (Newport)	0	0	25	8	0	33
Total	0	0	138	149	3	290
Percentage	0%	0%	48%	51%	1%	100%

In contrast, Nuplace's portfolio is heavily weighted towards two and three bed homes, with this property type making up 99% of the total number of properties. The company currently holds no one bed and only three, four bed properties. Interestingly the demand experienced by Nuplace for different property sizes varies on a site by site basis, with two beds being in high demand at Woodland Walk, whilst at The Oaklands, 80% of three beds are currently reserved, compared to 28% for two bed properties.

3.4 Rent Levels

Despite a growth in the number of properties, reflective of a continuing growth in demand in the PRS, average monthly rental prices fell over the same period by 0.6% from the previous year to an average of £575 per month. In comparison the average for the region increased by +4.2% and for England increased by +6.5%. Despite this, rental price increases were experienced on one, two and three bed properties.

	Sep-15 £	Sep-16 £	Difference £	Difference %
Room	383	372	-11	-3.0%
1 Bedroom	440	446	6	1.3%
2 Bedroom	542	545	3	0.6%
3 Bedroom	636	637	1	0.2%
4 or more Bedrooms	893	873	-20	-2.3%
Average	579	575	-4	-0.6%

Nuplace have, and continue to command premium rents for properties due to the high quality of the product and management service, with rents being circa 10% higher than the Borough average for two and three beds.

	2 Bed £	3 bed £	4 bed or more £	Average £
Borough Wide (Sept 2016)	545	637	873	575
Nuplace				
Pool View (Randlay)	600	702		651
Woodland Walk (Madeley)	582	695	765	680
The Oaklands (Dawley)	622	686		654
Miners Walk (Madeley)	613	694		654
Blossom Walk (Hadley)	603	702		652
Springfields (Newport)	614	723		669
Average	606	700	765	690
Rental Premium on Borough Average	10%	9%	-14%	1%

In summary the PRS looks strong and offers opportunities for further expansion and diversification. Development of two and three bed properties, should continue to be an integral part of Nuplace's business plan, however there is a danger that over reliance on one section of the market could make Nuplace's business model vulnerable to changing market conditions. Furthermore, assuming that the PRS continues to grow at the rates experienced last year, it is likely that by the end September 2018, when Phase 2 developments are complete, that Nuplace will have a circa 14% share of the PRS market in the Borough which is significant, with the majority of this being located in south Telford.

3.5 Government Policy

During the course of the set-up of Nuplace the then Housing Minister made a parliamentary statement on housing, indicating that the government did not look kindly upon local authorities that set up housing companies, solely to let homes at affordable rents. As the provision of affordable housing in the Council's Housing Investment Programme is driven by

planning obligations rather than being the focus of its business this was not considered to be a relevant risk at the time the original business case was established.

However, in the recent housing White Paper (Fixing our Broken Housing Market) there has been a subtle shift in Government's view on the use of companies as summarised below:

- (a) to produce housing for sale is welcomed;
- (b) to produce housing for rent at market rates is welcomed;
- (c) to provide for temporary accommodation is welcomed; and
- (d) to provide housing for rent at affordable rents is now welcomed subject to tenants that local authorities place in new affordable properties being offered equivalent terms to those in social housing managed by Councils or registered providers (housing associations), including a right to buy their home.

The White Paper is therefore generally very positive in that it provides clear support for the existing core business activities of Nuplace in producing housing for rent at market rates, but should it move from a consultation document, to policy, the Council will need to consider whether any mitigation is required in relation to the opportunity for affordable rent tenure tenants to have the right to buy their home.

There are a number of possible remedies for this including;

- (i) Entering into longer term tenancy agreement which offers tenants a contractual right to purchase their property.
- (ii) Disposing of the affordable let dwellings to a Registered Provider which is provided for in the S106 agreements entered into in relation to the sites at Hadley and Newport.

In both of these scenarios it is acknowledged that the properties would be sold at discounted values to reflect their affordable status. However, this is in line with Nuplace's original business case and associated financial model and so should not materially affect the financial performance of the programme. Ultimately the Council and Nuplace would look to reinvest the income generated from these disposals into other rented accommodation on future sites. As further detail emerges on the contents of the White Paper, along with timescales for the implementation of new policy, Nuplace may need to adopt one of the remedies outlined above and ensure that viability assessment accounts for this moving forward. However, this is not considered to materially impact on the overall viability of the programme.

4.0 Opportunities for Expansion & Diversification of the Programme

4.1 In the context of current market conditions and the location, mix and tenure of Nuplace's existing portfolio, opportunities for expansion need to be carefully considered and developed to respond to the original objectives contained within the business case but also in order to:

- Deliver a geographically balanced portfolio by increasing developments in the north of the Borough.
- Avoid an over commitment towards two and three bed properties without first ensuring that rental values and occupancy levels can be maintained in accordance with the model.
- Respond to the increasing demand for and rents associated with one bed properties.
- Better balance the portfolio and respond to an untapped demand for larger, more executive type homes, both three and four beds.
- Deliver a positive rental stream and at the same time maximise the gross development value (GDV) of Nuplace's portfolio to deliver both short and long term benefits. Customarily the return on GDV is greatest on larger units.
- Diversify the portfolio to reduce the risks associated with a very narrow property base. In particular opportunities for Nuplace to expand into developing and managing supported living accommodation are being explored. Whilst having obvious risk mitigation benefits for Nuplace, for the Council, this provides the opportunity to provide high quality accommodation which is designed to specifically meet the needs of key groups within the Borough and in doing so relieve pressure on other service areas within the Council.

In response to these requirements, Nuplace have identified a number of sites on both Council owned and third party land which lend themselves to development. Feasibility work has been undertaken on these sites to varying degrees with a view to determining deliverability and viability. Each site is summarised in the table below:

Site	Land Ownership	Status	Housing Mix	Unit Numbers	Submit Planning Application	Start on Site
Land off Church Road, Snedshill, St Georges	Homes & Communities Agency	Greenfield	2, 3 and 4 beds	37	July 2017	October 2017
Land at junction of Whitchurch Drive & Apley Avenue, Wellington	Homes & Communities Agency	Greenfield / Brownfield	2, 3 and 4 beds & 1 and 2 bed Supported Living/Step Down Care	Houses: 43 Supported Living: 52	October 2017	March 2018
Former Leisure Centre, Stirchley	Telford & Wrekin Council	Brownfield	2 bed bungalows	19	July 2017	October 2017
Southwater	Telford & Wrekin Council	Brownfield	Supported Living	Supported Living: 50	October 2017	May 2018
Scout Hut Site, Longford Road, Newport	Telford & Wrekin Council	Brownfield	2 beds	9	January 2018	April 2018
Total				210		

The development of these sites is considered to be consistent with the original objectives for the programme as summarised below:

- **Responding to the borough's housing need for quality rental homes and places to live and in doing so supporting the Council's ambitious growth agenda and major investment into the Borough;**

Diversification of the portfolio is recommended based on market intelligence from a range of sources. The proposals summarised above seek to directly respond to a range of occupiers:

- The introduction of larger three bed and four bed homes with integral and detached garages at sites at Snedshill and Wellington will provide a more executive product which appeals to high end renters and families. This will directly support the Borough's wider inward investment offer by providing a higher quality of executive home in the more affluent parts of the Borough.
- The proposal to develop bungalows at the site in Stirchley is in response to an ongoing unmet demand for bungalow accommodation and in particular accessible properties since Housing Associations tend to use sheltered schemes and bungalows solely for over 55s. We are aware of a number of disabled people under this age and with families who would welcome a development of this nature.
- The decision to explore opportunities to diversify into supported living accommodation is in direct response to national and local market intelligence which shows a growing propensity for older people to rent privately and/or retain an equity stake in their home. Telford has a number of developments recently completed and in the pipeline but despite this increase in provision, demand remains high with facilities being consistently full with long waiting lists. Furthermore and of particular relevance to Nuplace, the most recent Strategic Housing Market Assessment identifies a long term shortfall of specialist private accommodation for older people. Consultants have been appointed to provide a more detailed assessment of local market conditions in relation to the two sites identified and this will support business case development in relation to this component. As part of the brief, consultants will be expected to evaluate the market for different kinds of supported living including over 55s, multigenerational care for both private and partly funded clients.

In addition to the above, the programme will continue to deliver much needed two bedroom homes with these constituting circa 43% of traditional dwellings to be delivered as part of this next phase of the programme.

- **Raising the standard of rental provision, both in terms of the quality of the rental homes and the quality of the landlord service, in the Borough;**

As stated above, the development proposals reflect an aspiration to diversify the portfolio to provide a more executive product whilst maintaining standards of construction and management across all properties. Feedback from tenants on their properties is continually used to refine specifications on new developments to ensure continuous improvement, for example vinyl floor tiling used on the first two sites has been replaced with ceramic tiles on current sites in response to customer feedback. From a management perspective we are continuing to refine and improve our landlord service and have been trialling a new app, developed in house by Building Innovation Telford, at our Pool View and Miners Walk sites. The app allows;

- Prospective tenants to take a tour of the estate and their preferred property using a 3D model, before a brick is laid and reserve their home via the app.
- Existing tenants to review information about their property (e.g. operating manuals) via the app to improve self-service and reduce the demand for property maintenance services.
- Existing tenants to log property related matters and arrange appointments for works.
- Property inspections, maintenance etc. all to be recorded on site in real time thus streamlining the management and maintenance process.

Longer term we are looking to roll this app out across all of our development sites and to all tenants.

- **Stimulating local economic growth through job creation during both the construction and operational phases of the Programme;**

Working with a single contractor on a further pipeline of development provides opportunities to deliver greater added value in terms of community engagement, skills and employment and supply chain engagement. These objectives were specifically tested as part of the re-procurement of a contractor to deliver Phase 3 schemes which resulted in the appointment of Lovell Partnerships Ltd as preferred contractor. As part of the procurement process, Lovell made a number of specific commitments to work with Nuplace to deliver added value to the Borough and communities in which the developments are located in the following ways:

Objective	Commitment
Community Engagement	<ul style="list-style-type: none"> • Develop a Community Development Strategy outlining the Lovell offer on a site by site basis. • Commit 0.1% of contract value to community projects, matched in time by Lovell employees – totalling £50,000. • Work with Nuplace, the Borough Council and Town & Parish Councils to identify relevant community projects where this investment can help secure positive outcomes. • Donate surplus materials to local charities and other third sector organisations. • Engage with local schools over the construction works and invite them to provide artwork for hoardings. • Sponsor local events such as school sports days or fetes. • Hold consultation events, open days and site visits, prior to and during construction for the local community. • Send quarterly letters to local residents updating them on the status of the works and informing them of any up and coming activity which might impact.
Skills & Employment	<ul style="list-style-type: none"> • Create an bespoke Employment and Skills Plan. • Provide training/work experience placements for students as well as disadvantaged and vulnerable people, including ex-offenders. A minimum of 20 work placements will be offered. • Work with local schools, colleges, job centre and businesses to: <ul style="list-style-type: none"> • Offer five apprenticeship placements in trades including Bricklaying, Carpentry, Plumbing or Electrical, working towards an NVQ2 or 3. • Recruit 3 apprentices (NVQW 2&3) and one management trainee (BTEC/HNC or Degree) specifically for work on Telford projects. • Support careers events at schools and colleges (e.g. mock interviews). • Deliver career talks to schools in accordance with the “Inspiring the Future” Programme, supporting the Council’s Life Ready Work Ready programme
Supply Chain Engagement	<ul style="list-style-type: none"> • Hold “Meet the Buyer” events on future phases. • Work to further build on the local supply chain. • Provide Nuplace with Local Multiplier effects of its investment on a site by site basis, looking to maximise the local impact wherever possible.

These commitments will be captured in an “Employers Expectations” document which will form part of each contract award. Nuplace and Lovell are currently developing a set of Key Performance Indicators which can be used to document added value so that this can form part of the formal reporting to the HIP Board.

- **Regenerating brownfield and stalled sites;**

The original business case envisaged development being restricted to Council owned, brownfield sites. However a review of the Council’s remaining land assets, allocated for residential development has shown that there is limited land available which meets the objectives identified with sites being:

- Too small to meet deliver economies of scale in terms of development, thus impacting on viability.
- Large strategic sites which are considered too risky for a purely private rental development.

- Located in the south of the Borough, when development in the north is recommended to better balance the portfolio.

In this context, opportunities to extend development onto third party have been explored with two sites owned by the Homes & Communities Agency (HCA) having been identified. These sites form part of the Council's Land Deal with the HCA and specifically provide opportunities for development in the north of Telford, suit a more executive offer and opportunities for differentiation due to the proximity to relevant services. For example the site located off Whitchurch Drive lies immediately opposite Princess Royal Hospital and would lend itself to the development of specialist 'supported living' accommodation such as step down care.

Approval to dispose of these sites to Nuplace, by way of a negotiated disposal, was granted at the Telford Land Deal Board on 23 February 2017. An open book approach has been agreed whereby Nuplace will disclose development costs and viability appraisals to the HCA in order to determine an affordable land value. It has been agreed with the HCA that exchange of contracts will only occur subject to planning approval, viability being proven and approval of the HIP Board.

In addition to development opportunities on land owned by HCA, as Nuplace's reputation in the private rental sector grows, other developers and house builders have started to approach Nuplace regarding land led housing development opportunities, both within and outside of the Borough. For example on a large site, where the sales risk is high, there is potential for the developer to reduce risk by disposing of a predetermined number of houses to Nuplace at a predetermined price. This would build on the principles established on the joint development being undertaken at The Oaklands in Dawley, where contractor, Lovell, are developing properties for sale alongside those for rent for Nuplace. This approach delivers economies of scale in terms of development cost but also de-risks both the sales and rental elements.

Such opportunities to expand the programme merit consideration as this provides a further and as yet untested opportunity for Nuplace to extend its portfolio. Whilst each opportunity would need to be assessed individually in terms of its ability to meet financial thresholds, as well as the objectives of the Business Case, it is recommended that the HIP Board are granted delegated authority to implement schemes on third party land, both within and outside of the borough, where these meet specified criteria.

When considering future sites, the regeneration of brownfield sites will remain a core objective, with the majority of new sites identified being having been previously developed, either in whole or in part. However, the proposals introduce one greenfield site at Snedshill and an "in part" greenfield site at Whitchurch Drive, both of which are allocated for residential development and within the urban area. This is justified since consistently developing on brownfield sites represents a risky strategy for Nuplace as viability is marginal and in some cases cannot be proven. Sites at Hollinswood and Woodside have had to be omitted from the programme on viability grounds following in depth feasibility work, leading to abortive up-front costs. By introducing an element of greenfield development we can more effectively balance this risk across the portfolio, reduce the likelihood of abnormal costs being incurred, and support the continued development and regeneration of brownfield land as well as the diversification of the portfolio.

- **Protecting Council jobs by utilising these roles in the development, management and maintenance of the portfolio of rental properties;**

Further expansion of the programme will safeguard jobs in both property development and management as well as have the potential to create additional roles. Resource requirements will continue to be monitored by the HIP Board and additional resources put in place as required.

- **Generating a long term income stream for the Council that can contribute towards the protection of frontline services otherwise affected by budgetary constraints;**

Phase 3 proposals are focussed on maintaining and de-risking the Council's income stream by looking to provide a suitable mix of properties in terms of type, size and tenure in a range of locations and at the same providing a choice of housing which meets local demand.

The original business case was based on a detailed and highly complex financial model encompassing a range of sites envisaged to be delivered at that time. There have been a number of changes to the programme as sites have been included, omitted, re-profiled and costed in more detail. As such it is recommended that moving forward viability is assessed on a site by site basis with individual sites only being incorporated into the programme, subject to approval of the HIP Board, and only then when pre-determined return on investment thresholds are met. Investment thresholds will be subject to HIP Board approval and will include rental yield, return on gross development value etc.

5.0 Amendments to the Business Case

The high level principles and vision for the Programme, set out in the preceding paragraphs, remain very much in line with the original Business Case, as do the roles of both the Council, as sole shareholder, and Nuplace Ltd, as the delivery vehicle for the Housing Investment Programme. However, the proposals do require some amendments and additions to the Business Case. Key changes are documented below in relation to both the January 2015 and February 2016 proposals.

5.1 The Business Idea

- The principal aim of the company remains the development of properties for principally private and also affordable rent across a number of sites.
- A suite of possible future development sites have been identified taking the total number of houses for development to circa 500 from the originally envisaged 425.
- Full Council approval for additional funding to deliver these sites has been granted as part of the budget strategy.
- The proposals extend development from solely Council owned land onto third party land owned by Homes & Communities Agency. In order to maximise the potential of the programme it is recommended that the HIP Board are authorised to approve the acquisition of and developments on third party land as well as land outside of the Borough where it meets the objectives of the Housing Investment Programme and has the requisite Council approval for investment.
- Funding arrangements will be in accordance with the original business case, although it is recommended that delegated authority is granted to the HIP Board to agree adjustments to the onward lending rate to Nuplace, subject to any adjustments being State Aid compliant.

5.2 The Strategic Case

As set out in Section 3, market conditions remain supportive of the development of rental accommodation. However local market intelligence gathered through the first fully operational year show that there are changes occurring locally in terms of both supply and demand which Nuplace must respond to. In addition, opportunities to diversify the portfolio to mitigate risk and reduce over dependence on two and three bed properties would seem prudent given Nuplace's likely market share following completion of the 290 units already committed.

5.3 The Economic Case

The Wholly Owned Company (WOC) remains the preferred delivery vehicle for the Housing Investment Programme. However, as the reputation of Nuplace as a serious market player in the private rented sector grows, opportunities are emerging to progress developments in partnership with the private sector. Joint developments, like that pursued at The Oaklands, Dawley, with contractor Lovell Partnerships Ltd, whereby part of the site was sold directly to Lovell for the development of houses for market sale alongside Nuplace's rental development, have the potential to deliver economies of scale from a development perspective but de-risk a site where a wholly rental scheme would be potentially too large.

It is likely that more and more of these opportunities will arise and Nuplace need to be able to respond quickly to be considered as serious contenders by the private sector. As such it is recommended that delegated authority is granted to the HIP Board to pursue joint developments with third parties where they are in line with the objectives of the original business case and can be delivered within the parameters of existing Council approvals for investment.

5.3.1 The Sites

The table below provides a full summary of the sites currently incorporated within the programme as well as future proposed development sites.

Site	Land Ownership	Housing Mix	Unit Numbers	Status
Pool View, Randlay	Telford & Wrekin Council	2 and 3 beds	31	Complete Fully Occupied
Woodland Walk, Madeley	Telford & Wrekin Council	2, 3 and 4 beds	101	Complete Fully Occupied
The Oaklands, Dawley	Telford & Wrekin Council	2 and 3 beds	47	Under Construction 25 reserved 4 occupied Site practically complete May 2018
Miners Walk, Madeley	Telford & Wrekin Council	2 and 3 beds	53	Under Construction 28 reserved Site practically complete – September 2018
Blossom Walk, Hadley	Telford & Wrekin Council	2 and 3 beds	25 (3 affordable)	Under Construction Site practically complete – March 2018
Springfields, Newport	Telford & Wrekin Council	2 and 3 beds	33 affordable	Under Construction Site practically complete – April 2018
Land off Church Road, Snedshill, St Georges	Homes & Communities Agency	2, 3 and 4 beds	37	Feasibility Stage Target Planning Submission - July 2017
Land at jctn Whitchurch Drive & Apley Avenue, Wellington	Homes & Communities Agency	2, 3 and 4 beds & 1 and 2 bed Supported Living/Step Down Care	Houses: 43 Supported Living: 52	Feasibility Stage - subject to market analysis for supported living. Awaiting site investigation Target Planning Submission - October 2017
Former Leisure Centre, Stirchley	Telford & Wrekin Council	2 bed bungalows	19	Feasibility Stage Target Planning application Submission - July 2017
Southwater	Telford & Wrekin Council	Supported Living	Supported Living: 50	Feasibility Stage – subject to market analysis for supported living. Target planning application - October 2017
Scout Hut Site, Longford Road, Newport	Telford & Wrekin Council	2 beds	9	Feasibility stage – awaiting options for relocation of Scouts Target planning application submission - January 2018
Total			500	

The proposals would bring the total number of units to be delivered to circa 500, although exact numbers will be subject to detailed viability appraisals.

5.4 The Commercial Case

Assumptions made in the original Business Case of January 2015 and updated Business Case of March 2016, regarding the delivery vehicle and funding route remain valid and relevant. A full appraisal of the private rented market in Telford has been conducted when preparing proposals for the next phase of the Housing Investment Programme as set out in Section 3.0. Detailed research into supply and demand for supported housing in the context of

the local market, has also been commissioned to help inform decisions around opportunities to diversify Nuplace's asset base.

6.0 Finance

The current capital cost estimates and anticipated funding sources approved within the Service and Financial Planning capital programme, are detailed in the table below:

Cost (£'000s)	Actual spend 31 March 2017	June 2017 Business Case
Construction estimate (including fees, s106s, and interest during construction)	19,128	61,650
Land value	2,100	2,500
Total cost	21,228	64,150
Source of Funds		
PWLB borrowing	19,128	60,642
Capital receipt	2,100	2,500
Developer contributions	-	1,008
Total funding	21,228	64,150

The capital cost estimate has increased from the February 2016 business case by £11.2m, reflecting increased allocations in prudential borrowing and reassessments of land values and developer contributions following viability assessments and changes in the mix of sites. As the programme progresses to Phase 3, it is anticipated that construction cost will include third party land purchases.

Nuplace operates in accordance with governance arrangements which allow for the allocation of capital to individual sites following the satisfaction of predetermined conditions, several of which relate to viability and the ability to repay interest on loans forwarded. Finance provide comprehensive support to individual business cases as they come forward for approval. To date six sites have satisfied these conditions and capital totalling £38.1m has been allocated to these sites, which has been funded in accordance with the table below:

Funding (£'000s)	Capital allocated	Unallocated
Prudential borrowing	34,600	26,042
Capital receipts	2,500	-
Developer contributions	1,008	-
Total	38,108	26,042

As new sites come forward for approval, finance will support viability appraisals and ensure that the returns generated fulfil the Council's objectives. A set of viability criteria will be developed and presented to the HIP Board for approval, in consultation with the Section 151 Officer.

In accordance with the March 2016 Business Case, Nuplace continues to be funded by a mixture of debt and equity finance, such that each element of finance generates an acceptable return to the Council over the life of the investment, whilst having due regard to state aid requirements. The level of return on equity finance in the March 2016 Business Case was 6.84% over the life of the investment. Parameters for returns on equity finance for viability appraisals will be approved in consultation with the Section 151 Officer.

Additionally, the Council receive income from a range of services supplied to Nuplace, governed by various management agreements. These services include housing management and development management services. Income received/ forecasted to be received for the 3 years ended 31 March 2018, is summarised in the table below:

£'000s	Actual 15/16	Actual 16/17	Forecast 17/18
Services income	283	255	366
Interest income	166	618	1,064
Total income	449	873	1,430
PWLB cost of debt finance	(85)	(252)	(790)
Other marginal Council costs	(60)	(92)	(125)
Net incremental Income	304	529	515

Services and interest income will continue to increase as further sites are brought forward for development and rental levels increase and debt is drawn down.

The Council's debt funding to Nuplace is governed by a 30 year facility agreement, whereby interest on the debt is charged at a fixed rate of 5.29%. This rate was set by reference to State Aid requirements and the level of collateralisation in the company. The appropriateness of this rate will be reviewed for new debt finance and approval for any changes in the rate will be in consultation with the Section 151 officer.

The Council's interest charges are prudently calculated using current capital interest rates as agreed as part of the Budget Strategy. For 2016/17 and 2017/18 these were, short term cost of borrowing rate of 1.75% rising to 3% in 18/19 and 3.5% beyond. Actual borrowing is undertaken as part of overall treasury management and the current strategy is for short term borrowing as rates around 0.35%. Finance will review viability appraisals to ensure that each additional site demonstrates that it delivers a return on both the debt and the equity finance forwarded.

The inclusion of the new sites within the Business Case will generate additional Council Tax and New Homes bonus as appropriate to the Council. This is forecast to generate an additional £83k in 16/17, rising to £308k in 17/18 and £540k in 18/19 as more sites are developed and units delivered.

7.0 Legal Considerations

Legal advice continues to be provided in relation to both development and operational matters with there being legal representation at Project Team, Nuplace Director and HIP Board Meetings. There is a robust governance structure in place and legal advice and training has been provided to the Directors of Nuplace to ensure conflicts of interest are avoided.

Legal will keep both the HIP Board and the Board of Directors of Nuplace fully abreast in relation to the developments of the White Paper and the implications for the Council and Nuplace (and any other legal developments).

Legal will continue to provide legal support to Nuplace in relation to Company secretarial duties i.e. filing at Companies House, and will provide advice and assistance to Nuplace in relation to Nuplace updating its Business Plan to demonstrate how they intend to respond to and deliver against the objectives contained herein. This updated plan will need to be submitted to and approved by the HIP Board and will act as a live document and be regularly reviewed by both Nuplace and the Council.

Legal will provide advice and support on a case by case basis in relation to acquiring predetermined properties from developers to ensure that any legal requirements are complied with and the relevant contract is entered into.

8.0 Governance

- 8.1 The 'Teckal Exemption', has been used as justification for the Council not needing to tender for a WOC to deliver the HIP. Application of the Teckal exemption is reliant upon satisfying three conditions, all three of which have been and will continue to be satisfied during the establishment and the delivery of the Programme. These include;
- a) the Council exercising control over Nuplace similar to that which it has over itself including having decisive influence over the strategic objectives and decisions of Nuplace i.e. being 100% owned by the Council with complete control over identity and appointment of Directors, having established a robust governance structure;
 - b) Nuplace's activities being confined to those imposed on it by the Council; and
 - c) that there is no private participation in the company.
- 8.2 The establishment of a robust governance structure is required not only to protect the Council's investment, its Officers by way of Member support, and Nuplace's Directors as far as possible from any personal liability, but as highlighted above, to satisfy a key condition of being able to establish Nuplace to deliver the Programme. This governance structure and the governance procedures were established in the original business case and updated in March 2016.

In the most part these governance procedures and structure remain largely applicable with the only changes being in relation to the Terms of Reference of the HIP Board which are intended to grant greater delegated authority in terms of decision making. These build on the changes approved by Cabinet in March 2016 and are to provide greater flexibility to Nuplace to operate commercially and are not considered to contravene the Teckal assumption in any way. Revised Terms of Reference are included at Appendix 2.

9.0 Risk

The Programme Wide Risk Register has been reviewed in the context of the proposals contained within this report, with an updated copy included within Appendix 3.

A number of risks have been removed from the risk register on the basis that they are no longer considered relevant since they relate to the establishment of the company which has now been concluded or are better captured in site specific risk registers which cover the pre-construction and construction phases.

A Report of Nuplace Ltd

Housing Management

KPI & Performance Report for the year 2016/17

Housing KPIs	Annual Target	Performance for 2016/17
% of gas servicing completed according to statutory requirements	100%	100%
% of electrical testing completed according to statutory requirements or good industry practice	100%	100%
Level of rent collection	99.5%	99.83%
Rent loss through bad debts and voids	Less than 5%	0%
Level of satisfaction with repairs service (very satisfied or fairly satisfied)	90%	N/A
Void turn round time	21 days	Annual average 21 days Woodlands 3 days Randlay
Emergency repairs completed within 24 hours	100%	100%
Urgent repairs completed within 5 working days*	98.5%	N/A
Other repairs completed within 16 working days*	95%	N/A
Number of Disrepair Notices.	0	0

Appendix 2

HOUSING INVESTMENT PROGRAMME BOARD

TERMS OF REFERENCE

1. Background

- 1.1. Telford & Wrekin Council are focussed on proactively and positively building a long-term future for the Borough. The focus is on economic growth and the Council is integral to achieving this growth by providing the right services and making the right investments.
- 1.2 The Council recognised that it can influence and further support this growth by promoting housing investment using stalled and brownfield sites. In this context the Housing Investment Programme (“HIP”) was established in order to develop new homes for private and affordable rent and in doing so:
- Respond to the borough’s housing need for quality rental homes and places to live so as to support the Council’s ambitious growth agenda and major investment into the Borough and protect and create jobs as a ‘Business Supporting, Business Winning Council’;
 - Raise the standard of rental provision, both in terms of the quality of the rental homes and the quality of the landlord service to ensure that local people have access to suitable housing;
 - Stimulate local economic growth through job creation during both the construction and operational phases of the Programme;
 - Regenerate brownfield and stalled sites;
 - Protect Council jobs by utilising these roles in the development, management and maintenance of the portfolio of rental properties;
 - Generate a long term income stream for the Council that can contribute towards the protection of frontline services otherwise affected by budgetary constraints;
- 1.3 The Council established a Wholly Owned Company (WOC) to deliver the HIP, with Nuplace Ltd (Nuplace) becoming incorporated in April 2015.

2. Membership & Decision Making

- 2.1 Members of the Board will be:

Member
Leader and Cabinet Member for Neighbourhood Services & Pride Programme
Deputy Leader and Cabinet Member for Housing & Enforcement
Cabinet Member for Council Finance, Commercial Services & Economic Development
Managing Director*
Assistant Director: Finance & Human Resources (Statutory Chief Financial Officer)
Assistant Director: Governance, Procurement & Commissioning (Statutory Monitoring Officer)
Senior Commercial Solicitor
Finance Team Leader

*Chair

- 2.2 Only members of the Board will have the right to attend. However, other individuals may be invited to any meeting as and when appropriate. It is expected that at least one of the Directors of the Company will attend each meeting to provide updates as to progress, but will not take part in any decision-making of the Board. Members may nominate a relevant substitute if they are unavailable to attend a meeting.

- 2.3 A minimum of four board members are required in order to provide a quorum for decision making purposes (at least one of whom must be the Managing Director or Statutory Chief Financial Officer together with at least two elected Members of the Council).
- 2.4 The Board will be chaired by the Managing Director. If the Chair is not present at any of the meetings of the Board then the remaining members shall elect one of themselves to chair the meeting.
- 2.5 It is anticipated that formal voting will not be required and decisions will be required to be unanimous. It may also be the case that decisions may be required during the periods intervening a formal Board meeting which may necessitate decisions being taken outside of a formal Board meeting. Such decisions shall be equally as valid as any decision taken during a Board meeting, however, the quorum detailed above shall still apply and the decision shall be formally ratified and recorded at the subsequent Board meeting.
- 2.6 The Managing Director, in consultation with the Board, (and in particular the Section 151 Officer in relation to viability decisions) may approve, in accordance with the powers delegated to him by Cabinet, the matters identified at Section 4.0 of these Terms of Reference.

3. Frequency of Meetings

- 3.1 The Board shall meet quarterly for approximately 1.5 hours. More frequent meetings shall be scheduled when appropriate.

4. Purpose & Objectives/Role of the Board

- 4.1 The Housing Investment Programme Board was established in order to:
- Provide a robust governance structure and appropriate levels for decision-making within the context of Cabinet and Council approvals
 - Engage with and obtain support from Senior Members and Officers in relation to the strategic direction of the HIP
 - Provide any approvals that were necessary to enable the programme to maintain momentum and meet critical programme timescales
 - Give direction to Nuplace and the HIP delivery team where appropriate
 - Approve the following, subject to these being in accordance with the Business Case, Nuplace's Business Plan and providing they can be delivered within the Council's approved level of investment:-

Viability:

- Parameters against which the viability of individual sites will be assessed
- Variations to these parameters where this will be of benefit to the overall programme.
- Individual site viability appraisals
- Commercial terms for funding (providing these are in accordance with the viability outcomes of the individual site appraisals), to include returns on equity invested on a project by project basis.
- Changes to the loan agreement including adjustments to the onward lending rate to Nuplace, subject to any adjustments being State Aid compliant, and with due regard to the overall collateralisation of the Company.
- The price for each piece of land transferred to Nuplace (to ensure best consideration is obtained)
- The principal and terms associated with the acquisition of and development on third party land, both within and outside of the Borough,
- The principal and terms associated with joint developments with third parties

Management

- Use of Council resources to support Nuplace via the management agreements i.e. staff, IT, finance systems, accommodation
- Agreeing commercial terms for management agreements
- Agreeing terms for housing and operational management on specific sites (if not already covered by the overarching agreement)
- Agreeing variations to the management agreements, provided that these are in accordance with the Business Case
- Agreeing sensitive policy issues relating to the Project (e.g. rent setting, length of term, allocations, rental deposits, tenancy enforcement)

Monitoring & Compliance of Nuplace Ltd

- Agreeing any changes to Nuplace's Business Plan (providing these are in accordance with the Business Case)
- General guidance and strategic direction to Nuplace Directors
- Attending the Annual General Meeting of Nuplace
- Agreeing the appointment of External Auditors to Nuplace
- Monitoring Nuplace's performance against the Business Case and Business Plan and taking intervening measures in the event of non-performance
- Monitoring compliance with conditions precedent contained within the Land Transfer Agreement
- Monitoring compliance with conditions precedent contained within the Facilities Agreement
- Receiving and considering reports from Nuplace including:
 - Quarterly reports on the progress of schemes against the approved Project Plan
 - Quarterly reports on Housing Management including monitoring of Key Performance Indicators identified within the Housing Management Agreement
 - Quarterly update on Management Accounts

5. Accountability of the Board

- 5.1 The Board is accountable to Cabinet in relation to matters described above (which are executive functions). Should a decision be required which is not within these Terms of Reference this will be referred to Cabinet save for where that is a decision which is outside of the approved Budget and Policy Framework for the Council; in which case the matter shall be decided upon by Full Council.
- 5.2 As part of its role, and in order to demonstrate the appropriate level of probity and oversight, the HIP Board shall produce reports to the Cabinet at least once per year, providing the information and recommendations (if required):
- The performance of Nuplace and the Council's investment,
 - Significant changes to the Business Case and/or Business Plan that have occurred during the preceding 12 months
 - A general update as to the HIP's progress.
 - Proposals for future investment

6. Review

- 6.1 The composition and terms of reference of the Board will be reviewed by the Board every 12 months or as appropriate if more frequently.

7. Procedures

- 7.1 An officer of the Council, appointed by the Chair, shall act as administrator for the Board and shall circulate an agenda, together with any supporting documentation at least 1 week prior to the Board meeting. If, for reasons of urgency, this is not possible papers shall be circulated as soon as practicable.
- 7.2 Minutes of the Board Meetings will be produced in draft within 2 weeks of the meeting and circulated to all members of the Board (whether they were in attendance or not). Any proposed changes to the minutes must be identified by Members of the Board within a further 2 weeks following circulation.

8. Approvals

Approved by the Board on xxx July 2017

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Richard Partington – Managing Director
Chair

Appendix 3: Housing Investment Programme - Risk Register

Risk Matrix

Impact Of Risk	HIGH	Important Risk Unlikely to happen but would have catastrophic Impact on Objectives 6	Key Risk Medium Likelihood – Catastrophic Impact on Objectives 7	Key Risk High Likelihood – Catastrophic Impact on Objectives. 9
		Unlikely to happen but could have an Impact on achieving objectives 3	Important Risk Medium Likelihood - will make achieving objectives difficult but not impossible 5	Key Risk High Likelihood – will make achieving objectives difficult but not impossible 8
	LOW	Unlikely to happen and will have little or no Impact on achieving objectives 1	Medium Likelihood but will have little or no Impact on achieving objectives 2	Important Risk High Likelihood but will have little or no Impact on achieving objectives 4
		Unlikely	Likelihood of Occurrence	Likely

Risk Description		Consequences	Rating	Response Actions	Owner
	Legal/Regulatory				
001	Ultra Vires Council is acting outside of its powers in establishing the Company and/or implementing the project	Cannot pursue initiative	1	Legal advice has been taken. Powers to invest in and/or undertake commercial activities in function related powers are established. Borrowing is via the General Fund. Council will comply with prudential borrowing requirements. Currently taking place.	TWC
002	State Aid - Challenge made by European Commission	Legal implications	3	Legal advice has been taken. Rates will be on a full commercial basis. Could also rely on the Services of General Economic Interest exemption for the affordable rent housing.	TWC

003	Necessary Consents - Secretary of State consent may be required for transfer of the land as 'gratuitous benefit'.	Programme delays	1	All sites have and will continue to be sold to Nuplace at market rent only.	TWC
004	Necessary Consents - Land transfer is not at the best consideration reasonably obtainable	Legal implications, programme delays, cost implications	1	Valuations have been undertaken by an external RICS Surveyor using the Red Book. Land has been and will continue to be transferred at the commercial value.	TWC
005	EU Procurement Challenge - A challenge is made that the project is not compliant with EU procurement requirements	Legal implications, programme delays	1	The Teckal exemption is available in respect of transactions between the Council and the Company. In addition, all development activity has been and will continue to be through competitively procured design and works contracts.	TWC
Financial/Economic/Legislative					
006	Accounting and Tax Treatment - The accounting and tax treatment set out in the Business Case is challenged	Legal implications, programme delays, cost implications	5	External financial advice obtained and considered as part of the Business Case Ongoing advice on Corporation Tax sought	TWC
007	Financial Model - The assumptions in the financial model are not robust or the financial model is flawed.	Programme delays, cost implications	5	Financial; Model has been rigorously tested. Assumptions have also been challenged and set at prudent levels. Sensitivity analysis and testing has been undertaken and mitigation strategy for each scenario developed. Phase 1 is under construction and rental values being achieved via tenant reservations. Experience to date on Phase 1 is being applied to Phase 2 and 3. Robust monitoring of management accounts performed to identify key business levers.	TWC
008	Funding - The Council is unable to provide finance for the project as planned.	Programme and cost implications	1	Financial advice has been obtained regarding prudential borrowing for the project and the impact on the General Fund A senior finance officer of the Council is a member of the Working Group and approval/budgetary arrangements are in place in respect of prudential borrowing by the Council to on-lend to the Company. This is currently taking place.	TWC
009	PWLB Interest Rates - PWLB interest rates may increase such that the project is no longer financially viable	Programme and cost implications	5	The Council will manage its treasury requirements through its Treasury management function. Movements in interest rates and underlying market factors are monitored as part of this process. PWLB financing is being used.	TWC
010	General and specific inflation - If inflation assumptions are lower (in relation to income – rent and sales prices) or higher (in relation to costs – construction or management and	Programme and cost implications	5	Construction costs provided on an open book basis and account for inflation to provide cost certainty. Assumptions around rental increases under review. Rent setting and review policy being established. Rents reviewed on a plot by	TWC

	maintenance costs) than Business Plan assumptions then viability of Company is reduced			plot basis rather than programme wide and in response to local market conditions, supply, demand, property type etc. etc.	
011	Changes in Legislation or Government Policy - Changes in legislation could have many risk impacts ranging right across the project and Company's activities. Such changes could affect any or all of the Business Plan assumptions and its development and operational activities i.e. changes to taxation, construction/building regulations, Government Policy which impact on rents and/or rent collection, right to buy. Changes could occur with regards to NHB and Council Tax, or changes to the Local Government Finance System.	Legal, programme and cost implications	2	Recent White Paper is supportive of Councils developing property for private and affordable rent assuming rights of occupiers of the latter are protected. May result in policy changes which Nuplace will need to respond to. Changes in law may also be reflected in general inflation so there would be mitigation in terms of ability to adjust rents. In addition, the risk may be capable of management by sale of dwellings.	TWC
012	Acquisition of third party land may impact on viability and programme	Cost and programme implications	2	Approval in principal from HCA to purchase land by way of a negotiated disposal and on an open book basis will mean land value is residual and what can be afforded by the programme. Viability will need to be proven to HIP Board before acquisition proceeds	TWC
013	Business Case for diversification into Supported Living is untested any may affect return on investment	Cost implications	2	Anecdotal evidence support requirement. In depth study of local market conditions commissioned to support decision making. Implementation will only be subject to robust feasibility work and viability appraisal HIP Board sign off prior to implementation	
Strategic Governance					
014	Decision Making - Governance structures do not enable the project to be properly set up or delivered.	Programme and cost implications	1	Governance structure has been approved by Cabinet. The programme is being delivered under this governance structure with no issues.	TWC
015	Constitutional power of the Council to participate in external organisations such as the Company - The Council's constitution may not permit participation in the Company.	Legal and programme implications	1	Full Council approval has been obtained to participate in the project and the project is in its delivery phase.	TWC
016	Decision Making - Conflicts of interest arise may arise between the Council and the Company and/or Company officers' primary	Legal and programme implications	4	Members and officers of the Council receive briefings from the Council's legal team on how to manage such conflicts and duties. Formal Terms of Reference in place alongside robust	TWC/Nu place

	duties to the Company cause operational issues.			governance procedures. Nuplace audit conducted in Q4 2016/17. Findings being implemented.	
017	Resources - The Council has inadequate resources to deliver the project.	Programme and cost implications	5	Resources, have and will continue to be reviewed as the programme progresses. Additional capacity has been built in to support the growing operational element of the business.	TWC
018	Delay during delivery - The project suffers delay during construction preventing the WOC from repaying its loan.	Programme and cost implications	5	Sensitivities have been tested which show that the WOC could repay debt if it suffered a minor delay (+6 months) in the delivery of the project. This forms part of the financial analysis.	TWC
Political					
019	Change in Government Policy - Support for the project may be eroded leading to difficulties in delivering to the Business Plan.	Programme and cost implications	1	The three principal political parties are committed to housing development as part of the UK Growth Strategy. The project is in its delivery stage.	TWC
020	Change in Local Policies - As Above	Programme and cost implications	5	A change in political administration or changes to local policies may affect the support for the project and affect the delivery	TWC
021	Loss of Stakeholder Support - Failure to provide adequate information/marketing could lead to poor public perception and take up of the homes, affecting viability.	Cost implications	6	Affiliation of Nuplace to the Council is proving positive. Opportunities to maximise this are being explored. Occupancy and pre lets off plan continue to be positive. Opportunities to improve the customer experience are being explored (e.g. App)	TWC
Resources					
022	Management and administration resources - The Council is unable to support the overall management of the Company.	Programme and cost implications	2	Resource requirements continuously reviewed as programme moves from the purely development to the operational phase. Additional capacity has been built into restructures to support expansion of the programme.	TWC
023	Development resources -The Council has inadequate housing development resources to support the Company.	Programme and cost implications	2	Resource requirements continuously reviewed as programme moves from the purely development to the operational phase. Additional capacity has been built into restructures to support expansion of the programme.	Nuplace
024	Housing Management & Maintenance resources - The Council has inadequate housing management and maintenance resources to support the Company.	Programme and cost implications	5	Resource requirements continuously reviewed as programme moves from the purely development to the operational phase. Additional capacity has been built into restructures to support expansion of the programme. Reactive property maintenance is to some extent unknown as properties are released from the defects correction period with the Contractor. Planned maintenance requirements being established and market tested.	Nuplace
Operational Management					

025	Demand - Lettings & Sales - Inability to find tenants and/or sell properties leading to loss of income and costs of securing properties whilst empty.	Cost implications	3	Properties continuing to let well off plan. Void rates running at lower than modelled assumptions.	Nuplace
026	Initial Rental Values - Initial rental values are lower than forecast.	Cost implications	3	Initial rental values are currently in line with levels assumed at viability stage.	Nuplace
027	Rent & Service Charge Collection - Failure to collect all legally recoverable monies.	Legal and cost implications	2	The rent collection will be managed by the Council, via Nuplace, who have experience in collection of commercial rents. The lettings policy will require the use of direct debits and rental deposits/ credit checks prior to the letting of property.	Nuplace
028	Failure to comply with rental deposit scheme requirements - Failure to comply means that rent may not be collectable and/or possession cannot be obtained. The court can also levy fines.	Legal and cost implications	2	Suitable procedures will be put in place to ensure that necessary notification requirements are provided to tenants in a timely fashion.	Nuplace
029	Void Management - Failure to make available for re-letting or to re-let in timescale.	Cost implications	3	A bad debt and void provision in the Business Case will be monitored carefully, as will the cost of void turnover repairs and time taken to re-let properties.	Nuplace
030	Repairs & Maintenance - Costs are not in line with Business Plan projections and/or quality is poor.	Cost implications	5	Assumptions being tested as houses are released from the defects correction process with the Contractor. A detailed proactive maintenance plan is under development. Restructures have facilitated greater focus on property maintenance.	Nuplace
031	Liability under section 11 Landlord and Tenant Act 1985 (disrepair notices), section 82 Environmental Protection Act 1990 (statutory nuisance) and failure to undertake gas, electrical or fire safety checks - Court action, fines and compensation to tenants may be available if the Company is in breach.	Legal and cost implications	2	Nuplace will institute an inspection regime and ensure prompt responses to repair requests. Statutory nuisance may be mitigated by claims against the constructor or design team where caused by works or design problems.	Nuplace
032	Tenancy Management - Costs are not in line with Business Plan projections and/or quality is poor.	Cost implications	3	The Council and Nuplace review the management arrangements and costs on a regular basis and have sought advice on the level of repairs and maintenance funding within the model. The %age is higher than most lettings agencies but this accounts for the superior maintenance and management service to be provided by Nuplace.	Nuplace

033	Tenancy Management Tenant damage - Cost of tenant damage in excess of that provided for in repairs and maintenance budget. Cost generally not covered by insurance.	Cost implications	3	Recharge policies and (if taken) rental deposits will mitigate this risk as will tenancy enforcement procedures.	Nuplace
034	Damage to dwellings is caused by usual commercial risks - Material damage to dwellings and consequent loss of rent.	Cost implications	3	Property owners and loss of rent insurance in place although Nuplace would still be exposed to uninsured excesses.	Nuplace
035	Damage to dwellings are caused by uninsurable risks (e.g. flood or acts of terrorism) - Material damage to dwellings and consequent loss of rent.	Cost implications	3	Insurance is unavailable. Flood risks have and will continue to be investigated as part of the design and planning process and design will mitigate potential risk. Consequences of terrorism are unlikely to affect more than a few dwellings.	Nuplace
036	Debt Repayment - Company fails to repay debt and/or deliver a return to the Council	Legal and cost implications	3	The Company's Business Plan will be regularly monitored and reviewed. The Council will have security over the Company's assets and step in rights.	TWC/Nu place

TELFORD & WREKIN COUNCIL**CABINET – 29th JUNE 2017****PRIDE IN OUR COMMUNITY BY SECURING SAFER, CLEANER
NEIGHBOURHOODS THROUGH APPROPRIATE USE OF OUR ENFORCEMENT
POWERS****REPORT OF: ASSISTANT DIRECTOR OF CUSTOMER & NEIGHBOURHOOD
SERVICES****LEAD CABINET MEMBER – CLLR RICHARD OVERTON, CABINET MEMBER
FOR HOUSING AND ENFORCEMENT****PART A) – SUMMARY REPORT****1.0 SUMMARY OF MAIN PROPOSALS**

- 1.1.1 A number of specific Regulatory and Enforcement teams across the Council currently work together to deal with various aspects of anti-social behaviour and environmental crime. These include the Public Protection team who deal with, amongst other things, noise, waste on private land, rodent infestations, statutory nuisance and poor housing conditions, whilst Planning Enforcement Officers deal with problems such as unsightly land and buildings which affect the amenity of the local area and often also harbour other related problems such as rubbish and rodents. Likewise the Environmental Enforcement team has traditionally dealt with more direct environmental crime such as littering, abandoned vehicles and dog fouling through the use of fixed penalty notices.
- 1.1.2 To effectively tackle the problems associated with anti-social behaviour and environmental crime we need to ensure we work with all stakeholders to encourage them to take responsibility and an active interest in the areas in which they live, work and invest.
- 1.1.3 As part of our Pride in our Community programme keeping the Borough a clean and safe environment to live and work is a key priority for the Council. Over the last few years we have increased the number of litter bins across our borough, opened a new 7 day a week, 362 days a year Household Recycling Centre at Hortonwood, offered discounts on our bulk collection service and run a number of enforcement campaigns such as our 'Angry Eyes' campaign which focussed on dog fouling and littering. However despite all of those actions we still have a small minority of the population who blight our community through incidents of anti-social behaviour such as fly tipping, littering, dog fouling, graffiti etc. This report therefore focuses on the level and type of enforcement activity we propose to take to address this challenge and in doing so working with partners such as the police, Town & Parish councils and the community to tackle this together.

This specific report does not go into detail in respect of all the community engagement and prevention activities that are undertaken regularly by the council to change behaviour of those involved, which we will continue. This report focuses on our approach to those few who continue to blight our community.

Our approach will incorporate:-

- ✓ Strong Enforcement that allows the use of powers we now have under the Anti-social Behaviour, Crime and Policing Act 2014 and other relevant legislation to take more robust action for persistent offenders
- ✓ 40 plus officers from across the council who have a level of enforcement responsibilities due to their role have been identified to take part in a new enforcement training course which will include helping to address environmental crime.
- ✓ Targeted communication campaigns to engage the community to play their part, including better use of social media to highlight our enforcement successes and to educate and raise awareness.
- ✓ Improved partnership working with the Safer Neighbourhood Policing teams to work together in key anti-social behaviour hot spots across our borough to address the cause, and consequences of ASB.
- ✓ Greater use of mobile CCTV to gather evidence for environmental crimes and potential prosecutions.
- ✓ Greater use of the Community Payback service in ASB hot spots to play their part in keeping our borough clean eg litter picking.
- ✓ New performance dashboards tracking ASB hot spots and both prevention and enforcement action taken as a result.

1.1.4 This report should be considered alongside the separate report being presented to Cabinet titled '**Fixed Penalty Enforcement Policy & Setting of Fixed Penalty Fines.**'

2.0 RECOMMENDATIONS

- 2.1 Cabinet endorses the revised and more robust approach to enforcement activity outlined in this report
- 2.3 The Cabinet Member for Housing and Enforcement to work closely with the Assistant Director for Customer & Neighbourhood Services to monitor the impact of a more robust approach to the enforcement of environmental and other crimes.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Protect and support our vulnerable children and adults Ensure that neighbourhoods are safe, clean and well maintained.
	Will the proposals impact on specific groups of people?	
	NO	
TARGET COMPLETION/DELIVERY DATE	Implemented from July onwards	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	<p>The costs of Council Officers time supporting enforcement activity will be met from existing Council budgets. Training costs will be funded from training budgets within the Organisational Development & Delivery Team. Marketing and publicity campaign costs will be contained within current levels of funding available to Customer & Neighbourhood Services.</p> <p>Reserves of up to £300k are available for the investment required into CCTV.</p> <p>There is income associated with the issuing of Fixed Penalty Notices. These will be considered in the separate report being taken to cabinet on the setting of Fixed Penalty Fines. MLB 17.05.17</p>
LEGAL ISSUES	Yes/No	<p>The council has a duty to enforce regulations relating to anti-social behaviour and environmental crime within its area and where it is the designated enforcement authority. The initiatives set out in this report support the delivery of these duties.</p> <p>All legal action arising out of enforcement activity must be carried out in accordance with the corporate and individual service area enforcement policies. Work is currently underway to</p>

		update both the Corporate Enforcement Policy and the RIPA Policy to support the increased enforcement activity proposed in this report. The impact on Legal Services will be closely monitored to ensure adequate resources are available and to prevent detrimental impact on the Legal Service Teams support of other Council services. PM 18.5.17
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	This approach gives the council the opportunity to work with partners and the community in building and promoting safer, stronger, cohesive communities.
IMPACT ON SPECIFIC WARDS	Yes	Borough-wide impact

PART B) – ADDITIONAL INFORMATION

4.0 INFORMATION

4.1 Working in partnership and Intelligence Lead activity

4.1.1 We are working with our partners to create multi-functional teams who will work together to tackle issues of crime, disorder and quality of life issues within our towns and communities. Our approach will be intelligence lead using a performance dashboard; this will identify the top 10 anti-social behaviour issues based on volume of reports and demands on services. We are developing a series of dashboards looking at trends for possible Enforcement action. An example of our environmental crime dashboard is attached in (**Appendix 1**). Further dashboards for Planning, Housing Benefit and Council Tax, Public Protection and Housing are being developed to help ensure our enforcement powers are targeted appropriately to achieve the greatest improvements.

4.1.2 Our joint working with the Police and other key partners will see the combined objectives and common values being drawn together to share information and intelligence, tasking council officers, partner agencies, such as the Wrekin Housing Trust, the 49 Police Community Support Officers (PCSO's), Shropshire Fire & Rescue Services and registered social and private landlords to respond to and resolve issues at a Town/Parish level based on the intelligence and data each organisation holds. This is known as our Integrated Community Management Model (ICM) and will help to provide a co-ordinated approach to tackle ASB; and environmental crime.

4.2 More Robust Enforcement of Environmental Crime

4.2.1 Staff working in our Customer and Neighbourhood Service teams will have delegated authority to act on behalf of the Council, creating additional capacity

that looks at the root causes of antisocial behaviour as well as taking the required level of enforcement action. This approach will allow more interaction with the community to identify the solutions, building community resilience and promoting social responsibility that will hopefully reduce demand for services.

4.2.2 Under appropriate powers staff will be able to enter premises and to carry out enforcement action such as the serving of enforcement notices, powers to seek information, and the prosecution of offenders for breaches of the legislation or enforcement notices.

4.2.3 The powers contained in a variety of Statutes and Regulations give Council officers the ability to issue Fixed Penalty Notices (FPN's) for the following types of offences. There is a potential for a reduced fee that encourages early repayment that reduces the risk of further prosecutions for non-payment.

- Fly tipping - £400 maximum fine / £200 early repayment
- Littering - £80 maximum / £50 early repayment
- Dog fouling £80 / £50 early repayment
- Domestic Waste receptacles £80 / £50 early repayment
- Abandoning a vehicle £200/£120 early repayment
- Failure to furnish duty of care £300/£180 early repayment
- Offences in relation to receptacles for household waste £60/£40 early repayment
- Unauthorised distribution of literature £75/£50 early repayment
- Graffiti, fly posting and other relevant offences £75/£50 early repayment
- Nuisance parking (vehicle for sale on a public highway) £100/£60 early repayment
- Nuisance parking (repairing vehicles on a public highway) £100/£60 early repayment
- Consumption of alcohol in breach of a prohibition in order £100/£60 early repayment
- Failure to comply with a Community protection notice (CPN) £100/£60 early repayment

4.2.4 The fines form part of an overall Fixed Penalty Enforcement Policy. The policy sets out in detail the circumstances under which the Council will issue Fixed Penalty Notices. For certain offences the local Authority has the ability to set both maximum and minimum FPN levels. Where this is possible this Council is setting fixed penalty fines at the highest levels which have been bench marked against other local Authorities. A separate report is being presented to Cabinet today to outline this approach in more detail.

4.2.5 The Assistant Director: Customer and Neighbourhood Services has used delegated powers under the Council's Constitution to delegate authority to relevant officers to give them the necessary powers to carry out the enforcement functions outlined in this report.

- 4.2.6 The 49 Police Community Support Officer's employed by the Police will have the ability to issue Fixed Penalty Notices for dog fouling and littering on behalf of the council and the four PSCO's that are funded by a number of Town and Parish Councils will have additional powers to enforce a greater number of offences at the locality level.

4.3 Training Council Regulation & Enforcement Officers

- 4.3.1 The effective training of officers is essential to achieve more robust and effective enforcement. As a result of significant restructuring of the council's enforcement services in recent years, knowledge and skills gaps have developed as more experienced officers leave the Authority and the remaining officers take on new roles and responsibilities.
- 4.3.2 A corporate wide approach has been taken to identify what a Telford & Wrekin Council enforcement officer should look like, i.e. what basic skills and knowledge are common to all enforcement posts. From this process a set of core knowledge and skills have been developed which now form the basis of a training programme attached in **(Appendix 2)**.
- 4.3.3 Training Officers to the same, minimum standard, not only improves the efficiency and effectiveness of their own enforcement actions, but it also means that Enforcement Officers can become more 'multifunctional' and 'effective' at dealing with at least the initial investigation stages of other offences whilst working in a district. An example of this would be a Planning Enforcement Officer on a visit to a residential property to deal with a breach of planning. Whilst undertaking their inspection the householder reports an incident of fly-tipping on a nearby public footpath. Rather than walking away to then report the matter to the Environmental Enforcement Team the Planning Enforcement Officer can gather evidence from the fly-tip and provide a witness statement to the Environmental Enforcement Team who can then immediately arrange for the waste to be removed and either issue a fixed penalty or pursue a prosecution. This not only reduces the need for a second officer to visit the location but also allows for the problem, in this case a fly-tip, to be removed much quicker.
- 4.3.4 Following a procurement exercise a training organisation has been engaged and some 40 Enforcement Officers from various Council enforcement services are to receive training across six core skill areas. The training commenced on 24 May 2017 and will continue until October 2017 and reflects the priority of enhancing our enforcement activity is being given by the Council for the minority of people who continue to commit environmental crime.

4.4 Communications Plan

- 4.4.1 A communications plan is being developed which aims to support the reduction of all forms of environmental crime by increasing understanding and awareness of the issues and the work the Council does to tackle them. This will be through a mixture of education (in order to try to prevent the problem from occurring in the first place) and, where necessary, through publicity of more stringent

enforcement action such as the issuing of Fixed Penalty Notices (FPNs) or legal prosecutions.

- 4.4.2 Where FPNs are issued, later communication would publicise where and on which environmental projects the money generated through fines is being spent to ultimately achieve further improvements.
- 4.4.3 A key message of the communications plan is that environmental crime is not just a “Council problem”, but everyone’s problem and, ultimately, the cost is borne by the community as a whole.
- 4.4.4 The overall campaign would be ongoing, within which there would be individual areas of short-term activity (be it educational or enforcement) that would be publicised within their own right, but also within the context of the wider campaign. Please see **(Appendix 3)** which outlines our emerging communications campaign over the next 12 months.

4.5 Investment into CCTV

- 4.5.1 The council in its recent budget strategy has committed to invest up to 300k which is to be match funded by the Police and Crime Commissioner to invest in enhancing CCTV provision across the Borough. The objective is to have one CCTV system based at Malinsgate police station that will have live monitoring supported by a Coordinator and a team of Police volunteers. This system will not only have the remit to support the prevention and detection of crime and disorder but will also improve public confidence, and will assist in gathering evidence across a number of environmental crimes in order to seek prosecutions where all else has failed. At present the lack of evidence/witnesses to environmental crimes has resulted in limited prosecutions.

4.6 Selective Licensing

- 4.6.1 Recently concerns have also been raised that Telford and Wrekin has a number of neighbourhoods which have a high proportion of privately rented properties where there is low housing demand, Anti-Social Behaviour (ASB) and crime. These areas exist despite the Council using its enforcement powers.
- 4.6.2 Selective licensing is a discretionary licensing scheme, which requires all private landlords (with certain exemptions) operating within a designated zone to operate under the terms of a licence awarded by the local authority. Licence conditions typically include a range of requirements aimed at ensuring that properties are safe and are managed in a satisfactory way but also covers aspects of Anti-social behaviour. Such a scheme provides the local authority with a further tool to help better regulate privately rented accommodation in the zones proposed and to uplift standards within an area. Consultation on this specific proposal begins on the 12th June 2017 and a final decision on whether to adopt selective licensing will be taken by the Cabinet in October 2017.

4.7 Community Payback

4.7.1 Telford and Wrekin Council has worked in partnership with the Probation service over a number of years, allowing for a team of offenders on community Service to carry out low level environmental works within local communities. As of 2017, this project has been further enhanced and developed which will see the emergence of an annual works programme, which will allow for additional environmental works to be undertaken in key anti-social behaviour hot spots eg litter picking and the community will be able to see offenders giving something back into the community.

4.8 Street Champions & Social Responsibility

4.8.1 To further support our approach, we will encourage local volunteers to help us in undertaking monitoring of environmental standards such as cleanliness of streets, estates or local open spaces. We will also be asking them to help us report incidents of ASB through our My Telford Citizens Portal or our Everyday Telford App and to work with us on projects to help keep our borough clean and safe.

4.8.2 Our approach will support and encourage residents and communities to take responsibility where they can for their own neighbourhoods, however in doing so, we will assist with solving problems.

5.0 IMPACT ASSESSMENT – ADDITIONAL INFORMATION

5.1 This approach will allow the council to have a robust approach to ensuring the borough is a safer, cleaner place to live, work and visit in a variety of ways through education and stringent forms of enforcement. Success would ultimately be seen in the form of a reduction in all forms of environmental crime monitored through the environmental dashboard.

6.0 PREVIOUS MINUTES

No previous minutes.

7.0 BACKGROUND PAPERS

Delegated Powers Cabinet report March 2016
Telford & Wrekin Council Enforcement Officer Training Model

Report prepared by Jas Bedesha, SDM, Community Safety, Cohesion & Environmental Enforcement. Telephone: 01952 382101

Top 5 issues – Quarter 4

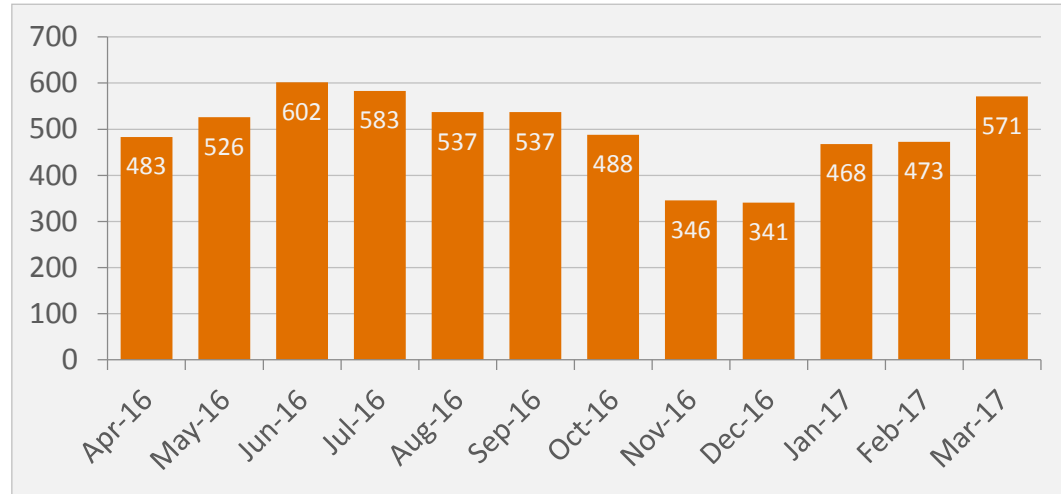
Rank	Issue	Reports Received	Top areas	
1	Fly Tipping	1,512	Brookside	Malinslee
2	Abandoned Vehicles	221	Malinslee & Dawley Bank	Woodside
3	Litter	213	Hollinswood & Town Centre	College
4	Dog Fouling	147	Newport	Trench
5	Graffiti	93	College & Arleston	Wombridge & Oakengates

Top 5 issues – Rolling Year

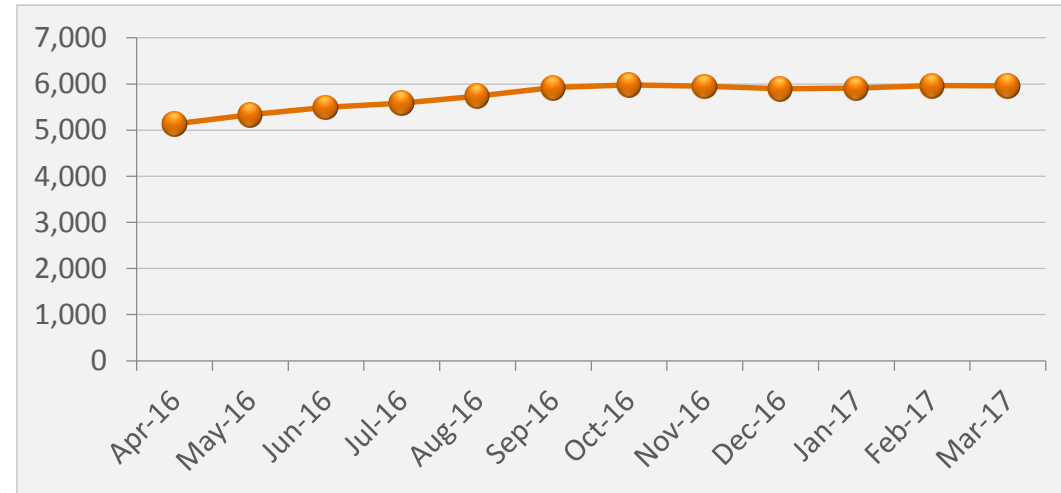
Rank	Issue	Reports Received	Top areas	
1	Fly Tipping	5,917	Brookside	Malinslee
2	Abandoned Vehicles	775	Malinslee & Dawley Bank	Woodside
3	Litter	706	College & Arleston	Shawbirch
4	Dog Fouling	332	Newport	Trench
5	Graffiti	303	College & Arleston	Town Centre

Fly Tipping Reports received

Reports by month



Total reports rolling year



Top streets for reporting

Quarter 4

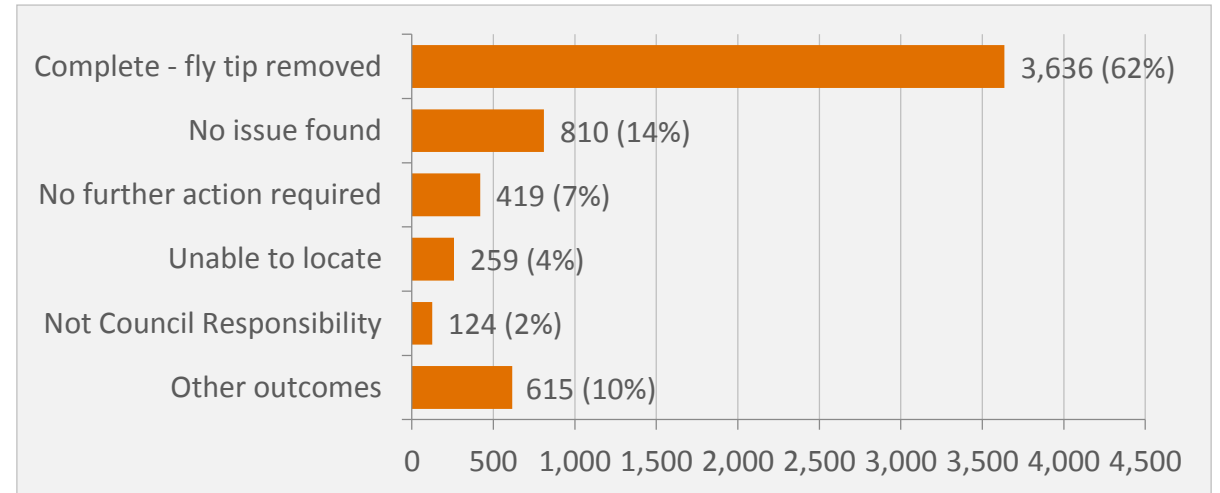
[View Data](#)

Burford, Brookside	41
Bishopdale, Brookside	39
Spout Way, Malinslee	37
Boulton Grange, Randlay	31
Beaconsfield, Brookside	30
Blakemore, Brookside	28
Willowfield, Woodside	18
Southgate, Sutton Hill	18
M54 Junctions 6 to 7	17
Wantage, Woodside	15

Rolling Year

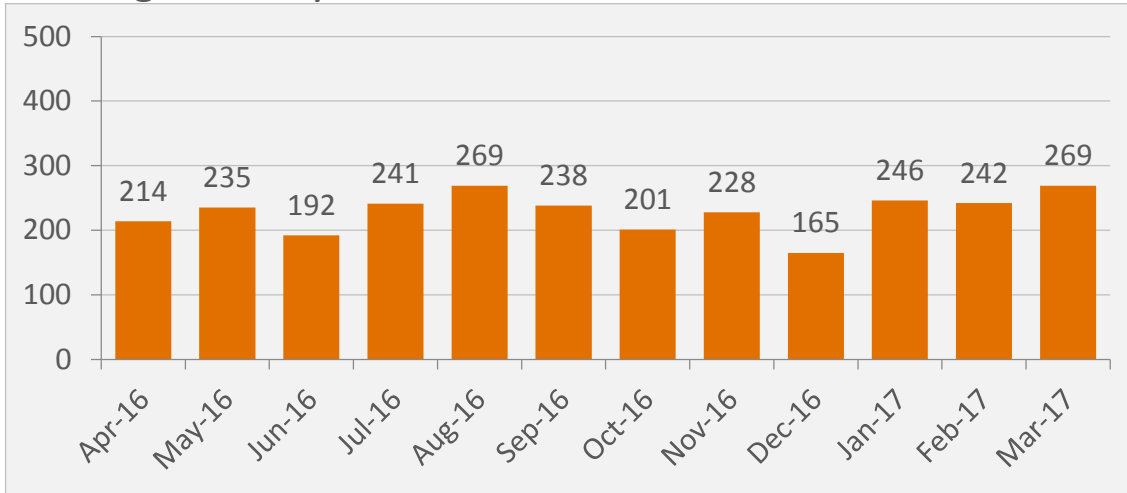
Bishopdale, Brookside	155
Burford, Brookside	145
Blakemore, Brookside	104
Spout Way, Malinslee	96
Warrensway, Woodside	77
Boulton Grange, Randlay	74
Beaconsfield, Brookside	69
Woodrows, Woodside	66
Hurleybrook Way, Leegomery	59
Southgate, Sutton Hill	59
Willowfield, Woodside	59

Outcome of reports received in rolling year

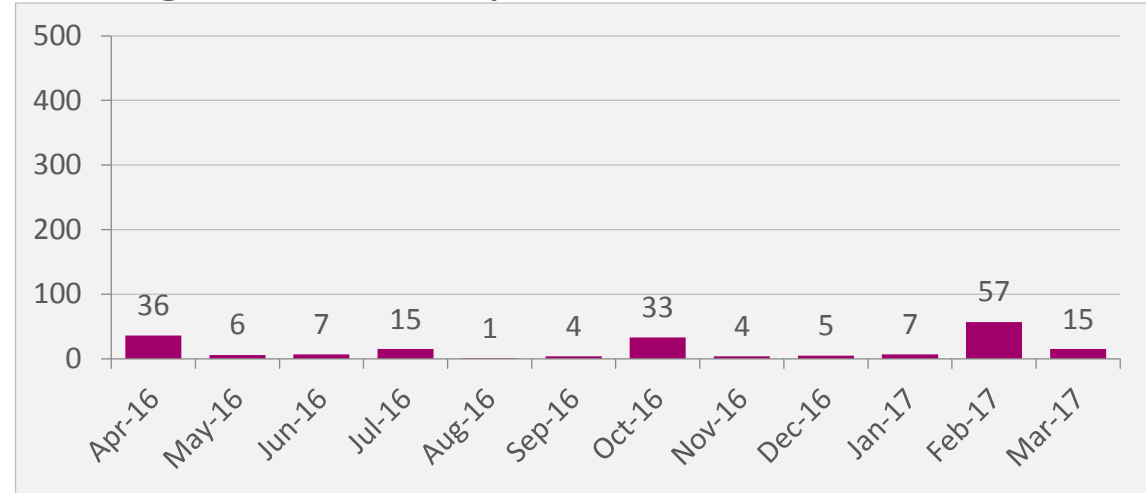


Fly Tipping – Enforcement Activity

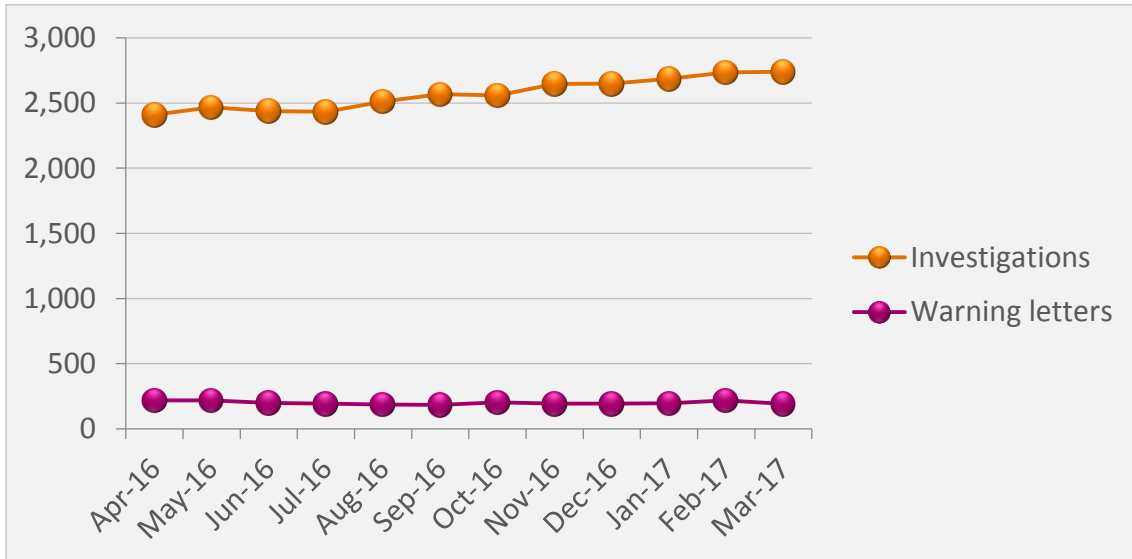
Investigations by month



Warning letters issued by month



Rolling year trends

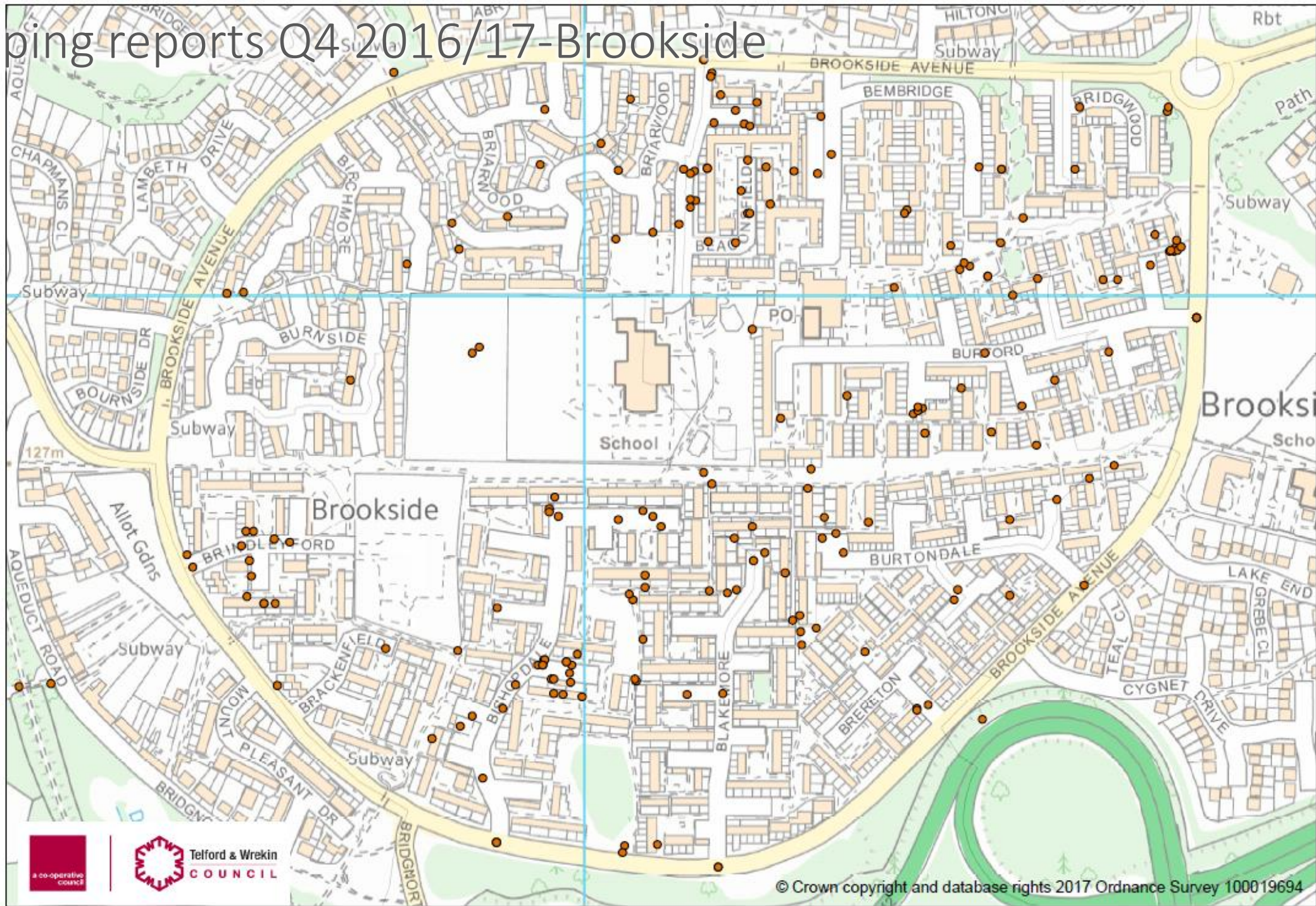


All activities

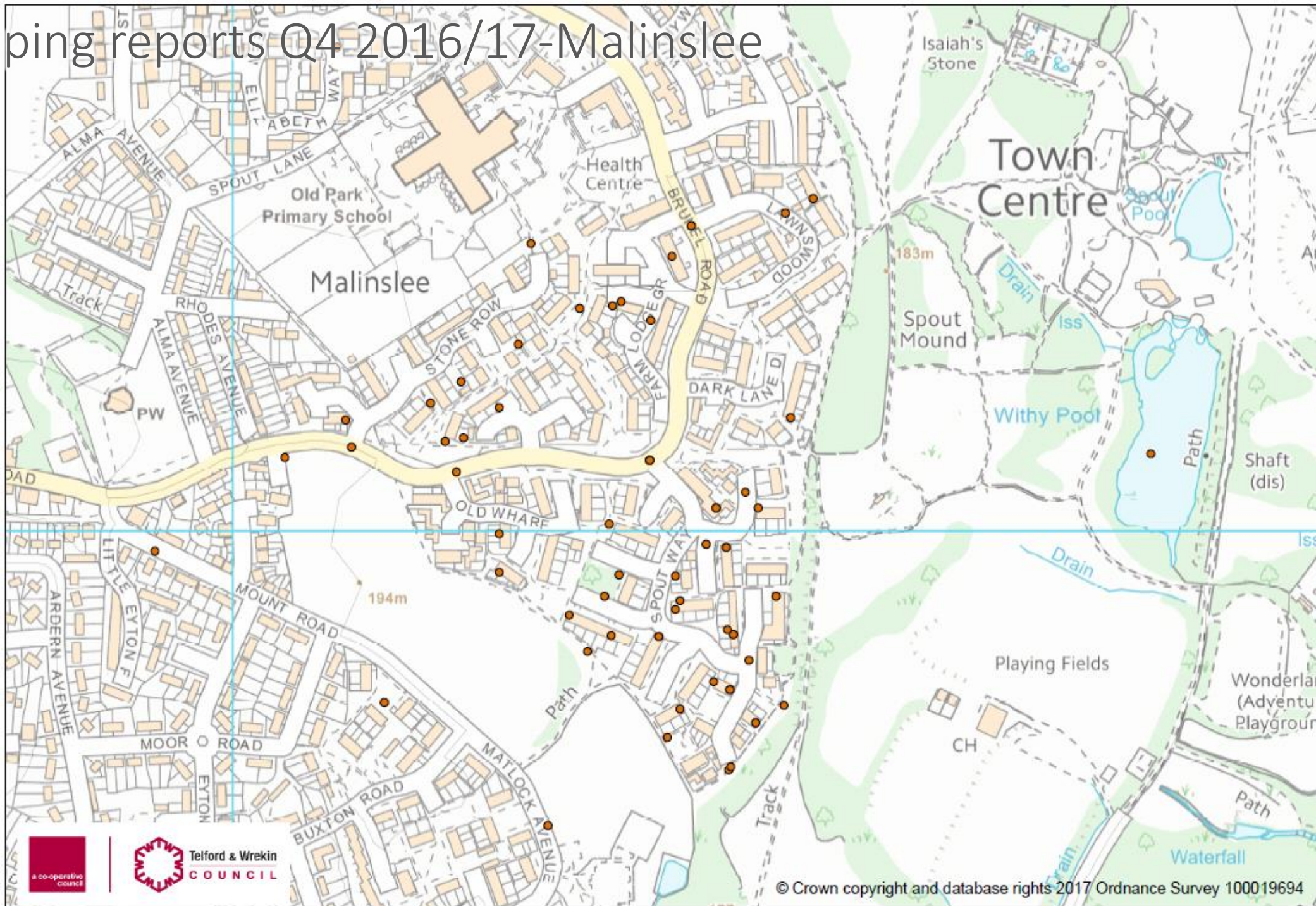
Activity	Quarter 4	Rolling Year total	12 month change
Investigation	757	2,740	+290
Warning letter	79	190	-5
Fixed penalty notice	0	0	-3
Duty of care inspection	2	12	+5
Prosecution	0	1	+1
Fly tips removed	1,058	3,722	+86

Fly Tipping reports Q4 2016/17-Brookside

Home



Fly Tipping reports Q4 2016/17-Malinslee



Fly Tipping Reports

Top streets in quarter – type of fly tip

Type of fly tip reported	Burford	Bishopdale	Spout Way	Boulton Grange	Beaconsfield	Blakemore	Willowfield	Southgate	M54 Junctions 6 to 7	Wantage
Other Household	10	5	7	5	6	2	3	3	5	7
Black Bags Domestic	7	9	4	5	1	6	1	5	1	3
Bed or Mattress	7	5	4	2	2	8	3		3	1
Other	2	3	8	6	4	4		1	2	
Abandoned Bin	7		2	1	4		4	2		1
Settee or Chairs	2	3	3	2	3	2	3	1		
Furniture	1	1	1		6		3	2	2	1
White Goods	2	4	1	2	1	2			1	2
Type not recorded		6			2	2		2		
DIY	2	1	1	4					1	
Tyres				1	1		1		1	
Carpet			2	1						
Tree Branches or Grass Cuttings			3							
Other Commercial		1				2				
Other Electrical	1		1					1		
Black Bags Commercial		1		1						
Vehicle Parts								1		
Animal Carcass				1						
Construction or Demolition or Excavation									1	
Total	41	39	37	31	30	28	18	18	17	15

APPENDIX 2

ENFORCEMENT TRAINING SCHEDULE:

DATES	COURSE TITLE	ATTENDEES
May 2017	Rules of Evidence & Evidence Gathering	Public Protection Development Control Environmental Enforcement Highways Housing Services School Attendance Information Governance Legal Services Revenues
June 2017	Investigative Interviewing Skills & Interviews Under Caution	As above
July 2017	Compilation of Notebooks & Witness Statements	As above
September 2017	Criminal Procedures & Investigation Act 1996 & Prosecution File Preparation	As above
July 2017 September 2017	Entering & Searching Premises	As above
October 2017	Courts & Courtroom Skills	As above

APPENDIX: 3 - Pride in Our Community by securing safer, cleaner neighbourhoods through appropriate use of our enforcement powers.

Emerging Enforcement Communications timetable of events and campaigns

w/c 12th June: Selective Licensing consultation.

Consultation went live on Monday 12th June for ten weeks

21st June Council cabinet to consider new powers for officers to issue Fixed Penalty Notices.

Press release to be issued on 21st June ahead of forthcoming Cabinet meeting on 29th June.

Summer: Cigarette butts and other litter

In line with the above (our enforcement officers are armed with new powers to issue Fixed Penalty Notices, there will a campaign targeting those who leave their cigarette butts (and other litter). This will start with an internal message to Council staff highlighting the Officers' new enforcement powers with a particular emphasis on the number of cigarette butts around Addenbrooke and Darby House.

Summer: targeting top ten fly-tipping streets.

Our enforcement officers have new powers to issue Fixed Penalty Notices. Initially targeting the top ten streets for fly-tipping as identified by the environmental dashboard of information, there will be an educational campaign first before any fines are issued. Communication in the form of a press release on fly-tipping and statistics from the dashboard. .

Summer : Your Voice:

Articles to include: The Council's officers' new powers to issue FPNs, tackling Top Ten fly-tipping streets, Council tax and benefit fraud campaign

Summer : Council Tax and benefit fraud campaign.

First part of a two-part marketing campaign, beginning with press release.

August: Dog Warden:

Introducing our dog warden. Feature on facebook, twitter and newsroom with pictures and video. Week-long series of tweets highlighting his work.

August Bank Holiday - 26th, 27th, 28th August: Private Hire branding and taxi ranks

Social media reminder of private hire branding and taxi ranks.

Autumn: Second part of Council Tax and benefit fraud marketing campaign

November: Selective Licensing, if approved following consultation.

Landlords and letting agents would have two months to apply for a license for each property they manage in the four areas of the borough chosen for this scheme. Press release and social media messages to issue reminders.

w/c 4th December: What is involved in a Food hygiene inspection?

Linking to FHSA page and referring to forthcoming Christmas meals, a video will follow a food hygiene inspector explaining his work. Video on facebook, twitter, youtube, newsroom.

22nd – 23rd December: Private Hire branding and taxi ranks

This is the last weekend before Christmas.

Social media reminder of private hire branding and taxi ranks.

February 2018: Selective licensing, if approved following consultation.

. Landlords and letting agents who apply from now on would be charged a late payment fee of £250. And, if they totally refuse to pay, they could be fined £20,000.

Throughout the year, as identified through our dashboard reports: Targeting significant / multiple / specific fly tips within urban and rural / layby locations.

Appeals for help to run on social media in identifying fly-tip culprits, using pictures and video footage when available.

Throughout the year, Multi agency roadside operations (commercial, private hire, taxi etc.).

Retrospective coverage.

Throughout the year as directed by environmental dashboard: Targeted littering campaign.

Effective use of FPN for littering. Supported by Borough wide PR campaign about increases in fines.

Throughout the year as directed by environmental dashboard: Targeted dog fouling campaign.

PR, press release and social media messages to support effective use of FPN for Dog fouling and promotion of the “Angry Eyes” signage.

Throughout the year as directed by Community Payback rolling programme: Community Payback.

Social media publicity of Community Payback projects, to include “before” and “after” pictures.

Monthly: Reporting of dashboard data.

Social media series of statistics, issues reported and their locations, numbers of FPNs issued etc.

Quarterly: Generic appeals.

Be our eyes and ears, help us to help you, promote reporting via My Telford, Everyday Telford and website. Scheduled appeals to run on social.

Prosecutions pending:

October. Shrewsbury Crown Court. Landlord prosecution case.

August : Private hire drivers (2 separate cases) accused of plying for hire

AWAITING DATE: trading Standards Prosecution under the Fraud Act

AWAITING UPDATE: Nightclub owners appeal against revocation of licence.

Contemporaneous reporting via press release and social media required.

TELFORD & WREKIN COUNCIL

CABINET – 29th JUNE 2017

FIXED PENALTY ENFORCEMENT POLICY & SETTING OF FIXED PENALTY FINES

REPORT OF: ASSISTANT DIRECTOR, CUSTOMER & NEIGHBOURHOOD SERVICES

LEAD CABINET MEMBER – CLLR RICHARD OVERTON, CABINET MEMBER FOR HOUSING AND ENFORCEMENT

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 Some environmental legislation gives Council’s the power to issue Fixed Penalty Notices as an alternative to prosecution for certain low level environmental and anti-social behaviour offences.
- 1.2 A Fixed Penalty Notice is a means to give a person who has committed a relevant offence the opportunity to pay a fine and in so doing discharge their liability to conviction.
- 1.3 The Council has flexibility to set the level of a fixed penalty charges for certain offences whilst the remaining are set in law. Before enforcing the relevant fixed penalty powers the Council must set out its enforcement policy and set the level of Fixed Penalty Fine to be levied in accordance with Regulations.

2. RECOMMENDATIONS

- 2.1 That Cabinet approves the levels of fixed penalty fines at the levels set out within Section 9 of the Environmental Enforcement Fixed Penalty Notice Policy 2017 as attached at **Appendix 1** of this report.
- 2.1 That Cabinet receive and approve the Environmental Enforcement Fixed Penalty Notice Policy 2017 as attached at **Appendix 1** of this report.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	<ul style="list-style-type: none"> • Ensure that neighbourhoods are safe, clean and well maintained. • Improve the health and wellbeing of our communities and address health inequalities
	Will the proposals impact on specific groups of people?	
	NO	

TARGET COMPLETION/DELIVERY DATE	The delivery date for the start of the enforcement project will be July 2017. This will continue to be monitored and reviewed in line with the updated Environmental Dashboard.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes/No	There are no financial implications from granting the delegated powers contained within this report. Funding is required to provide suitable training to support our current investigatory procedures and policies that support the Police and Criminal Evidence Act 1984. All training costs will be met from existing budgets.
LEGAL ISSUES	Yes	As a result of recent changes to existing legislation, the creation of new statutory provisions, and for the purposes of clarifying existing delegations due to recent major restructuring of the various services carrying out enforcement duties the Assistant Director: Customer and Neighbourhood Services has recently used powers under the Council's Constitution to delegate powers to officers to issue fixed penalty notices in relation to a variety of environmental crime offences. Before enforcing the relevant fixed penalty powers the Council must set out its enforcement policy and set the level of Fixed Penalty Fine to be levied in accordance with Regulations.
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	A failure to set fixed penalty fines and approve an enforcement policy will prevent Council officers from being able to use these powers as a means of addressing incidents of anti-social behaviour and environmental crime.
IMPACT ON SPECIFIC WARDS	Yes	Borough-wide impact

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

- 4.1 Customer and Neighbourhood Services staff have been granted delegated authority to act on behalf of the Council in respect of dealing with anti-social behaviour and environmental crime, and in particular for the issue of Fixed Penalty Notices.
- 4.2 A Fixed Penalty Notice is a means to give a person who has committed a relevant offence the opportunity to pay a fine and in so doing discharge their liability to conviction. As such it is intended as a means by which Courts are prevented from being overloaded with minor offences by first time offenders.
- 4.3 Before enforcing the relevant fixed penalty powers the Council must set out its enforcement policy and set the level of Fixed Penalty Fine to be levied in accordance with Regulations.
- 4.4 The Council's current fixed penalty policy is no longer fit for purpose due to recent legislative changes. The proposed new policy was produced following a process of review carried out by the Council's Environmental Enforcement Group and Legal

Services. It takes into account new legislation and amendments that have been made in recent years to other key legislation.

- 4.5 The policy covers enforcement action for those offences that could be broadly described as environmental or related to cleaner or safer neighbourhoods. As such the areas it covers include: dog control/dog fouling, littering, fly tipping, abandoning a vehicle, and graffiti & flyposting.
- 4.6 Where legislation permits the use of fixed penalty notices, the Council will consider the use of them as an alternative to prosecution. Examples of where they may be appropriate are: to deal quickly and simply with less serious offences, to divert less serious cases away from the court process and to deter repeat offences. In considering the suitability of the issuing of a fixed penalty notice Officers will also take into consideration whether it is reasonable and proportionate to do so in the particular circumstances. Examples of when a fixed penalty notice may not be appropriate may be when the offender is elderly, vulnerable or a young person, or the individual has taken all reasonable steps to ensure they have engaged a registered waste carrier to dispose of household waste which has later been found fly-tipped.
- 4.7 Where legislation gives the local authority flexibility to set the level of a fixed penalty charge the level of the charge shall be set by the Council. The amount of fine in such cases has been set by conducting a bench marking exercise with a number of other local authorities to ensure a fair and consistent approach has been applied. Cabinet's attention is drawn to the fact that a number of environmental crimes continue to blight local communities within the Borough and we have reflected this by taking the decision where possible to use the maximum fixed Penalty levies available.
- 4.8 The table in section 9 of the Policy (**Appendix 1**) sets out the level of fines that is deemed appropriate for each particular offence listed. In each case careful consideration has been given to ensure that fine levels are proportionate to the offence. It includes provision for a reduced fine level for early payment i.e. within 7 days. If a Fixed Penalty Notice is not paid within the 14 days then normally the offender would be prosecuted.
- 4.9 The purpose of the proposed policy is to set out how the Council will enforce through the use of Fixed Penalty Notices for environmental offences. In the use of Fixed Penalty Notices the Council will always seek to follow the enforcement principles described in its overarching Corporate Enforcement Policy.
- 4.10 Any fines collected through the Fixed Penalty Notice procedure will only be spent on related functions of the Council as is required by Government guidance.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

- 5.1 An increase in enforcement and the issue of fixed penalty notices could lead to more cases being sent before the courts. However with an increase in enforcement activity and development of more face to face interventions this should be mitigated.
- 5.2 The fixed penalty provisions will apply equally across Telford & Wrekin and the sanction can only be used where there is evidence available of the person responsible for the relevant offence. This has the effect of shifting the cost burden onto the person responsible rather than it being borne by Council Tax payers as a whole and is so more equitable.

6. **PREVIOUS MINUTES**

No previous minutes.

7. **BACKGROUND PAPERS**

TWC Corporate Enforcement Policy

Report prepared by Paul Martin: Senior Solicitor, Litigation and Regulatory



BOROUGH OF TELFORD & WREKIN

Environmental Enforcement Fixed Penalty Notice Policy 2017

BOROUGH OF TELFORD & WREKIN

Environmental Enforcement Fixed Penalty Notice Policy 2017

1. Introduction

- 1.1 The purpose of this policy is to set out how the Council will enforce environmental offences through the use of Fixed Penalty Notices (FPNs). It also sets out the Council's fine levels for the non-payment of fixed penalty notices issued by Council Enforcement Officers.
- 1.2 The Council will use fixed penalty notices as part of an overall approach to protecting and improving the environment, and ensuring the safety and well-being of our communities. This policy is strongly linked to the following corporate priorities:
- Ensure that neighbourhoods are safe, clean and well maintained.
 - Improve the health and wellbeing of our communities and address health inequalities
 - Protect and support our vulnerable children and adults
- 1.3 In the use of FPNs the Council will always seek to follow the enforcement principles described in its Corporate Enforcement Policy.
- 1.4 A FPN is a means to give a person who has committed a relevant offence the opportunity to pay a fine and in so doing discharge their liability to conviction. As such it is intended as a means by which Courts are prevented from being overloaded with minor offences by first time offenders.

1.5. This policy covers such enforcement action for those offences that could be broadly described as environmental or related to cleaner or safer neighbourhoods. As such it covers:

- Dog control including dog fouling
- Littering
- Fly tipping
- Failure to produce a Waste Carriers Licence when required to do so
- Failure to furnish Waste duty of care documentation when required to do so
- Nuisance Parking
- Abandoning a vehicle
- Graffiti and Fly-posting
- Offences in relation to waste receptacles
- Consuming alcohol in public spaces
- Breach of Public Spaces Protection Order or Community Protection Notice

1.6 Enforcement Officers in Telford & Wrekin are employed directly by the Council. They carry a photo ID that shows their job title and name and a copy of their authorisation under delegated authority to enforce the relevant legislation. The ID includes a phone number you can call to check the officer is genuine.

2. General Principles

2.1 Where legislation permits the use of fixed penalty notices, the Council will consider the use of them as an alternative to prosecution. Examples of where they may be appropriate are:

- To deal quickly and simply with less serious offences
- To divert less serious cases away from the court process
- To deter repeat offences

- 2.2 Before a fixed penalty fine is administered the authorised officer will ensure:
- there is evidence of the offender's guilt sufficient to sustain a prosecution (any subsequent decision to prosecute will be in accordance with the Code for Crown Prosecutors)
- 2.3 Where legislation gives the local authority flexibility to set the level of a fixed penalty charge the level of the charge has been set by the Council. In setting the level of the fixed penalty charges the Council has had regard to:
- any Government guidance on the level at which the fixed penalty charge should be set,
 - the likely level of fine which a court would impose for a similar offence,
 - the need to deter offenders from opting for prosecution because they believe that the court would impose a lower level of penalty,
 - the cost of bringing a prosecution where fixed penalties were not paid.
- 2.4 The table within this appendix – Level of Fixed Penalty Fines sets out the level of fines the Council has decided is appropriate for each particular offence listed.
- 2.5 Where a fixed penalty fine is not paid within the specified time limit (usually 14 days) then the case will be considered for prosecution.
- 2.6 There is no appeals procedure for a person in receipt of a FPN because a person served with a FPN who believes they did not commit the offence has the right for their case to be heard in court. The Council considers it appropriate that the magistrates court should determine such matters.
- 2.7 Normally the Council will only issue FPNs to first time offenders for those offences shown in this appendix. In cases where the offender has a history of committing the same or similar offence, and the payment of earlier fixed penalties or court fines has not deterred them from re-offending, then prosecution will normally follow.

2.8 Fixed penalty notices shall not be issued to persons who are not resident within the United Kingdom.

2.9 In considering the suitability of the issuing of a fixed penalty notice Officers will also take into consideration whether it is appropriate and proportionate to do so in the particular circumstances

2.10 Examples of when a fixed penalty notice may not be appropriate may be when the offender is elderly, vulnerable or a young person (see paragraphs 3 and 4 below), or the individual has taken all reasonable steps to ensure they have engaged a registered waste carrier to dispose of household waste which has later been found fly-tipped.

2.11 In cases where the nature or extent of the offence is so serious that the issue of a fixed penalty would not be considered proportionate then prosecution will be considered for a first time offence. Issues that will be considered relevant when making this decision include:

- where there is evidence of widespread and systematic offending,
- non-co-operation or obstruction of an investigation (any such allegation may also lead to an additional offence of obstruction where the legislation allows)
- intimidation of witnesses.

2.12 Any fines collected through the FPN procedure will only be spent on related functions of the Council.

2.13 In order to achieve good quality control (i.e. verification of name and address, repeat offender check etc) and to minimise the risk of a confrontational situation and the associated hazards, the majority of fixed penalty notices shall generally be served through the mail. The option to serve a fixed penalty notice on the spot shall be retained.

2.14 A fixed penalty notice may be served up to a maximum of three months after the date of the offence, where there is a justifiable reason for the delay.

3. Vulnerable Adults

3.1 If there is any doubt in the enforcement officer's mind that the person who has committed the offence is not capable of understanding what they have done, are mentally or physically impaired in any way, clearly unable to pay e.g. homeless, or otherwise the issue of a fixed penalty would not be in the public interest, then on-the-spot education will be considered. This could include asking the person to rectify their actions or explaining the consequences of such. In any event, the evidence should be brought to a line manager for discussion before a decision on issuing a fixed penalty is made.

4. Children and young persons

4.1 Under 10 year olds

- In the case of children below the age of criminal responsibility i.e. 10 years of age, we will not take any formal enforcement action. Where we consider it appropriate, we will report the event to the child's parents or guardians, either directly, or through any supporting service the family may have.

4.2 Between 10 and 15 years old

- An informal verbal warning would normally be issued for a first offence, this should also include on the spot education including an explanation that what they have done is wrong and that it should not be repeated.
- Where it is considered appropriate the officer should also report the event to the child's parents or legal guardian, either directly or through any supporting service the family may have.
- In most such cases a FPN will not be issued but the record of the incident should be brought to a line manager for discussion. A FPN may be issued by first class post if a responsible person (parent or legal guardian) can be

identified and it is deemed appropriate and proportionate by the line manager following consideration of the facts. Any FPN issued to an offender between 10 and 15 years old will be sent with a covering letter addressed to the offender and copied to the parent/guardian.

- It is not appropriate to issue an on the spot FPN

4.3 Between 16 and 17 years old

- Where it is identified that the offender is 16 or 17 years old, if it is appropriate immediate on the spot education should be carried out to explain that what they have done is wrong and that it should not be repeated.
- A FPN may be issued on the spot if the name, address and date of birth of the offender have been obtained together with the name and address of a parent or legal guardian. The offender should also be advised that details of the offence may be shared with the local Youth Offending Team.
- If a FPN is not issued on the spot, a record of the incident should be brought to a line manager for discussion, again if the name, address and date of birth of the offender have been obtained together with the name and address of a parent or legal guardian and the offender has been advised that details of the offence may be shared with the local Youth Offending Team. If it is deemed appropriate and proportionate by the line manager following consideration of the facts a FPN may be issued by first class post to the offender together with a covering letter addressed to the offender and copied to the parent/guardian.
- No offender between 16 and 17 years old should the need arise, be interviewed under caution without an appropriate adult being present.
- If there is any doubt as to the offender's age, in other words there is a belief that they may be under 16, then the procedure for those aged between 10 and 15 years old should be followed.

5. **Non-Payment of Fixed Penalties**

- 5.1 When a fixed penalty fine is not paid in full within the required time period specified on the notice (in most circumstances 14 days) then a prosecution for the offence will normally proceed. A recipient is still liable to prosecution if they pay the FPN after the required time period. The Council always seeks its full costs against the offender in prosecution proceedings.
- 5.2 A lower discounted fine (typically a reduction of 20%) will also be specified on the notice together with a shorter payment period. This amount only applies to those who make the discounted payment in full within the shorter time period specified in this appendix – Level of Fixed Penalty Fines (normally 7 days). The lower amount will not be accepted for any payments not received within the shorter time period and in such cases the full fine amount will be expected to be paid within the 14 days from service of the notice.

6. Payment Options

- 6.1 Telford & Wrekin Council handles the processing of payments for Fixed Penalty Notices. Payments can be made either:
- Over the phone on TEL; 01952 384384 quoting the code next to the relevant offence on the Fixed Penalty Notice.
 - Online at; the http://www.telford.gov.uk/https://www.civicaepay.co.uk/Telford/Webpay_Public/Webpay/Default.aspx?fund=FP.
- 6.2 Telford & Wrekin Council accepts that for certain individuals the payment of fixed penalties may be difficult. Consequently, persons who provide written confirmation explaining the reasons as to why payment may be difficult will be provided with the opportunity to make such payments in three equal monthly instalments.
- 6.3 Clearly, Telford & Wrekin Council considers legal action as a serious step and wishes to avoid such action if at all possible, however in correspondence individuals will be informed that failure to make, or to continue with payments by

dates specified, may result in this Authority proceeding with legal action in this matter.

- 6.4 In such instances individuals will be provided with 14 days to make payment of the full outstanding amount, with prosecution being the normal course of action where this amount fails to be received.

7. Recording and Reporting

- 7.1 Full and accurate details of each fixed penalty notice shall be recorded at all stages from issue to closure and retained on file by the Council for a period of 2 years plus current year
- 7.2 This record shall be assessed on a regular basis to help determine whether or not procedural amendments are required.
- 7.3 Accurate details of all environmental fixed penalty notices issued shall be reported by Telford & Wrekin Council to the appropriate Government department(s) when requested, to the Council and its Cabinet, and the media.

8. Monitoring and Review

- 8.1 This policy shall be reviewed regularly, or at such time as deemed appropriate.
- 8.2 This policy shall be published on the Council's website, allowing members of the public and businesses to have access.
- 8.3 A record of amendments to the Policy shall be maintained within this document.

9. Levels of Fixed Penalty Fines

FIXED PENALTY POWER	DESCRIPTION OF OFFENCE	LEGISLATIVE GUIDANCE			ADOPTED BY TELFORD & WREKIN	
		RANGE OF FULL FIXED PENALTY	DEFAULT PENALTY	MINIMUM DISCOUNTED PENALTY	AMOUNT	AMOUNT IF EARLY PAYMENT RECEIVED
Section 4: Dogs (Fouling of Land) Act 1996	Dog fouling on designated land (Section 2)	£50 - £80	£75	£50	£80	£50 (if paid within 7 days)
s.2A(1) Refuse Disposal (Amenity) Act 1978	Abandoning a Vehicle (Section 2)	N/A	£200 (specified amount)	£120	£200	£120 (if paid within 7 days)
Section 33ZA: Environmental Protection Act 1990	Fly tipping (Section 33)	£150 - £400	£200	£120	£400	£200 (if paid within 10 days)

FIXED PENALTY POWER	DESCRIPTION OF OFFENCE	LEGISLATIVE GUIDANCE			ADOPTED BY TELFORD & WREKIN	
		RANGE OF FULL FIXED PENALTY	DEFAULT PENALTY	MINIMUM DISCOUNTED PENALTY	AMOUNT	AMOUNT IF EARLY PAYMENT RECEIVED
Section 34A: Environmental Protection Act 1990	Failure to furnish duty of care documentation (as respects waste). If a person, who is subject to a duty imposed by Sections 34(1); (2E); (2F); (2I); (2K); or (2L); fails to comply with regulations in accordance with Section 34(5).	N/A	£300 <small>(specified amount)</small>	£180	£300	£180 (if paid within 7 days)

FIXED PENALTY POWER	DESCRIPTION OF OFFENCE	LEGISLATIVE GUIDANCE			ADOPTED BY TELFORD & WREKIN	
		RANGE OF FULL FIXED PENALTY	DEFAULT PENALTY	MINIMUM DISCOUNTED PENALTY	AMOUNT	AMOUNT IF EARLY PAYMENT RECEIVED
Sections 46A; 46B; 47ZA & 47ZB Environmental Protection Act 1990	Offences in relation to receptacles for:					
	i) Household waste (Section 46)	£60 - 80	£60	£40	£80	£50 (if paid within 7 days)
	ii) Commercial & industrial waste (Section 47)	£75 - 110	£100	£60	£100	£70 (if paid within 7 days)
Section 88: Environmental Protection Act 1990	Littering (Section 87)	£50 - £80	£75	£50	£80	£50 (if paid within 7 days)

FIXED PENALTY POWER	DESCRIPTION OF OFFENCE	LEGISLATIVE GUIDANCE			ADOPTED BY TELFORD & WREKIN	
		RANGE OF FULL FIXED PENALTY	DEFAULT PENALTY	MINIMUM DISCOUNTED PENALTY	AMOUNT	AMOUNT IF EARLY PAYMENT RECEIVED
Schedule 3A paragraph 7: Environmental Protection Act 1990	Unauthorised distribution of literature (Schedule 3A(1))	£50 - £80	£75	£50	£75	£50 (if paid within 7 days)
s.44 Anti-social Behaviour Act 2003	Graffiti, fly posting and other relevant offence (Section 43)	£50 - £80	£75	£50	£75	£50 (if paid within 7 days)
Section 6: Clean Neighbourhoods and Environment Act 2005	Nuisance Parking – exposing vehicle for sale on a road (Section 3)	N/A	£100 (specified amount)	£60	£100	£60 (if paid within 7 days)

FIXED PENALTY POWER	DESCRIPTION OF OFFENCE	LEGISLATIVE GUIDANCE			ADOPTED BY TELFORD & WREKIN	
		RANGE OF FULL FIXED PENALTY	DEFAULT PENALTY	MINIMUM DISCOUNTED PENALTY	AMOUNT	AMOUNT IF EARLY PAYMENT RECEIVED
Section 6: Clean Neighbourhoods and Environment Act 2005	Nuisance Parking – repairing vehicles on a road (Section 4)	N/A	£100 (specified amount)	£60	£100	£60 (if paid within 7 days)
Section 68: Anti-Social Behaviour, Crime & Policing Act 2014	Consumption of alcohol in breach of a prohibition in order (Section 63)	Up to £100	Up to £100	N/A	£100	£60 (if paid within 7 days)
Section 68: Anti-Social Behaviour, Crime & Policing Act 2014	Failure to comply with a public spaces protection order (Section 67)	Up to £100	Up to £100	N/A	£100	£60 (if paid within 7 days)

FIXED PENALTY POWER	DESCRIPTION OF OFFENCE	LEGISLATIVE GUIDANCE			ADOPTED BY TELFORD & WREKIN	
		RANGE OF FULL FIXED PENALTY	DEFAULT PENALTY	MINIMUM DISCOUNTED PENALTY	AMOUNT	AMOUNT IF EARLY PAYMENT RECEIVED
Section 52: Anti-Social Behaviour, Crime & Policing Act 2014	Failure to comply with a Community Protection Notice (Section 48)	Up to £100	Up to £100	N/A	£100	£60 (if paid within 7 days)
Section 9 and Schedule 1: Health Act 2006	Failure to display a no-smoking sign when required (Section 6)	N/A	£200 (specified amount)	£150 (specified amount)	£200	£150 (if paid within 15 days)
Section 9 and Schedule 1: Health Act 2006	Smoking in a designated smoke free place (Section 7)	N/A	£50 (specified amount)	£30 (specified amount)	£50	£30 (if paid within 15 days)

FIXED PENALTY POWER	DESCRIPTION OF OFFENCE	LEGISLATIVE GUIDANCE			ADOPTED BY TELFORD & WREKIN	
		RANGE OF FULL FIXED PENALTY	DEFAULT PENALTY	MINIMUM DISCOUNTED PENALTY	AMOUNT	AMOUNT IF EARLY PAYMENT RECEIVED
Section 9 and Schedule 1: Health Act 2006	Failing to prevent smoking in a designated smoke free place – including vehicles (Section 8)	N/A	£50 (specified amount)	£30 (specified amount)	£50	£30 (if paid within 15 days)

TELFORD & WREKIN COUNCIL

CABINET - 29 JUNE 2017

TELFORD & WREKIN HOMELESSNESS STRATEGY 2017 – 2022

REPORT OF ASSISTANT DIRECTOR: COMMERCIAL SERVICES

LEAD CABINET MEMBER FOR HOUSING & ENFORCEMENT

PART A – SUMMARY REPORT

1 SUMMARY OF MAIN PROPOSALS

- 1.1 Housing authorities have a statutory duty to review and update their Homelessness Strategy at least every five years. The existing Homelessness Strategy was developed in 2013 and due to recent changes with the management of the Housing Services there was an opportunity to review the strategy.
- 1.2 A review was carried out of our current homelessness situation, trends and needs within Telford & Wrekin. This identified that whilst homelessness applications and acceptances have been on a downward trend, there remain concerns around particular groups such as those suffering from domestic violence and young people.
- 1.3 Engagement sessions were held with various organisations, internal and external services and through the Customer, Community and Partnership Scrutiny Committee to identify key actions to produce a new Homelessness Strategy for the next five years.
- 1.4 Four key priorities have been identified with actions relating to each priority to produce a clear Homelessness Strategy including key actions to deliver these priorities. Subject to approval this will then be developed into a detailed delivery plan that will be reviewed annually by the Homelessness Partnership Group. The priorities can be summarised as;
- Provision of high quality housing advice for all
 - Prevention of homelessness
 - Effective management of temporary accommodation
 - Prevention of rough sleeping.

2 RECOMMENDATIONS

- **That Cabinet receive and approve the Homelessness Strategy for the period 2017 - 2022**
- **That delegated authority is provided to the Assistant Director for Commercial Services in consultation with the lead cabinet member for Housing &**

Enforcement to agree the annual homelessness delivery plan and the annual review of the plan, which will involve taking into account feedback from the Homelessness Partnership Group.

3 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Council priorities	
	Yes	<ul style="list-style-type: none"> • Protect and support our vulnerable children and adults • Improve the health and wellbeing of our communities and address health inequalities • Regenerate those neighborhoods in need and work to ensure that local people have access to suitable housing.
	Will the proposals impact on specific groups of people?	
	Yes	Residents in the borough who are homeless or at risk of homelessness.
TARGET COMPLETION/ DELIVERY DATE	Strategy in place by June 2017	
FINANCIAL/ VALUE FOR MONEY IMPACT	Yes	<p>This strategy will be implemented using the resources available to Homelessness Prevention & Cohesion services, including staffing. The budget in 2017/18 for this service is £303k.</p> <p>Additional one off funding has been approved for 12 months to provide support for the continuation of the No One Night Out (rough sleeping) initiative through Maninplace, Kip and Stay at a cost of £35k, with a further £60k to provide 12 months of targeted support to domestic violence and youth homelessness groups.</p> <p>Changes in legislation and Government policies could result in higher levels of homelessness and so higher costs to the Council, including the impact of the Welfare reforms which will need to be monitored closely.</p> <p>Implications arising from the Homelessness Reduction Bill will need to be assessed once Royal Assent has been given, however it is anticipated that New Burdens funding would be provided to assist with changes resulting from the Bill and mitigate any additional costs that may arise.</p> <p>AEM 15/05/2017</p>
LEGAL ISSUES	Yes	<p>Under the provisions of the Homelessness Act 2002 local housing authorities are required to carry out a homelessness review and devise and publish a strategy based on the review. This strategy has to be drawn up at least every five years.</p> <p>A homelessness strategy is defined in the 2002 Act as</p>

		<p>one formulated in order to:</p> <ul style="list-style-type: none"> a) Prevent homelessness in an authority's area; b) Secure that accommodation is and will be available in that area for people who are or may become homeless; and c) Provide support for such people or those who have been homeless and need support to prevent it recurring. <p>There is no legal requirement that specific objectives or plans should be included in the strategy as such matters are left to the discretion of the Authority. However authorities must when formulating or modifying a homelessness strategy have regard to its current allocation scheme, any tenancy strategy, its housing strategy and equalities issues.</p> <p>The strategy supports the Council in meeting its statutory duty under the Housing Act 1996 to secure accommodation for certain types of homeless households who are in priority need (such as families with children) and who are unintentionally homeless (i.e. statutorily homeless households).</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p>Risks include:</p> <ul style="list-style-type: none"> - Increased housing issues if people cannot be prevented from homelessness or are not a priority under homelessness. - Limited access to suitable accommodation to prevent homelessness, including adapted accommodation for those with disabilities. - Changes in welfare reform increasing the demand on the housing service due to being at risk of homelessness. - Housing demand not being met due to caps on local housing allowance and bedroom restrictions. - Increase in legislation under the Homelessness Reduction Bill widening the number of people that we owe a duty to help.
IMPACT ON SPECIFIC WARDS	Yes	<p>Impacts will be greatest in those wards where there is a higher risk of homelessness clients</p>

PART B – ADDITIONAL INFORMATION

4. Information

4.1 Legislation

- 4.1.1 The Homelessness Act 2002 requires local authorities to produce a homelessness strategy at least every five years showing how we will address and prevent homelessness. This legislation also places a duty on housing authorities to ensure that advice and information about homelessness, and preventing homelessness is available to everyone in their district free of charge. The legislation also requires authorities to assist individuals and families who are homeless or threatened with homelessness and apply for help.
- 4.1.2 The Localism Act 2011 introduced significant changes to the Housing Act 1996. The stated policy objective is to enable local authorities to better manage housing demand and access to housing within the context of local circumstances. Local authorities are given the power to end their homelessness duty with an offer of accommodation in the private rented sector.
- 4.1.3 The Government announced support for the Homelessness Reduction Bill. This now waits for the final stage of Royal Assent when the Bill will become an Act of Parliament. A date for Royal Assent has yet to be set. This will add additional demand on the service including expanding the timescale to assist those threatened with homelessness from 28 days to 56.

4.2 Demand

- 4.2.1 Homeless presentation and the way in which they are recorded has changed over the years, with greater focus on preventing homelessness, the figures shown in the Homelessness Strategy show a downward trend in homelessness and the use of temporary accommodation.
- 4.2.3 However going forward there are a number of things that will impact on these figures going forward, including;
- Welfare reform
 - Introduction of the new Homelessness Reduction Bill.

4.3 Homelessness Strategy Priorities

- 4.3.1 The Homelessness Strategy has four clear priorities which lead to specific high level key actions (See Appendix 1). These priorities are listed in the order they appear and not in order of importance:
- Priority 1: Ensure that high quality housing advice is accessible and well promoted to all, to ensure that those households or other support services that are able to identify their own housing solutions are able to do so.
 - Priority 2: Join up council and external services to prevent homelessness arising wherever possible particularly targeting young people and those affected by domestic abuse.
 - Priority 3: Ensure that temporary accommodation is well managed and meets the needs of the service, ensuring people move onto sustainable housing as soon as possible and minimise the use of bed and breakfast accommodation.

- Priority 4: Work with partners to support vulnerable groups and to prevent rough sleeping in the Borough.

4.3.2 Additional funding has been secured to enable a number of new actions to be delivered that will contribute to these priorities, these include;

- Extend the existing rough sleeping project to be run all year round in partnership with Maninplace. (This service has only ever been funded for 3 months of the year in the coldest months). This service provides a place of safety and a contact for rough sleepers in Telford & Wrekin which also provides support and sign posts clients to other services to help them break the cycle of rough sleeping.
- Provide 24/7 support and expand the use of Dodmore Grange for young people on an initial twelve month pilot.
- Design a suite of leaflets with housing and tenancy advice which are accessible to print from the housing website to assist people to self-serve 24/7.
 - Carry out exit surveys with young people to understand their experiences in supported/temporary accommodation to help reduce homelessness and increase successful moves to future tenancies.
- Develop a tool kit aimed at young people to help prevent homelessness that is promoted to schools and colleges.
- Identify homelessness champions in each service area and with partners to enable quick responses for clients.
- Develop a training package for people in temporary accommodation with a certificate to show they are tenant ready to help move clients into sustainable housing.

Funding has also been approved for 12 months to fund 2 posts to provide a prevention role within Housing to target support at preventing youth homelessness and also domestic violence, allowing additional support to co-ordinate information that is easy accessible for these key groups and the wider homelessness agenda and linking into the channel shift agenda to provide clear up-to-date information on our website.

4.3 Consultation

4.3.1 Consultation and engagement sessions were carried out with key partners and internal services. The sessions included partners such as: Voluntary Organisations that provide support for homelessness clients, Police, Registered Social Landlords, Children Services, Adult Services, Community Safety, and Housing.

4.3.2 Consultation was also carried out with the Customer, Community and Partnership Scrutiny Committee as part of their work programme. A presentation on the draft report and delivery plan was provided to the committee and members fed back that they wholeheartedly supported the strategy and the emphasis on prevention. They

also acknowledged the Council's good track record on homelessness acceptances in comparison to the national average. Several suggestions were made and these have been added to the delivery plan.

4.5 Monitoring

4.5.1 The Homelessness Partnership Group which consists of a range of partners from Registered Housing Providers, Voluntary Organisations, Partners, Police and internal services meets ever quarter and will review the actions from this strategy as a key agenda and will contribute to a more detailed delivery plan. The Delivery Plan will be reviewed on an annual basis at this meeting, taking into account feedback from this partnership group. The Homelessness Partnership Group will also continue to review the representation of relevant services and will extend the invite to this group to any service that has a link to homelessness and the prevention agenda. Feedback on the monitoring will also be provided to the cabinet member for Housing and Enforcement.

5. Equality Impact Assessment

- 5.1 A light touch equality impact analysis utilising available evidence has been undertaken on the Homelessness Strategy in relation to the General Equality Duty. The available evidence did not indicate that there was any negative impact on people who share protected characteristics. The evidence was limited in some aspects and actions to improve record keeping are taking place. This will ensure a comprehensive evidence base is available to support the aims of the duty and demonstrate a truly inclusive service.
- 5.2 Consultation has been undertaken with a wide range of stakeholders. As a result, the Action Plan within the Strategy sets out a range of measures for tackling homelessness in Telford & Wrekin through providing positive interventions and promoting the inclusion of all disadvantaged groups. To ensure the positive work continues expert service users by experience will be encouraged to participate in the annual review.

6. PREVIOUS MINUTES

None.

7. BACKGROUND PAPERS

Homelessness Strategy

Report prepared by Toni Guest (Housing, Nuplace and Commercial Service Delivery Manager), toni.guest@telford.gov.uk, 01952 381860

HOME

HOMELESSNESS STRATEGY
MAKING IT EVERYBODY'S BUSINESS



Telford & Wrekin
COUNCIL

Homelessness Strategy 2017/18 – 2021/22

Introduction:

Telford & Wrekin Council is pleased to introduce our Homelessness Strategy for the next five years (2017/18 to 2021/22).

The strategy includes a summary of progress over the last four years, an overview of the current position regarding homelessness in Telford & Wrekin and the priorities and actions that we feel will help to tackle and prevent homelessness in future.

At the heart of the strategy is our commitment to preventing homelessness and finding lasting solutions for people rather than just dealing with households at the point of crisis. The strategy also reinforces that homelessness is 'everybody's business' and highlights our aim to raise awareness of homelessness and co-ordinate our approach, both across the Council and the community.

Over the next five years, there are likely to be some significant changes in national homelessness policy and legislation. This includes the Homelessness Reduction Bill, which was published in October 2016. When implemented, a wider range of people will be eligible for help, including those not currently treated as having a priority need, such as single homeless people. There will also be an even greater emphasis on prevention, as the period that an applicant can be threatened with homelessness and be eligible for help will be extended from 28 days to 56 days. We clearly welcome these proposals, however funding for homelessness and related services is already limited and is likely to reduce further over the next few years, therefore we will need to carefully prioritize the actions in Appendix 1 as we develop our more detailed homelessness delivery plan.

Progress Update:

During the period of the current Homelessness Strategy (2013/14 – 2016/17), our focus has continued to be on the proactive prevention of homelessness, working with our network of local partners. Our approach to preventing homelessness has included:

- ✓ Launching an online housing advice tool, www.telfordhousingoptions.co.uk and an in-house lettings agency, Telford HomeFinder, which signposts people to properties available with accredited landlords
- ✓ With partners, developing a young person scheme to accommodate with support
- ✓ Piloting a scheme with Maninplace to support those rough sleeping out of hours
- ✓ Introducing a triage service at Southwater One to allow early intervention and prevention of homelessness – support available includes:
 - Helping with deposits to secure privately rented accommodation through discretionary housing payments and help completing applications for deposits
 - Helping with accessing hardship or homeless prevention funding to pay off arrears

- Arranging mediation to enable people, particularly young people, to return to live with family or friends
 - Offering additional security measures in the homes of people affected by domestic violence, such as personal alarms and fire safety letter boxes
 - Attending court to represent people facing homelessness and working with registered providers to find alternatives to eviction
 - Signposting to other support services, such as the Citizen's Advice Bureau for debt advice
- ✓ Working with the Home Office to carry out immigration checks, ensuring that we operate to the Government's Right to Rent
 - ✓ Implementing a home from hospital protocol to enable homeless people to be discharged from hospital more quickly
 - ✓ With partners, proactively developing accommodation and support plans for groups that are at a greater risk of becoming homeless, such as those due to leave care and those released from prison.

Examples of recent success stories:

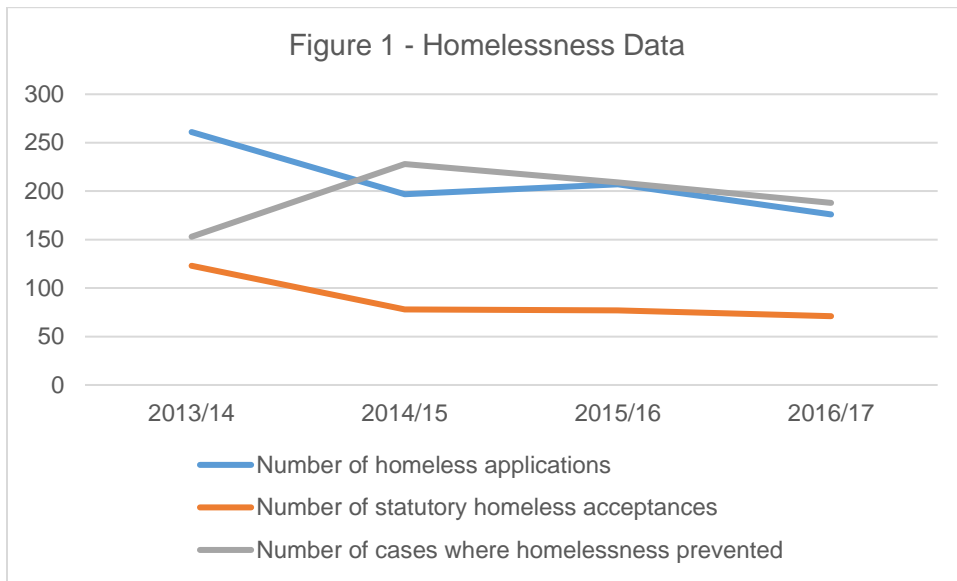
We worked with a 38-year old pregnant former heroin user who was living abroad but wished to return to the UK. To prevent homelessness, mediation took place with the client's family so that she was able to return home and initially stay with her family. We then sourced a 2-bed privately rented property for the client via Telford HomeFinder, helped her with a deposit, and worked with the client so that she was able to source her own rent and move in her before her baby was born. We also worked closely with other local services, such as Children's Safeguarding, Substance Misuse and Thrive (<http://www.inspire2thrive.co.uk>), to ensure that the client had the wider support needed to maintain her tenancy.

We worked with a family (1 adult and 5 children) whose landlord (a registered provider) was seeking possession in court for rent arrears. Working closely with the Citizen's Advice Bureau, we put in place prevention funding to help pay the arrears, an affordable payment plan for the family and mediation with the landlord. As a result of this, the judge suspended action against the family and they were able to stay in their home.

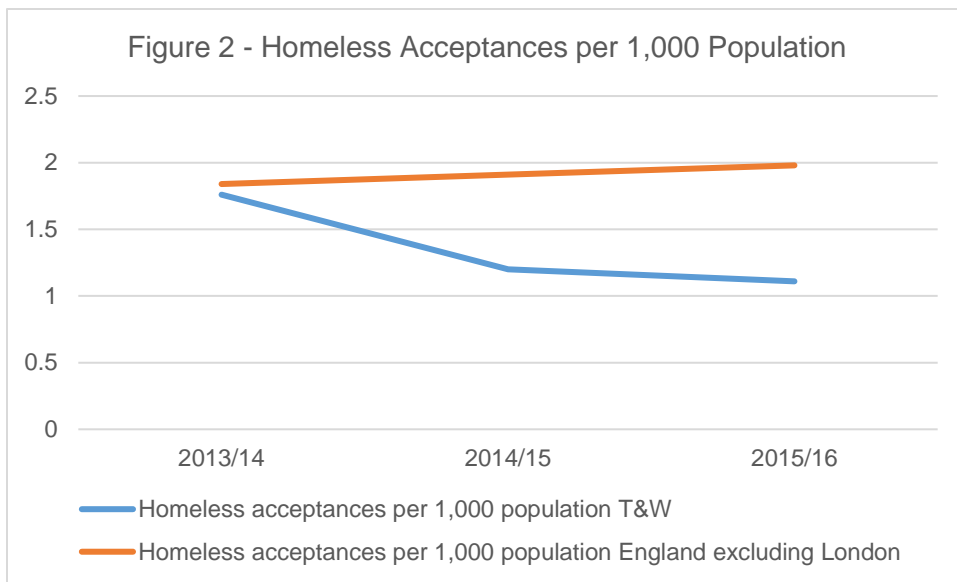
Homelessness in Telford & Wrekin:

The total number of homeless applications received by the Council in 2016/17 is 176. Figure 1 shows that the number of homeless applications received has been on a downward trend since 2014/15.

Figure 1 also shows that the number of homeless acceptances decreased in 2014/15 and have then remained relatively stable. It should be noted that this data on homeless acceptances only relates to people who meet a number of legally prescribed criteria. In practice, the number of households who are homeless is higher than this and some of those who do not meet the legal criteria can still be vulnerable and in need of assistance.

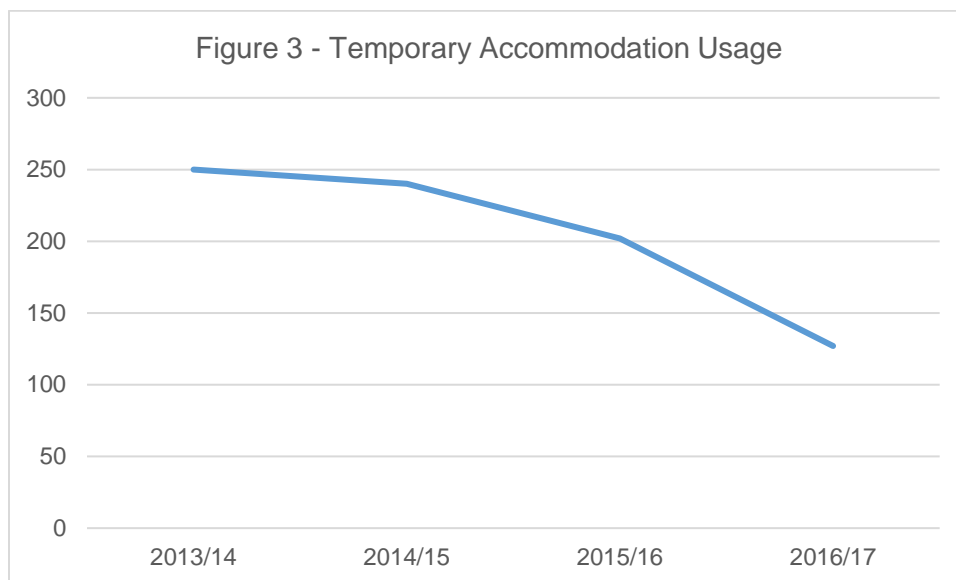


The number of homeless acceptances per 1,000 households in Telford & Wrekin has consistently been lower than the England average (excluding London), as shown in Figure 2. It is also interesting to note that nationally homeless acceptances have been increasing, in contrast to the trends in Telford & Wrekin.



This is thought to be linked to the number of cases where we have been able to prevent homelessness, which as shown in Figure 1, is now at a much higher level than at the start of the previous strategy in 2013/14. The total number of cases where homelessness has been prevented in 2016/17 is 188.

Similarly, we have been able to make further reductions in the use of temporary accommodation (see Figure 3) and have continued to keep use of bed and breakfast accommodation to a minimum. No households have been accommodated in bed and breakfast accommodation for longer than six weeks during this period in 2016/17, although occasionally bed and breakfast is used as a last resort emergency measure out of normal working hours. However future pressures identified may mean we have to look at this resource going forward.



Looking in more detail at the reasons for homelessness, Figure 4 shows that in 2015/16 the majority of homeless applications (60%) were due to two main causes: domestic abuse (30%) or applicants' family unwilling to house them (30%). In comparison, the number of applications linked to rent arrears or termination of tenancies was relatively low. This figure is similar in 2016/17 with domestic abuse representing at 34% and family unwilling to house slightly lower at 22%.

When looking at homeless acceptances and what the most common priority needs were (to be accepted as homeless, one or more priority need has to be met), Figure 5 shows that >96% of acceptances in 2016/17 were linked to three broad needs:

- Having dependent children or being pregnant (62%);
- Being 16 or 17 years old or a care leaver under 21 (17%);
- Fleeing domestic or other violence (18%).

Figure 4 - Most Common Reasons for Homeless Applications
2015/16

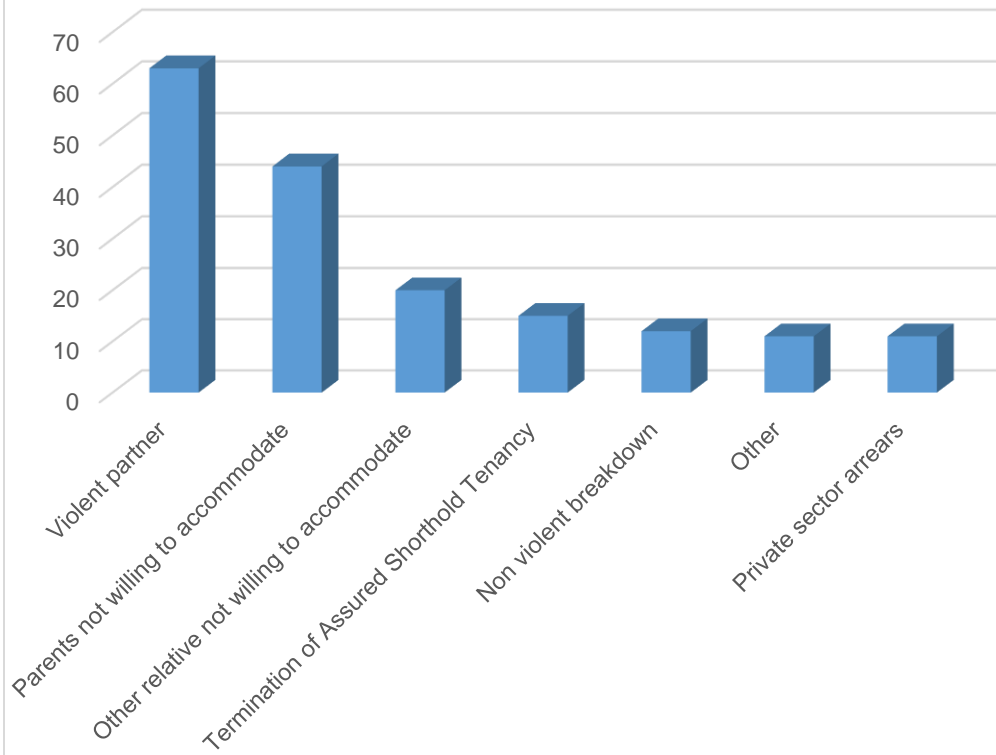
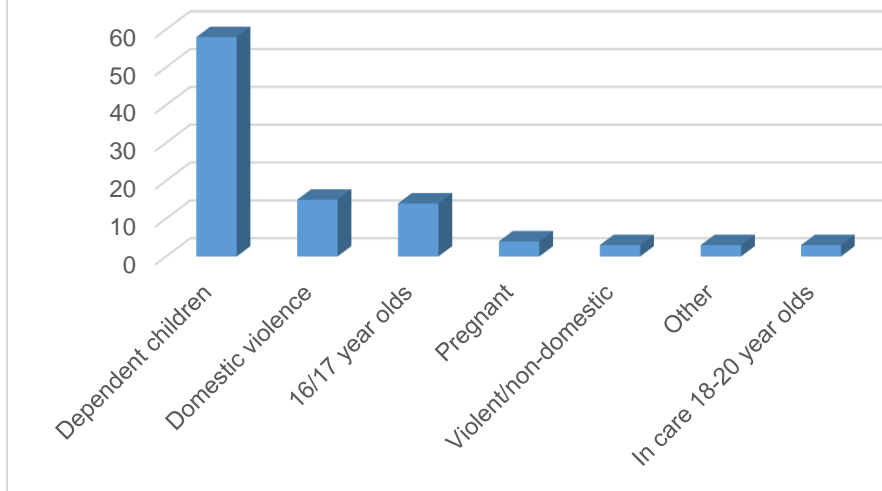


Figure 5 - Acceptances by Priority Need 16/17



Future Priorities & Actions:

We have identified four key strategic priorities for the Homelessness Strategy 2017 – 2022. These priorities have been informed by the homelessness review, most recent data and future proposals. The priorities will form the basis of the a more detailed delivery plan and link to key actions that have been identified to ensure we continue to prioritize and respond to homelessness over the next five years (as set out in Appendix 1) .

The four key priorities are:

- **Priority 1: Ensure that high quality housing advice is accessible and well promoted to all, to ensure that those households or other support services that are able to identify their own housing solutions are able to do so;**
- **Priority 2: Join up council and external services to prevent homelessness arising wherever possible particularly targeting young people and those affected by domestic abuse;**
- **Priority 3: Ensure that temporary accommodation is well managed and meets the needs of the service, ensuring people move onto sustainable housing as soon as possible and minimize the use of bed and breakfast accommodation;**
- **Priority 4: Work with partners to support vulnerable groups and to prevent rough sleeping in the Borough.**

Consultation and Partnership Approach:

Homelessness has been identified as a clear issue and requires a partnership approach to help prevent and combat homelessness both nationally but also locally within the Borough of Telford & Wrekin.

The initial priorities and actions were developed in consultation with front-line staff and through engagement sessions with partners and other services including:

- Customer, Community & Partnerships Scrutiny Committee (who have conducted a scrutiny review of the strategy priorities) and suggestions made have been added into the strategy.
- External partners through the Homeless Partnership Group.
- Internal services, such as Family Connect, Early Help & Support, Benefits and Community Safety.

Implementing and Monitoring the Homelessness Strategy:

In order to take forward the strategy, clear actions have been identified and are set out in the Appendix 1. The actions have been developed and agreed with all partners upon whose cooperation success will rely on.

Monitoring of progress towards achieving the actions within the plan will be undertaken through the Homelessness Partnership Group and new actions will be identified or reviewed which support the priorities set out in the strategy.

Appendix 1 – Priorities and Key Actions

Priority 1: Ensure that high quality housing advice is accessible and well promoted to all, to ensure that those households or other support services that are able to identify their own housing solutions are able to do so
Action:
Identify improvements to the housing services website and make it easier to access, including links to partner agencies to share information. Design a suite of leaflets with housing and tenancy advice which are printable via the Website
Develop and deliver a communication plan to promote the housing service website to help people self-serve 24/7
Collate all information on housing providers/schemes operating within the Borough and have links to these on all relevant websites
Change the Housing Solutions telephone message to be clearer and encourage self-serve via the Website for those who are able to access through this, ensuring those that need help can do so
Map front line calls to Housing Solutions to stream line future calls
Ensure ward members, town and parish councils and MPs are aware of how to advise residents regarding homelessness through promotion of the Housing Solutions website
Aim to achieve National bench marking standards linked to Homelessness and Housing Advice within Telford & Wrekin Council and with partners
Identify key areas of training and development needed in the Housing Team and feed into the Commercial Services workforce plan, for example attending national and regional meetings to feed into regional strategies and to identify best practice National Housing Solutions tool kits that could be used.
Look at resources that partners can share, including training to help with homelessness.
Promotion of case studies and data in publications such as Your Voice to show what help can be provided.
Partners to update websites with relevant information and sign post to TWC housing website.
Review the Homelessness Partnership membership to enable consistent messages regarding housing across all partners
Continue with preventative services to support individuals to sustain their tenancies and prevent them becoming homeless

Priority 2: Join up council and external services to prevent homelessness arising wherever possible particularly targeting young people and those affected by domestic abuse

Action:

Explore with partners carrying out exit surveys with young people to understand their experiences in supported/temporary accommodation in order to understand/reduce evictions

Provide online information, specifically aimed at young people

Provide 24/7 support and expand the use of Dodmore Grange for Young People (including those who are not statutory homeless or are intentionally homeless)

Develop a toolkit aimed at young people to help prevent homelessness that is promoted to schools and colleges

Promote to external agencies/partners pathways for young people in housing need to emphasise early intervention and prevention

Better understanding of MARAC (Multi Agency Risk Assessment Conference) and how housing feeds effectively into this to help with Domestic Violence clients

Provide updated information to West Mercia Police Website on domestic violence with relevant links to Telford & Wrekin Council services

Build partnerships with Women's Aid and other relevant domestic abuse support to focus on prevention measures

Build on partnership working with Adult services to do a joint assessment approach for vulnerable adults in need of housing to avoid the client getting into a crisis situation

Provide information on services that also help prevent homelessness at key points where young people attend in a clear and approachable format. Look at potential promotion of services through social media

Improve links with the public health team to support teaching of conflict management skills in young people

Identify risk factors for young people becoming homeless to help target preventative work

Have clear process charts for all services linked to Homelessness to understand how it all works together, including RSL, Thrive, Voluntary services, Family Connect etc.

Identify homelessness champions in each service area and with partners to enable quick responses for clients

Sustain current levels of provision at the two current Gypsy and Travellers sites within the Borough

Explore the use of the community building provision at Lodge Road site for Gypsy and Travellers

Allocation of vacant plots for Gypsy and Travellers to be administered through a waiting list in line with procedures ensuring allocation based on priority need and local connection.

Priority 3: Ensure that temporary accommodation is well managed and meets the needs of the service, ensuring people move onto sustainable housing as soon as possible and minimise the use of bed and breakfast accommodation	
Action:	
Review Service Level Agreement with the biT team to turn around temporary accommodation as quickly as possible to keep void time to a minimum	
Identify housing solutions outside of Telford to move clients out of temporary accommodation	
Explain the one offer policy clearly to all clients (this provides one offer of accommodation to clients and if the client rejects the accommodation we can close our duty to that client) to ensure clients are in temporary accommodation for a short time	
Identify clear process with registered housing providers on nominations and to identify priorities for those clients in temporary accommodation	
Promote new landlord accreditation scheme to utilise the private sector to help prevent homelessness and to discharge our housing duty	
Continue to review temporary accommodation to ensure it is meeting the trends of the housing market in Telford and links with the changes of Welfare Reform	
Work with developers and registered housing providers to develop and provide more accommodation to meet the housing trends with the changes in Welfare Reform	
Explore providing new lease agreements with landlords of temporary accommodation so if a tenant is managing well in that property the tenancy agreement is changed to be direct with the tenant	
Compile a list of resources available to support individuals to stay in current accommodation or additional resources for those in temporary accommodation to help them move on	
Promote training courses and Job Box to those clients in temporary accommodation	
Develop a training package for people in temporary accommodation with a certificate to show they are tenant ready to help move clients into sustainable housing, piloted at those most vulnerable within temporary accommodation for twelve months. Then review and if successful, aim to roll-out more widely.	
Work with a local partner to provide emergency accommodation for those presenting as homeless outside of office hours	

Priority 4: Work with partners to support vulnerable groups and to prevent rough sleeping in the Borough.

Action:

Work with partners such as Maninplace, Kip, Stay, Gateway and Thrive to monitor data and trends coming through all homelessness services across the Borough to identify changes and trends

Work with accredited landlords to help this group of clients to help prevent homelessness

Build working relationships with new partners including Better tomorrow, Yellow Ribbon, to see what support they can provide

Extend the existing rough sleeping project to be run all year round (365 Project) in partnership with Maninplace

Continue partnership work with partners to implement prison release protocol

Explore options for disabled clients whose current housing does not meet need or cannot be adapted and collate information on all currently available options on the Housing Solutions website

Raise awareness of preventing homeless and promote what advice/support is available to other key Council and external services by attending team briefs/meetings, induction shadowing sessions and a new Ollie Training module.

Identify services to assist with more complex issues such as mental health and substance misuse to help prevent homelessness

Work together with partners to prevent, reduce and monitor rough sleeping

TELFORD & WREKIN COUNCIL**CABINET – 29 JUNE 2017****REPRESENTATION ON OUTSIDE BODIES 2017-18****REPORT OF THE ASSISTANT DIRECTOR: GOVERNANCE, PROCUREMENT & COMMISSIONING****LEAD CABINET MEMBER – CLLR RAE EVANS****1.0 PURPOSE**

- 1.1 To request that Cabinet approves the nominations made to Outside Bodies as set out in Appendix 1 of the report.

2.0 RECOMMENDATIONS

- 2.1 That the nominations to represent the Council on Outside Bodies, as set out in Appendix 1 of the report, be considered and representation for 2017/18 be approved.

3.0 INFORMATION

- 3.1 The nominations to represent the Council on Outside Bodies dealt with in this report are those which are appointed on an annual basis. Other organisations on which the Council has representation are appointed for varying periods; reports requesting nominations in relation to these will be brought to Cabinet as required.
- 3.2 The list of outside bodies for which appointments are required for 2017/18 is shown at Appendix 1. This is broadly the same as for the annual appointments for the 2016/17 municipal year.
- 3.3 Members are reminded that only the named councillor or holder of the nominated Cabinet position should attend meetings of Outside Bodies.
- 3.4 Nominations have been sought from each of the political groups for those appointments that are not by position. Any additional nominations received will be reported at the meeting.

4.0 **OTHER CONSIDERATIONS**

AREA

Equality & Diversity
Environmental Impact
Legal Implications

Opportunities & Risks
Financial Implications
Links with Corporate Priorities
Ward Implications

COMMENTS

Not applicable
Not applicable
The outside bodies to which
this report relates are to fulfil
functions which are, under the
relevant statutory and
constitutional provisions,
cabinet functions
Not applicable
Not applicable
Not applicable
Not applicable

5.0 **BACKGROUND PAPERS**

None.

**Report prepared by Deborah Moseley, Democratic & Scrutiny Services
Team Leader – 01952 383215**

PROPOSED REPRESENTATION ON OUTSIDE BODIES 2016/17

ORGANISATION	CABINET MEMBER	OTHER MEMBER(S)	NOMINATION(S) for 2017/18
National/Regional Bodies			
Association for Public Service Excellence (APSE)		1 Councillor	1. Cllr J C Minor
National Association of Councillors		(Must be one of the reps on the English Region Branch) 1 Councillor	1. Cllr E J Carter
Association of Councillors – English Region Branch		3 Councillors <i>(one of which must be the representative to the National Association)</i>	1. NAC Rep: Cllr E J Carter 2. Cllr R J Sloan 3. Cllr C R Turley
English Severn & Wye Regional Flood & Coastal Committee	Cabinet Member: Transport, Infrastructure & Broadband		1. Cllr A D McClements
Local Government Association – General Assembly		3 Councillors 1 Observer	1. Cllr S Davies 2. Cllr R A Overton 3. Cllr A J Eade Observer: Cllr L Carter

ORGANISATION	CABINET MEMBER	OTHER MEMBER(S)	NOMINATION(S) for 2017/18
Local Government Association – World Heritage Sites Special Interest Group (LAWHF)		1 local Ward Member 1 Councillor as substitute	1. Cllr R Evans Substitute: Cllr C R Turley
Marches Local Enterprise Partnership Board	The Leader Substitute – Cabinet Member: Council Finance, Commercial Services & Economic Development		1. Cllr S Davies Substitute – Cllr L D Carter
Marches Joint Executive Committee	The Leader Substitute – Cabinet Member: Council Finance, Commercial Services & Economic Development		1. Cllr S Davies Substitute – Cllr L D Carter
Marches Local Transport Body	Cabinet Member: Transport, Infrastructure & Broadband + 1 Substitute Cabinet Member		1. Cllr A D McClements 2. Deputy: Cllr R Overton
Marches Housing & Planning Partnership	Cabinet Member: Housing, & Enforcement		1. Cllr R A Overton
Shropshire, Telford & The Marches Strategic Rail Group	Cabinet Member: Transport, Infrastructure & Broadband		1. Cllr A D McClements
World Heritage UK		1 Councillor	1. Cllr R C Evans

ORGANISATION	CABINET MEMBER	OTHER MEMBER(S)	NOMINATION(S) for 2017/18
South Staffordshire & Shropshire Mental Health NHS Foundation Trust Governing Body	Cabinet Member: Communities, Health & Wellbeing		1. Cllr A R H England
West Mercia Police & Crime Panel		2 Councillors Substitute	1. Cllr K S Sahota 2. Cllr S J Reynolds Substitute: Cllr R J Sloan
West Mercia Energy Joint Committee		2 Councillors	
Shropshire Organisations			
Age UK Shropshire, Telford & Wrekin		1 Councillor	1. Cllr J M Seymour
County Sports Partnership (Energize STW)	Cabinet Member: Leisure Green Spaces & Parks		1. Cllr J C Minor
Shropshire Association of Local Councils (SALC)		1 Councillor	1. Cllr R C Evans
Shropshire Hills Area of Outstanding Natural Beauty		1 Councillor	1. Cllr C R Turley
Shropshire Pension Fund Committee		2 Councillors 2 Councillors (substitutes)	1. Cllr M J Smith 2. Cllr D G Wright Substitute 1: Cllr L Carter Substitute 2: Cllr A Lawrence

ORGANISATION	CABINET MEMBER	OTHER MEMBER(S)	NOMINATION(S) for 2017/18
Shropshire Playing Fields Association	Cabinet Member: Leisure, Green Spaces & Parks	+ 1 Councillor	1. Cllr J C Minor
Telford & Wrekin Organisations			
Community Health & Enterprise Centre (CHEC)		1 Councillor	1. Cllr J Jones
Granville Country Park (Local Nature Reserve) Management Committee		1 Councillor	1. Cllr C R Turley
Ironbridge Gorge World Heritage Site Steering Group		1 Ward Councillor 1 Councillor	1. Cllr N C Lowery 2. Cllr C R Turley
Lawley Village Steering Group	Cabinet Member: Housing, Public Health & Protection +Assistant Director Planning Specialist (Strategic Lead)		1. Cllr R Mehta
Just Credit Union		1 Councillor	1. Cllr G C W Reynolds
Lightmoor/TWC Liaison Group	Cabinet Member: Housing, & Enforcement	+ 2 Ward Councillors	1. Cllr R A Overton 2. Cllr R Mehta 3. Cllr E J Greenaway
Local Access Forum	Cabinet Member: Leisure, Green Spaces & Parks	1 Councillor	1. Cllr A England 2. Cllr M B Hosken

ORGANISATION	CABINET MEMBER	OTHER MEMBER(S)	NOMINATION(S) for 2017/18
Local Strategic Partnership	Leader		1. Cllr S Davies
Safer Telford Partnership	Cabinet Member: Housing & Enforcement		1. Cllr R A Overton
Telford MIND Executive Committee		1 Councillor	1. Cllr A R H England
Telford Tourism Partnership	Cabinet Member: Customer Services, Tourism & Partnerships		1. Cllr R C Evans
Telford Christian Council - Executive Committee		1 Councillor	1. Cllr V A Fletcher
Telford Millennium Community Steering Group	Cabinet Member: Housing & Enforcement +Assistant Director Planning Specialist (Strategic Lead)	+ 1 Ward Councillor <i>The site covers Ketley and Hadley</i>	1. Cllr R A Overton 2. Cllr R J Sloan
Telford & The Wrekin Citizens Advice Bureau – Management Board		2 Councillors	1. Cllr A J Burford 2. Cllr R Evans
Telford & Wrekin Flood Risk Management Board	Cabinet Member: Transport, Infrastructure & Broadband		1. Cllr A D McClements
Telford & Wrekin Healthwatch			1. Cllr P R Watling

ORGANISATION	CABINET MEMBER	OTHER MEMBER(S)	NOMINATION(S) for 2017/18
Telford & Wrekin Home-Start Management Committee		1 Councillor <i>Meetings take place Monday daytime</i>	1. Cllr J M Seymour
Telford & Wrekin Local Admission Forum	Cabinet Member: Education & Skills		1. Cllr S A W Reynolds
Telford & Wrekin Standing Advisory Council for Religious Education (SACRE)		3 Councillors	1. Cllr R C Evans 2. Cllr L A Murray. 3. Cllr J M Seymour
Wellington Centre Management Committee		2 Councillors	1. Cllr J C Minor 2. Cllr L Carter
Wrekin Landlords Association		1 Councillor	1. Cllr R A Overton
Companies Limited by Guarantee/Trusts/Charities, etc.			
Anstice Community Trust		1 Ward Councillor	1. Cllr P R Watling
Ironbridge Gorge Museum Trust (Appointed as Board Advisor) <i>[For approval by Board of Trustees, normally in October]</i>		1 Councillor	1. Cllr C R Turley
Madeley Regeneration Partnership		1 Councillor	1. Cllr R C Evans

ORGANISATION	CABINET MEMBER	OTHER MEMBER(S)	NOMINATION(S) for 2017/18
Madeley United Charities of Shropshire		1 Councillor (Ward Councillor or with good knowledge of Madeley)	1. Cllr R C Evans
Meeting Point Trust		3 Councillors	1. Cllr K Sahota 2. Cllr N England 3. Cllr D G Wright
Park Lane Centre <i>[Appointed as a Director, therefore continuity of appointment preferred]</i>		1 Councillor	1. Cllr K R Guy
Severn Gorge Countryside Trust [For approval at Trust's AGM in October]		3 Representatives (Does not have to be a Cllr)	1. Cllr C R Turley (2017-21) 2. (2017-21) 3. D Webster (2015-19)
Telford & Wrekin Council for Voluntary Services Board of Trustees		1 Councillor	1. Cllr R Evans

FOR INFORMATION ONLY

The following appointments have been made for terms longer than one year. Nominations are not required for 2017/18

ORGANISATION	TERM	CABINET MEMBER	OTHER MEMBER(S)	CURRENT REPRESENTATIVES
Marches European Structural & Investment Funds Committee	3 years (2015/2018)	Cabinet Member: Council Finance, Commercial Services & Economic Development		1. Cllr L D Carter
Joint Adoption Panel	3 years (2015/2018)	Cabinet Member: Children's & Adult's Early Help & Support		1. Cllr P R Watling
Wrekin & District Sports Forum	4 years (2015/2019)		1 Councillor	1. Cllr J C Minor
Stevinton's Charity [Meets annually at meeting combined with Wellington United Charities]	Until Resignation			1. Cllr G H Cook
Telford Trust	4 years (2015/2019)	Cabinet Member: Leisure, Green Spaces & Parks	3 Councillors	1. Cllr J C Minor 2. Cllr J Jones 3. Cllr A R H England 4. Cllr J C Ashford

The Walker Trust	4 years (2015/2019)		1 Councillor with education background The Clerk to the Trust prefers continuity of representative	1. Cllr S A W Reynolds
Wellington United Charities [Meets annually at meeting combined with Stevinton's Trust]	Until Resignation		4 Reps (Don't have to be a Councillor)	1. Cllr G H Cook 2. M Marshall 3. J Morris-Jones 4. Cllr M B Hosken
Wrekin Housing Trust	4 years (2015/2019)		1 Councillor	1. Cllr R A Overton
Oakengates Leisure Centre Joint/Community Use Management Committee	4 years (to 2019)		1 Councillor	1. Cllr S J Reynolds
Telford Park Academy Joint/Community Use Management Committee	4 years (to 2019)		1 Councillor	1. Cllr C R Turley
Telford Langley Academy Joint/Community Use Management Committee	4 years (to 2019)		1 Councillor	1. Cllr K S Sahota