



**NEWARK &
SHERWOOD**
DISTRICT COUNCIL

*Castle House
Great North Road
Newark
NG24 1BY*

Tel: 01636 650000

www.newark-sherwooddc.gov.uk

Chairman: Councillor R.B. Laughton
Vice-Chairman: Councillor T. Wendels

Members of the Committee:

Councillor Mrs B.M. Brooks
Councillor Mrs C.A. Brooks*
Councillor Mrs I. Brown
Councillor M. Buttery
Councillor R. Crowe

Councillor K. Girling
Councillor Mrs S.M. Michael
Councillor N. Mitchell
Councillor Mrs P. Rainbow
Councillor Mrs S. Soar

Substitutes:

Councillor D.J. Clarke
Councillor Mrs G.E. Dawn
Councillor A.C. Roberts
Councillor D. Staples
Councillor D. Thompson

AGENDA

MEETING: Homes & Communities Committee

DATE: Monday, 6 November 2017 at 6.00pm

VENUE: Civic Suite, Castle House

**You are hereby requested to attend the above Meeting to be held at the time/place
and on the date mentioned above for the purpose of transacting the
business on the Agenda as overleaf.**

If you have any queries please contact Helen Brandham on 01636 655248.

AGENDA

Page Nos.

- | | | | |
|----|---|-------|--|
| 1. | Apologies for Absence | | |
| 2. | Declarations of Interest by Members and Officers and as to the Party Whip | | |
| 3. | Declaration of any Intention to Record the Meeting | | |
| 4. | Minutes of Meetings held on 11 September 2017 | 3 – 9 | |

PART 1 – ITEMS FOR DECISION

- | | | | |
|----|---|--|---------|
| 5. | Draft Revenue Budget 2018/2019 | | 10 – 29 |
| 6. | Newark and Sherwood Homes Limited – Performance | | 30 – 31 |
| 7. | Newark and Sherwood Homes Annual Delivery Plan | | 32 – 55 |

PART 2 – ITEMS FOR INFORMATION

None

CONFIDENTIAL AND EXEMPT ITEMS

None

NEWARK & SHERWOOD DISTRICT COUNCIL

Minutes of the **HOMES & COMMUNITIES COMMITTEE** held on Monday, 11 September 2017 in the Civic Suite, Castle House at 6.00pm.

PRESENT: Councillor R.B. Laughton (Chairman)
Councillor T. Wendels (Vice-Chairman)

Councillors: R.V. Blaney (ex-officio), Mrs B.M. Brooks, Mrs A.C. Brooks, Mrs I. Brown, M. Buttery, R. Crowe, K. Girling, Mrs S.M. Michael, N. Mitchell, Mrs P. Rainbow and Mrs S. Soar.

14. APOLOGIES FOR ABSENCE

None recorded – all Members present.

15. DECLARATION OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

NOTED: that no Member or Officer declared any interest pursuant to any statutory requirement in any matter discussed or voted upon at the meeting.

16. DECLARATION OF ANY INTENTION TO RECORD THE MEETING

NOTED: that there would be an audio recording of the meeting undertaken by the Council.

17. MINUTES OF THE MEETING HELD ON 12 JUNE 2017

AGREED (unanimously) that the Minutes of the meeting held on 12 June 2017 be approved as a correct record and signed by the Chairman.

18. PERFORMANCE MONITORING: NEWARK AND SHERWOOD HOMES

The Committee considered the report presented by the Business Manager – Strategic Housing in relation to performance information relating to the operations of Newark and Sherwood Homes (NSH – the Company) in accordance with the Management Agreement and Annual Delivery Plan.

The report provided information as to the Committee's remit to undertake scrutiny of the operational performance of the Company and that Policy & Finance Committee took responsibility for the determination of Key Performance Indicators. Information was also reported on the Delivery Plan; the Asset Management Programme; the Tenant Panel Feedback/Work Programme; Assurance Report; Details of Formal Complaints; List of Let Contracts; Procurement Plan; and Management Fee.

Members discussed the information provided and made a number of observations. A Member noted that despite reassurances that measures would be taken to improve the repairs system it continued to be problematic, with contractors not keeping to appointment times or arriving without an appointment.

Members noted that there had been a general trend of a reduction in tenant satisfaction and queried whether the reason for that was known. Officers confirmed that the issue would be discussed and form part of the forthcoming review.

It was also noted that there was no measure of tenant satisfaction in relation to the actual application process. A Member commented that he received complaints about supporting information being handed in and subsequently going missing. Officers advised that a new allocation scheme was in operation and was being regularly reviewed and the above comments would be fed into that review process.

In relation to walkabouts, Members agreed that they were a useful exercise but little action had arisen from them in the past. Members requested that they be kept up to date on the situation. Some Members also noted that they did not receive notification of the walkabouts. Again, Officers advised that they would forward the comments to the Company.

AGREED (unanimously) that:

- (a) the strategic performance information supplied in relation to the activities of Newark and Sherwood Homes and the Housing Revenue Account be noted; and
- (b) the above comments be forwarded to Newark and Sherwood Homes.

19. AFFORDABLE HOUSING DELIVERY

The Committee considered the report presented by the Business Manager – Strategic Housing which provided detail on affordable housing delivery across the district for the financial year 2016/17 and an indicative guide on future anticipated delivery.

The report provided statistical information for affordable housing delivery for 2016/17 which included Council and Company developments, Section 106 Agreements and 100% Affordable Housing Schemes. The report also provided information on anticipated affordable housing delivery; rural exception sites; and Council Housing – 5 Year Development Programme.

In considering the report Members agreed that the number of affordable homes delivered for the first year, currently 63, was to be welcomed, noting that the target for the initial year was 70. It was also noted that lessons had been learnt on how best to progress the programme and that this was very important in order to fulfil the Council's 5-year supply.

Members all agreed that the Strategic Housing Business Unit was to be commended for their ongoing efforts to deliver the programme, adding that the service provided was an example to other local authorities.

AGREED (unanimously) that the affordable housing delivery in 2016/17, the future anticipated delivery and progress with the Council's 5-year development programme be noted.

20. UPDATE ON FLOOD PREVENTION SCHEMES IN NEWARK & SHERWOOD

The Committee considered the report presented by the Business Manager – Community Safety which sought to update Members on the current position of proposed flood alleviation schemes within the district.

The report provided information of the four schemes within the District that could have the potential to be delivered with the current proposals being listed in paragraph 3.0.

In relation to the Girton Scheme, the Business Manager advised that following receipt of a report from Nottinghamshire County Council the funding gap had increased considerably therefore making the delivery of a satisfactory flood defence difficult.

It was reported that in relation to Lowdham and Gunthorpe, the Lowdham Scheme seemed better able to progress as the securing of funding for Gunthorpe would possibly take a longer period of time.

In relation to the Southwell Scheme, it was reported that the Scheme of Engineering Works was due to commence in December 2017. Nottinghamshire County Council (NCC) were soon to submit a bid for Grant in Aid funding and wanted to pull together all the partners who would be able to contribute. Members were advised of the possible level of funding from other partner organisations and that the Council has put aside £400k in capital reserves but that any contribution would need to be approved and authorised by the Policy & Finance Committee.

The Chairman of the Committee updated Members as to the latest position in relation to funding from central Government advising that in his role as a County Councillor he was to attend a meeting with Councillor Roger Jackson (County Councillor for the Southwell Division) to speak to the relevant Minister in the DCLG. He also advised that discussions were ongoing with the Environment Agency in relation to the local levy scheme and that these appeared to be positive in that they would possibly increase their funding contribution.

It was noted that NCC had contributed £270k p.a. to the aforementioned local levy scheme but were being requested to increase that to safeguard against a funding shortfall in the Repairs & Renewals Grant. Many local residents had paid into that scheme and Members agreed it would be very unfortunate if central Government backtracked on their funding provision.

The Chairman noted that in 2013 funding had been received from the DCLG for flood alleviation in the sum of £150k. This had been ring-fenced at the time for this type of scheme. He commented that Committee should agree a sum of money from the amount set aside in capital reserves, suggesting a figure of £220k, and that a recommendation be forwarded to the Policy & Finance Committee for their consideration.

The Leader of the Council, who was in attendance in his ex-officio capacity, noted that Ministers wished to see the cost benefit analysis for the scheme and suggested that this be provided as soon as possible. He also noted that the DCLG Minister would report his findings to the Secretary of State, Michael Gove MP and again suggested that the MP for Newark, Robert Jenrick, make contact with the Secretary of State on behalf of the Council in an attempt to expedite the matter. He requested that such cost benefit analysis also be provided to the Policy & Finance Committee stating that it would provide Committee with a better understanding of the costs involved thereby assisting them with their decision making.

The Leader also noted that Southwell Town Council had increased their precept by some £40k and that residents believed that the whole of the annual increase would be ring-fenced for flood prevention. However, the contribution to the flood prevention scheme had reduced year on year with some £85k being spent on other issues. A Member of the Committee voiced his concern about the Southwell precept and that the Council may be required to contribute an increased amount because of that, adding that the capital reserve was for schemes throughout the district and not just Southwell.

In relation to the Chairman's suggested contribution figure of £220k a Member of the Committee stated that he was supportive of the Southwell Scheme but did not wish to see the contribution jeopardise the other proposed schemes in the district, noting that they too had suffered greatly from incidents of flooding. The Business Manager advised that he had received information that the scheme in Lowdham was likely due to commence in 2019 with a finish date of 2021.

AGREED (unanimously) that:

- (a) the current situation and potential financial contributions for the schemes be brought back to Committee when detailed costings were confirmed; and
- (b) the Homes & Communities Committee recommend to the Policy & Finance Committee a figure in the region of £220k as the Council's contribution towards the Southwell Flood Alleviation Scheme.

21. SINGLE HOMELESSNESS IN NEWARK AND SHERWOOD

The Committee considered the report of the Business Manager – Housing & Safeguarding which sought to provide Members with an insight into the causes of homelessness with particular focus on single homelessness and rough sleeping within a local and national context.

The report provided statistical information as to the national situation in England and also at a district level. It also provided an explanation of some situations that could result in an individual or family finding themselves homeless. Details of how individuals were assisted were listed at paragraph 5.0 of the report which also included some case studies. The report also gave detail of the Council's Severe Weather Emergency Provision (SWEPP); Individual Mentoring Partners and Churches Together (IMPACT); Modern Day Slavery Action Day; and an estimate of the districts number of rough sleepers.

Members all agreed that the work undertaken by the Housing & Safeguarding Business Unit was of great importance and that the staff were to be thanked for their hard work and dedication. It was also noted and agreed that not all individuals classed as homeless wanted or asked for assistance but that the Council continued to offer to them assistance regardless of that.

A Member queried whether there had been any incidents of individuals pretending to be homeless and begging on the streets and, if so, what action had been taken. The Business Manager advised that if they received information of this type of incident they worked with Community Safety Officers and the Police to resolve the situation.

It was noted that work was undertaken in partnership with Framework and much was centred in Newark. A Member queried whether any work was done in outlying areas also. The Business Manager advised that assistance was given to individuals wherever they were in the district and that Officers relied on the receipt of intelligence in order to deploy resources accordingly.

In relation to the No Second Night Initiative a Member queried whether individuals presented to the Council and how the authority may practically assist them. The Business Manager stated that this was largely dependent on the individual and their willingness to work with Officers, adding that some of the situations that individuals found themselves in were very challenging.

It was noted that the Modern Day Slavery Action Day had been held on 1 August 2017 in Newark and a Member queried as to how frequently these would be held and whether they would be in other areas of the district too. In response, the Business Manager advised that the frequency of the action would rely on the gathering of information but it was likely that the next target would be looking at individuals working in nail bars.

The following item on the Agenda was a letter from the Department for Communities and Local Government relating to the Homelessness Reduction Act. The Chairman advised the Committee that this would be taken as part of Agenda Item No. 8 as they were both in relation to the same matter.

AGREED (unanimously) that the contents of the report (and Agenda Item No. 9) to increase Members' understanding regarding the challenges faced in tackling and responding to single homelessness and rough sleeping in the district be noted.

22. GRENFELL FIRE – UPDATE RELATING TO IMPACT UPON THE COUNCIL’S HOUSING STOCK

The Committee considered the report presented by the Assistant Director – Asset & Development Services for Newark and Sherwood Homes (NSH – the Company) which sought to provide Members with an overview of the impact of the Grenfell fire upon the Council’s housing stock and fire safety measures in place.

The report provided an overview of the fire safety measure currently in place and what actions had been taken by NSH subsequent to the Grenfell fire. It was reported that the Nottinghamshire Fire & Rescue Service were complementary of NSH’s work and what measures had taken place since the fire. The Company had asked the Fire Authority to review their current policies and proposed changes thereto.

A Member of the Committee commented that she had been approached by a local resident who resided in a bungalow that only had one means of access and egress and whether any action was to be taken to rectify this. The Assistant Director advised that only one means of access did not contravene current fire safety regulations but the outcomes of the Grenfell Public Inquiry would be closely monitored.

Members noted that one of the issues that had hampered the authorities to identify the number of individuals who had perished in the fire had been because a number of the flats had been sub-let. Members queried whether this was something that the Company were looking into. The Assistant Director noted that sub-letting was in contravention of the tenant’s agreement but that if information was received that confirmed this had taken place, the Company would act accordingly. However, a review of this was not a specific piece of work that was scheduled to take place at present.

Members noted that advice given to tenants was to remain in their flats should a fire start and whether this should be revised. The Assistant Director confirmed that the advice remained unchanged as it was based upon the flats being safe for a period of time. All tenants had been re-advised as to the fire safety protocols but no-one could obviously enforce them. The Fire Authority’s rationale for the advice was that should a tenant leave their flat they would not know what they were escaping to but the Company shared the concerns expressed by Members. The advice had been reviewed following the Grenfell fire and remained unchanged.

A Member of the Committee who also acted as a representative on the Company’s Board of Directors advised that the Company were looking into ways in which checks could be carried out to ascertain who lived in a property even if they were not the named tenant. This was specifically relevant to Houses in Multiple Occupation.

The Assistant Director advised that although it was not a legislative requirement, it was incumbent on the Company to ensure that its tenants could escape if necessary and that a review of this was to be undertaken.

The Chairman of the Committee noted that it had been an Arm's Length Management Organisation that had been administering Grenfell Tower but that the criticism had been directed at the local authority, therefore the Council needed to take ownership of the review. He stated that it was likely that sub-letting of properties occurred without either the Council's or NSH's knowledge. He also stated that where there were multi-storey buildings protection must be given to the access and egress points and that consideration should be given to the retrospective fitting of a sprinkler system in those locations.

AGREED (unanimously) that the fire safety measure that Newark and Sherwood Homes have in place in relation to the Council's Housing stock and actions undertaken following the Grenfell Tower incident be noted.

The meeting closed at 7.24pm

Chairman

COUNCIL'S DRAFT REVENUE BUDGET 2018/19

1.0 Purpose of Report

1.1 To inform the Committee of the progress to date on the budget for 2018/19.

2.0 Background Information

2.1 At the meeting of Policy & Finance Committee on 21 September 2017, Members considered the preliminary report on the 2018/19 Budget and agreed the overall strategy including the appropriate basis on which the budget should be developed, including salaries, wages, general inflation, debt charges etc.

2.2 Also at this meeting, Policy & Finance Committee agreed the timetable for consideration of the 2018/19 budget provisions. The budget timetable is dictated by the corporate timetable for Policy & Finance and operational Committees. The essential deadline is that the Council is able to set the level of Council Tax for 2018/2019 at its meeting on 8 March 2018. Working back from this date a timetable has been drawn up and is attached at **Appendix C**. This timetable enables sufficient time for the budget proposals to be considered by operational Committees and Policy & Finance Committee and also sufficient time for the work to be completed within the Financial Services section and Business Units.

2.3 The Council has agreed policies on Budgeting and Council Tax, Reserves and Provisions, Budget Principles, a Charging Policy and Value for Money Strategy which set out the approach to be taken to the budget process. These policies and principles were reviewed and updated by Policy & Finance Committee in September 2017. The Charging Policy is included at **Appendix D**. **It should be noted that Policy & Finance Committee agreed that all charges should be rounded to the nearest 5p with effect from 1 April 2017.**

3.0 Introduction

3.1 The Council's Medium Term Financial Plan sets out the estimated service expenditure, net budget requirement and the total settlement funding to arrive at the possible funding gap for 2018/19, (and subsequent years), at three levels of increases in Council Tax, as follows:

	2018/19 £000
Net Service Expenditure	12,796
Net Budget Requirement	12,053
Total Settlement Funding	4,557
Best : Increase Av. Band D Council Tax by £5	706
Forecast: Increase Av Band D Council Tax by 1.94%	774
Worst : Freeze Council Tax at Average Band D	898

- 3.2 The table above identifies a range of scenarios regarding the funding gap from £706K, if Council Tax at average Band D is increased £5, to a gap of £898K if Council Tax at average Band D is frozen at the 2017/18 average Band D level.
- 3.3 The Council will continue to make efficiency savings in order to reduce the funding gap, however (as emphasised in the MTFP), further significant savings will start to impact on future service delivery. The Council will, therefore, introduce a Commercial Plan which will be supported by an Investment Strategy. The measures set out in the Commercialisation Plan will, when implemented, bridge the funding gap.
- 3.4 Further detail can be read in the Commercialisation Strategy and the Investment Plan which were considered by the Policy and Finance Committee at its meeting on the 21st September 2017.

4.0 Budget Proposals

4.1 Budget Presentation

- 4.1.1 The budget process will result in setting the budget and the Council Tax for 2018/19, and will be approved by Council at its meeting on 8 March 2018

4.2 Financial Environment and Current Position

Government support for the economy means that there continues to be severe reductions in funding across the public sector and this looks set to continue for a number of years in order to reduce the level of government debt.

At the time of writing this strategy, the UK economy is in a state of uncertainty following the “leave” decision of the referendum on membership of the European Union and the Prime Minister formally given notice to leave under Article 50. The Prime Minister, following the triggering of Article 50, also announced that there would be a snap general election on the 8 of June 2017. The result of the election and the current negotiations on the terms of the exit from the European Union has added greater uncertainty to the economic and financial market place. The situation will be kept under review with any impact(s) on the budget for 2018/19 will be included before final approval by Council.

4.3 Business Rates

- 4.3.1 For 2017/18, Newark & Sherwood District Council’s retained business rates have been assessed as £3.435m. This does not include any additional growth or amount generated through the Nottinghamshire Business Rates Pool.
- 4.3.2 Over the three years of the settlement, this is estimated to rise to £3.67m, an increase of £0.24m. In reality, however, it is expected that the actual income the Council achieves from Business Rates will be higher than the baseline over this period. The estimated amount of Business Rates income for 2017/18 shows that of the £42,028m collectable in the Newark and Sherwood area, the Council’s share (after allowing for recovery of deficits) is expected to be £4.588m which includes a forecast growth of £1.153m.

Given the uncertainty of the timing of new development or/and new businesses moving into the District, the financial forecast assumes that growth in business rate income will reflect the Government forecast growth. This suggests that broadly income will rise by 2% per annum. The forecasts for retained business rates are as follows (the figures for 2016/17 have been included for comparison purposes):

	2016/17 (actual) £000s	2017/18 (budget) £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s
Base line	3,366	3,435	3,545	3,671	3,715
Forecast Growth	(110)	1,100	420	420	420
Retained	3,256	4,535	3,965	4,091	4,135

In accordance with the table above, £420,000 will be included in the 2018/19 budget for business rates growth.

4.3.3 Move Towards 100% Retention of Business Rates

The Government has consulted on proposals to allow local government to retain 100% of business rate income locally. In total this Council collects in the order of £42.028m of business rate income net of reliefs and exemptions. Irrespective of the changes that are finally agreed it is envisaged that the existing system of tariffs and safety nets will still be in place in some form and that the level of income retained from business rates will be broadly similar to the current level. Interestingly, the move to 100% business rates retention was not included in the Queen's speech following the result of the general election in May 2017 and it is now widely felt that this change will not happen by 2020/21 as previously suggested.

4.3.4 The table below shows the settlement figures for the years 2016/17 through to 2019/20. The key figure is the "Settlement Funding Assessment" which is part Revenue Support Grant and part retained Business Rates and forms the overall amount of funding receivable by the Council.

	2016/17	2017/18	2018/19	2019/20	2020/21 (est)	Change since 2016/17
	£000s	£000s	£000s	£000s	£000s	£000s
Revenue Support Grant	1,777	1,049	592	83	0	(1,777)
Retained Business Rates	3,366	3,435	3,545	3,671	3,715	349
Total Settlement Funding Assessment	5,143	4,484	4,137	3,754	3,715	(1,428)

Under the current business rates retention scheme introduced in April 2013, Councils are able to keep a proportion of the business rates revenue as well as a proportion of the growth that is generated in their area. The estimated amounts for retained business rates, excluding growth in the area, are shown in the table above:

The total settlement assessment amount of £4,137,391 will be included in the funding of the 2018/19 budget together with an amount of £420,000 business rates growth.

- 4.3.5 The position with regard to general inflation remains complex. The latest (August 2017) CPI figure for inflation shows an annual increase of 2.9%. The Bank of England forecast is for CPI inflation to remain around 2% by the end of 2017/18.
- 4.3.6 One of the major areas of the budget affected by inflation is the cost of salaries and wages. The 2016-2018 pay deal comprised a 1% increase per annum with substantial bottom loading of between 10.28% and 2.3% to start towards the introduction of a new National Living Wage (NLW) by 2020. There was agreement to revise the pay spine to meet the requirements of the NLW. This will impact on the Council’s budget and it will be necessary to assess the position on this as further details are announced.
- 4.3.7 The 2018 pay claim asks for a 5% increase on all pay points with the deletion of points 6-9 to ensure that no NJC pay points fall below the Foundation Living Wage of £8.45 per hour. With this in mind it has been decided to include a 2.5% increase in salary costs in 2018/19, with future years’ increases remaining at 1%.

5.0 Income from Fees and Charges

The generation of income from fees and charges is an essential element of the Council’s revenue budget. The overall level of fees and charges is substantially affected by legislation with many chargeable services prevented from recovering more than their costs. The objective therefore is where services are chargeable (and the level of charges is determined by the Council) then they should achieve break-even. Opportunities will also be explored for premium pricing for discretionary services where the Council is able to deliver variable levels of service. The total income from fees and charges included in the MTFP projections was as follows:

	2017/18 (budget) £000s	2018/19 (estimate) £000s	2019/20 (estimate) £000s
Statutory Charges	1,201	1,204	1,208
Discretionary Charges	4,530	4,657	4,670

Castle House income from partners £121,130, full year 2018/19 £242,260

The estimates for fees and charges for 2018/19 will be updated and included in the budget preparation.

6.0 Budget Strategy

- 6.1 Whilst there is always a need to improve efficiency and review existing budgets, the Council’s budget gap in future years means that, as well as further efficiencies, the Council needs to generate “new” revenue streams. Savings from leisure commissioning (Active4Today), devolution and collaboration and savings following the move to the new offices and associated working practices, have been built into the Medium Term Financial Plan and will accordingly be included in the base budget for 2018/19.
- 6.2 The following underlying assumptions (derived from the Council’s approved MTFP) will be applied in compiling the draft budget for 2018/19:

6.2.1 Base Budget

The base budget for 2018/19 will be derived from the **actual** income and expenditure for 2016/17. This is a change from previous years when the base budget was derived from the original budget for the previous year (in this case this would be the original budget for 2017/18). This change in strategy will produce a “tighter” budget and reduce the levels of year- end underspends reported in previous years.

This base position will be adjusted for known one off items of income and expenditure incurred in 2016/17 and for new on-going growth items included in the 2017/18 original budget, plus any on-going estimates approved, by delegation, after approval by Council of the original 2017/18 budget.

6.2.2 Staff Costs

Figures for salaries and wages will be built up from the detailed base position as set out in 6.2.1 taking into account the numbers and salary of each employee per service unit. It has been assumed that within the Service Unit budgets, the Council will employ 100% of the establishment throughout the year with the exception of known unfilled vacancies where salaries are budgeted to commence on the anticipated starting date.

A prudent increase in wages and salaries of 2.5% will be assumed for 2018/19. This increase in estimate from 1% increase to 2.5% increase is in acknowledgement of the national debate, political pressure, and negotiations by Trade Unions to remove the 1% cap for public service workers and to increase the National Living Wage. This estimate will be kept under constant review during the budget setting process and the final figures included in the budget will be based on financial modelling of the proposed, or agreed, changes.

Increases in the National Living Wage will have a knock on impact on all salary pay grades of the Council. The financial implications of these increases will also be kept under constant review and the budget, if required, will be revised before presentation to Policy & Finance Committee on 22 February 2018.

A vacancy provision of 3.5% of the total salary budget for 2018/19 will be made to allow for natural savings being made from posts remaining vacant before being filled. As it is not possible to predict precisely which business units will experience vacancies in the year, an overall saving will be set aside. The estimated amount of this provision based on the 2016/17 outturn is £320,000.

6.2.3 Employer’s Superannuation

The actuarial review carried out as at 31 March 2016 increased the employer’s superannuation contributions from 12.5% to 14.5% from 2017/18. An average amount of £1,070,010 per year for 3 years has been provided in 2017/18, 2018/19 and 2019/20 for historical debt. A further provision will be made at 14.5% for 2018/19.

6.2.4 Provision for Inflation

The budget will be prepared by applying forecast RPI increases to non-staff costs in accordance with the estimate used in the MTFP. In May 2017 RPI was 3.6% and is forecast to remain at this level for the remainder of 2017/18, followed by a drop to around 3% by the end of 2017/18. An inflation rate, therefore, of 3% will be applied to non-salary costs, unless a different specific rate is specified in a contract for the supply of goods and services.

6.2.5 Fees and Charges

The increase in fees and charges will be subject to specific, detailed review by Business Managers who will compare the Council's fees for discretionary services to other neighbouring and family group authorities that provide the same services. The Business Managers will also benchmark the fees with other commercial organisations where similar services are provided. Business Managers will also assess and evaluate whether new fees and charges can be introduced for discretionary services that are not currently being charged for.

Where comparative benchmarking information is not available, an increase equivalent to inflation, 3%, will be applied.

7.0 **Draft Revenue Budget Proposals**

7.1 Business Managers and service budget officers have been working with officers from Financial Services to determine a first draft General Fund budget and Medium Term Financial Plan. The budgets have been prepared in line with the strategy agreed by Policy & Finance Committee on 21 September 2017.

7.2 A summary of the figures to date for the Homes & Communities Committee is shown at **Appendix A** to this report. It should, however, be clearly understood that the figures shown are first draft only and that a substantial amount of work has yet to be completed before any conclusions can be drawn. The figures exclude capital charges and recharges for central services. The subjective summary is shown in **Appendix B**.

7.3 It should be noted that this shows only the budget for services falling within the remit of the Homes & Communities Committee. When the overall budget is considered by the Policy & Finance Committee on 30 November it may refer budgets back where it feels that additional savings need to be made. The Policy & Finance Committee have also instructed the functional Committees be requested to look at opportunities for savings in 2018/19, and also any investment potentials which would increase and support revenue income levels, in order to reduce the projected burdens in future years.

7.4 The current draft budget shows an increase in 2018/19. The increase is due primarily to changes to National Insurance rebates and banding and the 2.5% pay award to employees. It is important that the Committee continues to scrutinise and review its budget in order to achieve additional savings in future years.

- 7.5 Direct service expenditure net of capital charges and internal central services recharges currently shows an overall increase of £207,460 against 2017/18 budget. As noted above, this relates to the 2.5% increase in salary and wages costs overall in 2018/19. It should be noted that the increase in Housing Options (A10213) is funded in part from the Homelessness reserve (shown below the line).
- 7.6 Staffing costs account for approximately 61% of the overall gross service costs excluding housing benefits payments and significant budget savings cannot be achieved without affecting staffing levels.
- 7.7 Major variances between 2017/18 and 2018/19 are shown below:
- 7.7.1 The apparent increase in costs on Housing Options is funded from reserves and homeless grant and is shown 'below the line' in the budget.
- 7.7.2 The cost of the IDOX software is now charged to ICT with recharges to all users. Previously the system was only used by a small number of services, with costs shown directly in their budgets, but it has now been rolled out across the Council. A number of maintenance contracts have also been due for renewal.
- 7.7.3 Staff savings in Revenues & Benefits have been transferred to the Customer Services budget.

8.0 Revenue Budget Bids 2018/19

- 8.1 As stated above, Members will be aware that the Council is likely to face severe budgetary challenges over the next four years. It is anticipated that significant savings will need to be identified in the later years of the Medium Term Financial Plan. As other pressures impact on Local Government spending it is anticipated that further cuts may be forced on to Local Government. Consequently, it is not possible for revenue growth bids to be incorporated into the budget for 2018/19 or following years.
- 8.2 At the meeting on 21 September 2017 Policy & Finance Committee agreed that spending Committees should scrutinise their budgets to look for opportunities for further savings and for spend to save schemes where additional expenditure in the short term will bring increased revenue income in the future.

9.0 Increases in Fees and Charges

- 9.1 Members will be aware that a review of charges is considered as part of the budget process each year. With this in mind it is proposed that a **guideline** figure for increases to fees and charges should be set at a minimum of 3% for each year of the medium term financial plan (see paragraph 6.2.5). In preparing income budgets officers should have regard to this guidance and the level of RPI at the time the charges are set. Each type of income should be considered on its own merits and there should be comparative assessment with other local authorities and service providers in the area before final approval of fees and charges by Council. It is important for income levels to be considered **net** of VAT where appropriate, i.e. to consider the level of income ultimately retained by the Council. Business Managers have been instructed to work with relevant Committee Members prior to making proposals on future levels of fees and charges.

9.2 It is important that fees and charges are considered within the framework set out in the Corporate Charging Policy that is included at **Appendix D**. **It should be noted that Policy & Finance Committee agreed that all charges should be rounded to the nearest 5p with effect from 1 April 2017.**

9.3 Proposals for increases in fees and charges will be brought to the next meeting of the Homes & Communities Committee on 15 January 2018 for consideration and recommendation to Policy & Finance Committee on 22 February 2018 and Council on 8 March 2018.

10.0 Conclusions

10.1 The figures at this stage in the budget process require a considerable amount of work before they are recommended to Policy & Finance Committee on 22 February 2018.

10.2 It is important that the Committee continues to scrutinise and review its budget in order to achieve additional savings in future years at a time when the Council is facing reducing government grants and other financial pressures.

11.0 RECOMMENDATIONS that:

- (a) the Committee undertakes a review of fees and charges accordance with the Corporate Charging Policy and;**
- (b) the current draft Committee budget be incorporated into the overall service budget to be reported to Policy & Finance Committee at its meeting on 30 November 2017; and**
- (c) the Business Manager and Chief Financial Officer – Financial Services, continues to formulate budget proposals for formal consideration at the Homes & Communities Committee meeting on 15 January 2018 for recommendation to Policy & Finance Committee on 22 February 2018.**

Reason for Recommendations

To ensure that the preliminary figures for the budget are considered by Policy & Finance Committee and that final budget proposals for 2018/19 are submitted to the Homes & Communities Committee on 15 January 2018 for recommendation to Policy & Finance Committee on 22 February 2018.

Background Papers

Draft H&C Budget (included with papers for information purposes)

For further information please contact Nick Wilson on Extension 5317, Amanda Wasilewski on extension 5738 or Dean Rothwell on Extension 5478.

Nick Wilson
Business Manager – Financial Services

BUDGET SUMMARY

Appendix A

HOMES & COMMUNITIES

CODE	DESCRIPTION	2017/18 BASE BUDGET	2018/19 BASE BUDGET	MORE/(LESS)
A10204	MISCELLANEOUS HOUSING (GF)	(630)	0	630
A10212	PRIVATE SECTOR SPEECH CALL	(70,450)	(79,000)	(8,550)
A10213	HOUSING OPTIONS	345,140	388,060	42,920
A10215	STRATEGIC HSG (WAS COMMUNITY)	62,670	88,440	25,770
A10216	OLLERTON & BOUGHTON NS ACCOUNT	0	0	0
A10217	SYRIAN VP RESETTLEMENT SCHEME	0	0	0
A10218	HAWTONVILLE DEVELOPMENT FUND	0	0	0
A10802	ICT	414,430	515,260	100,830
A10804	CASHIERS	17,010	25,000	7,990
A10809	CUSTOMER SERVICES	401,180	463,950	62,770
A10810	COMMUNICATIONS & CUST SERVICES	117,460	124,130	6,670
A10814	LICENSING ADMIN	(37,570)	(51,220)	(13,650)
A10816	COMMUNITY SAFETY	38,790	39,300	510
A10820	LICENSING ENFORCEMENT	0	0	0
A10823	ANTI-SOCIAL BEHAVIOUR	28,380	36,990	8,610
A10826	DOMESTIC VIOLENCE	28,250	30,080	1,830
A10834	SOUTHWELL LIBRARY SERVICE	0	1,960	1,960
A11126	CCTV	116,880	96,100	(20,780)
A11607	ENERGY AND HOME SUPPORT	65,860	67,580	1,720
A11921	GRANTS AND CONCESSIONS	396,030	378,050	(17,980)
A11923	EMERGENCY PLANNING	55,420	60,290	4,870
A15013	IS NON STOCK RECHARGES	(1,340)	0	1,340
	TOTAL	1,977,510	2,184,970	207,460

**BUDGET SUMMARY
HOMES & COMMUNITIES SUBJECTIVE SUMMARY**

Appendix B

CODE	DESCRIPTION	2017/18 BASE BUDGET	2018/19 BASE BUDGET	MORE/(LESS)
111	SALARIES AND WAGES	1,552,170	1,655,060	102,890
113	NATIONAL INSURANCE	138,950	166,430	27,480
114	SUPERANNUATION	173,220	218,670	45,450
	EMPLOYEE SUB TOTAL	1,864,340	2,040,160	175,820
211	REPAIRS AND MAINTENANCE	560	0	(560)
212	ENERGY COSTS	1,500	0	(1,500)
213	RENT	20,950	17,600	(3,350)
214	RATES	2,500	0	(2,500)
215	WATER SERVICES	270	0	(270)
217	CLEANING AND DOMESTIC	220	0	(220)
219	CONTRIBUTION TO FUNDS	16,300	16,300	0
315	CAR ALLOWANCES	14,630	13,230	(1,400)
411	EQUIPMENT AND FURNITURE	98,720	157,540	58,820
421	INTERNAL	150	100	(50)
431	CLOTHING AND UNIFORMS	1,130	1,130	0
441	GENERAL OFFICE EXPENSES	30,400	29,040	(1,360)
451	CONTRACTUAL	12,350	5,100	(7,250)
452	OTHER SERVICES	70,540	66,930	(3,610)
	COMMUNICATIONS AND COMPUTING			
461		203,920	209,850	5,930
471	STAFF	4,790	3,940	(850)
481	GRANTS	380,940	342,100	(38,840)
482	SUBSCRIPTIONS	3,230	3,240	10
491	INSURANCE	39,200	55,370	16,170
	CONTRIBS TO FUNDS AND PROVISNS			
492		209,900	189,400	(20,500)
493	OTHER	108,320	129,310	20,990
612	OTHER TRANSFER PAYMENTS	65,550	83,000	17,450
	RUNNING EXPENSES SUB TOTAL	1,286,070	1,323,180	37,110

CODE	DESCRIPTION	2017/18	2018/19	MORE/
-------------	--------------------	----------------	----------------	--------------

		BASE BUDGET	BASE BUDGET	(LESS)
922	Contributions From Other Las	(21,440)	(21,440)	0
928	Recharge Non Gf Accounts	(620,370)	(605,130)	15,240
929	Other Grants	(9,480)	(9,670)	(190)
931	Sales	(120,200)	(119,770)	430
932	Fees And Charges	(17,840)	(6,500)	11,340
933	Rents	(168,230)	(196,600)	(28,370)
938	Fees And Charges	(109,170)	(103,760)	5,410
939	Other Receipts	(99,200)	(110,500)	(11,300)
941	Interest	(630)	0	630
951	Recharges	(6,340)	(5,000)	1,340
	INCOME SUB TOTAL	(1,172,900)	(1,178,370)	(5,470)
	COMMITTEE TOTAL	1,977,510	2,184,970	207,460

2018/19 REVENUE BUDGET TIMETABLE				
Action	Base Budget & General Principles of Budget	Draft Budget	Draft Final Budget	Final Budget Approval & Council Tax Setting
Medium Term Financial Strategy	Policy & Finance 29 June 2017			
Base budget & general principles of budget	Policy & Finance 21 September 2017			
Support services – agree basis for charging		8 September 2017		
Working papers issued to budget officers		31 July 2017		
First draft of treasury estimates based on capital programme reported to September Policy & Finance Committee		6 October 2017		
Draft budgets complete – no support services allocated		22 September 2017		
Budgets uploaded onto eFinancials		25–29 September 2017		
Coordination & review of first draft budget and reports prepared		2–4 October 2017		
First draft budget presented		Homes & Communities 6 November 2017 (papers 04/10/17)		

First draft budget presented		<p>Leisure & Environment 14 November 2017 (25/10/17)</p> <p>Economic Development 22 November 2017 (papers 25/10/17)</p> <p>Policy & Finance 30 November 2017 (papers 08/11/17)</p>	<p>Policy & Finance 30 November 2017 (papers 08/11/17)</p>	
Final treasury estimates completed based on capital performance reported to December Policy & Finance			29 December 2017	
Support services allocated and uploaded to efinancials			1 December 2017	
Final committee budgets approved for consideration by Policy & Finance Committee on 23 February 2018			<p>Homes & Communities 15 January 2018 (papers 13/12/17)</p> <p>Economic Development 17 January 2018 (papers 13/12/17)</p> <p>Leisure & Environment 23 January 2018 (papers 31/12/17)</p>	

			Policy & Finance 25 January 2018 (papers 03/01/18)	
Housing Revenue Account Budget and Rent Setting Report				Policy & Finance 25 January 2018 to refer to Council for approval on 13 February 2018 (papers 03/01/18)
Council Tax Discounts Scheme Determined				Council 12 December 2017
Council Tax Base 2017/18				Officer decision – determined between 1 December 2017 and 31 January 2018
Revenue Budget Setting				Policy & Finance 22 February 2018 (papers 11/01/18)
Parish Council Precept Information Received			(up to) 28 February 2018	
Council Tax Setting				Council 8 March 2018 (papers 28/02/18)

NEWARK AND SHERWOOD DISTRICT COUNCIL

CORPORATE CHARGING POLICY

Revised: September 2017

Date of next revision: September 2018

CONTENTS

- 1. Introduction**
- 2. Purpose of the Policy**
- 3. Processes and Frequencies for Reviewing Charges**
- 4. Factors relevant to the Annual review of Charges**
- 5. Processes for setting charges for new sources of income**
- 6. Calculation of Charges**
- 7. Concessionary Charges**
- 8. Discounts**
- 9. Use of Market Intelligence**
- 10. Further Guidance**

1. Introduction

This Policy applies to external fees and charges other than those prescribed by the government. It provides a guide to internal charging arrangements but is subject to CIPFA's 'Best Value Accounting Code of Practice' and has regard to the Audit Commission's publication "*Positively Charged*".

It is not intended to apply to the disposal of Council assets, rents, internal charges or rechargeable works, nor will it apply where charges are governed by statutory regulation or guidance.

The Policy does apply if we have discretion, but not if there is a prescribed fixed charge.

Over the period of the Medium Term Financial Plan services will align their charges and processes with this policy.

This policy must be read in conjunction with the other related Council policies and strategies, including Financial Regulations, Equalities Policy, VFM Strategy, Corporate Plan.

If after reading this Code you require further guidance or clarification, or you are not sure how best to comply with the Policy then please contact your Business Manager or the Director of Resources.

2. Purpose of the Policy

To establish a policy within which fee and charge levels will support the Medium Term Financial Strategy and Corporate Plan; and,

To encourage a consistent approach to the setting and reviewing of charges for services provided by Newark and Sherwood District Council by:

- specifying the processes and frequencies for reviewing existing charging levels or introducing new charges for areas of the council's work for which charges could in principle be set;
- providing guidance on the factors that need to be taken into consideration when charges are reviewed on an annual basis;
- establishing parameters for calculating different levels of charges;
- recommending the criteria for applying concessions or discounted charges on a consistent council wide basis;
- requiring more active use of market intelligence relating to different services.

3. Processes and Frequencies for Reviewing Charges

The following arrangements for reviewing charges will be applied throughout all areas of the Council where charges for services already exist or could in principle be set:

- all discretionary charges will be considered and approved by Council as part of the Budget and Council Tax setting process in March of each year.

- a major review of each business unit's charging strategy will take place at least once every three years to ensure consistency with the council's priorities, policy framework, service aims, market sensitivity, customer preferences, and income generation needs, and the justification for any subsidy that the council as a whole makes to the service.
- annual reviews will be carried out for all of these services as part of the budget process, and shall have regard for the budget strategy approved in September each year.
- where fees are not to be increased or are proposed to be increased below inflation, this must be reported to CMT by the budget officer clearly stating the financial implications and budget shortfall before the deadline for completion of the revenue budget.
- these formal reviews will be overseen by the appropriate Director.
- where decisions on fees and charges, including any concessions or discounts, are taken outside the budget process approved by CMT and Policy and Finance Committee, any proposals must have due regard to the Medium Term Financial Plan.

4. Factors Relevant to the Annual Review of Charges

Annual reviews of charges will consider the following factors:

- a. inflationary pressures generally and input costs specific to the service;
- b. any statutory framework relating to the service
- c. the actual or potential impact of any competition in terms of price or quality;
- d. trends in user demand and the forecast effect of price changes;
- e. equality and access to services;
- f. customer survey results;
- g. benchmarking results;
- h. council wide and service budget targets;
- i. cost structure implications arising from developments such as investments made in the service;
- j. consistency with other charges;
- k. alternative charging structures that could be more effective;
- l. validity of continuing any concessions;
- m. proposals for targeted promotions during the year, and evaluation of any that took place in the previous year;
- n. where less than the full cost is being recovered (including nil charges), the justification for the decision is reviewed and documented to ensure that this decision remains valid and that significant income is not being lost.

5. Processes for Setting Charges for New Sources of Income

All Business Managers should explore new business opportunities with a view to generating additional income.

All guidance in this Policy must be considered when setting new fees and charges.

A business plan must be prepared.

Any potential new income streams will need to be approved by CMT and Policy and Finance Committee.

The setting of the fees and charges must be made in accordance with the current VAT regulations.

The proposed billing and recovery administrative process must be agreed with the S151 officer prior to the charges being implemented.

A central record will be maintained by the relevant Business Manager of any decisions made not to charge for a service where a charge could be made.

6. Calculation of Charges

Charges will apply to all users, and will be set at a level to maximise take-up and income targets and wherever possible covering or exceeding the full cost of providing the service in question.

It is the responsibility of the Business Manager to ensure that the proposals comply with the appropriate legal framework and any legal restrictions. Advice should be taken from the Council's Legal section before any proposal is finalised.

This calculation of full cost should be based on the direct cost of service provision including staff, supplies and services, equipment, premise costs. Overheads and capital asset depreciation charges should be included but consideration may be given to a less than full cost recovery of these elements where inclusion would distort competition.

Where less than the full cost is being recovered, the justification for the decision must be documented and retained by the appropriate Business Manager and clearly state the financial implications and budget shortfall.

All fees and charges must be calculated in accordance with the current V.A.T. regulations.

7. Concessionary Charges

In some circumstances the Council will offer subsidies to all users or concessions to specific user groups where this is consistent with achieving its priorities.

Entitlement to concessionary charges must have regard to equalities legislation and is designed to reduce barriers to participation arising from:

- Age;
- Level of income;
- Family circumstances;
- Health
- Educational circumstances.

Concessions will not apply to retail sales from shops or cafes.

Concessionary charges may also be made available to organisations whose purpose is to assist the Council in meeting specific objectives in its priorities and policy framework, or which contribute to the aims of key local partnerships in which the Council has a leading role.

Concessionary charges should not normally apply to peak times or in situations that would result in the loss of income from customers paying standard charges. Neither would they normally be available to organisations that are based outside of the Council's area other than on a reciprocal basis.

Only one concession can be applied to the standard charge at any given time.

Services wishing to adopt a concessionary charging scheme must demonstrate the scheme is practicable in terms of assessment, collection and evidencing for audit purposes.

8. Discounts

For certain services it will be normal practice to set promotional discounts, Frequent User discounts or group Discounts.

Promotional discounts are defined as short-term charges that are targeted to increase take-up or awareness of the services that are available.

Frequent User discounts are to be used only for commercial reasons such as generating customer loyalty where alternative provision from competitors exists, and where market analysis shows a real risk of reduced income if they are not offered.

Group discounts are to be used to encourage take up by organisations able to block book and Family discounts to encourage parents and children's take up.

Discounts can be applied to both the standard charge and the concessionary charge.

Discounts can only be applied where the Service has received prior approval of the principle to apply a discount to the charge for this service.

9. The Use of Market Intelligence

All managers of discretionary services for which a charge is made should take steps to identify competitors offering similar or related services, and make use of comprehensive and dynamic market intelligence in evaluating:

- their charging strategy;
- the range of services provided;
- the quality of services provided;
- their cost structure.

All managers of services for which a charge is made should consult with customers, relevant partners and stakeholders on the range, quality and cost of services provided prior to the triennial review.

Consultation should also take place with potential customers and target groups to determine improvements needed to encourage participation at least every five years.

Comprehensive and accurate usage statistics will be maintained for all services and at all facilities where charges are made, to enable analysis of usage, justification of any subsidy given by the Council, and accurate forecasting of the effect of price changes on usage.

Benchmarking should be undertaken at least annually regularly with other Councils in the local area and with relevant national groupings of authorities, to ensure that charges are at comparable levels and that significant differences are understood and justified.

10. Further Guidance

Charges should be payable in advance wherever possible or collected by direct debit or through the corporate income system.

All fees/charges must be reported annually to the Financial Services Business Unit as part of the budget process for publishing in the annual budget book.

All fees/charges must be published on the Councils website.

NEWARK AND SHERWOOD HOMES LIMITED - PERFORMANCE

1.0 Purpose of Report

1.1 To update Members on various issues raised by the Committee at its last meeting on 11 September when it considered a report on performance monitoring for Newark and Sherwood Homes.

2.0 Background Information

2.1 At its meeting on 11 September, the Committee considered a report presented by the Business Manager – Strategic Housing regarding performance information relating to the operations of Newark and Sherwood Homes in accordance with the Management Agreement and Annual Delivery Plan. Members discussed the information provided and raised the following observations, which they requested be looked into further and reported back to the Committee:

- **Housing Register** – Several Members referred to complaints they had received from constituents about the housing application process, they gave examples such as online applications not reaching Newark and Sherwood Homes, not receiving feedback/responses, delays, the practical application of the allocations process itself etc. Members noted that there were no performance indicators measuring satisfaction of the housing application process for applicants when they register for housing and when they update their housing situation. Following the adoption and implementation of the Council’s new Allocations Policy, it had been agreed to undertake a review of how this was working both in policy application and practical terms once it had been in place 6 – 9 months. It was anticipated that the findings of this review would be considered by the Committee once the review had been completed;
- **Tenant Satisfaction** – Whilst the point was made that, although there had been a slight decrease in tenant satisfaction levels these were still in the upper quartile, Members were a little concerned about the downward trend these figures seemed to be demonstrating. They requested more detailed information on what the company is doing to address the current downward trend in satisfaction, as identified in the STAR survey. A Member raised the specific issue of satisfaction levels with responsive repairs which continued to raise some issues with contractors not keeping to appointment times or arriving without an appointment.
- **Walkabouts** – Some Members said that although they found the walkabouts very useful, they did not always get feedback from the Company about issues that had been identified and any action taken as a result. Some also mentioned that they no longer received information about planned walkabouts in their ward. The Committee asked that the Company advise Members of when and where walkabouts were to be held via their NSDC email address and to keep Members updated on the outcome of walkabouts, especially when actions were not taken forward citing the reasons for this.

3.0 Proposals

3.1 A representative from Newark and Sherwood Homes will attend the meeting to respond to, and give further information on, the issues raised by the Committee at its meeting on 11 September 2017.

4.0 Equalities Implications

4.1 In undertaking its role of scrutinising the operational performance of Newark and Sherwood Homes, the Committee receives assurances from the Company that it has in place appropriate safeguards to ensure that all of the Council's tenants are treated fairly and equally and that its services are delivered without discrimination.

5.0 RECOMMENDATION

That consideration be given to the responses received from the representative of Newark and Sherwood Homes in relation to the issues set out in paragraph 2.1 and determine whether any further action regarding these be taken.

Reason for Recommendations

To fulfil the Committee's remit of undertaking scrutiny of the operational performance of the Newark and Sherwood Homes.

Background Papers

Nil

For further information please contact Karen White on Ext 5240

Karen White
Director - Safety

NEWARK AND SHERWOOD HOMES – ANNUAL DELIVERY PLAN

1.0 Purpose of Report

- 1.1 To seek approval from the Committee for the adoption of the Annual Delivery Plan with Newark and Sherwood Homes for the financial year covering 2018/19.
- 1.2 The report also provides Members with an update on progress with the 5 year Housing Revenue Account (HRA) Development Programme.

2.0 Background Information

- 2.1 The Management Agreement is the overarching legal agreement between the Council and Newark and Sherwood Homes, with one of its requirements being that an Annual Delivery Plan is formulated and agreed.
- 2.2 The purpose of the Delivery Plan is to set and guide the main activities, standards or targets of the Company's operations for each financial year, set against the Council's strategic priorities, its housing vision and outcomes and the need to sustain a viable Housing Revenue Account Business Plan (HRA BP). It states in Schedule 6 of the Management Agreement that:

The Annual Delivery Plan will dovetail with the HRA Business Plan and will cover:

- *Housing Vision and Outcomes*
- *Company Governance*
- *Service delivery*
- *Procurement and Capital programme*
- *Finance*
- *Resources*
- *Performance Management and regulation*

- 2.3 The Delivery Plan is underpinned by Newark and Sherwood Homes own Business Plan. This sets out the Company's strategic vision, objectives and core values and outlines the tasks, targets and resources which ensure delivery. Their Business Plan identifies priorities for action and expected outcomes, being used as a live document to stretch the Company to deliver its vision.
- 2.4 The current Delivery Plan covering the financial year 2017/18 expires on 31 March 2017.

3.0 Annual Delivery Plan 2018/19

- 3.1 The proposed draft Delivery Plan from the Company for 2018/19 is at **Appendix One**. Included in this is the progress to date of the key activities in the Delivery Plan (see *Appendix C of the draft Delivery Plan*) that are set to be achieved by the Company during 2017/18.

- 3.2 For ease of Members' reference the key actions (including both continuing and new actions) for the Company going forward into 2018/19 have been extrapolated from the draft Delivery Plan and are set out in **Appendix Two**.
- 3.3 Officers of the Council and the Company have worked together to ensure that the draft Delivery Plan for 2018/19, in setting out the Company's key activities for that year, reflects the Council's strategic priorities, work streams and national housing agenda, such as:
- a) Emerging legislation or recommendations following the enquiry into the Grenfell tragedy.
 - b) The implementation and first year's operation of Gladstone House.
 - c) Ongoing involvement in neighbourhood studies and estate regeneration programmes.
 - d) Recognition of the Council's priorities through the proposed creation of a housing development company; ensuring the company supports delivery of priorities through its affordable offer.
 - e) Consideration of parking solutions across the district linked to the delivery of the 5 year HRA Development Programme.
 - f) Potential of increased HRA Capacity through a bespoke deal with the Department of Communities and Local Government.
 - g) Managing the impact of Welfare Reform, e.g. implementation of Universal Credit and outcomes of the Supported Housing Funding Review.
- 3.4 The Company presented the final draft Delivery Plan for 2018/19, as set out at **Appendix One and Two**, to their Board at its meeting on 28 September 2017 which was approved.
- 3.5 All the above matters are in addition to the Company continuing to deliver the core housing services required under the Management Agreement and measured against the agreed key performance indicators, which are monitored by this Committee.

4.0 Housing Revenue Account (HRA) Development Programme

- 4.1 As Members will note Robert Woodhead Ltd has been appointed as the delivery partner for the 5 year HRA development programme following a detailed and successful procurement process based upon both price and quality.
- 4.2 Newark and Sherwood Homes are project managing the programme on behalf of the Council and regular review meetings are being held between officers of the Council and Company in order to monitor delivery of the programme. At present work is being progressed to formulate a project management fee with the Company, which will be based on per unit delivery rather than a % of the overall programme.
- 4.3 For phase one of the programme, the construction contract has been entered into for the first batch of 5 sites to deliver 18 units in the Newark area, with further batches of sites being added as the project continues.
- 4.4 The delivery of the HRA development programme is progressing well and construction activity commenced on site on the 14th July for the first two sites; Stephen Road and Grange Road Newark. Further sites are commencing with a phased approach during August and the coming months.

- 4.5 At present in phase one, 26 sites have planning consent to deliver 67 units. In addition a further 13 sites are currently being progressed, 4 of which are at the planning stage and if approved will make up any shortfall to phase 1 of the programme or alternatively will be included in future phases.
- 4.6 A consultation exercise with local Members has been commenced for the progression of the further sites that are being considered.

Budget

- 4.7 The tender build prices were close to the Company's estimated projected costs, which were used as the basis for developing the overall projected delivery programme. Due to the small nature of the sites being delivered in year one (average circa 2.5 units per site) the Company have reported they are seeing some uplift in costs mainly associated with statutory service connections to the sites. This is to be expected as the work required to put service supplies in is relatively fixed, but the number of units to absorb these costs is low leading to a higher than average unit cost figure.
- 4.8 In this respect the Company is in discussions with Robert Woodhead to establish accurate costs for the delivery of each site prior to commencement for ongoing financial monitoring. This process will continue throughout the life of the project and work will be progressed to ensure that the average cost per unit over the programme achieves good value for money.
- 4.9 The Company has reported to the Council that through the success in securing a delivery partner within the estimated costs this places them in a strong position to deliver the project to target and within budget over the 5 year programme period.

Learning and Changes

- 4.10 Following review of the extensive work undertaken so far, the below matters will be implemented going forward with future phases of the programme:
- a) More detailed work with planning relating to existing garage sites.
 - b) Enhanced consultation with members relating to each site, which will involve an invite to discuss the particulars of each development prior to a planning application being submitted to ensure Members are fully briefed on the detail at an early stage.

5.0 Proposals

- 5.1 The Committee is asked to consider the 2018/19 draft Annual Delivery Plan for the Company as set out in detail at **Appendix One** for approval, along with progress in the key activities for this current year (2017/18).
- 5.2 For Member's ease of reference the key actions for the Company going forward into 2018/19 are set out at **Appendix Two** for Committee consideration and approval.
- 5.3 The Committee is also asked to note the current progress to deliver the 5 year HRA development programme.

6.0 Equalities Implications

6.1 Equalities implications are involved in all of the continuing and new actions detailed in the report, and these are fully considered and taken into account as an integral part of each of the specific projects relating to these, including equality impact assessment being undertaken where appropriate and reported accordingly before decisions are taken or policies altered.

7.0 Impact on Budget/Policy Framework

7.1 The formulation of the Annual Delivery Plan is an integral document to ensure the effective delivery of the obligations under the Management Agreement and to sustain a viable HRA BP, influencing the HRA's capital and revenue budgets.

8.0 RECOMMENDATIONS that:

- a) **the current progress of the key activities identified in the current Annual Delivery Plan (2017/18) be noted; and**
- b) **the 2018/19 draft Annual Delivery Plan for the Council's housing company, Newark and Sherwood Homes, be approved and implemented; and**
- c) **the Committee notes current progress with delivery of the five year Housing Revenue Account Development Programme.**

Reason for Recommendations

To comply with the management agreement between the Council and its housing company.

Background Papers

Management Agreement between the Council and Newark & Sherwood Homes (2013)
Appendices to the Draft Delivery Plan

For further information please contact Karen White on Ext 5240 or Rob Main on Ext 5930

Karen White
Director – Safety

Annual Delivery Plan



Our vision is
"Delivering excellent Housing Services"

DRAFT
DELIVERY PLAN 2018/19

**Newark and Sherwood Homes
Limited**



<u>Contents</u>		<u>Page</u>
1	Introduction	3
2	Vision and Outcomes	4
3	Governance	6
4	Service Delivery	7
5	Procurement and Capital Programme	8
6	Finance	9
7	Resources	10
8	Performance Management and Regulation	11
9	Summary	12
	Appendix A	13
	Supporting Evidence	
	Appendix B	14
	2016/17 Key Performance Indicators	
	Appendix C	17
	Performance Update – 2016/17 Action Plan	

1. **Introduction**

- 1.1 The Delivery Plan is an annual plan formulated to detail the main activities, targets and standards which will guide Newark and Sherwood Homes operation under the provisions of the Management Agreement for the next financial year; this is the 2018/19 plan.
- 1.2 The Annual Delivery Plan is required to dovetail with the Housing Revenue Account Business Plan (HRABP) and to cover:
 - a) Vision and Outcomes
 - b) Governance
 - c) Service Delivery
 - d) Procurement and Capital Programme
 - e) Finance
 - f) Resources
 - g) Performance Management and Regulation
- 1.3 The plan activities, standards and targets have been updated where required, to reflect and respond to changes impacting on delivery.
- 1.4 A list of this evidence and data used to inform the changes in this 2018/19 Plan is provided at **Appendix A**. Section 9 provides contact details to request any information.
- 1.5 **Appendices B and C** provide a position statement on delivery of the activities and performance indicators in the 2017/18 Delivery Plan.
- 1.6 The main body of the plan focuses on the 2018/19 year and is structured with one section covering each of the above required areas. It has been formulated to take account of the HRABP, the Management Agreement, Company Constitution and Overarching Service Level Agreement.
- 1.7 The activities of the Company, in providing the housing services required under the Management Agreement, will be delivered in accordance with Schedule 1 of the Management Agreement and the key performance indicators and targets set therein.
- 1.12 This plan provides a strategic overview and the key activities, targets and actions.
- 1.13 Separate documents related to this Annual Delivery Plan are:
 - a) Annual Action Plan
 - b) Key Performance Indicators
 - c) Service Fee
 - d) Works Fee
 - e) Annual Procurement Plan
 - f) Asset Management Strategy
 - g) Asset Management Programme.

2. Vision and Outcomes

Standards and Targets

- 2.1 Newark and Sherwood Homes business is guided by the strategic direction of the Council and service is aligned to ensure delivery of the Councils newly adopted priorities on Homes, The Economy, Safety and Cleanliness and Healthiness and the existing Strategic Housing Vision:

"To maintain the Council's housing stock to a decent standard, ensuring that it is fit for purpose to meet the needs of current and future tenants, delivering excellent housing services that offer good value for money, inclusive involvement and achieve tenant satisfaction, set against sustaining a viable Housing Revenue Account Business Plan that can deliver the wider associated strategic priorities and objectives of the Council"

- 2.2 The Council's Strategic Housing Vision has 5 outcomes; the individual sections of the plan outline the activities, targets or standards that will guide the Company operation to deliver these.

Outcome 1: Standards
Delivery of the core business to manage and maintain the Council's housing stock to the required standards, within the Management Fee set, ensuring the stock remains fit for purpose.
Outcome 2: Involvement
Tenant involvement and satisfaction drive the operations of the Company and maintain the delivery of excellent housing services.
Outcome 3: Income
Income collection is maximised and efficiencies are generated to ensure the sustained viability of the Housing Revenue Account Business Plan.
Outcome 4: Housing Need
Support the Council to meet the housing needs of the district's residents set against the area's demographic and socio-economic profile through housing growth and regeneration.
Outcome 5: Growth
Expansion into other business areas through innovation and entrepreneurialism to attract inward investment to enhance services to tenants, the properties and neighbourhoods they live in, deliver the Council's strategic priorities and sustain a viable Housing Revenue Account Business Plan.

- 2.3 The Council's Strategic Housing Vision outcomes inform and influence the following three core aspects underpinning how the Company operates and delivers:
- a) Company Vision:
Delivering Excellent Housing Services
 - b) Company Mission:
We will deliver through our Mission by:
 - Managing and maintaining homes to agreed standards and offering services to support vulnerable people in the community and their own homes
 - Engaging with our customers, tenants, residents, the public, and staff to get the best possible service for every pound spent
 - Building homes for local people and providing opportunities for people to access the housing they need
 - Encouraging tenant involvement in the management of their homes
 - c) Company Core Values:
 - Customers First
 - Valuing Everyone
 - Delivering Excellence
 - Continuous Improvement and Value for Money
 - Sharing Information
- 2.6 The plan, in each section as appropriate, advises of any changes considered to impact on 2018/19 delivery and key activities for the year. Actions continuing from the 2017/18 Plan will be incorporated in the annual Action Plan for 2018/19 and only new activities are detailed below.
- 2.7 Key changes impacting on the 2018/19 plan include:
- i. Emerging legislation or recommendations following the enquiry into the Grenfell tragedy.
 - ii. The implementation and first years operation of Gladstone House
 - iii. The future operation of Vale View
 - iv. Outcomes linked to the delivery of the Ollerton and Boughton Neighbourhood Study
 - v. Progression of Bridge Ward estate regeneration
 - vi. Recognition of the councils priorities through the proposed creation of a housing development company; ensuring the

- company supports deliver of priorities through its affordable offer.
- vii. Consideration of parking solutions across the district – linked to the delivery of the HRA Development Programme
- viii. Potential of increased HRA Capacity through a bespoke deal with the Department of Communities and Local Government
- ix. Implementation of Universal Credit from February 2018
- x. Impact of the Supported Housing Funding Review

3. **Governance**

Standards or Targets

- 3.1 The Company operates comprehensive standards to facilitate robust governance incorporating:
- 3.2 *A Strategic Framework*: setting out key documents that shape the activities of the Company.
- 3.3 *Governance Guide*: sets out the standards of operation of the Board as whole and individual Directors of the Board. Details the role of the Board as:

The Board's central role is to direct the organisation's work - that is to determine strategic direction, deliver the terms of the management agreement, and approve overall expenditure and policies.

The Board should:

- Set the Vision and Mission – where does the organisation want to operate or what does the organisation want to do.
- Define the strategy – the details of how the organisation will deliver its Vision and Mission.
- Define the Core Values – how should the organisation act and behave.
- Management, that is the implementation, of the above, should be delegated to paid staff.

4. **Service Delivery**

Standards or Targets

- 4.1 Service delivery standards are informed by:
- 4.2 *Local Service Standards as required by HCA consumer standards*: determined in consultation with tenants to shape service delivery. These are reported on to tenants in an annual report.

- 4.3 *Objectives:* the nature of the tasks and targets are set for the service to reflect the Council's and the Company strategic objectives. The objectives maintain the focus for the financial viability of the Company along with high performance and satisfaction.
- 4.4 *External Measure and Scrutiny:* this includes externally validated Benchmarked service standard and costs, ISO 9001 Quality Management System Accreditation, Royal Society of Prevention of Accidents (RoSPA) Gold Accreditation, Customer Service Excellence Accreditation and Investors in Excellence. These external mechanisms are a vital and cost efficient way for the Company to maintain and continuously improve standards.
- 4.5 *Professional Trained Staff:* service delivery is determined by the performance and effectiveness of staff an integral part of enabling and supporting staff is the Company's Investors in People Gold Accreditation which supports the Company's culture determined by core values.
- 4.6 *Involvement and Engagement of Tenants and Service User:* the Company continues to maintain comprehensive opportunities for tenants to access and influence the service and provides funding to support this. During 2016/17 the Company introduced a range of new involvement mechanisms and continues to build on these.
- 4.7 *Tenants Panel:* the Panel has role of scrutinising the activities of the Company and is the final stage in the Company complaints procedure. Activity of the Panel is publically reported to the Company AGM and the Panel also provide an annual report to the Council.
- 4.8 *Housing Performance Framework:* This will cover the core activities of the Company set against the Management Agreement and HRA BP.
- 4.9 These standards overall remain unchanged with three additional actions identified to ensure standards are met and to reflect changes to the services delivered by the company
- i. Consider and progress options for the future operation of Vale View.
 - ii. Ensure effective implementation and running of the first year of Gladstone House operations.
 - iii. To ensure continuing compliance with emerging regulation and legislation post Grenfell Enquiry including:
 - Fire measures and actions post Grenfell
 - Tenancy fraud issues post Grenfell

- Emergency plan review

-

5. **Procurement and Capital Programme**

Standards or Targets

- 5.1 The Company delivers a Capital Programme for the Council to maintain its housing stock:
- a) to the agreed Newark and Sherwood Standard
 - b) to maintain an asset base to support a viable Housing Revenue Account Business Plan (HRABP).
- 5.2 *The Capital Programme* is therefore set within the long term view determined in accord with the approved Council's Asset Management Strategy (AMS). The elements of investment required to be delivered annually are detailed in the Asset Management Programme (AMP). This is reviewed annually to maintain a five year rolling programme.
- 5.3 *Effective procurement* of the Capital Programme requires a robust approach to procurement and asset management in terms of delivery and offering best value for money. Building material and contract costs are currently increasing emphasising the importance of effective procurement.
- 5.4 *Tenant involvement* is, and will remain, integrated in the Company's processes through input in standards and practices to involvement in commissioning and awarding contracts.
- 5.5 *Efficiency and income* maximisation through effective procurement maximises resources available to maintain the Council's HRABP. The Company undertakes modelling, analysis and review to contribute to the management of the HRABP with the Council. The Company Self-Financing Prospectus identifies that prudent growth increases the viability of the plan and therefore best supports the delivery of housing need, all other things being constant. As the Council considers meeting housing need through growth and regeneration where appropriate, the Company will support the delivery of the Council's strategic approach to this.
- 5.6 *Effective asset management* to support the council's growth priorities. This includes proactive reviewing of land, communal and general sites as well as individual properties and reviewing individual property and land use.
- 5.7 Key changes impacting on procurement and the Capital Programme informing activities for 2018/19 include the agreed Five Year Development Programme and potential outcomes from the Councils

programme of neighbourhood studies. These are reflected in the following two new actions:

- i) Support the Council in delivering the Bridge Ward estate regeneration project.
- ii) Consider options for and implement parking solution at key sites across the district.

6. **Finance**

Standards and Target

- 6.1 Our approaches are guided by:
- 6.2 *Transparency*: Newark and Sherwood Homes will continue to operate mechanisms that ensure robust financial practices that are open and transparent and will only apply rules of confidentiality in terms of personal data or business or commercial sensitivity. This transparency includes the publication of payments to suppliers greater than £500.
- 6.3 *Assurance and fiscal control*: this is supported by the Company's commitment to employ a company accountant to provide assurance of this practice and to maintain wider measures to ensure fiscal control is maintained. These include:
 - a) *External Audit*
 - b) *Internal Audit programme*
 - c) *Specific financial controls and procedures*
 - d) *Financial Conduct Services*
- 6.4 *Efficiency and inward investment* support the Company's financial viability and the priorities of the HRABP. To guide the delivery of the efficiency requirement of the Management Fee, the Company has an *Efficiency Strategy* which outlines the Company approach and prioritises activities to deliver efficiency and inward investment.
- 6.5 The Company's Growth Strategy supports income generation allowing the maximisation of resources and overall housing and economic delivery. This supports the viability of the HRABP and delivery of council priorities
- 6.6 During 2018/19 the company will further implement and embed its wider affordable housing offer.

7. **Resources**

Standards and Targets

- 7.1 To maximise resources available to the Company our approach includes:
- 7.2 *A suite of Human Resources policies* including: robust job descriptions, person specifications, job evaluation and recruitment and selection processes to attract and retain the best experience and skilled employees.
- 7.3 Staffing resource costs are pressurised in some areas and ongoing practices to accommodate changes in demand and skills are required to find proactive solutions to recruitment, retention, and delivery. National pay scale review changes are being actively considered.
- 7.4 *Use of technology and systems* to underpin agile working.
- 7.5 *Cultural and Performance* requirements for all employees and Directors of the Board to meet agreed high quality.
- 7.6 *External assessment and accreditation* mechanism: Investors in People, ROSPA, ISO9001 Quality Management Standard, Customer Service Excellence, Investors in Excellence, Langland's Good Governance in Public Services Standard.
- 7.7 *Joint working, collaboration* and procurement to deliver efficiency and support delivery of joint priorities.

8. Performance Management and Regulation

Standards and Targets

- 8.1 Our approach to performance management and regulation is comprehensive and includes both internal and external mechanisms:
- 8.2 These processes combined are comprehensive and resilient to provide the opportunity for openness, transparency and timely intervention and support where required.
- 8.3 External activities undertaken by different parties are detailed in the following table:

Tenants and the Public	Council as Shareholder	External Authority or Body
Tenant Panel Tenants Panel	Regular liaison Meetings	External Audit Housemark Bench Mark

Tenants and the Public	Council as Shareholder	External Authority or Body
Report Complaints Local Service Standards Tenants Annual Report Tenant Recognition Award for staff Tenant Forum Tenant Scrutiny Panel Performance Monitoring Panel Service Improvement Panel Tenants and Residents Groups	Quarterly Reporting Assurance Report Annual Delivery Plan Annual Procurement Plan Annual Action Plan Key Performance Indicators Annual Benchmarking Annual Tenant Panel liaison	Investors in People gold Customer Service Excellence ISO quality Management System RoSPA Investors in Excellence Gas Safe NICEIC (National Inspection Council for Electrical Installation Contractors) STAR tenant satisfaction survey Financial Services Authority Companies House CIPFA HCA

- 8.4 A schedule of performance indicators have been determined to be monitored by the Council. These will be forwarded to the Council by the Company to agreed timelines.
- 8.5 To facilitate internal performance management and deliver the requirements of external scrutiny, NSH has comprehensive internal performance mechanisms. These are set to meet clearly defined expectations and requirements in delivering the Company Vision, Mission and Core Values and include:
- ❖ Performance Management Framework
 - ❖ Employee performance one to one meetings
 - ❖ Annual Review of the Board
 - ❖ Director of the Board appraisal
 - ❖ Staff Development Interviews
 - ❖ Touch base meetings
 - ❖ Team meetings/ tool box talks
 - ❖ Back to the Track for senior management
 - ❖ Staff Satisfaction Survey
 - ❖ Board Excellence Awards
 - ❖ Face to Face meetings with the Chief Executive
 - ❖ Staff Recognition Awards
 - ❖ Staff Conference
 - ❖ Corporate Training

8.6 Where the Company commissions, services or supports third party bodies, all activities are performance managed through appropriate mechanisms, Contracts, or Service Level Agreements.

9. Summary

9.1 Sections 1 to 8 of this Plan capture the activities, standards or targets that will guide NSH's operation in 2018/19 to deliver the requirements of the Management Agreement.

9.2 Any document referred to in this plan is available by contacting Newark Sherwood Homes' Executive and Company Support Service via NSH.ECSS@nshomes.co.uk or by contacting 01636 655900.

Evidence and information

- Management Agreement
- Newark and Sherwood Homes Strategic Framework
- House Mark Benchmarking Report
- STAR Satisfaction Survey
- Local Service Standards
- Council's Housing Growth Strategy
- Annual Action Plan

Appendix B

Key Performance Indicators






Performance Indicators	2016/17 Outturn	2017/18 Target	2018/19 Target	Latest Outturn	Target/ Mgmt Info
Income					
% of rent collected from current tenants as a % of rent owed	98.87%	99.3%	98.6%	96%	Target
Amount of current arrears as a % of annual rent debit	1.59%	1.55%	1.6%	1.9%	Target
% of rent loss through dwellings being vacant	0.69%	0.6%	0.6%	0.83%	Target
Former tenant arrears as a % of annual rent debit	0.88%	0.70%	0.88%	0.98%	Target
% of current leaseholder arrears	0.02%	0.02%	0.02%	0.02%	Target
% of rent arrears written off	0.77%	0.26%	0.40%	0.15%	Target
% of supported housing tenants in support charge arrears	5.13%	3%	3%	4.93%	Target
Right to Buy					
Number of RTB sales	29	25	N/A	8	Mgmt Info
Average RTB value	£61,609.91	N/A	N/A	£54,513.75	Mgmt Info
Average RTB discount	£59,915.95	N/A	N/A	£64,705	Mgmt Info
Asset Management					
% of properties meeting the Newark and Sherwood standard	100%	100%	100%	100%	Target
% split between responsive repairs (revenue) and Asset Investment Programme (capital)	81/19	(80/ 20) capital/ revenue)	(80/ 20) capital/ revenue)	70/30	Target



Performance Indicators	2016/17 Outturn	2017/18 Target	2018/19 Target	Latest Outturn	Target/ Mgmt Info
New 2017/18 Number of properties delivered through the HRA Development Programme	N/A	70	70	0	Target
Welfare Reform					
% of general needs tenants under occupying	13.2%	13%	13%	13.11%	Target
% of general needs tenants under occupying and in arrears	6.6%	7.54%	6.6%	7.1%	Target
% of tenancies paying by Direct Debit	54%	70%	70%	57%	Target
Number of general needs tenants in receipt of housing benefit	1,549	1,650	N/A	1,542	Mgmt Info
Number of supported housing tenants in receipt of housing benefit (Universal Credit)	1,518	1,600	N/A	1,513	Mgmt Info
New 2017/18 Number of general needs tenants in receipt of Universal Credit	N/A	N/A	N/A	25	Mgmt Info
New 2017/18 % of tenants on Universal Credit and in arrears	N/A	N/A	N/A	0.65%	Mgmt Info
Customer					
% of general needs tenants satisfied with the quality of their home	87.7%	91%	91%	Reported annually	Target
% of supported housing tenants satisfied with the quality of their home	92.5%	96%	96%	Reported annually	Target
% of general needs tenants satisfied with the responsive repairs service	80.9%	85%	85%	Reported annually	Target
% of supported housing tenants satisfied with the	87.3%	91%	91%	Reported annually	Target

Performance Indicators	2016/17 Outturn	2017/18 Target	2018/19 Target	Latest Outturn	Target/ Mgmt Info
responsive repairs service					
% of tenants satisfied with supported housing services	85.5%	90%	90%	Reported annually	Target
% of general needs tenants satisfied with landlord / overall service	90%	95%	95%	Reported annually	Target
% of supported housing tenants satisfied with landlord / overall service	89.5%	93%	93%	Reported annually	Target
% of general needs tenants satisfied with the neighbourhood	88.6%	95%	95%	Reported annually	Target
% of supported housing tenants satisfied with the neighbourhood	93.4%	95%	95%	Reported annually	Target
% of properties in low demand	0%	3.5%	1.5%	1%	Target
Complaints referred to Tenant Panel and / or Housing Ombudsman	1	2	2	0	Target
Sustainability					
Inward investment achieved	£1,500,000	£330,000	N/A	£0	Mgmt Info
Efficiency delivery achieved (as specified in the Management Agreement)	3%	3%	3%	1%	Target
Revenue spend for management and maintenance costs against budget	£8,601,232	£8,993,113	N/A	£2,483,945	Mgmt Info
Level of reserves	£3,510,000	£1,140,000	N/A	£4,389,000	Mgmt Info
Change in NSH Stock Size	+6	+8	+6	0	Target

Action Plan 2017/18 – Progress Report

Key:  – On Target  – Completed

Title	Status	Position statement
Delivery of the Council's housing growth strategy		<p>The HRA Development Programme remains on target to deliver 70 units within year one.</p> <p>Several sites have now commenced with Robert Woodhead Ltd on site.</p> <p>65 units have now been granted full planning permission with remainder in the planning process.</p>
Formulation of generic access to housing suitable to the individual's need		<p>The online portal 'MyAccount' is now available for tenants to access with enhanced functionality to be delivered by Spring 2018.</p>
Support the Council in maintaining the viability of the HRABP		<p>The work from SHLP has comprehensively considered the HRABP, formed the HRA Development Programme and reviewed the HRA performance which remains viable.</p>
Deliver the extra care new build scheme at Bowbridge Road		<p>Works are progressing and completion is expected to be on target and within budget. Changes and management actions are being required with respect to utilities installation to avoid delays. Homes to be let by end of March 2018.</p>
Liaison with the Council to provide a co-ordinated approach and preparation for the relocation to new offices from Kelham Hall		<p>The Company has worked with the Council to coordinate the move of NSH staff week commencing 18th September 2017.</p>
Delivery of channel shift for access to services		<p>The new website is live and has included a webchat facility. Online self - service through 'MyAccount' continues to be developed to offer additional services to tenants and applicants – supporting ease of access to online services.</p>
Respond to the shareholder appetite for innovation in		<p>Focus is currently on the delivery of the HRA Development Programme, Gladstone House and the company's</p>

Title	Status	Position statement
liaison with and through support from the Council to realise opportunities		development at Belle Vue Lane which are all progressing well. A stronger focus will now be placed on developing services for older and vulnerable customers e.g. repairs and expansion of the Careline service.
Expand contemporary and varied mechanisms for one off as well as ongoing tenant involvement projects		Formal tenant involvement mechanisms are embedded and yielding outcomes. The company has created a database of tenants who have expressed an interest in being consulted with but do not wish to commit to formal involvement mechanisms.
Deliver the Community Development role across the Hawtonville estate, meeting the required outcomes of the Hawtonville Neighbourhood Study		<p>The delivery of the objectives identified by the neighbourhood study are in progress. Research has been completed and a template designed to enable a self-sustaining community led body to be formed.</p> <p>Links across agencies and tenant groups continue to be strengthened and areas for capacity building within groups have been identified in order to ensure this is achieved.</p>
Work with the Council to determine the impact of, and support the implementation of regulations emerging from the Housing and Planning Act		The company is in continual liaison with council colleagues and is awaiting further information from central government.
Support the Council in taking forward outcomes linked to neighbourhood studies at Ollerton, Boughton and Bridge Ward		<p>The Company has engaged in the early stages of the Ollerton and Boughton neighbourhood studies and will support the overall project whilst the Company's role is determined.</p> <p>Company representation on the Bridge Ward project group has been agreed and the company is actively supporting the project group and appointed consultants.</p>
Implementation of Welfare Reform and Universal Credit		<p>The full roll out of Universal Credit is due in Feb 18 and work is underway including training, enhanced reporting, communication to tenants and re-aligning responsibilities focused on maintaining income recovery performance.</p> <p>A focus on direct debit payments over the last few years has increase the % of tenancies paying by DD. from (this date)</p>

Title	Status	Position statement
		<p>to (this date)</p> <p>The Company has continued to develop systems, processes and people resources focused on seeking to manage and mitigate the impact of welfare form for example, development of 'MyAccount' facility – allowing tenants to view their rent account and see if they are up to date.</p>
Develop a planned approach to integration with Health and Social Care	▶	<p>Representatives of the company are engaged in work with partner agencies to identify and improve the offer of Social Care and Health Services to tenants. The development of Gladstone House has provided an opportunity to work with Nottingham County Council commissioners to review the levels of demand for supported housing in other settings across the district, for a range of vulnerable people, which the company are leading on. Findings will come forward within the next nine months.</p>

Annual Action Plan – Key tasks

Continuing Actions

- i. Work in partnership with the Council to support delivery of the council's housing growth strategy, set against maintaining a viable HRA BP and specifically in the delivery of the HRA Development Programme.
- ii. Respond to the shareholder appetite for innovation in liaison with and through support from the council to realise opportunities.
- iii. Support the Council in taking forward outcomes linked to neighbourhood studies at Ollerton, Boughton.
- iv. Support the Council and tenants in the ongoing implementation of Welfare Reform including Universal Credit, the implementation of Local Housing Allowance Cap on rents and changes to eligibility for those aged under 35.

New Actions

- v. Support the Council in delivering the Bridge Ward estate regeneration project.
- vi. Consider and progress options for the future operation of Vale View.
- vii. Ensure compliance with emerging regulation and legislation post Grenfell Enquiry including:
 - Fire measures and actions post Grenfell
 - Tenancy fraud issues post Grenfell
 - Emergency plan review
- viii. Consider options for and implement parking solution at key sites across the district.
- ix. Ensure effective implementation and management of the first year of Gladstone House operations.
- x. Implement and embed the company's wider affordable housing offer, supporting the overall council priorities.
- xi. Expansion of HRA development Programme through capacity deal
- xii. Consider the outcomes of the National Pay Scale Review and any required impacts and actions.
- xiii. Consider the outcomes of the Supported Housing Funding review