

## AGENDA

### **CABINET**

**TUESDAY, 9 JUNE 2020**

**4.00 PM**

**A VIRTUAL MEETING VIA ZOOM VIDEO  
CONFERENCING SYSTEM**

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Due to the Covid-19 outbreak and the restrictions by the Government on gatherings of people, this meeting will be conducted remotely using the Zoom video conferencing system. There will be no access to this meeting at the Council offices but you can view the meeting on YouTube, apart from any items marked confidential.

Today's meeting can be viewed on YouTube via the following link URL:  
[https://youtu.be/zy\\_EIWPpP2c](https://youtu.be/zy_EIWPpP2c)

- 1 To receive apologies for absence
- 2 Previous Minutes (Pages 3 - 6)  
  
To confirm the minutes of the previous meeting held 12 May 2020
- 3 To report additional items for consideration which the Chairman deems urgent by virtue of the special circumstances to be now specified
- 4 To receive members' declaration of any interests under the Local Code of Conduct or any interest under the Code of Conduct on Planning Matters in respect of any item to be discussed at the meeting
- 5 Homelessness Action Plan (Pages 7 - 64)

To consider approval of a Homelessness & Rough Sleeping Strategy and action plan 2020- 2022.

6 LATCo Business Case (Pages 65 - 86)

To provide Cabinet with a business case to support the creation of a Local Authority Trading Company (LATCo) to build on and aid implementation of the Commercial and Investment Strategy.

7 Draft 6 Month Cabinet Forward Plan (Pages 87 - 88)

For information purposes.

8 Items which the Chairman has under item 3 deemed urgent

Monday, 1 June 2020

Members: Councillor C Boden (Chairman), Councillor Mrs J French (Vice-Chairman), Councillor I Benney, Councillor S Clark, Councillor Miss S Hoy, Councillor Mrs D Laws, Councillor P Murphy, Councillor C Seaton, Councillor S Tierney and Councillor S Wallwork

## CABINET



**TUESDAY, 12 MAY 2020 - 4.30 PM**

**PRESENT:** Councillor C Boden (Chairman), Councillor Mrs J French (Vice-Chairman), Councillor I Benney, Councillor S Clark, Councillor Miss S Hoy, Councillor Mrs D Laws, Councillor P Murphy, Councillor C Seaton, Councillor S Tierney and Councillor S Wallwork

**OFFICERS IN ATTENDANCE:** Amy Brown (Chief Solicitor and Deputy Monitoring Officer), Peter Catchpole (Corporate Director and Chief Finance Officer), Phil Hughes (Head Of Leisure Services), Simon Machen (Interim Corporate Director), Paul Medd (Chief Executive) and Carol Pilson (Corporate Director and Monitoring Officer)

**GUESTS:** Steve Rosevear of Hatch Regeneris and Ross Ingham of Ingham Pinnock

Councillor Boden welcomed members of the public and press watching the livestream of the Cabinet meeting via YouTube due to Government guidance on social distancing. The meeting was held in accordance with the provision set out in the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 and with Fenland District Council's Virtual Meeting Protocol.

Councillor Boden then announced the sad news that since the last meeting of Cabinet, one sitting Councillor, Cllr Alan Bristow, and previous long standing Councillor, Cllr Kit Owen, have both passed away.

A minute's silence was held as a mark of respect.

### **CAB32/19 PREVIOUS MINUTES**

The minutes of the previous meeting held 19 March 2020 were agreed.

### **CAB33/19 COVID-19 UPDATE REPORT**

Members considered the COVID-19 update report presented by Councillor Boden.

Councillor Boden congratulated officers on the amount of work and dedication which they have shown over the last two months. He said they have gone above and beyond what is expected in order to meet many of the challenges faced and he could not speak highly enough of their effort and professionalism in doing so.

In respect of business grant payments, Councillor Boden reported a slight update to the original report. A total of 1,448 business continuity grants totalling £16.175m have now been paid out to local businesses and a further 57 grant forms received are undergoing further verification. There are still a few businesses that may be eligible that have not yet applied but these are being actively pursued. The Council received from central Government an individual allocation of £21.796m, of which 74.12% has been paid out.

Councillor Tierney said he had received a lot of feedback from local businesses who found the grants very helpful; a number had said they were pleased at the speed that the Council processed their grants and this had been vital for their ability to survive at this time. He had found when

speaking to some other local businesses that if they had heard about the scheme they were unsure as to whether it was genuine, however he had been able to encourage some further businesses to apply. Councillor Boden thanked Councillor Tierney, adding that it was true that some felt it was a fraudulent attempt to gain information, or that they believed they would not qualify because they do not pay business rates, and others thought this was a loan that they would have to pay back; all three of these statements are false but the more we can get the message out, the better.

Councillor Mrs French agreed with Councillor Tierney, some of the businesses she had contacted in March were unaware this is a grant and not a loan to be repaid; however it cannot be made any clearer and hopefully those she has spoken to will now apply.

Councillor Mrs Laws also confirmed and reiterated what Councillor Tierney had said. She had received a number of calls from small local businesses; officers have reacted quickly within days of the applications being approved and this will help them, not all may survive but this gives them help and hope for a positive future in the coming weeks. Some have said they will be writing to the Council with their thanks. Councillor Boden thanked Councillor Mrs Laws.

**Cabinet AGREED to note the content of the report.**

### **CAB34/19 MARCH FUTURE HIGH STREET FUND BID**

Councillor Boden asked members to determine whether Annexe G of the report, which contains information considered exempt under Schedule 3 of Paragraph 12a of the Local Government Act 1972, should be exempt thereby excluding the press and public from the meeting should it be discussed, or whether the public interest in disclosing this information outweighs the public interest in maintaining the exemption. The confidential motion was agreed.

Members then considered the March Future High Street Fund Bid report presented by Councillor Seaton.

Councillor Seaton welcomed several members of the project group who have worked on the bid and are available to answer any questions, namely Steve Rosevear from Hatch Regeneris, the lead consultants, Ross Ingham, from Ingham Pinnock, supporting consultants, and from FDC, Phil Hughes and Simon Machen, Interim Corporate Director. Councillor Seaton reiterated that this is a once in a generation opportunity to bring considerable positive change to March town centre.

Councillor Boden thanked Councillor Seaton.

Councillor Mrs French thanked Councillor Seaton for the comprehensive summary and agreed it is once in a lifetime opportunity. She said that we are fortunate that March currently has four ongoing projects all interlinking, there being one particular bid that we could not pursue on its own. These include the High Street bid, Growing Fenland and the March Area Transport Study. Councillor Mrs French added she had a slight concern with the interlinking of the Transport Study with regard to March market place and Broad Street. However, the Transport Study is going out for a six-week consultation this week until 28<sup>th</sup> June and it will be interesting to see the comments received from members of the public and they will be encouraged to support all these schemes.

Councillor Boden thanked Councillor Mrs French and asked all members, officers and consultants if they had any comments to make based on Councillor Mrs French's concern regarding the market place. There were no additional comments.

Councillor Sam Hoy said it was a very good report; she enjoyed reading it and if she lived in March would be excited by the proposals. Generally in other towns there have been visions and

strategies whereas this report gives actual projects, costs and timescales and is the sort of document that we need to be working from in every town.

Councillor Boden thanked Councillor Hoy and asked if anyone had anything to add to her comments. Ross Ingham said he could only reiterate Councillor Seaton's comment upon presentation of the report that the scale of investment on offer from the MHCLG is unprecedented in these challenging times for market towns the size of March. He added that the Hatch Regeneris team had gone into such great detail that this could only be of benefit to the bid, so he is glad to hear that councillors are recognising the opportunity it represents.

Councillor Boden thanked Ross Ingham and also all who had been involved in the production of the report; this had involved a lot of hard work over a long period of time.

Cllr Seaton concurred with Councillor Boden; a lot of hard work has gone into the proposal and everyone involved should be congratulated on the amount of work and time put into it and we can only hope the bid is successful.

Councillor Boden thanked Councillor Seaton, adding that he was grateful members had not felt it necessary to discuss the confidential appendix and therefore take the item into a closed session.

**Cabinet AGREED to note the bid document attached to the report and to authorise the Chief Executive to submit the bid to MHCLG, following consultation with the Portfolio Holder for Social Mobility and Heritage, once the final aspects of the bid has been included.**

*(Councillor Mrs French declared a non-pecuniary interest, stating for the record that she had a lot of involvement with the High Street bid).*


#### **CAB35/19 DRAFT 6 MONTH CABINET FORWARD PLAN**

Councillor Boden presented the Cabinet Forward Plan for information. Councillor Seaton commented that it remains to be seen whether the Coates Conservation Area Appraisal will be an agenda item in September as stated currently, but hopefully it will. Councillor Boden said the item would be left on the plan for now but will be changed if necessary.

4.57 pm

Chairman

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Agenda Item No:	<b>5</b>	
Committee:	<b>Cabinet</b>	
Date:	<b>9 June 2020</b>	
Report Title:	<b>Homelessness &amp; Rough Sleeping Strategy and Action Plan 2020-2022</b>	

## Cover sheet:

### **1 Purpose / Summary**

- To consider approval of a Homelessness & Rough Sleeping Strategy and action plan 2020- 2022.

### **2 Key issues**

- It is a requirement from Ministry Housing Communities & Local Government (MHCLG) to publish a homelessness and rough sleeper strategy and action plan.
- The council has responded positively to the needs of the community and successfully bid for central government funding to provide services and initiatives to help tackle homelessness and rough sleeping in Fenland.
- The strategy set out in Appendix A and Action plan at Appendix B has been co-produced under the leadership of the portfolio holder with a large number of partners in the public, private and community and voluntary sector who recognise that homelessness is everyone's business and homelessness is an unacceptable outcome.
- The process included:
  - November 2019 - All Member Seminar
  - January 2020 - Partner workshop. Comments were captured and the draft reflected the feedback from the event.
  - February / March 2020 - Draft consultation with partners who support the strategy delivery to ensure the document presented today reflected the issues and actions required from all stakeholders to meet the challenges of homelessness in the district
  - As part of the consultation the strategy and action plan was sent to our advisors at the MHCLG for comment
- The Council received 7 responses to the consultation. The feedback and the Council's response is set out in Appendix C and the changes in response to the consultation are highlighted in yellow in both the strategy and action plan
- Since the strategy consultation period ended the COVID 19 pandemic became an emergency and the document has been amended to reflect the actions the Council has and are taking to meet the public health expectations for Rough Sleepers.
- The strong and effective partnership approach we have via these funding streams has enabled the council to positively respond to rehousing all rough sleepers and those in night shelter hostel accommodation temporarily under Covid-19.

- Once approved the document will be designed for publishing on the website.

### 3 Recommendations

It is recommended that Cabinet:

- Approves the Homelessness and Rough Sleeping Strategy and action plan 2020-2022

<b>Wards Affected</b>	All
<b>Forward Plan Reference</b>	
<b>Portfolio Holder(s)</b>	Cllr Samantha Hoy
<b>Report Originator(s)</b>	Dan Horn Head of Housing & Communities Sarah Gove Housing & Communities Manager
<b>Contact Officer(s)</b>	Dan Horn as above Sarah Gove as above Carol Pilson - Corporate Director
<b>Background Paper(s)</b>	MHCLG Homelessness code of guidance for local authorities



## 4 Background / introduction

- 4.1 The Council is required by the Ministry of Housing, Communities & Local Government (MHCLG) to produce a strategy outlining how it will tackle homelessness and rough sleeping.
- 4.2 In 2018 the Homelessness Reduction Act was introduced. This gave additional duties to all councils to focus on prevention of homelessness by giving an additional timeframes to advise and assist clients.
- 4.3 Whilst the council has been very successful in preventing homelessness through a range of options and initiatives (including leading the successful Cambridgeshire and Peterborough Trailblazer programme), we have seen an increase in rough sleeping, often with individuals who have multiple needs and not solely the requirement for housing.

## 5 Considerations

- 5.1 The council has been successful in bidding for funding for additional resources and to fund specific initiatives to tackle homelessness and rough sleeping. The government's Controlling Migration Fund (CMF) and Rough Sleeper Initiative (RSI) funds (circa £600,000) have enabled the council to lead of a range of initiatives including specialist outreach work with an organisation called Change Grow Live (CGL) and the creation of an advice Hub with the Ferry Project. The outcomes of these initiatives have led to many clients being rehoused into suitable and supported homes along with work and training opportunities alongside support for their wellbeing .
- 5.2 The strategy sets out: the needs and trends for homelessness within Fenland to enable the council to respond positively and proactively with partners which include broader statutory public sector and third sector organisations to maximise positive outcomes for our clients. This is detailed into an action plan.

## 6 Consultation

- 6.1 The strategy set out in Appendix A and Action Plan at Appendix B has been co-produced under the leadership of the portfolio holder with a large number of partners in the public, private and community and voluntary sector who recognise that homelessness is everyone's business and homelessness is an unacceptable outcome.
- 6.2 The process included:
- November 2019 - All Member Seminar
  - January 2020 - Partner workshop
  - February / March 2020 - Draft consultation on the strategy and action plan with partners who support the strategy delivery to ensure the document presented today reflected the issues and actions required from all stakeholders to meet the challenges of homelessness in the district
  - As part of the consultation the strategy and action plan was sent to our advisors at the MHCLG for comment
- 6.3 The Council received 7 responses to the feedback and the feedback and amendments made is set out in Appendix C and the changes in response to the consultation are highlighted in yellow in both the strategy and action plan
- 6.4 MHCLG responded with the feedback set out in the table below:

MHCLG Comment	Response
Having an up to date strategy and	Thank you for your feedback - we believe

<p>delivery plan in place that reflects local priorities (identified through the homelessness review), developed and delivered with key partners to reduce homelessness</p>	<p>that these elements have been reflected into our strategy and action plan</p>
<p>Having reviewed your strategy I think it would appear to cover this – although the degree to which it reflects local is a matter for you and I cannot comment on that specifically. There is a national target to end rough sleeping ‘in this Parliament’ and your action plan might reasonably reflect that.</p>	<p>This has been reflected in the action plan</p>
<p>Equally important is that you continue to monitor your progress, ensure partners, stakeholders and service users are appraised of it and that you continue to engage by holding regular update meetings and maintain a homeless forum in some form or otherwise continue to capture the views of everyone involved in its delivery.</p>	<p>Thank you, we will liaise with partners and discuss how they would like to be involved in reviewing our progress</p>

6.5 The amendments made in response to the consultation are highlighted in yellow in the strategy (Appendix A) and action plan (Appendix B)

## 7 COVID-19

7.1 Since the strategy consultation period ended the COVID 19 pandemic became an emergency and the document has been amended to reflect the actions the Council has and are taking to meet the public health expectations for Rough Sleepers as a result of the world-wide pandemic.

7.2 The council has responded in accordance with government's direction to rehouse all rough sleepers and those homeless clients living in night hostel accommodation under Covid-19. This was achieved very successfully thanks to the Rough Sleeper Initiative funded support element with the outreach service and support Hub and specialist officers already being in post.

7.3 The council is working closely with partners and the private rented sector to enable move on accommodation from temporary accommodation through a range of options to meet the individual needs of our rough sleeper clients.

## 8 Community Impact

8.1 A community impact assessment is attached at Appendix D

**APPENDIX A**

**DRAFT FENLAND DISTRICT COUNCIL**

**HOMELESSNESS AND ROUGH**

**SLEEPING STRATEGY 2020 - 2022**

DRAFT

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## **FOREWORD**

It gives me great pleasure to introduce the latest Homelessness and Rough Sleeping Review and action plan from Fenland District Council.

Whilst we face many challenges with homelessness and rough sleeping, we do not take on these challenges alone, we work closely with valuable partners to give support and opportunity to our most vulnerable members of our community, putting our customers at the heart of everything we do is key to successfully meeting the challenge.

We have worked hard as a multi-agency partnership to build on opportunities to tackle our issues together as one team and I am proud of what has been achieved so far. However, there is still much to do and I hope that we can continue to work collaboratively with energy and vision to eliminate homelessness and rough sleeping in Fenland at the earliest opportunity.

***Councillor Samantha Hoy***

Portfolio Holder for Housing

## **THE NATIONAL PICTURE**

During 2019, there has been an 11.4% increase in the number of households assessed by local authorities as either homeless or threatened with homelessness according to government figures for England.

In the three months leading up to June 2019, 68,170 households were owed a homelessness prevention or relief duty from their local authority, up from 61,210 in the same quarter in 2018.

The number of people who are actually homeless hit 280,000 in 2019, 23,000 more than for the same period 3 years ago.(Shelter).

Of the 68,210 households who were homeless or threatened with homelessness, 30,670 (45%) were identified as having one or more support needs, with mental health being the most common need.

The number of households in temporary accommodation is the highest in more than a decade, with 86,130 households living in various forms of temporary housing at the end of June 2019.

In London, 16.07 households were living in temporary accommodation per 1,000 households overall, compared with a national average of 1.47 households per 1,000.

Shelter published its annual review of homelessness in England, which found that one in every 2000 people are without a home. This figure is based on the sum of those in official temporary accommodation and the number of people sleeping rough.

Households with dependent children accounted for 61,800 (71.8%) of those living in temporary accommodation, and there are 127,370 dependent children living in temporary accommodation overall.

A total of 23,430 (27.2%) households in temporary accommodation were placed in accommodation outside of their local authority, with London accounting for 86.1% of the out-of-district placements.

The new national government has pledged in its manifesto to end rough sleeping by the end of this parliament term in 5 years.

## **THE LOCAL PICTURE**

Fenland is located in the East of England region with rail access to London and to Stansted Airport. It is a largely rural district, which surrounds the city of Peterborough

and comprises of villages and four market towns which are generally 10–20 miles from Peterborough. The current population is 95,300 residents (source census 2011).

Affordability remains a growing problem for Fenland District Council with the cost of buying or renting on the open market consistently high. The average house price in October 2019 was £205k Median and lower quartile house price to income ratio is 6.5 (source Hometrack),

The average cost of renting a 3 bedroom house is £173 per week (source Hometrack).

There is an active private rental market with high demand. Rents in the district can be expensive, making some private rentals unaffordable for those on benefits or a low income. Private rentals at the lower end of the market are few and far between and for those relying on housing benefit or Universal Credit (Housing element) to pay their rent, the difference between the LHA rate and the rent payable represents an average shortfall of £100-£150 per month.

## **RESOURCES**

The council received Flexible Housing Support Grant, £125k from central government in 2018/19 along with Homelessness Reduction Act implementation funding of £61k. Both funding streams are confirmed as continuing for 2020/21 with an increase to £140k.

Additional functions such as rough sleeping and elements of private sector housing rely on the council successfully bidding for resources from central government to carry out these areas of work.

## **LINKS WITH OTHER STRATEGIES**

Homelessness is a priority for Council's business plan and therefore actions to mitigate against homelessness remains a focus. Homelessness is a key theme in the Cambridgeshire & Peterborough Sub-Region Housing Strategy Statement, the draft Cambridgeshire and Peterborough Health and Well Being Strategy and has strong links to government policies around welfare reform and, of course, the major change to homeless legislation through the Homeless Reduction Act from April 2018.

## **OUR CURRENT SERVICE OFFER – OUR CORE TEAM**

The Housing Options team have the responsibility for implementing the Homelessness Reduction Act (HRA). This includes homelessness prevention and relieving homelessness (finding alternative homes when prevention is not possible), case management, liaison with landlords and our customers. The team also manage temporary accommodation used for housing those individuals and families that are homeless.

The overall focus for the team is to prevent homelessness. We don't do this in isolation, but working with private and social landlords, parents, families, young and

older people and a range of statutory and voluntary agencies as well as our own internal teams including Anglia Revenues Partnership (ARP) and Private Sector Housing team.

The expanded team consists of a team of 7, 2 triage officers, 4 casework officers and one team leader. Part of the expanded team to meet the new requirements of the Homelessness Reduction Act (HRA) is funded through central government funding that we received to implement the HRA as highlighted above.

## **THE HOMELESSNESS REDUCTION ACT – IMPACT ON FENLAND DISTRICT COUNCIL**

From April 2018, the government announced significant changes to the way in which councils would be required to tackle homelessness.

With a focus on prevention, councils would be required to work differently, moving away from the traditional homelessness ways of working. In August 2017, the council and partners across Cambridgeshire and Peterborough were successful in obtaining government funding to launch a Homelessness Trailblazer project, essentially looking at ways of early prevention prior to the new Act coming in to force. (See Trailblazer section).

The learning from the project has helped to shape the formation of the Housing Options team.

The Act extended the period of ‘threatened with homelessness’ from 28 days to 56 days, allowing additional valuable time to take preventative action.

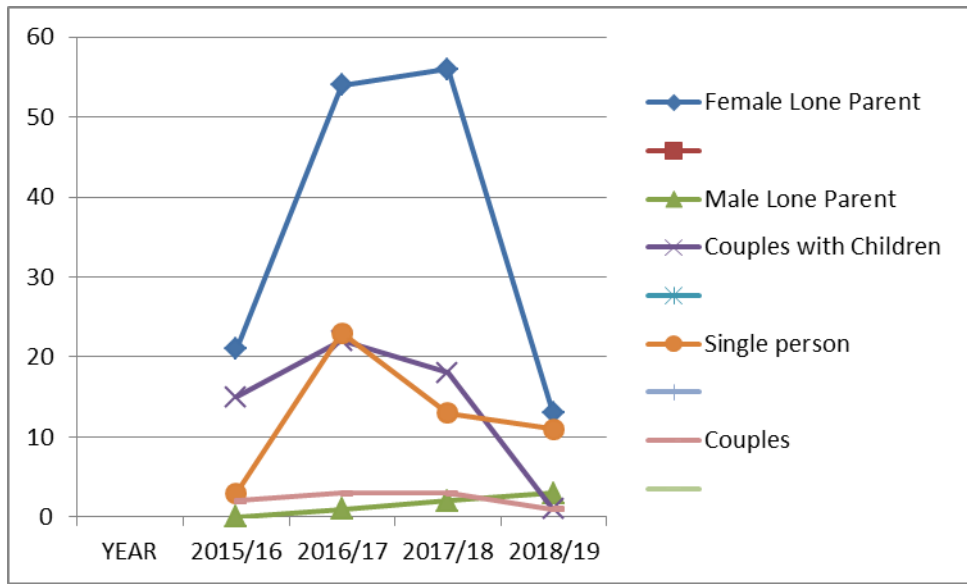
There is also a “Duty to Refer” for statutory agencies to notify councils if they come into contact with someone they think may be homeless or at risk of being homeless.

A duty for councils to provide advisory services on homelessness, preventing homelessness and people’s rights irrespective of whether or not they have a local connection to our area.

There is also a requirement to agree a personalised housing plan with our clients, outlining what each will do to prevent homelessness and find a suitable solution.



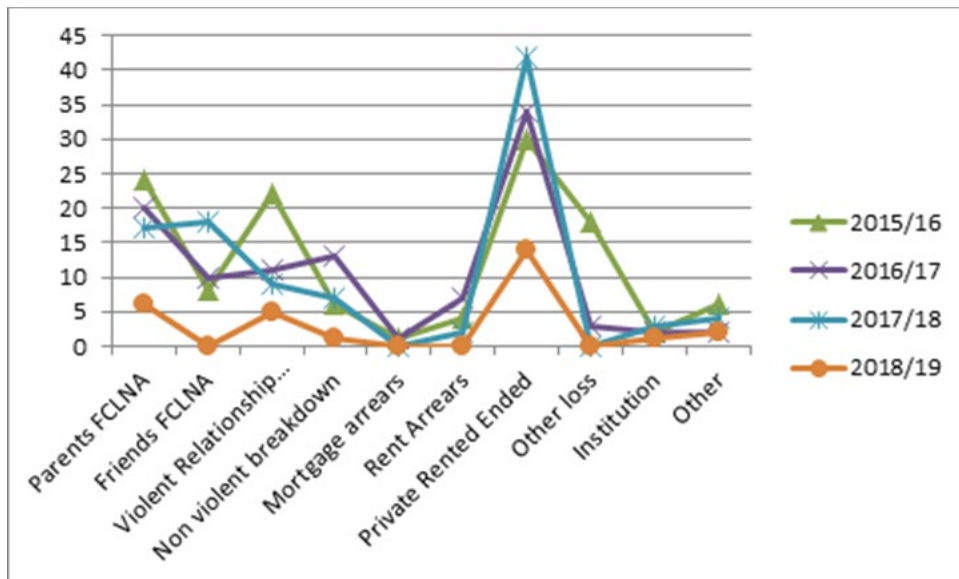
**TRENDS IN HOMELESSNESS – WHO ARE OUR CLIENTS?**



Female lone parents are the group that most need our help, followed by single people and couples with children who present to us as homeless (i.e. when prevention or relief is either too late or not applicable e.g. domestic abuse cases).

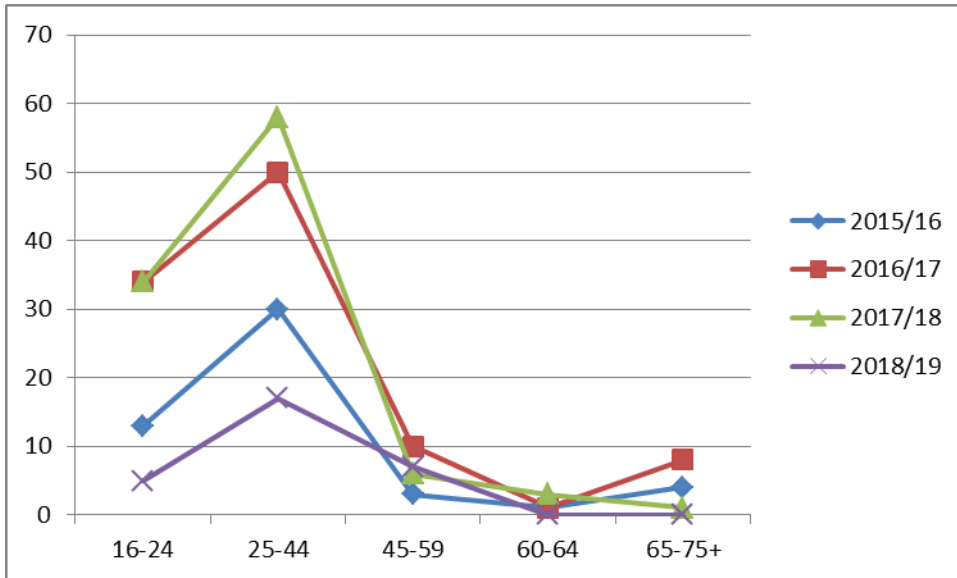
There is a downward trend, this is due to the fact that we are now preventing many of our clients from becoming homeless, this chart shows clients from 2015/16 to 2018/19 who have presented as homeless.

## REASONS FOR LOSS OF ACCOMMODATION



The highest area for demand is from loss of private rented accommodation, followed by violence and parents being unable to provide accommodation. This is a fairly consistent pattern since 2015/16. However, numbers have reduced significantly in 2018/19 due to the Homelessness Reduction Act (HRA) and the new way of preventing homelessness. We have carried out liaison and mediation between landlords and their tenants and helped with rent arrears to save tenancies.

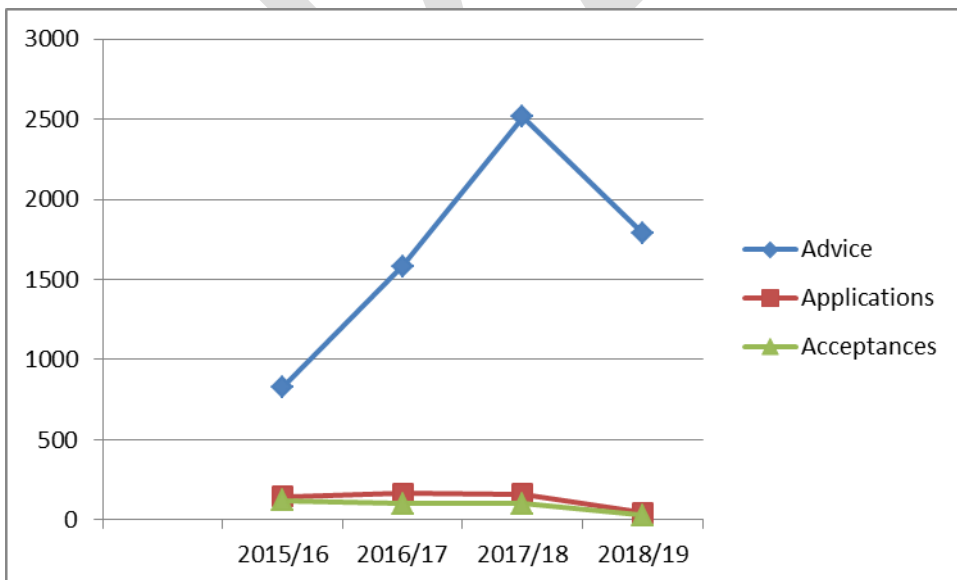
## AGE OF CLIENTS



The age of our clients approaching us has been fairly consistent since 2015/16. The age group of clients who contacted us for help was 25 to 44 years, followed by 16-24 years.

For 16 & 17 year olds, we have jointly developed a county wide protocol with Cambridgeshire County Council.

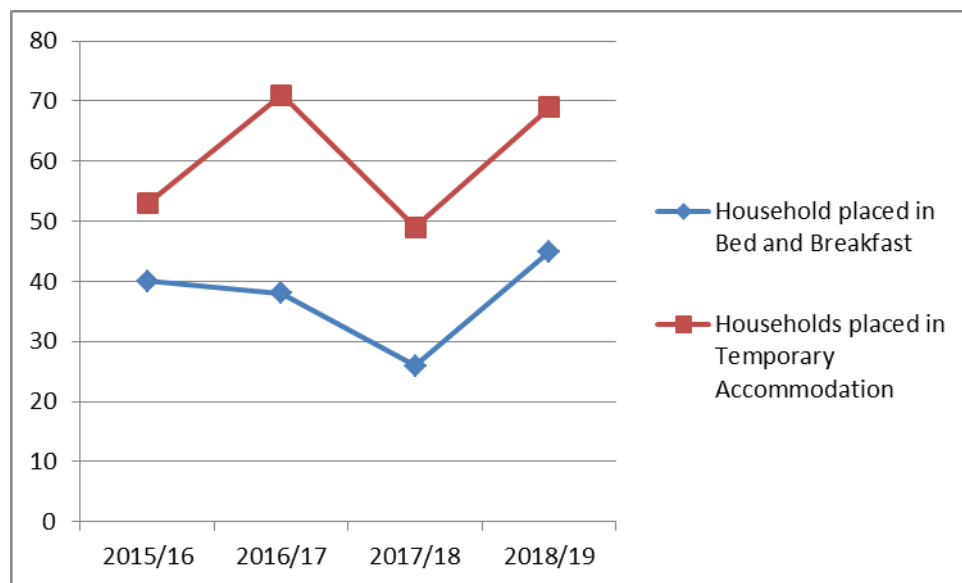
### ADVICE, APPLICATIONS AND ACCEPTANCES



This chart shows the number of advice, applications and acceptances received in a whole year.

You will notice a peak in 2017/18 for advice, reducing dramatically in 2018/19 with the introduction of the HRA and prevention going forward. The number of applications and acceptances have also gone down for the same reason in 2018/19.

## TEMPORARY ACCOMMODATION



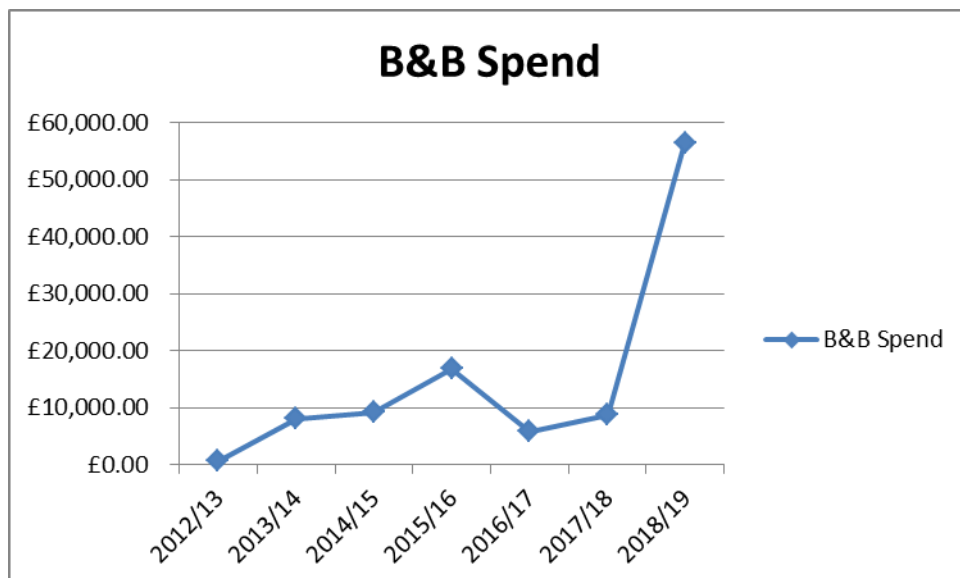
The chart shows the number of people in temporary accommodation and bed and breakfast. This has increased under the HRA.

This is due to the fact that we are seeing a greater number of people requiring assistance that have a form of vulnerability or approached the council late in the process meaning that we could not prevent or relieve their homelessness.

The council now has a duty to provide advice and assistance at the prevention and relief stages for anyone, irrespective of if they have a local connection to Fenland or not. The main duty stage happens when prevention and relief has either failed or it is not suitable to prevent, e.g. in cases of domestic abuse, or the customer makes contact too late.

The use of bed and breakfast is normally used for out of office hours or where hostel accommodation and other temporary placements are not available or suitable.

## BED AND BREAKFAST SPEND



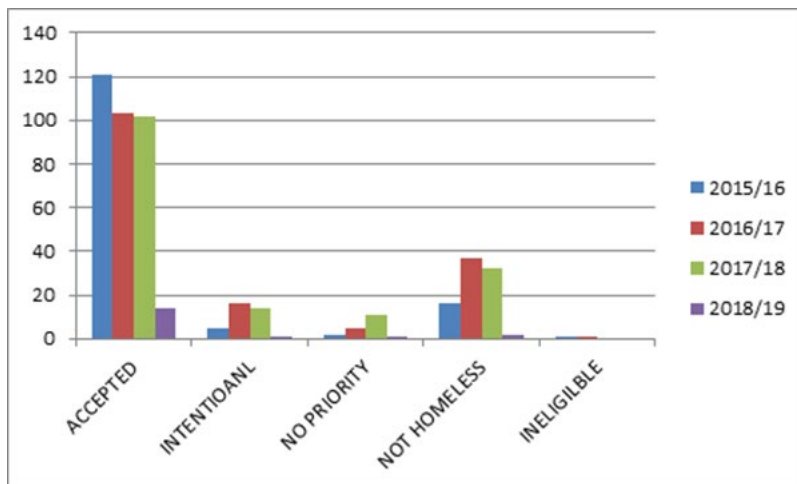
Spend on bed and breakfast accommodation has increased due to the number of clients requiring temporary accommodation and existing provision being full. Spend peaked in 18/19 due to the HRA implementation, the team were assisting more people than previously due to the remit of the HRA for all local authorities to give advice and assistance to anyone who contacted the council, irrespective of whether or not they had a local connection to Fenland. In 19/20 the spend on B&B was £14,565 which included 1 month of additional COVID related spending and therefore shows a dramatic drop in the use of B&B through effective prevention.

We have accessed better options for temporary accommodation on a night by night basis which is better for our clients and has meant significant cost savings to mitigate the increase in demand.

## TEMPORARY ACCOMMODATION

The council has a 7 unit hostel, works with Clarion Housing to provide 9 units of self-contained accommodation and Chorus Homes to provide an additional 5 units. We are also now using a night by night self-contained accommodation provision which is cheaper than bed and breakfast and provides a better option for our customers.

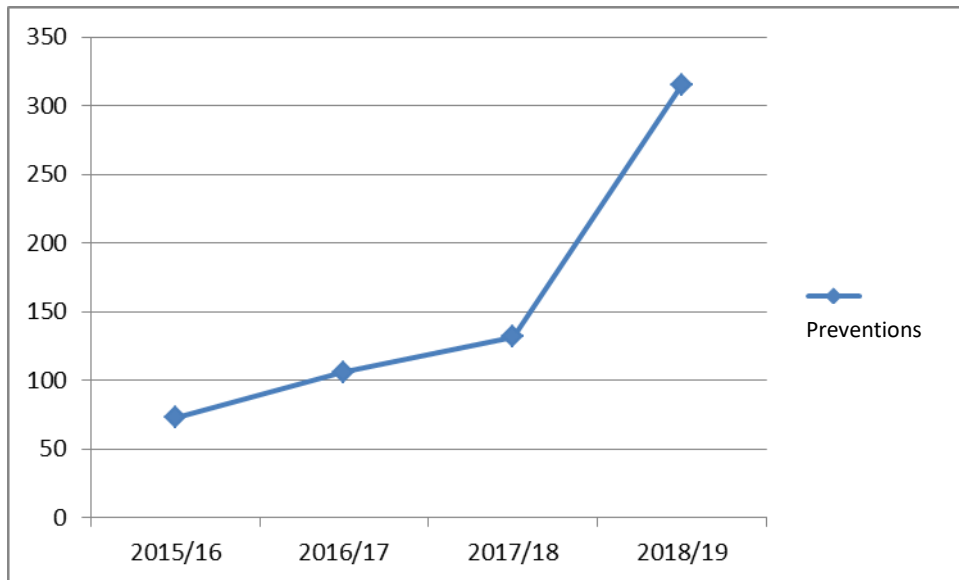
## CASE DECISIONS



The chart shows the number of homelessness acceptances (at the homelessness stage) the number of intentional cases, those who are not in priority need, not homeless and ineligible.

You can see in 2018/19 the difference made in service to our applicants with the HRA way of working in comparison to the old legislation. It is clear that the number of acceptances decreased dramatically, from 121 acceptances in 2015/16 to 29 in 2018/19. The team were able to prevent and not take the number of homelessness applications in the first place.

## HOMELESSNESS PREVENTION



The HRA places an emphasis on preventing homelessness and from the chart above you can see the upward trend in successful preventions from 73 in 2015/16 to 315 in 2018/19 under the HRA, rising to 390 in 19/20. This has significantly changed the service we offer to our customers for the better.

## THE CURRENT CORE SERVICE OFFER – OUR SUPPORT PARTNERS

The council works closely with a range of key partners both statutory and voluntary sectors as part of its strategic and statutory functions.

This is key to helping often customers with complex needs and in particular those customers who are rough sleeping where mental health, alcohol and substance misuse are often common.

- Ferry Project - Octavia View Hostel - Night shelter
- Foyer - 16-25 year olds
- Supported Housing – The Staithe,
- Domestic Abuse Refuge
- Mental Health services & Social Care
- Drug and alcohol services – CGL
- Rural Citizens Advice Cambridgeshire – FDC funded
- Access – Migrant advice
- Rosmini Centre – Migrant Advice
- Housing related support service (CCC funded)

- Registered providers – e.g. Clarion

## OUR SUPPORT PARTNERS (TIME LIMITED FUNDING)

The council has been proactive in bidding for funding to help tackle rough sleeping and homelessness and maintains regular contact with MHCLG to push for further funding to have the opportunity to bid for additional and much needed resources.

Project	To do	Time limit and total funding achieved
Migrant Outreach Service	Outreach support and interventions to resolve accommodation issue	2019/20 £136,625
Cold Weather Funding	Provision of temporary accommodation	November 2019 – March 2020 £50,000
Rough Sleeper Initiative	Provision of a day hub	June 2019 – June 2020 £131,125
Rough Sleeper Coordinator	Co-ordinating action to prevent rough sleeping	November 2019 – November 2020 £35,000
Rough Sleeper Initiative continuation funding	Day Hub, outreach service, co-ordinator post, support staff and bespoke interventions fund	April – March 2020/21 £340,000

The council works in partnership with Cambridgeshire County Council, who fund and manage the Housing Related Support contracts. Key recipients of this funding include Ferry Project, The Wisbech Foyer, Staithe, Fenland Young People's Project. Due to funding constraints savings are currently being made and services are being redesigned to make savings and still meet the need. The council are actively involved in the recommissioning of services for housing related support including the transformation of services to make sure any changes contribute to meeting the objectives of this strategy.

## WHAT HAVE WE ACHIEVED TOGETHER? PRIVATE SECTOR HOUSING

To ensure that we are successful in preventing homelessness as well as relying on the private rented sector (PRS) to rehouse our clients (often with incentives) we need to ensure that properties are in good condition, safe and well managed.

The function of the council's PRS team is key to this. The Council successfully bid for additional funding in both Wisbech and March under MHCLG's Controlling Migration Fund (CMF) to conduct proactive street by street property inspections, looking for issues. This is a snap shot of activity which provides an insight in to the



scale of the issues being found and not reported by tenants. This is particular common within the migrant community.

Below is a summary of enforcement activity relating to the funded project.

Measure	Cumulative between March 2018 & March 2020
Total Number of Properties Inspected	2713
Interventions Taken (see table below)	923
Information packs issued	315
Smoke Detectors brought in to use	365
Hazards Removed	657

Breakdown of interventions since March 2018

Interventions	Cumulative
Smoke Detector defect letters (Private Rented Sector)	152
Smoke Detector advisory letters (Owner Occupied)	158
Formal Inspection Appointment letters	149
Notice requesting information	12
Informal Letter requesting remedial repair	375
HMO declaration notices	60
Enforcement Notice issued	44

## WHAT WE HAVE ACHIEVED TOGETHER? – OUTREACH SERVICE – ROUGH SLEEPING

Fenland has had relatively low numbers of rough sleepers historically, averaging around 7. An increase in numbers was experienced on our official count in 2018. At the formal (externally verified) annual rough sleeper count 23 individuals were found to be rough sleeping on a single snap shot in November 2018 dropping to 11 in November 2019. However in November 2019 our outreach team were at the time working with 35 rough sleepers.

We are currently working with 52 rough sleepers as part of the COVID response.

Whilst we continue to explore individual root causes, there is a clear pattern of migrant workers who are no longer wanted for work, this can be due to a number of factors including addiction, poor mental health or injury. Homelessness amongst migrant workers occurs when accommodation is linked to work. Often, little or no

notice is given to individuals in these circumstances resulting to sofa surfing (sleeping on friends sofas as a temporary measure) and ending in homelessness.

This area of work is linked closely with the work of Operation Pheasant, a multi-agency task force formed in 2012 by Cambridgeshire Police and the council in response to increased theft of food and rough sleeping, evidence was traced back to poorly managed and maintained private rented sector housing as the root cause of the issue including criminality and exploitation of residents.

There is clear evidence that some migrant workers face exploitation and cases of both this and Modern Slavery has been prevalent in Fenland linked closely to the private rented sector and unlicensed gangmaster activity.

The council submitted a bid under the Controlling Migration Fund (CMF) in 2017-19 (£86,400) via MHCLG to help provide support to rough sleepers. The bid was successful again in 19/20 £136,625 and Change Grow Live (CGL) are undertaking this role currently. Other funding that the Council has secured with partners include:

- Cold Weather Funding MHCLG in November 2018 for £24,000 for extended cold weather provision through the Ferry Project and deposits for private rented homes. The bid was successful again in 2019, £50,000 for extended cold weather provision along with bespoke interventions fund for CGL
- Rough Sleeper Initiative MHCLG – In 2019/20 successful bid to fund the Ferry Project Day Centre Hub for £131,125. To provide a day hub for rough sleepers, directing to support to address the root cause for homelessness, rehousing in to suitable accommodation across tenures and accessing training and work.
- Rough Sleeper Coordinator post - In 19/20 MHCLG have funded £35,000 for a post to coordinate action for rough sleepers across Fenland between partner agencies.
- A bid for continuation funding for Hub, outreach service ,rough sleeper coordinator and additional support in the night shelter has been successful for the period 20/21. The amount is £340,000.

## **OUTCOMES FOR ROUGH SLEEPERS**

### **CGL outreach service (from June 2019 – February 2020)**

- 29 people prevented from rough sleeping – this includes successful referrals to Ferry project/Octavia View, housing secured via private rented sector, tenancy sustained via mediation with landlords and tackling harassment and voluntary repatriations.
- 40 clients have been assisted with settled status claims to legally remain in the UK. If Settled Status is granted, access to benefits is accessible.

## **Ferry Project Day Hub outcomes (from June 2019 – February 2020)**

- Additional Cold Weather fund (launched 25<sup>th</sup> November 2019) – 980 bed spaces used through this initiative between November 2019 and January 2020. Severe Weather Emergency Provision (SWEPE) – from 1<sup>st</sup> November 2019 to 31<sup>st</sup> December 2019 158 Clients registered.
- 131 Male / 27 Female
- 68 EU Clients / 87 UK Clients / 3 non EU
  
- 39 clients have been assisted with therapeutic interventions such as counselling and mental health assessments.
  
- 38 Supported into Hostel services
  
- 54 Supported into Night shelter
- 2 Reconnected to Romania
- 6 Supported into work and accommodation
  
- 10 supported with Prevention of Homelessness
- All clients have opportunity to access other funding streams offered to help with Training and employability for example the Building Better Opportunities Fund and Community Led Local Development.
  
- The Hub have supported clients in opening Bank accounts, benefit claims, prescription medication, registering with GP's, organising patient transport, and hand holding where required to appointments such as Doctors, Opticians, Department of Work Pensions , providing phones to allow clients to access work as often Employers need them to have a phone to text shift times.
  
- Supporting to access Drug and Alcohol services.
  
- Worked with Landlords and other agencies to reduce risk of homelessness.
  
- We have also helped clients access their records from Employers and Inland Revenue.
  
- This is in addition to meeting clients immediate needs in the Hub by:

- Delivery of Fenland's first Housing First model - partnership work with LD team, Cambs. County Council Housing Related Support Grant, FDC Benefits Team (Anglia Revenues Partnership)

## COVID-19 RESPONSE

With the outbreak of the world wide pandemic in late March 2020, the council was required by MHCLG to very quickly provide individual accommodation to all of those people rough sleeping and housed together in the night shelter.

The council worked with a range of businesses and with Ferry Project to achieve this, along with the provision of food for around 57 clients.

Each individual had an existing support plan from Ferry Hub or CGL Outreach. The work under the new 2020/21 RSI bid has continued, with a view to providing the best chance of everyone moving on to more settled accommodation once lockdown is lifted. This approach also included ensuring that each individual's plan included ongoing treatment support where applicable and accessibility to public funds to ensure that options moving forward were sustainable. Accommodation options included private and social rented homes, supported move on, supported living and night shelter.

As well as support and essential provisions, each individual received guidance translated in to their own language to understand and adhere to government guidance on social distancing and how to react should they become symptomatic. This advice was shared with accommodation proprietors to ensure that staff were also keeping safe during lockdown.

Regular monitoring was undertaken in relation to this client group by Public Health England, Housing Board, Cambridgeshire Police, Multi Agency Incident Cell and MHCLG.

## HOMELESSNESS TRAILBLAZER PROJECT

In 2017 the council submitted a bid to MHCLG on behalf of Cambridgeshire and Peterborough councils along with the Office of the Police and Crime Commissioner and Cambridgeshire County Council to work together with broader stakeholders to undertake early prevention (pre 56 days) with customers who were showing early signs of being homeless.

The purpose of this area of work was to work with broader partners including Registered Providers, Multi Agency Safeguarding Hub, landlords and agents to raise awareness and take action where homelessness was threatened.

Highlights include:

- The team have worked up protocols with key partners including Criminal Justice and Housing, Mental Health, Substance Misuse and Housing and hoarding.
- The service is closely aligned to all council Housing Advice/Options teams and led by Fenland.
- Since the start of the project in August 2017, the team have received more than 1300 referrals in to the service, with the highest demand from Fenland clients (650) until the end of December 2019.
- The team have trained over 250 people from 20 organisations around motivational interviewing free of charge. This has included train the trainer to ensure that the learning is sustained and embedded across many organisations.
- Support has been provided to registered providers to reduce evictions.
- A landlord rent solution service was launched to enable landlords to receive a free service to help advise them about their roles and responsibilities and that of their tenants. The team have successfully undertaken mediation, assisted with rent in advance and with payment of arrears via benefits teams to prevent homelessness successfully.
- Since the launch of the service 572 preventions have been achieved.
- Research undertaken by the Cambridgeshire and Peterborough Housing Board has demonstrated that for every £1 spent on the Trailblazer team and it's projects (2017-19) more than £18 is saved across the public sector.

## **HOUSING FIRST**

Housing First is an evidence based approach to successfully supporting homeless people with high needs and histories of entrenched or repeat homelessness to live in their own homes.

The overall philosophy of Housing First is to provide a stable, independent home first and then provide intensive personalised support and case management to homeless people with multiple needs.

The council, in partnership with Ferry Project were keen to explore the Housing First model for Fenland.

We learnt from the experience of Cambridge City and considered how it could be implemented in Fenland.

Under the Government's Rough Sleeper Initiative funding, the council are working in partnership to expand Housing First in Fenland. Cambridgeshire County Council were successful in their bid to employ navigators to support Housing First clients. The funding is for one year and the council is working with partners to rent/lease properties for this pilot.

## **CASE STUDY**

*The council had been part of a multi-agency team trying to find a housing solution for an entrenched rough sleeper. X had been rough sleeping for around 20 years and were well known in Fenland. X did not fit any other housing solution due to their needs and life choices, a very hard to reach client falling through thresholds for broader partner assistance. A long term rough sleeper now has their own flat with bespoke support.*

*The success of this was effective partnership between Ferry Project providing the accommodation, Learning disability Team who are funding Ferry Project to provide additional night time support, Cambridgeshire County Council for stretching the Housing Related Support Grant Ferry Project have for support in the daytime and FDC benefits team (Anglia Revenues Partnership) to assist with payment of the housing element of the rent.*

*To date, the Housing First Solution for this individual has been very successful, we will take the learning and experience from this case to move forward and hopefully extend this initiative should appropriate funding become available for broader implementation.*

## **TACKLING EMPTY HOMES**

Fenland has approximately 500 properties that have been empty for over 6 months. We are keen to get as many of these properties back in to use to

provide much needed homes for our community, including those who are homeless.

This has been a priority area for the council and since December 2019 currently have a post holder in place initially for 1 year to progress this.

## **DOMESTIC ABUSE**

The council works in partnership with Refuge to provide 12 units of accommodation for women and families fleeing domestic abuse in Fenland. The Refuge also provide an outreach service for survivors of Domestic Abuse in Fenland.

Multi Agency Risk Assessment Conference (MARAC) are also held on a regular basis via telephone conference call to discuss the most high risk cases. Agencies involved in MARAC are Police, Independent Domestic Violence Advocate (IDVA's), Health, Social Workers, Schools and Housing. All agencies work together to keep the survivor safe. Survivors have an Independent Domestic Violence Advisor (IDVA) who supports them and is their main contact.

An identified need has emerged across Cambridgeshire and Peterborough for additional move on accommodation from households in a refuge.

## **CARE LEAVERS**

The Council have worked with Break Charity and Clarion to provide new move-on accommodation for 2 Care Leavers in 2019. There is a need for 8 further additional places and the Council is working with Break and Clarion to see how this need can be met.

## **ETHNICITY**

### **FOREIGN NATIONALS**

The proportion of accepted applicants on the Housing Register who are Foreign Nationals has remained fairly consistent over the past 5 years (15% of the current housing register are non-white British). Of the European Economic Area (EEA) Nationals, Lithuanian is the highest nationality.

### **BME HOUSEHOLDS**

The BME population is significant throughout the district, particularly within the town of Wisbech, a hub for migrant employment. A recent study undertaken by Professor Greenfields shows Lithuanians at 37 per cent are the largest group of migrant workers, followed by Romanians at 23 per cent and Bulgarians at 20 per cent.

Inward migration demographics have changed and are ever changing. We believe that Lithuanians are still the largest Eastern European migrants in the area but there is now a large population of Bulgarians and Romanians including increasing numbers of Roma.

## **GYPSES AND TRAVELLERS**

The 2011 census identified 0.3% of the population as a white Gypsy/Irish Travellers in Fenland, equating to an overall figure of just under 500 Gypsy & Travellers recorded as residing in the District.

In 2016 a sub-regional Gypsy & Traveller Accommodation Assessment was undertaken. The study was carried out on the basis of the changes to the planning definition of a Gypsy, Traveller or Travelling Show person which meant that persons who ceased to travel permanently would no longer be considered under the definition of a Gypsy & Traveller. The findings of the survey identified that there was no requirement to provide additional Gypsy & Traveller pitches in the District.

For Travelling Show people, 12 additional pitches were identified to be provided over the Local Plan period up to 2036. The survey also identified that 61 Gypsy & Traveller households no longer meet the definition but have a housing need. This need, in planning terms, will be addressed as any other part of the settled community through current housing planning policies.

The Gypsy Traveller Accommodation Needs Assessment (GTANA) is currently being refreshed and will be complete by the summer 2020.

## **WELFARE REFORMS**

The implementation of a major national programme of welfare reforms is well under way. Key aims are to cut the overall welfare bill and encourage people into work.

A key driver of the welfare changes is to make it financially worthwhile for people to take on paid employment rather than claim benefits. This, combined with advice and support around seeking employment, education and/or training should lead to improved opportunities for some people who would previously have been caught in the benefit trap.

Universal Credit was introduced across the district in May 2019. This has replaced six other benefits, including housing benefit, and be provided in a single monthly payment. Nationally the risk of Universal Credit claimants falling into rent arrears has been found to be high, increasing the risk of homelessness.



To date, some of our clients have found it challenging to manage their finances. Advice is available via P3 and Rural Cambs CAB and the Vulnerable Work Coaches within Department for Work and Pensions teams within Job Centres.

## **DEMAND FOR SOCIAL HOUSING**

The council commissions Clarion Housing to deliver its statutory function of managing the council's allocations policy which is consistent across all of Cambridgeshire and West Suffolk (the Housing Sub Region).

During 2019/20 there were 1125 people registered on the Housing Register under the following bands. (April 2020).

Band A urgent need to Band D adequately housed.

<b>Emergency Band</b>	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Total</b>
<b>4</b>	127	304	369	321	1125

## **PRIVATE RENTED ACCOMMODATION**

Median private rented accommodation costs in the district can be expensive. Universal Credit (Housing Element) entitlement is restricted to the Local Housing Allowance (LHA) for the area. The following table shows the LHA rate for Peterborough for each size of property along with the weekly median rent. The difference each week makes access to the private rent sector difficult for many households in receipt of benefit or on a low income, averaging between £100 - £150 per month shortfall and often requiring a deposit of rent in advance.

One particular reason for the increase that we have seen in HMOs in the District is due to the fact that they provide cheaper accommodation for people, although rents are still higher than Local Housing Allowance rates

Many Landlords still do not accept Housing Benefit and so Housing Options have to build and maintain relationships with those that do.

### **Median Average Weekly Private Rent Costs April 20**

- 1 bed £111
- 2 bed £144
- 3 bed £173
- 4 Bed £231

### **Local housing Allowance (LHA) rate April 2020**

**Wisbech and surrounding village is covered by Kings Lynn LHA (called Broad Rental Market Area), March, Chatteris, Whittlesey and surrounding villages is covered by Peterborough LHA. (April 2020 rates)**

	Shared		1 Bed Rate		2 Bed Rate		3 Bed Rate		4 Bed Rate	
	Weekly	Monthly	Weekly	Monthly	Weekly	Monthly	Weekly	Monthly	Weekly	Monthly
Peterborough	£ 58.12	£ 252.55	£ 96.42	£ 418.97	£ 120.53	£ 523.73	£ 138.61	£ 602.29	£ 176.41	£ 766.54
Kings Lynn	£ 56.22	£ 244.29	£ 92.18	£ 400.54	£ 117.54	£ 510.74	£ 135.62	£ 589.30	£ 170.91	£ 742.64

## HOME OWNERSHIP

The average house price for Fenland in October 2019 was approximately £204,716 (based on average price on sales and valuations), with the lower quartile averaging £150,000 (an £5000 increase in the last 12 months). Figures from the Cambridgeshire Sub Regional Housing Market Bulletin shows average median house prices are 6.5 times the average income, whilst comparisons between the lower quartile figures show house prices to be 9.1 times higher than income. As a general rule, house prices of 3 – 3.5 times income are considered affordable.

For many households therefore living in the district home ownership continues to be unaffordable.

## FLOATING SUPPORT

A county wide floating support service is in place delivered by P3 to support a range of clients **of working age** who may need housing related support to help them to maintain their accommodation. In 18/19 196 of 17 -24 year old **clients** were assisted by P3.

## STAKEHOLDER HOMELESSNESS REVIEW EVENT JANUARY 2020

The stakeholder consultation event was held on 6 January 2020 and attended by 31 stakeholders and partners.

The event set the scene for what had been achieved and actions undertaken in relation to trends and partnership working.

## **ACTION PLAN DEVELOPMENT**

In light of the evidence collated the following service development initiatives are being added to the Homelessness and Rough Sleeper action plan:

### Rough sleeper issue

- Increase provision of accommodation for clients with support needs - Housing First model
- Implementation of the rough sleeper initiative bid
- Establish a public donation application to help support local charities
- Continue to promote the outreach service for rough sleepers
- Develop a community app of services that assist supporting rough sleepers and how the community can give appropriate help
- Engagement with local GP's to enable registration for migrant rough sleepers
- Liaison with Public health and roll out of dual diagnosis protocol
- Collate data on vulnerability - clients with mental health, substance misuse and offending
- Understanding the gaps in mental health and substance misuse services
- Workforce development of front line staff to understand the assessment of mental health capacity and how best to make the case for additional support.

### Homelessness Reduction Act

- Provision of smaller new accommodation for single parents
- Co- ordination of support for ex- offenders
- Carry out a campaign in relation to private sector housing enforcement
- Joint working between local partners statutory and voluntary
- Training for partners around cultural differences to improve cohesive working and understanding of need
- Investigation in to private sector evictions

This is alongside updating and refreshing the actions already contained in the 2018 action plan. Please see appendix 1 for the action plan developed.

## **CONCLUSIONS**

It is clear that the need for a continued and dedicated focus towards homelessness both locally and nationally is essential.

With the introduction of the HRA in April 2018, we have seen a significant increase in caseloads for our team, this in turn has resulted in the highest ever rate of homelessness preventions, largely by accessing the private rented sector.

The customers that have approached the council have been of consistent category since 2015/16, with single lone females with children being the most prevalent. With the HRA enabling all customers to approach any council for assistance, we have seen a marked increase in those with some form of vulnerability, in particular mental health and substance misuse, especially with customers who are rough sleeping.

We have worked hard to meet our needs by proactively bidding for government funding and have been fortunate to work with specialist organisations including Ferry Project and CGL to make a very positive impact for our customers.

Developing and embedding protocols with partners has helped to get better outcomes for our customers, save scarce resources for statutory partners and prevent unnecessary delay in assisting.

Prevention of homelessness is better for our customers and their families, their health and wellbeing.

We are working closely with Clarion and private sector landlords to help with accommodation options for our clients.

We will continue to be driven and passionate about vulnerable people and will strive to unlock funding to meet future needs along with our partners.

April 2020

**APPENDIX B - FENLAND DISTRICT COUNCIL – HOMELESSNESS & ROUGH SLEEPING STRATEGY ACTION PLAN 2020/22**

Intervention	Task	Intended Outcome	Resources & Timescale	Progress	Lead
<b>Objective 1. Prevention of homelessness and housing options</b>					
1.0 Develop protocols, work force development and case work to prevent early signs of homelessness	<ul style="list-style-type: none"> <li>Develop the following protocols and implement:</li> <li>Criminal Justice and Housing - embedding via Task and Finish Group</li> <li>Mental Health and Substance Misuse</li> <li>Hoarding</li> <li>Hospital Discharge with Queen Elizabeth Hospital, Kings Lynn, Peterborough City Hospital, Hinchingsbrook Hospital Huntingdon &amp; Addenbrooks Hospital Cambridge</li> </ul> <p>Workforce development with partners e.g. registered providers</p>	Customers prevented from becoming homeless	Funding from partners to progress the project  February - November 2020		<p>Head of Housing &amp; Community Support</p> <p>Housing &amp; Communities Manager</p> <p>Trailblazer Homeless Prevention Manager</p>
1.2 Carry out a review of prevention techniques and options	Review undertaken and changes made to respond to the needs of our clients	Prevention service that meets the needs of Fenland's customers	Existing resources and DCLG grant funding  April 2020		Housing & Communities Manager & Housing Options Team Leader

Intervention	Task	Intended Outcome	Resources & Timescale	Progress	Lead
					Trailblazer Homeless Prevention Manager  Private Sector Housing Officer
1.3 Tackle rogue landlord activity in Fenland	<p>Link in with Operation Pheasant to gather intelligence via Private Sector Housing team linking with Housing Options</p> <p>Continue to serve enforcement notices on poor quality properties</p>	Reduced illegal activity in the private rented sector	Existing resources		<p>Housing &amp; Communities Manager</p> <p>Housing Options</p> <p>Team Leader</p> <p>Private Sector Housing Officers</p> <p>Operation Pheasant partnership</p>
1.4 Housing sub-region - Housing Allocations Review	Review the policy to update following Homelessness Reduction Act and also to ensure clarity in where policy sits in relation to local lettings policies (Registered Providers)	Making affordable housing as accessible as possible to our customers	Existing resources		<p>Head of Housing &amp; Community Support</p> <p>Housing &amp; Communities Manager</p> <p>Housing Options</p> <p>Team Leader</p>

Intervention	Task	Intended Outcome	Resources & Timescale	Progress	Lead
1.5 Work in partnership with Anglia Revenues Partnership (ARP) to promote the Discretionary Housing Payment scheme	Ensure links to ARP are taken up together with partners	Homelessness prevented	Ongoing		Housing Options Team Leader  Senior Community Support Officer

## Objective 2 – Eliminate rough sleeping in Fenland

Intervention	Task	Intended outcome	Resources & Timescale	Progress	Lead
2.0 Continue to reduce the numbers of rough sleepers each year	<p>Deliver the rough sleeping Initiative</p> <ul style="list-style-type: none"> <li>Continue delivery of the Day Hub – deliver housing solutions for all rough sleepers to meet their needs</li> <li>Outreach Service x 3 workers</li> <li>Night shelter support provision (2.5 FTE)</li> <li>Bespoke intervention funds for CGL outreach and Ferry Project Hub</li> <li>Rough Sleeper Co-ordinator</li> <li>Conduct bi monthly rough sleeper counts</li> <li>Submit monthly monitoring</li> </ul>	<p>Reduced numbers of rough sleepers</p> <p>Monitoring the impact of funding</p>	<p>Successful MHCLG Bid £340,320</p> <p>June 20/21</p> <p>Bi Monthly May, July, Sept, Nov (main count below), Jan &amp; March</p>		<p>Housing &amp; Communities Manager</p> <p>CGL &amp; Ferry Project Rough Sleeper Co Ordinator</p> <p>Outreach Team &amp; FDC</p>

	<p>under DELTA system</p> <p>Establish an operational monitoring group and a strategic group to monitor and maximise outcomes for our clients</p> <p>Conduct annual rough sleeper count (verified)</p>	<p>Monitoring the impact of funding</p>	<p>Monthly</p> <p>Fortnightly</p> <p>November 2020</p>		<p>Housing &amp; Communities Manager</p> <p>CGL &amp; Ferry Project Rough Sleeper Co-ordinator</p>
2.1 Carry out review of Severe Weather Emergency Provision (SWEP)	<p>Review of procedures undertaken to ensure procedure meets the legislative requirements of SWEP and awareness to partners and teams and website</p>	<p>Fulfil statutory duties to rough sleepers during severe weather conditions efficiently and effectively</p>	<p>Homeless prevention grant</p> <p>By 30 September 2020</p>		<p>Housing Options Team Leader</p> <p>Ferry Project</p>
2.2 Enable development of Housing First	<p>Deliver additional units of Housing First accommodation model</p>	<p>Meet the need of vulnerable homeless people requiring support</p>	<p>Exiting Resources</p> <p>CCC RSI Bid</p> <p>Partner resources</p>		<p>Housing &amp; Communities Manager</p> <p>Cambridgeshire County Council</p> <p>Ferry Project</p> <p>Support providers</p>

**Objective 3. Temporary Accommodation, supported homes and supply of private rented homes**



3.0 Undertake review and provision of temporary accommodation	Enable partners to establish supported accommodation and temporary accommodation within Fenland including provision in Whittlesey	Homeless customers facilitated to remain in temporary accommodation during case decision making process	Existing resources		Housing & Communities Manager and Housing Options Team Leader
3.1 Facilitate the delivery of additional homes for rent	40 empty homes brought back in to use  Work with Cambridgeshire & Peterborough Combined Authority and our own Commercial and Investment strategy to focus on providing homes to rent	Reduction in homelessness	Existing resources		Private Sector Housing Team
3.2 Enable additional provision of supported accommodation	Work together with key partners to expand provision of supported accommodation	Meet the needs of our vulnerable customers and prevent homelessness	Existing resources		Housing & Communities Manager Housing Options Team Leader
3.3 Provision of supported accommodation for young parents	Deliver 4 units of supported accommodation for 16-25 year old single parents	Meet the needs of single young parents to enable a successful and sustainable move on	Cambridgeshire County Council Ferry Project		Housing & Communities Manager Housing Options Team Leader Cambridgeshire County Council Ferry Project
3.4 Provision of supported	Deliver additional units of accommodation for care leavers to	Meet the need of care leavers	TBC		Head of Housing & Community Support

accommodation for care leavers	achieve up stream homelessness prevention				Break Charity
3.5 provision of new affordable accommodation for single parents	Work with partners to deliver smaller units of accommodation (2 bed)	Meeting the needs of our customers	Central government grant		Head of Housing & Community Support
3.6 Work with Landlords to maintain existing stock	Supporting good Landlords with early intervention with potential tenant issues such as rent arrears to prevent homelessness via the Landlord Rent Solutions Service	Meeting the needs of our customers	Existing resources		Housing & Communities Manager Housing Options Team Leader

#### Objective 4. Resources and training

4.0 Establish private Sector Landlord engagement	<p>Contacts established in Fenland with Private Sector landlords</p> <p>Facilitate landlord and agent events in Fenland</p> <p>Include partners to assist with support and advice for landlords and agents</p>	Increase in quality of private sector accommodation to meet the needs of customers	<p>Homeless Trailblazer resources</p> <p>Homeless Prevention grant</p>		<p>Housing &amp; Communities Manager</p> <p>Trailblazer team</p> <p>Private Sector Housing team</p> <p>Housing Options Team Leader</p>
4.1 Ensure specialist homelessness and linked training is identified for	Yearly review of training and development needs for all staff	Staff enabled to perform more effectively to meet the demands of the service in a customer focussed and efficient way.	Homeless prevention grant		<p>Housing &amp; Communities Manager</p> <p>&amp; Housing Options Team</p>

staff as part of the Council's appraisal programme (springboard).					Leader
4.2 Respond to external funding opportunities to assist in delivery of the strategy	Seek funding opportunities to assist in the delivery of support and provision of services in Fenland  Establish opportunities for joint bidding with CGL drug and alcohol services for outreach	Improved opportunities and outcomes for our customers	MHCLG		Housing & Communities Manager  Partners
4.3 Increase knowledge and awareness of our services with others	Undertake shared training opportunities with statutory and voluntary organisations	Improved knowledge of staff and working relationships to benefit our customers	Existing resources		Housing Options Team Leader

### Objective 5. Reaching our customers

5.0 Ensure access and information about our service is up to date and broadly accessible to our customers and partners	Housing Options information is reviewed with our customers  Update website linked to Trailblazer  Customer Access Team trained  Continue to use language Line	Clear accessible information for our customers about our services	Exiting resources  Quarterly updates    Existing resources		Housing Options Team Leader  Link with social Prescriber post
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	translation service for our non English speaking customers				
	Street Link service publicised				

### Objective 6. Accessibility and standards

6.0 Ensure compliance with Customer Service Excellence	Corporate Customer Service Excellence achieved	Increased standard of customer service	Existing resources March 2020		Housing Options Team Leader  Private Sector Housing
6.1 Achieve the Bronze Standard of service for Veterans across the council	Undertake evidence based assessment of services to meet the criteria	Increased standard of customer service for Veterans	Existing resources April 2020		Senior Community Support Officer Head of HR

### Objective 7. Diversity & Cohesion

7.0 Ensure that the Housing Options	Responsibilities met within Equality Act 2010	A service accessible to all	Existing resources		Housing Options Team Leader
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Team contribute to maintaining the Council's responsibility towards equality and diversity		in Fenland who needs it.			
7.1 Ensure that Equality Impact Assessments are up to date	Review EIA's annually	Service is accessible to our customers	Existing resources Annually April 2020		Housing Options Team Leader
7.2 Ensure homelessness advice services are fit for purpose in relation to non English speaking customers including Romanian & Bulgarian presentations	Monitor the impact of Romania & Bulgaria around homelessness – feed in to the Council's Diverse Communities Forum and tension monitoring groups	Advice services are fit for purpose	Ongoing from April 2020		Housing Options Team Leader

### Objective 8. Partnership working

8.0 Ensure that Fenland remains a partner in the Cambridge sub Regional Homelessness Strategy Group	Full contribution to Homelessness county wide group including reviews of Sub Regional Lettings Policy	Establish good practice and where possible opportunities for sub-regional projects	Existing resources and CLG grant funding Ongoing		Housing & Communities Manager
8.1 Work in partnership with registered providers and local 3 <sup>rd</sup> sector	Work in partnership with registered providers and third sector to prevent homelessness by joint visits & initiatives etc.	Improved partnership working with Registered	Existing resources Ongoing		Housing & Communities Manager & Housing Options

<p>organisations operating in Fenland to help prevent homelessness</p> <p>8.2 Work in partnership to develop service review of homelessness and delivery of services</p>	<p>Support third sector to access external funding to tackle homelessness</p> <p>Participate in the Housing Related Support Review</p>	<p>Providers and 3<sup>rd</sup> Sector in tackling homelessness</p> <p>Reshaping support services</p>	<p>Cambridgeshire County Council Ongoing</p>		<p>Team Leader Trailblazer team Job Centre Plus</p> <p>Cambridgeshire County Council</p>
<p>8.3 Ensure Fenland teams remain an integral partner in Operation Pheasant and associated operations</p>	<p>Take a proactive approach to tackling poor housing conditions and treatment of tenants (including migrant population – exploitation and modern slavery) within the private rented sector.</p>	<p>Reducing migrant exploitation within the housing sector including planning,</p>	<p>Existing resources</p> <p>Ongoing</p>		<p>Housing &amp; Communities Manager</p> <p>Housing Options Team Leader</p>

	<p>Establish co ordinated approach around Child Sexual exploitation including training</p> <p>Publicise our success</p>	Private Sector Housing & Housing Options			Private Sector Housing Officer
8.4 Tackling rogue landlords	<p>Take a proactive approach to tackling rogue landlords including action to prosecution where appropriate.</p> <p>Areas of work include:</p> <ol style="list-style-type: none"> <li>1. Increased capacity within the Private Sector Housing Team to tackle poor living conditions and overcrowding</li> <li>2. Undertaking of a property survey in Wisbech to scope the private rental market</li> <li>3. Undertake a property survey in March to scope the private rental market</li> </ol> <p>Publicise action taken and outcomes</p>	Private sector housing market in Fenland free from exploitation, decent standard, well managed and safe homes	<p>Existing resources</p> <p>Successful Bid March 2018 MHCLG</p> <p>Private Sector Housing Enforcement Officers £193k Ending June 2020</p>		<p>Housing &amp; Communities Manager</p> <p>Private Sector Housing Officers</p> <p>Housing Options Team Leader</p> <p>Operation Pheasant</p> <p>Anglia Revenues Partnership – Fraud Team</p>
8.5 Coordinate partners to share intelligence around rough sleepers to tackle the issue	<ul style="list-style-type: none"> <li>• Share intelligence between FDC Housing Options Team and partners (Police, Social Care, Ferry Project, Rosmini, Inclusion etc)</li> </ul>	A co ordinated and effective approach to tackling rough sleepers	<p>DCLG prevention grant</p> <p>Rough Sleeper Initiative fund</p>		<p>Housing &amp; Communities Manager</p> <p>Housing Options Team Leader</p>

(See 2.0)	<ul style="list-style-type: none"> <li>• Joint partnership outreach work with Migrant Outreach Worker and CGL drug and alcohol services</li> <li>• Support for night shelter development via Rough Sleeper Coordinator post</li> <li>• Map all reports of rough sleepers as part of RSI bid return</li> <li>• Promote Street-Link with members and the community</li> </ul>		secured £340k Day Hub secured with Ferry Project Migrant Outreach service 1920/21		Rough Sleeper Coordinator Ferry Project CGL Statutory & third sector partners
8.6 Develop App. For voluntary donations to local charities and clear guidance for how the community can give help also how to signpost to find help	Join the Street Support initiative for the community to donate to local charities and clear guidance for how the community can give help also how to signpost to find help	Increased resources for local charities	Existing resources £4k		Housing Options team
8.7 Develop protocols with partners to develop improved services for our customers (See 1.0)	<p>Develop the following protocols across Cambridgeshire and Peterborough:</p> <ul style="list-style-type: none"> <li>• Criminal Justice and Housing</li> <li>• Hoarding</li> <li>• Mental Health and Substance Misuse &amp; Housing inc. dual diagnosis service</li> <li>• Hospital Discharge and Housing</li> </ul>	Timely response to housing and support solutions for our customers	Trailblazer Project fund Existing resources November 2020		Trailblazer Manager Housing & Communities Manager Housing Options Team Leader Statutory Partners
8.8 Build continued awareness of Early Help and Adult Early	Continue with training and awareness of safeguarding	Appropriate multi agency approach to	Cambridgeshire County Council		All Staff Safeguarding leads



Help and safeguarding services		customers needs			
8.9 Workforce Development – Understanding Mental Health Assessment of Capacity	Training of front line staff in understanding the mental health system and how to make the case with regard to the assessment of an individual's capacity	Increased confidence of Front Line staff to make the best case for appropriate Mental Health treatment	Course costs		FDC Housing Options Team Leader
8.10 Link in with the development of the Young Persons Strategy	Ensure the council is linked in with the action plan for young people being developed by Cambridgeshire County Council	Effective partnership working to benefit young people in Fenland	Existing resources Cambridgeshire County Council		Housing & Communities Manager Cambridgeshire County Council
8.11 Participate in Universal Credit Support meetings	Ensure the council is up to date with universal Credit role out	Improved service to our customers	Anglia Revenues Partnership		Housing Options Team Leader Senior Community Support Officer

### Objective 9. Consultation

9.0 Provide comprehensive accessible consultation opportunities to customers and key stakeholders regarding policies and procedures and	<p>Capture feedback of Housing Options service on regular basis</p> <p>Review comments received – both informal or formal</p> <p>Document changes made in response to comments</p>	Apply Customer Service Excellence approach to consultation	Existing resources		Housing Options Team Leader
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accessibility of our services					
9.1 Carry out consultation with private sector landlords to improve our advice services to private sector landlords and their tenants in Fenland.	<p>Work with National landlords Association to inform our support and advice offer to landlords</p> <p>Support the National landlords Association to reach private sector landlords and agents in Fenland</p> <p>Develop website and press coverage to showcase advice to landlords</p>	Improved service to customers and quality of private rented accommodation increased	Existing resources & DCLG Grant	Existing resources	<p>Housing Options Team Leader</p> <p>Private Sector Housing Team Leader</p> <p>Trailblazer Team</p>

Draft May 2020

DRAFT

## APPENDIX C

### Homelessness and rough sleeping strategy

#### Consultation feedback

You said, we did.

Issue raised	Amendment/addition made
Your revised strategy states that the P3 Floating Support Service is for 16-24 year olds, but it's actually for working age adults	This comment has been changed in the strategy document
There is no reference in any of the documents to working with the County Council to establish Housing First in the Fenland area	Thank you, this has been referenced in the action plan and in the strategy
There is no reference to working with the County Council on the redesign and recommissioning of HRS services in Fenland	This has been added to the strategy document and the action plan
We (CCC) will soon be developing a Young Persons Strategy – useful to link both strategies together	Thank you, this has been reflected in the action plan
We would like to scope the possibility of joint bid going forward between outreach services and substance misuse combined? Would you be happy to discuss?	Thank you, yes, this has been included in the action plan
Could the strategy action plan include reference to Discretionary Housing Payments?	Yes, thank you, this has been included in the action plan
There are regular Universal Credit Support meetings which are held jointly with Fenland and East Cambs and include ARP, Customer Services, Housing, DWP & Citizens Advice, could this be included in the action plan please?	This has been added to the action plan

# Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

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## INTRODUCTION

From 1<sup>st</sup> April 2011, the Equality Act 2010 introduced a new legal duty on all public authorities.

The three arms of the act focus on the need for public authorities to have ‘due regard’ to the need to:

- **Eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act:
- **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
- **foster good relations** between people who share a protected characteristic and people who do not share it.

The protected groups (previously known as equality strands) are as follows:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Gender
- Sexual orientation
- Marriage and civil partnerships (eliminate unlawful discrimination only)

The duty means that – as previously – we should analyse the effect of existing and new policies and practices on equality. However it does not specify how we should do this.

The equality analysis should be proportionate and relevant – not just a tick box exercise. In some cases the written record will be a quick set of bullet points or notes under each heading. Others will need a more detailed explanation. However, legal cases on the meaning of the previous general equality duty make it clear that we must carry out the analysis **before making the relevant policy decision**. This has not changed.

A meaningful equality analysis will help the Council make the best decisions or formulate a policy which best meets our customers needs.

# Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

## A SIMPLE GUIDE TO ASSESSING EQUALITY

### What is Equality Impact Assessment (EqIA)?

- EqIA is the act of systematically assessing the likely (or actual) effects of policies or services on people based on the protected characteristics as defined in the Equality Act 2010:
  - Age
  - Disability
  - Gender reassignment
  - Pregnancy and maternity
  - Race
  - Religion or belief
  - Gender
  - Sexual orientation
  - Marriage and civil partnerships
- This means looking at the three arms of the Equality Act, as set out in the table below, in relation to a policy or service, before a decision is made.

	<b>Eliminating unlawful discrimination, harassment and victimisation</b>	<b>Advancing equality of opportunity between different groups</b>	<b>Fostering good relations between different groups</b>
<b>Disability</b>			
<b>Age</b>			
<b>Pregnancy and maternity</b>			
<b>Race</b>			
<b>Religion or belief</b>			
<b>Sex</b>			
<b>Gender reassignment</b>			
<b>Sexual orientation</b>			
<b>Marriage and civil partnerships</b>			

- It includes looking for opportunities to promote equality, as well as removing or reducing negative or adverse impacts.

# Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

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## Why is it important?

- Assessing equality helps us understand the needs of our customers, makes sure our decisions meet those needs, and are also cost effective
- As a public authority we also have a **legal** duty to show “*due regard*” for equality in decision making and the way services are provided
- To be able to show “*due regard*”, we need to show that consideration of equality took place **prior** to a decision being taken; that equality issues were considered, and that this consideration was rigorous, open minded, and involved thinking about the three arms of the Equality Act as part of this process, and that potential adverse impacts were either removed or reduced.
- Documenting our equality analysis helps the Council show it has had “*due regard*” for equality if decisions are challenged. If “*due regard*” for equality can not be shown, decisions may be overturned at judicial review. This could result in lost time, money and negative publicity.
- The sooner equality is considered in a process; the more efficiently that process can be carried out.

## How can equality be assessed?

**1. Gather information** This can be consulting with relevant groups, using a previous EqIA as a starting point, consultations carried out by other services, details of the service ‘hard to reach groups’, customer satisfaction surveys, MOASIC data, consider relevance to equality

**2. Assess impact** Could different groups be affected differently? Is this difference positive or negative? Consider the three arms of the Equality Act in relation to all the protected groups as per the table.  
NOTE: The quality of the assessment will depend on the quality of the information gathered

**3. Take action** This could be to reduce negative or increase positive impact. Produce an action plan where appropriate; make actions SMART. Unlawful discrimination **MUST** be actioned immediately

**4. Summarise** your findings on the EqIA form. Where it is clear from initial information gathering that a policy will not have any effect on equality, this may simply be a sentence recording this; the greater the relevance to equality, the greater the level of detail required. Publish your findings

**5. Monitor** the on-going effects of the policy on equality. This is usually in the form of the annual review carried out in October of each year, to fit in with the service planning cycle. The Equality Act is a **continuing** duty!

# Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

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**Equality Analysis Record**

# Equality Impact Assessment

<b>Title of service or policy</b>	Homelessness and Rough Sleeping Strategy (inc.action plan)
<b>Name of team</b>	Housing and Community Support – Housing Options
<b>Date of assessment</b>	May 2020

An Equality Impact Assessment is a process of systematically reviewing a new or existing policy or service to identify what impact or likely impact it will have on different groups within the community. The primary concern is to identify any discriminatory or negative consequences for a particular group or sector of the community. Equality impact Assessments (EIAs) can be carried out in relation to service delivery as well as employment policies and strategies.



## Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

<b>1.</b>	<b>Identify the aims of the policy or service and how it is implemented.</b>	
	<b>Key questions</b>	<b>Answers / Notes</b>
<b>1.1</b>	Briefly describe purpose of the service/policy including:	<p>The aim of the Housing Options team is to prevent all customers from becoming homeless.</p> <p>MHCLG state that it is a requirement for all council's to publish a Homelessness and Rough Sleeper strategy and action plan outlining what action it will take to provide relevant services for all clients.</p> <p>This includes:</p> <ul style="list-style-type: none"> <li>• Management of temporary accommodation</li> <li>• Provision of a reactive 24/7 service for all clients requiring housing advice and assistance</li> <li>• Strategic approach to improving services for all clients along with partner organisations outside of the council</li> </ul>
<b>1.2</b>	Provide brief details of the scope of the policy or service being reviewed.	The Homelessness and Rough Sleeping Strategy and action plan includes how the council will provide options and services for all of our clients with a focus on prevention homelessness to adequately fulfil its requirements under the legislation and to provide openness and transparency to the public on how we work and how we will go about our duties.

## Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

<b>1.3</b>	Do the aims of this policy link to or conflict with any other policies of the Council?	The policy links in with the council’s Business Plan, Statutory Housing work, Community Safety and The Council’s Health & Wellbeing Strategy	
<b>3. Assessment of impact</b>	<p>Based upon any data you have analysed, or the results of consultation or research, use the spaces below to list how the service or policy:</p> <ul style="list-style-type: none"> <li>● Meets any particular needs of each of the eleven equalities groups or helps promote equality in some way.</li> <li>● Could have a negative or adverse impact for each of the eleven equalities groups</li> </ul>		
<b>3</b>		<b>Examples of what the service has done to promote equality</b>	<b>Examples of potential negative or adverse impact and what steps have been or could be taken to address this</b>
<b>3.1</b>	<b>Gender</b> – identify the impact/potential impact of the policy on women, men and transgender people	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards gender.</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of gender.</p>	<p>There are not considered to be any adverse impact regarding gender.</p> <p>When officers are contacted by members of the community there is a need to identify people’s gender and their identify and eligibility to receive services.</p>
<b>3.2</b>			

## Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

	<p><b>Disability</b> - identify the impact/potential impact of the policy on disabled people (ensure consideration of a range of impairments including both physical and mental impairments)</p>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards disability</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a person disabilities.</p>	<p>When communicating on housing advice there is the potential that a person has not understood what is expected of them or the consequences of not complying with what has been required, as a result of their disability.</p> <p>It is important to make sure that people have understood what is required of them and the consequences for not taking action and that assistance can be provided where appropriate.</p>	
<p><b>3.3</b></p>	<p><b>Age</b> – identify the impact/potential impact of the policy on different age groups</p>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to age</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons age.</p> <p>We always offer home visits and make hard copies of information available on request.</p> <p>However, within the legislation vulnerability is considered based on the age of the most vulnerable group. This is a statutory requirement and is not influenced by our polices or procedures.</p>	<p>A lot of housing services information is available via the internet and although most age groups have access to the internet and email some of the older generation may not have the confidence or ability to access the internet.</p> <p>Where possible we always provide hard copies of documents on request and give verbal advice in person or over the phone.</p>	

## Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

<p><b>3.4</b></p>	<p><b>Race</b> – identify the impact/potential impact on different black and minority ethnic groups</p>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to race</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons race.</p> <p>We offer translation services in a variety of languages.</p> <p>All officers are aware and can access a phone service to provide verbal translation. We also provide a translation booklet which offers translations in the 5 key languages identified in the area and we enclose this with all letters/schedules of work where appropriate.</p>	<p>Information gathered during contact with the team indicates that migrant workers are potentially vulnerable to poor housing conditions. The council’s Housing Enforcement Policy and this strategy and action plan supports redress of those issues.</p>	
<p><b>3.5</b></p>	<p><b>Sexual orientation</b> - identify the impact/potential impact of the policy on lesbians, gay, bisexual &amp; heterosexual people</p>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to sexual orientation</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons sexual orientation.</p>	<p>LGBT community may experience harassment and ‘hate crime’ and be reluctant to come forward with complaints about their property conditions.</p> <p>When officer’s are contacted by clients there is a need to find out the occupants of the property and the occupancy of their home.</p> <p>Lack of knowledge or understanding or assumptions about sexual orientation</p>	

## Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

			<p>may cause embarrassment leading to people being reluctant to access the service.</p> <p>Training and development of the team to be aware of sensitivities in this area can help ensure all residents who have concerns with housing options can come forward to the council.</p>
<b>3.6</b>	<p><b>Religion/belief</b> – identify the impact/potential impact of the policy on people of different religious/faith groups and also upon those with no religion.</p>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to religion and belief</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons religion or belief.</p> <p>We show respect and flexibility for religious beliefs and festivals and try and be aware of cultural differences.</p>	<p>No specific issues identified</p>
<b>3.7</b>	<p><b>Socio-economically disadvantaged</b> – identify the impact on people who are disadvantaged due to factors like family background, educational attainment, neighbourhood, employment status can influence life chances</p>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to socio-economic</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons</p>	<p>These residents may be less of aware of the services we offer and how to approach us for information and guidance.</p>

## Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

		<p>socio-economically circumstances</p> <p>We assist people where possible with completing any forms they need and explain things avoiding technical jargon.</p> <p>We are also in the process of having our letter templates plain English checked and we have built up a variety of contacts in various organisations to enable us to signpost users to other service providers.</p>	<p>Our services are supplied at no cost to our clients</p>
<b>3.8</b>	<b>Gender reassignment</b>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to gender re-assignment</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons gender reassignment</p>	<p>No issues identified</p>
<b>3.9</b>	<b>Pregnancy &amp; Maternity</b>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to pregnancy and maternity</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons pregnancy and maternity circumstances</p>	<p>No issues identified</p>
<b>3.10</b>	<b>Marriage &amp; Civil partnerships</b>	<p>Action taken to remove risk to health, safety and welfare.</p>	<p>No issues identified</p>


## Appendix D - Assessing Equality – The Equality Act 2010 – Housing Standards

		<p>The policy has no impact with regards to marriage and civil partnership</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons marriage and civil partnership circumstances</p>	
<b>3.11</b>	<b>Human Rights</b>	<p>Action taken to remove risk to health, safety and welfare.</p> <p>The policy has no impact with regards to human rights</p> <p>Our services are based on guidance, legislation and written policy and are provided to all regardless of a persons human rights</p>	<p>No issues identified , although the work of Operation pheasant has supported many residents into the national referral mechanism who may have had their rights compromised though modern day slavery and exploitation linked to private rented accommodation.</p>

No major change needed  **Agreed**     
 Adjust the policy  **N**     
 Adverse impact but continue  **N/A**     
 Stop and remove / reconsider policy  **N**

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Agenda Item No:	<b>6</b>	
Committee:	<b>Cabinet</b>	
Date:	<b>9 June 2020</b>	
Report Title:	<b>Approval of the Business Case to set up a Local Authority Trading Company (LATCo)</b>	

## Cover sheet:

### 1.1. Purpose

- To provide Cabinet with a business case to support the creation of a Local Authority Trading Company (LATCo) to build on and aid implementation of the Commercial and Investment Strategy.

### 1.2. Key issues

- All references to a LATCo includes any wholly owned subsidiary companies that may be set up in the future;
- All financial scenarios contained within this report are indicative only and are not to be seen as proposals. Full proposals and options appraisals will be presented to and assessed by the Investment Board;
- The objectives of the LATCo;
- Business arrangements and relationship with the Council;
- Governance arrangements including directors and company secretary;
- Initial funding proposals;
- Risk assessment

### 1.3. Recommendations

- It is requested that Cabinet:-
  - Approve the business case for the establishment of a LATCo;
  - Agree and approve the Company name, accepting that this name may need to be appended for any future subsidiaries;
  - Approve the initial funding requirements of up to £10,001 as set out in the business case. This comprises £1 for share capital to set the company up and up to £10,000 in the form of a loan to be drawn down as and when required to enable the establishment of the LATCo. It is anticipated that this money be utilised from the investment strategy reserve as approved by Council on 20<sup>th</sup> February 2020;
  - Reaffirm the proposed £25m funding facility as noted by Council on 9<sup>th</sup> January 2020 to be drawn down and utilised on a case by case basis as presented to and approved by the Investment Board;

- Agree to indemnify the Council's nominees to the LATCo under the Local Authorities (Indemnities for Members and Officers) Order 2004 if the LATCo does not provide the appropriate insurance cover;
- Approve in principle the various agreements needed to give effect to these recommendations including loan agreements with potential fixed and floating charges over the assets of the LATCo), support services agreements and Shareholder Agreement and delegate to the Monitoring Officer in consultation with CMT and the Leader to make decisions and enter into the appropriate legal agreements.
- Note the recommendations regarding director and company secretary appointments to be agreed by the investment board

<b>Wards Affected</b>	All
<b>Portfolio Holder(s)</b>	Cllr Chris Boden, Leader and Portfolio Holder, Finance
<b>Report Originator(s)</b>	Paul Medd, Chief Executive Officer Peter Catchpole, Chief Finance Officer and Corporate Director Carol Pilson, Corporate Director and Monitoring Officer Amy Brown, Deputy Monitoring Officer
<b>Contact Officer(s)</b>	Paul Medd, Chief Executive Officer Peter Catchpole, Chief Finance Officer and Corporate Director Carol Pilson, Corporate Director and Monitoring Officer Amy Brown, Deputy Monitoring Officer
<b>Background Paper(s)</b>	Full Council Report 9 <sup>th</sup> January 2020

**Fenland District Council**  
**Local Authority Trading Company**  
**(LATCo)**

**Business Case**

**May 2020**

**Company Name Proposal:**  
**To be decided**

## Contents

1. **Summary**
2. **Proposal**
3. **Business Arrangements**
4. **Governance**
5. **Financing**
6. **Staffing**
7. **Risk Management**

## 1. Summary

This document sets out the business case to establish a separate local property company to provide the Council with a vehicle to invest in both residential and commercial properties. For the purposes of this report this company will be referred to as the Local Authority Trading Company (LATCo). It is the intention that the LATCo will have wholly owned trading subsidiaries in the future and although therefore the applicability of this report will apply in principle to those entities it is recognised that particular consideration at the time of formation of a subsidiary would be necessary.

In order to comply with the statutory requirement for the Council to approve the business case of new local authority trading companies (under the Local Government (Best Value Authorities) (Power to Trade) (England) Order 2009/2393) this business case will be submitted to Cabinet for approval. This business case has been developed in accordance with the Secretary of State's guidance.

Once Cabinet approval is in place the LATCo will become operational as soon as practically possible as a private company limited by shares. Any profits made by the Company will either be re-invested into the operation or paid to the Council by way of dividend as sole shareholder.

The purchase and development of properties will be carried out in accordance with the business plan and will be approved by the Investment Board on a project by project basis.

## 2. Proposal

### Vision

The Council's Business Plan states that we will “promote and enable housing growth, economic growth and regeneration across Fenland”. This includes seeking to encourage and support reasonable levels of housing growth and business development as well as revenue creation. The Company will be an integral part of the delivery of these aims, supporting the provision of housing across the district, working in partnership with the Council to support regeneration and to create a financial return for its shareholder.

This vision is in alignment with the Cambridge and Peterborough Combined Authority objectives around housing growth and links into the Local Industrial Strategy and the Independent Economic Review (CPIER) report published in 2018.

This could lead to coordinated investment as set out in the housing strategy published in September 2018 where for example £100m of initial funding for affordable homes is available to drive housing growth in the area. <https://cambridgeshirepeterborough-ca.gov.uk/assets/Uploads/CPCA-Housing-Strategy-Part1.pdf>

The LATCo has the ability to generate a viable business plan. In order to justify the investment by the Council in establishing the LATCo, however, and to enable the LATCo to sustain its overheads as an on-going business, there must be a growth plan in place.

### Background

In view of the reduction in central government support the Council has a responsibility to consider smarter ways of working and providing additional income. It is therefore undertaking a review of how it manages property investment to generate income to continue to maintain services and to live within its means.

The Commercial and Investment Strategy which was approved by Full Council in January 2020 identified the need for the creation of one or more residential and commercial property companies to engage in property investment at arm's length from the Council for

a commercial purpose. Further advice has been received which enables both residential and commercial activities to be undertaken by one arm's length company which will be solely owned by the Council. Additional subsidiaries may be created if specialist boards are required for elements of the Company's operations.

The Council's business plan 2020/21 shows that improving infrastructure and housing growth is a priority and the establishment of a separate property company will provide the means to proactively explore new methods of property investment and housing delivery across the district.

Housing is a key strategic priority as the population of the District is growing and there is significant demand for housing. The Housing market Assessment figure for the district was said to be 600 dwellings per year with a figure of 291 for the affordable need. Our Local Plan however, puts this figure at a total of 550 dwellings per year. By 2036 it is predicted that the population will have increased 9% from 2018 ONS levels to 110,700. Housing prices are relatively low for Cambridgeshire but that is offset by lower wage levels than the rest of the Combined Authority area which still makes many homes unaffordable for local residents.

The Council has wide-ranging powers to establish the LATCo under housing legislation. The Local Government Act 2003 and the Localism Act 2011, amongst other powers. It is likely that much of the activity of LATCo will be of a commercial trading nature, but it will as a consequence meet housing need and support regeneration.

### **LATCo Objectives**

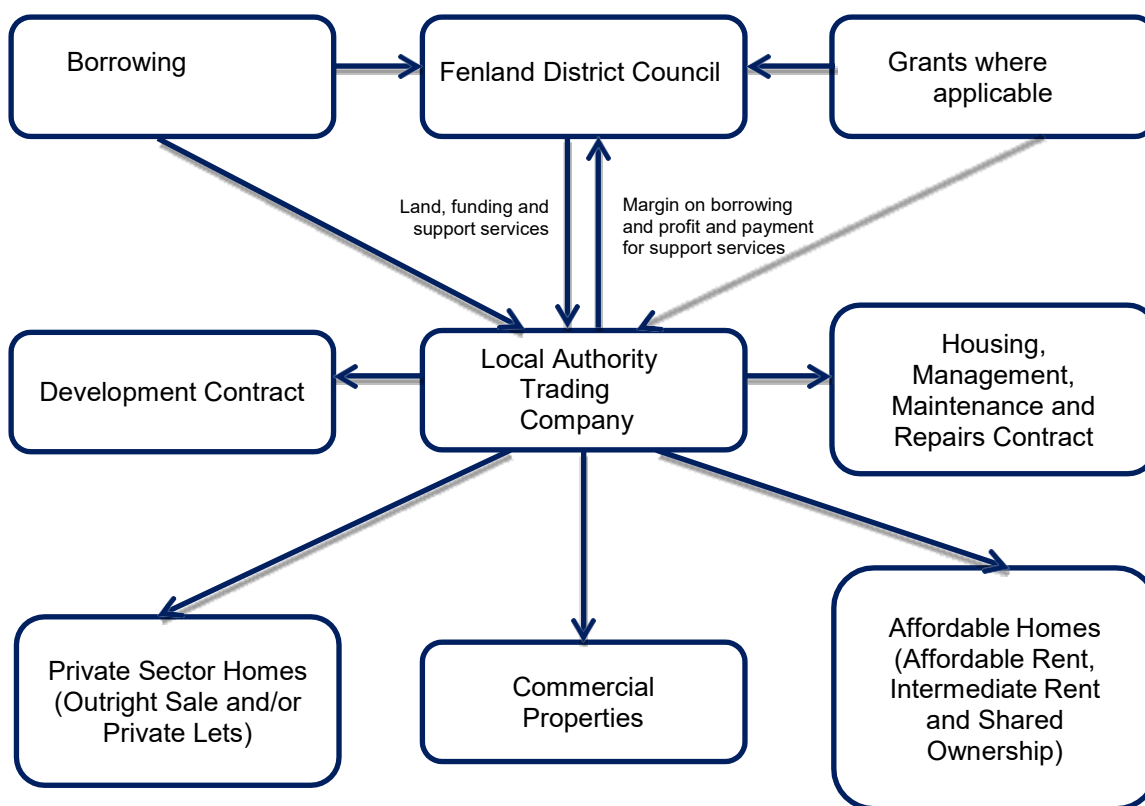
It is important that the Company has enough flexibility to deliver considered opportunities and work on a commercial basis. This may include joint ventures, special purpose vehicles and possibly development management agreements. The LATCo could enter into and have subsidiary companies to be able to trade effectively in the market place e.g. special purpose vehicles for particular projects.

The LATCo objectives will be to:

- (a) Maximise the return to the Council as shareholder from its asset portfolio and exploit opportunities for acquisitions, development and commercial return from assets;
- (b) Create a delivery model that operates with a degree of commerciality in line with aspirations that mirror the Council's Corporate Plans;
- (c) Hold, manage and operate private lettings directly or via procuring landlord services to the tenants of any rented housing;
- (d) Act as a responsible and equitable landlord;
- (e) Deliver capital appreciation;
- (f) Generate income from commercial investments;
- (g) Always seek to obtain the lowest price for purchases and best consideration on sales.

### 3. Business Arrangements

The proposed cash flows and operating relationships are illustrated in the diagram below.



#### Support and Operational Services

One of the key considerations will be to negotiate with the Council's support services the level of service and to pay the costs associated with these activities. Services extended to LATCo via SLAs by the Council will be charged for at the prevailing market rate, including:

- Legal and Governance Services

Initially legal services will be procured from the Council's legal and governance team together with the role of Company Secretary. It is also envisaged that other support roles including compliance, meeting minutes etc. will be drawn from Council resources.

- Finance Services

Financial services will be provided by the Council's finance team but there will be a need to purchase some specialist company systems development and audit services.

The LATCo will be responsible for ensuring that arrangements are in place for insuring all developments owned by the Company via the Council's insurance officer.

- Property Lettings/Housing Management Services

Private residential properties will initially be let on assured shorthold or non-secure

tenancies to provide the Company with the greatest flexibility with the long term management arrangement of the properties. Affordable housing developments may also include shared ownership arrangements.

It is proposed that these management services will be acquired either through the LATCo or an external provider depending on the volume and nature of the tenancies.

- Property acquisition and sale

It is proposed that these property services relating to acquisitions and sales will be acquired either from the Council or an external provider depending on the nature of the services.

- Human Resources

The new Company should not have any implications for staff currently employed by the Council as it is not proposed to transfer any staff to the Company.

- Support Arrangements

The requirements for office accommodation to support the Company is likely to be minimal but as required, it is intended to license office space from the Council at the market rate.

- fPerformance Management

In its strategic role, the Council (Investment Board) will be able to set and monitor various performance measures for the LATCo to ensure that it is getting good value for money and performance in return for its investment.

Example performance indicators for the LATCo could include:

- (a) Number of new homes completed
- (b) Commercial properties acquired or delivered
- (c) Tenant satisfaction rates
- (d) Void levels
- (e) Rent arrears
- (f) Asset Value
- (g) Company Liquidity (Working Capital)
- (h) Investment rate of return
- (i) Investment income levels

The Council will need to have regard to performance when making decisions to invest further in the Company.

It should be noted that the above are indicative performance measures and that each project will have a unique set of performance indicators including delivery timescales and deadlines contained within the specific proposal.

The Business Plan for the LATCo will set targets and its performance will be monitored against these measures as approved by the Investment Board.



## 4. Governance

The Company will be formed as a Company Limited by Shares, with 100% of the share capital retained by the Council. As sole shareholder, the Council would retain control of the Company, including the flexibility to change aspects of its purpose and operation or even cease, transfer or dispose of the Company in the future. The Council in its corporate capacity would be the sole shareholder of the Company.

In order to ensure strong accountability the Council should consider a framework of documentation that covers the relationships set out below:

Roles of the Council	Documentation
<b>Owner of the corporate body and its business</b>	<p>Articles of Association of the company;</p> <p>Shareholder's Agreement (including "Reserved Matters" requiring Council approval, such as: an annual rolling 3 year Business Plan; setting up subsidiaries; and significant transactions)</p> <p>Clear reporting and management arrangements and agreement on reporting to scrutiny</p>
<b>Guarantor/funder of the company's business</b>	<p>"Parent company" Loan or revolving credit agreement</p> <p>Security documents e.g. mortgage or charge over the assets of the company to secure the funding</p> <p>Loans from the Council to the LATCo will be subject to a fixed and floating charge over the LATCo assets.</p>
<b>Client/customer of the business</b>	<p>Shareholder's Agreement will set out strategic expectations and client management arrangements</p>
<b>Provider of services to the business</b>	<p>Service level agreements (SLAs) for e.g. ICT, HR, legal, governance, Members Services, internal audit and finance and property services</p>
<b>Provider of premises and assets to the business</b>	<p>Lease or licence of premises</p>

There are a number of regulatory requirements that will apply to a wholly owned company. The accounts of the company will need to be consolidated with the Councils under accounting rules. Wholly owned companies (and those owned by the 'wider public sector') are also covered by the requirements of the Freedom of Information Act (FOIA) and such a company may also be covered by the Environmental Information Regulations (EIRs).

The provisions of Part V of the Local Government and Housing Act 1989 and the Local

Authorities (Companies) Order 1995 impose requirements on the operation of companies that are wholly owned and controlled or are subject to local authority dominant influence, as follows:

- All "relevant documents" must state that the company is controlled by the Council and name the Council.
- There are limits on the allowances payable to councillors as directors of the company. However, this will not become an issue as the LATCo will have no directors who are Members of the Council,
- The company would be bound by the restrictions on publication of information imposed by section 2 of the Local Government Act 1986. This means that it would be prohibited from publishing party political material.
- Directors of the company must be removed if they become disqualified for membership of a local authority. As noted above the intention is to only elect Council Officers to the Board of the LATCo.
- Requirements are imposed relating to the provision of information to the Council's auditor, members and provision of financial information to the local authority.
- The company must allow for public inspection of the minutes of any general meeting for four years after the meeting, unless disclosure would be in breach of any statutory requirement or obligation owed to any individual (including commercial confidentiality).

A Board of directors will be put in place to oversee and manage the Company in accordance with the objectives set by the Council. The proposed board structure is set out below.

### **Directors and Company Secretary**

The sole owner and shareholder of the Company will be Fenland District Council and the Company will run by a Board of Directors supported by a Company Secretary.

The Board will be comprised of Council Officers with an elected member attending in an observational capacity. The Company will be subject to Company Law and Controlled Company legislation. In particular, Directors of companies are subject to a number of company law duties and obligations, pursuant to the Articles of association of the company, statute, common law and equity. These duties (and the potential liabilities imposed by them) fall into the following three broad categories:

- General duties under the Companies Act 2006
- Duties under other legislation
- Insolvency legislation, for example not continuing to trade when there is no reasonable prospect of avoiding insolvent liquidation if that would not minimise losses to creditors.

The relevant Company law duties are contained in sections 171 – 177 Companies Act 2006 and directors are to:

- act within powers
- promote the success of the company
- exercise independent judgement
- exercise reasonable care, skill and diligence
- avoid conflicts of interest
- not accept benefits from third parties
- declare interests in proposed transactions or arrangements with the company.

Guidance will be developed to ensure that Council Officers are clear on their legal obligations and the identification and management of any conflicts of interest that may arise in the fulfilment of their dual roles.

Because of the potential for personal liability of Directors the Council will either provide indemnities to the appointed Directors (preferred option) or the FPC will provide Directors and Officers Liability Insurance.

#### Directors:

It is intended that the Officers initially appointed to the Board will be the Council Officers occupying the following Council roles due to the particular expertise associated with those positions:

Chief Accountant  
Head of Economic Growth and Assets  
Head of Housing and Community Support  
Another appointee to be determined by the Investment Board in due course

Changes to this list can be implemented by the Investment Board for example to fill a vacancy or to reflect organisational changes in accordance with its terms of reference.

#### Company Secretary:

Due to the specialist nature of this role, and the integral part it will play in ensuring that the LATCo is compliant with its Companies House obligations, the Council Officer occupying the role of Head of Governance will be appointed as Company Secretary.

#### Member Observer

The Council will have the option to send an elected member, selected by the Leader of the Council, to attend all Board meetings in an observational capacity enabling oversight at each level of decision making and subject to any requirements with regard to confidentiality/exempt information as determined by the Board of Directors. The observer will undertake a monitoring role, facilitating exchanges of views or information as an extension of their Council duties but taking no part in the Company's management or governance. The observer will be mainly concerned with representing the Council and will not have responsibility for the governance of the Company. Care should be taken to ensure such attendance is minuted/recorded each time to correctly reflect this.

#### **Shareholders Agreement**

A Shareholders Agreement will operate in addition to the Articles of Association. Unlike the Articles of Association, it is a private contract between the Company and Fenland District Council and will therefore not be filed at Companies House.

Among other things, this means that a Shareholders Agreement can cover internal matters that both parties might consider confidential. It could therefore be used to represent a finer level of detail and control through reserved matters that need the Council's agreement in addition to approving the annual business plan and could include:

- The setting of investment targets each year and the associated budget
- Agreement of any borrowing arrangement and giving security in respect of borrowing

- Considerations before making a planning application or lodging an appeal
- Ensuring certain aims and values
- Management of risk
- Investment decisions in respect of particular projects
- Any other significant transactions of a size and type that the Company and the Council might agree, for instance:
  - Substantial expenditure (whether on properties or otherwise);
  - Substantial disposals
  - Hiring of senior employees
- Any matter that the Council shall advise the Company of in writing

Consideration has been given to ensuring that key expertise (such as financial and legal advice) is available to advise both the Council as shareholder and the company. From time to time it may be necessary to buy in specialist corporate, property, marketing, legal and financial advice on a normal commercial basis to supplement the experience on the Board.

## 5. Financial Analysis

Financial modelling will need to be carried out to assess the potential viability of the FPC to deliver new housing and/or acquire properties for rental in the District. The following points should be considered when assessing the viability of the Company.

- a) Will the proposed Company be a going concern? i.e. will it be able to discharge its liabilities in the normal course of business.
- b) Will the Company be able to generate a return on the Council's investment?

The latter point is important as the Council is wishing to establish a corporate entity which will be self-sustaining in the medium to long term. In this context, the Council should treat transactions with the Company at arm's length, considering whether they are sound investments which third parties would be willing to make.

The modelling work presented below represents two initial indicative scenarios which could be considered as possibilities for the first phase of the investment in the Company.

### Initial indicative scenarios for financial modelling purposes only

#### **Property purchase (Appendix 2)**

A scenario where the FPC purchases 15 housing properties at the beginning of each year, spending approximately £1.5m per annum on investment properties in the Fenland District for the first 5 years of operation. The proposed portfolio of properties is based on purchasing properties in the Fenland area with an average price of £100k including Stamp Duty Land Tax, fees and an allowance for refurbishment.

The properties would be acquired through the purchase of existing properties. When selecting the properties the key criteria applied will be to achieve a minimum 6% or higher ratio of capital cost to annual rent. When modelling the first phase the key aim would be to select properties that offer the greatest return.

#### **Base Financial Assumptions**

In calculating the viability model the following assumptions have been included:

- Inflation 3% per annum;
- Borrowing costs 5% per annum on a 50 year annuity basis;
- Management costs per unit £500 per annum;

- Responsive maintenance costs per unit £400 per annum;
- Major repairs provision 0.5% per annum from year 5;
- Occupancy level 96%.

### **Property Development**

A scenario where FPC develops its own housing utilising land owned by the Council. In the strategy approved by Full Council on 9<sup>th</sup> January 2020 it was recommended that the first site to be considered for development would be the “Nene Waterfront” at Wisbech. This site could deliver 80-100 new dwellings, is relatively easy to access and service, has key infrastructure in place and could be delivered relatively quickly in order to provide financial and housing delivery gains. Initial viability assessments for Phase 1 (43 dwellings) show that a housing scheme with no affordables (previous scheme covered the affordable housing requirement for the site) could generate a 25% profit on cost of circa £1.4m although these numbers would need to be revisited in light of current circumstances.

### **Base Financial Assumptions**

Numbers based on Viability Assessment carried out in January 2020 by Barker Storey Matthews. It is imperative that a fully comprehensive update and review of these numbers is carried out before a decision can be made on this opportunity.

### **Other Benefits**

It is also worth noting that there are secondary financial benefits to the Council that would arise from the indicative scenarios detailed above including increased New Homes Bonus, Council Tax and Planning Fees.

### **Set Up and Running Costs**

The Company will have operational overhead costs from its inception (i.e. financial management and reporting, governance and audit) along with direct delivery costs of procurement and contract management. It has been assumed in the early years the Council will provide these services on a contractual basis to the Company and that no permanent staff will be employed by the Company. If and when the Company reaches a critical mass of operations then permanent staff might be employed directly.

It is the Council's view, however, that the Company will not require any permanent members of staff at this stage of the development of the business plan to manage the procurement and on-going delivery of the constructions contracts. The working assumption will be based on company costs in the region of £20,000 per annum.

On the basis of the initial development programme, it has been assumed that the FPC will contract services from the Council at the prevailing market rate.

External set up costs anticipated to be incurred may include legal costs, specialist property and financial advice.

### **Financial Forecast**

For the property purchase scenario a 50 year cash flow has been used for the business plan of the FPC. On the basis that assets are well-designed, planned and maintained and suitable provision is made for capital repairs during the lives of the assets housing asset lives typically extend up to 100 years. On this basis, assets should remain in a good condition at the end of the 50 year cash flow and, therefore, have a residual value. The business plan has excluded increases in house prices however it is anticipated that this is an area where additional returns on investments can be made in the medium to long term.

The assumption in preparing the profit and loss account and balance sheet for the LATCo is that the housing stock acquired would be held as investment property, as determined under IAS40 (property held for capital appreciation or to earn rentals). There would therefore be no depreciation charge on the assets. However, falls in the asset valuations would be charged to the profit & loss account.

The financial cash flow forecast, detailed at Appendix 2, only shows the property purchase impact and an amalgamated view to include the development aspect would be needed to present in a full business plan. This would require a more detailed finance modelling of cash flow as development costs for phase 1 of circa £6m are anticipated and although a 25% profit is shown profiling of the delivery for cash flow purposes is critical for the Business plan.

## **6. Financing**

### **Potential Funding Sources**

The Council must consider from where funds will be sourced from to meet the investment needs of the LATCo and how these funds will be repaid. Primarily these funds will be in the form of commercial rate loans from the Council to the Company and the sale of share capital to the Council. It is proposed that an initial investment of £1 share capital will be made by the Council whilst acknowledging that the Council may need to increase its stake further down the line for commercial reasons.

It was presented and noted by Full Council at its meeting on the 9th January that £25m will be available to the Investment Board in the form of reserves and/or borrowing in order to deliver the objectives of the Commercial Investment Strategy.

It is anticipated that initial LATCo costs and cash flow will be kept to a minimum and funded from a working capital loan of £10,000. Full details will be provided before any of this loan is drawn down. It is worth noting that any loans made by the Council to the LATCo will be under full commercial arrangements in terms of payments terms, interest rate etc.

The potential investment sources for the LATCo in the short term include:

- (a) Equity investment by the Council at market rate;
- (b) Loan investment by the Council at market rate;
- (c) Land transfer by the Council for best consideration;
- (d) Potential grants from Homes England, CPCA etc.

In addition, it has been assumed that the Council will make loan finance available to the LATCO through the use of prudential borrowing. This would be based on a unsecured loan at market rates including a margin which will provide FDC a return on the funds invested.

### **Fiduciary Responsibilities**

The Council is establishing a company for residential and commercial development which will be a separate corporate entity with profit making abilities. As such the LATCo will need to discharge its liabilities in the normal course of business and be able to generate a return on the Council's investment.

The Company's Directors will have a number of fiduciary responsibilities under the Companies Act 2006, among them to promote the success of the Company and consider its long term prospects. One to be particularly aware of is that the Directors are responsible to ensure that the Company does not undertake "wrongful trading", which is allowing a business to carry on, and incur debts, when it is known that there is no reasonable prospect of the Company repaying them.

The Council should therefore treat transactions with the Company at arm's length, considering whether they are sound investments which third parties would be willing to make. The position of an arm's length investor is a useful benchmark when considering investment of Council resources and this will help to avoid unlawful state aid.

### **Funding initial schemes**

It is envisaged that the Council will need to loan the Company sufficient sums to fund the initial schemes / purchase the first properties including all acquisition expenses. The Company may wish to optimise its loan portfolio requesting a number of loans rather than a single annuity to allow it to benefit from low short term interest rates on offer.

In the preparation of this business case tax advice has been considered on the key tax issues raised below.

### **VAT**

As things currently stand the Company will incur VAT on the cost of any services procured from third parties (including the Council), which it will not be able to recover as the provision of rental housing is an exempt supply. This will include any management, maintenance, repairs services or supplies procured.

It may be possible to reclaim some VAT on overhead costs, and this will be dependent on the Company's partial exemption calculation. Accordingly the preparation of the business case has assumed no recovery of VAT.

It is presumed that construction costs will be exclusive of VAT on the basis that the FPC is developing new housing and that contractors will treat this as a zero-rated supply.

VAT cannot be reclaimed on any white goods within the construction contract however and cannot be reclaimed on any professional services outside of the construction contract. It could therefore be more tax efficient from a VAT perspective for the Council to procure a 'design and build' contract.

VAT can be reclaimed on the costs of refurbishing properties and there may be the ability to opt to tax on any commercial properties acquired or developed, which may reduce the irrecoverable VAT. The detailed business plan will consider VAT in more detail.

### **Corporation Tax**

As a Company limited by shares, the LATCo will be liable to tax on any profit made. The base assumptions used for consideration of the taxable profits of the LATCo are:

- (a) Income for the LATCo comprises
  - (i) Rental / lease income;
  - (ii) Property sales;
  - (iii) Shared ownership sales income.
- (b) Interest payable on borrowings will be an allowable expense;
- (c) There will be no capital allowances on the initial cost of properties;
- (d) There will be no capital allowances on the cyclical works as these are capital in nature and not a revenue expense although a 10% allowance could be claimed if the properties were let as furnished;
- (e) Management, maintenance and running costs will be an allowable expense;
- (f) Corporation tax is payable on net profit at 19% for the year beginning 1 April 2020;
- (g) Consideration will be given to potential deferred tax assets arising from losses made by the FPC.

## **Stamp Duty Land Tax (SDLT)**

SDLT is a charge on property transactions. The sale of land and / or property from a third party to the FPC has the potential to incur an SDLT charge. This will be allowed for in the calculation of the initial purchase cost of land / properties.

It is possible to obtain group relief from SDLT when transferring properties between companies within a group. The transfer of land and property from the Council to a wholly owned subsidiary in the form of the LATCo should therefore be entitled to group relief, but again advice will need to confirm the position in the specific circumstances.

## **Further Options**

The Council has a number of sites that have the potential for to be future development sites for the LATCo to develop.

The Council is supporting the establishment of the LATCo through equity and loan investment and potentially the transfer of land parcels suitable for housing at the appropriate value. On larger sites, the Council will have to consider the value of sites being disposed of, particularly where they are likely to contain significant levels of private units (either for sale or rent). It will be important for the Council to receive best consideration in a way that reflects market conditions, not necessarily a capital receipt up front.

The LATCo may look to expand business through partnership working. This could either be in the form of site specific partnerships with Registered Providers or developers, through a joint venture approach or an equity investment approach. This joint venture approach could be taken through a subsidiary of the LATCo.

## **7. Staffing**

Council officer time may be allocated to the company as and when required to carry out individual projects or tasks, this will be charged at full cost. The Company is not intending to directly employ, but this may expand as activity develops.

Consideration will need to be given to any capacity issues that arise due to additional workloads however an allowance will be made for these costs in the financial modelling within the project appraisals.

## **8. Risk Management**

The key delivery risks and their likely impact are summarised below along with mitigating actions. A robust risk management plan will be developed as part of the business plan.

In undertaking future developments sites and or acquisitions, the Council will need to consider the capacity of the LATCo to deliver this development on its own, or adopting a partnership or joint venture approach.

The Council might wish to limit the level of its financial exposure, however, and might not be willing to lend further resources beyond the initial development programme.

For future development, once the LATCo has established itself as a standalone business, it could therefore look to source finance from private sector sources. For construction finance this is likely to be in the form of senior debt from a commercial bank. In order to obtain bank finance on acceptable terms, without guarantees being required from the Council, the LATCo will need to have proven that it is a successful standalone business. In practice this



will require it being able to evidence that it has:

- Assets it can use as security;
- Delivered a construction programme to time and budget;
- Managed operational properties effectively, with good void and bad debt performance;
- Met debt servicing requirements of loans from the Council; and
- Managed the business of the LATCo effectively from corporate governance and reporting perspective.

## Appendix 1 – Risk Assessment

Risk Type Council Risks		Risk	Probability	Impact	Risk Management
1	Legal	Failure to set up the Company in compliance with the relevant legislation and guidance issued by MHCLG	Low	Medium	Legal advice to be taken to ensure that the Company is created correctly and the guidance is followed. Guidance to be circulated to project team. Appropriate governance arrangements to be put in place.
2	Legal	Possibility of trading ultra vires and the failure to follow governance arrangements and regulatory requirements	Low	Low	Guidance to be followed and clear governance arrangements to be put in place in accordance with the guidance.  Company Law has now removed the concept of vires and so, unless the Company chooses to restrict its own powers, it will have sufficient powers to enable it to trade.
3	Legal / Finance	Breach of EU state aid rules and Brexit impact	Low	Medium	The Council must ensure that any services provided to the Company are done on a full cost recovery basis or at a market rate – this will include the use of staff, finance & systems. Any loans given to the company must be at an appropriate rate. If Council land is going to be put into the Company then consideration has to be given as to the use of that land and that the Council obtains best consideration for it. Monitor Brexit negotiations closely to assess any relevant impacts.
4	Finance	Failure to arrange adequate insurance cover for the Company's liabilities and assets	Low	Low	Ensure insurance broker is kept up to date with the set up and operation of the Company.  Regularly review insurance cover and before accepting any order/contract.

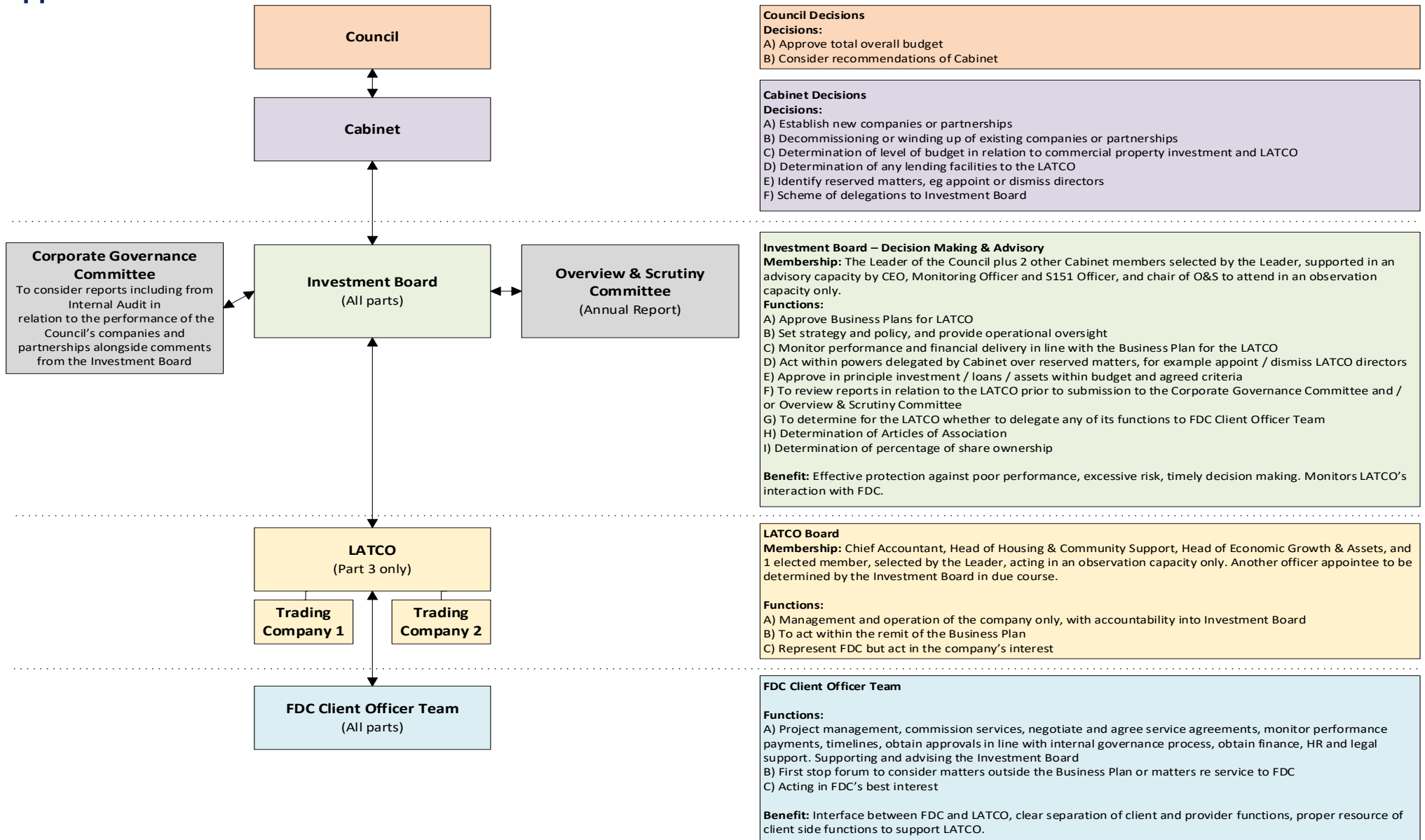
	Risk Type Council Risks	Risk	Probability	Impact	Risk Management
5	Finance	Consequences of proposed investment decisions – impact on Prudential borrowing	Low	Low	The Council is required to have regard to CIPFA's Prudential Code for Capital Finance and regard to borrowing decisions.  Therefore any decision from the Council to borrow to invest in the Company will need to be included within the Council's prudential indicators including the Capital Finance Requirement and reporting the revenue consequences on the decision and setting aside Minimum Revenue Provision.
6	Finance	Consequences of adverse financial impact on General Fund and hence taxpayer	Low	Medium	Robust contract and governance arrangements, i.e. contract monitoring, budget monitoring, contract administration procedures.
7	Finance	Challenge from Council's auditors re: financial model and group accounts.	Low	Low	The accounting structure will ensure that all transactions applicable to the Company can be identified using unique transaction records and coding structures.
8	Finance	Failure to comply with taxation laws – corporation tax and VAT	Low	Low	Advice to be sought and will follow tax advice.
9	Operational	Conflict of interest over workload priorities of Council projects / initiatives / programmes and Company projects	Low	Low	Effective resource planning meetings, continued liaison with key Council programmes and compliance at all times with Corporate themes / objectives strategies at this stage.
10	Operational	Lack of capacity to manage additional work	Low	Low	Careful programming of staff resources, ensuring core responsibilities and services are maintained to Council and constant review of balance of staffing needs, at this stage.
11	Other	Failure to manage reputational impact of the Company on the Council	Low	Medium	A full marketing and communications plan will be developed and maintained to ensure that the branding and image of the Company is in keeping with the Council's wishes and contributes to a positive view of the Council's services.

	Risk Type Council Risks	Risk	Probability	Impact	Risk Management
12	Other	Risks relating to Council's reputation and public perception of its efficiency and effectiveness in the event of the Company's failure	Low	Medium	Risk assessment regularly reviewed.
13	Legal	Construction risks and Contractual Disputes	Low	Medium	The Company to take appropriate legal advice before entering into contracts and the proper governance procedures are to be followed to ensure that contracts which need the Council to approve them are approved correctly. All staff doing work for the Company are to be made aware of the procedures.
14	Finance	Failure of housing to be competitive and/or attractive to tenants	Low	Low	The Company will have to consider this as part of the process for deciding whether to proceed with a development scheme or a street purchase. Consider subsidiary companies with specialist boards and ability to ring fence risk.
15	Finance	Failure to comply with government guidance on investments	Low	Medium	Treasury management advice to be sought on proposed transactions.
16	Other	Inaccuracy/inadequacy of stock condition information on the properties acquired	Low	Low	Robust stock condition survey information obtained prior to purchase.
17	Other	Welfare Reform and implications – Rent payments not being met	High	Medium	Effective housing management to identify and manage arrears
18	Other	Damage to Property – not covered by deposit. Time delay results in further rental loss.	Medium	Medium	Experience indicates there will be some damage. Limit by way of good pro-active management.
19	Other	Property Market – Sales / Rentals – may not command required income	Medium	Medium	Be flexible on tenancies. Keep up to date with market activity.
20	Other	Right-to-buy extended to council owned subsidiaries	Low	Medium	Keep up to date with any proposed legislative changes and assess any resultant impact.
21	Other	Current COVID-19 situation	High	Medium	Could create a less than favourable economic outlook. New opportunities could arise.

## Appendix 2 – Example Financial Modelling (property purchase only)

	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year
	1	2	3	4	5	6	7	8	9	10	20	30	40	50
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Income</b>														
Private Rental Income	104	207	311	415	518	534	550	566	583	601	808	1,085	1,459	1,960
<b>Total Income</b>	<b>104</b>	<b>207</b>	<b>311</b>	<b>415</b>	<b>518</b>	<b>534</b>	<b>550</b>	<b>566</b>	<b>583</b>	<b>601</b>	<b>808</b>	<b>1,085</b>	<b>1,459</b>	<b>1,960</b>
<b>Costs</b>														
Management Costs	-8	-15	-23	-30	-38	-39	-40	-41	-42	-43	-47	-63	-85	-114
Repairs and Maintenance	-6	-12	-18	-24	-30	-31	-32	-33	-34	-35	-58	-78	-104	-140
Allowance for Major Repairs and Maintenance	0	0	0	0	0	-7	-14	-22	-29	-39	-72	-129	-263	-353
Company running costs	-20	-21	-21	-22	-23	-23	-24	-25	-25	-26	-35	-47	-63	-85
<b>Total Costs</b>	<b>-34</b>	<b>-48</b>	<b>-62</b>	<b>-76</b>	<b>-90.5</b>	<b>-100</b>	<b>-110</b>	<b>-121</b>	<b>-130</b>	<b>-143</b>	<b>-212</b>	<b>-317</b>	<b>-515</b>	<b>-692</b>
<b>Financing Costs</b>														
Interest	-75	-150	-225	-300	-375	-373	-371	-369	-367	-364	-332	-280	-195	-55
<b>Total Financing</b>	<b>-75</b>	<b>-150</b>	<b>-225</b>	<b>-300</b>	<b>-375</b>	<b>-373</b>	<b>-371</b>	<b>-369</b>	<b>-367</b>	<b>-364</b>	<b>-332</b>	<b>-280</b>	<b>-195</b>	<b>-55</b>
<b>Grand Total Costs</b>	<b>-109</b>	<b>-198</b>	<b>-287</b>	<b>-376</b>	<b>-466</b>	<b>-473</b>	<b>-481</b>	<b>-490</b>	<b>-497</b>	<b>-507</b>	<b>-544</b>	<b>-597</b>	<b>-710</b>	<b>-747</b>
<b>Profit / (Loss)</b>	<b>-5</b>	<b>9</b>	<b>25</b>	<b>39</b>	<b>53</b>	<b>61</b>	<b>69</b>	<b>77</b>	<b>86</b>	<b>94</b>	<b>264</b>	<b>489</b>	<b>748</b>	<b>1,213</b>
Corporation Tax	0	0	0	7	10	12	13	15	16	18	50	93	142	230
<b>Profit / (Loss) after tax</b>	<b>-5</b>	<b>9</b>	<b>25</b>	<b>31</b>	<b>43</b>	<b>50</b>	<b>56</b>	<b>62</b>	<b>70</b>	<b>76</b>	<b>214</b>	<b>396</b>	<b>606</b>	<b>983</b>

# Appendix 3 - Governance



**DRAFT 6 MONTH CABINET FORWARD PLAN –  
Updated 28 May 2020**



(For any queries, please refer to the published forward plan)

**CABINET**

<b>CABINET DATE</b>	<b>ITEMS</b>	<b>LEAD PORTFOLIO HOLDER</b>
17 June 2020	1. Freedom Contract 2. Cabinet Draft Forward Plan	Cllr Clark / Cllr Boden Cllr Boden
6 August 2020	1. Annual Report 2019/20 2. Treasury Management Annual Report 2019/20 3. Financial Outturn Report 2019/20 4. Budget Update 5. Cabinet Draft Forward Plan	Cllr Boden Cllr Boden Cllr Boden Cllr Boden Cllr Boden
8 Sept 2020	1. Coates Conservation Area Appraisal 2. Cabinet Draft Forward Plan	Cllr Seaton Cllr Boden
21 Oct 2020	1. Draft Local Plan 2. Cabinet Draft Forward Plan	Cllr Laws Cllr Boden
17 Nov 2020	- Reserve meeting date -	
14 Dec 2020	1. Treasury Management Strategy Statement & Annual Investment Strategy Mid Year Review 2020/21 2. Draft Business Plan 3. Draft Budget 2021/22 & Mid Term Financial Strategy 4. Local Council Tax Reduction Scheme Review 2020/21 5. Fees & Charges 6. Cabinet Draft Forward Plan	Cllr Boden  Cllr Boden Cllr Boden  Cllr Boden Cllr Boden Cllr Boden

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