

Meeting	CABINET
Time/Day/Date	5.00 pm on Tuesday, 9 February 2016
Location	Board Room, Council Offices, Coalville
Officer to contact	Democratic Services (01530 454512)

All persons present are reminded that the meeting may be recorded and by attending this meeting you are giving your consent to being filmed and your image being used. You are kindly requested to make it known to the Chairman if you intend to film or record this meeting.

The Monitoring Officer would like to remind members that when they are considering whether the following items are exempt information under the relevant paragraph under part 1 of Schedule 12A of the Local Government Act 1972 they must have regard to the public interest test. This means that members must consider, for each item, whether the public interest in maintaining the exemption from disclosure outweighs the public interest in making the item available to the public.

AGENDA

Item	Pages
1. APOLOGIES FOR ABSENCE	
2. DECLARATION OF INTERESTS	
Under the Code of Conduct members are reminded that in declaring disclosable interests you should make clear the nature of that interest and whether it is pecuniary or non-pecuniary.	
3. PUBLIC QUESTION AND ANSWER SESSION	
4. MINUTES	
Minutes of the meeting held on 12 January 2016	3 - 6
5. GENERAL FUND AND SPECIAL EXPENSES REVENUE BUDGETS 2016/17	
Report of the Head of Finance Presented by the Corporate Portfolio Holder	7 - 30



6.	CAPITAL PROGRAMMES - GENERAL FUND, COALVILLE SPECIAL EXPENSES AND HOUSING REVENUE ACCOUNT (H.R.A). PROJECTED OUTTURN 2015/16 AND PROGRAMMES 2016/17 TO 2020/21	
	Report of the Head of Finance Presented by the Corporate Portfolio Holder	31 - 50
7.	HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS FOR 2016/17	
	Report of the Head of Finance Presented by the Corporate Portfolio Holder and the Housing Portfolio Holder	51 - 62
8.	HOUSING STRATEGY 2016-2021	
	Report of the Director of Housing Presented by the Housing Portfolio Holder	63 - 102
9.	THE TREASURY MANAGEMENT STRATEGY STATEMENT 2016/17 AND PRUDENTIAL INDICATORS 2016/17 TO 2018/19	
	Report of the Head of Finance Presented by the Corporate Portfolio Holder	103 - 130
10.	REVIEW OF TENANCY AGREEMENT	
	Report of the Director of Housing Presented by the Housing Portfolio Holder	131 - 194
11.	AUTHORITY TO AWARD ENERGY CONTRACTS	
	Report of the Head of Finance Presented by the Corporate Portfolio Holder	195 - 198
12.	REVIEW OF CORPORATE GOVERNANCE POLICIES - REGULATION OF INVESTIGATORY POWERS ACT	
	Report of the Head of Legal and Support Services Presented by the Corporate Portfolio Holder	199 - 214
13.	BUILDING CONFIDENCE IN COALVILLE - PROJECT UPDATE	
	Report of the Chief Executive Presented by the Leader	215 - 218
14.	MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY	
	Report of the Director of Services Presented by the Community Services Portfolio Holder	219 - 226

MINUTES of a meeting of the CABINET held in the Board Room, Council Offices, Coalville on TUESDAY, 12 JANUARY 2016

Present: Councillor R Blunt (Chairman)

Councillors R D Bayliss, T Gillard, T J Pendleton, N J Rushton and A V Smith MBE

In Attendance: Councillors

Officers: Mr S Bambrick, Mr R Bowmer, Ms C E Fisher, Mr G Jones, Mrs R Wallace and Miss E Warhurst

65. APOLOGIES FOR ABSENCE

There were no apologies for absence.

66. DECLARATION OF INTERESTS

There were no declarations of interest.

67. PUBLIC QUESTION AND ANSWER SESSION

There were no questions received.

68. MINUTES

Consideration was given to the minutes of the meeting held on 8 December 2015.

It was moved by Councillor R Blunt, seconded by Councillor T J Pendleton and

RESOLVED THAT:

The minutes of the meeting held on 8 December 2015 be approved and signed by the Chairman as a correct record.

69. BUILDING CONFIDENCE IN COALVILLE - PROJECT UPDATE

The Chief Executive presented the report and updated Members of the progress including governance arrangements, stakeholder engagement and financial arrangements. She drew Members attention to phase one of the project which included the Council Offices and Stenson square, plus the consultancy work being undertaken on Leisure and Cultural Services.

Councillor R Blunt commented that due to the project being on a large scale this quarterly report was being provided for Members as agreed. He reported that he had attended consultation meetings with a number of groups already which had gone well and he was about to consult with a number of other community groups, network groups and volunteer staff members in the near future. He stressed the importance of allocating funds to the project to show a meaningful commitment and he assured Members that it would not be at the expense of other areas.

Councillor T J Pendleton agreed that they were right to commit the funds to make the much needed improvements to Coalville as this was the Council's statement of intent. He also agreed with the review being undertaken on the Leisure Service as the costs involved need to be assessed.

Councillor R D Bayliss believed that the creation of the Coalville Project reserve was crucial as there was a need to correctly budget the project.

Councillor T Gillard felt that the report provided a positive step forward for the project.

Councillor A V Smith felt that it was an excellent piece of work and much needed in Coalville. She was also pleased that the Leisure Service provision was being looked into as part of the process.

It was moved by Councillor R Blunt, seconded by Councillor T J Pendleton and

RESOLVED THAT:

- 1) The establishment of internal project governance be noted.
- 2) The progress of specialist advisors to deliver the feasibility stage of phase 1 of Coalville Project be noted.
- 3) The procurement of specialist advisors to conduct an options appraisal for the leisure and culture offer of the District be noted.
- 4) The creation of a Coalville Project reserve and re-assignment of underspent reserves be approved.

Reason for decision: To seek Cabinet approval to re-assign underspent reserves into a Coalville Project reserve.

70. COUNCIL TAX BASE 2016/17

The Corporate Portfolio Holder presented the report and referred Members to the Council tax base figures as detailed at appendix one and two.

It was moved by Councillor N J Rushton, seconded by Councillor R D Bayliss and

RESOVLED THAT:

- 1) The calculation of the council tax base for each parish and special expense area for the financial year 2016/17, as shown in appendix 2 to the report, be approved and adopted.
- 2) In accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 SI 2012/2914, the amount calculated by North West Leicestershire District Council as its council tax base for the financial year 2016/17 shall be 30,319.
- 3) The amounts of Council Tax Support Grant for each Town and Parish Council as detailed in appendix 3 be approved for the financial year 2016/17.

Reason for decision: Statutory requirement to facilitate the setting of Council Tax for the forthcoming Financial Year.

The Chairman announced that item 7 – Authority to Award Energy Contracts, was withdrawn from the agenda and would be considered at the next meeting of Cabinet to be held on 9 February 2016.

71. GYPSY AND TRAVELLER SITE ALLOCATION DPD: DRAFT FOR CONSULTATION

The Regeneration and Planning Portfolio Holder presented the report to Members. He informed Members that North West Leicestershire District Council had a duty under the Housing Act 2004 to assess, identify and plan to meet the District's housing needs including those of the gypsies, travellers and travelling showpeople. He added that the Local Plan Advisory Committee had already considered a report on the subject and was in support.

Councillor T Gillard commented that this was something that the Council had to do and he believed it added credibility to the Local Plan.

Councillor R Blunt thanked the Members of the Local Plan Advisory Committee for the work that had already been undertaken as it was very much appreciated.

It was moved by Councillor T J Pendleton, seconded by Councillor T Gillard and

RESOLVED THAT:

- 1) The preparation of a Gypsy and Travellers Site Allocations Development Plan document commences.
- 2) The consultation and a call for sites as set out in the report to the Local Plan Advisory Committee commence.

Reason for decision: To approve the proposals for consultation.

The meeting commenced at 5.00 pm

The Chairman closed the meeting at 5.20 pm

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	GENERAL FUND AND SPECIAL EXPENSES REVENUE BUDGETS 2016/17
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk Head of Finance 01530 454520 ray.bowmer@nwleicestershire.gov.uk Financial Planning Manager 01530 454707 Pritesh.padaniya@nwleicestershire.gov.uk
Purpose of report	For Cabinet to agree the final 2016/17 General Fund and Special Expenses revenue budget proposals for recommendation to Council on 23 February 2016.
Reason for Decision	To enable the Council to set a balanced budget for 2016/17 as required by statute.
Council Priorities	The budget assists the Council in achieving all its priorities.
Implications: Financial/Staff Link to relevant CAT Risk Management Equalities Impact Screening Human Rights	As contained in the report. The budget is relevant to all Corporate Action Teams (CATs). The budget will be managed and monitored throughout the year to ensure savings are achieved and services delivered as planned. No impact identified. None identified.

Transformational Government	Not applicable.
Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	As report author the report is satisfactory.
Comments of Deputy Monitoring Officer	The report is satisfactory
Consultees	Federation of Small Businesses, Town and Parish Councils, Trade Unions, Policy Development Group (6 Jan 2016).
Background papers	Cabinet Reports: Medium Term Financial Strategy 2016/17 to 2019/20 – 22 September 2015 General Fund and Special Expenses Revenue Budgets 2016/17 – 8 December 2015
Recommendations	<p>THAT CABINET:</p> <p>1. RECOMMENDS TO COUNCIL:</p> <p>(I) THAT IT NOTES THE LEVEL OF RESERVES AND ASSURANCE STATEMENT BY THE DEPUTY SECTION 151 OFFICER IN SECTION 7 OF THE REPORT.</p> <p>(II) THE BUDGETED SURPLUS INCOME OVER EXPENDITURE IN 2016/17 IS TRANSFERRED TO THE GENERAL FUND RESERVE FOR FURTHER CONSIDERATION AFTER COMPLETION OF 2015/16 ACCOUNTS.</p> <p>(III) THE FORECASTED SURPLUS INCOME OVER EXPENDITURE IN 2015/16 IS TRANSFERRED TO THE SPECIAL PROJECTS RESERVE</p> <p>(IV) THE CONSULTATION RESPONSES DETAILED IN APPENDIX 1 ARE NOTED</p> <p>(V) APPROVAL OF THE GENERAL FUND REVENUE BUDGET FOR 2016/17 SUMMARISED IN APPENDIX 2.</p> <p>(VI) APPROVAL OF THE SPECIAL EXPENSES BUDGET FOR 2016/17 SET OUT IN APPENDIX 3.</p> <p>(VII) THAT IT FREEZES THE DISTRICT'S COUNCIL TAX IN 2016/17.</p>

1.0 INTRODUCTION

- 1.1 The draft General Fund budget proposals for 2016/17 were considered and approved for consultation by Cabinet, on 8 December 2015.
- 1.2 This report summarises progress and highlights any changes made since the last Cabinet report was prepared and presents the responses to the budget consultations so that appropriate recommendations can be made to the Council on 23 February 2016 for the Budget and Council Tax for 2016/17.
- 1.3 The Medium Term Financial Strategy (MTFS) approved by Cabinet in September 2015 projected a budget shortfall of £260k for 2016/17. At that stage additional ongoing savings of £1.9m were predicted between 2017/18 and 2019/20.
- 1.4 Since the Cabinet agreed its draft budget proposals on 8 December 2015 the base budget has been completed, the Government has announced provisional grant funding for 2016/17 and responses to our budget consultations have been received.

1.5 Local Income and Increased Efficiencies

As part of the culture of managing resources efficiently and effectively throughout the year the managers have continued to work hard to keep service budgets down and absorb the effects of inflation within existing budgets. These are effectively savings made in advance which will contribute to meeting future years' savings targets. As plans are in place to keep reserves at adequate levels, the projected budget surplus is available to fund the one-off initiatives in 2016/17.

1.6 Government Funding Changes

The Government announced the Provisional New Homes Bonus payments and the Provisional Local Government Finance Settlement for 2016/17 on 17 December 2015. Our provisional 2016/17 New Homes Bonus has been set at £2.773m. This is £350k higher than assumed in the MTFS and reflects the work the Council's officers have done to bring empty homes back into use and ensuring that new homes qualify for New Homes Bonus at the earliest opportunity. As part of the Provisional Settlement Announcement the Government began a consultation about reducing the cost of making New Homes Bonus payments by over a half from 2017/18.

- 1.7 The latest budget position compared with the Medium Term Financial Strategy is summarised in the table below:

	2016/17
	£000
Shortfall Projected in MTFS -September 2015	260
<u>Changes in Funding:</u>	
Additional New Homes Bonus in 2016/17	(350)
Additional Business Rates	(973)
Collection Fund Surplus	(295)
Impact of Provisional Finance Settlement 2016/17	198
Council Tax	(25)
<u>Changes in the Base Budget</u>	
Various changes to the Budget	103
Shortfall/(Surplus)	(1,082)

2.0 2016/17 GENERAL FUND REVENUE BUDGET

2.1 Pay and Prices Inflation

Provision has been included within the budget for the agreed cost of living pay increase to staff covering the period to 31 March 2017. There is also provision for a further increase of 1% in employer's superannuation contribution. Inflation has been included where there is a contractual obligation for increases in costs

2.2 Collection Fund

The Council is required to estimate the 31st March 2016 position on the Collection Fund (which is the account to which all the Council Tax receipts are credited, and from which all precepts are paid). A surplus of £345k is projected for this Council. The MTFS assumed a surplus of £50k.

2.3 Central Government Funding

2.3.1 Funding from the Government in respect of Revenue Support Grant, National Non Domestic Rates (NNDR) and New Homes Bonus has a significant influence on the Council's spending plans. The allocations for 2016/17 are compared with the MTFS in the table below:

	MTFS	Provisional Settlement	Change
	£000	£000	£000
Revenue Support Grant	1,318	1,120	-198
Baseline Funding/Business Rates	1,983	2,200	217
New Homes Bonus	2,423	2,773	350
Total	5,724	6,093	369

At the time of writing this report, these allocations are still provisional, but are not expected to change significantly when the Final Settlement is announced later this month.

- 2.3.2 The Settlement assumes £2.200m in locally retained Business Rates. This figure will vary depending on actual yields but is unlikely to fall by more than 7.5% because of safety net arrangements. Under the arrangements from April 2013 district councils are allocated 40% of increases and decreases in Business Rates paid. There is also a system of levies and safety nets which reduces our share of increases to 20% but at the same time provides a safety net which limits our losses to 7.5% of our funding baseline, which for this authority works out at approximately £165k in 2016/17. As the Council is participating in local pooling arrangements with other councils in the county next year, the safety net will be funded locally so is less secure than the national safety net arrangements which apply when there is no local pooling. In light of our forecasted business rates in the current year and taking into consideration other factors such as organic growth, new business and appeals provisions a figure of £2.955M figure is included in 2016/17 budget.

2.4 New Homes Bonus

The Government has announced provisionally that the Council will receive £2.773m in New Homes Bonus in 2016/17. This is £350k more than was assumed in the Medium Term Financial Strategy approved by Cabinet on 22 September 2015. This reflects the targeted work by the Council to return long term voids back into use and ensuring that new properties are listed as early possible. New Homes Bonus payments are currently made for six years but this could fall to four, three or even two years from 2017/18 following the Government's current consultation. Other changes being consulted on include reductions where Local Plans are delayed, reductions where homes are only built following appeal and possibly only for additional homes over a pre-determined baseline. This Council's response to the consultation will be considered by Cabinet at its meeting on 8 March 2016.

The MTFS assumes that each year all our New Homes Bonus will be used to support the Revenue Budget and this means that in 2016/17 almost £2.8m expenditure on our mainstream services will be funded in this way.

2.5 Council Tax

In 2016/17 Government Grant is not available to help Councils which freeze or reduce their Council Tax. Increases in the District's Council Tax would be limited to 2% otherwise a referendum would be triggered. If the Council was to increase its Council Tax by 2% in 2016/17 it would generate an additional £96k.

The Council began its policy of freezing the Council Tax seven years ago, before the introduction of Government freeze grants, and will continue with this policy into 2016/17.

The income expected to be generated from the Council Tax will increase from £4.704m in the current year to £4.808m in 2016/17 as a result of increases in the tax base.

2.6 Revenues and Benefits Partnership

Under our partnership agreement the Council needs to agree its contribution to the Leicestershire Revenues and Benefits Partnership for the next financial year. The Joint Committee held on 28 January 2016 approved an increase of £32k or 2.7% which is attributable to contractual obligations, inflation and service costs. This has been built into the base budgets.

2.7 Medium Term Financial Strategy (MTFS)

The MTFS approved in September 2015 projected that £2.157m further ongoing savings would be required by 2019/20. The outcome of the Government's consultation on reducing new Homes Bonus payments and Business Rates Income is likely to have the greatest influence on a revised MTFS.

2.8 General Fund Reserve

- 2.8.1 The uncommitted balance on the General Fund is £2.7m. In addition to the uncertainties around future New Homes Bonus income there are a number of other future risks which signal the need for balances to be at higher than historical levels. The Cabinet is already aware of the volatility which the localisation of Business Rates brings to the Council's finances. Similarly other local income including Income from the sale of recyclables and to a lesser extent Car Park charges, continue to be difficult to predict. It is prudent to retain the General Fund Balance at this level due to uncertainties stated above.

2.9 Earmarked Reserves and Provisions

The Council's earmarked General Fund revenue reserves and provisions stood at £12.2m at 1st April 2015. A review of the committed expenditure against these reserves has been undertaken and it is estimated that around £10.5m will remain at 31st March 2016. All of this is earmarked for a particular use in the future; it is therefore not available for the Council's general use.

2.10 Revenue Budget Contingency

This has been set at £100k for 2016/17. These resources would normally only be called upon if there were unexpected increases in costs or loss of income during the year and they could not be met from underspendings elsewhere. This contingency has not been called upon in the last three years. Although it is best practice to include a contingency in the budget, Service Managers are always encouraged to fund financial pressures from their own budgets in the first instance. The level of the contingency will continue to be reviewed as part of the updating of the Medium Term Financial Strategy to ensure it remains appropriate.

3.0 GENERAL FUND 2015/16 – PROJECTED OUTTURN

- 3.1 The summary budget shown at Appendix 2 shows the 2015/16 budget, projected outturn and 2016/17 budget. A surplus of £1.596m has been projected for 2015/16.

3.2 The main reasons for the projected surplus in 2015/16 are as follows:

Retained Business Rates	£ 1,033m	
Planning and Development Fees	£ 600k	
Legal Income	£ 51k	£ 1.684m

Salaries/Vacancy Management	£ (22k)	
Other more minor variances (net)	£ (66k)	£ (88k)

Total **£ 1.596m**

3.3 Since 1 April 2013 local authorities have been sharing the benefit of additional business rates with Central Government. Any reductions in business rates including closures and rating appeals are also shared. Although currently the Projected Outturn assumes an increase of £1.033M in Business Rates Income this could change when the Council's accounts are closed and audited in the summer.

3.4 In paragraph 2.8.1 it was explained that the General Fund Reserve should be retained at a level of £2.7m. The projected surplus of £1.596m will be over and above the minimum level of reserves required. This report recommends that this surplus of £1.596m is transferred to the Council's Special Projects Reserve at the year end. This will be duly consulted and reported at Cabinet after the closure and external audit of the accounts.

4.0 REVENUE BUDGET 2016/17 – PROPOSALS IN SUMMARY

4.1 Summary

The following table summarises the headline figures for 2016/17 as contained in Appendix 2.

Expenditure	2016/17
	£
Chief Executive's Department	5,331,820
Director of Services	5,668,400
Non Distributed Costs & Other	132,040
Corporate Items & Financing	1,206,021
Recharges Out of General Fund	(1,418,150)
Transfer to Balances/Reserves	1,081,912
2016/17 Budget Requirement	12,002,043
Funding Sources	
Formula Grant -RSG	1,120,000
National Non Domestic Rates	2,955,534
New Homes Bonus	2,773,081
Council Tax	4,807,987
Transfer from Collection Fund	345,441
Total Funding Available	12,002,043

5.0 CONSULTATION

- 5.1 The responses from the trade unions, Town & Parish Councils and the federation of Small Businesses are attached at Appendix 1. The Cabinet's Revenue Budget Proposals and draft Capital Programmes were presented to the Policy and Development Group meeting on 6 January 2016. The comments of Policy Development Group are included in the minutes attached at Appendix 4.

6.0 SPECIAL EXPENSES

6.1 Coalville Special Expenses

As with the Council's own revenue budget, the special expenses budget for Coalville has been prepared on the basis of a nil increase in Council Tax and is included in Appendix 3. It incorporates the information considered by the Coalville Special Expenses Working Party on 15 December 2015.

6.2 Other Special Expenses

The Council also levies special expense precepts in some of the parished areas of the District. In the main these relate to grounds maintenance works that the Parish Councils have chosen for the District to perform. A schedule showing the estimated level of expenditure and proposed precepts is included in Appendix 3.

7.0 ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES

- 7.1 The Local Government Act 2003 requires the Council's Chief Financial Officer (Section 151 Officer) to comment on the robustness of the estimates and also on the adequacy of the proposed reserves. Members must have regard to these comments when making a decision on the budget proposals for the forthcoming year.

- 7.2 Taking into account identified risks the Section 151 Officer, the Head of Finance, considers that the estimates which form the General Fund budget are robust; the proposals are deliverable and will produce a balanced budget for 2016/17 as required by Section 25 of the Local Government Act 2003.
- 7.3 Details of the Council's reserves are set out from paragraph 2.8 and again the Section 151 Officer is satisfied that these remain adequate.
- 7.4 The Special Expenses estimates are similarly considered to be robust.
- 7.5 The budget process for the 2016/17 year concludes with the approval of all the revenue budgets and the capital programmes by the full Council on 23 February 2016, following which the Council will also determine the level of Council Tax in 2016/17.

General Fund Budget Consultation

Trade Unions

No responses received.

Federation of Small Businesses

Charley Parish Council

No view on the District's budget proposals.

Whitwick Parish Council

Thank you for consulting the Parish Council on your draft budget. The Parish Council has responded by saying that it welcomes the fact that the draft budget involves no reduction in NWLDC's front line services and hopes that these will continue to be protected in future

Measham Parish Council

Thank you for extending the deadline for members to look at the budget consultation. They have considered the information and have no comments or objections to make.

This page is intentionally left blank

2015/16 Budget £	2015/16 F'Cast Out- turn £	Service	2016/17 Budget £
255,990	258,240	Chief Executive	261,900
0	36,110	Economic Development	198,440
3,170	(1,000)	Joint Strategic Planning	7,530
0	32,740	Director of Resources	107,100
293,440	341,950	Human Resources	345,750
2,275,000	2,168,930	Legal & Support Services	2,421,900
1,727,860	1,786,803	Finance	1,989,200
4,555,460	4,623,773	Total Chief Executive's Department	5,331,820
351,780	347,263	Director of Services	337,900
4,058,610	4,075,888	Community Services	4,385,340
456,630	445,780	Strategic Housing	467,880
803,250	148,090	Regeneration & Planning	477,280
5,670,270	5,017,021	Total Director of Services	5,668,400
54,550	36,680	Corporate & Democratic Core	44,930
8,380	1,950	Non Distributed - Revenue Expenditure on Surplus Assets	9,850
78,000	122,150	Non Distributed - Retirement Benefits	77,260
10,366,660	9,801,574	NET COST OF SERVICES	11,132,260
(1,378,560)	(1,344,495)	Net Recharges from General Fund	(1,418,150)
8,988,100	8,457,079	NET COST OF SERVICES AFTER RECHARGES	9,714,110
		CORPORATE ITEMS AND FINANCING	
		Corporate Income and Expenditure	
1,030,857	1,030,857	Net Financing Costs	1,054,200
400,000	400,000	Acquisition of Sites	0
(92,000)	(123,900)	Investment Income	(116,000)
183,000	183,000	Corporate Contingency	100,000
100,076	100,076	Localisation of Council Tax Support Grant - Parish & Special Expenses	167,821
10,610,033	10,047,112	NET REVENUE EXPENDITURE	10,920,131
0	1,595,894	Contribution to Balances/Reserves	1,081,912
10,610,033	11,643,006	MET FROM GOVT GRANT & COUNCIL TAX (Budget Requirement)	12,002,043
		Financed By	
1,761,262	1,761,262	Formula Grant	1,120,000
58,056	58,056	Council Tax Freeze Grant	-
2,123,066	2,123,066	New Homes Bonus	2,773,081
25,106	25,106	Transfer from Collection Fund	345,441
4,704,117	4,704,117	Council Tax	4,807,987
2,102,044	2,971,399	National Non-Domestic Rates Baseline	2,955,534
(163,618)	0	National Non-Domestic Rates Safety Net	-
10,610,033	11,643,006	TOTAL FUNDING AVAILABLE	12,002,043
		SPECIAL EXPENSES	
475,200	512,823	Community Services	487,450
10,000	10,000	RCCO	0
485,200	522,823	NET COST OF SERVICES AFTER RECHARGES	487,450
		Financed By	
(487)	37,136	Use of Reserves	(4,487)
418,004	418,004	Council Tax	424,192
67,683	67,683	Localisation of Council Tax Support Grant	67,745
485,200	522,823		487,450

This page is intentionally left blank

APPENDIX 3

SPECIAL EXPENSES	2015/16		2016/17
	ORIGINAL ESTIMATE	PROJECTED OUTTURN	ESTIMATE
	£	£	£
COALVILLE			
Parks, Recreation Grounds & Open Spaces	262,990	276,408	264,910
Broomley's Cemetery	10,960	23,021	12,700
C/V War Memorials/Grass Verge Cutting	17,830	20,830	16,090
One Off Grants	3,000	2,500	2,000
Coalville Events	42,810	49,318	54,380
RCCO	10,000	10,000	0
	347,590	382,077	350,080
WHITWICK			
Cemetery	10,500	14,015	11,480
Grass Verge Cutting	610	609	620
	11,110	14,624	12,100
HUGGLESCOTE			
Parks, Recreation Grounds & Open Spaces	0	230	0
Cemetery	14,360	13,828	13,900
One Off Grants	0	750	0
	14,360	14,808	13,900
PLAY AREAS/CLOSED CHURCHYARDS			
GROUNDS MAINTENANCE:			
OSGATHORPE	350	348	360
COLEORTON	3,240	3,239	3,300
RAVENSTONE	350	348	360
MEASHAM	1,850	1,845	1,880
LOCKINGTON-CUM-HEMINGTON	1,820	2,000	1,850
OAKTHORPE & DONISTHORPE	3,760	3,763	3,840
STRETTON	1,320	1,323	1,350
APPLEBY MAGNA	1,590	1,589	1,620
OTHER SPECIAL EXPENSES	14,280	14,455	14,560
SPECIAL EXPENSES (NET COST OF SERVICE)	387,340	425,964	390,640
Service Management recharges	97,860	97,860	96,810
ANNUAL RECURRING EXPENDITURE	485,200	523,824	487,450
FUNDED BY:			
Use of Reserves	-487	38,137	-4,487
Precept	418,004	418,004	424,192
Localisation of Council Tax Support Grant	67,683	67,683	67,745
	485,200	523,824	487,450

This page is intentionally left blank

MINUTES of a meeting of the POLICY DEVELOPMENT GROUP held in the Council Chamber, Council Offices, Coalville on WEDNESDAY, 6 JANUARY 2016

Present: Councillor M Specht (Chairman)

Councillors N Clarke, J Cotterill, J G Coxon, T Eynon, J Geary, D Harrison and A C Saffell

In Attendance: Councillors R Adams, R D Bayliss, J Clarke, D Everitt, F Fenning, J Houl, R Johnson, G Jones, J Legrys, S McKendrick and T J Pendleton

Officers: Mr S Bambrick, Mr R Bowmer, Ms C E Fisher, Mr D Gill, Mr G Jones, Mr J Newton and Mrs R Wallace

18. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor N Smith.

19. DECLARATION OF INTERESTS

In accordance with the code of conduct, Members declared the following interests:

Councillor T Eynon declared a non pecuniary interest in item 5 – Section 106 Contributions for Health as a General Practitioner in the Hinckley and Bosworth area.

Councillor J Coxon declared a non pecuniary interest in item 8 – Draft Revenue Budget Proposals and Capital Programmes 2016/17 as a Member of Ashby Town Council.

20. PUBLIC QUESTION AND ANSWER SESSION

The following question was asked by Dr B Kneale on behalf of the Ashby Civic Society:

Members will be aware that the Ashby Civic Society has campaigned for the last eighteen months, in line with the overwhelming views of the residents of Ashby, for the retention of Ashby Hospital. You will also know that the NHS bodies have now decided to proceed with disposal of the site which has left Ashby with no local inpatient beds, a lacking palliative care service, a fragmented community service not the “one stop, state of the art facility” as promised.

A major part of the NHS argument for this closure was the disputed condition of the building and the lack of funds for the NHS estimate for required maintenance costs. At this meeting tonight you are due to discuss the appalling situation of the imminent failure to use £246,901.28 of Section 106 monies designated for health service projects which have been available for use for several years!

In all our communications with the NWLDC and the NHS about Ashby Hospital no one has ever mentioned the availability of these funds!

We see from NHS England Health and Wellbeing Board papers of July 2014 that £221,457.59 was allocated for “a new GP surgery in Ashby or to support the CCG in the reconfiguration of services following the community hospital review”. We also see that almost that amount is listed in your papers as being available from developments in Ashby alone.

We also understand that the West Leicestershire CCG asked for and, earlier in 2015, received delegated authority to manage their share of S.106 health monies; yet more than £200k is in danger of being returned, with interest, to developers, and presumably the

total of more than £1.3 held by the Council could also potentially be at risk of the same fate unless better management of these funds is implemented straightaway.

As a matter of urgency will the Council please therefore explain:

Why it has taken so long to establish the failure to spend these much needed monies, what are the communication difficulties with the NHS bodies referred to in the papers now before you and how the council will address these difficulties in order to facilitate a process which will ensure the retention and proper utilisation of the monies now highlighted to be at risk (and remaining s106 monies) thus reassuring the public , in these times of austerity, that any repayments to developers, with interest, will not come from increases in Council taxes or further reduction in services funded directly or indirectly by the Council?

The Director of Services gave the following response:

In relation to the closure of Ashby Hospital, it will be a matter for the NHS to set out their financial position and the decision making they have followed in relation to the hospital. However it is understood that the financial shortfall that existed in relation to the running costs of Ashby Hospital were ongoing revenue shortfalls. The money that is available to the NHS through section 106 funding is capital or one-off funding that could not be used for revenue purposes even if, under the terms of the existing 106 agreements, it was legitimate to use them for the purposes of supporting Ashby Hospital.

The District Council is therefore not in a position to comment on the individual projects the NHS intend to use the section 106 funding for. That is entirely a matter for the NHS. Turning to the question before the Policy and Development Group; the District Council has been in regular contact with NHS representatives for a number of years to remind them of the availability of the section 106 funding. Unfortunately the reminders of the availability of this funding have either not been replied to, or where a reply has been given it has been to say that they are considering their options. In 2013 it is understood the Primary Care Panel were considering how best to allocate funds and which individual parts of the health service may be able to bid for monies that would be available. This did not lead to any firm proposals despite continued reminders.

It was therefore partly in response to these difficulties that the Council escalated the issue in July 2015 when the Director of Services personally wrote to the NHS representative to ask for an urgent update on the intentions to spend the money allocated to them. No reply was received to this correspondence.

Therefore following a meeting with District Councillor Cllr Eynon on 19th October 2015, the Director arranged for a meeting to take place between the Council and health representatives to discuss the use of 106 funding. That meeting took place on 17th November 2015 but unfortunately due to other urgent commitments some key people were unable to attend. A further meeting was therefore held on 6th January 2015 and a verbal update can be given as to the outcome of that meeting.

What can also be reported is that on 30th December 2015 the District Council received a request from the NHS to release £257,000 of section 106 funding which would be used towards the expansion of the Long Lane surgery in Coalville. This request for release of funding is currently being assessed by the District Council officers.

Having now established appropriate contact with health representatives, it is proposed to continue with this arrangement to ensure that appropriate use of 106 funds for healthcare is being made.

On the final point within the question regarding repayments, to date, the District Council has not had to make any repayments of 106 funding and the processes now being established with NHS colleagues are being developed so that every opportunity is taken to ensure that no monies are required to be repaid in the future. However should a repayment become necessary, most agreements require that any interest accrued on the capital sums received by the district council are repaid with the capital. It is therefore expected that any interest payable will be covered by the interest earned. Some agreements require no interest to be paid at all.

Dr Kneale called upon the Committee to reject the recommendations set out in the report at item 5 on the agenda. She believed that a more proactive response was required to make sure the money was used for the correct purpose.

The Director of Resources suggested that Members consider Dr Kneale's comments as part of the main item regarding the subject on the agenda.

21. MINUTES

Councillor J Geary asked for the following to be inserted into minute number 12:

'Councillor J Geary felt that the public had little confidence in the Planning Service and suggested that a survey be circulated with the Council Tax letters to ask people's opinions so people consider Council Tax value for money. He believed that the responses would be surprising.'

Councillor J Coxon raised concerns that minutes were being amended by Members regularly at various Committees and he felt it was unnecessary. The Deputy Monitoring Officer advised that minutes of the meeting were not a verbatim record and therefore did not include full discussion but Members could make amendments if the majority were in agreement.

It was moved by Councillor M Specht, seconded by Councillor D Harrison and

RESOLVED THAT:

Subject to the above amendment, the minutes of the meeting held on 30 September 2015 be approved and signed by the Chairman as a correct record.

22. SECTION 106 CONTRIBUTIONS FOR HEALTH

The Director of Services presented the report to Members.

He explained that since the report had been written the responsibility for spending the Section 106 money had been formally handed over from the Primary Care Trust (PCT) to the Clinical Commissioning Groups (CCG). At a meeting that afternoon with the CCG representative for the area, discussions had been had regarding the intention to spend the money and a request had been submitted on 30 December to release £250,000 for Long Lane. The Director of Services assured Members that he would continue monthly communications with the CCG representative to encourage the funds to be spent. He concluded that a strategic asset plan was being drafted by the CCG which would be submitted to National Government.

Councillor T Eynon commented that it was really important for people to understand that the Council had no powers over spending the funds and congratulated the officers for their efforts in getting to this point. She also thanked Dr B Kneale for the question she submitted earlier in the meeting on the same subject.

In response to a number of questions from Councillor T Eynon, the Director of Services stated the following:

- It was confirmed that no money had been paid back to the developers to date and it was the intent to extend the expired agreements subject to the agreement of developers.
- The representative for the CCG was Ruth Waddington and her email address would be circulated to members outside of the meeting.
- As the meeting with the CCG representative was only that afternoon it was difficult to say how the arrangement would work in the future. He believed it would be more appropriate to report back to a future meeting on the process and progress; this would also keep Members involved in the monitoring of the spending as requested.
- The Director of Services agreed to provide information on the amount of funds spent prior to the dates within the report. He explained that the NHS incurred the expenditure and then needed to provide evidence of this first before funds were released.
- The Director of Services could not say exactly how the CCG were planning on operating but he was aware that it would be strategic and the plan they were currently drafting would assist with this. He added that he was sure the Health and Wellbeing Board would fit in well but it was the decision of the CCG as to whether they were involved. He was sure this would be identified within the plan.

Councillor N Clarke reinforced the importance in keeping Members involved with the monitoring of this and asked which officers were involved in the meeting held that afternoon with the CCG. He also enquired whether minutes would be available. The Director of Services stated that he would let Members know which officers were involved and when the minutes would be available.

Councillor J Coxon commented that as an Ashby Member he felt that Section 106 money put aside for Ashby should be spent in Ashby as it was very much needed. He believed that the involvement of local Members was important and the Town Council should also have a level of involvement. The Director of Services agreed that money for Ashby should be spent in that area but unfortunately older agreements did not specify this. It was a detail that was being addressed with future agreements.

The Chairman felt confident that the involvement of the CCG representative would move things forward and he was looking forward to seeing more detail regarding progress and time frames at a future meeting.

The Chief Executive commented that unfortunately this was a problem for many authorities and was pleased that steps were being made to move things forward. She suggested that as the Committee had powers to do so, the CCG representative could be invited to a future meeting to answer Members' questions on the future progress in the area. Members expressed their wish to do so.

Councillor V Richichi asked if there were any financial benefits to the Council for holding the funds until they were spent. The Deputy Monitoring Officer advised that it was a statutory scheme and as the Council was responsible for negotiating the contributions, it had to hold the funds. He assured Members that there was no cost to the Council.

It was moved by Councillor D Harrison, seconded by Councillor J Geary and

RESOLVED THAT:

- a) The amount of Section 106 money currently being held for health contributions be noted.
- b) The efforts being made by officers to facilitate Section 106 health contributions to be spent within the terms of the applicable legal agreements be noted.

23. PROPOSED LEICESTER AND LEICESTERSHIRE COMBINED AUTHORITY

The Chief Executive presented the report to Members and highlighted the next steps as detailed on page 41 of the report. Further to the report, the Chief Executive informed Members that the consultation document within the report that was agreed at Full Council had now been agreed by all authorities involved.

Councillor N Clarke regarding the cost of running the authority, commented that it was a higher cost for North West Leicestershire because we were co-ordinating the project and that meant the cost of the Chief Executive's time. The Chief Executive responded that she believed the costs as set out were fair and that all officers involved across the various authorities were putting a large amount of time to the project. She added that there were benefits from co-ordinating as she was fully aware of all that was happening and it was advantageous to have a voice. Councillor N Clarke understood the advantages but continued to raise concerns regarding the time spent by the Chief Executive. Councillor R Blunt commented that he had agreed that the Chief Executive should be involved in her current capacity and believed that the benefits from the arrangement were worth her time spent.

In response to a question from Councillor N Clarke regarding the membership of the proposed Scrutiny Committee of the combined authority and how it would operate, the Chief Executive explained that a template from another combined authority was being used as a starting point and discussions were currently being had regarding the changes that were required, so unfortunately she could not answer specific questions on the operation of the Scrutiny Committee at this point.

Councillor J Coxon congratulated the Chief Executive on the progression made and he believed that working together as a combined authority was the way forward. His only concern was how it would impact on Parish Council's in the future with regards to the dissolving of services.

Councillor V Richichi raised concerns regarding a possible reduction in staffing levels at North West Leicestershire District Council because of the arrangement. Councillor R Blunt stated that each Council would still have its own work to carry out and nothing had been decided on individual jobs. He added that there were still a lot of discussions to be had. The Chief Executive explained that as local authorities were receiving less money each year from National Government it was crucial to work together and rely on other income streams. Some authorities were also sharing services due to an inability to recruit to vacant posts.

In response to a request from Councillor J Geary, the Chief Executive assured Members that the planning service would stay within the District Council and Section 106 money would be ring fenced for the area. In response to a further question from Councillor J Geary, the Chief Executive explained that the Planning Sub Committee referred to within the report was already in existence as the Members Advisory Group. It would ultimately work towards the growth plan and is made up of Cabinet Members from the involved authorities; it was chaired by Councillor T J Pendleton.

Regarding the invitation from Nottinghamshire County Council to join their bid as referred to in an email from Andrew Bridgen MP as detailed with the report, Councillor J Geary asked for an update on the situation. Councillor R Blunt reported that this arrangement was not currently an option as Nottinghamshire and Derbyshire sit much better together. Councillor A C Saffell expressed concerns that as an authority we would not have a strong enough voice and would be left behind if we did not become involved with the other cities. He believed that we should be cautious. Councillor R Blunt believed that an agreement would only work if all parties were in agreement and willing to work together. He commented that the District had already seen growth and therefore believed that the proposed arrangements would work well.

In response to questions from Councillor D Harrison, the Chief Executive stated that discussions were still being had regarding whether a separate team of officers would be running the combined authority and this was something that would need to be progressed. She believed that the combined authority could not raise revenue through an element of Council Tax but would report this back to Members.

By affirmation of the meeting it was

RESOLVED THAT:

The report be noted.

24. HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS FOR 2016/17 (WITH UPDATE)

The Director of Housing presented the report to Members.

In response to concerns from Councillors D Harrison and J Geary regarding the number of void properties in the District resulting in a loss of income, the Director of Housing admitted that the void properties were not turned around as quickly as they should be and there was definitely room for improvement. He added that in comparison to other authorities, North West Leicestershire did have a higher turnover of properties.

In response to a question from Councillor J Geary, the Director of Housing explained that there were currently six business rental properties and as there had been no increase in rent for the last 12 to 15 years, an agreement had been made with the business owners for an incremental increase as detailed within the report.

Councillor T Eynon expressed her concerns regarding the reduction in budget for aids and adaptations, and asked if this would result in delays for people in getting the adaptations they need. The Director of Housing responded that substantial investment had been made in that area already and there were no requests outstanding currently. Even though funds had been reduced, The Director of Services was confident that matching people to properties more efficiently would save money.

In response to a question from Councillor J Coxon, the Director of Housing believed that the tenant's contents insurance did include appropriate coverage for flooding but he would check the policy and report back to Members.

In response to questions from Councillor N Clarke, the Director of Housing stated the following:

- It was proposed to target empty three bedroom houses across the district to sell as there was a disproportionately high number compared to one and two bedroom houses. The plan was to sell five to six properties per year.

- Although the report stated that a number of properties may fail to meet the Decent Homes Standards for a short period of time it would be due to factors such as older boilers which were still in good working order but had not yet been replaced. The Council held the 100 per cent of homes at a Decent Homes Standard dearly and it would only be for a short period of time.
- The Director of Housing believed the reduction in debt provision was acceptable and was a prudent figure.

It was moved by Councillor J Coxon, seconded by Councillor J Cotterill and

RESOLVED THAT:

The comments provided by the Committee be considered by Cabinet when it meets on 9 February 2016 to recommend its proposals to Council on 23 February 2016.

25. DRAFT REVENUE BUDGET PROPOSALS AND CAPITAL PROGRAMMES 2016/17

The Head of Finance presented the report to Members.

Councillor J Coxon asked if the Local Council Tax Support grant for town and parish council's would continue to be paid in the 2017/18 financial year. The Head of Finance reported that the decision to pay the grant was made on a year by year basis and would ultimately be a decision for cabinet.

Councillor T Eynon was struck by the extent that the New Homes Bonus grant was relied on and was concerned about the effect it would have on the authority if it was withdrawn. She also drew Members attention to the planned slippage of the disabled facilities grants as mentioned on page 136 of the report and asked officers for clarification. The Head of Finance explained that there was generally a delay between funds being granted and being spent over each financial year, this was the slippage. He assured Members that the funds carried over would still be spent on disabled facilities.

Councillor N Clarke expressed surprise that the level of revenue from recycling was forecasted to be 25 per cent lower in the 2016/17 financial year as he thought that area was booming. The Head of Finance explained that the market had changed as there was currently less demand and therefore the price had fallen.

Councillor N Clarke noted the significant cost for the Local Plan and asked officers if the figure was likely to increase. The Director of Services explained that the figure within the budget was for the cost of the examination of the Local Plan which all authorities legally had to undertake. He could not guarantee the exact cost but he was confident that the amount budgeted would be enough to cover it.

Councillor N Rushton, Corporate Portfolio Holder, addressed the Committee. He reported that the Council was in a good financial position and this was why once again proposals were for a zero per cent rise in Council Tax. He recognised that there was a reliance on the New Homes Bonus grant and that there would be a significant impact if it was withdrawn, this was the reason for prudent spending and setting funds aside as a contingency. Regarding the Local Council Tax Support grant for town and parish council's; Councillor N Rushton stated that the authority would like to continue to provide these grants but unfortunately under the current economic climate, it may not be possible in the future.

It was moved by Councillor J Coxon, seconded by Councillor D Harrison and

RESOLVED THAT:

The comments provided by the Committee be considered by Cabinet when it meets on 9 February 2016 to recommend its proposals to Council on 23 February 2016.

26. ITEMS FOR INCLUSION IN THE FUTURE WORK PROGRAMME

Consideration was given to the future work programme for the Policy Development Group.

The Deputy Monitoring Officer advised the Committee that an update of the Council's Constitution would be on the agenda for the next meeting of the Committee.

As discussed earlier in the meeting, the Director of Services would invite the CCG representative to the next convenient meeting of the Committee and provide an update report on the Section 106 money contributions for health. As requested by Councillor A C Saffell, the Director of Services agreed to invite the neighbouring area CCG representative that covered Castle Donington.

RESOLVED THAT:

The following items be put on the future work programme:

- 1) Update to the Council's Constitution
- 2) Update on the Section 106 Contributions for Health

The meeting commenced at 6.30 pm

The Chairman closed the meeting at 8.25 pm

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of Report	CAPITAL PROGRAMMES – GENERAL FUND, COALVILLE SPECIAL EXPENSES AND HOUSING REVENUE ACCOUNT (H.R.A). PROJECTED OUTTURN 2015/16 AND PROGRAMMES 2016/17 TO 2020/21
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Chief Executive 01530 454500 Christine.fisher@nwleicestershire.gov.uk Head of Finance 01530 454520 ray.bowmer@nwleicestershire.gov.uk Financial Planning Manager 01530 454707 pritesh.padaniya@nwleicestershire.gov.uk
Purpose of Report	To advise Members of the likely Capital Outturn and the relevant financing for 2015/16 for the General Fund, Coalville Special Expenses and the H.R.A. To seek approval to the General Fund, Coalville Special Expenses and H.R.A Capital Programmes for 2016/17 and associated funding.
Reason for Decision	To enable projects to be included in the Programmes and proceed.
Council Priorities	The projects in the Capital Programmes help the Council achieve all its priorities.
Implications Financial / Staff	 As contained in the report.

Links to relevant CAT	The Capital programmes are potentially relevant to all Corporate Action Teams (CATs).
Risk Management	The Capital Programmes are monitored at project level to ensure they are delivered on time and within budget.
Equalities Impact Screening	No impact at this stage.
Human Rights	None identified.
Transformational Government	The Programmes attached are integral to delivering better services.
Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	As author the report is satisfactory.
Comments of Monitoring Officer	The report is satisfactory
Consultees	Policy Development Group 06/01/2015, CLT and Budget Holders. Leicestershire, Northamptonshire and Rutland Federation of small businesses.
Background Papers	<p>“Capital Programmes – General Fund, Coalville. Special Expenses and Housing revenue Account (HRA). Projected outturn 2013/14 and Proposed Programmes 2014/15 to 2017/18” – Cabinet 11 February 2014</p> <p>“Capital Programmes - General Fund, Coalville Special Expenses and Housing Revenue Account (H.R.A). Projected Outturn 2014/15 and Programmes 2015/16 to 2019/20” – Cabinet 10 February 2015</p> <p>“New Build Proposals for Council Housing” – Cabinet 10 November 2015</p> <p>“Housing Asset Management Strategy” – Cabinet 10 October 2015</p>
Recommendations	A. THAT THE ESTIMATED GENERAL FUND, COALVILLE SPECIAL EXPENSES AND H.R.A. CAPITAL OUTTURN FOR

	<p>2015/16 AND PLANNED FINANCING BE NOTED.</p> <p>B. THAT COUNCIL BE RECOMMENDED TO APPROVE EXPENDITURE IN 2016/17 AS PER:</p> <ul style="list-style-type: none"> • APPENDIX “A” GENERAL FUND AND SPECIAL EXPENSES CAPITAL SCHEMES • APPENDIX “B” FOR HRA CAPITAL SCHEMES <p>AND IN 2017/18 THESE SCHEMES ONLY:</p> <ul style="list-style-type: none"> • £630,000 FOR THE VEHICLE REPLACEMENT PROGRAMME, AS DETAILED IN PARAGRAPH 3.2 <p>C. THAT CABINET NOTES THE PROPOSED PROCUREMENT ROUTES AND DELEGATES THE AUTHORITY TO AWARD THE CONTRACTS, AND ANY ASSOCIATED AGREEMENTS IN FURTHERANCE OF THE PROJECTS, AS DETAILED IN SECTION 7 (PROCUREMENT ROUTES) OF THIS REPORT.</p>
--	--

1.0 INTRODUCTION

- 1.1 Appendix “A” shows the proposed General Fund and Special Expenses Capital Programme for 2016/17 to 2020/21.
- 1.2 Appendix “B” shows the H.R.A. proposed Capital Programme for 2016/17 to 2020/21.
- 1.3 The Appendices also present the estimated outturn for the current year for approval.

2.0 GENERAL FUND - ESTIMATED OUTTURN 2015/16

- 2.1 The projected outturn for 2015/16 on General Fund schemes totals £2,078,759. This is a managed decrease of £51,241 on the original budget for the year of £2,130,000.
- 2.2 This managed decrease is caused by the following:

Schemes carried forward from 2014/15	£	£
Network Upgrade,	89,360	
Improving Customer Experience (ICE),	5,000	
Disabled Facilities Grant,	165,000	
Refuse Vehicle and Refuse Kerbsider,	168,000	
Car Park(Retention Element)	1,585	
South Street Car Park Ashby - Resurfacing	19,900	
Hermitage Recreation Grounds – AWP access area	11,500	
Coalville Market Upgrade (Phase 1a)	1,500	
Coalville Market Upgrade (Phase 2)	100,000	
Materials Separating Technology – Linden Way Depot	8,018	
Total		569,863

Additional Approved Schemes 2015/16		
Improving Customer Experience (ICE 2), Information Management	200,000	
Additional Disabled Facilities Grant	62,000	
Total		362,000
Planned Slippage 2015/16		
Disabled Facilities Grant – Slippage into 2016/17	(283,000)	
Refuse Vehicle - Slippage into 2016/17	(168,000)	
Digger - Slippage into 2016/17	(126,000)	
Well Being Centre - Slippage into 2016/17	(400,000)	
Hermitage Recreation Grounds – AWP access area – Slippage into 2016/17	(11,500)	
Total		(988,500)
Various small Over/Underspends identified		5,396
Total Managed Decrease		(51,241)
Funded by:		
Disabled Facilities Grant	62,000	
S106 Contributions	(400,000)	
Revenue Contributions to Capital	10,629	
Value For Money Reserve	309,518	
Other Reserves	(18,000)	
Internal Borrowing	(15,388)	
		(51,241)

The total planned financing of the General Fund expenditure totalling £2,078,759 in 2015/16 is as follows:

	£
Disabled Facilities Grant	298,050
S106 Contributions	0
Revenue Contributions to Capital	159,959
Value for Money Reserve	378,018
Other Reserves	206,620
Internal Borrowing	1,036,112
Total	2,078,759

2.3 There were sufficient funds identified prior to this capital spend being committed.

2.4 The carried forward schemes shown in paragraph 2.2 above represents expenditure which was originally expected and budgeted for in 2014/15 but which has slipped into 2015/16 and for which the budgeted financing has also been carried forward.

3.0 GENERAL FUND CAPITAL PROGRAMME 2016/17 TO 2020/21 – INDIVIDUAL SCHEMES

3.1 The programme for 2016/17 to 2020/21 detailed in Appendix A provides for a continuation of the current Disabled Facilities Grants Scheme and the Vehicle Replacement Programme. The following new schemes are included in the programmes for approval to commence in 2016/17:

3.1.1 Desktop Equipment Upgrade (£42,000)

The Council's desktop PCs are currently on average over 5 years old and reaching the end of their economic life. Some work has been done in 2015-16 to replace the oldest equipment and to extend the life of existing equipment through investment in a virtual desktop computing environment. The virtual environment reduces the load on the desktop equipment and simplifies management by running software on high-power servers in the computer room instead of on the desktop PCs.

This scheme will further extend the virtual desktop environment and replace 100 of the oldest PCs with solid state thin client devices. As well as providing a more stable and reliable desktop computing environment, this investment will simplify any future move to remote or home working since the solid state thin client devices are easily supported remotely.

3.1.2 ICT Security Infrastructure (£63,000)

The Council's network is currently secured using separate products from three different resellers. This scheme will replace the Council's security infrastructure with a single unified threat management solution which is scalable to support the Council's future demands. A direct cost saving in the ICT revenue budget of £19,000 per annum from 2017-18 onwards will be realised as a result of this investment.

3.1.3 HR / Payroll System (£50,000)

The current HR/Payroll system contract (Selima) is due to expire in March 2017. This scheme and purchase of a new/upgraded system will require time for implementation, testing and dual running. The potential timescales for this project requires that we go out to tender in Jan/Feb 2016 with contract award likely to be around July/August 2016.

3.1.4 Access Road, High Street Car Park, Measham - Resurfacing (£25,000)

Proposed resurfacing of the NWLDC-owned part of the private access road serving NWLDC's public car park situated off High Street, Measham – to address defects and maintain an acceptable surface condition.

3.1.5 Hermitage Recreation Grounds – Surface Dressing (£11,500)

This scheme was originally agreed as “Hermitage Rec Grounds AWP Access Area, Whitwick - Resurfacing” in the 2014/15 Capital Budget presented to Cabinet on 11 February 2014. The original scheme was to resurface selected parts of the access area. The scheme has been expanded to incorporate surface dressing of the Lakeside Pavilion access and car park, the (original) access road leading to the All Weather Play

Area and the access road leading to the slipway at Hermitage Lake – to seal and protect the surfaces from the weather, extend their life and improve their appearance.

3.1.6 Hood Park Leisure Centre Car Park, Ashby - Resurfacing (£15,000)

Resurfacing of the main vehicular route / traffic aisle through the long axis of the car park. Resurfacing is required to address the defects and maintain an acceptable surface condition.

3.1.7 North Service Road Car Park, Coalville (£32,250)

Proposed improvements to the site to address defects, maintain the vehicular and pedestrian surfaces in an acceptable condition and to potentially improve the layout and appearance (subject to detailed design).

3.1.8 Coalville Park – Reconfigure Depot and replace building (£95,000)

As part of the annual Property Services building survey, a garage at the Coalville Park depot has reached its end of life and requires urgent replacement. In addition, following annual increases in business, the size of the team, vehicles and equipment it is necessary to reconfigure and create more space and appropriate working environments at the depot. The cost at this stage is an estimate awaiting formal costings.

3.1.9 Hood Park Leisure Centre Fitness Suite Air Conditioning (£15,000)

Replacement of three 10 year old wall mounted Air Conditioning Units within the fitness suite. The units use refrigerant R22 which from the end of 2015 will be illegal to use. Consequently, within 6 months the units will effectively become obsolete and unusable. The three new units will not only use the legal, non ozone depleting refrigerant R410a, but they will also have internal inverters thus reducing energy consumption and significantly improving efficiency.

3.1.10 Hood Park Leisure Centre Wellbeing Centre (£400,000)

The last major facility improvement to Hood Park Leisure Centre was completed in 2001 with the addition of an indoor swimming pool, fitness studio, squash courts and ancillary facilities. Since this time, demand for health and fitness facilities has increased and housing developments in the Ashby area have been approved and built. Through the planning process, S106 requests were made for leisure and recreation facilities to ensure that the leisure centre could continue to provide adequately for the health and fitness needs of residents. The Council has to date received just over £390,000 from developments in order to develop a Health & Wellbeing Centre at Hood Park Leisure Centre.

The proposed facility area to be converted into the Health & Wellbeing Centre is the existing male and female dry side changing rooms. These changing rooms are part of the original building dating back to the 1970's. They were built to service the sports hall usage but the 2001 development has added further 1st floor changing room capacity and squash change capacity which it is felt could accommodate displaced usage.

The Authority has also been in discussion with Leicestershire Partnership Trust (NHS) who wish to relocate some of its services, such as physiotherapy, from the closure of Ashby Hospital to the Leisure Centre. The Authority feels that this would be beneficial to residents and presents a pathway from rehabilitation into on-going physical activity in a one-stop-shop health environment. The NHS have indicated they will pay for the relevant capital works and enter into a lease arrangement with revenue contributions

for their spatial requirements. They are keen to progress this arrangement as a priority and proposals are at an advanced stage with the focus from both parties currently on facilitating this within the existing female dryside changing room in early to mid 2016.

Once the potential arrangement with LPT has been resolved, focus will then turn towards NWLDC's element of the Wellbeing Centre. This development, if progressed, could include new fitness equipment tailored for targeted groups including the elderly, people with disabilities, GP referrals and young children. The equipment will also be suitable for those who are starting out for the first time in a gym environment.

By developing our facility, it will free up capacity in the fitness suite which is experiencing significant demand at peak times. This was reinforced through the Wigan Leisure Trust commissioned 'Latent Demand' report which highlighted that if the centre had increased fitness facilities, it would increase its usage and membership base leading to increased income generation.

3.1.11 Fleet Replacement Programme

With regard to the Fleet Replacement Programme, each year a number of vehicles either come to the end of their lease period or their lease extensions are reviewed. Each vehicle is reviewed based on its age, condition, mileage, potential risk of major repairs (due to being out of warranty) and a decision is made whether to extend the lease or replace the vehicle.

These decisions are made in the previous year in order to allow a suitable lead-in period from order to delivery in April, particularly for large items such as refuse vehicles. Many of these vehicles are built to order and these orders have to be placed before October for delivery the following April. Therefore, although they are actually acquired in April a commitment has to be made in the previous year.

Approval is sought to amend the 2016/17 Fleet budget from £1,039,000 to £1,333,000, an increase of £294,000. The slippage of two vehicles (Refuse Vehicle £168,000 and Digger £126,000 as represented in the table in Paragraph 2.2) from the 2015/16 fleet programme to the 2016/17 programme. The total fleet budget for 2016/17 is therefore £1,333,000.

The changes in the 2016/17 budget, due to slippage are reflected in the table below:

Vehicle	Original Budget	Revised Budget
Refuse Kerbsider (End of Lease)	344,000	344,000
Refuse (3x refuse vehicles. End of Lease and End of Life)	325,000	493,000
Market Vehicles/Cars (End of Life)	19,000	19,000
Vans - Small (4x End of Lease but Reduced to 2)	22,000	22,000
Vans - Medium (2x End of Lease)	28,000	28,000
Vans - Pickup (End of Life)	19,000	19,000
Bin Lifter (New for refuse vehicle)	20,000	20,000
Tractor Plant & Digger (End of Life Baler, loading shovel and Tractor)	215,000	341,000
Mowing Machines (2x End of Lease)	47,000	47,000
TOTAL	1,039,000	1,333,000

- 3.2 In order to progress with the 2017/18 purchases approval is sought for the following vehicles:

	£
Refuse (1 x refuse vehicle. End of Life)	170,000
1 x HGV mechanical sweeper (End of lease)	120,000
1 x 7.5T caged vehicle (End of life)	40,000
2 x mini-sweepers (End of life)	130,000
Vans Medium – 12 x transit, 1 x caged (end of life or lease)	170,000
Total	630,000

3.2.1 Waste Services HGV's and LGV's (approx £460,000)

The existing Heavy Goods waste vehicles, including one waste collection vehicle, one mechanical sweeper, one 7.5 tonne caged tipper and two mechanical mini-sweepers are to be replaced as part of the annual vehicle replacement programme to ensure reliability of waste and street cleansing service delivery.

3.2.2 Medium Vehicles (approx £170,000)

Thirteen medium / small vehicles are to be replaced across the fleet for 2017/18 as part of the annual vehicle replacement programme. These include three transit vans for the Waste Services Team and nine transit vans and one caged vehicle for the Housing Team. These are essential for service delivery and to control maintenance costs of increased repairs to ageing vehicles.

- 3.3 The General Fund Capital Programme (2016/17) will be funded by:

	£
Disabled Facilities Grants	298,050
S106 Contributions	400,000
Revenue Contribution	135,920
Reserves	282,790
Internal Borrowing	1,681,750
Total	2,798,510

4.0 COALVILLE SPECIAL EXPENSES – ESTIMATED OUTTURN AND INDIVIDUAL SCHEMES

- 4.1 The Projected outturn for 2015/16 is £172,606. This is all slippage from 2014/15 on the following projects

	£
Cropston Drive BMX Track	9,783
Thringstone Miners Social Centre	4,913
Urban Forest Park - Footway & Drainage Improvements	39,025
Owen Street – Floodlights	779
Owen Street – Changing Rooms	115,564
Thringstone Bowls Club – Toilet Block	2,542
Total	172,606

- 4.2 There are no new schemes agreed at present for 2016/17.

5.0 H.R.A. CAPITAL PROGRAMME – ESTIMATED OUTTURN 2015/16 AND 2016/17 - 2020/21

5.1 The HRA Capital programme (Appendix “B”) covers in detail the capital schemes for the period 2016/17 to 2020/21.

5.2 Planned spend in 2016/17 and onwards mainly consists of:

5.2.1 Maintaining Decency Programme

The Decent Homes standard was introduced by Government to drive up the quality of social housing across the country. The standard sets a range of indicators for different elements of tenants’ homes.

After the Authority successfully completed its Decent Homes Improvement Programme and achieved 100% decency across the housing stock in March 2015, there is no further Government Grant available for the foreseeable future.

The Authority is forecast to spend £6.154 million in 2015/16 and will continue to invest in the Maintaining Decency Programme to maintain the level of decency across the Housing Stock

The Maintaining Decency Programme for 2016/17 will invest £2.947 million in improving tenants’ homes, with an additional £1.327 million of other planned investment in improvements to our properties also taking place.

5.2.2 Other Planned Investment Programme

In addition to delivering the Maintaining Decency Programme, there are a wide range of other investments required to maintain and enhance the housing stock and associated services and assets, which are outside the Governments definition of Decent Homes works.

5.2.3 New Build/Affordable Housing Programme

In Autumn 2014, the Authority commissioned Housing Quality Network (HQN) to undertake an options appraisal on how the Authority could increase the number of council-owned homes through new build and acquisitions. The HQN report was concluded in January 2015 and a number of recommendations from the report were subsequently approved by Cabinet on 10 November 2015. The Authority has committed to build new homes at three different sites:

Brownfield site, Coalville (if acquired)	- 12 homes
Greenacres, Coalville	- 10 homes
Willesley Estate, Ashby	- <u>8 homes</u>
Total	- 30 homes

5.2.4 Other Schemes / Miscellaneous

There are various other schemes in the Housing Capital Programme as per Appendix B .

A new line of Disposal of High Value Assets has been included in Appendix B. This is due to the Government’s new Housing and Planning Bill currently going through Parliament. The introduction of ‘Right to Buy’ for Housing Tenants Association tenants

will require contributions from local authorities to subsidise Housing Associations and support the discount to be granted to those tenants.

It is currently suggested that local authorities must make a payment to the Government based on the market value of high value housing likely to become vacant during the year, less any allowable deductions. The amount will be formula based and payable in advance. There are, as yet, no firm details of the formula to be applied and as a result, an indicative amount of £500,000 per annum has been included in the capital programme going forward.

5.2.5 Future Funding

Since its inception, the long term HRA business plan has had a core assumption that future rents will increase by 2.5% (notwithstanding the annual 1% rent reductions from 2016 for four years) and this was a standard, benchmark assumption across most social housing landlords. In view of government policy and the outlook for inflation, it is now considered prudent to change this assumption to 1.5%. This has a significant impact on future rental income flows, and additional efficiencies and savings will have to be identified within the Housing Service going forward.

Changing this core assumption required a fundamental re-modelling of the HRA business plan, with a particular focus on identifying areas where expenditure can be reduced or additional income can be generated.

5.2.6 Capital Programme Proposals

The capital Programme can be adjusted by either generating additional income from the disposal of poorly performing assets (properties or land), or reducing / re-profiling the expenditure planned over the lifetime of the Business Plan. Our proposals are detailed below:

Sale of sites and empty properties - to generate income and reduce the need for significant investment in properties with high repairs needs, a programme of selective sales is being recommended. We propose that £900,000 is raised through disposing of properties or sites (including decommissioned sheltered blocks and/or garages) in 2016/17, and in each of the following two years. Projected sales income then falls to £750,000 from 2019/20 onwards. The properties will be selected based on their Net Present Value (NPV), which measures the financial value of a property over a period of time by comparing rental income with investment needs. High performing properties need little investment and generate an excess of rental income, whilst low performing properties require significant improvement work and, by comparison, generate insufficient rental income. We propose to sell those empty homes with the lowest NPV, and target 3 bedroom properties, of which we have a disproportionately high number compared to 1 and 2 bedroom properties. The latter are the type of properties for which there is the highest demand from home-seekers on the waiting list.

Re-profiling of capital improvements expenditure 2018/19 to 2024/25 – For non-decency improvements (i.e. parking schemes, paths, driveways, walls / fencing, outbuildings) a planned programme of works for future years had been outlined in the Asset Management Strategy which was approved by Cabinet on 20 October 2015. Peaks of expenditure had originally been planned in the years over 2019 - 2023, which

coincides with other significant budget pressure to re-pay two loans of £10m and £3m in March 2022. By re-profiling some of the capital expenditure back from these years, and spreading it over subsequent periods, we have ensured the business plan has a smoother expenditure profile, and also has capacity to repay the two loans in full.

By making these adjustments, it means that we can maintain the predicted level of expenditure required to maintain all homes at or above the Decent Homes standard in future. As a result, we are aiming to ensure that no properties fail to meet the Decent Homes standard going forward.

Aids and Adaptations budget – significant investment was made through the Decent Homes programme in installing level access showers instead of like for like bathroom replacements in many ground floor flats and bungalows. It is therefore projected that the budget requirement for this work will reduce over time. Furthermore, as more properties have received adaptations in recent years as part of this programme, more efficient utilisation of these properties by existing and future tenants will reduce the need to carry out new works. We have therefore reduced the projected budget allocation for future years, although we are still aiming to invest £250,000 per annum in this area by 2020.

Programme Delivery Costs – a provision is made within the capital programme to fund the staff responsible for delivering the programme. Previously, the budget assumed one full time post would be required to support our new build programme, after the successful completion of the three pilot schemes. In view of the future need to dispose of sites, the future new build programme may now be less ambitious than originally envisaged. Furthermore, any future new build schemes would require us to borrow funds, although there is available headroom within the Housing Revenue Account to do so. Therefore, the costs associated with new build delivery have been reduced to 0.5 of a full time post.

6.0 CAPITAL RESOURCES

6.1 The resources estimated to be needed to finance the General Fund programme 2016/17 to 2020/21 totals £6,805,560 and is as follows:

	£
2016/17	2,798,510
2017/18	1,175,970
2018/19	1,801,970
2019/20	228,000
2020/21	801,110
Total	6,805,560

6.2 Details of the planned funding of the programmes are included in Appendix A. Funding is in place in 2016/17 for the Disabled Facilities Grants Scheme (£716,760) and Wellbeing Centre (£400,000) consisting of £298,050 Disabled Facilities Grants, £282,790 of reserves and £135,920 of Revenue Contribution and £400,000 of S106 Contributions. The remaining schemes (£1,681,750) can be funded through either leasing or borrowing depending on value for money and provision has been made in the 2016/17 Revenue Budget.

- 6.3 The following resources are budgeted to be available for financing the Housing Revenue Account Programme in 2016/17. An estimated surplus of £644,000 can be carried forward to 2017/18.

	£
Usable Balances	1,531,000
Retained Right to Buy Receipts	238,534
Right to Buy Receipts – Attributable debt	658,722
Use of Right to Buy ‘One for One’ reserve	496,919
Major Repairs Allowance	4,983,603
Asset Disposals (Capital Allowance)	900,000
Total Resources	8,808,778
Less Budgeted Expenditure	8,164,778
Surplus to be carried forward to 2017/18	644,000

7.0 PROCUREMENT ROUTES

- 7.1 Where the authority is required to enter into a contract which has a value of £100,000 or more, Cabinet authority is sought prior to award of the contract. As Cabinet is considering the budgetary implications of the Capital Programmes, it is efficient for Cabinet to consider the award of subsequent high-value contracts at the same time. Cabinet is also asked to address a request for a waiver to the Contract Procedure Rules (CPR) for a particular selection of contract opportunities. Each will be considered in turn.

- 7.2 Although the procurement processes may be commenced sooner, the contract award will not take place before Council has approved the budget for the Capital Programmes. The authority’s procurement documentation gives it a right not to award a contract, should Council not approve the budget.

- 7.3 **Waste Services, Vans, Cars, Plant and Equipment**
As part of the Fleet, Plant and Equipment Replacement Programme, replacements will need to be made to some of the Council’s vehicles, equipment and plant. Officers will select the most appropriate public sector framework for each item, considering which offers value for money for the Council at the time of procurement.

Cabinet is asked to delegate award of the subsequent contracts for vehicles, equipment and plant to the Director of Services in consultation with the Portfolio Holder.

- 7.4 **Car Park Resurfacing**
The Council will need to resurface four car parks/roads in the 2016/17 financial year, Access Road to High Street Car Park, Measham; Hermitage Recreation Grounds; Hood Park Leisure Centre Car Park and North Service Road Car Park, Coalville.

Where we are purchasing similar goods, works or services, we are under an obligation to aggregate the value so as to ensure, where that value is above the thresholds (for services contracts, the threshold is £172,514), the opportunity is advertised to potential European bidders. The aggregate value of these contract opportunities is £83,750, so below the thresholds which would require the authority to advertise the opportunity in Europe. At this value, it is a Band D contract requiring a formal tender process, pursuant to CPR 5.16.

To assist officers with scheduling the pre-procurement work and on-site delivery of the larger resurfacing schemes before winter, Cabinet is requested to grant a waiver to the CPR so the contract opportunities can be disaggregated. Each contract would then be procured in accordance with the CPR, according to its own value. This would bring all four schemes into Band B (Small) Contracts, all requiring three written quotations be sought and opening up the opportunities in the first instance to suitable businesses registered on the Buy Local portal.

Pursuant to CPR 3.2, Cabinet is asked to grant a waiver to CPR 5.16 so that each of the four resurfacing programmes can be treated as individual contract opportunities and procured in accordance with the CPR relevant to their particular value. Cabinet is asked to delegate award of the subsequent contracts to the Director of Services in consultation with the Portfolio Holder.

8.0 CONSULTATION

- 8.1 The Cabinet's draft Capital Programmes were presented to the Policy Development Group at its meeting on 6 January 2016. Consultation with the business community was by letter through the Leicestershire, Northamptonshire and Rutland Federation of Small Businesses. The comments of Policy Development Group are included in the minutes attached at Appendix C.

This page is intentionally left blank

DRAFT GENERAL FUND CAPITAL PROGRAMME 2016/17 to 2020/21

SCHEME	BUDGET HOLDER	FUNDING														
		2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	GRANTS/	DFG	VfM	OTHER	APF	REVENUE	LEASING
		ORIGINAL	Actual @	FORECAST						S106	GRANTS	Reserve	RESERVES	Reserve		OR
		BUDGET	Period 9	(Inc c/f & slippage)						CONTS						BORROWING
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
CHIEF EXEC DIRECTORATE																
Network Upgrade	Michael Harding	-	109,780	109,780	-						20,420				89,360	
SAN and Virtual server replacement	Michael Harding	-	274	274	-										274	
Improving Customer Experience Project (ICE)	Ray Bowmer	-	50,373	5,000	-						-				5,000	
>Web and Self Service Improvements	Ray Bowmer	-	43,994	75,000	-						75,000					
>Finance Systems and Processes	Ray Bowmer	-	-	25,000	-						25,000					
>Line of Business Systems Improvement	Ray Bowmer	-	1,250	20,000	-						20,000					
>Communications Technology	Ray Bowmer	-	-	50,000	-						50,000					
>Office Experience	Ray Bowmer	-	-	30,000	-						30,000					
Waste Management System (ICE)	Michael Harding	-	6,300	-	-											
Information Management	Elizabeth Warhurst	-	-	100,000	-						100,000					
User workstation monitor replacements	Michael Harding	7,000	1,947	7,000	-										7,000	
Desktop Equipment Upgrade	Michael Harding	-	-	-	42,000	20,000	20,000								82,000	
Helpdesk software upgrade	Michael Harding	12,000	8,454	12,000	-										12,000	
Server and storage additional capacity	Michael Harding	29,000	21,175	29,000	-		350,000								379,000	
Replacement telephone system	Michael Harding	70,000	-	49,580	-						49,580					
ICT Security Infrastructure	Michael Harding	-	-	-	63,000										63,000	
HR / Payroll System	Mike Murphy / Anna Wright	-	-	-	50,000										50,000	

SCHEME	BUDGET HOLDER	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	GRANTS/	DFG	VfM	OTHER	APF	REVENUE	LEASING		
		ORIGINAL	Actual @	FORECAST						S106	GRANTS	Reserve	RESERVES	Reserve			OR	
		BUDGET	Period 9	(Inc c/f & slippage)						CONTS								BORROWING
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
DIRECTOR OF SERVICES																		
Disabled Facility Grants	Minna Scott	560,000	247,083	504,000	716,760	433,970	433,970	-	-	-	-	-	339,410	-	557,090	-	-	
Waste Services	Paul Coates	468,000	471,468	471,468	857,000	460,000	575,000	685,000	-	-	-	-	-	-	-	-	3,048,468	
Cars/vans	Paul Coates	117,000	114,802	114,802	88,000	170,000	235,900	148,000	58,000	-	-	-	-	-	-	-	813,802	
Plant / Equipment	Paul Coates	176,000	45,000	45,000	388,000	-	140,000	40,000	-	-	-	-	-	-	-	-	613,000	
Council Offices Extnsn car park c/ville, Resurfacing	Paul Coates	20,000	-	20,000	-	-	-	-	-	-	-	-	-	-	-	-	20,000	
Market Hall CP, C/Ville - Resurfacing	Paul Coates	-	1,585	1,585	-	-	-	-	-	-	-	-	-	-	-	-	1,585	
South Street Car park, Ashby - Resurfacing	Paul Coates	-	29,767	30,529	-	-	-	-	-	-	-	-	-	-	10,629	-	19,900	
Access Road, High Street Car Park - Measham - Resurfacing	Paul Coates	-	-	-	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	
Hermitage Recreation Grounds – Surface Dressing	Paul Coates	-	-	-	11,500	-	-	-	-	-	-	-	-	-	-	-	11,500	
Hermitage Leisure Centre Car Park - Resurfacing (section of).	Paul Coates	-	-	-	-	15,000	-	-	-	-	-	-	-	-	-	-	15,000	
Hermitage Recreation Grounds, Whitwick, All Weather Play Area Car Park	Paul Coates	-	-	-	-	2,500	-	-	-	-	-	-	-	-	-	-	2,500	
Belvoir Shopping Centre, Main Service Road, Coalville - Maintenance.	Paul Coates	12,000	-	12,000	-	-	-	-	-	-	-	-	-	-	-	-	12,000	
Silver Street Car Park, Whitwick - Resurfacing.	Paul Coates	50,000	-	50,000	-	-	-	-	-	-	-	-	-	-	-	-	50,000	
Hood Park Leisure Centre Car Park, Ashby - Resurfacing (section of).	Paul Coates	-	-	-	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000	
North Service Road Car Park, Coalville - Maintenance & Improvements.	Paul Coates	-	-	-	32,250	-	-	-	-	-	-	-	-	-	-	-	32,250	
Bridge Road Car Park, Coalville - Resurface main through route.	Paul Coates	-	-	-	-	21,500	-	-	-	-	-	-	-	-	-	-	21,500	
Materials Separating Technology - Linden way Depot	Paul Coates	-	8,018	8,018	-	-	-	-	-	-	8,018	-	-	-	-	-	-	
Whitwick Business Centre - Central Heating System	Simon Harvey	50,000	-	50,000	-	-	-	-	-	-	-	50,000	-	-	-	-	-	
Coalville Market Upgrade -Phase 1a	John Richardson	-	337	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Coalville Market Upgrade -Phase 2	John Richardson	-	60,588	100,000	-	-	-	-	-	-	-	100,000	-	-	-	-	-	
Market Hall Wall	John Richardson	30,000	5,350	30,000	-	-	-	-	-	-	-	-	-	-	-	-	30,000	
Caravan Site - Appleby Magna, Fire Risk Scheme	Simon Harvey	100,000	15,917	100,000	-	-	-	-	-	-	-	-	-	-	-	-	100,000	
Replace asbestos roof on outdoor pool change at Hood Park LC	Jason Knight	17,000	18,413	18,413	-	-	-	-	-	-	-	-	-	-	-	-	18,413	
Replace external flashing at Hermitage LC	Jason Knight	12,000	10,310	10,310	-	-	-	-	-	-	-	-	-	-	-	-	10,310	
Coalville Park - Reconfigure depot, replace building	Jason Knight	-	-	-	95,000	-	-	-	-	-	-	-	-	-	-	-	95,000	
Upgrade Hood Park LC outdoor pool electrics	Jason Knight	-	-	-	-	20,000	-	-	-	-	-	-	-	-	-	-	20,000	
Replace Hood Park LC outdoor learner pool boiler and pipework	Jason Knight	-	-	-	-	10,000	-	-	-	-	-	-	-	-	-	-	10,000	
Replace Hood Park LC Fitness Suite Air Con	Jason Knight	-	-	-	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000	
Regrout Hermitage LC swimming pool tiles	Jason Knight	-	-	-	-	23,000	-	-	-	-	-	-	-	-	-	-	23,000	
Replace hot water system pipework, heat emitters & cold water storage tank at Hermitage LC	Jason Knight	-	-	-	-	18,000	-	-	-	-	-	-	-	-	-	-	18,000	
New Sportshall floor at Hermitage LC	Jason Knight	-	-	-	-	16,000	-	-	-	-	-	-	-	-	-	-	16,000	
Replace suspended ceiling in Hermitage LC main pool hall	Jason Knight	-	-	-	-	-	30,000	-	-	-	-	-	-	-	-	-	30,000	
Replacement of outdoor pool filter media at Hood Park LC	Jason Knight	-	-	-	-	-	10,000	-	-	-	-	-	-	-	-	-	10,000	
Replace Hermitage LC gym Air Con	Jason Knight	-	-	-	-	14,000	-	-	-	-	-	-	-	-	-	-	14,000	
Wellbeing Centre at Hood Park LC	Jason Knight	400,000	750	-	400,000	-	-	-	-	400,000	-	-	-	-	-	-	-	
Replace General Ductwork, ventilation & all fire dampners at Hood Park LC	Jason Knight	-	-	-	-	-	-	20,000	-	-	-	-	-	-	-	-	20,000	
Replace Flat roof cover over plant room at Hermitage LC	Jason Knight	-	-	-	-	-	-	13,110	-	-	-	-	-	-	-	-	13,110	
Replace control systems in alignment with plant installations at Hermitage LC	Jason Knight	-	-	-	-	-	-	15,000	-	-	-	-	-	-	-	-	15,000	
Replace Squash Court Lighting at Hermitage LC	Jason Knight	-	-	-	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000	
TOTAL GENERAL FUND		2,130,000	1,272,261	2,078,759	2,798,510	1,175,970	1,801,970	228,000	801,110	400,000	1,192,200	378,018	489,410	-	567,719	-	5,856,972	

SCHEME	BUDGET HOLDER	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	GRANTS/	DFG	VfM	OTHER	RESERVES	REVENUE	LEASING	
		ORIGINAL	Actual @	FORECAST						S106	GRANTS	Reserve	RESERVES	ASSET			OR
		BUDGET	Period 9	(Inc c/f & slippage)						CONTRIB				PROT FUND			BORROWING
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
COALVILLE SPECIAL EXPENSES																	
Coalville Park Improvements	Jason Knight	-	-	-	-												
Melrose Road Play Hub	Jason Knight	-	-	-	-												
Cropston Drive BMX Track	Jason Knight	-	2,250	9,783	-								2,283	7,500			
Broomleys Allotments	Jason Knight	-	-	-	-												
Thringstone Miners Social Centre	Jason Knight	-	-	4,913	-									4,913			
Urban Forest Park - Play equipment	Jason Knight	-	-	-	-												
Urban Forest Park-Footway and drainage improvements	Jason Knight	-	32,069	39,025	-					39,025							
Scotland Recreation Ground	Jason Knight	-	-	-	-												
Owen Street -Floodlights	Jason Knight	-	-	779	-									779			
Owen Street - Changing Rooms	Jason Knight	-	25,835	115,564	-					30,563				85,000			
Thringstone Bowls Club Toilet Block	Jason Knight	-	289	2,542	-									2,542			
TOTAL SPECIAL EXPENSES		-	60,443	172,606	-					69,588	-	-	2,283	100,734	-	-	

INDICATIVE

This page is intentionally left blank

	2015/16	2015/16 (revised forecast outturn p9)	2016/17	2017/18	2018/19	2019/20	2020/21
2016 - 2021 Decent Homes							
Decent Homes Programme	4,281,900	5,081,900	2,097,370	1,139,014	3,998,415	2,498,586	817,160
Decent Homes Refusals/Deferrals Provision	222,000	222,000					
Capital Works (Voids & Tenanted)	850,000	850,000	850,000	800,000	750,000	700,000	650,000
2016 - 2021 Decent Homes Total	5,353,900	6,153,900	2,947,370	1,939,014	4,748,415	3,198,586	1,467,160
2016 - 2021 Other Planned Investment							
Non Decency Improvements			1,028,124	1,170,914	1,170,914	1,170,914	1,470,414
Hard Wired Smoke Detectors	47,000	47,000	47,000	47,000	47,000	47,000	
Fire Risk Assessment Remedial Works	40,000	40,000	40,000	40,000	40,000	40,000	
Remedial Works (Damp & Structural)	210,000	210,000	187,500	187,500	187,500	187,500	
Fuel swaps (solid fuel to gas supply)	25,000	25,000	25,000	25,000	25,000	25,000	
2016 - 2021 Other Planned Investment Total	322,000	322,000	1,327,624	1,470,414	1,470,414	1,470,414	1,470,414
New Build / Affordable Housing Programme							
New Build Programme - use of RTB one for one reserve	122,178	33,750	496,919	105,916			
New Build Programme - NWLDC contribution to RTB one	285,082	78,750	385,961	1,663,964			
New Build Programme - NWLDC additional provision	319,000						
Support for Acquiring Affordable Housing	559,000		887,000				
Support for Affordable Housing - (Waterloo Hsg Grp, EMH Assoc, Nottingham Com grp)		444,000					
Support for Affordable Housing - EMH Assoc (Pick & Shovel site)		500,000					
Acquisition of sites		400,000					
New Build / Affordable Housing Programme Total	1,285,260	1,456,500	1,769,880	1,769,880	-	-	-
Othe Schemes / Miscellaneous							
Off Street Parking	100,000		100,000				
Major Aids & Adaptations	450,000	450,000	350,000	300,000	275,000	250,000	250,000
Development Site Preparations	40,000	40,000	-	-	-	-	-
Energy Insulation Works	250,000	250,000	-	-	-	-	-
Renewable/Replacement Energy Installations Programme	100,000	100,000	250,000	250,000	250,000	250,000	
Speech Module	50,000		50,000	50,000	50,000	50,000	
Capital Programme Delivery Costs	654,000	710,000	530,160	541,824	553,744	565,926	578,376
Unallocated/Contingency	500,000	500,000	339,744	288,965	339,691	260,950	
Disposal of High Value Assets			500,000	500,000	500,000	500,000	500,000
Othe Schemes / Miscellaneous Total	2,144,000	2,050,000	2,119,904	1,930,789	1,968,435	1,876,876	1,328,376
Capital Allowances							
Programme to be defined							
Capital Allowances Total	-	-	-	-	-	-	-
Total Programme Costs	9,105,160	9,982,400	8,164,778	7,110,097	8,187,264	6,545,876	4,265,950

2016/17 - 2020/21 HOUSING CAPITAL PROGRAMME FUNDING

	2015/16	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Usable balances held	3,162,000	3,162,000	1,531,000	644,000	644,001	644,001	494,002
Retained Right to Buy Receipts (RTB)	228,344	228,074	238,534	240,655	243,070	245,501	247,956
RTB receipts - attributable debt	438,799	432,353	658,722	570,463	568,062	565,645	563,204
Use of RTB one for one reserve	169,178	33,750	496,919	105,916	133,987	58,928	-
RCCO	2,610,160	2,610,160	-	430,009	2,265,172	696,680	-
Major Repairs Allowance	3,995,000	2,816,063	4,983,603	4,863,054	4,076,974	4,079,123	2,554,791
Asset Disposals (Capital Allowance)	-	-	900,000	900,000	900,000	750,000	750,000
S106 Commuted Funds	559,000	887,000					
Support for Affordable Housing - (Waterloo Hsg Grp, EMH Assoc, Nottingham Com grp)		444,000					
Support for Affordable Housing - EMH Assoc (Pick & Shovel site)		500,000					
Acquisition of Sites		400,000					
Total Funding	11,162,481	11,513,400	8,808,778	7,754,098	8,831,266	7,039,878	4,609,951
Cumulative Over / (Under Resource)	2,057,321	1,531,000	644,000	644,001	644,001	494,002	344,002

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS FOR 2016/17
Key Decision	a) Financial Yes b) Community Yes
Contacts	<p>Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk</p> <p>Councillor Roger Bayliss 01530 411055 roger.bayliss@nwleicestershire.gov.uk</p> <p>Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk</p> <p>Director of Housing 01530 4545819 glyn.jones@nwleicestershire.gov.uk</p> <p>Head of Finance 01530 454520 ray.bowmer@nwleicestershire.gov.uk</p> <p>Financial Planning Manager 01530 454707 pritesh.padaniya@nwleicestershire.gov.uk</p>
Purpose of report	To seek approval of the 2016/17 Housing Revenue Account (HRA) Budget and Rent and Service Charge increases.
Reason for Decision	To enable the Council to set the Housing Revenue Account Budget for 2016/17.
Council Priorities	The HRA budget assists the Value for money priority.
Implications: Financial/Staff Link to relevant CAT	As included in report. Delivering a HRA Budget for 2016/17 will allow the Council to achieve the objectives for the service as set out in the Housing Business Plan and Service Team Business Plans.

Risk Management	The Council sets an HRA budget, which is regularly monitored throughout the year to ensure services are delivered within budget. Risks are managed through the corporate risk management process.
Equalities Impact Screening	None identified.
Human Rights	None identified.
Transformational Government	Not applicable
Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	Corporate Leadership Team (CLT), Cabinet (8 December 2015, Tenants Performance and Finance Working Group, Tenants and Leaseholders Consultation Forum, Public/Tenant consultation exercise undertaken via website, Policy Development Group (6 January 2016).
Background papers	HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS FOR 2016/17 (CABINET – 8 DECEMBER 2015) HOUSING REVENUE ACCOUNT (HRA) BUDGET PROPOSALS FOR 2016/17, WITH UPDATE (POLICY DEVELOPMENT GROUP – 6 JANUARY 2016)
Recommendations	A. THAT THE ASSURANCE STATEMENT BY THE S151 OFFICER BE NOTED, B. THAT THE COUNCIL BE RECOMMENDED TO: 1. APPROVE THAT COUNCIL HOUSE RENTS IN 2016/17 BE DECREASED BY 1% (AVERAGE DECREASE £0.83 PER WEEK). 2. APPROVE THE INCREASE OF 0.8% (AVERAGE INCREASE 5 PENCE PER WEEK) IN GARAGE RENTS FOR 2016/17. 3. APPROVE CENTRAL HEATING CHARGES FOR 2016/17 REMAINING AT THE SAME LEVEL AS FOR 2015/16 4. APPROVE THE AVERAGE INCREASE OF 4.92% (16 PENCE PER WEEK) IN THE WEEKLY SERVICE CHARGE FOR 2016/17. 6. APPROVE THE GROUND RENT INCREASE AT APPLEBY MAGNA CARAVAN SITE OF 0.8% (24 PENCE PER WEEK) ON THE ANNIVERSARY OF EACH INDIVIDUAL RENT AGREEMENT IN 2016/17.

	7. APPROVE THE LIFELINE CHARGES INCREASE OF 0.8% (34 PENCE PER QUARTER) FROM APRIL 2016. 8. APPROVE THE HOUSING REVENUE ACCOUNT BUDGET FOR 2016/17 ATTACHED AS APPENDIX A
--	--

1.0 INTRODUCTION

- 1.1 The Housing Revenue Account budget for 2016/17 is set out at Appendix A. The original 2015/16 budget and the revised budget are included in Appendix A for information.
- 1.2 Cabinet considered a draft HRA budget report on 8 December 2015 and this was followed by a report to the Policy Development Group on 6 January 2016. The January report included an addendum dealing with a change to the underlying assumptions for rent increases from April 2020 after the four years of 1% rent reductions, and the proposals for dealing with the projected future income shortfalls.
- 1.3 The 2016/17 budget, the proposed HRA capital programme and the 30 year business plan referred to in this report include the impact of the proposals contained within the addendum which was considered at Policy Development Group on 6 January 2016.

2.0 REVISED BUDGET 2015/16

- 2.1 The budgeted outturn position for 2015/16 was a £183k surplus. The overall forecast for the current year at period 9 shows £2k surplus. This is largely as a result of the reduction in expected rent due to a higher than predicted level of empty properties, the loss in Supporting People grant for older persons services and additional staffing costs in the Responsive Repairs team.
- 2.2 The balance on the Housing Revenue Account at 31 March 2016 is estimated to be £5.3m. This balance significantly exceeds our agreed minimum working balance on the HRA of £1m and this has been developed to provide a loan repayment reserve provision for the future repayment of debts taken out on a maturity repayment basis, within the HRA Business Plan. The first maturity loans of £10m and £3m fall due for repayment on 28 March 2022. It is proposed that the balances over the £1m minimum working balance on the HRA be transferred to a savings reserve for the purposes of repaying these loan commitments, and the ensuing interest would also be used for the same purpose.

3.0 2016/17 BUDGET OVERVIEW

- 3.1 Budget proposals are based on prices and levels of charges for council housing related services at September 2015 plus known increases, for example contractual obligations.
- 3.2 Repairs and maintenance of dwellings expenditure (Appendix A – line 1) in 2016/17 is anticipated to total £5.3m.
- 3.3 Supervision and management expenditure (Appendix A – line 4) in 2016/17 is expected to be £2.8m.
- 3.4 For 2016/17, the level of revenue contribution to capital outlay (RCCO) is proposed to reduce from £2.6m in 2015/16 to nil. This is as a result of the inclusion of new build

proposals for the brownfield site (Coalville), Greenacres and Willesley sites (as approved by Cabinet on 10 November 2015). This revises the 2015/16 capital programme to cover the cost of land acquisition in 2015/16 and the spreading of development expenditure over 2016/17 and 2017/18 ahead of properties being delivered by Q3 2017/18.

- 3.5 The budget for 2016/17 is estimated to produce an operating surplus of £2.40m, which will increase the estimated balance on the Housing Revenue Account at 31st March 2017 to £7.69m. It is proposed that these balances (less the £1m minimum operating balance on the account) be transferred to a loan repayment reserve for the purposes of repaying the £10m and £3m maturity loans which fall due in 2021/22. This is a revised position when compared to the draft budgeted operating surplus presented to Cabinet on 8 December 2015 which was £2.45m, due to a number of budget changes since this date (see Appendix B)
- 3.6 Savings of £2.40m will therefore be realised in 2016/17, and future predicted savings that will be made are as follows:
- 2017/18 - £1.6m
 - 2018/19 - £0.0m
 - 2019/20 - £0.3m
 - 2020/21 - £1.1m
 - 2021/22 - £0.0m

4.0 2016/17 BUDGET – RENTS

- 4.1 During 2014, the Government announced that from 2015/16 rent guidance required rent increases to be via a formula of September CPI + 1% for the next 10 years.
- 4.2 On the introduction of that guidance the Government's former rent restructuring policy ceased from 2015/16, with the exception of re-letting properties at the converged rent level ('target rent') on re-let.
- 4.3 Following a review of the number of properties at target rent at that time, Cabinet agreed to adopt an accelerated convergence approach which increased 2014/15 rents following the new guidance of CPI + 1% and also continued to converge rents not already at the target rent at an accelerated rate of up to £4 per week. Cabinet also agreed to the expansion of the approach to letting properties at target rent to include transfers for existing tenants. This approach was approved on the basis of achieving a more equitable outcome with similar rent values being charged for similar properties, and as a result 48% of properties were at target rent at April 2015. In addition, it was previously proposed that this accelerated convergence be followed for the 2016/17 rent increase which would have seen the number of properties at target rent move to 94% with the remaining 6% by 2019/20.
- 4.4 At January 2016, 53% of properties are currently at target rent.
- 4.5 Government proposals announced in the Summer Budget in respect of the four year rent reduction have confirmed that Local Authorities' must adhere to this regime. As a result, all rents for 2016/17 must be based on the 2015/16 level and reduced by 1%. The ability to converge rents has been removed and properties can only be moved to target rent upon re-let.

- 4.6 The void target included in the budgeted rental income is a projected loss of income of 1.8%.
- 4.7 As a result of the 1% rent reduction for 2016/17, budgeted rental income is £254k less than the budgeted figure in 2015/16.
- 4.8 Since its inception, the long term HRA business plan has had a core assumption that future rents will increase by 2.5% per annum (notwithstanding the four year 1% rent reductions from 2016) and this was a standard, benchmark assumption across most social housing landlords. In view of government policy and the outlook for inflation, it is now considered prudent to change this assumption to an annual 1.5% increase. This was addressed in the report to Policy Development Group in January.
- 4.9 Changing the core assumption for rents has led to significant re-modelling of the HRA business plan. The final budget proposals in this report have therefore changed from those upon which the December Cabinet report was based. There has been a particular focus on identifying areas where expenditure can be reduced (e.g. re-profiling or reducing the capital programme) or additional income can be generated (e.g. disposals of sites / properties).
- 4.10 Proposed savings, and a number of accounting and budget estimate amendments, have been made from 2015/16, which are set out in Appendix B. The largest of the savings or income increases is a reduction in RCCO, for which more detail is provided in 6.3 below. The introduction of a new service charge is expected to yield income of £153k and the reduction in the bad debt provision will save £46k. Removing one-off items from 2015, together with some smaller reductions in net expenditure bring the total savings to £3.1m.
- 4.11 The most significant adverse movements are the removal of Supporting People funding from Leicestershire County Council, amounting to £328k and the reduction in rent income, due to the 1% rent reduction and falling property numbers, totalling £254k. Other adverse movements come to £137k, making a total adverse movement of £719k.

5.0 SERVICE CHARGES, FEES AND OTHER CHARGES

- 5.1 Approximately one third of the Council's properties have a service charge, covering a range of items such as communal heating, communal lighting, maintenance of communal areas and the new charge implemented following Cabinet approval in September 2015 in respect of the older persons service. Service charges are covered by Housing Benefit, whilst all other fees and charges are not.
- 5.2 For 2016/17 average weekly service charges are proposed to be increased by 4.92%.
- 5.3 Central heating charges are proposed to be maintained at existing levels, as a result of a forecast freeze on energy prices anticipated for 2016/17.
- 5.4 Garage rent levels are proposed to rise by 0.8% which is in line with the Retail Prices Index (RPI) as at September 2015.
- 5.5 Appleby Magna Caravan Site is a General Fund asset but managed by the Housing Service. Ground rents for the site are proposed to be increased by RPI of 0.8% on the anniversary of each individual rent agreement in 2016/17.
- 5.6 It is proposed that Lifeline Charges are increased by RPI of 0.8% from April 2016.

- 5.7 Shop leases are proposed to rise by an average of 14% as agreed by Cabinet in November 2014.
- 5.8 A table detailing each charge increase can be found in Appendix C.

6.0 HRA BUSINESS PLAN

- 6.1 Significant annual surpluses on the HRA are required in future years in order to meet the loan repayment commitments in the HRA Business Plan. As detailed in 2.2 and 3.6 above, it is proposed that existing balances and future annual surpluses are transferred to a savings reserve for the purposes of repaying these loans. The first maturity loans to fall due do so in 2021/22 and are for £3m and £10m. Please see Appendix D for a schedule of HRA loans.
- 6.2 As a result of the proposals for 2016/17 and the inclusion of new build proposals which will bring in additional longer term rental income, the overall impact on the HRA Business Plan is as follows:
- Savings of £0.2m will be needed by 2024/25.
 - Further savings of £1.4m will be required in 2035/36.
 - The next funding shortfalls occur in year 26 (2041/42) and continue to the end of the business plan period in 2045/46, totalling £17.9m. This arises as a result of maturity loans of £33.8m coming up for repayment in 2041/42, and the council's treasury management strategy during this era will guide the council's response.
- 6.3 Revenue contribution to capital outlay (RCCO) for 2016/17 is reduced to nil. Future amounts are forecast to be required in order to support new build proposals, as detailed in 3.4 above, as follows:

RCCO

- 2016/17 – nil
 - 2017/18 - £0.43m
 - 2018/19 - £2.27m
 - 2019/20 - £0.8m
- 6.4 At one development site, following consultation with the developer, the Council has been able to negotiate the delivery of a number of gifted units as part of the section 106 planning agreement. Please see Cabinet report of 22 September 2015 on Emerging Issues Affecting Affordable Housing Delivery. This will allow the Council to assume ownership of a reduced number of units at a peppercorn value to be managed as rented accommodation within the HRA. This provides a significant financial advantage to the HRA business plan as a long term rental income stream is obtained for nil cost. In order to further boost the HRA balance sheet going forward, it is proposed that the Council investigates negotiating similar arrangements with developers on other sites.

7.0 CONSULTATION PROCESS

- 7.1 Consultation on the Housing Revenue Account 2016/17 draft budget proposals (as approved by Cabinet on 8 December 2015) has been completed via the Council's website and via hard copy upon request. The formal consultation closed on 16 January 2016 and no comments were received.

- 7.2 Members of the Performance and Finance Working Group (The Council's Resident Involvement technical finance working group who were consulted on 17 December 2015) were supportive of the recommended proposals.
- 7.3 The Tenants and Leaseholders Consultation Forum were consulted on the budget proposals at their meeting of 25 January 2016. They were interested in the type of properties that might be sold in future, and wished assurance that proceeds from property sales would be re-invested to support future improvements to the existing stock, but were supportive of the proposals.

8.0 ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES

- 8.1 The Local Government Act 2003 requires the Council's Chief Financial Officer (Section 151 Officer) to comment on the robustness of the estimates and also on the adequacy of the proposed reserves. Members must have regard to these comments when making a decision on the budget proposals for the forthcoming year.
- 8.2 Taking into account identified risks, the Section 151 Officer considers that the estimates which form the Housing Revenue Account Budget for 2016/17 are robust and prudent and the proposals are deliverable.
- 8.3 The Section 151 Officer also considers that the overall level of Housing Revenue Account reserves is adequate.

APPENDIX A

LINE NO.	DETAIL	2015/2016		2016/2017
		Budget £	Forecast (p9) £	Estimate £
	HOUSING REVENUE ACCOUNT			
1.	TOTAL REPAIRS & MAINTENANCE	5,097,110	5,018,640	5,258,450
	SUPERVISION & MANAGEMENT			
2.	General	2,234,580	2,341,760	2,163,710
3.	Special / Supporting People	341,230	509,330	608,230
4.		2,575,810	2,851,090	2,771,940
5.	PROVISION -DOUBTFUL DEBTS	170,790	170,790	125,000
6.	CAPITAL FINANCING:-			
7.	Depreciation - MRA & other	3,995,170	3,995,170	3,995,170
8.	Debt Management Expenses	1,390	1,390	1,400
9.		3,996,560	3,996,560	3,996,570
10.	TOTAL EXPENDITURE	11,840,270	12,037,080	12,151,960
11.	RENT INCOME			
12.	Dwellings	17,521,680	17,501,440	17,268,070
13.	Service Charges	310,710	348,580	464,490
14.	Garages & Sites	82,820	76,980	84,130
15.	Other	26,100	11,800	25,570
16.	TOTAL INCOME	17,941,310	17,938,800	17,842,260
17.	NET COST OF SERVICES	-6,101,040	-5,901,720	-5,690,300
18.	CAPITAL FINANCING - HISTORICAL DEBT	147,670	147,670	147,670
19.	CAPITAL FINANCING - SELF FINANCING DEBT	3,257,170	3,257,170	3,257,170
20.	INVESTMENT INCOME	-53,020	-71,420	-66,020
21.	PREMATURE LOAN REDEMPTION PREMIUMS	7,060	7,060	7,060
22.		3,358,880	3,340,480	3,345,880
23.	NET OPERATING EXPENDITURE	-2,742,160	-2,561,240	-2,344,420
24.	REVENUE CONTRIBUTION TO CAPITAL	2,610,160	2,610,160	0
25.	DEPRECIATION CREDIT - VEHICLES	-50,730	-50,730	-50,730
26.		2,559,430	2,559,430	-50,730
27.	NET (SURPLUS) / DEFICIT	-182,730	-1,810	-2,395,150
	HRA BALANCES			
28.	Balance Brought Forward	-5,290,619	-5,290,619	-5,292,429
29.	(Surplus)/Deficit for Year	-182,730	-1,810	-2,395,150
30.	Transfer to Loan Repayment Reserve	0	0	6,687,579
31.	Balance as at year end	-5,473,349	-5,292,429	-1,000,000

APPENDIX B

Saving / Increase in Income

Ref	Team	Savings Bid Title	Value	RAG
SAV4	Repairs	Reduction in recurring budget provision associated with the Green & Decent pilot project which will cease April 2016	£21,000	G
SAV14	HRA Business Support	Increase in service charge income, including full year budget provision for new element of charge in relation to the control centre	£153,776	G
SAV15	HRA Business Support	Revenue Contribution to Capital Outlay (RCCO) Reduction in the estimated RCCO required to meet capital expenditure for 2016/17	£2,610,160	G
SAV19	Housing Management	Increase in lifeline income based on RPI increase for existing tenants and additional income generated through new business	£21,119	G
SAV25	Housing Management	Reduction in one off funding for the redesign of the Support Service	£20,000	G
SAV26	HRA Business Support	Stage 2 increase for Simple + premiums for tenants home contents insurance	£7,040	G
SAV28	HRA Business Support	Removal of one off expenditure items included in the 2015/16 budget	£210,000	G
SAV31	HRA Business Support	Reduction in Bad Debt Provision	£45,790	G
De-min SAV 59	De-minimis (below £5k)	£4,000 Reduction in one off expenditure for Resident Involvement IT requirements (SAV1) ; £5,000 Reduction in budget provision for external communications (SAV3); £5,000 Reduction in water hygiene costs (SAV10); £1,311 Increase in garage rent based on RPI increase (SAV18); £2,837 Reduction in software reporting licence costs (SAV20); £648 Reduction in servicing costs of door entry systems (SAV22);£4,647 Savings as a result of control centre maintenance contract (SAV24)	£23,443	G
Total			£3,112,328	

Investment / Reduction in Income

Ref	Team	Investments Bid Title	Value	RAG
BI2	Housing Management	Additional costs for social activities for vulnerable tenants	£10,000	G
BI12	HRA Business Support	Reduction in rental income for 2016/17 compared to 2015/16 as a result of 1% rent reduction. Includes voids target of 1.8%	£253,610	G
BI14	HRA Business Support	Increase in HRA salary provision based on incremental increases, pension costs and 1% pay of existing posts. Provision is net of changes to the existing structure, which include provision for Planned Investment Team	£34,950	G
BI20	Housing Management	Reduction in income as a result of withdrawal of Leicestershire County Council Supporting People Grant	£328,100	G
BI25	Planned Investment	Reduction in the value of salary costs charged to the Capital Programme as a result of revised structure	£80,404	G
BI26	HRA Business Support	Increased premium payment due to increase in insurance tax as well as Simple + premiums	£6,340	
De-min BI	De-minimis (below £5k)	£1,100 Increase in annual ICT licence costs (BI15); £2,317 Annual increase in expenditure on cleaning contract (BI16); £2,003 Increase in the cost of grounds maintenance of shared and common parts (BI22); £164 Increase in costs of servicing fire extinguishers (BI24)	£5,584	G
Total			£718,988	

APPENDIX C

COMPARISON OF 2015/16 AND 2016/17 HOUSING CHARGES							
	2015/16		2016/17				
Chargeable Service	Actual 2015/16	Charge	Estimates 2016/17	Increase/ (Decrease)	% Change	Charge	Basis of Increase
Service Charges (before adjustments to income for void loss)	£482,432	Varies per property	£506,190	£23,758	4.92%	Largest increase value: £2.88 pw or 84%; Largest decrease value: £1.36 pw or 98%	Based on assessment of all chargeable services.
Central Heating (before adjustments to income for void loss)	£115,223	0 Bed: £7.75pw 1 Bed: £9.34pw 2 Bed: £10.72pw 3 Bed: £12.32pw	£115,223	£0	0.00%	0 Bed: £7.75pw 1 Bed: £9.34pw 2 Bed: £10.72pw 3 Bed: £12.32pw	Based on market assessment of predicted increase in utility costs during 2015/16 and forecast energy prices for 2016/17.
Garage & Garage Site Rent (before adjustments to income for void loss)	£163,905	Garage: £6.25pw Site: £4.01pw	£165,216	£1,311	0.80%	Garage: £6.38pw Site: £4.09pw	RPI based increase in line with previous years.
Appleby Magna Caravan Site Rent (before adjustments to income for void loss)	£23,213	Site: £30.95pw	£23,399	£186	0.80%	Site: £31.19pw	RPI based increase at anniversary date of each licence in line with previous years.
Shop Leases	£14,300	n/a	£16,302	£2,002	14.00%	n/a	14% increase based on Nov 14 Cabinet Report
Tenants Contents Insurance	£45,883	Premiums from £0.43 to £6.18pw	£51,299	£5,416	11.80%	Premiums from £0.43 to £6.78pw	Minimum increase of 3.5% in IPT, increase in actual premiums unknown still, subject to review on claims made. Also includes 2nd part of stepped increase for policyholders who had accidental damage before April 2015
Lifelines for private customers	£100,726	£43.66 per quarter	£101,532	£806	0.80%	£44.00 per quarter	RPI based increase in line with previous years.
Lifelines (East Midlands Housing Association)	£38,209	Various depending on scheme	£38,515	£306	0.80%	Various depending on scheme	RPI based increase in line with previous years.
Choice Based Lettings Advertising Costs	£28,000	n/a	£28,000	-	0.00%	n/a	No increase proposed.
Total Services	£1,011,890		£1,045,675	£33,785			

NWLDC Housing Revenue Account Loan Schedule

NWLDC - HRA Self Financing loans taken up 26/03/12

PAYMENT PROFILE - PRINCIPAL AND INTEREST

Loan Type	Principal	Loan Period (Years)	Interest Rate
Maturity	10,000,000	30	3.5
Annuity	10,000,000	20	2.57
Maturity	10,000,000	10	2.4
Maturity	3,000,000	10	2.4
Annuity	10,000,000	15	2.02
Maturity	10,000,000	25	3.44
Maturity	13,785,000	30	3.5
Maturity	10,000,000	30	3.5
	76,785,000		

Note – The above schedule does not reflect the HRA share of existing general fund loans for which the HRA bears an annual charge.

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	HOUSING STRATEGY 2016 - 2021
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Roger Bayliss 01530 411055 roger.bayliss@nwleicestershire.gov.uk Director of Housing 01530 454819 glyn.jones@nwleicestershire.gov.uk
Purpose of report	To seek Cabinet approval for the proposed new district wide Housing Strategy for 2016 – 2021. (Appendix A)
Reason for Decision	To seek Member approval to progress and implement the priorities outlined in the 2016-21 Housing Strategy.
Council Priorities	Value for Money Business and Jobs Homes and Communities Green Footprints Challenge
Implications:	
Financial/Staff	Costs to be met from within existing approved budgets
Link to relevant CAT	None
Risk Management	Risks will be managed through the corporate performance management framework as well as the North West Leicestershire Strategic Housing Partnership (the Partnership) who will monitor and review the strategy and related annual action plans on a biannual basis.
Equalities Impact Screening	The strategy is tenure blind and seeks to address the housing and housing support needs of all residents across the district, in particular vulnerable groups in greatest need. A health impact assessment has also been undertaken to ensure that resulting action plans will maximise positive health impacts and minimise negative ones.

Human Rights	No implications
Transformational Government	N/A
Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	The Partnership, council staff from relevant departments, the Tenants and Leaseholders Consultation Forum, District Councillors, Parish Liaison meeting, Policy Development Group, the general public via an online survey and Corporate Leadership Team (CLT).
Background papers	Emerging Issues Affecting Affordable Housing Delivery Cabinet Report 22 September 2015
Recommendations	<p>IT IS RECOMMENDED THAT CABINET:</p> <p>A) NOTES THE APPROACH AND CONSULTATION UNDERTAKEN TO DEVELOP THE PROPOSED HOUSING PRIORITIES FOR THE NEXT FIVE YEARS;</p> <p>B) APPROVES THE NEW HOUSING STRATEGY FOR 2016-2021</p> <p>C) DELEGATES, TO THE HOUSING PORTFOLIO HOLDER AND THE DIRECTOR OF HOUSING, THE APPROVAL OF THE RELATED ACTION PLAN FOR 2016-17 AND FUTURE YEARS UP TO 2020/21</p>

1.0 BACKGROUND

- 1.1 The current Housing Strategy 2011-2015 has come to an end and a new strategy for 2016-2021 has been developed by the council's Housing Choices Team and the NWL Strategic Housing Partnership, (the Partnership), in consultation with wider partners and the district residents.
- 1.2 As well as district councillors and relevant officers, membership of the Partnership includes several housing associations working in the area, the Homes and Community Agency (HCA), private developers, Job Centre Plus, Leicestershire and Rutland Probation services, Leicestershire County Council's Adult Social Care and Children and

Young people's services, public health services, Citizens' Advice, and other voluntary and community sector organisations.

- 1.3 The strategy aims to deliver the best housing outcomes for residents and sits under the umbrella of the NWL Local Plan, drawing together challenges identified through consultation processes regarding housing in NWL.

2.0 STRATEGY DEVELOPMENT

2.1 Setting the priorities

The development process began in July 2015 with a workshop for the Partnership. Background information was issued prior to the event with a paper outlining the challenges facing the district to be considered when setting priorities for housing.

- 2.2 The challenges outlined in the paper included:

- Supply and demand
- Stock condition
- Extended Right to buy
- Welfare reform
- New build and affordable housing supply in a challenging financial environment
- Prevention – resource reductions
- Meeting the needs of an ageing population
- Regeneration of Coalville

- 2.3 As a result of this information and the discussions at the workshops, the partnership concluded that the new housing strategy should address 3 priority areas:

- Supply – provision of appropriate homes for all district residents
- Standards – improving the quality of homes across all sectors
- Support – residents are able to access appropriate support when needed

2.4 Consultation

Further consultation workshops have taken place with NWLDC staff from relevant departments, the Tenants and Leaseholders Consultation Forum, District Councillors, Parish Liaison meeting, Policy and Development Group, and the general public via an online survey.

- 2.5 NWLDC also worked with representatives from Public Health at the County Council who undertook a Health Impact Assessment on the Housing Strategy proposals during October/November 2015. The aim was to identify potential health and well-being impacts and recommend where positive impacts could be maximised and negative ones minimised. These recommendations, where relevant and practical, will be incorporated into the strategy action plan that is still in development. (The assessment document is available from the Housing Choices Team).

- 2.6 A full public consultation was undertaken during November/December 2015. The survey was made available on line or via hard copy from reception and was advertised through the local press, tenant forum and parish councils.
- 2.7 There were 9 responses to the questionnaire, 2 of these were from Parish Councils. The consultation document and responses are attached at Appendix B. The responses did not require amendments to the strategy document.
- 2.8 The Autumn 2015 budget brought forth some additional challenges for housing which have been taken into consideration and referenced in section four of the strategy document e.g. the extended Right to Buy, Starter Homes, Pay to Stay - higher rents for higher income social tenants, and tackling rogue landlords to name but a few.
- 2.9 The Housing Strategy was considered by CLT members on 19 January 2016, who recommended it be referred to Cabinet for approval

3. SUMMARY

3.1 For each of the three priority themes, there are some key aspirations within the strategy that we would draw Members' attention to and for ease, these are set out below.

3.2 Supply -

- Maintain and increase the supply of affordable homes, in a challenging financial environment, including the construction and acquisition of new affordable homes by the council
- Work with developers to provide the best mix of housing types including new 'Starter Homes', identified as a government initiative in the autumn budget 2015
- Unlock the potential of vacant sites and empty homes by working with private and public landlords and owners to bring these assets back into productive use
- Updating the affordable housing supplementary planning document to allow a more flexible application of affordable housing obligations through planning to facilitate a broader range of measures to maintain delivery

3.3 Standards –

- We will commission a stock condition survey of private rented sector and owner occupied homes to establish up to date information about these sectors to inform what, and where, action is needed.
- Promote high quality internal and external design for new affordable homes, including Building for Life Standards where appropriate
- Continue the council's 'Green and Decent Homes' energy efficiency projects in supporting the council's Green Footprints priority

3.4 **Support –**

- Work with our ageing population to ascertain the type and location of housing they require
- Identify and support those affected by welfare, health and social care reforms, encouraging and assisting them to adapt positively to the changes

3.5 This housing strategy will also contribute to the **Coalville Project** - a key corporate objective for the council which aims to design and build a better Coalville where people want to live, work and socialise by having access to all the recreational activities, retail, public services, heritage, affordable housing and opportunities our community deserves.

3.6 It is envisaged that the housing strategy's 'supply' priority, in particular, will support the delivery of the Coalville Project through the future provision of affordable housing.

4 ACTION PLAN

4.1 An annual action plan to address the three priority areas will be developed and monitored by the Partnership. The initial action plan for the financial year 2016/17 is currently being developed and will be signed off by the Partnership before 31 March 2016 for implementation from April 2016. It will be monitored by the Partnership on a quarterly basis, and updates will be provided on an annual basis to Cabinet as part of the performance reporting process.

This page is intentionally left blank



**North West Leicestershire
Housing Strategy
2016 - 2021**

Draft February 2016

Contents:

1. Executive Summary
2. Introduction from Portfolio Holder
3. Purpose and context
4. National Context
5. Local strategic overview
6. Key achievements
7. Our Ambitions
8. Housing strategy 2016 – 2021 themes and objectives
9. Five year plan
10. Ownership and monitoring
11. Glossary

1. Executive summary

Home is one of the most important factors in people's lives. Good quality housing that meets the needs of residents helps to promote healthy and fulfilled lives, and an increased sense of wellbeing and belonging. Our corporate vision for the district is that:

North West Leicestershire is a place where people and businesses feel they belong and are proud to call home.

This revised North West Leicestershire Housing Strategy 2016 – 2021 builds on the work of the previous strategy, and taking into account national and local factors, focuses on how the district council and the North West Leicestershire Strategic Housing Partnership (the partnership) can work together to provide the best homes and housing related support for our residents.

The partnership also recognises that sustainable, inclusive communities are vital to promote economic growth, improve health and well-being, and create a sense of pride and belonging for residents. A focus on strong communities underpins this strategy and the identified themes, priorities and outcomes for the next 5 years.

Themes and proposed aims for the Housing Strategy 2016-2021

1 Supply –

- Maintain and increase supply of good quality new homes of all tenures to support economic growth in the district having regard to potential health impacts
- Maintain and increase the supply of affordable homes, in a challenging financial environment, including the construction and acquisition of new affordable homes by North West Leicestershire District Council (NWLDC)
- Work with developers to provide the best mix of housing types including starter homes, identified as a government initiative in the autumn budget 2015
- The council, affordable housing providers and housing developers to collaborate on addressing financial challenges in maintaining stock, and delivering new homes in order to meet growing demand from the housing register
- Unlock the potential of vacant sites and empty homes by working with private and public landlords and owners to bring empty homes back into use
- Make best use of existing council homes, including selective asset disposals where necessary to re-invest proceeds and converting empty council homes to provide alternative accommodation that meets local housing needs
- Update the affordable housing supplementary planning document to allow a more flexible application of affordable housing obligations through planning to facilitate a broader range of measures to maintain delivery
- Use lettings plans, including on a localised basis, to promote community cohesion, including the integration of new residents into existing communities

2 Standards –

- Improve the condition and energy efficiency of council homes through maintaining decency standards, and raising them where possible
- Support and implement schemes for low level handyman work that prevents accidents or injuries to residents or avoids more expensive future maintenance work
- Explore provision of life-time homes on new developments
- Commission a stock condition survey of private rented sector and owner occupied homes to establish up to date information about these sectors and inform what, and where, action is needed
- Work with private landlords and home owners to improve the condition of private homes, making them more suitable for vulnerable groups, including the frail elderly
- Continue the council's Green and Decent Homes energy efficiency projects and make an informed decision regarding future suitability for tenants in council homes
- Work with developers and partners to ensure community facilities and open spaces are maintained to a high standard
- Promote high quality internal and external design for new affordable homes

3 Support –

- Reduce fuel poverty across all tenures
- Prevent homelessness by giving timely advice and assistance to high risk groups
- Provide tenancy support to vulnerable groups
- Support those affected by welfare, health and social care reforms and encourage them to adapt to the changes
- Improve the understanding of the range of housing options and housing related support that are available
- Work with our ageing population to ascertain the type and location of housing they require
- Promote inclusion and cohesion by consulting with and involving local residents in community issues and initiatives
- Work with partners to implement the guidance of the Care Act 2014 which states that "Developing a local approach to preventative support should include the involvement of those responsible for public health, leisure, transport and housing services"

2. Introduction by Councillor Roger Bayliss, Portfolio Holder for Housing

The North West Leicestershire Housing Strategy for 2016 – 2021 describes how we intend to meet the current, and future, housing needs and aspirations of our residents. The strategy has been developed by the North West Leicestershire Strategic Housing Partnership (the partnership), a group that brings together a wide range of organisations across North West Leicestershire (NWL) who are committed to improving housing conditions and expanding the range of housing options for residents.

This strategy is being developed at a time when there is significant national change to housing policy and welfare reform is being implemented. We must plan for our housing future within this context, whilst focusing on the needs of our residents, paying particular regard to the ageing population in NWL and the additional challenges that this brings for services.

We have identified three themes:

- supply – making sure we have enough of the right type of homes;
- standards – that these homes are of a suitable quality and sustainable; and
- support –making additional support available to all those who need it.

Increasing recognition is now being given to the links between housing, health and well-being. In developing this strategy, we have undertaken a health impact assessment in conjunction with partners from public health, to identify where our strategic priorities have a direct impact on the health of residents. The implementation of this strategy will aim to maximise positive health impacts on our local communities.

Delivery of this housing strategy will be overseen by the partnership. We know that we can achieve more by working together and we will strive to deliver our common vision of building sustainable communities for the benefit of all residents in North West Leicestershire.

3. Purpose and context of the housing strategy

Our Housing Strategy for 2016 - 2021 is for every household living in the district whether they are an owner-occupier, living in a social housing, renting privately or homeless. It describes how the council and the partnership intend to meet the housing needs and aspirations of our residents over the next five years. It links to the Local Plan in setting out how to work together in new homes delivery and provision of housing services.

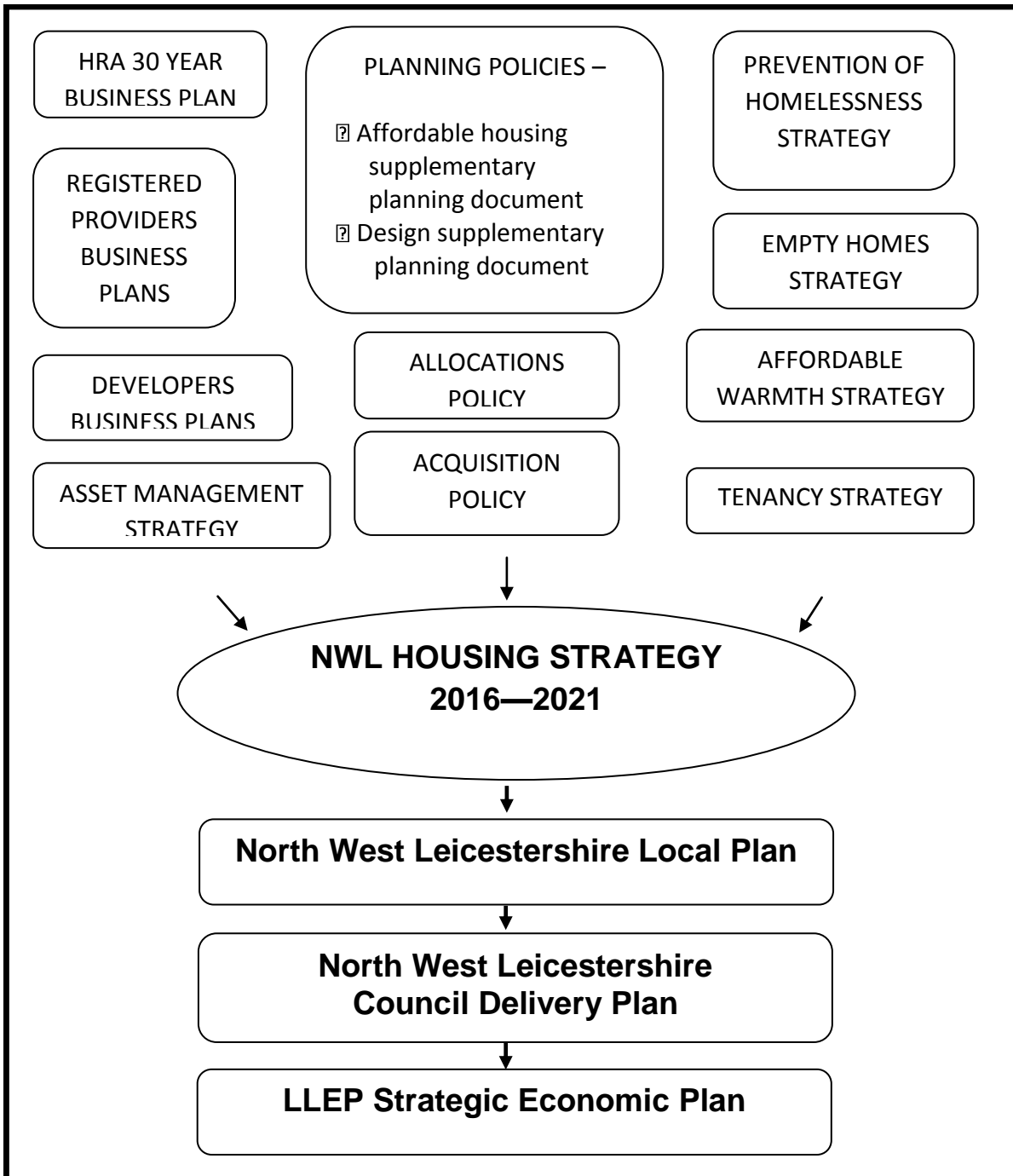
We have listened to our partners and local people to identify the housing needs that matter most and set out our priorities for action that will make a real difference to residents' lives and have a positive impact on the district.

The strategy links into the vision of the Leicester and Leicestershire Economic Partnership (LLEP) Strategic Economic Plan in which the Coalville Growth Corridor is identified as one of five growth areas in Leicestershire and will receive priority for infrastructure investment to unlock key development sites and improve connectivity. The Plan is structured on 3 themes - place, business and people and when planning new housing and development in the district, we need to ensure that communities have sustainable employment opportunities.

The new housing strategy sets out how the council and its partners will work together to address housing pressures in NWL and aim to bring inward investment to the district through leveraging in funding for the authority and its partners.

The housing strategy supports the Local Plan which is in the process of being developed for publication in 2017. The Local Plan for NWL is a strategic document which pulls together the current and future profile of the area and considers where forward investment and improvements to infrastructure need to be made. The document considers the economic, health and social needs of residents of the district along with environmental factors, and sets out a plan to enable the right sort of growth. Potential residential development is identified and planning guidance is drawn up to reflect the tenure and mix which will be required across the district in the future.

The following diagram outlines some of the related policies and strategies that feed into the Housing Strategy. *For explanations of policy/strategy please see section 11 Glossary.*



4. The National Context

Since our last strategy was published in 2011, there has been significant change in the planning system, the economy and the funding and delivery of affordable housing.

National housing strategy

The Government's housing strategy "Laying the Foundations", published in 2011, set out a clear agenda to boost the economy by stimulating the housing market through building new homes. The strategy set out a range of measures including the change to funding of affordable housing, requirements in relation to design, quality and improved environmental standards of new and existing homes; making best use of existing stock (including empty homes), and the discretion for housing providers to introduce fixed term social housing tenancies.

The National Planning Policy Framework

In 2012, the Government published the National Planning Policy Framework (NPPF), which aimed to reduce the amount of planning guidance and simplify the planning process. The NPPF signalled a shift in emphasis towards a presumption in favour of sustainable development.

The NPPF requires councils to identify the full, objectively assessed need for market and affordable homes in the housing market area and respond positively to wider opportunities for growth. The NPPF makes it clear that government policy is to significantly boost the supply of housing. The NPPF also sets a definition of affordable housing for planning purposes as follows:

Affordable housing is social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Affordable housing includes -

Social rented housing - owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency (HCA).

Affordable rented housing - let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing - homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the affordable housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Currently, homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

However, the Government proposes to include starter homes within the affordable housing definition (see page 13).

Planning policy for traveller sites came into force at the same time as the NPPF and requires the council to set pitch targets for travellers and plot targets for travelling show people. The needs of the travelling community have been identified through a needs assessment carried out jointly with other Leicestershire authorities in 2013. This need is identified in Policy H7 of the draft Local Plan.

The NWL Local Plan recognises that good design is indivisible from good planning. Good design in the built environment is about the way a place functions, its appearance and its relationship to its immediate and wider surroundings and how it creatively responds to opportunities and constraints. Well designed, safe and attractive new developments can help raise the quality of the built environment and the quality of lives of those who live and work there. Poorly designed buildings and spaces are known to adversely affect the quality of people’s lives – their health, happiness and their overall sense of wellbeing.

‘Secured by Design’ is the official Police security initiative for the UK, developed in 1989, that, amongst other things, focuses on the design and security of new and refurbished homes. It combines the principles of designing out crime with effective security standards and the District Council has adopted the Secured by Design Supplementary Planning Guidance which is taken into account as a material consideration in the determination of all planning applications.

The Elphicke-House report

The Government’s Autumn statement 2013 announced an independent review into the role that councils can play in supporting housing supply. In January 2014, Natalie Elphicke and Councillor Keith House were appointed to lead the review. They engaged with relevant organisations across central and local government, housing, finance and investment sectors as well as developers and specialist segments of the market in arriving at their findings.

Their report, published in January 2015 was welcomed by government and indicated that local authorities could do more to play a central role in supporting the provision of new homes, across all housing tenures, by becoming housing delivery enablers and taking responsibility for making development happen in their area.

Core Recommendation(Elphicke-House)

The local authority as Housing Delivery Enabler

Councils have a primary responsibility to assess and meet the housing needs of their local population as Housing Delivery Enablers. Councils should address and drive housing activity and housing delivery in their areas and for their local population

The role of Housing Delivery Enabler can be met through (i) community leadership and strategic clarity; (ii) creating housing opportunity; (iii) business leadership, (iv) management of housing supply, and (v) shaping a stronger housing finance market

The report stated that in order to create a culture of house building, local authorities should take responsibility for making development happen in their area, rather than purely assessing housing need and determining planning permissions.

Funding of affordable housing through Affordable Rent

The Affordable Rent model to fund new affordable housing has emerged since April 2011. This model requires providers of new build affordable housing, if supported with HCA grants, to charge rents at up to 80 per cent of market rents, and use the difference between the 'social rent' level and 'affordable rent' to fund future affordable housing development, in conjunction with lower levels of grant. Local landlords, including NWLDC, will be charging affordable rents for new build housing.

Housing Revenue Account reform

The reform of housing finance with effect from April 2012 represents a core element of the Government's housing strategy. It ended the complex housing subsidy system by transferring the national housing debt back to the remaining stock holding councils enabling them to retain future rental income from council homes rather than handing a proportion back to the Treasury. Councils now have the opportunity to decide how they wish to use the rental income and, through their business plans, set their own priorities for the future management of their housing stock. It is a key ambition of the council's business plan to increase the supply of affordable housing, including by directly building, or acquiring, council housing. However, the future financial capacity of the council's business plan is now much reduced following the 1 per cent rent reduction detailed later in this section.

Welfare reform

The government's commitment to reform the welfare system has significant implications for both tenants and landlords in the private and social housing sector. A range of benefit changes have been introduced over the last four years to housing benefit regulations and through the Welfare Reform Act 2012. The Act provides for a radical overhaul of the benefit system through the introduction of Universal Credit, a single, combined benefit for people of working age, which will replace existing benefits such as Income Support, Job Seekers Allowance and Housing Benefit. September 2015 saw the implementation of Universal Credit in Leicestershire for new single claimants.

A number of other changes affecting local residents have taken also taken place since 2011, including the introduction of Local Council Tax Support and new regulations on Housing Benefit. These restrict and reduce the level of funding many households are able to claim, such as lower rates of local housing allowance for private tenants, a cap on the level of benefit for families, and size criteria for the homes of social housing tenants.

Specific measures identified in the **Welfare Reform and Work Bill 2015** include:

- Removing 18-21 year olds' automatic entitlement to housing benefit
- Freezing working age benefits for a further two years from 2016/17
- Lowering the overall benefit cap locally from £26,000 per household to £20,000
- The rate of Housing Benefit in the social sector will be capped at the relevant local housing allowance (LHA) for new tenancies
- The adoption of LHA limits includes the application of the shared accommodation rate, limiting the amount of housing benefit under-35s can claim to the rate of a room in a shared house, rather than for a self-contained one-bedroom flat

It is important to assess the impact of loss of household income as this could increase the potential for homelessness for these groups.

Health and social care reform

With the devolution of public health responsibilities to upper tier councils, Leicestershire County Council has established a Health and Wellbeing Board to promote more joined-up commissioning of health, social care and public health services. The priorities for the Health and Wellbeing Board are:

1. Giving children the best start in life
2. Managing the shift to early intervention and prevention
3. Supporting an ageing population
4. Improving mental health and wellbeing
5. Tackling health inequalities

The standard of housing has been proven to have clear links with residents' health and wellbeing, i.e. poor quality housing often leads to ill health (mental as well as physical), increased incidence of slips, trips and falls, excess winter deaths due to cold and a higher incidence of respiratory illnesses for those living in damp homes. In developing this new strategy, NWLDC has worked with Leicestershire County Council public health service to undertake a health impact assessment of the strategic priorities to establish where we might maximise positive impacts on the wider determinants of health and health inequalities whilst minimising any negative impacts. Our action plans will take account of these objectives.

July 2015 Emergency Budget

1 percent rent decrease.

From April 2016 all housing association and council rents will be reduced by 1 percent per year for the next four years. As a result, all Registered Providers (RPs) of social housing are in the process of reviewing their business plans and future financial capacity, and are reluctant to make any new financial commitments until the full impact of the changes have been assessed. Previous commitments made by RPs to deliver new affordable housing are also being considered again in light of their now restricted capacity. Any reduction in capacity may result in fewer affordable homes being delivered in the district.

Some RPs have advised that they are no longer considering any new build schemes in 2016, and are only looking at schemes with completion from 2017 onwards though it remains unclear whether they will have the future capacity to accept new properties at a later completion date.

This situation is not just confined to NWL, conversations with the HCA and other RPs and local authorities have highlighted the same challenges across the East Midlands region. Nationally, some RPs have announced they will no longer develop any affordable housing in future, whilst others have stated that they are taking advice on deregistering so they effectively become private bodies, free of any government regulation (including rent guidance).

Initial forecasts for the council housing stock show that the effect on the council's rental income over the first 5 years of the plan will be a loss of £7.5 million. Registered Providers will be similarly affected. The strategy needs to consider these challenges, along with the future

requirement to make efficiency savings if housing providers are to maintain the decency standard of existing housing stock in the long term.

Comprehensive Spending Review November 2015

The Autumn Comprehensive spending review **Housing and Planning Bill 2015-16**

This Bill was presented to the House of Commons on 13 October 2015 and at the time of writing has reached report stage (House of Commons). It contains several proposals, the following of which will impact on our housing strategy and are summarised here:-

At a glance: Housing and Planning Bill (*Inside Housing 14 October 2015*)

- A Homes and Communities Agency 'homeownership criteria' to ensure housing associations introduce the Right to Buy or provide 'an equal or greater level of support' to tenants to help them into homeownership
- The payment of 'grant' to housing associations to fund the Right to Buy discount by the government or the Greater London Authority
- Provisions for councils to make a fixed payment to government each year, based on an estimate for the income from selling high-value vacant homes
- A duty on councils to consider selling vacant high-value housing
- Powers to reduce regulatory control over housing associations
- A general duty on councils to promote the supply of Starter Homes
- Duties on local authorities to keep, and have regard to, registers of people seeking land for self build and custom housebuilding
- Introduction of 'banning orders', which would stop bad landlords from letting properties for at least six months
- The introduction of a database of rogue landlords and letting agents and measures to make rogue landlords re-pay housing benefit to local authorities
- Measures to force 'high-income social tenants' to pay up to market rents
- Powers to allow HM Revenue and Customs to share information to help verify social tenants' declarations on their incomes
- Powers for the government to ensure that all councils get Local Plans in place by 2017, or face intervention
- Automatic planning permission in principle on brownfield sites

Additional details relating to some of the more major proposals are set out under the following headings.

Right to Buy for Housing Association Tenants

Following the Government's acceptance of the National Housing Federation's offer to implement the right to buy on a voluntary basis, the Bill provides for grants to be paid to associations to compensate them for selling homes at a discount. The Bill provides a mechanism through which local housing authorities will be required to make payments to the Secretary of State. These

payments will be calculated with reference to an authority's high value housing stock with the expectation that this stock will be sold as it becomes vacant.

Housing Association Status

In October 2015, an Office for National Statistics review concluded that English housing associations should be reclassified as part of the public sector for the purposes of national accounts, in effect pushing £60bn of public borrowing on to the government's balance sheet. This decision raised concerns that the government might seek to limit or control the level of RP or even consider nationalising associations.

However, on 15 December 2015, the Housing Minister, Brandon Lewis announced details of a deregulation package that will allow housing associations to move back into the private sector. The Minister said that housing associations will no longer need permission from the regulator to make certain changes and will have complete discretion over how to use funds from sales, including through the Right to Buy scheme.

The changes will be tabled as amendments to the Housing and Planning Bill as it progresses through parliament.

Starter Homes

Part 1 of the Housing and Planning Bill 2015-16 puts into legislation the Government's commitment to provide a number of Starter Homes for first-time buyers under the age of 40. The Government has pledged that 200,000 starter homes will be built by 2020 and sold at a discount of at least 20% of the market value. The Bill seeks to put a general duty on all planning authorities to promote the supply of Starter Homes, and provides a specific duty, to be fully developed in later regulations, to require a certain number or proportion of Starter Homes on sites.

As yet, it is unclear whether the proportion of Starter Homes required will be included in any on-site affordable housing requirement. If it is, then this will result in fewer social or affordable rented homes being delivered.

Self/custom build

The Bill adds to and amends the *Self-build and Custom Housebuilding Act 2015*, which requires local authorities to keep a register of people seeking to acquire land to build or commission their own home. The Bill specifically requires local authorities to grant "sufficient suitable development permission" of serviced plots of land to meet the demand based on this register.

Tackling 'rogue' landlords

Local authorities will have additional powers to tackle rogue landlords in the private rented sector. They will be able to apply for banning orders against private landlords. A database of rogue landlords and agents will be set up and maintained to help authorities in England in carrying out their enforcement work. Landlords will benefit from a clear process to secure repossession of properties abandoned by tenants.

Pay to Stay – higher rents for higher income social tenants

Higher income social tenants (likely to be set at earnings over £40,000 in London and £30,000 elsewhere) will be expected to pay up to a market rent as opposed to a social rent. This initiative is optional for registered providers who can keep the additional income generated from Pay to Stay. For council housing, the monetary difference between the discounted rent and the market

rent will go to central government. This requires primary legislation to be drawn up and the government is currently consulting on the proposal. The Bill proposes to allow HM Revenue and Customs office to share information with registered housing providers to help verify social tenants' declarations on their incomes.

Speeding up the planning system

There are a number of different reforms to the planning system, with the aim of speeding it up in order to deliver more housing. The Secretary of State will be able to intervene in the local and neighbourhood plan making process. There will be a new duty for the council to keep a register of brownfield land within its area which will tie in with a new system of allowing the Secretary of State to grant planning permission in principle for housing on sites identified in these registers.

It also allows for major infrastructure projects with an element of housing to apply for development consent through the *2008 Planning Act* regime, rather than having to seek separate planning permission.

Lifetime tenancies to end

Although Councils have had the discretionary power to grant fixed-term tenancies since 2012, many, including NWLDC have not exercised this discretion. However, under an amendment to the Housing and Planning Bill 2015, lifetime tenancies for council house tenants will be phased out. New secure tenancies granted after the bill comes into force will be for a period of between two and five years.

These changes mean the tenancy will be reviewed at the end of each term, with the potential for the tenant to be evicted and having to find alternative accommodation. The changes will not apply to existing council tenants. If passed on to a family member, the tenancy will be converted to a fixed term.

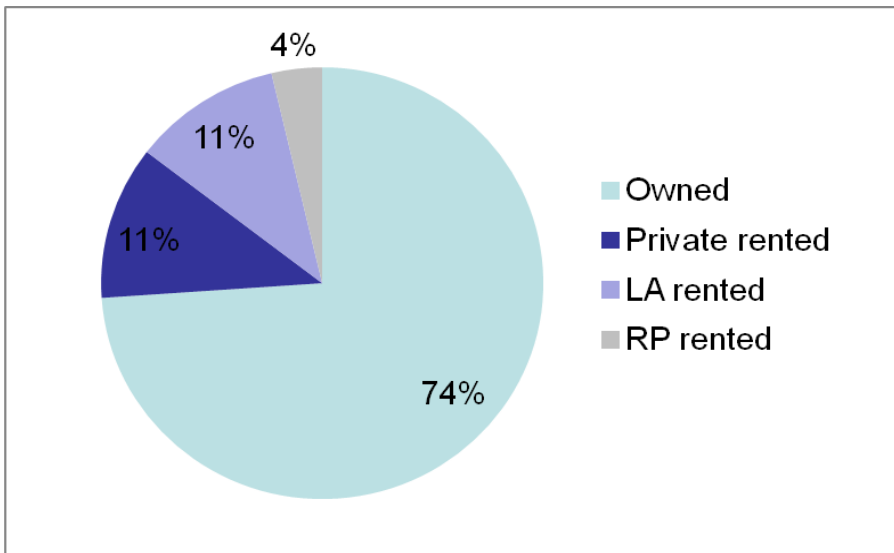
Housing associations offer assured tenancies, which can be either fixed-term or lifelong, and are unaffected by the proposed amendment. However, the government does have the power to introduce regulation via the Homes and Communities Agency (HCA) to limit the length of housing association tenancies as well.

5. Local Strategic Overview



According to the 2011 Census, there are 93,468 residents in North West Leicestershire in 39,128 households. Below is a chart detailing the tenure split of homes. This demonstrates that the majority of homes, 74 percent are owner occupied with 26 percent on the rental market. Of the latter, 11 percent are private rented and 11 percent are council rented with the remaining 4 percent registered provider social rent.

Compared to the East Midlands as a whole, NWL has 5 percent more owner occupiers and 4 percent less private renters. The numbers of people living in social housing are similar.



House types

The accommodation in NWL comprises mostly of houses (with concentrations of pre 1919 terrace properties in parts), and fewer smaller, flatted properties. New market properties built over the last 20 years have resulted in an increase in the number of detached properties in the district. The district is predominantly rural and housing is spread out across small towns, villages and hamlets.

Leicester and Leicestershire Strategic Housing Market Assessment (SHMA) 2015

The SHMA calculates housing need in areas and is based on information from the Census 2011, demographic projection, house prices, rents, income information and a range of other local, regional and national databases.

In NWL, the SHMA identifies the need for an additional 212 affordable homes each year. The council is currently undertaking public consultation as it develops its key planning document, the Local Plan, and it is intended that this housing strategy will feed into that plan, especially with regard to the future provision of affordable housing. The Local Plan is due for publication in 2017.

Demand for Affordable Housing

Demand for affordable housing in the district remains high. The Housing Register increased by more than 50% in the year from April 2014 (490 applicants) to April 2015 (840), despite more than 500 applicants being housed into social rented homes during the same period.

Lettings Plan

As a Council, we are committed to ensuring that the limited supply of social housing available is accessed by those households that are prioritised by the existing legislation and our lettings scheme. It is also essential that the Council demonstrates fairness and transparency in allocating homes, in a situation where demand for social housing exceeds supply by almost 2:1.

The Council's first annual Lettings Plan, implemented in 2015-16, should be seen as an integral part of this process and a comprehensive approach to meeting the affordable housing needs of NWL residents.

The annual Lettings Plan will become a key element of the Council's lettings scheme that will, over time, provide a full picture of the anticipated supply of council homes based on previous

years' trends, and the groups to whom they will be let. It will also take into account the Council's statutory obligations and strategic priorities.

Coalville Project

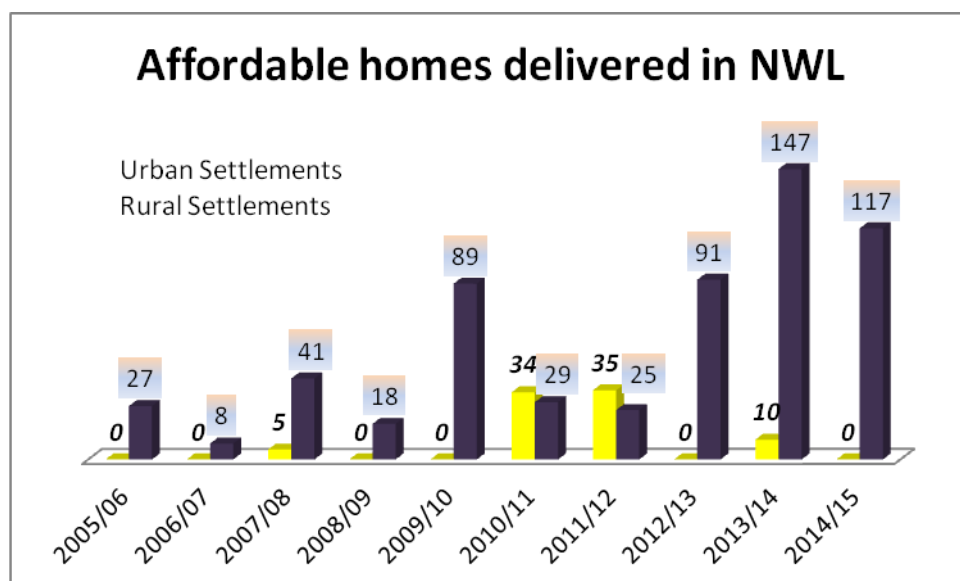
A key corporate objective for the Council is delivering the Coalville Project which aims to design and build a better Coalville. The Council's vision is to make Coalville a place where people want to live, work and socialise by having access to all the recreational activities, retail, public services, heritage, affordable housing and opportunities our community deserves. It is intended that this housing strategy will contribute to that project, especially with regard to the future provision of affordable housing.

6. Key achievements from the previous Housing Strategy

During 2014, in order to improve the likelihood of local housing associations obtaining grant in the HCA's National Affordable Housing Programme bid round for 2015-2018, the council allocated £167,000 to each of our three developing Registered Providers – emh homes, Nottingham Community Housing Association, (NCHA), and Waterloo Housing Association. This new strategic approach helped all three providers successfully acquire grant allocations from the HCA for the delivery of affordable housing schemes in the district.

Since April 2010 the council have negotiated or supported the delivery of 488 affordable homes on sites across the district

Year	Rural Settlements	Urban Settlements	Total for year
2005/06	0	27	27
2006/07	0	8	8
2007/08	5	41	46
2008/09	0	18	18
2009/10	0	89	89
2010/11	34	29	63
2011/12	35	25	60
2012/13	0	91	91
2013/14	10	147	157
2014/15	0	117	117
2015/16 (projected)	2	122	124
Ten year total	84	606	690



Rural need surveys and working with rural partners

The council is a member of the Leicestershire Rural Housing Partnership (LRHP), a group comprising all Leicestershire rural authorities, Leicestershire County Council, emhg, NCHA & Waterloo Housing and our strategic partner, Midlands Rural Housing. The Group was established to provide a strategic approach to the identification of need and the delivery of affordable homes in rural areas across Leicestershire. In 2012 all members embarked on a rolling 5 year programme to survey the housing needs of residents in settlements with less than 3,000 people.

By April 2015, twenty two smaller settlements in the district have been surveyed by the council and Midlands Rural Housing. These surveys assist understanding of the current and future housing needs of rural communities and inform all new planning applications to ensure that suitable and appropriate housing, regardless of tenure is delivered where it is required. The remaining 20 settlements will be surveyed before the end of 2017-18.

In the last five years there have been successful affordable rural schemes built in Appleby Magna, Breedon, Heather, Diseworth and Long Whatton providing 44 homes for local people.

Decent Homes programme

North West Leicestershire District Council completed its Decent Homes programme in March 2015 with 3,787 properties made decent. Improvements included:

- kitchens to 2,094 homes;
- bathrooms to 1,584 homes;
- new heating systems to 1,031 homes;
- full electrical rewiring to 574 homes;
- new doors or windows to 3,188 homes;
- new roofs to 452 homes.

Bringing empty properties back into use

At any given time there will be around 1200 empty properties in the district, around 3 percent of the total housing stock. This is slightly higher than the East Midlands average at 2.77 percent and the England average of 2.6 percent. The majority of these will only be empty for a short period of time often less than a few months. There will always be some properties that are empty pending sales or tenancy changes. However there are some properties that have been empty for much longer and it is these long term empty properties (6 months and over) that require further focus.

Over the last strategy period the council identified and worked with owners to bring these properties back into use; some were sold on the open market, brought back as privately rented lettings or purchased for social housing; others are undergoing major refurbishments or adaptations before they can be lived in.

Long Term empty properties

Year (October)	No of long term empty properties
2010	498
2011	485
2012	385
2013	367
2014	400
2015	426

New homes bonus

The new homes bonus, a central government funding stream calculated on delivery of new homes, bringing empty homes back into use, affordable home delivery and net addition to the council housing stock has bought in £5.131 million to NWLDC over the past 5 years. This funding has been used to directly protect front line, public facing services across the council. Changes to this scheme are in the pipeline whereby NHB may only be payable for 4 years or less rather than 6 years. Details on this are still to be finalised

Renewal of and changes to the Housing Register

The Sub Regional Choice Based Lettings Scheme (CBL), a partnership consisting of the seven Leicestershire district councils, was introduced in 2011. Following the Localism Act 2012 our Allocations and Lettings policy was reviewed and approved by Members in March 2013, and is based on a common set of priorities developed by the CBL partners. This system provides increased choice and transparency for all homeseekers applying for social housing across Leicestershire.

The current allocations and lettings policy was implemented in April 2014. It followed an application renewal process in November 2013, a system upgrade in April 2014, and a full re-registration and banding process to update the applications in line with the current policy. When the review process started there were 1533 applicants on the Housing Register, after the renewal process 859 re-registration forms were sent out. 490 of those registrations, approximately 57 percent, were returned and went live in April 2014. There are 751 applicants on the register at the 1st January 2016.

Since April 2014 we have operated a rolling monthly renewal process to ensure all NWLDC applications are current, providing the council with accurate and up to date information on local housing demand.

7. Our ambitions for housing in North West Leicestershire

North West Leicestershire will be a place where people and businesses feel they belong and are proud to call home.

Consultation

The Housing Choices team have delivered workshop style consultation events with key groups and stakeholders in the district to gain an initial understanding of key challenges and themes. These groups are:

- The NWL Strategic Housing Partnership,
- NWLDC officers from planning, housing management, private sector housing, safer and stronger communities, housing repairs and maintenance, planning policy
- The Tenants and Leaseholders Consultation Forum
- NWLDC ward members
- Parish Councils.

During these events information and data on housing, both nationally and in NWL was presented to the groups who then identified challenges and discussed possible solutions.

Further consultation has taken place with parish councils and the general public through meetings and an online survey.

Challenges identified during the consultation:

Information on the Changing demographics and housing in NWL	
<i>Challenge</i>	<i>Solution</i>
<ul style="list-style-type: none"> • An ageing population that will require more care services and new housing solutions • More families that have members with disabilities and require adaptations • There is increasing demand by applicants for affordable housing as measured by a growing Housing Register, particularly for 1 and 2 bedroom homes 	<ul style="list-style-type: none"> • Gather information from tenants and partners on residents' future care needs • Ascertain the type of housing older people wish to live in • Actively participate in the Lightbulb project so there is a coordinated approach to supporting vulnerable residents • Use needs information to implement preventative measures in homes e.g. wide paths for people over a certain age • Undertake a housing stock condition survey across the private housing sector
Empty Homes	
<i>Challenge</i>	<i>Solution</i>
<ul style="list-style-type: none"> • Long term empty homes in the private sector can be tied up with legal processes and then become hard to let due to the declining standard of the property • Some Council sheltered housing schemes no longer meet the requirements of 	<ul style="list-style-type: none"> • Consider converting hard to let homes into shared accommodation or 1 bed flats/bedsits • Consider more enforcement action against owners of empty properties in poor condition

elderly residents	<ul style="list-style-type: none"> • Sell sheltered schemes to private developers, and re-invest proceeds • Convert sheltered schemes to create a Foyer system of supported housing for vulnerable people • Redevelop sheltered schemes
Funding for affordable housing	
<i>Challenge</i>	<i>Solution</i>
<ul style="list-style-type: none"> • Lower HCA grant levels in the Affordable Homes Programme 2015 – 18 bid round, means the capacity of RPs delivering affordable housing is reduced. • Rent decrease for social housing will likely lead to a future reduction in the numbers of new affordable homes being developed 	<ul style="list-style-type: none"> • Council work with RPs and private developers to consider most cost effective way of providing affordable housing on new build schemes • All social housing providers to map the impact of rent decrease on their business plan and work together to mitigate the impact
Standards of housing across all tenures	
<i>Challenge</i>	<i>Solution</i>
<ul style="list-style-type: none"> • Rent decrease for council and housing associations give less money to maintaining decency standards in future • Some home owners find it difficult to source reliable and trustworthy trades people to do small maintenance jobs in the home • Excess winter deaths in NWL are significantly higher than the national average which will in part be linked to fuel poverty • Some areas are off-gas where heating can be more expensive • Aids and adaptations take a long time to install 	<ul style="list-style-type: none"> • Active management of stock so alternative solutions found for properties with high investment needs • Support the Lightbulb project to set up handyman scheme to carry out minor jobs for elderly frail residents • Consider plan for off gas areas with possibility of community collective payment for installation • Review procedures for assessment and installation of aids and adaptations in council homes
Lack of support for vulnerable residents	
<i>Challenge</i>	<i>Solution</i>
<ul style="list-style-type: none"> • Reductions in prevention funding have meant that adult social care providers have had to raise their eligibility thresholds which has created a gap in low and medium level support which housing providers may have to consider filling through additional tenancy support • Pressures on funding for some key homeless prevention services in adult 	<ul style="list-style-type: none"> • Closely monitor any adverse impacts of reductions in homelessness prevention funding and address these through the multi agency Prevention of Homelessness Strategy. • Consider warden based service type schemes • Use lettings and allocations policies to match properties with appropriate need

<p>social care has meant a reduction in the number of hostel spaces, domestic abuse support and homeless prevention support.</p>	<ul style="list-style-type: none"> • Provide tenancy support • Work with health partners to highlight the correlation between good appropriate housing and emotional and physical wellbeing
--	---

Sustainable and inclusive communities

<i>Challenge</i>	<i>Solution</i>
<ul style="list-style-type: none"> • Not everyone can meet their own housing and/or housing related support needs • The impacts of welfare, health and social care reforms are not widely understood • Communities cohesion can be threatened by change and fears of anti-social behaviour • Provision of community facilities and recreational open space on new developments should cater for all needs, including those with less mobility and aim to bring different groups together. 	<ul style="list-style-type: none"> • Understand the housing needs and aspirations of our residents (including those adequately housed and those on the Housing Register), so we can target services and support those in greatest need • Work with partners to maintain a supply of quality, affordable homes of the right size and in the right location for those unable to access market housing • Provide access to good quality information and advice to enable people to make choices e.g. information and advice about housing options, homelessness prevention, welfare benefits, money advice • Continue to allocate council and housing association homes through the choice based lettings scheme so that tenants are housed in communities of their choice • Reduce fears, and foster ownership, by consulting and involving local communities in the design and delivery of projects • Consult local residents on local letting policies • Work with partners to make sure new homes are attractive to people who wish to move into the area and to our existing communities • Encourage and support residents to participate in and contribute to their communities and the local economy • Use building for life criteria and 'Safer by Design' standards in new build and redevelopment

8. Housing strategy 2016 – 2021 themes and objectives

The initial consultation demonstrates certain key areas have been identified by all stakeholders. Aligning these with national and local housing policies and changes, we have based the new housing strategy on the following three themes:

1 Supply –

- Maintain and increase supply of good quality new homes of all tenures to support economic growth in the district having regard to potential health impact
- Maintain and increase the supply of affordable homes, in a challenging financial environment, including the construction and acquisition of new affordable homes by North West Leicestershire District Council (NWLDC)
- Work with developers to provide the best mix of housing types including Starter Homes identified as a government initiative in the Autumn Budget 2015
- The council, affordable housing providers and housing developers to collaborate on addressing financial challenges in maintaining stock, and delivering new homes in order to meet growing demand from the housing register
- Unlock the potential of vacant sites and empty homes by working with private and public landlords and owners to bring empty homes back into use
- Make best use of existing council homes, including selective asset disposals where necessary to re-invest proceeds and converting empty council homes to provide alternative accommodation that meets local housing needs
- Update the affordable housing supplementary planning document to allow a more flexible application of affordable housing obligations through planning to facilitate a broader range of measures to maintain delivery
- Use lettings plans to promote community cohesion, including the integration of new residents into existing communities

2 Standards –

- Improve the condition and energy efficiency of council homes through maintaining decency standards, and raising them where possible
- Support and implement schemes for low level handyman work that prevents accidents or injuries to residents or avoids more expensive future maintenance work
- Explore provision of life-time homes on new developments
- Commission a stock condition survey of private rented sector and owner occupied homes to establish up to date information about these sectors and inform what, and where, action is needed
- Work with private landlords and home owners to improve the condition of private homes, making them more suitable for vulnerable groups, including the frail elderly
- Continue the council's Green and Decent Homes energy efficiency projects and make an informed decision regarding future suitability for tenants in council homes
- Work with developers and partners to ensure community facilities and open spaces are maintained to a high standard
- Promote high quality internal and external design for new affordable homes

3 Support –

- Reduce fuel poverty across all tenures
- Prevent homelessness by giving timely advice and assistance to high risk groups
- Provide tenancy support to vulnerable groups
- Support those affected by welfare, health and social care reforms and encourage them to adapt to the changes
- Improve the understanding of the range of housing options and housing related support that are available
- Work with our ageing population to ascertain the type and location of housing they require
- Promote inclusion and cohesion by consulting with and involving local residents in community issues and initiatives
- Work with partners to implement the guidance of the Care Act 2014 which states that: “Developing a local approach to preventative support should include the involvement of those responsible for public health, leisure, transport and housing services”

9. FIVE YEAR PLAN

Annual action plans will be drawn up to achieve the following high level aims. The plans will be developed and monitored by the NWL Strategic Housing Partnership.

SUPPLY – NWL HAS APPROPRIATE HOMES FOR ALL RESIDENTS	
Aim	Action
Maintain and increase supply of good quality new homes	The council will build some new homes
	Bring all affordable housing providers together to address financial challenges with a collaborative approach
	Work with planning department to implement a more flexible approach to affordable housing delivery
	Work with developers of market and affordable housing to provide the best mix of housing types in locations where need has been identified
Vacant sites and empty homes	The council will consider disposing of assets to reinvest proceeds into other social housing stock
	Identify existing vacant sites and sites with potential for redevelopment
	Work with private sector landlords and owners to bring empty homes back into use
	Consider conversion of empty council properties into accommodation that meets housing need

STANDARDS – IMPROVE QUALITY OF HOMES ACROSS SOCIAL AND PRIVATE SECTORS	
Aim	Action
Improve the quality of affordable housing stock	Maintain decency standard and achieve higher standards where possible
	Implement green energy initiatives for tenants in council properties
	Consider setting up a council handyman scheme for minor jobs
	Work with developers and partners to make sure community facilities and open spaces are maintained to a high standard
	Promote high quality internal and external design on new affordable homes
Improve standards in private sector	Undertake a private sector housing stock condition survey
	Scope possibility for trusted trader scheme
	Secure proportion of “life time homes” standards for new private sector homes so that as residents’ needs change they are still able to stay at home
	Support the Lightbulb project to set up a minor jobs handyman scheme that prevent accident or injury
	Promote high quality internal and external design for

	new homes
	Work with developers and partners to make sure agreements regarding the maintenance of community facilities and open spaces are in place

SUPPORT – RESIDENTS IN NWL CAN ACCESS APPROPRIATE SUPPORT	
Aim	Action
Work with partners from Health and Social care to implement housing related areas of the Care Act 2014 guidance	Identify and implement housing related preventative care and support to help tenants remain safely in their own homes for as long as possible, increasing their wellbeing, for example, Lightbulb project
Reduce excess winter deaths	Implement initiatives that reduce fuel poverty such as collective energy switching schemes or community purchasing in off-gas areas
Prevent homelessness	Provide targeted advice and support to high risk vulnerable groups such as tenancy support for young people
Create sustainable and inclusive communities where people want to live	Improve the understanding of the range of housing options and housing related support that is available
	Support those affected by welfare, health and social care reform
	Work with our ageing population to ascertain the type and location of housing they require
	Reduce fears by consulting with and involving local residents in the design and delivery of new build council projects
	Promote 'Safer by Design' standards in new build and redevelopment to promote community safety
	Use lettings plans to promote community cohesion including integrating new residents into existing communities

10. OWNERSHIP AND MONITORING

This strategy has been developed by the North West Leicestershire Strategic Housing Partnership:

North West Leicestershire District Council
Leicestershire County Council Early Help
Leicestershire County Council Adults and Communities
Public Health England
Homes and Communities Agency
East Midlands Housing Group
NCHA
Midlands Rural Housing
David Wilson Homes
Westleigh Homes
Marlene Reid Centre
Falcon Centre
Waterloo Housing Group
NWL Tenants and leaseholders
Citizens Advice Bureau
Leicestershire Probation Services

11. GLOSSARY

Being finalised

This page is intentionally left blank

		<ul style="list-style-type: none"> • Monies should be reinvested back into the village where the asset was from for a similar asset. Queensway House is an example. (Measham parish council)
5	Do you agree that these are the key issues for housing standards in NWL	<p>3 Not answered 4 yes 2 no</p>
6	Comments	<ul style="list-style-type: none"> • Ensure apprentice schemes are available to help young people into work in companies that are used to maintain standards • Is a large development of 1000 houses in one town actually needed in terms of the overall need and will this development include one and 2 bed properties or will it be large houses. • Yes we agree as long as it is adhered to - how can we ensure that they are adhered to and what are the penalties if they are not. (measham parish council) • NWLDC to make sure their houses are refurbished to a high standard. (Long Whatton and Diseworth PC) • Not worth a read
7	Do you agree that these are the key issues for housing related support in NWL	<p>3 not answered 5 yes 1 no</p>
8	Comments	<ul style="list-style-type: none"> • Supply solar panels on all suitable roofs which would provide income to the council • Countryside on edge of settlements should be developed • Not worth a read
9	Any other comments	<ul style="list-style-type: none"> • Use more land in town centres for housing for older people where they will have access to services • Towns in NWL need to be looked at in more depth and not just from a developers point of view • Is the new 15 thousand house planned

		<p>development in Charnwood being taken into consideration for mapping NWL need</p> <ul style="list-style-type: none">• There is no strategy for developments in NWL, developers can build anywhere they want• Measham Parish Council would like a copy of the strategy once adopted
--	--	---

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	THE TREASURY MANAGEMENT STRATEGY STATEMENT 2016/17 AND PRUDENTIAL INDICATORS 2016/17 TO 2018/19
Key Decision	a) Financial Yes b) Community Yes
Contacts	<p>Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk</p> <p>Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk</p> <p>Head of Finance 01530 454520 Ray.Bowmer@nwleicestershire.gov.uk</p> <p>Financial Planning Manager 01530 454707 pritesh.padaniya@nwleicestershire.gov.uk</p>
Purpose of report	<p>This report outlines the expected treasury operations for the forthcoming financial year and sets out the Authority's prudential indicators for 2016/17 to 2018/19. It fulfils key requirements of the Local Government Act 2003:</p> <ul style="list-style-type: none"> • The Treasury Management Strategy Statement in accordance with the CIPFA Code of Practice for Treasury Management in the Public Services ; • The Annual Investment Strategy in accordance with the CLG Investment Guidance; • The reporting of the prudential indicators as required by the CIPFA Prudential Code for Capital Finance in Local Authorities. • The Policy for the Annual Minimum Revenue Provision.
Reason for Decision	These are statutory requirements.
Council Priorities	Value for Money
Implications:	
Financial/Staff	Interest earned on balances and interest paid on external debt, impact on the resources available to the Authority.
Link to relevant CAT	Could impact upon all CAT's.

Risk Management	Borrowing and investment both carry an element of risk. This risk is moderated through the adoption of the Treasury and Investment Strategies, compliance with the CIPFA code of Treasury Management and the retention of Treasury Management Advisors (Arlingclose) to proffer expert advice.
Equalities Impact Screening	Not applicable.
Human Rights	Not applicable.
Transformational Government	Not applicable.
Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	None.
Background papers	<p>The <u>“Annual Treasury Management Stewardship Report 2008/09 and Re-Adoption of the CIPFA Revised Code of Practice and Treasury Management Policy Statement 2011”</u> – Cabinet 16th June 2009</p> <p>The <u>“Housing Revenue Account (HRA) Business Plan”</u> – Cabinet 13 March 2012</p> <p>The <u>“Capital Programmes – General Fund, Coalville Special Expenses and Housing Revenue Account (HRA). Projected Outturn 2015/16 and Programmes 2016/17 to 2020/21”</u> – Cabinet 9 February 2016</p>
Recommendations	<p>RECOMMEND THE RE-ADOPTION OF THE CIPFA TREASURY MANAGEMENT IN PUBLIC SERVICES: CODE OF PRACTICE.</p> <p>RECOMMEND THE TREASURY MANAGEMENT STRATEGY STATEMENT 2016/17, PRUDENTIAL INDICATORS -REVISED 2015/16 AND 2016/17 TO 2018/19, AND THE ANNUAL MINIMUM REVENUE PROVISION STATEMENT, FOR APPROVAL BY FULL COUNCIL</p>

1.0 INTRODUCTION

- 1.1 The Chartered Institute of Public Finance and Accountancy’s Treasury Management in Public Services Code of Practice (the “CIPFA TM Code”) and the Prudential Code require local authorities to determine the Treasury Management Strategy Statement (TMSS) and Prudential Indicators (PIs) on an annual basis. The TMSS also includes

the Annual Investment Strategy (AIS) that is a requirement of the CLG's Investment Guidance.

- 1.2 As per the requirements of the Prudential Code, the Authority adopted the CIPFA Treasury Management Code of Practice at a meeting of the Cabinet on 16 June 2009. The revised CIPFA Treasury Management in The Public Services Code of Practice was published in 2011. The clauses that were adopted in 2009 remain the same under the revised code and are re-submitted for Council approval (Appendix A).
- 1.3 CIPFA has defined Treasury Management as: "the management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.4 The TMSS and prudential indicators ensure that the Authority complies with statutory, regulatory, and professional (CIPFA) requirements.

The TMSS sets out:

- a. Background information used to determine borrowing and investment requirements (paragraphs 2.2 and 2.3).
- b. Organisational roles and responsibilities (paragraph 1.6).
- c. The role of the Authority's treasury advisor (paragraph 1.7).
- d. Reporting and monitoring of treasury management activity (paragraph 1.8).
- e. Borrowing and debt rescheduling strategies. Total Authority's interest payments on existing debt are estimated at £2,787,941 in 2016/17.
- f. Investment Strategy. Security of capital is the first and most important investment policy objective. Total investment income is estimated at £182,000 in 2016/17 (General Fund - £116k, HRA - £66k).
- g. Treasury Management and Prudential Indicators for 2016/17 to 2018/19. These are designed to monitor borrowing limits, debt levels and investment returns.
- h. Annual Minimum Revenue Provision Statement for 2016/17. General Fund MRP is estimated at £610,990.

All treasury activity will comply with relevant statute, guidance and accounting standards.

- 1.5 The Authority is responsible for its treasury decisions and activity. No treasury management activity is without risk. The successful identification; monitoring and control of risk are important and integral elements of treasury management activities. The main risks to the Authority's treasury activities are:
 - Credit and Counterparty Risk (security of investments)
 - Liquidity Risk (inadequate cash resources)
 - Market or Interest Rate Risk (fluctuations in interest rate levels)
 - Inflation Risk (exposure to inflation)
 - Refinancing Risk (impact of refinancing on suitable terms)
 - Legal & Regulatory Risk (failure to act in accordance with powers or regulatory requirements)

1.6 Organisational Roles and Responsibilities

In accordance with CIPFA guidance, the roles and responsibilities of the Authority's Treasury Management function are divided between several responsible officers and are summarised below:

Section 151 Officer – overall responsibility for the treasury management function to include:

Ensuring the organisation of the treasury management function is adequate to meet current requirements:

- Investment, borrowing and debt rescheduling decisions.
- Monitoring adherence to approved Treasury Management Strategy Statement.
- Regular reporting to Members on treasury management activity.

Finance Team Manager (Deputy Section 151 Officer) – ensuring that day to day treasury activities comply with the approved Treasury Management Strategy Statement.

Technical Accountant – identification of investment opportunities and borrowing requirements and acts as the Authority's interface with brokers and counterparties.

The needs of the Authority's treasury management staff for training in investment management, are assessed through the 'BEE Valued' staff appraisal process and additionally when the responsibilities of individual members of staff change.

The Authority's treasury advisor provides seminars, conferences, workshops and training courses to refresh and enhance the knowledge of treasury management staff.

1.7 The Role of the Authority's Treasury Advisor

The Authority currently employs Arlingclose Ltd. as treasury advisor to provide the following services; strategic treasury management advice, advice relating to Housing & Capital finance, leasing advice, economic advice and interest rate forecasting, debt restructuring and portfolio review (structure and volatility), counterparty credit ratings and other creditworthiness indicators and training, particularly investment training, for Members and officers.

Arlingclose Ltd is authorised and regulated by the Financial Conduct Authority (FCA). Arlingclose Ltd is to provide the Authority with timely, clear and regular information about the financial sector to enable the Authority to take pro-active decisions which in turn, helps to minimise risk.

The quality of this service is monitored by officers on a regular basis, focusing on the supply of relevant, accurate and timely information across the services provided.

1.8 Reporting and Monitoring of Treasury Management Activity

The Treasury Management Stewardship Report for 2015/16 will be presented to the Audit and Governance Committee for scrutiny and then Cabinet as soon as possible after the end of the financial year. As in previous years, the Treasury Management Strategy Statement will be supplemented by in-year reporting of treasury management activity and monitoring of prudential indicators, to the Audit and Governance Committee during 2016/17.

This report, together with all other reports to Council, Cabinet and the Audit and Governance Committee are a public record and can be viewed on the Authority's website. This demonstrates compliance with CLG Guidance on local government investments, which recommends that the initial strategy, and any revised strategy, should, when approved, be made available to the public free of charge, in print or online.

2.0 THE TREASURY MANAGEMENT STRATEGY STATEMENT 2016/17

2.1 The purpose of this Treasury Management Strategy Statement is to set out for approval

- Re-adoption of the CIPFA Code of Practice for Treasury Management (APPENDIX A)
- The Borrowing Strategy 2016/17 (APPENDIX B)
- The Debt Rescheduling Strategy 2016/17 (APPENDIX C)
- The Annual Investment Strategy 2016/17 (APPENDIX D)
- The Apportionment of Interest Strategy 2016/17 (APPENDIX E)
- The Treasury Management and Prudential Indicators 2016/17 to 2018/19 (APPENDIX F)
- The Annual Minimum Revenue Provision (APPENDIX G)

2.2 External Factors. (Background Information provided by Treasury Advisors)

- **Economic Background:** Domestic demand has grown robustly, supported by sustained real income growth and a gradual decline in private sector savings. Low oil and commodity prices were a notable feature of 2015, and contributed to annual CPI inflation falling to 0.1% in October. Wages are growing at 3% a year, and the unemployment rate has dropped to 5.4%. Mortgage approvals have risen to over 70,000 a month and annual house price growth is around 3.5%. These factors have boosted consumer confidence, helping to underpin retail spending and hence GDP growth, which was an encouraging 2.3% a year in the third quarter of 2015. Although speeches by the Bank of England's Monetary Policy Committee (MPC) members sent signals that some were willing to countenance higher interest rates, the MPC held policy rates at 0.5% for the 81st consecutive month at its meeting in November 2015. Quantitative easing (QE) has been maintained at £375bn since July 2012.
- The outcome of the UK general election in May 2015, which was largely fought over the parties' approach to dealing with the deficit in the public finances, saw some big shifts in the political landscape and put the key issue of the UK's relationship with the EU at the heart of future politics. Uncertainty over the outcome of the forthcoming referendum could put downward pressure on UK GDP growth and interest rates.
- China's growth has slowed and its economy is performing below expectations, reducing global demand for commodities and contributing to emerging market weakness. US domestic growth has accelerated but the globally sensitive sectors of the US economy have slowed. Strong US labour market data and other economic indicators however suggest recent global turbulence has not knocked the American recovery off course. The Federal Reserve raised policy

rates at its meeting in December 2015, the first rise in US policy rates since 2006. In contrast, the European Central Bank finally embarked on QE in 2015 to counter the perils of deflation.

- **Credit outlook:** The varying fortunes of different parts of the global economy are reflected in market indicators of credit risk. UK Banks operating in the Far East and parts of mainland Europe have seen their perceived risk increase, while those with a more domestic focus continue to show improvement. The sale of most of the government's stake in Lloyds and the first sale of its shares in RBS have generally been seen as credit positive.
- **Bail-in legislation,** which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the UK, USA and Germany. The rest of the European Union will follow suit in January 2016, while Australia, Canada and Switzerland are well advanced with their own plans. Meanwhile, changes to the UK Financial Services Compensation Scheme and similar European schemes in July 2015 mean that most private sector investors are now partially or fully exempt from contributing to a bail-in. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however remain stubbornly low.
- **Interest rate forecast:** The Authority's treasury advisor Arlingclose projects the first 0.25% increase in UK Bank Rate in the third quarter of 2016, rising by 0.5% a year thereafter, finally settling between 2% and 3% in several years' time. Persistently low inflation, subdued global growth and potential concerns over the UK's position in Europe mean that the risks to this forecast are weighted towards the downside.
- A shallow upward path for medium term gilt yields is forecast, as continuing concerns about the Eurozone, emerging markets and other geo-political events weigh on risk appetite, while inflation expectations remain subdued. Arlingclose projects the 10 year gilt yield to rise from its current 2.0% level by around 0.3% a year. The uncertainties surrounding the timing of interest rate rises are likely to prompt short-term volatility in gilt yields.

2.3 Outlook for UK Interest Rates:

The Authority's treasury advisor's current central case forecast for the UK Bank Rate is set out below.

Dec. 2015	March 2016	June 2016	Sept. 2016	Dec. 2016	March 2017	June 2017	Sept. 2017	Dec. 2017
0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%

The Authority's treasury advisor has forecast the first rise in official interest rate in Quarter 3 of 2016.

3.0 IMPLICATIONS FOR TREASURY ACTIVITY

- 3.1 The economic outlook, the financial health of sovereign states, major banks and investment counterparties, still provide major challenges and risk for treasury activity, particularly investment activity, during financial year 2016/17.
- 3.2 The principles in the proposed suite of treasury policies remain broadly unchanged from previous years - borrowing will be prudent, minimize borrowing costs and maintain the stability of the debt maturity portfolio. Debt rescheduling should achieve interest savings, carry minimal risk and maintain the stability of the debt maturity portfolio. Investments will be prioritised and based upon the principles of security, liquidity and yield.
- 3.3 The Treasury Management Strategy Statement will be monitored throughout the year and, if necessary, amended and brought back to Members for approval.

4.0 THE AUTHORITY'S CURRENT BALANCE SHEET AND TREASURY POSITION

- 4.1 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). Usable reserves and balances are the underlying resources available for investment. The CFR, balances and reserves are the core drivers of Treasury Management Activity. The estimates, based on the current Revenue Budget and Capital Programmes, are set out below:

	31.03.15 Actual £m	31.03.16 Estimate £m	31.03.17 Forecast £m	31.03.18 Forecast £m	31.03.19 Forecast £m
General Fund CFR	13.7	14.2	15.3	15.4	16.1
HRA CFR	77.2	76.1	75.1	74.0	72.9
Total CFR	90.9	90.3	90.4	89.4	89.0
Less: External Borrowing	85.5	84.5	83.4	82.3	81.2
Internal Borrowing	5.4	5.8	7.0	7.1	7.8
Less: Usable Reserves	(22.8)	(15.8)	(17.8)	(20.5)	(19.5)
Less: Working Capital	5.6	(1.5)	(1.5)	(1.5)	(1.5)
Investments (or New Borrowing)	22.6	23.1	26.3	29.1	28.8

- 4.2 The Authority has an increasing General Fund CFR due to the use of borrowing to fund the Capital Programme.
- 4.3 The Authority's level of physical debt and investments is linked to these components of the Balance Sheet. Market conditions, interest rate expectations and credit risk considerations will influence the Authority's strategy in determining the borrowing and investment activity against the underlying Balance Sheet position. The Authority's current strategy is to maintain borrowing and investments below their underlying levels (internal borrowing).

The following table shows the Investment and debt portfolio position:

	Portfolio as at 31 March 2015 £m	Portfolio as at 22 Dec 2015 £m	Average Rate %
External Borrowing:			
PWLB	77.074	76.561	3.340%
Local Authorities	1.000	1.000	6.875%
LOBO Loans	7.440	7.440	4.770%
<i>Total External Borrowing</i>	<i>85.514</i>	<i>85.001</i>	
Other Long Term Liabilities	0.126	0.126	3.150%
TOTAL GROSS EXTERNAL DEBT	85.640	85.127	
Investments:			
Short Term - Managed in-house	15.755	21.846	0.54%
Long Term - Managed in-house	5.000	9.500	1.23%
Fund Managers–Managed Externally	0.000	0.000	
Pooled Funds-Managed Externally	0.500	14.400	0.39%
<i>Total Investments</i>	<i>21.255</i>	<i>45.746</i>	
NET DEBT	64.385	39.381	

- 4.4 CIPFA's 'Prudential Code for Capital Finance in Local Authorities' recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. The Authority expects to comply with this recommendation during 2016/17.

THE REVISED CIPFA CODE OF PRACTICE FOR TREASURY MANAGEMENT 2011

This Council re-adopts the four key recommendations of the CIPFA Code of Practice for Treasury Management.

1. The Council will create and maintain, as the cornerstones for effective treasury management:
 - A treasury management policy statement, stating the policies and objectives of its treasury management activities
 - Suitable treasury management practices (TMP's) setting out the manner in which the Council will seek to achieve those policies and objectives and prescribing how it will manage and control those activities.
2. The Council will receive reports on its treasury management policies, practices and activities including as a minimum, an annual strategy and plan in advance of the year, a midyear review and an annual report after its close, in the form prescribed in the TMP's.
3. The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Cabinet and for execution and administration of treasury management decisions to the Section 151 Officer, who will act in accordance with the Council's policy statement and TMP's and CIPFA's Standard of Professional Practice on Treasury Management.
4. The Council's Audit and Governance Committee is responsible for ensuring effective scrutiny of the treasury management strategy, policies and activity.

BORROWING STRATEGY 2016/17

At the 31st March 2016, the Authority will hold loans totalling £84.5m (£76.1m HRA and £8.4m General Fund). This is a decrease of £1m on the previous year (£77.1m HRA and £8.4m General Fund) and is part of the Authority's strategy for funding previous years' Capital Programmes and for the self-financing of the HRA, which was presented to Cabinet on 17th January 2012 in the "Housing Revenue Account (HRA) Business Plan".

The balance sheet forecast in paragraph 4.1 shows that the authority does not expect to need to borrow in 2016/17.

The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to re-negotiate loans, should the Authority's long term plans change, is a secondary objective.

Given the significant cuts to public expenditure and in particular to local government funding and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources or to borrow short term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2016/17 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Authority may arrange forward starting loans during 2016/17, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority may borrow short-term loans (normally for up to one month) to cover unexpected cash flow shortages.

Sources: The approved sources of long-term and short-term borrowing are:

- Internal Borrowing
- Public Works Loan Board (PWLB) and any successor body
- UK Local Authorities
- any institution approved for investments
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except the Local Government Pension Scheme administered by Leicestershire County Council)
- Capital market bond investors
- UK Municipal Bonds Agency plc* and other special purpose companies created to enable local authority bond issues

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

*UK Municipal Bonds Agency Plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the Capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities may be required to provide bond investors with a joint and several guarantee over the very small risk that other local authority borrowers default on their loans; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to the Council.

The Authority has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans that may be available at more favourable rates.

The Authority holds two LOBO (Lender's Option Borrower's Option) loans totalling £7.4m as part of its total borrowing of £84.5m, where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. These LOBO's have options during 2016/17 and although the Authority understands that the lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Authority will take the opportunity to repay LOBO loans at no cost if it has the opportunity to do so.

Borrowing activity will be reported in the annual Treasury Management Stewardship Report and supplemented with in-year Treasury Activity Reports to the Audit and Governance Committee.

DEBT RESCHEDULING STRATEGY 2016/17

The Authority will continue to maintain a flexible policy for debt rescheduling.

The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. However, the lower interest rate environment has adversely affected the scope to undertake meaningful debt restructuring although occasional opportunities arise. The rationale for rescheduling will be one or more of the following:

- Savings in interest costs with minimal risk.
- Balancing the volatility profile (i.e. the ratio of fixed to variable rate debt) of the debt portfolio.
- Amending the profile of maturing debt to reduce any inherent refinancing risks.

Any rescheduling activity will be undertaken within the Authority's Treasury Management Policy and Strategy. The Authority will agree in advance with its treasury advisor, the strategy and framework within which debt will be repaid / rescheduled, should opportunities arise. Thereafter, the Authority's debt portfolio will be monitored against equivalent interest rates and available refinancing options on a regular basis. As opportunities arise, they will be identified by the Authority's treasury advisor and discussed with the Authority's officers.

All rescheduling activity will comply with accounting and regulatory requirements and will be reported in the annual Treasury Management Stewardship Report and supplemented with in-year Treasury Activity Reports to the Audit and Governance Committee.

ANNUAL INVESTMENT STRATEGY 2016/17

The Authority holds invested funds which represent income received in advance of expenditure plus balances and reserves held as reflected in the balance sheet forecast in paragraph 4.1. Similar levels are expected to be maintained in 2016/17.

Investment Policy

Guidance from CLG on Local Governments in England requires that an Annual Investment Strategy (AIS) be approved by Full Council. Both the CIPFA Code and the CLG Guidance require the Authority to invest its funds prudently and to have regard to the security and liquidity of its investments before seeking the highest rate of return or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. The Authority's investment priorities are:

- security of the invested capital;
- liquidity of the invested capital;
- An optimum yield which is commensurate with security and liquidity.

The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

Investment Strategy

Given the increasing risk and continued low returns from short-term unsecured bank investments, the Authority aims to further invest in more secure asset classes during 2016/17. This is especially the case for the estimated £12m that is available for longer-term investment. The Authority's surplus cash is currently invested in; short-term unsecured bank or building society deposits and money market funds and short and long term with other Local Authorities. This strategy represents a continuation of the strategies adopted in 2014/15 and 2015/16.

The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations, in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will

be deposited with the UK Government, via the Debt Management Office for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

The Authority compiles its cash flow forecast on a pessimistic basis, with receipts underestimated and payments over-estimated to minimise the risk of the Authority having to borrow on unfavourable terms. Limits on investments are set with reference to the Authority's Medium Term Financial Plan and cash flow forecast. This also determines the maximum period for which funds may prudently be committed.

The Section 151 Officer, under delegated powers, will undertake the most appropriate form of investments in keeping with the investment objectives, income and risk management requirements and Prudential Indicators.

INVESTMENT GUIDANCE AND COUNTERPARTY CRITERIA

In accordance with CLG Guidance, investments fall into two categories, Specified and Non-Specified.

Specified Investments: The CLG Guidance defines specified investments as those:

- Denominated in pound sterling
- Due to be repaid within 12 months of arrangement
- not defined as capital expenditure by Legislation
- invested with one of:
 - the UK Government
 - a UK local authority, parish council, community Council
 - a body or investment scheme of 'high credit quality'

The Authority defines 'high credit quality' organisations as those having a credit rating of A- or higher that are domiciled in the UK, or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds 'high credit quality' is defined as those having a credit rating of A- or higher.

Non-Specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Counterparties with Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality.

The Authority's investments are made with reference to the Authority's cash flow, the outlook for the UK Bank Rate, money market rates, the economic outlook and advice from the Authority's treasury adviser.

To minimise the risk of investment losses in the case of a default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of banks under the same ownership or a group of funds under the same management will be treated as a single organisation for limit purposes. Limits will also be placed on investments in brokers' nominee accounts (*e.g. King & Shaxson*), foreign countries and industry sectors as below:

	Cash limit
Any single organisation, except the UK Central Government	£5m each
UK Central Government	Unlimited
Any group of organisations under the same ownership	£5m per group
Any group of pooled funds under the same management	£10m per manager
Negotiable instruments held in a broker's nominee account	£10m per broker
Foreign countries	£5m per country
Registered Providers	£5m in total
Unsecured Investments with Building Societies	£5m in total
Loans to unrated corporates	£5m in total
Money Market Funds	£15m in total
Total Investments without credit rating or rated below A-	£5m in total
Total Long-Term (Non-Specified) Investments	£12m in total

Counterparty Criteria

The Authority may invest its surplus funds with any of the counterparties in the table below, subject to the limits shown:

Counterparty		Cash limit		Time limit †
		Unsecured	Secured	
Banks (excluding the Authority's banking provider) & Building Societies, other organisations and securities whose lowest published long-term credit rating from Fitch, Moody's and Standard & Poor's is:	AAA	£1.5m each	£3m each	5 years*
	AA+			5 years*
	AA			4 years*
	AA-			3 years*
	A+			2 years
	A			13 months
	A-			6 months
	BBB+	£1m each	£1.5m	100days
BBB	£1m each	£1.5m	Next day	
Authority's Banking Provider ***		£2.5m		13 months
UK Central Government (irrespective of credit rating)		Unlimited		50 years**
UK Local Authorities (irrespective of credit rating)		£5m each		25 years**
UK Registered Providers of Social Housing whose lowest published long-term credit rating is AA- or higher		£3m each		10 years**
UK Registered Providers of Social Housing whose lowest published long-term credit rating is A- or higher		£3m each		5 years
UK Registered Providers of Social Housing whose lowest published long-term credit rating is BBB- or higher and those without credit ratings		£2m each		2 years

UK Building Societies without credit ratings	£1m each	6 months
Money market funds and other pooled funds	£5m each	n/a
Any other organisation, subject to an external credit assessment and specific advice from the Authority's treasury management adviser	£3m each	3 months
	£1m each	1 year
	£100k each	5 years

* but no longer than 2 years in fixed-term deposits and other illiquid instruments

** but no longer than 5 years in fixed-term deposits and other illiquid instruments

*** The limit for the Authority's Banking Provider is higher to allow for unforeseen fluctuations in income

Credit Rating: Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investment with banks rated BBB or BBB- are restricted to overnight deposits at the Authority's current account bank.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread risk widely.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services; they retain a high likelihood of receiving government support if needed.

Money Market and other Pooled Funds: Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short term Money

Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Risk Assessment and Credit Ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made
- any existing investments that can be recalled or sold at no cost will be, and
- Full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Policy on Use of Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

The CLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Head of Finance, having consulted the Corporate Portfolio Holder, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness.

All Investment activity will be reported in the annual Treasury Management Stewardship Report and supplemented with in-year Treasury Activity Reports to the Audit and Governance Committee.

APPORTIONMENT OF INTEREST STRATEGY 2016/17

The Localism Act 2011 required Local Authorities to allocate existing and future borrowing costs between the Housing Revenue Account and the General Fund.

Accordingly, on 1st April 2012, the Authority notionally split its existing debt into General Fund and Housing Revenue Account as detailed in the 'Borrowing Strategy'. Any future borrowing will be assigned in its entirety to the appropriate revenue account.

Interest payable and any other costs arising from long-term loans (for example, premiums and discounts on early redemption) will be charged to the appropriate revenue account.

Interest received on investment income is budgeted to be apportioned between General Fund and the Housing Revenue Account based on an estimated cash flow position and balance sheet forecast. For 2016/17, the budgeted investment income is £182,000 and is apportioned as follows: £116,000 General Fund and £66,000 Housing Revenue Account. Any over or under achievement of investment income is apportioned on this basis, at the end of the financial year.

PRUDENTIAL INDICATORS

1 Background

The Local Government Act 2003 requires the Authority to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

2. Estimates of Capital Expenditure

The Authority's planned capital expenditure and financing is summarised in the table below. Further detail is provided in the Capital Programmes report taken to Cabinet on 9 February 2016.

Capital Expenditure	2015/16 Approved £m	2015/16 Revised £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Non-HRA	2.597	2.079	2.799	1.176	1.802
HRA	9.105	9.982	8.165	7.110	8.187
Total	11.702	12.061	10.964	8.286	9.989

Capital expenditure will be financed or funded as follows:

Capital Financing	2015/16 Approved £m	2015/16 Revised £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Capital receipts	0.789	1.060	1.797	1.711	1.711
Government Grants	0.637	0.298	0.298	0.298	0.298
Major Repairs Allowance	3.991	2.816	4.984	4.863	4.077
Reserves	1.517	2.249	1.667	0.106	0.134
Other Contribution-S106	0.559	0.887	0.400	0.000	0.000
Grants - Other	0.000	0.944	0.000	0.000	0.000
Revenue contributions	3.159	2.771	0.136	0.566	2.401
Total Financing	10.652	11.025	9.282	7.544	8.621
Supported borrowing	0.000	0.000	0.000	0.000	0.000
Unsupported borrowing	1.050	1.036	1.682	0.742	1.368
Total Funding	1.050	1.036	1.682	0.742	1.368
Total Financing and Funding	11.702	12.061	10.964	8.286	9.989

3. Capital Financing Requirement

The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and its financing.

Capital Financing Requirement	2014/15 Actual £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Non-HRA	13.730	14.199	15.270	15.396	16.117
HRA	77.159	76.127	75.072	73.993	72.890
Total CFR	90.889	90.326	90.342	89.389	89.007

The General Fund CFR is forecast to rise over the next three years. This is in line with the Capital programme schemes that are financed by debt. The detail of these schemes can be seen in more detail in the capital report presented to Cabinet on 9 February 2016.

4. Gross Debt and the Capital Financing Requirement

This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that the debt does not (except in the short term) exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional increases to the capital financing requirement for the current and next two financial years.

Debt – as at 31 st March	2015 Actual £m	2016 Estimate £m	2017 Estimate £m	2018 Estimate £m	2019 Estimate £m
Borrowing	85.514	84.482	83.427	82.348	81.245
Finance Leases	0.000	0.000	0.000	0.000	0.000
Transferred Debt	0.126	0.117	0.108	0.100	0.093
Total Debt	85.640	84.599	83.535	82.448	81.338

The Section 151 Officer reports that the Authority has had no difficulty meeting this requirement in 2015/16, nor is there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

5. Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The definition of financing costs is set out in the Prudential Code.

The ratio is based on costs net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2015/16 Approved %	2015/16 Revised %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
Non-HRA	7.30	8.27	8.33	8.88	10.33
HRA	13.81	12.79	12.78	12.78	12.77
Total (Average)	11.39	11.11	11.06	11.31	11.92

6. Actual External Debt

This indicator is obtained directly from the Authority's balance sheet. It is the closing balance for actual gross borrowing plus other long-term liabilities. This Indicator is measured in a manner consistent for comparison with the Operational Boundary and Authorised Limit.

Actual External Debt as at 31/03/2015	£m
Borrowing	85.514
Other Long-term Liabilities	0.010
Total	85.524

7. Incremental Impact of Capital Investment Decisions

This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and Housing Rent levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed.

Incremental Impact of Capital Investment Decisions	2015/16 Approved £	2015/16 Revised £	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
Increase in Band D Council Tax	2.05	1.97	2.31	2.91	3.38
Increase/(Decrease) in Average Weekly Housing Rents *	4.27	4.27	(0.83)	(0.82)	(0.82)

* Current Government Policy requires an actual decrease in Housing Rents of 1% per year for four years. This is reflected in the estimates above.

8. Authorised Limit and Operational Boundary for External Debt

The Authority has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Authority and not just those arising from capital spending reflected in the CFR.

The **Authorised Limit** sets the maximum level of external debt on a gross basis (i.e. excluding investments) for the Authority. It is measured on a daily basis against all external debt items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Authority's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.

The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.

The Authorised Limit is the affordable borrowing limit determined in compliance under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit). It is the maximum amount of debt that the Authority can legally owe.

Authorised Limit for External Debt	2015/16 Approved £m	2015/16 Revised £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Borrowing	95.967	95.895	96.579	94.710	94.979
Other Long-term Liabilities	0.700	0.700	0.700	0.700	0.700
Total	96.667	96.595	97.279	95.410	95.679

The Operational Boundary links directly to the Authority's estimates of the CFR and estimates of other cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

The Section 151 Officer has delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Council.

Operational Boundary for External Debt	2015/16 Approved £m	2015/16 Revised £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Borrowing	93.967	93.895	94.579	92.710	92.979
Other Long-term Liabilities	0.500	0.500	0.500	0.500	0.500
Total	94.467	94.395	95.079	93.210	93.479

9. Adoption of the CIPFA Treasury Management Code

This indicator demonstrates that the Authority has adopted the principles of best practice.

Adoption of the CIPFA Code of Practice in Treasury Management
The Authority has re-affirmed adoption of the CIPFA Treasury Management Code within this strategy, 9 February 2016.

The Authority has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

TREASURY MANAGEMENT INDICATORS

10. Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

These indicators allow the Authority to manage the extent to which it is exposed to changes in interest rates. The Authority calculates these limits on net principal outstanding sums (i.e. fixed rate debt net of fixed rate investments).

The upper limit for variable rate exposure has been set to ensure that the Authority is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

	Existing (Benchmark) level 31/03/15 %	2015/16 Approved %	2015/16 Revised %	2016/17 Estimate %	2017/18 Estimate %	2018/19 Estimate %
Upper Limit for Fixed Interest Rate Exposure	100	100	100	100	100	100
Upper Limit for Variable Interest Rate Exposure	50	50	50	50	50	50

The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Authority's treasury management strategy.

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the transaction year or the transaction date if later.

11. Maturity Structure of Fixed Rate borrowing

This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

Maturity structure of fixed rate borrowing	Lower Limit for 2016/17 %	Upper Limit for 2016/17 %
under 12 months	0	40
12 months and within 24 months	0	40
24 months and within 5 years	0	40
5 years and within 10 years	0	50
10 years and within 20 years	0	50
20 years and within 30 years	0	70
30 years and within 40 years	0	50

12. Upper Limit for total principal sums invested over 364 days

The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Authority having to seek early repayment of the sums invested.

Given the risk and continued low returns from short-term unsecured bank investments, the Authority aims to maintain diversification into more secure and/or higher yielding asset classes during 2016/17. This is especially the case for the estimated £12m that is available for longer-term investment. The Authorities surplus cash is invested in various short-term unsecured bank deposits, notice accounts, money market funds and fixed term deposits with other Local Authorities.

	2015/16 Approved £m	2015/16 Revised £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Upper Limit	10	10	12	12	12

ANNUAL MINIMUM REVENUE PROVISION STATEMENT

Background

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP). Although there has been no statutory minimum since 2008, the Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the Guidance) most recently issued in 2012.

The CLG Guidance requires the Authority to approve an Annual MRP Statement each year. The broad aim of the CLG guidance is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

MRP is not required to be charged to the Housing Revenue Account and where a local authority's overall CFR is £nil or a negative amount there is no requirement to charge MRP.

Following the payment made to exit the Housing Revenue Account subsidy system for the new self-financing arrangements from April 2012, MRP will be determined as being equal to the principal amount repaid on the loans borrowed to finance that payment. The structure of the debt that was incurred to fund the self-financing was based on the principal being repaid over the life of the HRA business plan, which also takes into account the 'old' HRA debt. For 2016/17, the MRP for HRA is determined by the amounts of principal repaid on the loans that were taken out on an annuity basis.

MRP Options:

Four options for prudent MRP are set out in the CLG Guidance. Details of each are set out below:

Option 1 – Regulatory Method.

For Capital expenditure incurred before 1st April 2008, MRP under this option, is the amount determined in accordance with the 2003 regulations. In effect, this is 4% of the total Capital Financing Requirement (CFR) excluding HRA borrowing and Adjustment A. Adjustment A is an accounting adjustment to ensure consistency with previous capital regulations. Once calculated this figure is fixed. For this Authority, Adjustment A is fixed at £606,250.49.

Option 2 – CFR Method.

MRP under this option is the same as option 1 but ignores Adjustment A. In effect, this is 4% of the CFR less HRA borrowing.

Option 3 – Asset Life Method.

Where capital expenditure on an asset is financed either wholly or in part by borrowing or credit arrangements, MRP is determined by the life of the asset. For example, if the asset life is 5 years, then the MRP for that asset will be based on 20% of the capital expenditure (unsupported borrowing), per year for 5 years.

Option 4 - Depreciation Method.

Under this option, MRP would be based on the provision required under depreciation accounting. It would also take into account any residual value at the end of the life of the asset. For example, if the asset life was 5 years and the residual value was anticipated to be 10% of the asset value, then the MRP for that asset would be based on 20% of the capital expenditure (unsupported borrowing) less 10% residual value per year for 5 years.

MRP Policy for 2016/17:

The Authority will apply Option 1 in respect of supported capital expenditure.

The Authority will apply Option 2 in respect of unsupported capital expenditure.

Based on the Authority's latest estimate of its Capital Financing Requirement on 31st March 2016, the 2016/17 budget for General Fund MRP is £610,990. The HRA Subsidy Reform payment for 2016/17 is £1,055,106.

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	REVIEW OF TENANCY AGREEMENT
Key Decision	a) Financial No b) Community Yes
Contacts	Councillor Roger Bayliss 01530 411055 roger.bayliss@nwleicestershire.gov.uk Director of Housing 01530 454819 glyn.jones@nwleicestershire.gov.uk Head of Housing 01530 454780 chris.lambert@nwleicestershire.gov.uk
Purpose of report	To seek approval from Cabinet for the revised tenancy agreement, and to confirm the next stages of the approval process.
Reason for Decision	For the homes it owns, North West Leicestershire District Council has a legal obligation to provide a contract between itself as the landlord and the tenants of these properties. The change in contract will affect all current and future Council tenants.
Council Priorities	Homes and Communities Value for Money
Implications:	
Financial/Staff	The proposed changes with the introduction of a new tenancy agreement, can be met from within the existing approved Housing Revenue Account budget.
Link to relevant CAT	None
Risk Management	This report outlines the approach in managing and mitigating against risks.
Equalities Impact Screening	Equality Impact screening completed and no impacts identified.
Transformational Government	Revising the tenancy conditions will ensure they reflect the latest legal position and assist us in the efficient management of tenants contract with us as their landlord.

Comments of Head of Paid Service	Report is satisfactory
Comments of Deputy Section 151 Officer	Report is satisfactory
Comments of Monitoring Officer	Report is satisfactory
Consultees	Members of Housing Management Working Group Tenancy Agreement Working Group (tenants and staff) Internal Services Tenants at Consultation Events Tenants and Leaseholders Consultation Forum
Background papers	Executive Board 2 May 2006 http://minutes-1.nwleics.gov.uk/Data/Executive%20Board/200605021830/Agenda/\$Report%20of%20the%20Director%20of%20Community%20-%20att2420.doc.pdf
Recommendations	THAT CABINET APPROVES THE REVISED TENANCY AGREEMENT AND THE TIMETABLE AS DETAILED IN SECTION 3.1 OF THIS REPORT

1.0 CONTEXT

- 1.1 The tenancy agreement is the formal contract between the council and its' tenants, and describes the responsibilities of both parties. It was last reviewed in 2006 and due to legislative changes the agreement is being reviewed again. The new tenancy agreement will provide a robust platform for the landlord / tenant relationship between the Council and the tenants of our properties. It clarifies the rights and responsibilities of both parties and ensures we can efficiently and effectively take action to address any breaches of these conditions, if necessary through Legal action.
- 1.2 The process through which the proposed new conditions were developed included a task and finish group consisting of officers and tenant representatives. The key changes proposed are:

What	Detail
Style	<ul style="list-style-type: none"> • A move away from the two column look of the 2006 agreement to a more traditional and easy to follow layout. • Use of Arial 11 point typeface in line with corporate style and branding guidance • A move away from the previous "you and us" format to a section based approach focussing on different areas one at a time.
Content	<ul style="list-style-type: none"> • A move away from quoting legislation and policies within the agreement to referencing particular policies, for example the anti-social behaviour policy. • Addition of tenants identity photographs to reflect best practice in identifying tenancy fraud.

	<ul style="list-style-type: none"> • To share information with partners, housing authorities and partners to trace individuals and to detect any tenancy or financial fraud. • Increased emphasis on making tenants responsible for rechargeable works where damage has been caused to their home through their actions or neglect. • Inclusion of information regarding building insurance responsibilities • Inclusion of reference to social media and mobile phones as a method for harassment (anti social behaviour) • A requirement to pay rent in advance, irrespective of payment method • Restricts who can succeed or be assigned the tenancy in line with the Localism Act 2011, spouse or civil partner only. • A more robust approach to keeping/breeding of pets and limiting the number of pets per property without written permission. • The need to seek off street parking permission has been given greater emphasis. • Clarifying council responsibility for walls/fencing and footpaths/driveways within the property boundaries. • Clarifying tenants entitlement to compensation for improvements.
--	---

2. CONSULTATION

- 2.1 As referred to in 1.2 above, four tenants have actively participated in the review of the tenancy agreement. They are involved tenants from the Housing Management Working Group and already have a broad understanding of the housing service.
- 2.2 In addition to this, all tenants have the right to be consulted on changes to the tenancy agreement. To this end, the following consultation has been undertaken:
- A letter to all tenants informing them of the review was sent in November 2015, inviting them to attend consultation events to further shape the agreement.
 - Seven consultation events around the district undertaken in December 2015 which were attended by 69 tenants who were generally supportive of the proposed changes. A copy of the questions raised by the tenants and the responses given during the consultation events is attached as Appendix A.
 - A summary of the proposed changes, known as the Notice of Variation will be issued to all tenants in writing in February 2016. A copy of the draft Notice of Variation is attached as Appendix B.
 - A copy of the approved version of the tenancy agreement will be issued to all tenants in March subject to Cabinet approval.
- 2.3 Members of the Housing Service Management team have also been consulted and any suggested amendments included in the draft agreement.
- 2.4 Legal Services have also been consulted regarding the draft agreement and their comments incorporated into the document prior to the wider consultation events with tenants.
- 2.5 A copy of the existing agreement is attached as Appendix C and the proposed new agreement attached as Appendix D.

3. NEXT STEPS

3.1 The proposed next steps have been identified as:

What	When
Notification to all tenants	w/c 22 February 2016
Conduct Staff Briefings	February & March 2016
Tenancy Agreement Effective date	4 April 2016

3.2 The document which supports the Tenancy Agreement and provides more detailed advice to tenants is the Tenants Handbook and subject to Cabinet approval of the Tenancy Agreement the document will also be updated by April 2016.

APPENDIX A

Questions raised by tenants during who attended the consultation meetings.

Q Define Property?

A Physical home, plus the boundaries in which you live.

Q I live on an open community estate; people can walk right under my window. Will this change in the new Agreement?

A No, but any issues of nuisance should be directed to your Housing Officer.

Q I asked for a camera on my property and was refused why?

A This may have been due to the fact that your camera could not be sited where the view remained within the boundary of your property.

Q My neighbour has a camera, how did they get permission?

A It may be that their camera could be fitted without disturbing other residents

Q We have double decker buses coming through our small estate and these are dangerous for small children. Can these be changed?

A Roads and Footpaths, and Transport, are not the responsibility of the District Council; these are dealt with by Leicestershire County Council. The issues need to be reported to LCC, I can support with this if necessary.

Q We have to park our cars on the pavement to allow buses to access, but then get told off for doing so?

A Parking is a major issue on many of our roads, when our properties were built, tenants did not have 2/3 cars per property and although we are looking at improving parking across the district, tenants are advised to park legally.

Q Can we pass previous tenants' post onto you?

A Only if it relates to council business, i.e. C/Tax, Rent Arrears etc. We cannot be responsible for contacting other organisations in relation to a former tenant.

Q Do I need to have written permission to keep a pet temporarily, i.e. whilst owner on holiday?

A No, if it is short term, however by letting us know we can then make sure that any calls regarding non permission are not pursued.

Q Can I replace a lost pet, once I have permission?

A Yes as long as the limit of ownership in terms on Number of pets and duration of permission is not exceeded. i.e. If your permission is for your current pet only, once that pet is no longer with you; permission would be needed for further pets.

Q The Prime Minister recently announced limiting tenancies to 5 Years, how will that affect us?

A It is still early days to know the full impact of this change. We currently have lifetime tenancies and chose not to change these when the Government announced changes in 2010 (Localism Act). However, recent government announcements suggest all councils will have to adopt fixed term tenancies for new tenants from April 2017. Whatever we decide to do will be consulted upon.

- Q People who look after their tenancies may not be as willing to do so if the 5 year tenancy comes into force.
- A It is still early days with this new announcement and NWLDC will need to look at all areas of the changes. For example this may only affect new tenancies. If it becomes law we will do everything we can to safeguard the family. We would use encouragement not force to bring about positive changes in tenants' behaviour. If it does become law, there will be legal obligations to pursue and at a cost to the authority, to implement.
- Q I have previously cut a piece of grass outside my property, and as a result the grounds maintenance team are not now cutting it.
- A This is part of the common areas that Grounds Maintenance should maintain, and paid for via service charges. If you feel you are not getting the service you are paying for; contact your Housing Officer. If you want a different service it is possible to arrange and would impact on the service charge you pay. We would need to consult with the residents about any possible changes.
- Q Illegal/non permitted repairs - How will you chase for the money if the tenant has left?
- A Under one of the changes coming into the new Tenancy Agreement, we will have stronger powers to collect monies, such as former tenancy arrears and chargeable repairs. We will be including an agreement to share details with other agencies such as Council Tax, Housing Associations and Utility companies for the exclusive reason of chasing outstanding monies. Details will not be shared with any other agencies and will **not** be sold for the purposes of telemarketing.
- Q Pets – will you act on enforcing the new policy
- A Yes, there will be no point putting in the changes if we do not enforce them. How we choose to enforce different aspects of enforcement is dependent on individual circumstances, but will be covered in the policy.
- Q New Housing - Are we building? What are we building? We need to ensure we are building properties for older people ie bungalows, so we can free up more of our larger homes for families.
- A We are currently developing our plans for building new homes which will be mainly 1 and 2 bedroom properties.
- Q Pathways - What are the responsibilities for maintaining pathways:
- 1) Single pathways?
 - 2) Shared Pathways?
 - 3) Pathways which have been laid by tenant.
- A It is likely that shared and single pathways will be maintained by the authority where we have laid them. Pathways laid by tenants will be maintained by tenants, Inspection may be necessary, permission may be necessary.



Summary of Proposed Changes for Existing Tenants

Preliminary Notice of Variation pursuant to Section 103 of the Housing Act 1985

This revised tenancy agreement covers all tenancy types the Council offers.

Those becoming social housing tenants for the first time after 1 April 2007 are introductory tenants. References to introductory tenants or introductory tenancies only apply to those people. After the successful completion of the introductory tenancy period (which may be extended for a period of six months) tenants will become secure tenants with secure tenancies.

New tenants will be required to provide photographic identification when signing up to a Council tenancy.

The tenancy agreement has been laid out more clearly into the following sections:

- Definitions
- Introduction
- False Statement
- Payment of Rent and Charges
- Use and Occupation of the Property
- Access to the Property
- Repairs and Maintenance
- Insurance
- Anti Social Behaviour
- Unlawful Behaviour
- Gardens
- Boundaries, Paths and Driveways
- Vehicles and Parking

- Communal Areas
- Keeping of Animals
- Written Permission
- Recharges
- Ending Your Tenancy
- Consultation and Information
- Notices
- Tenancy Agreement

Specific Changes

The changes listed below are clauses which have been significantly altered from the previous agreement to the proposed one. Changes in wording, where the meaning has not altered, are not reflected below. Please review the full proposed tenancy agreement online at www.nwleics.gov.uk/pages/tenancy_agreement to review all amendments.

Introduction	
Old Clause	New Clause
Separate Tenancy Arrangements for Introductory and Secure Tenancies	One agreement will be used for the Introductory and Secure Tenancies stipulated in 1.2
Rights as a Tenant - Section 3	In Table 1.6, Rights for a tenant have been put into a table
New clause	1.11 We are committed to the prevention and detection of fraud and participate in data monitoring exercises for this purpose. We advise you that the data held by us in respect of your Tenancy will be used for cross-system and cross-authority comparison purposes for the prevention and detection of fraud. We may also share your data with others as permitted in law, including utility providers

Payment of Rent and Charges

Old Clause	New Clause
Section 7, 2(a) – Payment of Rent when it becomes due	<p>3.1 You must pay your rent, together with any service charges due, in advance on Monday of each week. If you pay your rent by Direct Debit or Standing Order these payments must also be paid in advance</p> <p>3.9 If you wish to pay your rent fortnightly or monthly, you should agree this with us and permission will only be granted if you pay in advance to avoid recovery action being taken against you.</p>

Use and Occupation of the Property

Old Clause	New Clause
Section 7, 1(b) – Tell us if you are away from your home for more than 28 days...	4.2 You must tell us if you are going to be away from the Property for more than a month and ensure that we are advised of a contact address and a nominated key holder/caretaker in case of an emergency.
Section 3, 14 – You have the rights to take in lodgers...	4.3 You may take in lodgers as long as you are a secure tenant and the Property does not become overcrowded as a result. However, you must get our prior written permission before you take in lodgers. You must also provide details of their name, date of birth, gender, National Insurance Number, former address and details of the rooms that they will occupy
Section 7, 4 (b) – not carry on a trade or business or allow trade or business to be carried on at your home without getting our written permission...	4.6 You must not run a business from the Property which may affect nearby residents or your neighbours without obtaining our prior written permission. Prior to granting any such permission we will consider various factors including but not limited to, planning issues, the amount of noise generated, nuisance likely to be caused to your neighbours and whether damage to the Property may occur. An inspection of the Property may also take place before full permission is granted.
new clause	4.7 You must not place or exhibit any notice board or notice visible from outside the Property advertising any profession, trade or business or any goods or services without our prior written permission.

Insurance	
new section	Section 7 is a new clause relating to Insurance
Anti Social Behaviour	
new clause	<p>8.3 “Harassment” includes but is not limited to:</p> <ul style="list-style-type: none"> • abuse or threats towards our employees, agents or contractors including but not limited to: <p>Abusive or insulting words or behaviour including that sent via email, social networking sites and mobile phones</p>
new clause	8.6 Any items found may be removed without further notice, particularly if deemed to be a health and safety risk such as flammable items, trip hazards or if they are blocking exits
new clause	8.9 The housing department’s Anti Social Behaviour Policy includes details of what the Housing Department considers Anti Social Behaviour. We will rely on the conditions above and/or the Anti Social Behaviour Policy when looking to enforce the conditions of this Tenancy Agreement should we believe you have engaged in Anti Social Behaviour.
Unlawful Behaviour	
new section	Section 9, Unlawful Behaviour, is a new section
Gardens	
new clause	10.3 You must not have any plant in your Garden that causes a nuisance or annoyance to your Neighbours, other people in the locality or us. This includes (but is not limited to) plants that may spread uncontrollably, plants that may spread onto the path or road or plants with root systems that could cause damage to the Property or neighbouring properties.
new clause	You must not fence off or enclose any part of the driveway without our prior written consent.

Boundaries, Paths and Driveways

Section 7, 14 (a) Fencing:
You must not erect walls or fences or alter, move or interfere with existing boundary features or boundary fencing without getting our written permission beforehand. If you break this condition we may require you to return the boundary to its original state or we may do the work ourselves and charge you for it.

11.1 You will be required to obtain permission from us to install or remove fencing, walls, paths, hedges or driveways and the work will be pre and post inspected at our discretion.

11.2 The maintenance of any fencing, walls, paths, hedges or driveways installed by You will be Your responsibility.

11.3 We will maintain any fencing, walls, paths or driveways installed by the council or present at the time your tenancy commenced. Usually this will be through a planned programme of works over a number of years unless there are specific health and safety concerns. The type and timing of the work will be at our discretion and removal of fencing, walls, hedges or driveways will also be considered, where repair is not economical.

11.4 The maintenance of any hedgerow or tree(s) which define or mark the boundary will be Your responsibility.

Vehicles and Parking

Section 7, 15 Parking
You must not:

(a) park on your garden without having written consent from the Council and an approved:

- hardstanding; and
- access or dropped pavement.

Approval means permission from the Council, the Highways Agency and planning consent from the Council (where required).

(b) dismantle, carry out

12.1 You, anyone living with you or visiting you must not do any of the following:

- Park a vehicle anywhere on the Property unless the Property has a garage, parking space or a driveway which is a hardstanding with a dropped kerb.
- Allow anyone, other than your relatives, visitors and/or friends to park at the property.
- Park any vehicle which is untaxed, illegal, is not roadworthy or is in disrepair on any land belonging to us. If you do, we may remove the vehicle. You will then be charged the full cost for its removal.
- Store a Caravan or Motorhome on the Property without our written consent
- Allow a Caravan or Motorhome to be used as living quarters whilst it is on the Property
- Build a parking space, garage or driveway (hardstanding) without our written permission.

<p>major repairs, or leave any such vehicle in a state of disrepair or dilapidation on your home or any shared area without our specific permission. This permission may be withdrawn where it becomes apparent that it is causing a nuisance or annoyance and/or hazard to others;</p> <p>(c) any vehicle parked on a hard standing area must have a valid tax disc or statutory off-road notice (SORN), if required;</p> <p>(d) park on grass verges, other landscaped areas or use estate car parks for any purpose other than parking;</p> <p>(e) obstruct access to any other property, service road or block access for vehicles by the parking of any vehicles by you, your lodgers or visitors.</p>	<ul style="list-style-type: none"> • Drive across a kerb to access the Property unless the kerb has been dropped in accordance with the regulations of the Highway Authority. You must have written permission from us and the Highway Authority to adapt a pavement so a vehicle can cross it. • Drive or park any vehicle over any grassed or landscaped area • Park any vehicle on a designated area set aside for emergency vehicles or park in any area which causes an obstruction or would block access for emergency vehicles or refuse collection vehicle. • Double park vehicles or park in a way which causes obstructions to pedestrians or other road users. • Carry out any vehicle repairs or maintenance, except minor maintenance on your own vehicle or to any vehicle on the Property, Communal Areas, Gardens, driveways or roads in the neighbourhood without prior written consent being given by Us. • Use any Garden or driveway to the Property to store, load or unload vehicles, store scrap metal or break up vehicles for spare parts. • Cause nuisance to Neighbours or damage to pathways, driveways and parking spaces through leakages or spillages from vehicles. • Have a motor-related business from the Property or receive payment for repairing any vehicle at the Property. • Store any moped, motorbike or machinery having a petrochemical engine inside the Property or in Communal Areas. <p>12.2 Your vehicle must be less than 2 metres high (6 foot 6"), less than 1.83 metres wide (6') and less than 4.8 metres long (16 feet). If you wish to park a bigger vehicle you must have prior written permission from us to do so.</p>
---	---

Keeping of Animals

Section 7, 7 Pets and Animals

(a) You must comply with any direction given by the Council prohibiting or imposing conditions on the keeping of any animal at the property.

(b) Tenants are allowed to keep fish, caged birds, small caged animals and other domestic pets if under proper control. However, animals such as cats and dogs are not allowed in flats and maisonettes having communal entrances, staircases or lifts unless otherwise agreed by the Council at the commencement of the tenancy.

(c) You are responsible for any animal in, or visiting your property, which must not cause any annoyance, or nuisance, including frightening and endangering other people.

(d) Dogs must be accompanied by the tenant, or a responsible

14.1 If you live in a house or bungalow, you have our consent to keep the following animals without our written permission:

- One domestic dog; and/or
- One domestic cat; and/or
- One domestic caged bird; and/or
- Fish kept in an aquarium indoors; and /or
- Small caged pets for example, gerbil, hamster or rabbit.

The size of the aquarium or cage must not exceed 1.83 metres in width (6'), 0.61 metres in depth (2') in depth and 1.22 metres (4') in height without our written permission.

No other type of pet or animal, including livestock may be kept without our prior written permission which will not be unreasonably withheld or delayed.

14.2 If you live in a house or bungalow and wish to keep any pet, animal or livestock, other than or in addition to those detailed in condition 14.1, you must obtain our prior written permission.

14.3 If you live in a flat or in Sheltered Properties, which has a communal entrance, you or anyone living with you may not keep a pet without our prior written permission.

14.4 You are responsible for the control of any pets/animal(s) which belong to you or anyone living with you.

14.5 You must not keep a pet/ animal in a communal area.

14.6 You must not breed pets/animals for commercial purposes at the Property.

14.7 You must not build any animal enclosures without prior written consent from us, in any part of the Property.

14.8 You must not board animals on a commercial basis without prior written consent from us.

14.9 If feeding wild animals or birds from your property, communal areas, outbuildings, gardens or from any part of the land belonging to us, you must do so responsibly, in a manner which does not attract vermin or cause a nuisance to your neighbours.

14.10 You must make sure that no animal you keep at the

<p>member of the household, and kept on a lead in communal areas.</p> <p>(e) You must comply with any signs displayed on a grassed open space which prohibit or regulate fouling and not allow your pet to foul or soil any other communal areas or children's play areas. You must also clean up any fouling by your pet.</p> <p>(f) You and any person living in, or visiting the property, must keep any animal in his or her care in a responsible manner and under proper control at all times.</p> <p>(g) You must not keep any livestock. Examples of which are (but not limited to) horses, donkeys, goats, pigs, cattle, ducks, geese, chickens, or pigeons at the property without the written consent of the Council.</p> <p>(h) Any pets and animals that you keep in your home must not cause damage to your home and/or a nuisance to your neighbours and/or their lawful visitors.</p>	<p>Property (or that you are responsible for) causes nuisance or annoyance to anyone:</p> <p>Examples of nuisance include but are not limited to:</p> <ul style="list-style-type: none"> • Allowing your pet/animal to persistently foul in an inappropriate place • Failing to clean up fouling in a timely manner • Barking • Creating a foul smell • Not being kept under control • Creating any type of danger or health hazard • Encroaching onto other peoples gardens <p>14.11 You, your relatives or your visitors or anyone living with you must not leave any pet/animal unattended for more than 24 hours either inside or outside of the Property.</p> <p>14.12 Any permission obtained from us for you to keep a pet/animal may be withdrawn if your pet/animal creates a nuisance.</p> <p>14.13 You must make sure that no pet/animal kept at the Property causes any damage:</p> <ul style="list-style-type: none"> • To the Property; • To a Communal Area • In the locality • To any land owned by Us <p>You will be held liable should any damage be caused.</p> <p>14.14 You are responsible for putting right any damage attributable to your pets, or those pets/animals you are responsible for.</p> <p>14.15 You, your relatives or anyone else living with you, and your visitors must ensure that no pets/animals kept at the Property prevents our employees, or any other authorised person's from gaining access to the Property.</p> <p>14.16 You must not keep any animals prohibited by law within the Property. All legislation relating to Pet ownership must be adhered to.</p>
---	--

Alterations to the Property

Section 3, 4 Right to Make Improvements

You may make improvements, alterations and additions to your home, including putting up aerials, external decoration and additions or alterations to our installations, fixtures and fittings as long as you get our written permission and all other necessary approvals (for example, planning permission or Building Regulations approval) beforehand

Section 3,5 Right to Compensation for Improvements

If you carry out certain improvements to your home and then your tenancy ends, you may be entitled to some compensation towards the costs of these improvements. This will be explained further at the time you apply for permissions to carry out the work.

15.1 You must obtain our prior written permission before making any alteration or addition to the Property

15.2 Permission may not be unreasonably withheld by us.

15.3 The list of structure erections, alterations and improvements include, but is not limited to:

- Building an extension
- Removing internal walls
- Changing the use of a room e.g. a living room to a bedroom
- Adding, changing or replacing fixtures and fittings: eg: kitchen, bathrooms
- Installing a water meter
- Decorating the exterior of the Property
- Altering or tampering with gas, electricity or water supplies
- Erecting an aerial or satellite dish
- Building a structure e.g. car port, garage, hard standing driveway or shed
- Creating ponds and/or carrying out major landscaping
- Removing any tree, hedge or boundary fence or wall

15.4 When deciding whether it is reasonable to grant written permission we will consider a range of factors including but not limited to the impact of the alteration or improvement on the surrounding properties.

15.5 Any consent given by us may be subject to any reasonable conditions including (but not limited to):

- That work must be undertaken by a properly qualified person registered with the appropriate regulatory body
- That you have obtained all necessary consents and approvals for the works
- That you are responsible for maintaining the alteration or addition including complying with any statutory or other requirements related to the alteration or addition
- That you may be required to remove the alteration or addition and reinstate the Property at the end of this Tenancy or when required to do so by us
- That we will not be liable to you or any other person for any loss, damage or other harm arising from the alteration or addition

	<p>15.6 We may serve a notice on you requiring you to remove any unauthorised alterations or additions. An alteration or addition is unauthorised if it is undertaken without prior written consent or if it is not completed in accordance with the terms of the consent.</p> <p>15.7 You must repair any damage resulting from the construction or removal of the alteration or addition. If you do not comply with the notice, then we may undertake necessary work to remove the alteration or addition and you will be liable to pay our reasonable cost of the work.</p> <p>15.8 You may be entitled to compensation for certain improvements you undertake to your home when your tenancy ends. Compensation will be paid in accordance with the legislation: The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994 or as subsequently amended.</p>
--	---

This is a summary of the proposed changes a copy of full proposed new tenancy agreement is available as follows:-

- At the Council Office
- Online at www.nwleics.gov.uk/pages/tenancy_agreement
- A paper copy can be sent to you on request please contact andrew.wallace@nwleicestershire.gov.uk or call on 01530 454660

Tenancy Agreement

This is a legal Contract. It describes your rights and responsibilities as a tenant and of North West Leicestershire District Council as your landlord.

THIS AGREEMENT is made on the

BETWEEN NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

AND

Name

Date of Birth

National Insurance Number

Tenancy Agreement - Section 1

1. The property let to you is known as:

2. The tenancy is a weekly secure tenancy commencing on the

3. The weekly rent due is £ and is made up as follows:

Basic Rent	£
Fuel Charges	£
Total Weekly Rent	£
Other Charges*	£

In this agreement the term "Rent" is inclusive of service charges where these apply. The amount can change. The amounts are based on a year's payment divided by fifty.

* Support charges are collected directly from Supporting People at Leicestershire County Council.

4. This tenancy agreement makes you a tenant of North West Leicestershire District Council. You must behave responsibly and keep to the rules in the Agreement. If you do not and we want to take possession of your home, you would then have the right to put your case at a court hearing.

5. You agree to comply with the Obligations and Rights set out in Sections 3 and 7.

6. We agree to comply with the Obligations and Rights set out in Sections 4 and 5.

7. We will consult you in writing on any proposed changes to the terms and conditions of this tenancy. This does not apply to the annual increase in rent and service charges, which is dealt with in Section 6.

8. You are in breach of your tenancy conditions if you, or someone acting on your behalf knowingly makes a false statement or gives incorrect information which leads to the granting of this tenancy.

9. Where it is necessary for us to send you any notice and/or court proceedings, the notice and/or court proceedings will have been properly sent by us, either by delivering it by hand to you or leaving it at your home. A notice delivered by one of these methods will be effective from the date stated on the notice.

(a) "your home" means the property let to you under this tenancy as stated in (1) above.

(b) where it is necessary for us to serve any notice on joint tenants the notice will have been properly served on all joint tenants if served on one or any of them separately.

Tenant(s) Signatures:

(1) _____

(2) _____

Signed on behalf of North West Leicestershire District Council:

Definitions used in this Agreement – Section 2

Boundary Fencing	Refers to fencing which marks out the extent of the land owned by the council not including dividing fencing, but including fences where they adjoin a public footpath or open area.
Council	Refers to North West Leicestershire District Council
Dividing Fencing	Refers to a fence which divides your home from your neighbour's home
Exchange	To swap tenancies with another Council or Registered Social Landlord tenant
Fixtures and Fittings	All appliances and furnishings in the property including installations for supplying or using gas electric and water.
Flat	A home which forms part of a building
Garden	Lawns, hedges, flowerbeds, trees, shrubs, slabbed area, outside walls and fences.
Home	Refers to the property let to you including any garden, garage, outbuilding, fence or wall let with the property but not a garage or garage site which is let to you separately. The boundaries of your home are defined by the physical boundaries of your property at the date of this agreement.
Improvement	Any alteration or addition to your home.
Legislation	A general term meaning Regulations and Act of Parliament.
Lodger	A person who lives in your home with you whether or not they pay you.
Maisonette	A flat with more than one floor.
Member of your family	Your spouse or person you live with as husband or wife (including same sex partner), civil partners, your parent, child, grandchild, grandparent, brother, sister, uncle, aunt, nephew, niece, step-relative and adopted child.
Month	Refers to calendar month.
Neighbours	Your neighbours include everyone living in the

	local area, including people who own their own homes and housing association tenants.
Partner	A husband, wife, civil partner or someone who lives with you as husband or wife (including same sex partners)
Property	The property you live in, including any garden, but not including any shared areas.
Qualifying Successor	Means a person who would be eligible to take over your tenancy when you die.
Security of Tenure	By law, we cannot remove a tenant from a property unless a court grants an 'Order of Possession'
Shared areas	The parts of the building which all tenants can use for example, halls, stairways, entrances, landings, shared gardens, lawns and landscaped areas.
Step-relative	Stepmother, stepfather and stepchild.
Sublet	Giving another person the right to live in part of the property to the exclusion of you and your family from that part.
Supported Housing	Includes charges for services which provide support to the tenant to help them maintain their tenancy and is funded by the Supporting People Grant from April 2003.
Vehicle	A car, bus, lorry, motorbike, caravan, bike and so on.
We, us our	North West Leicestershire District Council
Written permission	A letter from us giving you permission to do certain things.
You	The tenant, and in the case of joint tenants, any one or all of the joint tenants.
Tenant/Joint Tenant	The person or persons who enters into this agreement with North West Leicestershire District Council

Your rights as a tenant – Section 3

1. Occupation of Your Home

You have the right to live peacefully in your home without interruption or interference from us as long as you keep to the terms of this agreement. However, we may have to enter your property in certain circumstances, as explained in term 11 of Section 7. The premises shall not be used for any trade or business purpose, without the permission of the council.

2. Security of Tenure

You are a secure tenant with security of tenure as long as your home is your only or principal home. We can only end the tenancy by obtaining a court order for possession on one or more of the grounds listed in Section 8 of this Agreement or in term 3 listed below.

3. If Your Secure Tenancy Ends

If you stop living in your home as your only or principal home or you sublet the whole of it to another, your tenancy may stop being a secure tenancy. If your tenancy does stop being a secure tenancy, we may end your tenancy by giving you four weeks notice in writing and obtaining a court order for possession.

4. Right to Make Improvements

You may make improvements, alterations and additions to your home, including putting up aerials, external decoration and additions or alterations to our installations, fixtures and fittings as long as you get our written permission and all other necessary approvals (for example, planning permission or Building Regulations approval) beforehand.

If it is reasonable for us to give you our permission we will do so, but may make conditions relating to the materials you can use or the standard of workmanship. We may also ask your neighbours views when considering an application for improvements or alterations, which may affect them. If you do not comply with all of the conditions for the work being done, we may treat this as a breach of your obligations under this tenancy agreement under Ground 1 of Schedule 2 of the Housing Act 1985.

5. Rights to Compensation for Improvements

If you carry out certain improvements to your home and then your tenancy ends, you may be entitled to some compensation towards the costs of these improvements. This will be explained further at the time you apply for permission to carry out the work.

6. Right to Repair

You have the right to have qualifying repairs, which are our responsibility carried out in the timescales shown in the Tenants' Handbook. Where you have reported the need for a qualifying repair and we have confirmed this by sending a receipt to you but where we have, without good reason, failed to carry out the repair within the timescale set out in the Tenants' Handbook you can request us to appoint another contractor to complete the repair at no cost to you. If the second contractor does not complete the qualifying repair on time you will be entitled to compensation. This is calculated by the Secure Tenants of Local Housing Authorities (Right to Repair) Regulations. You can request further information from the Maintenance Section at the Council offices.

7. Right to consultation

We will consult you on any matters affecting housing management and maintenance.

8. Right to Information

You have a right to information from us about:

- the terms of this tenancy agreement;
- our responsibilities as landlord;
- our policies and procedures;
- housing allocation and transfers;
- equal opportunities;
- our principles for fixing rents; and
- our performance as landlord.

9. Right of Succession

This is the right for someone to take over the tenancy when you die.

On your death and as long as you are not a successor (as defined at term (g) below), the following persons have a right to succeed to this tenancy:

- a) Any surviving joint tenant(s) if they occupied your home as their only or principal home at the time of your death;
- b) Your spouse or a person living with you as your husband or wife (including same sex partners) provided that they occupied your home as their only or principal home at the time of your death;
- c) If you have no surviving spouse, partner or joint tenant(s), a member of your family (as defined below) may succeed as long as:-
 - they occupied your home as their only or principal home; and
 - they lived with you throughout the period of 12

months ending with your death;

- d) Where there is no spouse entitled to succeed and there is more than one member of your family entitled to succeed they should agree between themselves who will claim it. If they cannot agree, they should all make a claim and we will decide to whom we will offer the tenancy. When we have decided we will tell everyone involved the person to whom we will offer the tenancy.

- e) The successor or potential successor(s) must notify us in writing of your death within a month together with any details, where applicable, of any agreement reached or ongoing dispute requiring a decision to be made as set out in clause (d) and (e) above;

- f) You are a successor if:

- you were a joint tenant and have become the sole tenant;
- you gained this tenancy as a result of an exchange of tenancies and you were a successor under your original tenancy;
- you gained this tenancy as a result of a court order relating to matrimonial proceedings and your spouse was a successor; or
- you gained this tenancy by a right to succession following the death of the previous tenant or under the will or intestacy of the previous tenant.

- g) A person is a member of your family if they are; your parent, spouse or person living with you as husband or wife, (including same sex partner), civil partners, your grandparent, child, grandchild, brother, sister, uncle,

aunt, nephew, niece, step-relative or adopted child.

- h) You have the right to request to move to a smaller property. If you are realising general needs accommodation, it may be possible to give your application for a transfer additional priority on the Housing Register. For more information contact the Housing Advice team.
- i) If the property is not appropriate for your needs, or is too large, you may be asked to move to a more suitable property. Succession can occur only once.

10. Right To Assign to a Qualifying Successor

You have the right to assign your tenancy to a person who would qualify to succeed to the tenancy upon your death. An example of where an assignment is used is where the tenant moved into residential care accommodation.

11. Right to Exchange

You have the right to exchange this tenancy with that of another tenant of a Council or a Registered Social Landlord, as long as you have written permission from us. We will not refuse this unless we have a good reason to. You will also need to sign a new tenancy agreement. You will have the right to be registered with HOMESWAP.

12. Right to Buy

- a) You have the right to buy your home from us subject to certain conditions, which include having been a tenant for at least either two years for tenancies that commenced before 18th January 2005 or five years after that date. Details available on request. This right will also apply if:
- you have succeeded to this tenancy under paragraph 10 above;
 - you have exchanged with another tenant who has the Right to Buy their home;
- b) You do not have the Right to Buy your home if you live in sheltered housing, adapted properties or other housing excluded from this legislation.
- c) You **may** lose your Right to Buy if you exchange with a tenant of a Registered Social Landlord.

13. Right to Sublet your home

You have the right to sublet part of your home subject to you obtaining our written permission beforehand. This will not be withheld unreasonably. Where consent is withheld we will give you a written statement of reasons. If you sublet your property without written permission, it will be considered a breach of your tenancy.

14. Right to take in Lodgers

You have the right to allow anyone to live with you as your lodger as long as this does not cause overcrowding.

Our responsibilities as landlord – Section 4

1. Your Right to Possession

We will not interfere with your right to possession of your home provided you fulfil all of your obligations under this tenancy agreement.

2. Repairs

We will:

a) Keep in repair the structure and exterior of your home and its installations (including shared areas in the case of flats). The structure and exterior includes:

- Drains, gutters, sewers and external pipes (except where the drains and sewers are the responsibility of a water company, when defects will be reported to that company);
- The roof;
- Internal walls, plastering, doors and door frames, floors, ceilings and skirting boards, but not including internal painting and decorations;
- Outside walls, chimneys, chimney stacks and annual service of solid fuel systems and flues but **NOT** including sweeping;
- External cladding;
- Garages and external stores where provided by the Council;
- Boundary fencing;
- Outside doors, window frames and sills, including any necessary painting and decoration.

- Pathways, steps and other means of access where originally supplied by the Council, and fences where these adjoin a public footpath or open area at the side or rear of the premises or are estate boundary fences.

b) Keep in repair and proper working order the installations provided by us in your home for the supply of water, gas and electricity, for sanitation and for space or water heating. Installations include:

- Basins, sinks, baths, toilets, flushing systems and waste pipes, water pipes, taps and stop taps;
- Electric wiring including sockets, light fittings and switches;
- Water heaters, fireplaces, fitted fires and central heating installations and gas pipes;
- Shared Fire Alarm Systems;
- Shared Door Entry Systems;
- Mains-wired Pull Cord Systems;
- Mains-wired Smoke Detectors (where applicable); and
- Mains-wired (where applicable) and battery operated Smoke Detectors (you are responsible for maintaining batteries that work).

For more detailed information please see the tenants' handbook.

The lists do not include repairing or replacing damaged items resulting from neglect or carelessness by you, members of your household or visitors. These are detailed in this document in

Section 7 'Your Responsibilities as a Tenant'.

3. Shared Areas

We will keep the shared entrances, halls, stairways, lifts, passageways, rubbish chutes, and any other shared areas including their electric lighting in reasonable repair and fit for use by you and other occupiers and visitors to your home where we currently do so.

4. Consultation

We will consult you or your representative if you are likely to be substantially affected by any proposed changes in, or additions to, our housing management services and maintenance (other than amounts charged for rents or service charges).

5. Provision of Information

We will:

- a) Publish a summary of the rules for deciding priority in allocating housing, including transfers and exchanges;
- b) Publish information at least annually about tenancies, housing management performance indicators, policies, complaints procedure and details of the Independent Housing Ombudsman

6. Data Protection and Access to Personal Information

The Data Protection Act 1998 (including any amendments made)

and our own policies on confidentiality apply to this tenancy agreement and your rights to access personal information.

We will allow you to inspect information about you, which is held by us in the form of computerised data. We will also allow you reasonable access to other personal information held about you or members of your family (provided that this shall not apply to information provided to us in confidence by third parties). You may correct or record your disagreement with the information held by us. There may be a charge to cover our costs.

7. Notice to Applicant/s

This Authority is under a duty to protect the public funds it administers and is required, under Section 6 of the Audit Commission Act 1998, to participate in National Data Matching Exercises. These exercises include the matching of data held in respect to Housing Rents. To this end the authority may use the information held in respect of tenancy details within this Authority for the prevention and detection of fraud. It may also share this information with other bodies administering public funds solely for these purposes.

Our rights as landlord – Section 5

1. Right to Seek to Recover Possession

We may seek to recover possession of your home on the grounds set out in Schedule 2 of the Housing Act 1985 after first giving notice to you of our intention to apply to the Court for an order for possession. In extreme cases we may ask the Court to excuse us from giving notice before starting proceedings. The Court has to decide that it is just and equitable to do so.

2. Right to Access

We have the right to gain access to your home in the circumstances described in term 11 of Section 7.

3. Right to Fix Wires etc.

We have:

- (a) the right to erect, fit, attach, fix and maintain any wires, poles, brackets, fixtures and fittings in, over or upon your home for the purpose of supplying radio and television diffusion service to any other property;
- (b) the right to install and maintain, or improve in your home and in the shared areas cables, wires, fixtures or other equipment for provision by us of emergency alarm or security systems.

Your rent – Section 6

2. Changing Your Rent

- a) The weekly Rent includes your Basic Rent and service charges. We can increase your Rent by giving you four weeks' notice in writing.

- b) Fuel charges, where they apply, are also collected as part of the Rent and may be varied by written notice.

For details on how to pay your rent see Section 7.

Your obligations as a tenant – Section 7

You have the following obligations:-

1. Possession

- (a) To live in the property as your only or principal home.
- (b) You or someone on your behalf must tell us as soon as practicable if you will be away from your home for more than 28 days so that we know that you have not abandoned your home, so that legal action is not commenced.

2. Rent (inclusive of Service Charge and Other Charges)

- (a) The rent (as set out at the start of this tenancy agreement) must be paid when due.
- (b) If you have a joint tenancy you are both jointly and separately responsible for all the Rent due and for any arrears. This means that if one joint tenant leaves we can recover all or any of these amounts from the joint tenant who stays in the home. We can also recover them from the joint tenant who leaves unless a notice to quit is received from one of the joint tenants (or we have taken steps to end the joint tenancy) the joint tenancy continues whether or not both joint tenants live in the home. This also applies to your other obligations as a tenant.
- (c) We operate a 50 week Rent collected period which allows two weeks where no rent is due **PROVIDED THAT** you are not behind with your payments and have arrears.
- (d) If you have arrears of Rent you must continue to pay off the

arrears during the weeks where no rent is due.

- (e) No adjustment by way of a refund will be made if you stop being a tenant before a week where no rent is due.

3. Arrears and Advance Payments

- (a) If you have made any advance Rent payments (known as credits) on your previous home's Rent account we will add the credit to your Rent account to the oldest liability first (this is known as crediting your account).
- (b) If you leave your present home to become our tenant in another home:
 - we will also be entitled to use any Rent credits you have built up on your old home to cover the Rent of your new home; and
 - in normal circumstances, we will expect you to clear your existing Rent account before a transfer or exchange of homes can take place.
- (d) If you leave your present home and do not become our tenant in another home, we will refund any credit on your Rent account, subject to there being no other debts owed to the Council.

4. Use of Your Home

You must:

- (a) use your home as a private dwelling;
- (b) not carry on a trade or business or allow a trade or business to be

carried on at your home without getting our written permission beforehand. You must obtain any necessary planning and other consents before asking for our permission. If our permission is given and the trade or business disturbs or causes nuisance or annoyance to your neighbours, our permission will be withdrawn;

- (c) not use your home, any shared area or the locality for any illegal, criminal, immoral or improper purposes.

Examples of illegal, criminal, immoral or improper purposes could include:

- the selling or storing of drugs, drug abuse or domestic violence.

These are examples only and are not exhaustive or exclusive.

- (d) not display any business advertisement, sign or notice on your home without getting our written permission beforehand, which may be withheld at our discretion.

5. Care of Your Home

You must:

- (a) keep your home in a clean and tidy condition (including shared areas in the case of flats), in particular:

- you must not place any item or items or allow any item or items to be placed in such a position (either inside or outside your home) so that access to and from your home or to and from any neighbouring property or land is obstructed;
- you must keep the garden, if you have one, in a tidy condition, free from rubbish

and maintained to a reasonable standard.

- (b) make sure that no flammable or dangerous materials, paraffin, petrol or bottled gases, such as those used in portable room heaters, are kept on or in your home in quantities which might cause danger;

- (c) not damage, deface or put graffiti on your home or any part of our property. You will have to pay for any repair or replacement arising from any damage caused to your home or any other property by your family, visitors, including children or lodgers. These costs may be charged in addition to your Rent.

- (d) if you occupy a flat, you must co-operate with the Council and your neighbours to keep any shared areas clean, tidy and clear of any obstructions. This duty must be shared equally between all residents. Failure to comply with this obligation could result in us carrying out this work ourselves and re-charging you for the full cost;

- (e) not install any large fish tank(s) or other large pet enclosures without getting written permission beforehand. The purpose of this condition is to avoid structural damage being caused to your home as a result of weights being too heavy for your home to bear;

- (f) not put up any structures such as sheds, garages or pigeon lofts or external fixtures such as satellite dishes, television or radio aerials without getting our written permission beforehand and, where required, Planning Permission and/or Building Regulations approval from the Council;

- (g) take all reasonable steps to prevent damage to your home by fire, frost, the bursting of water

pipes or the blocking of drains. The Tenants Handbook contains practical advice on how you can avoid damage of this kind;

- (h) not make false or malicious complaints to us about the behaviour of any other person living in or visiting within the locality of your home;
- (i) not tamper or interfere with equipment for the supply of services or other security and safety equipment. Shared area doors must not be jammed open and strangers must not be let in shared areas without identification.

You will be held responsible for the unreasonable behaviour of every person (including children) living with you or visiting you at your home or locality. This applies whether you are aware of their behaviour or not.

6. Nuisance, Discrimination and Other Harassment

You must not commit:

(a) Nuisance

As listed in the Council's Anti-Social Behaviour Policy

Tenants, other persons living in the tenants' home, and visitors behaving in a way which causes or is likely to cause danger, nuisance, annoyance or disturbance to other tenants, Council staff, contractors or any other persons residing in or visiting the locality.

You must not commit:

(b) Anti-Social Behaviour

As listed in the Council's Anti-Social Behaviour Policy

This is defined in the Crime and Disorder Act 1998 as follows:

“that a person has acted in an anti-social manner - that is to say, in a manner that caused or was likely to cause harassment, alarm or distress to one or more persons not of the same household as himself”.

(c) Harassment

As listed in the Council's Anti-Social Behaviour Policy

Harassment is an extreme form of nuisance and anti-social behaviour against groups or individuals and may be specifically described as:

Racial Harassment

Harassment which is racially motivated, defined by the Commission for Racial Equality as may be verbal or physical and which includes attacks on property as well as the person, suffered by individuals or groups because of their colour, race, nationality or ethnic origin, when the victim believes that the perpetrator was acting on racial groups and /or there is evidence of racism”.

Sexual Harassment

The interference with a person's comfort or safety on grounds of gender or sexual orientation.

Disability Harassment

The interference with a person's comfort or safety on grounds of their disability.

You (or anyone living with you or visiting your home or locality, including children) must not:

- (d) Inflict violence or threaten violence against any other person living with you or living elsewhere;
- (e) Harass or carry out physical, mental or sexual abuse, which

makes anyone who lives with you leave the home.

- (f) Use or threaten to use violence or abusive or insulting words of behaviour towards any other person, including our employees, contractors or anyone on official business at any place or at any time;
- (g) Play or allow to be played any audio equipment or musical instrument so loudly that it causes a nuisance, disturbance or annoyance to neighbours or can be heard outside your home;
- (h) Engage in any other activity that will cause annoyance to any other residence.
- (i) The tenant must not supply from or in the neighbourhood of the premises any controlled drug or other substance contrary to the Misuse of Drugs Act 1971 or related legislation. The tenant will be held responsible if members of the household, lodgers, sub-tenants or visitors do not act in accordance with this condition.

THIS LIST IS NOT EXHAUSTIVE OR EXCLUSIVE

7. Pets and Animals

- (a) You must comply with any direction given by the Council prohibiting or imposing conditions on the keeping of any animal at the property.
 - (b) Tenants are allowed to keep fish, caged birds, small caged animals and other domestic pets if under proper control. However, animals such as cats and dogs are not allowed in flats and maisonettes having communal entrances, staircases or lifts unless otherwise agreed by the Council at the commencement of the tenancy.
- (c) You are responsible for any animal in, or visiting your property, which must not cause any annoyance, or nuisance, including frightening and endangering other people.
 - (d) Dogs must be accompanied by the tenant, or a responsible member of the household, and kept on a lead in communal areas.
 - (e) You must comply with any signs displayed on a grassed open space which prohibit or regulate fouling and not allow your pet to foul or soil any other communal areas or children's play areas. You must also clean up any fouling by your pet.
 - (f) You and any person living in, or visiting the property, must keep any animal in his or her care in a responsible manner and under proper control at all times.
 - (g) You must not keep any livestock. Examples of which are (but not limited to) horses, donkeys, goats, pigs, cattle, ducks, geese, chickens, or pigeons at the property without the written consent of the Council.
 - (h) Any pets and animals that you keep in your home must not cause damage to your home and/or a nuisance to your neighbours and/or their lawful visitors.

8. Internal Decoration and Repairs

You must:

- (a) notify us promptly of any disrepair or defect at your home or the shared areas or in any installation to your home or in the shared areas, which are our responsibility;
- (b) keep the inside of your home in good and clean condition and decorate all internal parts of your home as often as is necessary to

keep them in good decorative order;

- (c) pay the total costs of any works of repair or replacement arising from any damage to your home (other than fair wear and tear) caused or permitted by you, your family, your pets, lodgers or visitors, including children. You have a duty to take reasonable care of your home and any shared areas internally and externally. Charges for repairs done as a result of carelessness, neglect or wilful act will be made both during the tenancy and once the tenancy has ended, at the full cost;
- (d) pay for repair or replacement if damage is caused deliberately or by your own neglect. These charges will also apply if you have left your home, even if the charges have been identified after you have left your home.

9. Rubbish

You must dispose of all rubbish and refuse promptly and properly and not allow rubbish or other waste to accumulate in or around your home. You must take the appropriate action to deal with the disposal of bulky items.

10. Shared Areas

If you share any shared areas with other tenants you must:

- (a) keep them free from obstruction, rubbish and defacement;
- (b) not throw anything from any landing, balcony, corridor or window in your property or in the areas shared with other people; and
- (d) keep noise in shared areas to a reasonable level to avoid causing a nuisance to others.

11. Access

You must:

- (a) allow us, or anyone working for us, including contractors acting on our behalf, reasonable access to all parts of your home. Access will usually be during the daytime, on production of appropriate proof of identity, to inspect the condition of your home or carry out repairs or other works to your home or adjoining property. We will normally give you a minimum of 24 hours notice that we need access, but we may need immediate access in an emergency; and
- (b) clause (a) applies to inspections, repairs and other works to the installations in your home such as gas, electricity and water. Failure to allow access for servicing of gas installation can have catastrophic consequences, even resulting in DEATH. Furthermore, Court proceedings can be instigated if you deny or obstruct access unreasonably to your home.
- (c) not obstruct access to your home, either directly (for instance by refusing permission to enter or by cancelling appointments) or indirectly (for instance by accumulation of furniture, personal effects, stored items or unhygienic conditions).

12. Assignment, Exchange, Sub-letting and Lodgers

- (a) You must not assign, exchange, sub-let or part with possession of part of your home without getting our written permission beforehand. If permission is given, it may be subject to conditions;
- (b) You may allow anyone to live in your home as a lodger (as long as this does not make your home overcrowded), but you must notify us in writing of the lodgers name as soon as you can after he or she

moves in. This does not mean that you can sub-let or give up possession of part of your home, for this you must get our written permission.

- (c) Where deterioration of your home or any shared areas is due to the neglect or default of your lodger, sub-tenant or visitor, you are required to take whatever steps as are reasonable for the removal of the lodger, sub-tenant or visitor. You will be held responsible and charged for any damages caused to your property.

13. Garden

You must:

- (a) maintain any garden, which is part of your home in a good and tidy condition;
- (b) not cut down or remove any tree or hedge (excluding pruning) at your home without getting our written permission beforehand;
- (c) not encroach on any property, which has not been let to you. You must not allow anyone else to encroach on the boundaries of your home either and must report any attempted encroachment to us promptly.

If your garden is overgrown (and there is no good reason why you cannot do the work yourself) **we may clear it and charge you.**

14. Fencing

You must:

- (a) not erect walls or fences or alter, move or interfere with existing boundary features or boundary fencing without getting our written permission beforehand. If you break this condition we may require you to return the boundary to its original state or we may **do**

the work ourselves and charge you for it.

For more detailed information please see the Tenants Handbook.

15. Parking

You must not:

- (a) park on your garden without having written consent from the Council and an approved:
- hardstanding; and
 - access or dropped pavement.

Approval means permission from the Council, the Highways Agency and planning consent from the Council (where required).

- (b) dismantle, carry out major repairs, or leave any such vehicle in a state of disrepair or dilapidation on your home or any shared area without our specific permission. This permission may be withdrawn where it becomes apparent that it is causing a nuisance or annoyance and/or hazard to others;
- (c) any vehicle parked on a hard standing area must have a valid tax disc or statutory off-road notice (SORN), if required;
- (d) park on grass verges, other landscaped areas or use estate car parks for any purpose other than parking;
- (e) obstruct access to any other property, service road or block access for vehicles by the parking of any vehicles by you, your lodgers or visitors.

16. Overcrowding

You must not allow your home to be occupied in a manner, which could cause it to be overcrowded.

17. How You May End the Tenancy and Move Out

If you wish to end your tenancy, you must:

- (a) give us a minimum of 28 days notice in writing to end on a Sunday. If you are joint tenants, any one of you can end the tenancy;
- (b) You must serve the notice directly to:

North West Leicestershire D.C.,
Council Offices,
Coalville,
Leicestershire. LE67 3FJ
- (c) give us vacant possession of your home and return all the keys. If you install any fixtures, most of these will become our property, which you must not remove when the tenancy ends. If there is an item you wish to take with you, then you should obtain our permission in writing before you remove it. If you remove fixtures, you will be charged the cost of them being replaced. We may compensate you for certain fixtures – see term 6 of Section 3 - 'Your Right to Compensation';
- (d) remove all furniture, personal possessions and rubbish;
- (e) leave your home in good repair, good decorative order and in a clean condition. You must pay for repair or replacement if damage has been caused deliberately or by your own neglect or that of anyone living with you or visiting you (including children). You will not have to pay for normal wear and tear.

We would ask that you allow access to prospective tenants and our staff to view your home within the final 28 days of your tenancy.

We accept no responsibility for anything you leave at your home at the end of the tenancy. If any items are found in your home after you leave, we will assume that you no longer wish to keep them, they will be removed and you may be charged for the cost of removal and disposal.

How North West Leicestershire District Council may end the tenancy – Section 8

We can only end your tenancy on grounds stated in Schedule 2 of the Housing Act 1985, unless your property has been abandoned. If we intend to get a Court order against you we will give you at least four weeks' notice in writing unless we are using Grounds 2 and 2A when the notice may be less than four weeks. In extreme cases we may ask the Court for permission to dispense with any notice before we start Court proceedings. An example of an extreme case is where violence or the threat of violence has occurred and is likely to recur.

The following is a summary only of the Grounds in Schedule 2 and is not intended to override the statutory grounds.

Grounds on which Court may order possession if it considers it reasonable:

- (a) Rent due has not been paid or an obligation of the tenancy has been broken or not performed (Ground 1);
- (b) You or a person residing in or visiting your home:
 - has been guilty of conduct causing or likely to cause a nuisance or annoyance to a person residing, visiting or otherwise engaging in a lawful activity in the locality; or
 - has been convicted of:-
 - (i) using the home or allowing it to be used for immoral or illegal purposes; or
 - (ii) an arrestable offence committed in, or in the locality of, the home (Ground 2);
- (c) You live at your home as a married couple or as a couple living together as husband and wife and
 - or have undertaken a civil partnership and one partner has left because of violence or threats of violence towards the other or a person living with you and we can show that the partner who has left is unlikely to return (Ground 2A);
- (d) You or anyone living with you has damaged or not looked after your home or its surroundings, or your lodger or sub-tenant has damaged your home and you have not taken all reasonable steps to evict that person from your home (Ground 3);
- (e) You or anyone living in your home has damaged any furniture provided from us in your home or for use in the shared areas or your lodger or sub-tenant has caused damage to such furniture and you have not taken all reasonable steps to evict that person from your home (Ground 4);
- (f) You, or someone acting on your behalf, made a false statement to obtain this tenancy from us (Ground 5);
- (g) The tenancy was assigned to you by way of exchange and you received a payment from the person you exchanged with or you are a successor in title to this tenancy where the previous tenant received or gave payment for this tenancy (Ground 6);
- (h) The home forms part of a building held mainly for purposes other than housing purposes and was let to the tenant because the tenant was employed by the Council and the tenant or someone living with the tenant has behaved in such a way that it is not right for the tenant to continue

to be in occupation of that property (Ground 7);

Grounds on which the Court may order possession if suitable accommodation is available:

- (a) You have allowed the home to become overcrowded (Ground 9);
- (b) We intend to demolish, reconstruct or refurbish your home and cannot reasonably do this without the property being empty (Grounds 10 and 10A);

Grounds on which the Court may order possession if it considers it reasonable and suitable accommodation is available:

- (a) Your home has special features (which you do not need) for an elderly or disabled person and we need your home for someone who needs these special features (Ground 13);
- (b) Your home is one of a group of homes which the Council usually lets to people with special needs, there is no longer a person with special needs living in the property and the Council needs the property to let to a person with special needs (Ground 15);
- (c) You took over the tenancy as a successor and there are too few people living in your home considering the size. This term will not apply where the successor is a spouse or a partner (Ground 16).

As long as you keep to this agreement you have the right to live peacefully in your home without interference from us. These are the only grounds we will use to get a Court order against you.

If you are moved to temporary accommodation whilst works are carried out to your home and you were to refuse to move back to your permanent home proceedings could be taken under Ground 8.

THIS LIST IS NOT EXHAUSTIVE OR EXCLUSIVE. GROUNDS 11, 12 AND 14 ARE NOT RELEVANT TO THIS TENANCY AGREEMENT



Tenancy Agreement

North West Leicestershire District Council (Landlord)



NWLDCHousing



@NWLDCHousing



Youtube.com/nwldchousing

www.nwleics.gov.uk/housing

Contents

Definitions

Terms of Tenancy:

1. Introduction
2. False Statement
3. Payment of Rent and Charges
4. Use and Occupation of the Property
5. Access to the Property
6. Repairs and Maintenance
7. Insurance
8. Anti Social Behaviour
9. Unlawful Behaviour
10. Gardens
11. Boundaries, Paths and Driveways
12. Vehicles and Parking
13. Communal Areas
14. Keeping of Animals
15. Alteration to the Property
16. Recharges
17. Ending Your Tenancy
18. Consultation and Information
19. Notices

Definitions

In this Agreement, the following words have the meanings given below:

Animal/Pet: Includes bird, insect, reptile, spider, fish, livestock, cat, dog.

ASB: Anti Social Behaviour.

Assign/Assignment: Giving up the rights of a tenancy in favour of a qualifying family member or by way of mutual exchange.

Assignee: Person who is assigned a tenancy following Assignment

Communal Areas: Areas which tenants share with other tenants such as stairs, entrance halls including door entry systems, lifts, landings, balconies, access ways, paths, grassed open spaces, shared gardens or yards, parking areas, parking bays or hard standings.

Communal Aerial System: An aerial system provided and maintained by us for blocks containing more than four flats and sheltered schemes.

Demotion: A tool to combat Anti Social Behaviour which results in reduced rights and less security from eviction.

Employees: Includes any contractor, agent or anyone employed by us.

Fixtures: Includes, but is not limited to, kitchen units, bathrooms and sanitary ware.

Fittings: Includes, but is not limited to, plumbing systems, electrical circuits, sockets, switches, lamp holders, doors, locks and glazing.

Garden(s): Includes any plantings, hedges and/or trees or other land let to you as part of the Property.

Independent: Someone not affiliated with the Council or Tenant who can provide the necessary advice, such as the Citizens' Advice Bureau and Shelter Housing Advice Centres.

Improvement: Any alteration or addition to the Property.

Introductory Tenant: A Tenant who has an Introductory Tenancy under The Housing Act 1985.

Introductory Tenancy: A Tenancy which lasts for a trial period of up to 18 months. The Tenancy may then become a Secure Tenancy unless the Tenant has breached the Tenancy conditions.

Injunction: A Court Order requiring a Tenant or person to do, or refrain from doing specific acts.

Joint Tenant/Joint Tenancy/Joint Tenancies: Joint Tenants are responsible, jointly and individually, for the rent, service charges and obligations of the Tenancy

Lodger(s): A person who a Tenant allows to live in the Property, with or without payment.

Neighbours: Everyone living or working in the locality of a Tenant's Property.

Notice Seeking Possession: A legal document that is served prior to taking possession action (for Secure Tenants).

Notice of Possession Proceedings for Introductory Tenants (NOPPIT): A legal document that is served prior to taking possession action (for Introductory Tenants).

Notice Period: The period of notice required by either party to bring the Tenancy to an end. This is normally four weeks notice unless stated otherwise within the Agreement.

Notice to Terminate: A legal document that the Tenant must complete in order to bring the Tenancy to an end.

Order for Possession: A court order allowing the Landlord to legally evict the Tenant and regain possession of the Property.

Partners: Members of a couple in a relationship (including same gender relationships), who are living together.

The Property: The housing accommodation at the address specified on page 25 let to the Tenant under the Tenancy Agreement, including any garden, yard, outbuilding, garage, fence or wall also let with the housing accommodation owned by North West Leicestershire District Council.

Relatives: Parents, children, grandparents, grandchildren, brothers, sisters, uncles, aunts, nephews, nieces, step relatives and adopted children.

Rent: The weekly or monthly charge payable by a Tenant to live in the Property.

Secure Tenant(s): A Tenant who has a Secure Tenancy under The Housing Act 1985.

Secure Tenancy: A Tenancy providing the Tenant some security of tenure which means that the Tenancy cannot be terminated without a court order.

Service Charge(s): Means charges for services provided to the Tenant by or on behalf of us as Your Landlord.

Sheltered Properties: Situated in a group setting and usually within the same accommodation building with communal facilities.

Succession: Succession is a right given under the Housing Act 1985 and amended by the Localism Act 2011 for secure tenants to pass on their tenancy to their spouse or civil partner following the death of the sole or one of the joint tenants.

Successor: Person who receives the tenancy following a succession.

Supported Properties: Properties designated as requiring an individual to have a support need, whether by age, physical or mental impairment.

Sublet: Giving another person(s) the exclusive right to live in part of the Property.

Tenant(s): The person(s) who is named and signs the Tenancy Agreement and named at page 25.

Tenancy Agreement: This document contains the terms, conditions and obligations of the Tenancy.

Tenancy: Possession of land or property as a tenant of North West Leicestershire District Council

Vacant Possession: The Property is unoccupied and empty of possessions.

Visitors: People not living with the Tenant but who come to the Tenant's Property.

Vehicle(s): A car, bus, lorry, motorbike, boat, caravan, motor home, trailer, scooter, motorised transport or similar.

Void: An empty Property.

We, Us or Our: Means the Landlord North West Leicestershire District Council, who can be contacted at Housing Department, Council Offices, Coalville, Leicestershire, LE67 3FJ

Written Permission/Consent: A letter from us giving the Tenant permission in response to a request they have made. Any consent that is required will not be unreasonably withheld. If you are required to obtain consent under this Agreement, you may also need to obtain statutory consent from other organisations. Any consent given by us under this Agreement does not replace, constitute or take effect as that consent.

You: means the Tenant(s) and includes any successor or assignee,

Terms of Tenancy

1. Introduction to the Tenancy Agreement

1.1 This Agreement contains the terms, conditions and obligations of the Tenancy for you as the Tenant and us as your Landlord. You should read this Agreement carefully to ensure that you understand and accept its contents. If you do not understand any part of this Agreement we strongly recommend you ask for it to be explained to you before you sign it. You might consider consulting a solicitor, Citizens Advice or Housing Advice Centre before you proceed. By signing the Tenancy Agreement you are agreeing to become a Tenant of North West Leicestershire District Council.

1.2 There are two kinds of tenancy contained in this Agreement:

- Introductory Tenancy
- Secure Tenancy

By signing this Agreement, you are entering into a legal contract with us and will become either an Introductory or Secure tenant. On your Tenancy Agreement we tell you whether your Tenancy is an Introductory or a Secure Tenancy. If you have an Introductory Tenancy, we also tell you within the Tenancy Agreement, the date it will become a Secure Tenancy.

Table A in Section 1.6 shows in brief the rights of Introductory and Secure Tenancies.

1.3 If you had a Secure Tenancy immediately before entering into this Tenancy Agreement you will remain a Secure Tenant. As a Secure Tenant you have the right to live in the Property (right to possession) so long as you comply with this Tenancy Agreement. We will not normally interfere with your right to possession unless the court grants us permission. A Notice of Seeking Possession/Demotion must be served on you before any legal action to end your Secure Tenancy can begin.

1.4 If you did not have a Secure Tenancy immediately before entering into this Tenancy Agreement you will be an Introductory Tenant. An Introductory Tenancy is a trial period of one year from the date of the Tenancy Agreement and you have fewer legal rights than a Secure Tenant. You must demonstrate to us that you are able to comply with your Tenancy Agreement. This includes, but is not limited to:

- Not behaving, or allowing any persons living in or visiting the Property to behave in an anti-social manner, including causing a nuisance or harassing others
- Paying your Rent on time
- Looking after the Property

Unless we take action to end or extend your Introductory Tenancy, you will automatically become a Secure Tenant upon the expiry of your Introductory Tenancy shown on your Tenancy Agreement.

- 1.5 If you breach your Tenancy Agreement we may either extend your Introductory Tenancy by up to six months or take legal action to evict you. Legal action to evict you may mean you incur legal costs which you will be liable for. You can ask us to review our decision to end or extend your Introductory Tenancy. If we apply to the court to end your Introductory Tenancy, the court will grant the Order for Possession providing we have followed the proper procedure.
- 1.6 If you have signed this Tenancy Agreement with someone else you are a Joint Tenant. In Joint Tenancies each Tenant is jointly and individually responsible for the Tenancy. If one Tenant leaves the Property both Tenants are still responsible for abiding by this Tenancy. Your rights and responsibilities cannot be split or shared between you. If one of you ends this Tenancy it has the effect of ending the Tenancy for each of the Joint Tenants.
- 1.7 If you or someone you are a Joint Tenant with passes away, your spouse or civil partner will be able to succeed to your tenancy as long as they are not already a successor.
- 1.8 Your rights as a tenant are summarised in Table A below:

Table A

Legal rights of Tenants	Secure Tenants	Introductory Tenants
Right to succession of spouse/civil partner	Yes	Yes
Right to succession of family members	No	No
Right to Repair (Regulations)	Yes	Yes
Right to be consulted on housing management issues	Yes	Yes
Right to Assign to those with succession rights	Yes	Yes
Right to Buy	Yes in most cases	No
Right to take in lodgers	Yes	No
Right to sub-let	Yes with written permission	No
Right to improve	Yes with written permission	No
Right to Mutual Exchange	Yes	No

- 1.9 Your Tenancy starts on the date set out in this Agreement. It continues until you or we end it.
- 1.10 As long as you pay your rent and you comply with the Tenancy Agreement, we will not normally ask the court for an Order for Possession. However, there may be occasions where possession of the Property is required by us, for example, when we need to move you to a new home if the Property is to be demolished. In these situations you will be given

assistance by us to help you relocate and we will be subject to relevant notice periods regarding obtaining possession.

- 1.11 If you have difficulty keeping to your Tenancy Agreement, you must contact us as soon as possible. We can then provide you with support, advice or help to sort out any problems you may be experiencing. This may avoid us having to take legal action against you.
- 1.12 You must occupy the Property as your only or principal home. If you acquire another property you must continue to live in the Property subject to this Tenancy Agreement otherwise we may ask the court for an Order for Possession.
- 1.13 We are committed to the prevention and detection of fraud and participate in data monitoring exercises for this purpose. We advise you that the data held by us in respect of your Tenancy will be used for cross-system and cross-authority comparison purposes for the prevention and detection of fraud. We may also share your data with others as permitted in law, including utility providers.

2. False Statement

- 2.1 If you or someone acting on your behalf has made a statement in an application for housing accommodation which you:
 - Knew was false; or
 - Thought could be false; or
 - Contained information which deceived us in allocating you this Tenancy

We may take legal action to regain possession of the Property.

3. Payment of Rent and Charges

- 3.1 You must pay your rent, together with any service charges due, in advance on Monday of each week. If you pay your rent by Direct Debit or Standing Order these payments must also be paid in advance.
- 3.2 You must pay the Rent, including service charges for any period of less than a week at the start or end of this Agreement, at a daily rate equivalent to the Rent payable for one week, divided by 7.
- 3.3 You must not withhold rent or any service charges for any reason.
- 3.4 You must pay any debt outstanding from any tenancy in full e.g. unpaid rent, tenancy charges, and charges for damage to the Property.

- 3.5 If you are Joint Tenants, you are each responsible for the rent and service charges, both jointly and separately. This means that we can recover arrears from you jointly, or each of you individually until the full amount outstanding is cleared.
- 3.6 If you have any difficulty paying your rent or service charges, you, or someone acting on your behalf, must contact us immediately.
- 3.7 If you do not pay your rent, rent arrears or service charges we may take court proceedings to evict you from the Property. These proceedings may incur additional charges such as legal fees and court costs which will then be added to your rent account.
- 3.8 We may vary the amount of rent or service charges you have to pay. You will be notified in writing of any such variation four weeks before any change takes effect.
- 3.9 If you wish to pay your rent fortnightly or monthly, you should agree this with us and permission will only be granted if you pay in advance to avoid recovery action being taken against you.
- 3.10 We may incur costs associated with pursuing you for any debt accrued by you. Unless the court orders otherwise, you must pay our reasonable legal costs and expenses properly incurred in enforcing this debt.
- 3.11 You remain liable for rent and service charges during your notice period. Your liability for rent remains until your Tenancy legally ends.
- 3.12 Your rent is subject to an annual review which may result in a change to the amount that we charge you for living at the Property.

4. Use and Occupation of the Property

- 4.1 You must use and occupy the Property as your only or main home. Where the Tenancy is a Joint Tenancy, at least one of you must occupy the Property as your only or principal home.
- 4.2 You must tell us if you are going to be away from the Property for more than a month and ensure that we are advised of a contact address and a nominated key holder/caretaker in case of an emergency.
- 4.3 You may take in lodgers as long as you are a secure tenant and the Property does not become overcrowded as a result. However, you must get our prior written permission before you take in lodgers. You must also provide details of their name, date of birth, gender, National Insurance Number, former address and details of the rooms that they will occupy.
- 4.4 You must not, without our prior written permission, sublet part of your Property. You cannot sublet the whole of the Property as you will no longer be a secure tenant.

- 4.5 You may have the right to assign the tenancy. However, there are statutory criteria which apply to any assignment and our consent is required. Permission may be refused if, but not limited to if:
- You have rent arrears
 - We are considering or have started possession proceedings based on rent arrears, unacceptable behaviour or condition of the Property
 - The person you wish to assign the tenancy to is not financially secure as determined by us
 - The Property has been adapted and the person being assigned the tenancy does not require the adaptations
- 4.6 You must not run a business from the Property which may affect nearby residents or your neighbours without obtaining our prior written permission. Prior to granting any such permission we will consider various factors including but not limited to, planning issues, the amount of noise generated, nuisance likely to be caused to your neighbours and whether damage to the Property may occur. An inspection of the Property may also take place before full permission is granted.
- 4.7 You must not place or exhibit any notice board or notice visible from outside the Property advertising any profession, trade or business or any goods or services without our prior written permission.
- 4.8 You or anyone living with you must not keep or use bottled gas, paraffin, petrol or any other dangerous material in any part of the Property which includes, but is not limited to, any of the Communal Areas, outbuildings and Gardens. It also includes any other area owned by us, except where necessary for normal domestic purposes, for medical purposes or where the equipment has been prescribed by a registered medical practitioner. You must not keep large amounts of these substances on the Property and the substances must be stored appropriately and safely at all times.
- 4.9 You must not use paraffin or petrol heaters, or liquid or bottled gas heaters, in the Property without our prior written consent.
- 4.10 You or anyone living with you must not use as bedroom accommodation, any room where an open flue gas appliance is installed.
- 4.11 You must notify us of any permanent changes in occupation to the tenancy including, but not limited to:
- A new baby arriving
 - A new partner arriving
 - Persons previously occupying the Property and leaving the Property for whatever reason including the death of an individual
- 4.12 You must not intentionally overcrowd the Property.

5. Access to the Property

- 5.1 You or anyone living with you must allow us, our employees and any other authorised person's safe access to the Property. We will provide you with at least 24 hours notice in writing, (except in an emergency - see condition 5.4) setting out the reason we require access and the date and time of our visit.
- 5.2 We may require access to the Property for various reasons, including but not limited to:
- Inspecting the condition of the Property including pre-termination tenancy inspection
 - Carrying out repairs
 - Undertaking improvements
 - Servicing checking and/or maintaining equipment within the Property in line with regulations and legislation
 - Facilitating any of the above to any adjoining premises e.g. party walls, flats, roofs etc
- 5.3 We will give you at least 24 hours written notice if we intend to enter the Property, unless we believe that there is an immediate risk to the health or wellbeing of any person, or a substantial risk of serious damage to any property.
- 5.4 In an emergency we may require immediate access to the Property without prior notice. In the event that such access is necessary and the property is unoccupied or access is denied, we may use reasonable force to gain entry to the Property. We will take reasonable steps to contact your nominated key holder in your absence, will leave the Property secure and advise where the keys are held.
- 5.5 Examples of emergencies include, but are not limited to:
- Fire
 - Flood
 - Gas leaks
 - Threat or risk of personal injury
 - Threat or risk to the structure of our property
 - Unsafe heating appliances or electrics
 - Suspicion of any of the above
- 5.6 Where access is denied to the Property and we deem it necessary to gain access, we may apply for a court order to allow us legal rights to access. We may then recover the costs of securing access from you. Further to this we will not be responsible for reinstating any alterations or additions removed, altered or damaged as a result of Our access to the Property.

6. Repairs and Maintenance

- 6.1 On the day that you move into your Property you must check the entire Property and note any repairs that require our attention. If there are any repairs that are our responsibility to

put right, please notify North West Leicestershire District Council, Housing Department, Council Office, Coalville, Leicestershire, LE67 3FJ within seven days of moving in.

- 6.2 During your Tenancy you must inform us promptly if any repairs (or other matters that we are responsible for carrying out) come to your notice. This will enable us to arrange an inspection and/or for the repair to be carried out.
- 6.3 You must keep the inside of the Property in a clean and tidy condition, free from excessive accumulation of belongings or rubbish that could cause a health and safety or fire risk to you or anyone else and must not allow the condition of the Property to deteriorate.
- 6.4 The Property must be kept in at least as good a condition as it was at the start of this Agreement, or after any improvements, but subject to reasonable wear and tear.
- 6.5 All rooms must have clear access and exit routes at all times.
- 6.6 You or anyone living at or visiting the Property must ensure that you are able to evacuate the Property in the event of a fire or other emergency situation.
- 6.7 You must ensure that any fire or smoke detection equipment installed in the Property is working correctly. This means that you must test the fire or smoke alarms regularly and replace the batteries where necessary. If a fire or smoke alarm fitted by us is not working correctly, you must notify us promptly.
- 6.8 You must not do anything that might reduce the fire safety at the Property or in any Communal Areas or common parts. This includes (but is not limited to):
 - Removing or damaging any fire detection devices
 - Removing, altering or damaging any structures that provide fire separation (such as doors and walls)
 - Interfering with or damaging any installations for the supply of electricity, gas or any other service
 - Removing or damaging any instructions relating to fire safety procedures
 - Blocking, restricting or otherwise reducing any escape routes.
- 6.9 You must inform us immediately of any damage, however it has occurred, to the Property, fixtures and/or fittings for which we are responsible.
- 6.10 Damage includes any damage whether caused intentionally or accidentally or as a result of negligence, recklessness or neglect.
- 6.11 You and anyone living in or visiting the Property (including animals) must not damage or destroy the following (including but not exhaustive):
 - The internal and external structure of the Property - including any glazing, internal walls, floors or ceilings
 - The fittings for the supply of gas, water and electricity
 - Bathroom and toilet fittings
 - Room heating systems
 - Water heating systems

- Kitchen units and fittings
 - Internal fixtures and fittings for example doors, internal glazing and smoke alarms
 - Sheds, garages, fencing, patios, paths, any part of the garden area, open plan space or communal walkways
 - Any other installed element which the Property benefits from
- 6.12 You are responsible for carrying out certain small repairs and replacing certain items of fixtures and fittings. These are listed in your Tenants Handbook.
- 6.13 You are responsible for the repair, maintenance and replacement of any TV aerial serving the Property, except where it is provided via a Communal Aerial System.
- 6.14 You are responsible for repairing any damage to any part of the Property caused by the deliberate or careless actions or omissions of yourself, or of anyone living with you or visiting you (including animals).
- 6.15 If damage has occurred to the Property we may serve a notice on you requiring you to put it right. If you do not comply with the notice we may enter the Property and undertake any necessary work to make good the damage. You will be recharged for these works in accordance with our Rechargeable Works Policy.
- 6.16 You are responsible for repairing and maintaining any alterations or improvements which you have carried out to the Property.
- 6.17 Where such alterations and improvements have come to the end of economical useful life we may put these back to our standard specification.

7. Insurance

- 7.1 You should consider obtaining insurance for accidental damage, contents and your belongings. We will only insure the structure and fabric of the Property.
- Please refer to the Tenants Handbook in reference to what we are insured for
- 7.2 In situations where we carry out repairs which are not our responsibility we may recharge you the cost of doing so. For example, if you accidentally nail through a pipe, we can carry out the necessary repairs and recharge the cost to you which. This may include but is not limited to costs related to consequential damage and administrative charges.
- 7.3 It is your responsibility to ensure that repairs which you are responsible for are carried out. If you have your own private buildings insurance that covers accidental damage you may be able to reclaim the cost of this work.
- 7.4 A separate recharges section is included in this Tenancy Agreement. See section 16.

8. Anti-Social Behaviour

8.1 You are responsible for your own behaviour and for that of anyone living with you, whether permanently or temporarily, or visiting you, including but not limited to relatives, animals and visitors.

8.2 You, relatives or anyone living with you, your animals and your visitors must not cause, or act in a way which is likely to cause, nuisance, annoyance or disturbance to people living, visiting or working in the locality of the Property. Examples of nuisance, annoyance or disturbance include but are not limited to:

- Foul and abusive language
- Loud music
- Shouting, arguing, door slamming
- Dog barking and fouling
- Offensive drunkenness
- Urinating in public
- Playing ball games close to somebody else's home
- Causing damage or neglecting the Property
- Lighting excessive fires or burning of toxic materials at the Property
- Fly tipping

"People working in the locality of the Property" includes:

- Our employees, contractors and other people engaged in lawful activity in the area e.g. postal workers.

8.3 You, relatives or anybody living with you, your animals and your visitors must not cause or act in a way which is likely to cause people living, visiting or working in the locality of the Property to feel harassed, abused or threatened.

"Harassment" includes but is not limited to:

- Violence or threats of violence towards any person including our employees, agents or contractors
- abuse or threats towards our employees, agents or contractors including but not limited to:

Abusive or insulting words or behaviour including that sent via email, social networking sites and mobile phones

Damaging or threatening to damage another person's property or home

Writing threatening remarks or insulting graffiti

- Interference with the peace or comfort of any other person because of a person's sexuality, gender, gender reassignment, colour, race, age, nationality, ethnic or racial origins, disability, religion, marital status or because they have HIV/AIDS

- Must not inflict domestic violence or threaten violence against any other person including the use of mental, emotional or sexual abuse to anyone
- 8.4 You, relatives or anyone living with you, and your visitors must not make false or malicious complaints about the behaviour of another person.
- 8.5 You, your relatives or anyone living with you, animals, and your visitors, must not cause or act in a way which is likely to cause damage to the Property, dump rubbish on or misuse Communal Areas, corridors, stairwells, shared entrances, play areas or anywhere else including any other property, or land owned by Us.
- 8.6 Any items found may be removed without further notice, particularly if deemed to be a health and safety risk such as flammable items, trip hazards or if they are blocking exits.
- 8.7 You, your relatives or anyone living with you, and your visitors must comply with the law on smoke free premises. By smoking in smoke free premises you are deemed to be breaking the law.
- 8.8 You must make sure that you do not allow, incite or encourage other people living with you, relatives or visitors to the Property to engage in behaviour as described in the conditions 8.2 - 8.7 above.
- 8.9 The housing department's Anti Social Behaviour Policy includes details of what the Housing Department considers Anti Social Behaviour. We will rely on the conditions above and/or the Anti Social Behaviour Policy when looking to enforce the conditions of this Tenancy Agreement should we believe you have engaged in Anti Social Behaviour.

9. Unlawful behaviour

- 9.1 You, your relatives and visitors must not do, threaten to do, incite or encourage others to do anything illegal or unlawful in the Property or in the locality. Examples of such unlawful behaviour include (but are not limited to):
- Selling or conspiring to sell, possessing, storing, manufacturing or cultivating illegal drugs or other illegal substances
 - Storing, handling or selling stolen goods
 - Selling or supplying alcohol without the appropriate licence or permission or in breach of that licence or permission
 - Selling or supplying illicit tobacco or cigarettes
 - Keeping illegal or unlicensed firearms or weapons
- 9.2 You must not steal anything from the Property, Gardens, Communal Areas, common parts or from any land or property owned or previously owned by us or from any land or building in the locality.

10. Gardens

10.1 You must keep your Garden area (if any) well maintained at all times. You are responsible for the upkeep of all parts of your Garden. This includes, but is not restricted to grass, trees, plants, bushes and hedges.

- The grass must be cut regularly and must not become overgrown
- The Garden must be weeded regularly
- No waste or rubbish should be stored in the Garden or outbuildings
- Hedges/bushes/trees/plants must be cut and maintained to a reasonable height in keeping with local planning regulations
- Occasional bonfires to dispose of Garden waste are permitted but complaints will be investigated. The bonfire must be situated at a safe distance from buildings, fences, hedges and anything flammable and supervised by a responsible adult.

10.2 If you do not carry out the necessary Garden maintenance, and the Garden causes an eyesore or causes a health and safety risk, we may serve a notice on you requiring you to put your Garden in the condition required by condition 10.1 or require you to do anything reasonably required to remedy the breach. The notice shall specify the time or times within which the work required to be done in the notice must be completed. If the work is not completed within the specified time or times, We may enter the Property and undertake the necessary work and recharge reasonable costs (including any administration costs) to you.

A health and safety risk may for example include, overhanging branches, hedges encroaching onto the highway, waste and rubbish that could provide food or harbourage for vermin or pests.

10.3 You must not have any plant in your Garden that causes a nuisance or annoyance to your Neighbours, other people in the locality or us. This includes (but is not limited to) plants that may spread uncontrollably, plants that may spread onto the path or road or plants with root systems that could cause damage to the Property or neighbouring properties.

10.4 You must not plant any tree or plant on the Property which may grow to a height of more than two metres without prior written consent from us. Consent would not be unreasonably withheld.

10.5 You, relatives or anyone living with you, and your visitors must keep any communal garden area outside of the Property, clean, tidy and free from rubbish or furniture at all times.

10.6 You must share the use of any driveway which gives access to the Property and any adjoining property with the occupiers of the adjoining property.

10.7 You must not fence off or enclose any part of the driveway without our prior written consent.

11. Boundaries, Paths and Driveways

- 11.1 You will be required to obtain permission from us to install or remove fencing, walls, paths, hedges or driveways and the work will be pre and post inspected at our discretion.
- 11.2 The maintenance of any fencing, walls, paths, hedges or driveways installed by You will be Your responsibility.
- 11.3 We will maintain any fencing, walls, paths or driveways installed by the council or present at the time your tenancy commenced. Usually this will be through a planned programme of works over a number of years unless there are specific health and safety concerns. The type and timing of the work will be at our discretion and removal of fencing, walls, hedges or driveways will also be considered, where repair is not economical.
- 11.4 The maintenance of any hedgerow or tree(s) which define or mark the boundary will be Your responsibility.

12. Vehicles and Parking

- 12.1 You, anyone living with you or visiting you must not do any of the following:
 - Park a vehicle anywhere on the Property unless the Property has a garage, parking space or a driveway which is a hardstanding with a dropped kerb.
 - Allow anyone, other than your relatives, visitors and/or friends to park at the property.
 - Park any vehicle which is untaxed, illegal, is not roadworthy or is in disrepair on any land belonging to us. If you do, we may remove the vehicle. You will then be charged the full cost for its removal.
 - Store a Caravan or Motorhome on the Property without our written consent
 - Allow a Caravan or Motorhome to be used as living quarters whilst it is on the Property
 - Build a parking space, garage or driveway (hardstanding) without our written permission.
 - Drive across a kerb to access the Property unless the kerb has been dropped in accordance with the regulations of the Highway Authority. You must have written permission from us and the Highway Authority to adapt a pavement so a vehicle can cross it.
 - Drive or park any vehicle over any grassed or landscaped area
 - Park any vehicle on a designated area set aside for emergency vehicles or park in any area which causes an obstruction or would block access for emergency vehicles or refuse collection vehicle.

- Double park vehicles or park in a way which causes obstructions to pedestrians or other road users.
- Carry out any vehicle repairs or maintenance, except minor maintenance on your own vehicle or to any vehicle on the Property, Communal Areas, Gardens, driveways or roads in the neighbourhood without prior written consent being given by Us.
- Use any Garden or driveway to the Property to store, load or unload vehicles, store scrap metal or break up vehicles for spare parts.
- Cause nuisance to Neighbours or damage to pathways, driveways and parking spaces through leakages or spillages from vehicles.
- Have a motor-related business from the Property or receive payment for repairing any vehicle at the Property.
- Store any moped, motorbike or machinery having a petrochemical engine inside the Property or in Communal Areas.

12.2 Your vehicle must be less than 2 metres high (6 foot 6”), less than 1.83 metres wide (6’) and less than 4.8 metres long (16 feet). If you wish to park a bigger vehicle you must have prior written permission from us to do so.

13. Use of Communal Areas

13.1 You, anyone living with you or visiting you must abide by the following:

- Share the use of Communal Areas with other tenants. You must not cultivate, fence off or restrict access to any parts of the Communal Areas without prior written consent from Us.
- Not build, construct or place any building or other structure in the Communal Areas without our prior written consent.
- Not leave waste or other items in the Communal Areas (except in designated bins or other appropriate receptacles).

Not to cause nuisance, annoyance or disturbance in the Communal Areas. This includes (but is not limited to):

- Allowing your pet, or that of a relative or visitor, to foul the Communal Areas without clearing it up immediately.
- Allowing your pet, or that of a relative or visitor, to cause a nuisance, annoyance or disturbance.
- Play ball games.
- Noisy, abusive or intimidating behaviour.
- The consumption of alcohol when this behaviour becomes a nuisance to others.

- Inappropriate sexual behaviour.
- Causing damage to the Communal Areas.

13.2 If you are in breach of any of the conditions listed at 13.1 we may charge you the cost of repairing, reinstating or cleaning the Communal Areas or otherwise remedying your breach and recover these costs from you.

14. Keeping of Animals

14.1 If you live in a house or bungalow, you have our consent to keep the following animals without our written permission:

- One domestic dog; and/or
- One domestic cat; and/or
- One domestic caged bird; and/or
- Fish kept in an aquarium indoors; and /or
- Small caged pets for example, gerbil, hamster or rabbit.

The size of the aquarium or cage must not exceed 1.83 metres in width (6 '), 0.61 metres in depth (2') in depth and 1.22 metres (4') in height without our written permission.

No other type of pet or animal, including livestock may be kept without our prior written permission which will not be unreasonably withheld or delayed.

14.2 If you live in a house or bungalow and wish to keep any pet, animal or livestock, other than or in addition to those detailed in condition 14.1, you must obtain our prior written permission.

14.3 If you live in a flat or in Sheltered Properties, which has a communal entrance, you or anyone living with you may not keep a pet without our prior written permission.

14.4 You are responsible for the control of any pets/animal(s) which belong to you or anyone living with you.

14.5 You must not keep a pet/ animal in a communal area.

14.6 You must not breed pets/animals for commercial purposes at the Property.

14.7 You must not build any animal enclosures without prior written consent from us, in any part of the Property.

14.8 You must not board animals on a commercial basis without prior written consent from us.

14.9 If feeding wild animals or birds from your property, communal areas, outbuildings, gardens or from any part of the land belonging to us, you must do so responsibly, in a manner which does not attract vermin or cause a nuisance to your neighbours.

14.10 You must make sure that no animal you keep at the Property (or that you are responsible for) causes nuisance or annoyance to anyone:

Examples of nuisance include but are not limited to:

- Allowing your pet/animal to persistently foul in an inappropriate place
- Failing to clean up fouling in a timely manner
- Barking
- Creating a foul smell
- Not being kept under control
- Creating any type of danger or health hazard
- Encroaching onto other peoples gardens

14.11 You, your relatives or your visitors or anyone living with you must not leave any pet/animal unattended for more than 24 hours either inside or outside of the Property.

14.12 Any permission obtained from us for you to keep a pet/animal may be withdrawn if your pet/animal creates a nuisance.

14.13 You must make sure that no pet/animal kept at the Property causes any damage:

- To the Property;
- To a Communal Area
- In the locality
- To any land owned by Us

You will be held liable should any damage be caused,

14.14 You are responsible for putting right any damage attributable to your pets, or those pets/animals you are responsible for.

14.15 You, your relatives or anyone else living with you, and your visitors must ensure that no pets/animals kept at the Property prevents our employees, or any other authorised person's from gaining access to the Property.

14.16 You must not keep any animals prohibited by law within the Property. All legislation relating to Pet ownership must be adhered to.

15. Alterations to the Property

15.1 You must obtain our prior written permission before making any alteration or addition to the Property

15.2 Permission may not be unreasonably withheld by us.

- 15.3 The list of structure erections, alterations and improvements include, but is not limited to:
- Building an extension
 - Removing internal walls
 - Changing the use of a room e.g. a living room to a bedroom
 - Adding, changing or replacing fixtures and fittings: eg: kitchen, bathrooms
 - Installing a water meter
 - Decorating the exterior of the Property
 - Altering or tampering with gas, electricity or water supplies
 - Erecting an aerial or satellite dish
 - Building a structure e.g. car port, garage, hard standing driveway or shed
 - Creating ponds and/or carrying out major landscaping
 - Removing any tree, hedge or boundary fence or wall
- 15.4 When deciding whether it is reasonable to grant written permission we will consider a range of factors including but not limited to the impact of the alteration or improvement on the surrounding properties.
- 15.5 Any consent given by us may be subject to any reasonable conditions including (but not limited to):
- That work must be undertaken by a properly qualified person registered with the appropriate regulatory body
 - That you have obtained all necessary consents and approvals for the works
 - That you are responsible for maintaining the alteration or addition including complying with any statutory or other requirements related to the alteration or addition
 - That you may be required to remove the alteration or addition and reinstate the Property at the end of this Tenancy or when required to do so by us
 - That we will not be liable to you or any other person for any loss, damage or other harm arising from the alteration or addition
- 15.6 We may serve a notice on you requiring you to remove any unauthorised alterations or additions. An alteration or addition is unauthorised if it is undertaken without prior written consent or if it is not completed in accordance with the terms of the consent.
- 15.7 You must repair any damage resulting from the construction or removal of the alteration or addition. If you do not comply with the notice, then we may undertake necessary work to remove the alteration or addition and you will be liable to pay our reasonable cost of the work.
- 15.8 You may be entitled to compensation for certain improvements you undertake to your home when your tenancy ends. Compensation will be paid in accordance with the legislation: The Secure Tenants of Local Authorities (Compensation for Improvements) Regulations 1994 or as subsequently amended.

16. Recharges

- 16.1 We reserve the right to charge you for the following (not exhaustive):
- Repairing any damage to the Property or Garden or Communal Area
 - Repair and/or replacement of damaged Fixtures and Fittings
 - Costs incurred by us as a result of breach by you of conditions in relation to this agreement
 - Costs incurred as a result of maintaining your Garden
- 16.2 We are entitled, and you agree to, the deduction of any reasonable costs associated with the above at condition 16.1 from any monies held by us lawfully due to you.

17. Ending Your Tenancy

- 17.1 You must provide us with four weeks' notice, in writing, before you leave the Property and end your Tenancy. The four weeks' notice must commence on a Monday.
- 17.2 You will be liable for payment of Rent during the four weeks' notice period.
- 17.3 When you move out of the Property you must:
- Provide us with vacant possession of the Property when your Tenancy ends.
 - Pay all Rent and Service Charges up to the date of the end of your Tenancy. If you owe Us money for Rent or Service Charges when you leave the Property, you must make arrangements to pay the debt
 - Reinstate any unauthorised alterations to the Property or any authorised alterations that are subject to the condition that they are reinstated at the end of this Agreement
 - Ensure that you record a final meter reading for your utilities and notify all of your suppliers of that reading and of your departure
 - Remove all of your furniture, personal belongings and rubbish from the Property
 - Return all the keys to the Property to our offices, or as directed at the time of submitting your written notice to end your Tenancy. This must be done by 12noon on the date agreed by us. If you do not return the keys by the agreed date, you will be responsible for additional rent.
 - Advise us of your new address
 - Make sure that all household members, Lodgers, Subtenant and Animals leave the Property at the same time as you.
- 17.4 If you return the keys to the Property to us or you vacate the Property without giving written notice to end your Tenancy, we will treat this as a lawful surrender of your Tenancy and an end to this Agreement, once four weeks have elapsed. You will be charged rent during this four week period and we will hold the keys on your behalf. During this four week period we reserve the right to enter the property to carry out repair and maintenance works and/or undertake security works we deem appropriate. You may access the

Property during this period with our prior permission which we will not unreasonably withhold.

- 17.5 The Property (including the Garden, outbuildings and loft space) must be left in a clean and tidy condition. You must clear and dispose of all your personal belongings, furniture and personal effects including rubbish from the Property.
- 17.6 You must make good any damage to the Property before ending your Tenancy. Any alterations or additions that have been carried out to the Property by you, anyone living with you or visiting you, without our written permission, must also be returned to their original state prior to ending your Tenancy.
- 17.7 We will remove, store and if not collected within one calendar month, sell or otherwise dispose of, any furniture, goods or personal items which you fail to remove from the Property at the end of your Tenancy either on surrender of the Property by abandonment, court order or termination by you. At any time, once the Property has been vacated, we will immediately remove and dispose of any perishable goods or waste products that we consider would be unreasonable to store as stated above. This includes such items as food, rubbish, domestic waste and goods damaged beyond economical repair. You will be responsible for all reasonable costs which we may incur in collection, storage and/or disposal of the above.
- 17.8 Unless required by law we will not be responsible for any damage or loss of goods/belongings stored by us under 17.7 above.

18. Consultation and Information

18.1 Right to Consultation

You have the right in law to be consulted in respect of certain matters which relate to your Tenancy including significant changes to this Agreement. This is explained in more detail in the Tenants Handbook.

18.2 Right to Information

We must provide you with a copy of your Tenancy Agreement. We publish our policies and procedures which you may see, together with a range of other information booklets on our website www.nwleics.gov.uk. These are available in hard copy upon request. The Data Protection Act 1998 provides you with the right to request information regarding your housing records. The Freedom of Information Act 2000, makes additional information available to you.

19. Notices

- 19.1 We may serve any notice on you at the Property by putting the notice through the letterbox, by fixing the notice to the Property, by leaving the notice with somebody for you

at the Property or by sending the notice by post to the Property. This is in addition to serving the notice on you in person.

- 19.2 If you wish to serve any notice in connection with legal proceedings it should be served on your Landlord at:

North West Leicestershire District Council, Housing Department, Council Office,
Coalville, Leicestershire, LE67 3FJ

- 19.3 For all other notices e.g. Notice to Terminate your Tenancy or requests for permission, please contact the Housing Management team in writing at the above address or email housing.mgt@nwleicestershire.gov.uk or by using the appropriate e-form online.

Tenancy Agreement

This is a legal contract which sets out the terms and obligations of the Tenancy. You should read it carefully to ensure that you understand each of the terms and obligations.

If you do not understand this Agreement you are advised to ask for it to be explained to you before signing. You may consider consulting a solicitor, Citizens Advice Bureau or Housing Advice Centre to assist or advise you.

This Tenancy Agreement made between North West Leicestershire District Council and

Tenant one _____(Print name)

Tenant two _____(Print name)

Type of tenancy:

The address of the Property is:

House number:_____

Street_____

Town_____

County_____

Postcode _____

Start date of tenancy: []

Rent £

Service Charge £

Insurance £

Heating £

Total £

Introductory Tenancies only

Possible start date of Secure Tenancy:
(Based on key received date and subject to any order for extension)

Fixed Term Tenancies only

Date that the Fixed Term Tenancy will come to an end:

Please note that these amounts are correct at the start of your Tenancy and the amounts may change.

You will be given prior written notice of the new rent charges.

Date keys received:

Type of Property: House Flat Bungalow Studio Maisonette

 Detached Semi Terraced

Number of bedrooms: 0 1 2 3 4 5

Garden: None Front Rear Side

If You sign this Agreement, it means You accept the Agreement as binding.

I/We agree to accept the Tenancy of the above Property on the terms and conditions set out in this Agreement a copy of which I/We have received, read and understood.

Tenant one _____Signature

Tenant two _____Signature

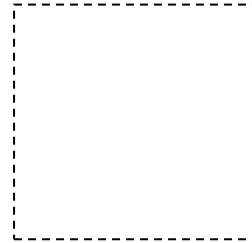
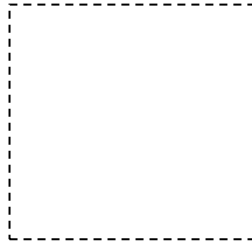
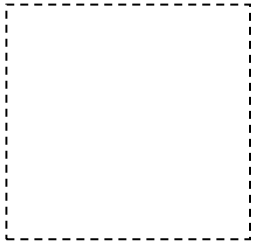
Signed on behalf of The Landlord

Full Name _____ Print Name

_____ Signature

Position _____

Tenant Photographs



Succession

[For office use only]

Name of Successor:

Date of Succession:

I am aware there is only one succession, to one individual allowed in law and that no further successions may take place in relation to this Tenancy.

I agree to accept the Tenancy of the above Property on the terms and conditions set out in this Agreement a copy of which I have received, read and understood.

Successor:

Print full Name:

Signed:

Dated:

Signed on behalf of the Landlord:

Full Name:

Signed:

Position:

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	AUTHORITY TO AWARD ENERGY CONTRACTS
Key Decision	a) Financial Yes b) Community No
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk Head of Finance 01530 454520 ray.bowmer@nwleicestershire.gov.uk
Purpose of report	The report requests that Cabinet delegates authority to award the energy framework agreement to the Head of Finance in consultation with the Corporate Portfolio Holder.
Reason for Decision	The level of expenditure on this contract exceeds the authority threshold in the Scheme of Delegation. To ensure the continuity of provision of energy to the Authority.
Council Priorities	Value for Money.
Implications:	
Financial/Staff	Financial implications contained within existing budgets, no staffing implications
Link to relevant CAT	Not applicable
Risk Management	Not applicable
Equalities Impact Screening	Not applicable
Human Rights	Not applicable
Transformational Government	Not applicable

Comments of Head of Paid Service	The report is satisfactory.
Comments of Deputy Section 151 Officer	The report is satisfactory.
Comments of Monitoring Officer	The report is satisfactory.
Consultees	None
Background papers	None
Recommendations	THAT CABINET DELEGATES AUTHORITY TO AWARD THE CONTRACT FOR THE PROVISION OF GAS FOR THE PERIOD 1ST APRIL 2016 TO 31ST MARCH 2019 TO THE HEAD OF FINANCE IN CONSULTATION WITH THE CORPORATE PORTFOLIO HOLDER.

1. BACKGROUND

- 1.1 Currently the Council is using both the Eastern Shires Purchasing Organisation (ESPO) and Crown Commercial Services (CCS) frameworks to contract its energy provision:

Table 1: Existing Framework Agreements

Framework	Energy	Supplier	Contract Period	Sites	Annual Average Contract Value
ESPO	Electricity	Southern Electric	01/10/2012 – 30/09/2016	4 sites including Council Offices, leisure centres and market hall	£115,000
CCS	Electricity	British Gas	01/10/2009 – 31/03/2016	127 sites – including commercial properties, housing, depot, parks	£120,000
ESPO	Gas	Total Gas and Power	01/04/2012 - 31/03/2016	8 sites including warden control sheltered schemes	£70,000
CCS	Gas	Corona Energy Retail	01/10/2009 – 31/03/2016	14 sites including Council Offices, housing, leisure centres and Whitwick Business Centre	£195,000

- 1.2 From research undertaken with neighbouring authorities, the majority of councils are with a single framework provider which simplifies the managing and monitoring of energy provision. ESPO has a dedicated account manager and a personalised local authority customer approach and is therefore better positioned to provide support to the council.
- 1.3 Working with ESPO will enable the Council to complete a number of outstanding initiatives such as the roll-out of Automatic Meter Reading which will eliminate estimated readings, streamline billing processes and identify bespoke solutions to reduce energy consumption and costs on a site by site basis.

2 PROCUREMENT ROUTE

- 2.1 The contract with CCS for the supply of both gas and electricity was due to expire on the 31st March 2016. Written notice to terminate the arrangement was issued to CCS in September 2015 to provide them with the 6 months notice required. It is the intention to move these contracts to ESPO using their Electricity and Gas Supply Framework Agreements from 1st April 2016. This procurement route adheres to the requirements of the constitution (paragraph 2.2 of the Contract Procedures Rules). Three separate contract agreements will need signing and these are detailed in the table below:

Table 2: New Contract Agreements

Framework	Energy	Supplier	Contract Period	Estimated Contract Value	Authority to Award
ESPO	Gas	Total Gas and Power	01/04/2016 – 31/03/2019	£800,000	Cabinet
ESPO	Electricity	Southern Electric	01/04/2016 – 30/09/2016	£60,000	Chief Executive or Director as per the Scheme of Delegation paragraph 3.4.
ESPO	Electricity	Unknown – the framework has yet to be awarded	01/10/2016 – 30/09/2020	£950,000	To report to Cabinet in June when the new framework is in place.

- 2.2 In order to award the above contract in relation to the supply of gas for the period 1st April 2016 to 31st March 2019, Cabinet is requested to delegate authority to the Head of Finance in consultation with the Corporate Portfolio Holder.

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	REVIEW OF CORPORATE GOVERNANCE POLICIES – REGULATION OF INVESTIGATORY POWERS ACT
Key Decision	a) Financial No b) Community Yes
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk Head of Legal and Support Services 01530 454762 elizabeth.warhurst@nwleicestershire.gov.uk
Purpose of report	To approve the updated Regulation of Investigatory Powers Act policy.
Reason for Decision	To comply with guidance
Council Priorities	Value for Money
Implications:	
Financial/Staff	The adoption of these policies has no financial or staffing implications in itself.
Link to relevant CAT	N/A
Risk Management	Use of the legislation in accordance with the policy will mitigate the risk of challenge
Equalities Impact Screening	Not applicable to overall policy as undertaken on individual prosecutions
Human Rights	Not applicable to overall policy as undertaken on individual prosecutions
Transformational Government	Not Applicable

Comments of Head of Paid Service	The report is satisfactory
Comments of Deputy Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	None
Background papers	<p>Draft minutes – Audit and Governance Committee – 9 December 2015</p> <p>Regulation of Investigatory Powers Act 2000 http://www.legislation.gov.uk/ukpga/2000/23/contents</p> <p>Changes to Local Authorities Use of RIPA Guidance. https://www.gov.uk/government/publications/changes-to-local-authority-use-of-ripa</p> <p>Protection of Freedoms Act 2012 http://www.legislation.gov.uk/ukpga/2012/9/contents/enacted</p> <p>Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 http://www.legislation.gov.uk/ukdsi/2010/9780111490365/contents</p>
Recommendations	<p>THAT CABINET:</p> <ol style="list-style-type: none"> 1. APPROVES THE AMENDMENTS TO THE REGULATION OF INVESTIGATORY POWERS ACT POLICY TAKING INTO ACCOUNT COMMENTS FROM THE AUDIT AND GOVERNANCE COMMITTEE; 2. DELEGATES AUTHORITY TO THE HEAD OF LEGAL AND SUPPORT SERVICES, IN CONSULTATION WITH THE CORPORATE PORTFOLIO HOLDER, TO MAKE ANY MINOR AND CONSEQUENTIAL AMENDMENTS TO THE THE REGULATION OF INVESTIGATORY POWERS ACT FROM CHANGES IN LEGISLATION AND PRACTICAL CIRCUMSTANCES (E.G. RESTRUCTURES).

1.0 INTRODUCTION

- 1.1 On 9 December 2015 Audit and Governance Committee considered amendments to the RIPA policy arising from comments made by the Chief Surveillance Commissioner in his Annual report for 2014-15.

- 1.2 A copy of the report is attached as Appendix 1. Members will note Audit and Governance Committee were advised that Cabinet would consider this matter on 16 January 2016. The fact that its was not included on that agenda does not affect the content of the report as officers are required in any event to have regard to the guidance issued by the Surveillance Commuisioner when using surveillance powers under RIPA.
- 1.3 Audit and Governance Committee noted the report without comment.

This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

AUDIT AND GOVERNANCE COMMITTEE – 9 DECEMBER 2015

Title of report	CHANGES TO THE COUNCIL'S REGULATION OF INVESTIGATORY POWERS ACT (RIPA) POLICY
Contacts	Councillor Nick Rushton 01530 412059 nicholas.rushton@nwleicestershire.gov.uk Head of Legal and Democratic Services 01530 454762 elizabeth.warhurst@nwleicestershire.gov.uk
Purpose of report	To inform the committee of updates to the Council's RIPA Policy.
Reason for Decision	To comply with guidance
Council Priorities	Covers all priorities.
Implications:	
Financial/Staff	None
Link to relevant CAT	None
Risk Management	To be considered as part of the judicial process.
Equalities Impact Screening	Not applicable to overall policy as undertaken on individual prosecutions
Human Rights	Not applicable to overall policy as undertaken on individual prosecutions
Transformational Government	Not Applicable
Consultees	None
Background papers	Regulation of Investigatory Powers Act 2000 http://www.legislation.gov.uk/ukpga/2000/23/contents Changes to Local Authorities Use of RIPA Guidance. https://www.gov.uk/government/publications/changes-to-local-authority-use-of-ripa Protection of Freedoms Act 2012 http://www.legislation.gov.uk/ukpga/2012/9/contents/enacted Regulation of Investigatory Powers (Directed Surveillance and

	Covert Human Intelligence Sources) Order 2010 http://www.legislation.gov.uk/ukdsi/2010/9780111490365/contents
Recommendations	THAT THE COMMITTEE NOTE THE REPORT AND THE CHANGES TO THE RIPA POLICY AND PROVIDES ANY COMMENTS IT MAY HAVE FOR CONSIDERATION BY CABINET WHEN IT MEETS ON 12 JANUARY 2016 TO CONSIDER THE POLICY.

1.0 INTRODUCTION

1.1 On 24 September 2013 Audit and Governance Committee approved amendments to the RIPA policy resulting from a change in legislation.

1.2 A local authority's use of RIPA is subject to judicial authorisation and scrutiny by the Office of the Surveillance Commissioner.

1.3 In his latest Annual Report for 2014-15 published in June 2015 the Chief Surveillance Commissioner stated:

"Perhaps more than ever, public authorities now make use of the wide availability of details about individuals, groups or locations that are provided on social networking sites and a myriad of other means of open communication between people using the Internet and their mobile communication devices. I repeat my view that just because this material is out in the open, does not render it fair game. The Surveillance Commissioners have provided guidance that certain activities will require authorisation under RIPA or RIP(S)A and this includes repetitive viewing of what are deemed to be "open source" sites for the purpose of intelligence gathering and data collation."

1.4 The District Council's RIPA policy is currently silent on the use of social media in the investigation process.

1.5 In light of the comments of the Chief Surveillance Commissioner it is considered prudent to insert a specific section within the policy relating to the use of social media networks in the investigatory process.

1.6 The Policy appended to this report has been amended at section 19 to reflect the changes resulting from the comments of the Chief Surveillance Commissioner at paragraph 1.3 above.

1.7 Members are asked to note the changes to the policy.

CORPORATE POLICY AND PROCEDURE ON THE REGULATION OF INVESTIGATORY POWERS ACT 2000

Introduction

1. The Regulation of Investigatory Powers Act 2000 (**RIPA**) is concerned with the regulation of surveillance and other intelligence gathering by public authorities in the conduct of their legitimate business. These activities are an unavoidable part of modern public life, but only in recent years have they been made the subject of formal statutory control.
2. Section 6 of the Human Rights Act 1998 provides that it is unlawful for a public authority to act in a way which is incompatible with a European Convention right. Article 8 of the European Convention of Human Rights says that everyone has the right to respect for their private and family life, their home and their correspondence.
3. The use of surveillance and other intelligence gathering techniques may amount to an interference with rights protected by Article 8 of the European Convention and could amount to a violation of those rights unless the interference is in accordance with the law.
4. RIPA was enacted to ensure these activities do not infringe the Human Rights Act by establishing a statutory framework which is consistent with the European Convention and by introducing national standards which are applicable to all public authorities.
5. The Council has approved a policy for tackling fraud and corruption. In limited circumstances the Council may wish to use surveillance techniques for the purpose of enforcing this policy or other of its statutory functions. The requirements of RIPA are most likely to apply to those Sections of the Council with enforcement/investigatory functions.
6. RIPA provides a statutory mechanism for authorising covert surveillance and the use of a “covert human intelligence source” (CHIS) e.g. undercover agents. It also permits access to communications data in specific circumstances.

Types of Surveillance

7. Surveillance may be overt or covert.
8. Most of the surveillance carried out by the Council is done overtly – there is nothing secretive, clandestine or hidden about it. In many cases, officers will be behaving in the same way as a normal member of the public, and/or will be going about Council business openly. Similarly, surveillance will be overt if the subject has been told it will happen (e.g. where a noisy householder is warned that noise will be recorded if it continues).
9. Surveillance is covert only if it is calculated to ensure that persons who are subject to the surveillance are unaware that it is taking place. RIPA regulates two types of covert surveillance.
10. “Directed surveillance” means covert surveillance that is undertaken:

- in connection with a specific investigation or operation
- which is likely to result in the obtaining of private information about a person (whether or not one specifically identified for the purposes of the investigation or operation)

'Private information' means information relating to a person's private and family life, their home and their correspondence.

11. Directed surveillance does not include information gathered by way of an immediate response to events or circumstances the nature of which is such that it would not be reasonably practicable for an authorisation to be sought for the carrying out of the surveillance. Directed surveillance may, in the case of a local Authority, only be carried out for the purposes of "preventing or detecting crime"
12. The fact that covert surveillance occurs in a public place or on business premises does not mean that it cannot result in the obtaining of private information about a person. Prolonged surveillance targeted on a single person will usually result in the obtaining of private information about that person as well as others that he or she comes into contact or associates with.
13. An example of directed surveillance would be when officers follow a person over a period to find out whether they are working at the same time as claiming benefit. Similarly, although town centre CCTV cameras will not normally require authorisation, if a camera is directed in such a way as to observe a particular individual, authorisation may be required.
14. "Intrusive surveillance" means covert surveillance conducted by means of a person or device located inside residential premises or a private vehicle. A local authority cannot carry out intrusive surveillance.

Conduct and Use of Covert Human Intelligence Resource (CHIS)

15. A person is a **CHIS** if he or she establishes a relationship with another person in order to covertly obtain or disclose information. RIPA does not apply in circumstances where members of the public volunteer information to the Council as part of their normal civic responsibilities or where contact numbers are set up to receive information. Similarly, people who complain about anti-social behaviour, and are asked to keep a diary, will not normally be a CHIS because they are not being required to establish or maintain a relationship for a covert purpose.
16. The conduct or use of a CHIS requires prior authorisation. Again, a CHIS may only be used for the purposes of "preventing or detecting crime or of preventing disorder."

Communications Data

17. This is data held by telecommunications companies and internet service providers. Examples of communications data that may be acquired with authorisation for a specified operation include:
 - names
 - addresses
 - telephone numbers

- IP addresses – when a session online started and ended and when an email server was accessed but not the website addresses viewed
 - geographical location of the calling or the called parties.
18. Communications data does not monitor content. The sole grounds for taking action under these provisions is for the purposes of “preventing or detecting crime’

Online Covert Activity

19. The use of the internet may be required to gather information during an operation, which may amount to directed surveillance. The Home Office advises that where there is an intention to use the internet as part of an investigation and private information is likely to be obtained, consideration should be given for the need of an authorisation and that:

- Officers must not create a false identity in order to ‘befriend’ individuals on social networks without an authorisation under RIPA.
- officers viewing an individual’s public profile on a social network should do so only to the minimum degree necessary and proportionate in order to obtain evidence to support or refute the suspicions or allegations under investigation
- repeated viewing of open profiles on social networks to gather evidence or to monitor an individual’s status, must only take place once RIPA authorisation has been granted and approved by a Magistrate
- Officers should be aware that it may not be possible to verify the accuracy of information on social networks and, if such information is to be used as evidence, take reasonable steps to ensure its validity.

Further, where an investigator may need to communicate covertly online, for example, contacting individuals using social media websites, a CHIS authorisation should be considered.

Authorisation Process

20. From 1 November 2012 a local authority who wishes to authorise the use of directed surveillance, the collection of communications data or the use of a CHIS will need to obtain an order approving the required action from the Magistrates Court before that action can take effect.
20. The new judicial approval is in addition to the Council’s own internal authorisation conducted under the RIPA Codes of Practice.
21. Also from the 1 November 2012 local authorities will only be able to obtain RIPA authorisation when investigating particular types of criminal offences.
- Those which attract a maximum custodial sentence of six months or more
 - Those offences relating to the underage sale of alcohol or tobacco

Internal Process

21. Requests to undertake directed surveillance, or to use a CHIS or to collect communications data can only be lawfully carried out if properly authorised and in strict accordance with the terms of the authorisation.

22. The Secretary of State specifies by statutory instrument the level of officer who may act as Authorising Officers. In this Council, the Chief Executive and the Director, under the Constitution (Part 3, Sec 7 (3) (iii)) are designated to act as Authorising Officers. The Chief Executive or Monitoring Officer may designate other officers to act as Authorising Officers. Authorisations must not be allowed to lapse. They must be reviewed regularly or cancelled.
23. The steps to be followed for each procedure are shown in the flow charts in Appendix 1.
24. For Directed Surveillance or the use of a CHIS or Communications data, only the approved RIPA forms, available on the Home Office website: (<http://www.homeoffice.gov.uk/counter-terrorism/regulation-investigatory-powers/ripa-forms/>) may be used. Any other form will be rejected by the Authorising Officer. An applicant officer, or an Authorising Officer, if in doubt about the process to be followed, should always seek the advice of the Head of Legal and Support Services or the Senior Auditor before applying for, or issuing, an authorisation under RIPA.
25. The officer requesting the authorisation will be responsible for ensuring that copies of all forms are forwarded to the Senior Auditor within seven days of issue. As a control measure the Senior Auditor will supply the applicant officer with a referenced copy of the authorisation which they should keep in their department in secure storage. Officers should ensure that material passing between them is sent in such a way that it cannot be read or intercepted by other people.
26. A copy of the form should also be forwarded to the Council's Legal Services Team who will commence proceedings for appearance at the Magistrates Court to seek final judicial approval.

Considering an Application for Authorisation

27. Before signing a form, the Authorising Officer must have regard to this Policy and Procedure, to any relevant Code of Practice, to any advice from the Head of Legal and Support Services or Senior Auditor and to any other relevant guidance.
28. The Authorising Officer must also satisfy himself/herself that the RIPA authorisation is:
 - **in accordance with the law;**
 - **necessary** in the circumstances of the particular case on the ground of preventing or detecting crime or preventing disorder; and
 - **proportionate** to what it seeks to achieve.
29. In considering whether or not the proposed surveillance is proportionate, the Authorising Officer will need to consider whether there are other more non-intrusive ways of achieving the desired outcome. If there are none, the Authorising Officer will need to consider whether the proposed surveillance is no more than necessary to achieve the objective as the least intrusive method will be considered proportionate by the courts.

30. The Authorising Officer will also need to take into account the risk of intrusion into the privacy of persons other than the specified subject of the surveillance. This is known as collateral intrusion. Measures must be taken whenever practicable to avoid or minimise, so far as practicable, collateral intrusion.
31. When authorising the conduct or use of a CHIS the Authorising Officer must also be satisfied that appropriate arrangements are in place for the management and oversight of the CHIS. This must address health and safety issues through a risk assessment. He or she must also have regard to any adverse impact on community confidence that may result from the use or conduct of the information obtained.

Judicial Approval

32. Once the Authorising Officer is satisfied that the RIPA is necessary they will instruct Legal Services to seek approval from the Magistrates Court.
33. Legal Services will request a hearing date from the Courts and which will need to be taken into account when considering any scheduled timetable connected to the matter being investigated.
34. At the hearing the Council will provide the Court with a copy of the authorisation signed by the Authorising Officer together with any supporting documents relevant to the matter showing the necessity of the authorisation and which contains all the information relied upon. Also included will be a summary of the circumstances of the case.
35. The hearing will be in private heard by a single Magistrate/District Judge who will read and consider the application. They may ask questions of the authority in order to satisfy themselves of the necessity and reasonableness of the request.
36. On reviewing the papers and hearing the application the Court will determine whether they are satisfied that there are reasonable grounds for believing that the authorisation is necessary and proportionate. In addition they must be satisfied that the Authorising Officer had the relevant authority to authorise the Council's own internal authorisation prior to it passing to the Court.
37. In considering the application the Court may decide to
 - **Approve the Grant or renewal of an authorisation or notice**
The grant or renewal of the RIPA authorisation or notice will then take effect and the local authority may proceed to use surveillance in that particular case.

In relation to Communications Data, the Council will be responsible for providing a copy of the order to the SPoC.

- **Refuse to approve the grant or renewal of an authorisation or notice**
The RIPA authorisation or notice will not take effect and the Council may **not** use surveillance in that case.

Where an application has been refused the Council may wish to consider the reasons for that refusal. For example, a technical error in the form may be remedied without the need to go through the internal authorisation process

again. The local authority may then wish to reapply for judicial approval once those steps have been taken.

- **Refuse to approve the grant or renewal and quash the authorisation or notice**

This applies where a magistrates' court refuses to approve the grant, giving or renewal of an authorisation or notice and decides to quash the original authorisation or notice.

The court must not exercise its power to quash that authorisation or notice unless the applicant has had at least 2 business days from the date of the refusal in which to make representations.

Urgent Judicial Approval of Applications

38. Urgent approvals should not be necessary.

If the approval is urgent and cannot be handled the next working day then you should:

- i) Phone the Court's out of hours legal staff contact. You will be asked about the basic facts and urgency of the authorisation. If the police are involved in the investigation you will need to address why they cannot make a RIPA authorisation
- ii) If urgency is agreed, then arrangements will be made for a suitable Magistrate to consider the application. You will be told where to attend and give evidence.
- iii) Attend the hearing as directed with two copies of both the counter-signed RIPA authorisation form or notice and the accompanying judicial application/order form.

Central Co-ordination

39. The Chief Executive will be the Senior Responsible Officer for the overall implementation of RIPA. The Head of Legal and Support Services will be responsible for:
- giving advice and assistance to all staff concerned with the operation of the Act;
 - arranging training for all staff concerned with the operation of the Act;
 - maintaining and keeping up to date this corporate policy and procedure.
 - The Senior Auditor will be responsible for:
 - maintaining a central and up to date record of all authorisations;
 - along with the Head of Legal and Support Services, giving advice and assistance to all staff concerned with the operation of the Act;
 - allocating reference numbers to authorisations;

Working with other Agencies

40. When some other agency has been instructed on behalf of the Council to undertake any action under RIPA, this Policy and Procedure must be used and the agency given explicit instructions on what it may do and how it may do it.
41. When some other agency (e.g. Police, Customs & Revenue etc.):

- wish to use the Council's resources (e.g. CCTV surveillance systems) for RIPA purposes, that agency must use its own RIPA procedures and, before any officer agrees to allow the Council's resources to be used for the other agency's purposes he or she must obtain a copy of that agency's RIPA form for the record (a copy of which must be passed to the Senior Auditor for inclusion on the central register);
- wish to use the Council's premises for their own RIPA action, and is expressly seeking assistance from the Council, the officer should normally grant the request unless there are security or other good operational or managerial reasons as to why the Council's premises should not be used for the agency's activities. Suitable insurance or other appropriate indemnities may need to be sought. In such cases, the Council's own RIPA forms should not be used as the Council is only assisting and not involved in the RIPA activity of the external agency.

Other Sources of Information

42. The Home Office has issued Codes of Practice on surveillance, CHIS and the collection of communications data. These Codes of Practice supplement this policy and procedure document and should be used as a binding source of reference by all those officers whose task it is to apply the provisions of RIPA and its subordinate legislation.

ASG Revised Dec 2006

ASG Reviewed May 2009

AW Reviewed and updated June 2010

ASG Revised March 2012

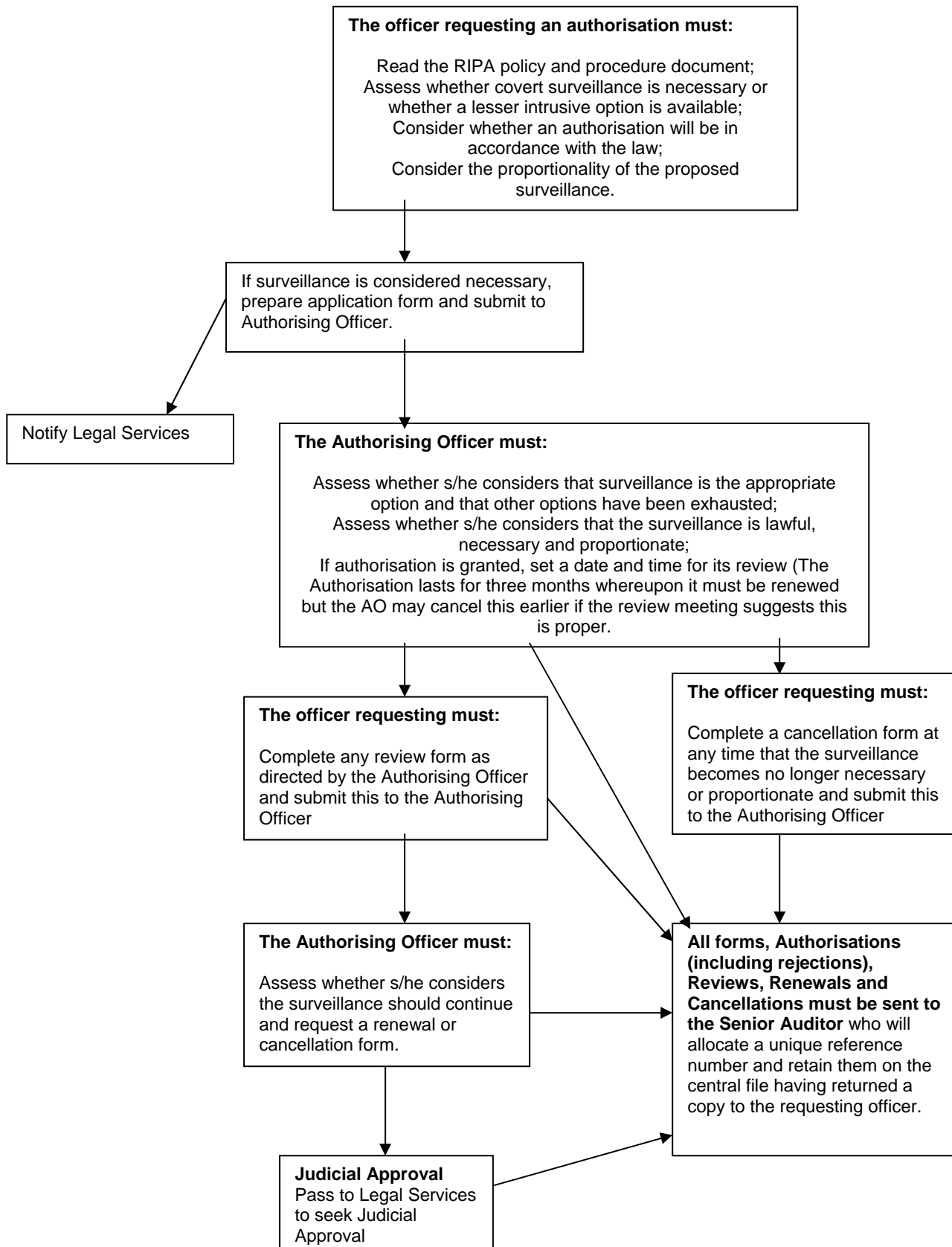
HO Guidance issued October 2012

RH Reviewed and updated September 2013

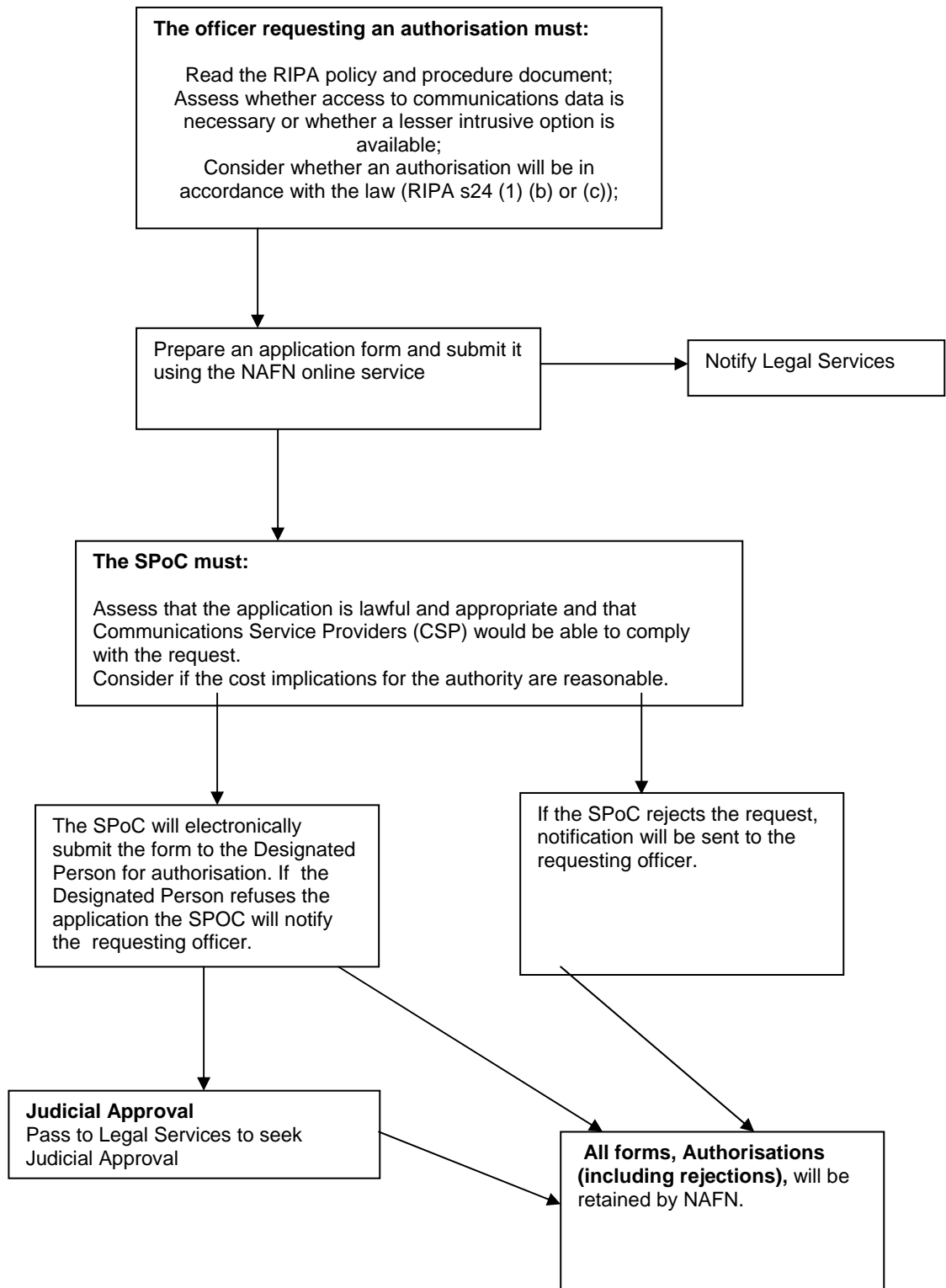
DMG Reviewed and updated October 2015

RIPA – DIRECTED SURVEILLANCE / USE OF CHIS PROCEDURE

(Note: Only the Chief Executive may authorise the use of a juvenile or vulnerable individual as a CHIS)



RIPA – COMMUNICATIONS DATA PROCEDURE



This page is intentionally left blank

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	BUILDING CONFIDENCE IN COALVILLE - PROJECT UPDATE
Key Decision	a) Financial Yes b) Community Yes
Contacts	Councillor Richard Blunt 01530 454510 richard.blunt@nwleicestershire.gov.uk Chief Executive 01530 454500 christine.fisher@nwleicestershire.gov.uk Interim Head of Economic Development 01530 454773 kay.greenbank@nwleicestershire.gov.uk
Purpose of report	To provide Cabinet with an update on the Coalville Project and to seek authority to procure further feasibility studies related to Phase 1 of the Building Confidence in Coalville project, using the Scape Major Works Framework or other procurement routes, if determined to be necessary. Also to request delegation of decision-making regarding expenditure of part of the Coalville Project reserve to the Chief Executive in consultation with the Leader.
Reason for Decision	To seek Cabinet's authority to procure further feasibility studies related to Phase 1 of the Building Confidence in Coalville project. To ensure any decision made by the Chief Executive in consultation with the Leader with regards to expenditure of the Coalville Project Reserve is made in accordance with delegations approved by Cabinet.
Council Priorities	Value for Money Business and Jobs Homes and Communities Green Footprints Challenge
Implications:	
Financial/Staff	Included within the report
Link to relevant CAT	None

Risk Management	Further feasibility studies related to Phase 1 of the Coalville Project may be needed in order to ensure future decision-making is evidence-based. Risks are being managed through the Coalville Project governance process.
Equalities Impact Screening	Not applicable
Human Rights	None
Transformational Government	Working with other public and private partners to deliver a better deal for Coalville and maximising investment to build confidence in the town and community.
Comments of Deputy Chief Executive	The report is satisfactory
Comments of Deputy Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	None
Background papers	Building Confidence in Coalville report to Cabinet on 22 September 2015 Building Confidence in Coalville report to Cabinet on 12 January 2016
Recommendations	THAT CABINET: 1. PROVIDES APPROVAL FOR THE PROCUREMENT OF FURTHER FEASIBILITY STUDIES RELATED TO STAGE OF PHASE 1 OF THE BUILDING CONFIDENCE IN COALVILLE PROJECT. 2. DELEGATES AUTHORITY TO THE CHIEF EXECUTIVE IN CONSULTATION WITH THE LEADER TO COMMIT EXPENDITURE OF PART OF THE COALVILLE PROJECT RESERVE.

1.0 BACKGROUND

- 1.1 Following the May 2015 election, the Leader set out the regeneration of Coalville as one of the Council's priorities and gave responsibility for delivery to the Chief Executive.
- 1.2 On 22 September 2015 Cabinet agreed to progress with the Building Confidence in Coalville project as outlined in that report (the "Coalville Project") and to access the Scape Major Works framework in order to procure specialist advisors to commence the feasibility

stage of potential works on Stenson Square (referred to as Phase 1 of the Coalville Project).

- 1.3 On 12 January 2016, Cabinet received a report on the progress of the Coalville Project which outlined establishment of project governance, progress made by specialist advisors delivering the feasibility stage of Phase 1 of the Coalville Project, noted the procurement of specialist advisors to conduct an options appraisal for the leisure and culture offer of the district and approved creation of a Coalville Project reserve and re-assignment of underspent reserves.
- 1.4 This report provides an outline of the progress made on the feasibility stage of potential development of Stenson Square and seeks delegation of Cabinet authority to the Chief Executive in consultation with the Leader of decisions to commit expenditure of part of the Coalville Project reserve.

2.0 STENSON SQUARE

- 2.1 Accessed via the Scape Major Works Framework, the Authority has commissioned Willmott Dixon (lead contractor and construction specialist), supported by rg+p (architects) and Urban Delivery (regeneration specialists) to identify options and undertake viability analysis for the potential development of Stenson Square, to include potential re-location of DWP into the council offices, potential development on the London Road car park and re-use of the existing council offices site, with all options retaining the existing Stenson House.
- 2.2 On 18 January 2016 Willmott Dixon, rg+p and Urban Delivery outlined the draft findings of the feasibility study to the Leader, Chief Executive and other members of the Coalville Project programme board.
- 2.3 Following the 18 January 2016 meeting, the Leader confirmed that he wanted further interrogation of a small number of options for development of Stenson Square, to be ready for formal and wider consideration in April 2016. . Further feasibility studies will be carried out for this small number of options.
- 2.4 The initial phase of the feasibility study has cost a total of £15,363 (comprising £8,250 - rg+p and £7,113 - Urban Delivery).
- 2.5 Future reports to Cabinet will provide information about progress of the next stage of the feasibility study and related costs.

3.0 COALVILLE PROJECT RESERVE

- 3.1 Cabinet agreed, on 12 January 2016, to establish a Coalville Project reserve and re-assign underspent reserves.
- 3.2 It is now recommended that Cabinet delegates authority to incur expenditure against part of the Coalville Project reserve to the Chief Executive in consultation with the Leader.

- 3.3 In order to ensure that all future decisions are evidence-based, officers working on the Coalville Project are developing the following work items, each of which may need to incur costs for external expertise:
- 3.3.1 Exploration of the potential funding options for the project including (and not limited to) consideration of the Council's land assets.
 - 3.3.2 Detailed exploration of what type and scale of property-related expertise is required in order to support the range of workstreams underway as part of the Coalville Project and other district-wide needs.
- 3.4 The Programme Board for the Coalville Project recommends to Cabinet that it should delegate decision-making for a further £150,000 of the Coalville Project reserve to the Chief Executive in consultation with the Leader. This amount includes a contingency for further feasibility study work, potential extension of the Coalville shop front improvement scheme and the items mentioned above, all to be procured using the Scape framework or other recognised procurement routes, as necessary.
- 3.5 Future reports to Cabinet will include proposals regarding the remaining £450,000 of the Coalville Project Reserve, as required.
- 3.6 All proposals for expenditure of the Coalville Project Reserve will be made in accordance with the Authority's existing Contract and Financial Procedure Rules. The Authority recommends that day-to-day expenses (such as the costs of engagement meetings, events, publicity) are approved and monitored by the programme manager and reported to the project team and programme board for the Coalville Project.

4 FINANCIAL IMPLICATIONS

- 4.1 Financial implications are mentioned in sections 2 and 3 above. Governance of financial decisions is covered in section 3 above.

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – 9 FEBRUARY 2016

Title of report	MINUTES OF THE COALVILLE SPECIAL EXPENSES WORKING PARTY
Key Decision	a) Financial No b) Community No
Contacts	Councillor Alison Smith MBE 01530 835668 alison.smith@nwleicestershire.gov.uk Director of Services 01530 454555 steve.bambrick@nwleicestershire.gov.uk Head of Community Services 01530 454832 john.richardson@nwleicestershire.gov.uk
Purpose of report	To consider the recommendations made by the Coalville Special Expenses Working Party.
Reason for Decision	To progress Coalville Special Expenses projects and programmes.
Council Priorities	Value for Money
Implications:	
Financial/Staff	As set out within the budget.
Link to relevant CAT	None.
Risk Management	N/A
Equalities Impact Screening	None discernible.
Human Rights	None.
Transformational Government	None.
Comments of Head of Paid Service	The report is satisfactory

Comments of Deputy Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	Members of the Coalville Special Expenses Working Party
Background papers	Agenda and associated documents of the meeting held on 15 December 2015
Recommendations	TO NOTE THE RECOMMENDATIONS MADE BY THE COALVILLE SPECIAL EXPENSES WORKING PARTY AS DETAILED WITHIN THE MINUTES AND APPROVE THE RECOMMENDATIONS AS SUMMARISED AT 3.0

1.0 INTRODUCTION

- 1.1 The Coalville Special Expenses Working Party meets quarterly to consider financial issues which affect the special expenses area. As the group reports directly to Cabinet, all recommendations made will be sent to the first available Cabinet meeting after the group have met for final approval.

2.0 TERMS OF REFERENCE

- 2.1 To consider budget and financial issues which either solely or predominantly affect the special expenses area alone and to make recommendations back to Cabinet.
- 2.2 To consider possible project options regarding the allocation of surplus reserves which have been examined by the relevant budget officers and to make recommendations to Cabinet.

3.0 RECOMMENDATIONS FROM MEETING ON 15 DECEMBER 2015

- 3.1 The original £2,500 contribution agreed for the Thringstone Bowls Club toilet block project be increased by £106 following a successful grant application to Biffa which requires a third party contribution of £2,606.

MINUTES of a meeting of the COALVILLE SPECIAL EXPENSES WORKING PARTY held in the Board Room, Council Offices, Coalville on TUESDAY, 15 DECEMBER 2015

Present: Councillor J Geary (Chairman)

Councillors R Adams, N Clarke, J Cotterill, D Everitt, J Legrys and M Specht

Officers: Mr J Knight, Mr J Richardson, Mrs A Bexton, Mrs C Ridgway and Mrs R Wallace

19. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors P Purver and M B Wyatt.

20. DECLARATIONS OF INTEREST

Councillor J Legrys declared a non pecuniary interest in any reference to Hermitage FM due to his involvement with the organisation.

Councillor J Geary declared a non pecuniary interest in item 4 – Capital Projects update as a regular supporter of Coalville Town FC.

21. MINUTES OF THE PREVIOUS MEETING

Consideration was given to the minutes of the meeting held on 13 October 2015.

Councillor J Legrys commented that a visit to Broom Leys Allotments had still not been arranged and asked for an update. Councillor J Geary informed Members that Councillor M B Wyatt had advised that a visit would be arranged for May 2016 when the weather improved.

RESOLVED THAT:

The minutes of the meeting held on 13 October 2015 be approved and signed by the Chairman as a correct record.

22. CAPITAL PROJECTS UPDATE

The Head of Community Services introduced Catherine Ridgeway, the Community Focus Officer for Coalville and the surrounding area. Her role was to support community groups and parishes, and her input could be valuable for the working group with the various projects.

The Leisure Services Team Manager presented the report to Members and provided the Working Party with an update on each of the ongoing projects.

Coalville Park Improvements – Peace Garden

It was confirmed that the project was now completed and the well attended official opening was held on 3 November. Feedback received by officers was very good. The Leisure Services Team Manager thanked Angela Bexton for her work in managing the project.

Owen Street Recreation Ground – Changing Room Development

Building works were underway and was on schedule to be completed in April 2016. It was planned for the official opening to take place in July 2016 and would be marked by a marquee game for Coalville Town Football Club.

Thringstone Miners Social Centre

Members were informed that work had not really progressed since the last meeting due to a Thringstone Miners Social Centre officer absence but was now being moved forward.

Cropston Drive BMX Track and Wheeled Sports Facility

Unfortunately, contrary to the report the proposals and costings were not available at the meeting; the Leisure Services Team Manager confirmed that it would be circulated to Members before Christmas.

Urban Forest Park, Coalville – Footway and Drainage Improvements

It was confirmed that work had been completed and positive comments received.

Councillor J Legrys reported that part of the Boardwalk had been vandalised and asked officers to look into it. He also added that it was a very successful project but the people are not aware of it, he suggested more signage be erected.

The Head of Community Services reported that he had received comments regarding the name of the park as it was not clear what it was. He suggested that Members consider a new name and to look at some suggestions at the next meeting. Members were in agreement. The Leisure Services Team Manager confirmed that he would arrange a press release to publicise the park.

Thringstone Bowls Club Toilet Block

The Head of Community Services commented that it had been a fantastic funding project and suggested that Members may want to visit the club with an official celebration event. Members were interested in attending an event.

It was also noted that whilst the total cost of the works is still confirmed as £25,422, BIFFA have confirmed that the amount required by a third party would be £2,606, which was slightly more than the £2,500 originally requested. Members agreed the additional funding request.

Melrose Road Green Gym

Images of various pieces of Green Gym equipment were made available for Members to see during discussions. Quotes received from contractors were between £10,500 and £13,700.

Benches in Thringstone

An image of the type of bench quoted for was available for Members to see during discussions. The cost of the bench was £430 and installation would cost between £60 to £170.

Thringstone Miners Social Centre Training Pitch

Members were asked to consider allocating up to £5,000 towards the training pitch project as this would constitute the 10 percent third party contribution needed to apply for the remaining funding required. Members agreed the funding allocation.

Scotlands Playing Field Play Hub

The Leisure Services Team Manager informed Members that the project had not been moved any further forward due to the issues at Lillehammer Drive. Councillor J Legrys asked officers to progress the issues before the next meeting.

Memorial Trees

Work was being undertaken on identifying potential locations and types of trees for planting. It was suggested that this project be progressed in the 2017/18 financial year as the planting would not take place until 2018. Members were in agreement.

Variable Message Signs

It was reported that the Community Focus Officers were currently liaising with the Leicestershire County Council regarding the message signs and it seemed that the process may include establishing a speed watch programme in hotspot locations which would require volunteers.

It was agreed for the Community Focus Officer to contact Members to identify hot spot locations to be used in a press release to encourage volunteers to help with the speed watch programme. An update would be provided at the next meeting.

Coalville Town Guide

Members were updated that the initiative was being discussed in a range of forums to try and clarify the objectives of the leaflet and other examples of town guides were being sourced.

Councillor J Legrys expressed his disappointment in the project as it was taking too long. He reported that money had been allocated to a similar project in 2008 as part of the Coalville Town Centre Partnership which had never been used and asked the Head of Community Services to look into whether the money and information collated was still available. The Head of Community Services agreed.

The Chairman also expressed his disappointment as the project started in the summer and six months later it was still in the early discussion stage, he explained that business people were becoming frustrated due to the lengthy process.

Flag Pole at front of Council Offices

The project was now completed and was very successful.

Pheonix Green Bridge Mural

Officers would be looking at how the mural on Pheonix Green Bridge and the mural next to the former bus depot could be refreshed and the associated costs. The Head of Community Services confirmed that the local school would need to be consulted but the refresh would hopefully be completed in the summer.

Improved Signage

Leicestershire County Council was close to finalising their signage review for Coalville with brown signs being installed in the coming weeks.

Coalville – Grass/Verge Maintenance

The Head of Community Services reported that Leicestershire County Council had confirmed that they would be increasing their urban grass cuts from five cuts to six cuts in 2016. Members agreed to wait to see the impact of this increase before agreeing to fund the additional one off works within Coalville on an annual basis.

The Leisure Services Team Manager reported that a request had been received for an additional salt bin on Bedale Avenue but as the cut off point to apply to Leicestershire County Council was during the summer, an application would be made next year. The average cost for a salt bin was £200 to £250. Members raised concerns as they felt that the salt bin was desperately needed and waiting till next year to apply was not good for the area. Councillor J Legrys suggested that the District Council purchase a salt bin independently and arrange for it to be sited. The Head of Community Services explained that applications had to be made through the formal procedure as it was Leicestershire County Council's land and they would need to assess the area before agreeing to the installation of the salt bin. The Leisure Services Team Manager agreed to notify Leicestershire County Council of the dangers of the area and to request a salt bin. He agreed to circulate the response to Members of the Working Party.

RESOLVED THAT:

The progress update on 2015/16 Capital Projects be noted.

RECOMMENDED THAT:

The original £2,500 agreed for the Thringstone Bowls Club toilet block be increased to £2,606.

23. 2015/16 EVENTS UPDATE

The Cultural Services Officer presented the report to Members and provided an update on each event.

Christmas Lights Switch on Event

The Christmas light switch on event combined with the Coalville Town Team food and drink event was well supported by the community and received significant media coverage.

Councillor J Legrys commented that it was a great event with lots of people movement around the area even though it was extremely cold. He suggested that Christmas lighting be erected inside the market as well as outside in future. The Head of Community Services agreed to look into it.

Councillor M Specht also felt that it was a great event, especially the fireworks which he could see from Swannington.

Coalville Christmas Decorations

The total cost of organising the Christmas tree in memorial square was £2,370 and would be funded by Coalville Special Reserves as previously agreed. The tree would be an annual cost but the trees lighting would be incorporated into the new Field and Lawn contract. Members were very positive about the Christmas Decoration in Coalville and agreed it was a measured improvement from previous years. The Chairman commented that the tree looked lovely and it had withstood the high winds which was his main concern.

2016/17 Proposed Events

The Cultural Services Officer reported that the Coalville Town Team would not be holding the usual events next year and would be looking at alternative projects. This would give the opportunity for the proposed events to be a little different in 2016 for example incorporating food and drink stalls into our events.

Councillor J Legrys stressed the importance of co-ordination between officers, the precinct owners and the Coalville Town Team to make sure there was no duplication of work.

RESOLVED THAT:

The 2015/16 events progress update be noted.

**24. COALVILLE SPECIAL EXPENSES - PERIOD 7 ACTUALS, FORECASTED
OUTTURN AND DRAFT BUDGET 2016/17**

The Head of Community Services presented the report to Members and highlighted the forecast overspend due to the reduced burial income at Broomleys Cemetery. He reported that the impact of the overspend would affect the end of year balances and advised Members to be cautious when allocating funds. He added that this was not unusual but it was significant. Members agreed to wait until April before making any further funding decisions.

RESOLVED THAT:

- a) The period 7 actuals and forecasted out turn be noted.
- b) It be noted that the 2016/17 Revenue Budgets were currently being drafted.
- c) The Capital Scheme funding position be noted.

25. DATE OF NEXT MEETING

The next meeting would be held on Tuesday, 19 April 2016 at 6.30pm in the Boardroom.

The meeting commenced at Time Not Specified

The Chairman closed the meeting at 7.50 pm

This page is intentionally left blank