

To all Members of Stroud District Council

15 April 2019

You are hereby summoned to attend a meeting of **STROUD DISTRICT COUNCIL** in the Council Chamber, Ebley Mill on **THURSDAY 25 APRIL 2019 at 7.00pm.**



Kathy O'Leary
Chief Executive

Please Note: This meeting will be filmed for live or subsequent broadcast via the Council's internet site (www.stroud.gov.uk). By entering the Council Chamber you are consenting to being filmed. The whole of the meeting will be filmed except where there are confidential or exempt items, which may need to be considered in the absence of the press and public.

A G E N D A

- 1 **APOLOGIES**
To receive apologies for absence.
- 2 **DECLARATIONS OF INTEREST**
To receive declarations of interest.
- 3 **MINUTES**
To approve the Minutes of the Council's meeting held on 21 February 2019.
- 4 **ANNOUNCEMENTS**
To receive announcements from the Chair of Council.
- 5 **PUBLIC QUESTION TIME**
The Chairs of Committees will answer questions from members of the public submitted in accordance with the Council's procedures.

DEADLINE FOR RECEIPT OF QUESTIONS

Noon on Thursday, 18 April 2019

Questions must be submitted to the Chief Executive, Democratic Services,
Ebley Mill, Ebley Wharf, Stroud and sent by post or email
(democratic.services@stroud.gov.uk)

6 RECOMMENDATIONS FROM STRATEGY AND RESOURCES COMMITTEE ON 7 MARCH AND 11 APRIL 2019

The relevant committee reports are available on the website page for this Council meeting.

The Leader will present these items:

Strategy and Resources Committee – 7 March 2019

6a Options for Providing Temporary Accommodation for Homeless Households in the Stroud District ([Agenda Item 10](#))

That delegated authority is granted to the Head of Property Services in consultation with the Head of Finance and Chairs of Housing and Strategy and Resources Committee:

1. To purchase the former Salvation Army building in Stroud utilising the General Fund; and
2. To commission the conversion of this property into temporary accommodation; and
3. To commission the management of the completed property as temporary accommodation for homeless households.

Subject to a satisfactory business case being made and due diligence being undertaken.

6ai CAPITAL BUDGET FOR TEMPORARY ACCOMMODATION

To approve a £500k budget for the purchase of temporary accommodation.

Strategy and Resources Committee – 11 April 2019

6b Support for the Foundation of Avon Mutual ([Agenda Item 5](#))

1. To approve the use of £50k of the Business Rates Reserve for purchase of shares in Avon Mutual.
2. To delegate authority to the Head of Finance in consultation with the Head of Legal to conclude the share purchase.

6c Repairs and Maintenance Service 2020 ([Agenda Item 8](#))

To recommend to Council an additional revenue budget of £53k in 2019/20 and £132k in 2020/21 to cover the one-off implementation and set-up costs, and a new capital programme for HRA IT systems totalling £175k over 2019/20 and 2020/21.

6d Recommendations of the Constitution Working Group ([Agenda Item 10](#))

That the Role Profiles for Councillors section of the Council's Constitution be amended as shown in the Appendix to this Report, in accordance with the recommendations set out in this report.

7 **COMMITTEE MEMBERSHIP**

1. Community Services and Licensing Committee - Councillor Tipper fills the vacancy.
2. Housing Committee – Councillor Skinner is replaced by Councillor Green and Councillor Dewey is replaced by Councillor Pickering.
3. Environment Committee – Councillors Haydn Jones and Mossman replace Councillors Skinner and Tipper.
4. Audit and Standards Committee – Councillor Binns fills the vacancy.

8 **DESIGNATION OF MONITORING OFFICER**

To designate Patrick Arran, as Monitoring Officer of the Council until 26 September 2019.

9 **MEMBERS' QUESTIONS**

See Agenda Item 5 for deadline for submission.

10 **MOTIONS**

10a **Motion regarding the Modern Slavery Charter is proposed by Councillor Doina Cornell and seconded by Councillor Norman Kay.**

“This Council notes

Though slavery was abolished in the UK in 1833, there are more slaves today than ever before in human history. Figures from the International Labour Organisation (ILO) suggest that there are more than 40 million people in modern slavery across the world, with nearly 25 million held in forced labour.

There were 3805 victims of modern slavery identified in the UK in 2016. In 2017 the Home Office suggested that there may be at least **13,000** people living in Modern Slavery, however National Crime Agency officials have since asserted that it is far more likely to be in the **tens of thousands**.

Modern Slavery is happening nationwide. Traffickers and slave masters use whatever means they have at their disposal to coerce, deceive and force individuals into a life of abuse, servitude and inhumane treatment. This can include sexual and criminal exploitation.

That in Gloucestershire, important work is already being done by the Gloucestershire Anti-Slavery Partnership which was founded in 2016 and brings together local authorities including Stroud District Council, the police, NGOs and other organisations, in a concerted effort to tackle trafficking and slavery across Gloucestershire.

This Council believes

That action needs to be taken to raise awareness of modern slavery and the fact that it is happening all over the UK.

That the current support for victims is not sufficient and needs to go beyond the 45 days they are currently given by the government.

That councils have an important role to play in ensuring their contracts and supplies don't contribute to modern day slavery and exploitation.

This Council resolves

To adopt the Co-operative Party's Charter against Modern Slavery to ensure our procurement practices don't support slavery.

Stroud District Council will:

1. Train its corporate procurement team to understand modern slavery through the Chartered Institute of Procurement and Supply's (CIPS) online course on Ethical Procurement and Supply.
2. Require its contractors to comply fully with the Modern Slavery Act 2015, wherever it applies, with contract termination as a potential sanction for non-compliance.
3. Challenge any abnormally low-cost tenders to ensure they do not rely upon the potential contractor practising modern slavery.
4. Highlight to its suppliers that contracted workers are free to join a trade union and are not to be treated unfairly for belonging to one.
5. Publicise its whistle-blowing system for staff to blow the whistle on any suspected examples of modern slavery.
6. Require its tendered contractors to adopt a whistle-blowing policy which enables their staff to blow the whistle on any suspected examples of modern slavery.
7. Review its contractual spending regularly to identify any potential issues with modern slavery.
8. Highlight for its suppliers any risks identified concerning modern slavery and refer them to the relevant agencies to be addressed.
9. Refer for investigation via the National Crime Agency's national referral mechanism any of its contractors identified as a cause for concern regarding modern slavery.
10. Report publicly on the implementation of this policy annually."

10b Motion regarding Right to Work for People Seeking Asylum is proposed by Councillor George Butcher and seconded by Councillor Catherine Braun.

"This Council notes that:

1. Since 2002, people seeking asylum have only been able to apply for the right to work after they have been waiting for a decision on their asylum claim for over a year, and only if they can be employed into one of the narrow, highly-skilled professions included on the Government's Shortage Occupation List;
2. Asylum decisions are getting slower with over half (53%) of asylum decisions taking more than 6 months in 2017. This situation is getting worse: it was 41% at the end of 2016 and 20% at the end of 2015. People seeking asylum are left to live on a government stipend of £5.39 per day, struggling to support themselves and their families, and left vulnerable to destitution, isolation, and exploitation;
3. This issue affects people in our District and County. The organisation Gloucestershire Action for Refugees and Asylum Seekers (GARAS)¹ is currently working with over 900 people in the county, who are asylum seekers, unaccompanied minors and refugees. At any one time, they support around 150 asylum seekers who are not allowed to work. Across the country, the UK spends between £70 and £100 million per year housing and supporting asylum seekers who could be working, earning, and fending for themselves;

¹ <http://www.garas.org.uk/>

4. This Council further notes the work of the Lift the Ban Coalition², which includes more than 150 organisations from across the UK who have come together to call on the Government to give people seeking asylum the right to work.

This Council believes that:

1. People seeking asylum who are unable to work are unable to properly integrate with their local area, can't get to know their neighbours, and find it more difficult to learn English;
2. Restrictions on the right to work can lead to extremely poor mental health outcomes, and a waste of potentially invaluable talents and skills both for the economy of Stroud District and the UK; and
3. We are right to campaign for people seeking asylum to be given the right to work unconstrained by the Shortage Occupation List after they have waited three months for a decision on their initial asylum claim.

This Council resolves to:

1. Join the Lift the Ban Coalition; and
2. Call on the UK Government to change the law to give people seeking asylum the ability to seek work under the conditions outlined above.
3. Seek to ensure appropriate provision to support asylum seekers in Stroud District, including promotion of education and training to enable them to better integrate into the District and play an active role in the success of the local economy.”

² <http://lifttheban.co.uk/>

COUNCIL MEETING

21 February 2019

7.00 pm – 8.00 pm

Council Chamber, Ebley Mill, Stroud

3**Minutes****Membership:**

Martin Baxendale	P	Nick Hurst	A	Skeena Rathor	A
Dorcas Binns	P	Julie Job	P	Sue Reed	A
Catherine Braun	A	Haydn Jones	P	Mark Reeves	P
Chris Brine	P	John Jones	P	Steve Robinson	P
George Butcher	P	Norman Kay	P	Mattie Ross	P
Miranda Clifton	P	Darren Loftus	A	Tom Skinner	P
Nigel Cooper	P	Stephen Lydon	P	Nigel Studdert-Kennedy	P
Doina Cornell	P	John Marjoram	P	Haydn Sutton	A
Gordon Craig	A	Phil McAsey	A	Brian Tipper	P
Rachel Curley	P	Karen McKeown	P	Chas Townley	P
Stephen Davies	P	Jenny Miles*	P	Jessica Tomblin	A
Paul Denney	A	Dave Mossman	P	Ken Tucker	P
Jim Dewey	P	Gill Oxley	A	Martin Whiteside	P
Jonathan Edmunds	P	Keith Pearson	P	Tim Williams	P
Chas Fellows	P	Simon Pickering	P	Tom Williams	P
Colin Fryer	P	Gary Powell**	P	Debbie Young	P
Trevor Hall	P	Nigel Prenter	P		

**Chair *Vice-Chair P = Present A = Absent

Officers Present:

Chief Executive

Solicitor and Acting Monitoring Officer

Head of Finance and Section 151 Officer

Head of Community Services

Facilities Management Officer

Elections Manager

Democratic Services Officer

CL.049 APOLOGIES

Apologies for absence were received from Councillors Braun, Craig, Denney, Hurst, Oxley, Rathor, Reed, Sutton and Tomblin.

CL.050 DECLARATIONS OF INTEREST

There were none.

CL.051 MINUTES

Councillor Kay proposed two amendments to the minutes of the meeting held on 18 October 2019.

Minute CL.038(bv) Car Park Review 2018, to amend the second sentence in the fifth paragraph "A further report would be presented at the next meeting of Council because of budget implications. *Councillor Davies asked what the cost would be for not introducing the car parking charges and the Leader would send a reply.*"

The proposed amendment would now read "Councillor Davies asked about the cost of the consultation process leading to the original proposals and the Leader would send a reply."

Minute CL.038(c) Audit and Standards Committee – Procurement Update, to amend the second paragraph to now read "Members asked questions of the specific recommendations to Council and were told by Councillor Studdert-Kennedy that he would not respond to specific questions about the broader issues; on these there were no debate."

Cllr Whiteside seconded the amendments as a fair reflection of what was said at the meeting.

RESOLVED To approve the minutes of the Council's meetings held on 18 October 2018 and 24 January 2019, subject to the above amendments.

CL.052 ANNOUNCEMENTS

The Leader requested that all members complete and return the Party Transaction Form that had been emailed to them as soon as possible.

CL.053 PUBLIC QUESTION TIME

There were none.

CL.054 RECOMMENDATION(S) FROM OTHER COMMITTEES**a Audit and Standards Committee – 29 January 2019****Treasury Management Strategy, Annual Investment Strategy and Minimum Revenue Provision Policy Statement 2019/20**

Councillor Studdert-Kennedy, the Chair of Committee outlined the above report, highlighting the changes to the investment strategy to improve revenue. He emphasised that poor returns were due to a restricted market and inflation, drawing Members' attention to various paragraphs and tables contained within the report.

Several Members were concerned that ethics were taken into account when investments are made. Councillor Studdert-Kennedy stated that once an investment is made by the Section 151 Officer into a company you cannot trace where the money goes. The Council has a duty to obtain the best return, but Committee would do their best to achieve this.

On being put to the vote the Motion was carried.

- RESOLVED 1. To adopt the prudential indicators and limits for 2019/20 to 2021/22;**
2. To approve the treasury management strategy 2019/20, and the treasury prudential indicators;
 3. To approve the investment strategy 2019/20, and the detailed criteria for specified and non-specified investments; and
 4. To approve the MRP Statement 2019/20.

b Housing Committee – 5 February 2019

Tenant Representatives on Housing Committee

The Chair of the Housing Committee, Councillor Townley confirmed that the two current representatives had retired and thanked them for their work. External providers carried out the recruitment process and Letitia Gardiner and Juliette Smith had been appointed.

Councillor Miles seconded the Motion confirming that there had been a rigorous selection process and was pleased with the result.

Councillor Davies questioned why the cost of the selection process was not contained within the report? Councillor Townley would find out the cost and circulate the answer, but pointed out that it would be less than holding an election of 7,500 tenants.

Councillor Fryer commented that the tenants were the soul of the Housing Committee and it was about people.

Upon the vote, the Motion was carried unanimously

RESOLVED To appoint the Tenant Representatives elected for Housing Committee.

CL.055 SETTING THE AMOUNT OF COUNCIL TAX FOR 2019/20

The Leader outlined the above report, confirming that the amount payable was made up from several bodies. The Motion was seconded by Councillor Fryer.

There were no questions and no debate. Councillor Cooper highlighted an error in paragraph 4., the £ should be deleted.

In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001, a recorded vote was taken, the results of which are as follows:-

FOR: (24)	<u>Councillors</u>		
	Martin Baxendale	Colin Fryer	Gary Powell
	Chris Brine	Trevor Hall	Nigel Prenter
	George Butcher	Norman Kay	Stephen Robinson
	Miranda Clifton	Stephen Lydon	Mattie Ross
	Doina Cornell	John Marjoram	Chas Townley
	Rachel Curley	Karen McKeown	Ken Tucker
	Jim Dewey	Jenny Miles	Martin Whiteside
	Jonathan Edmunds	Simon Pickering	Tom Williams

NO: (0)

ABSTAIN: (15)	<u>Councillors</u>		
	Dorcas Binns	Haydn Jones	Tom Skinner
	Nigel Cooper	John Jones	Nigel Studdert-Kennedy
	Stephen Davies	Dave Mossman	Brian Tipper
	Chas Fellows	Keith Pearson	Tim Williams
	Julie Job	Mark Reeves	Debbie Young

On being put to the vote the Motion was carried.

RESOLVED To APPROVE the Council Tax Resolution as shown in Appendix A:

1. It be noted that the Council has calculated:

(a) the Council Tax Base 2019/20 for the whole Council area as 44,281.65 [Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the "Act")] and,

(b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix A column 2.

2. Calculate that the Council Tax requirement for the for the Council's own purposes for 2019/20 (excluding Parish precepts) is £9,189,238.

3. That the following amounts be calculated for the year 2019/20 in accordance with Sections 30 to 36 of the Act:

(a) £77,305,119 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act taking into account all precepts issued to it by Parish Councils.

(b) £64,197,972 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.

(c) £13,107,147 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

(d) £295.99 being the amount at 3(c) above (Item R), all divided by Item T (1(a)) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (Basic Band 'D' including Parish precepts).

(e) £3,917,819 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix A).

(f) £207.52 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1 (a) above), calculated by the Council, in accordance with Section 34(2)

of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates. (Basic Band 'D' excluding Parish/Town Councils).

4. That it be noted that for the year 2019/20 Gloucestershire County Council and The Police and Crime Commissioner for Gloucestershire have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:

Valuation Bands	Gloucestershire County Council			Office of the Police and Crime Commissioner for Gloucestershire
	(£)			(£)
	ASC	General	TOTAL	
DisrA**	51.51	667.21	718.72	139.16
A	61.81	800.66	862.47	166.99
B	72.12	934.09	1,006.21	194.83
C	82.42	1,067.54	1,149.96	222.66
D	92.72	1,200.98	1,293.70	250.49
E	113.32	1,467.87	1,581.19	306.15
F	133.93	1,734.75	1,868.68	361.82
G	154.53	2,001.64	2,156.17	417.48
H	185.44	2,401.96	2,587.40	500.98

* Banding proportions are shown in paragraph 25 of the report.

** Band DisrA provides for a discount for disabled people living in a band A property.

5. That, having calculated the aggregate in each case of the amounts at 3(d) and 4 above, the Council in accordance with Section 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts of Council Tax for the year 2019/20 for each of the categories of dwellings shown in Appendix C to this report.
6. The Council has determined that its relevant basic amount of Council Tax for 2019/20 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2019/20 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

CL.056 DURSLEY NEIGHBOURHOOD DEVELOPMENT PLAN

Councillor Pickering, Chair of Environment Committee outlined the above report. He commented that there had been a high turnout for the referendum, thanking the people of Dursley who had worked on this document which was important in the development control process.

The Motion was seconded by Councillor Marjoram.

There were no questions asked. During debate Members outlined the importance of local communities producing a neighbourhood development plan which would form part of the statutory Development Plan for the District.

Councillor Tom Williams, Chair of Development Control Committee congratulated the people who had produced the Dursley Neighbourhood Development Plan, stressing its importance. It would stand alongside the Council's Local Plan and National Planning Policy Framework, helping shape communities in the future.

In summing up Councillor Pickering reminded people that neighbourhood plans had in the past attempted to be used to block development, they should be designed for pro development.

Upon the vote, the Motion was carried unanimously

- RESOLVED 1. That the Dursley Neighbourhood Development Plan is made part of the Development Plan for Stroud District.**
- 2. To delegate to the Director of Development Services, in agreement with the Qualifying Body, the correction of any further minor spelling, grammatical or typographical errors together with any improvements from a presentational perspective.**

CL.057 MEMBERS' QUESTIONS

Questions were submitted by Councillors Davies and Studdert-Kennedy. They were answered by the Leader, Councillor Cornell. Supplementary questions were also asked. (Refer to the [Council's webcast](#) and Item 8).

The meeting closed at 8.00 pm.

Chair

STROUD DISTRICT COUNCIL

**AGENDA
ITEM NO**

COUNCIL

25 APRIL 2019

6a

Strategy and Resources Committee, 7 March 2019 - Agenda Item 10

Report Title	OPTIONS FOR PROVIDING TEMPORARY ACCOMMODATION FOR HOMELESS HOUSEHOLDS IN THE STROUD DISTRICT.
Purpose of Report	To seek authority for the purchase of a property in Stroud for conversion to temporary accommodation; and, to receive the Committee's view on further temporary accommodation provision in the District.
Decision(s)	<p>That delegated authority is granted to the Head of Property Services in consultation with the Head of Finance and Chairs of Housing and Strategy and Resources Committee:</p> <ul style="list-style-type: none"> (1) to purchase the former Salvation Army building in Stroud utilising the General Fund; and (2) To commission the conversion of this property into temporary accommodation; and (3) To commission the management of the completed property as temporary accommodation for homeless households. <p>Subject to a business case being made and due diligence being undertaken.</p>
Consultation and Feedback	A report was brought to December Housing Committee regarding homelessness and temporary accommodation. Discussion at this Committee showed strong support for the provision of temporary accommodation for homeless households within the Stroud District.
Financial Implications	<p>This report sets out some potential options that could be utilised to alleviate the use of temporary accommodation in the private rented sector.</p> <p>Each of these options would have different costs, benefits and risks and should members approve the exploration of these options, a full business case would need to be drawn up for each option. Any costs associated with the development of a business case would need to come from existing resources, and is likely to be predominantly officer time.</p>

<p>Financial Implications and Risk Assessment</p>	<p>Each of these options would have different costs, benefits and risks and should members approve the exploration of these options, a full business case would need to be drawn up for each option. Any costs associated with the development of a business case would need to come from existing resources, and is likely to be predominantly officer time.</p> <p>Any new capital programme would need Council approval once a business case demonstrates the benefits of proceeding.</p> <p>Any changes in use of existing revenue budget would need to adhere to the scheme of virement in the Financial Regulations.</p> <p>Lucy Clothier, Principal Accountant Tel: 01453 754343 Email: lucy.clothier@stroud.gov.uk</p> <p>Risk Assessment: the provisions of this report should help to mitigate the risk to the council and to individuals facing homelessness. The health risks of homelessness and rough sleeping are well-known and the provision of appropriate accommodation can alleviate this risk.</p>
<p>Legal Implications</p>	<p>As is identified below, the Council is under a statutory duty to provide temporary accommodation for homeless persons in certain circumstances. Such temporary accommodation can take a variety of different forms, as is identified in the report. The Council has a general entitlement to acquire land, which could be used to discharge this duty.</p> <p>It is noted that it is proposed to fund the proposed acquisition from the General Fund. As such, the Strategy and Resources Committee will need to approve the necessary spending and the appropriate amendment/s to the Medium Term Financial Plan. Members may wish to consider whether it is possible to do this in the absence of any current indication of the likely acquisition costs.</p> <p>Moreover, whilst land acquisitions do not fall under the auspices of the public procurement regime, the Local Government Act 1999 imposes a duty on local authorities to “<i>make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness</i>”. Whilst there is a clear urgency in the</p>

	<p>need to provide temporary accommodation, members may nevertheless wish to make further enquiries as to the relative costs/benefits of the 3 options identified in the report before making a final decision regarding this matter in order to discharge that duty.^{.R1501D2101C2101}</p> <p>Mike Wallbank, Solicitor Tel: 01453 754362 Email: Mike.Wallbank@stroud.gov.uk</p>
Report Authors	<p>Pippa Stroud, Policy Implementation Manager Tel: 01453 754099 Email: pippa.stroud@stroud.gov.uk</p> <p>Lucy Clothier, Principal Accountant Tel: 01453 754343 Email: lucy.clothier@stroud.gov.uk</p>
Options	<p>The council has a statutory duty to carry out certain activities in relation to homelessness. One of these is to provide temporary accommodation to qualifying homeless households. At present, private sector provision outside the district is relied on to accommodate these households. This could continue but may not represent good value nor provide as good accommodation as more permanent housing provision appropriate to the needs of those households.</p>
Performance Management Follow Up	<p>Regular update reports on progress will be brought to Housing Review Panel.</p>
Background Papers/ Appendices	<p>Housing Committee 11th December 2018: https://www.stroud.gov.uk/media/970788/item-7-council-responses-to-homelessness.pdf</p>

1. INTRODUCTION / BACKGROUND

- 1.1 In December 2018, Housing Committee considered a report which, amongst other things, gave an update on the Homelessness Reduction Act and the additional requirements for temporary accommodation resulting from it. Following the introduction of the Homelessness Reduction Act, the budget expended on temporary accommodation has increased considerably, and shows no sign of reducing. At present, households are accommodated in a mixture of accommodation provided by private sector landlords and ranging from use of Travelodge hotels to private 'bed and breakfast' style facilities. The majority of this accommodation is located outside the Stroud district and, at times of high pressure, can be as far away as Bristol or Worcester.
- 1.2 The cost of individual placements vary with the average cost for a single or couple at £190 per week, and £415 per week for families. The budget for Bed and Breakfast cost has been increased significantly for 2019/20,

in line with current levels of usage. The income budget (from Housing Benefit) has also been increased from next year, but there is a net cost assumed of £71k.

- 1.3 In addition, accommodating homeless households away from schools, support networks or places of employment can be detrimental to the life chances of that household.

2. ISSUES FOR CONSIDERATION

- 2.1 A number of avenues have been explored in order to find the most appropriate and cost-effective solution to providing temporary accommodation for homeless households. It is estimated that 12 units of temporary accommodation are required.

- 2.2 Three potential options are explored in this report.
They are:

1. Build, or commission and lease, a purpose-built building
2. Convert an existing building for use as temporary accommodation
3. Convert existing HRA dwellings for use as temporary accommodation

- 2.3 All of these options would give new units of temporary accommodation in the district, but with different cost implications, and different service levels.

- 2.4 They are not mutually exclusive and could be used in combination with each other.

- 2.5 By providing temporary accommodation in-house, or through a Housing Association, it is likely that more of the cost of temporary accommodation is reclaimable through Housing Benefit. This is because Housing Benefit in the private rented sector is limited by the Local Housing Allowance rate, albeit under a slight variation to longer term rents. However Housing Benefit may not cover all aspects of management or additional support so there would still be a net cost to the Council.

3. OPTION 1 – COMMISSION A PURPOSE BUILT BUILDING

The commissioning and / or building of a bespoke temporary accommodation unit in Stroud utilising council funding or private investment, with management provided by a local Registered Provider.

- 3.1 The Council could either consider taking on the building of the temporary accommodation itself, or commissioning this work externally. This would require a site to be identified and acquired, funding secured and building works procured, resulting in a long lead in time before accommodation could be available. It would however provide modern accommodation built to current energy efficiency standards.

- 3.2 Private investment would allow a purpose built temporary accommodation unit to be built in the district with no upfront cost from SDC. However, lease costs would be payable to the private investor for a number of years (for example 40), at which point the freehold would revert to SDC. Over that time the lease payments are likely to be inflated annually, linked to RPI, and would be payable irrespective of occupancy.
- 3.3 A management agreement would also need to be put in place at additional cost.

4. OPTION 2 – CONVERT AN EXISTING DWELLING

The purchase and conversion of an existing building by a Registered Provider, either funded by the Council or utilising the resources available to the Registered Provider, and with management to be supplied by that Registered Provider. If funded by the Council, the property would become an asset in our ownership.

- 4.1 The purchase and conversion of a property would mean an upfront capital cost to the authority. If this capital cost is funded from borrowing there would be a long term impact on revenue from Minimum Revenue Provision (MRP) and interest payments. It is likely that this would be considerably lower than the lease payments payable under Option 1 and potentially lower or similar to the costs of the council funded a new build itself depending on the size, age, condition and location of the property.
- 4.2 An opportunity to purchase a housing unit from the Salvation Army in Stroud has arisen. This unit has been empty for some time and the Salvation Army has indicated that they would welcome its purchase to provide temporary accommodation. A local registered provider has visited the property and assessed it as being eminently suitable for conversion for this use. The location of this unit, close to all the amenities of the town centre, makes it ideal for this use.
- 4.3 At time of writing the report, detailed costings for the management of this unit as temporary accommodation are still awaited from the registered provider. A verbal update will be provided at the Committee and this option will only progress if a business case can be made to support this course of action.

5. OPTION 3 – CONVERT FURTHER HRA STOCK TO TEMPORARY ACCOMMODATION

- 5.1 At present, an HRA property in Stroud has undergone works to make it suitable for use as temporary accommodation; the intention is that it will be managed as such by a private company leasing the property and then making it available for the placement of homeless households.
- 5.2 Further general needs stock in the HRA could be converted for use as temporary accommodation. Whilst this reduce/s the number of units of

long term accommodation there is potential social value in a few number of units being used for this purpose.

- 5.3 If it were to be considered on a larger scale, the relaxing of the debt cap means that the loss of units could potentially be offset with replacement stock being purchased on the open market. This would be subject to appropriate housing being available.
- 5.4 This accommodation is only suitable for households without support needs, or where support can be provided through another organisation, as the cost of providing this support over a small number of dwellings would be too costly.

6. CONCLUSION / RECOMMENDATION

- 6.1 It is likely that the most suitable solution overall lies with a combination of some of the above approaches.
- 6.2 Given the pressing need to provide temporary accommodation, a phased approach could be adopted, with the purchase and conversion of the former Salvation Army unit to take place as soon as is practicable, the letting of a small number of HRA general needs properties to continue with additional accommodation brought on-stream afterwards.
- 6.3 Options to provide more units of temporary accommodation than may strictly be needed by Stroud residents are also worthy of further consideration. Any unused units could be offered to our neighbouring local authorities in order to help them meet their accommodation needs and could generate a surplus back to the Council's General Fund. A business case determining the potential benefits against the risks would need to be drawn up to support this.

STROUD DISTRICT COUNCIL

AGENDA
ITEM NO

COUNCIL

25 APRIL 2019

6ai

Report Title	CAPITAL BUDGET FOR TEMPORARY ACCOMMODATION
Purpose of Report	To ensure a capital budget is in place for the purchase of temporary accommodation
Decision(s)	Council RESOLVES to: 1. Approve a £500k budget for the purchase of temporary accommodation.
Consultation and Feedback	Housing and Strategy and Resources Committees have considered this project
Financial Implications and Risk Assessment	This report completes the constitutional requirement for a Council decision to approve new capital spend. The capital spend will be funded by borrowing, the costs of which are included in the overall business case which demonstrates that this scheme is expected to be cost neutral to the Council. Andrew Cummings, Head of Finance & S151 Officer Email andrew.cummings@stroud.gov.uk
Legal Implications	There are no legal implications arising from this report. Patrick Arran, Interim Head of Legal Services and Monitoring Officer Email: patrick.arran@stroud.gov.uk
Report Author	Andrew Cummings, Head of Finance & S151 Officer Email andrew.cummings@stroud.gov.uk
Options	Council could choose not to approve the budget but this would mean the project could not continue.
Background Papers/ Appendices	Report to Housing Committee – February 5 th 2019 Report to Strategy and Resources Committee – March 7 th 2019 Information Paper to Strategy and Resources Committee – April 11 th 2019

- 1.1 On February 5th 2019 Housing Committee considered a report on the “Options for Providing Temporary Accommodation for Homeless Households in the Stroud District”. As part of this report the Committee recommended to Strategy and Resources Committee that delegated authority be granted to the Head of Property Services to purchase the former Salvation Army Building in

Stroud and to commission the conversion of this property into temporary accommodation.

- 1.2 This was considered by Strategy and Resources Committee on March 7th. The decision was made to make the appropriate recommendations for delegated authority to Council, subject to a satisfactory business case.
- 1.3 An additional financial information sheet was considered by Strategy and Resources at their meeting on April 11th in response to a request from the Committee for further detail.
- 1.4 The Council's financial regulations are clear that there must be Council approval of a budget for additions to the Capital Programme. In order for the Head of Property Services to be able to carry out their delegated powers, subject to them being approved, a decision must be made to approve a corresponding budget.
- 1.5 The currently estimated cost, at the early stage of the due diligence process, is £500k. This is to be funded through General Fund Borrowing. When considered as part of the overall economic appraisal it was determined that the cost of such borrowing could be contained within existing budgets. This is because the overall cost of the provision does not change as a result of the Council purchasing and operating its own accommodation. There is however, a significant gain in terms of quality in-district provision.
- 1.6 By way of background the financial summary table included in the S&R background paper from April is included below.

Table 1

Estimated Cost of New Provision (6 units)	£k	Estimated Costs of B&B (6 households)	£k
Borrowing Costs (MRP and interest)	29		
Running Costs (management charge, utilities, repairs and renewals)	80	Expenditure (Bed and Breakfast)	66
Income (Housing Benefit and service charges)	(67)	Income (Housing Benefit)	(24)
Net Cost to SDC	42	Net Cost to SDC	42

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

**AGENDA
ITEM NO**

11 APRIL 2019

6b

Strategy and Resources Committee, 11 April 2019 – Agenda Item 5

Report Title	SUPPORT FOR THE FOUNDATION OF AVON MUTUAL
Purpose of Report	To agree an allocation of £50k to support the foundation of Avon Mutual
Decision(s)	<p>The Committee RECOMMENDS to Council :</p> <p>a) to approve the use of £50k of the Business Rates Reserve for purchase of shares in Avon Mutual.</p> <p>b) to delegate authority to the Head of Finance in consultation with the Head of Legal to conclude the share purchase.</p>
Consultation and Feedback	<ul style="list-style-type: none"> • Member Presentation Evening
Financial Implications and Risk Assessment	<p>This proposal would allocate £50k of the Business Rates Pilot funding for 2018/19, currently estimated at £793k, for the purchase of founder shares in Avon Mutual.</p> <p>Although the Council will receive shares this funding is not recommended by officers solely as an investment for financial benefit. This is a result of the high risks from investing in the organisation at this early stage.</p> <p>This investment is not part of the Council's Treasury Management processes but a capital programme addition.</p> <p>This investment is outside of the Council's normal risk parameters and the decision should be made in the context of there being no guarantee of the success of organisation or return of the funding.</p> <p>For budgeting purposes members should regard this decision as effectively grant funding as it will reduce the balance of the business rates reserve.</p> <p>Andrew Cummings - Head of Finance & Section 151 Officer</p> <p>Email: andrew.cummings@stroud.gov.uk</p>

Legal Implications	<p>There are two factors to consider in relation to legal implications, namely the legal power the Council has to invest and secondly any state aid considerations.</p> <p>The Council has a power to invest for any purpose relevant to its functions by virtue of section 12 of the Local Government Act 2003. The Council also has a General Power of Competence to do anything that individuals generally may do by virtue of Section 1 Localism Act 2011.</p> <p>Legal officers have considered state aid implications and are satisfied that the proposal is compliant with state aid law.</p> <p>Patrick Arran – Interim Head of Legal Services & Monitoring Officer Email: patrick.arran@stroud.gov.uk</p>
Report Author	<p>Andrew Cummings – Head of Finance & Section 151 Officer Email: andrew.cummings@stroud.gov.uk</p>
Options	<p>The Committee may choose not to support the foundation of Avon Mutual and allocate the reserve elsewhere.</p>
Performance Management Follow Up	<p>2018/19 Outturn Report</p>
Background Papers	<p>Appendix A – Avon Mutual Presentation Appendix B – Assessment for Capital Programme</p>

1. Introduction and Background

- 1.1 On 18th October 2018 Stroud District Council agreed a motion in support of local wealth building. That is the process by which anchor institutions can use their policies and financial spending power to help grow their local economy. This motion included an acknowledgement that co-operatives and local banks were one of the four key strategies of local wealth building. Council resolved to create a plan by which the practical strategies of local wealth building can be used to achieve SDC's vision and corporate priorities.
- 1.2 On March 20th 2019, Jules Peck and Dena Brumpton of Avon Mutual, delivered a presentation to Members about the proposal to form South West Mutual – regional banking for inclusive growth. A copy of the presentation can be found at Appendix A. This appendix demonstrates how the bank would be set up, what services it will deliver and the overall benefit it will deliver for the region.
- 1.3 The Council is a member of the Gloucestershire Business Rates Pilot for 2018/19. The financial arrangements for that pilot result in additional one-off funding for the member authorities. The share for Stroud District Council is currently estimated at £793k as has been reported to this Committee. This

funding is to be added to the Business Rates reserve for allocation as projects are identified.

1.4 This Committee has previously set out the principles for the allocation of this funding. The proposal is that funding may be allocated to projects which support;

- Local Business
- Financial Sustainability of the Council
- Local Wealth Building
- A zero carbon district

2. AVON MUTUAL

2.1 Avon Mutual is an organisation which has been set up to seek a banking license to operate a high street bank for households, SMEs and other organisations within Bristol, Bath, North and North East Somerset, Gloucestershire, and Wiltshire. It is one of 18 regional co-operative banks being launched by the Community Savings Bank Association.

2.2 When established as a bank Avon Mutual will offer banking on the mutual model. It will be a mission led bank with a focus on promoting sustainable and equitable prosperity for the region. The mission is to build financial inclusion, significantly increase the proportion of bank lending going to the “real” economy and SMEs instead of the financial economy, build economic resilience and bring about a renaissance of customer service, relationship banking and trust.

2.3 Avon Mutual’s own summary of their objectives is

- Mission-led bank promoting sustainable and equitable prosperity for the region
- Owned by its customers and committed to honest, simple and transparent relationship banking
- Serving the financial needs of people of ordinary means, local community groups and SMEs
- Providing a full range of banking services from 9 staffed branches and 21 automated branches

2.4 To fund the initial phases of the process of establishing a bank, the new mutual is seeking £500,000 of initial funding, through the issuing of Founder Shares. This is to fund

- conducting detailed market research and business planning,
- continuing board recruitment,
- commencing pre-authorisation stage of banking licence application,
- Secure commitments from investors for the £20m of capital required to commence full banking operations.

2.5 The mutual has made considerable progress attracting first round support and it is believed that a number of other public authorities are also considering investing.

- 2.6 Making an investment at this early stage can be seen as a positive action in support of the Council's commitment to local wealth building and is in line with the principles agreed by this committee in relation to the allocation of the Business Rates pilot funding.
- 2.7 Investing at this early Founder Shares stage is a higher level of risk than investing later in the process. The mutual does not yet have a banking license and until one is obtained will not be able to trade. If the mutual is successful in receiving a banking licence and the bank starts trading, based on current projections, it is envisaged that dividends of an estimated 7.5% will be payable from around Year 5. This is a targeted dividend and is not guaranteed in any way.
- 2.8 The Mutual recognises that investing at the early stage is an additional risk so investors in founder shares will receive three times as many shares for their money as later investors to help compensate for that level of risk. As all of the Council's shares will each receive the 7.5% dividend if a bank is successfully established and becomes profitable, the potential rate of return to the Council could be around 20% per annum.

3. Proposal to invest in the mutual

- 3.1 It is proposed that the Council uses funds from the predicted business rate pilot to purchase shares to the value of £50k. These shares may provide a return in the long term if a bank is established and reaches profitability but this is of course not guaranteed. The business rates pilot represents funding for the Council to be put towards strategic priorities and therefore represents a significant opportunity to support projects such as this which would otherwise fall outside of the Council's base budget.
- 3.2 The final confirmed amounts to be received from the business rates pilot will not be known until some-time after the end of the financial year. However, with the end of the financial year being close, recent monitoring suggests that there would have to be a very significant fall in business rates income within the County for the gain from the pilot to be eliminated. The Council already has a business rates reserve from which this share purchase will be funded in the event of there being insufficient pilot gain.
- 3.3 The Mutual is following a clear process in their route to become a bank and have considerable banking expertise on their board. However, it should be recognised that this is an investment in a start-up organisation which does not yet have the appropriate license to operate in its chosen field. There is therefore a risk that the mutual will not achieve its stated objectives.
- 3.4 If the organisation were to be unsuccessful and a bank not be established it is very unlikely that any of the £50k contribution would be recoverable.
- 3.5 It is therefore not recommended to make an investment solely with a view to generating a financial return on that investment. As there is no guarantee of a return the £50k funding should be viewed, in budgetary terms, as akin to a grant

to support the aims and principles of the Mutual. It is also in recognition that its principles of providing co-operative banking to businesses including SMEs, and to individuals are in line with the Council's own priorities. As such, whilst the legal effect of the proposal is to invest in a company and a share purchase, it is effectively akin to a grant to support the local economy rather than an investment intended to deliver an economic return.

- 3.6 As it is a share purchase the £50k will be shown as an investment within the Council's financial statements in the published accounts. However, it is not regarded as such for budgeting purposes as it is fully funded from the business rates reserve as the return is not guaranteed. The accounting treatment for the purchase of shares is that it is treated as capital expenditure which will be funded from the Business Rates Reserve. The addition of the share purchase to the capital programme, to be funded from the Business rates reserve, requires Council approval.
- 3.7 The addition to the Capital Programme means that an assessment is required, in line with the principles of the recently adopted Capital Strategy. This has been completed and is shown at Appendix B. This demonstrates that the investment has been subject to the same form of appraisal as all other new capital projects would be.
- 3.8 Stroud District Council would be one of the first authorities in the area to commit funding to the Mutual if Council approve this funding. Other authorities have committed support to mutual banks in their area, particularly within Greater London. In Devon South Hams and West Devon District Councils have each awarded approximately £50k from their business rates pilot to the support the foundation of the "South West Mutual". This is the sister organisation of Avon Mutual within their area.
- 3.9 The proposal to use the Business Rates pilot pot to fund the investment is made as the share purchase would meet two of the principles for allocating the business rates pilot fund. These are supporting local business and local wealth building. Co-operative banks are a key element of local wealth building and a locally run co-operative bank, with a local branch network, is likely to be beneficial to individuals and small and medium entities within both the district and the wider economic area served by the bank.
- 3.10 "Helping to create a vibrant and sustainable economy that works for all" is a key part of the Council's Corporate Delivery Plan. The support of Avon Mutual and of co-operative banking in general is in line with this corporate Council priority.
- 3.11 If a banking license is obtained and Avon Mutual becomes a bank then further funding rounds will be needed. Those rounds will be to obtain the capital that is needed to on-lend to customers. If the Council wishes it may choose to make further investment at this point in order to generate a financial return. An investment of that nature would have to be subject to full investment appraisal due diligence as with any other bank lending.

4. The next steps for the Council

- 4.1 The purchase of the shares will be completed, subject to the approval of the delegated authority, by the Head of Finance in consultation with the Head of Legal Services.
- 4.2 The S151 Officer will conduct all necessary dealings with the bank and fulfil the role of shareholder within the organisation.
- 4.3 Progress of the bank towards achieving a license and later commercial progress will be reported to Strategy and Resources on at least an annual basis or earlier if requested by the Committee of urgent circumstances require.

25 APRIL 2019

6c

Strategy and Resources Committee, 11 April 2019 – Agenda Item 8

Report Title	REPAIRS AND MAINTENANCE SERVICE 2020
Purpose of Report	To share with Housing Committee the outcome of the detailed service review and to seek authority to in-source the Repairs and Maintenance Services function from 1 April 2020
Decisions	<p>The Committee RESOLVES to:</p> <ol style="list-style-type: none"> 1. Approve the in-sourcing of the Housing Reactive Repairs and Maintenance (R&M) Service from 1 April 2020. 2. Approves Option 10 (App L) of the cost benefit analysis (CBA) report, and taking into account the risks and mitigations the potential contracting-out of a small proportion of the service delivery as described in Option X. 3. Recommend to Strategy and Resources Committee and Council an additional revenue budget of £53k in 2019/20 and £132k in 2020/21 to cover the one-off implementation and set-up costs, and a new capital programme for HRA IT systems totalling £175k over 2019/20 and 2020/21. 4. Agree delegated authority to the Head of Contract Services to progress and implement the insourcing of the R&M Service, and procurement of all other support services as required in consultation with the Chair and Vice Chair of Housing Committee, Head of Legal Services and the Section 151 Officer.
Consultation and Feedback	<p>Consultation consisted of:</p> <ul style="list-style-type: none"> • Two workshops with a wide range of Council Officers, tenants and members in attendance • A presentation with Q&A at Housing Review Panel • Briefings with the Chief Executive • Briefings with The Leader • Briefings with the Chair and Vice Chair of Housing Committee • Discussions with Finance • Discussions with the Head of Housing Services

Financial Implications and Risk Assessment

The financial appraisal has been undertaken by an external specialist. It indicates that the proposed method of delivering repairs and maintenance would, after initial investment, be at a lower cost than alternative options.

Mobilisation costs of £430k have been identified in the report.

The revenue costs are expected to be £123k in 2019/20 and £132k in 2020/21. £70k is already included in the 19/20 budget as approved by Council in January 2019 and so the allocation of an additional budget of £53k is being requested. This could be funded from HRA general reserves.

The need for a new capital programme of £175k over two years for IT systems has also been identified. This could be funded from the Major Repairs Reserves.

All additional budgets would need to be approved by Council.

There is a potential cost of redundancy, but this will not be known until the structure and TUPE list is finalised.

Although a potential reduction in cost has been identified in future years, it is recommended that any surpluses are kept in a holding reserve over the short term to mitigate against any unforeseen costs.

There are significant risks associated with delivering parts of the service in house, and these would need to be closely managed. If successful it would provide more control of service delivery and better data on our housing and repairs.

Analysis of the costs will continue throughout the process.

Lucy Clothier, Principal Accountant

Tel: 01453 754343 Email: lucy.clothier@stroud.gov.uk

Risk assessment by the report author

Risks associated with the project but in particular those relating to insourcing are: - a decrease in productivity; greater health-and safety responsibilities; fluctuating costs of materials; equality of pay; and having the necessary resources to implement the transfer of services. Strong management of the transfer and robust implementation plans will ensure that these risks are effectively mitigated. Risks will be monitored through Excelsis for transparency.

Legal Implications	<p>The Committee has delegated authority to make this decision save that any additional budget must be approved by the Strategy and Resources Committee.</p> <p>There will be a number of additional legal implications relating to the actual mechanics of bringing any decision into effect but these do not impact upon this decision and will be dealt with by officers as part of the delegations set out in paragraph 4 of the recommendations.</p> <p>Patrick Arran, Interim Monitoring Officer Tel: 01453 754369 Email: patrick.arran@stroud.gov.uk</p>
Report Author	<p>Joe Gordon, Head of Contract Services Tel: 01453 754190 Email: joe.gordon@stroud.gov.uk</p>
Options	<p>Re-procure an outsourced service provision based on a split delivery model. Planned Repairs being delivered by a single contractor across the district and Reactive Repairs and Voids being delivered by a different contractor. Or delivery through any of the models outlined within the main report.</p>
Performance Management Follow Up	<p>A performance framework will be developed in line with sector norm, to reflect service, corporate and end users objectives. An integrated software system will provide enhanced levels of transparency for the service and will deliver a significant return on investment through a range of direct and indirect benefits.</p>
Background Papers/ Appendices	<p>Appendix A – Repairs & Maintenance Option Appraisal and Cost Benefit Analysis (Appendices A - T relating to this report have been published onto the Council's website and a hard copy is available in the Members' Lounge)</p> <p>Appendix B – IT Systems Costs</p>

1.0 Introduction

- 1.1 The Council is currently undertaking an extensive business transformation programme, aimed at improving efficiencies, providing value for money, and improving customer satisfaction.
- 1.2 Tenant Services have a number of contracts in place to deliver asset related services for the upkeep of its retained stock. The major spend elements being related to day to day Responsive Repairs, Planned Programmes of work, Cyclical Painting, and smaller elements relating to Mechanical and Electrical functions.
- 1.3 Annually the service spends in excess of £3.5 million on repair and maintenance delivering a broad range of services.

- 1.4 Tenant Services have already successfully in-sourced its Gas Heating, service, following a decision made at an Executive meeting on Monday 8 April 2013.
- 1.5 The service has recently let a short term contract (2 years) for the provision of the repairs, and planned maintenance services in the south of the district following the early departure of Mears.
- 1.6 A review of ICT systems and software has been undertaken as part of the service review as it was prudent to do so.
- 1.7 This report sets out the options available to the Council for the provision of the repairs and maintenance service from April 2020 onward.
- 1.8 Limitations and scope of the review have been highlighted within the main supporting report at Appendix A.

2.0 Background

- 2.1 Across all social housing providers nationally, repairs and maintenance is almost exclusively the number one priority for tenants.

It is generally considered that there is no 'one size fits all' operating model for the delivery of day-to-day housing repairs and associated services.

A lot has changed locally, and on a national level. The local government 'landscape', and that for social housing, looks very different. To ensure we continue to deliver the best possible service to our tenants we need to rethink how the R&M Service is delivered and consider the options available to us.

- 2.2 In 2014 a report presented to Stroud District Council Housing Committee indicated that Tenant Services would look at options to insource work streams as contracts came to an end.
- 2.3 In 2015 Stroud brought its Heating Servicing and repairs function in house. Over the past three years the organisation has seen increased levels of satisfaction in this area. This has largely been achieved through having a greater degree of control over the service and the flexibility to deliver a service which better suits the needs of our tenants.

SDC overall experience with internalising the heating servicing and repairs has been positive for both tenants and the Council. Feedback received suggests there is a greater degree of confidence experienced by tenants when the Council delivers services directly.

However while the internalisation of the heating service has been positive, we cannot look at this in isolation, excluding what may be other viable options including to continue delivery of the service using similar or existing models as present.

- 2.4 Provision of the repairs and maintenance service is currently split North and South across the district, provided by two separate organisations. The Council currently has differing arrangements with each of the two contractors due to the early termination of an existing arrangement.
- 2.5 Contractual arrangement for the delivery of the repairs and maintenance function with one of two incumbent contractors comes to an end on 31 March 2020, with no option to extend beyond the end date. The Second arrangement has a break clause aligned, with the above as a result of the initial term coming to an end; however in this instance an option exists to extend for a further six years by two terms of three years each.
- 2.6 Successive service providers have been unable to consistently provide a level of service provision which delivers high levels of customer satisfaction and which adequately protects the brand and reputation of the organisation. High levels of administration, supervision, and intervention have been required where adequate service provision has been achieved.
- 2.7 A review of IT Systems and processes was undertaken which highlighted that a disproportionate level of manual interventions is required to ensure transparency and efficiency of management processes.

Irrespective of the service delivery model chosen, it is clear that significant investment is required in ICT to ensure that the management tools and expertise required are in place. This would create the foundations needed to generate the performance levels expected of a top quartile repairs and maintenance service.

- 2.8 Workshops were undertaken with a range of stakeholders to look at, and evaluate a long list of eighteen viable options, which were eventually reduced to seven. Details are set out within the report Repairs & Maintenance Option Appraisal and Cost Benefit Analysis at Appendix A (See Appendix B&C within).

3.0 Stakeholder Engagement

- 3.1 In order to identify the drivers and priorities for any new arrangements, stakeholders have been engaged to explore the benefits and issues experienced with the existing arrangements. This has helped to develop an understanding of the needs and aspirations of tenants and councillors in shaping the future provision.

Staff, Councillors and tenants came together to review the positives and negatives of a range of models for delivery.

3.2 Feedback from the two workshops which took place was used to reduce a long list of eighteen options down to four main types of delivery model, of which three included modified options making a total of seven models which were considered. Detailed descriptions of all delivery models are again set out within the main report at Repairs & Maintenance Option Appraisal and Cost Benefit Analysis Appendix A (see Appendix D within).

3.3 The final options considered were:

- a) Option **3** – Out sourced, traditional procurement, SOR, two contractors, one to deliver repairs and voids only and one to deliver planned works only
- b) Option **6** – Out sourced, traditional procurement, Open Book, two contractors, one to deliver repairs and voids only and one to deliver planned works only
- c) Option **10** – Hybrid, traditional procurement, Open Book, Two contractors, DLO to deliver repairs and voids, and out sourced contractor to deliver planned works - *includes modified options for DLO to start gradually on the volume of repairs, include modified options for the DLO to have a different constitution (WOS etc) – include modified options for the DLO to be managed by a management consultant/agent (through a procured route)*
- d) Option **15** – Fully in-sourced Wholly Owned Subsidiary delivering planned and repairs to all areas

Each option above to consider “dialogue aspects” during the procurement, not full competitive dialogue, but engagement through interview and presentations during the process

3.4 It is worth noting that the top six key drivers gleaned from workshop feedback were:

1. Control
2. Partnership and Collaborative Working
3. Value for Money
4. Skills and Behaviours
5. Customer Service
6. IT Systems

3.5 While we have made good progress in getting costs under control, these key themes taken from the workshops indicate that there is still some work required in a number of key issues largely characterised by silo working, trust, and value for money.

3.6 The workshops facilitated by Impart Links Consultancy made clear at the outset that Tenant Services had no particular view about which

delivery model is most appropriate other than, a pragmatic view would be taken based on each models ability to deliver quality services for stakeholders and represents value for money for the Council.

4.0 Options Appraisal

- 4.1 We have looked at the contracting options available to the Council. Seven options for the re-provisioning of repairs and maintenance were considered as set out in 3.3 above.

Each of the different service models can be seen to be working successfully given the right situation in different organisations. Best practice advice is that the optimal solution is one which will best serve the needs of the organisation's customers, its business drivers, and its stakeholders.

- 4.2 It was established that whilst a number of the options are relatively balanced in respect of cost, value for money and quality, Option 10 Hybrid (direct delivery/contractor approach) is seen as the best match for the Council's overall objectives for this service.
- 4.3 Insourcing the Service would strengthen partnership working with other Services. For example, it would enable the Service to support the new approach to housing management and to be an integral part of locally-based neighbourhood management.
- 4.4 The overarching reason for bringing repairs and maintenance in-house is the need to have more control to mitigate potential risks. There is a risk to reputation which is outside of our control when using larger contractors. When problems arise with an outsourced operation, it is difficult to affect change quickly especially with larger service organisations as we are often seen as small fish in a big pond.
- 4.5 The other reason for in-sourcing is to have greater control and sight of the costs associated with repairs and maintenance. Internalising the heating service has realised efficiencies of over £300k in less than three years which is a saving of over 18% when compared to outsourcing the works to an external organisation. (Figures are based on 2014/15 financial years figures, and uplifted by inflation).
- 4.6 Having greater control over the service provision means we would be able to react to the customers priorities more quickly, and gain much improved customer insight. There is also an opportunity to communicate a message of intent to stakeholders that SDC has recognised performance, service, and accountability is central to our relationship with them and extremely high on their agenda.

5.0 Finance

- 5.1 As with most projects, some investment will be required at the outset to support project delivery.
- 5.2 The initial one-off implementation costs involved in insourcing the Service would amount to £430,645. However, in the long-term insourcing is the reactive maintenance element of the service is the most cost-effective option expected to achieve year-on-year sustainable savings for the Housing Revenue Account (HRA). Anticipated efficiencies are set out within the options appraisal.
- 5.3 Of the total set up cost, the insourced service would require £123,000 of revenue and £88,000 of capital in year one (19/20), and the balance in year two (20/21). This includes costs for the provision of or upgrading of the existing IT software, and early transfer or provision of key trades operatives to ensure there is no dip in service provision at the point of transfer.
- 5.4 The business model for a modern Insourced service is very different to the old days. Transparency is key and therefore ongoing financial appraisal and analysis will form part of the reporting mechanism to ensure Members and the Executive Team can remain reassured of commerciality of service.
- 5.5 For the benefit of comparison VAT for the insourced service when compared against an externalised provision is cost neutral.
- 5.6 The initial five year projections are set out on page 10 of the Repairs & Maintenance Option Appraisal and Cost Benefit Analysis report at Appendix A.

6.0 Opportunities

- 6.1 Subject to legal and financial due diligence there would be opportunities for income generation not only in terms of Council budgets but also being able to provide services for third party organisations, leaseholders, and local businesses.
- 6.2 The neighbourhood benefits because the insourced service will be a local contractor, and will draw its workforce from the local community creating local sustainable employment and training opportunities.
- 6.3 Collaboration – growing a successful in-house team gives us the potential to work closely with other Social Housing providers across the region providing shared savings and efficiencies.
- 6.4 The option to bring the repairs service in-house, with certain elements contracted out to local specialist businesses where possible, should have a positive impact and give us some influence in terms of

economic growth and encouraging job creation. Delivering services through the 'Stroud Brand'.

- 6.6 Any contractual arrangement for the delivery of services including the current arrangements for the R&M Service, involves a degree of contractual inflexibility in how that service is delivered. Bringing the R&M Service in-house for direct delivery will enable the Council to use these resources collectively - exploring opportunities for joint benefits and better integration, thereby achieving efficiency savings for other Council Services.

7.0 Risks

- 7.1 There are of course risks associated with the option to insource the Service (as indeed there are with all the other alternative delivery options discussed in the report), and some of these risks are significant. However, measures are and will continue to be in place to mitigate these, and if any of significantly escalate, or any significant new risks (including financial ones) emerge, a further report would be brought back to Housing Committee.
- 7.2 Key risks associated with insourcing the Service relate to: - a decrease in productivity; greater health-and-safety responsibilities; reputational; fluctuating costs of materials; pay; and having the necessary resources to implement the transfer of service. Strong management of the transfer and robust implementation plans will ensure that these risks are effectively mitigated.
- 7.3 As part of the risk mitigation strategy an overarching risk management plan will be developed and implemented for the duration of the project.

8.0 Conclusion

- 8.1 There is increasing pressure from the Regulator of Social Housing to deliver value for money (VFM) and this is particularly relevant for the procurement and delivery of the repairs service. The size and value of repairs expenditure provides the Council with considerable opportunities to maximise the contribution that R&M can make to community sustainability through innovative procurement.

It is more important than ever that all Council Services are efficient and represent value-for-money, achieving better outcomes for customers with limited resources.

- 8.2 There are opportunities to apply a more agile approach to managing and future proofing the services we deliver. Not only will this be of benefit to stakeholders, through the delivery of a service they should rightly expect from their landlord, but there will also be a financial benefit to the organisation.

- 8.3 We recognise that there are a range of potential benefits and challenges to different types of arrangement, and have considered these carefully in coming to a view about the best model for the housing repairs service. Once fully integrated into the Council there will be further opportunities to create efficiencies within the service.
- 8.4 Notwithstanding the wish to have more control and influence over service provision, we believe that a well managed insourced service can make strong contribution to the community. For many of our stakeholders it may be the only face to face contact they have with the Council, and the service we provide is a direct reflection of us.
- 8.5 We realise that a huge cultural shift is required, as insourcing the service will involve transferring the current Mi-Space and NKS workforce delivering the R&M Service, into the Council, but believe that we will be able to realise our goal of providing great customer service by having direct control over service delivery.
- 8.6 Increasing customer satisfaction is a priority for us, and therefore insourcing gives us a unique opportunity to customise service delivery based on what our stakeholders say.

9.0 Recommendation

- 9.1 We recognise that a number of key elements of the service would be best delivered by external contractors, and therefore do not intend to directly deliver internal or external planned works, cyclical painting, or other specialist work.
- 9.2 Internalise the delivery of reactive repairs.
- 9.3 Implement a suitable ICT system which brings together the R&M, Asset Management, and Contractor workforce functions on a single platform.
- 8.4 Develop in consultation with key stakeholders a Repairs Charter to meet the needs of all stakeholders.

This report should be read in conjunction with the Repairs & Maintenance Option Appraisal and Cost Benefit Analysis at Appendix A, along with the Appendices contained within.

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Strategy and Resources Committee, 11 April 2019 - Agenda Item 10

Report Title	RECOMMENDATIONS OF THE CONSTITUTION WORKING GROUP
Purpose of Report	To set out the recommendations of the Constitution Working Group
Decision(s)	The Committee RECOMMENDS to Council that the Role Profiles for Councillors section of the Council's Constitution be amended as shown in the Appendix to this Report, in accordance with the recommendations set out in this report
Financial Implications and Risk Assessment	There are no financial implications arising from this report. Andrew Cummings - Head of Finance & Section 151 Officer Email: andrew.cummings@stroud.gov.uk Risk assessment – the risk of not keeping this section of the constitution up to date with current practices is that it may become increasingly irrelevant.
Legal Implications	Changes to the Constitution must be approved by full Council; as such, any changes recommended by the Committee on the basis of this report will need to be approved at a Council meeting. Mike Wallbank, Solicitor Email: mike.wallbank@stroud.gov.uk
Report Author	Mike Wallbank, Solicitor Email: mike.wallbank@stroud.gov.uk
Options	The Committee may chose to adopt some, all or none of the recommendations set out in this report.
Background Papers/ Appendices	Constitution section 16 – Role Profiles for Councillors Appendix 1 – draft amended Role Profiles for Councillors document.

1. INTRODUCTION / BACKGROUND

- 1.1 The Constitution Working Group (CWG) was set up by this committee on 12th July 2018. The CWG was tasked with considering the following areas and making recommendations to the committee as to whether any amendments to the Council's Constitution would be appropriate:

- 1.1.1 Whether a further redistribution of functions between committees should take place to reduce the number of committees;
 - 1.1.2 A review of the Council's financial Regulations to assess how best to engage committees and Members in the budget setting process; and
 - 1.1.3 A review of the Role Profiles for Councillors to further promote and improve Member involvement in the decision making process.
- 1.2 The CWG has already reported back to Committee on 1.1.1 and 1.1.2 above. The CWG met on 24th January and 19th and 28th February 2019 to consider 1.1.3 above. The purpose of this report is to set out the observations and recommendations arising from those meetings.

2. ISSUES FOR CONSIDERATION

- 2.1 The CWG reviewed each section of the Role Profiles for Councillors document. It considered in particular whether each aspect of the role description remained relevant and whether any duties were no longer relevant and should therefore be removed; it was also considered whether anything could be added which might serve to assist Member participation in decision making.
- 2.2 The amendments proposed by the CWG are set out in the appendix to this report.

INDIVIDUAL ROLES

3. CHAIR OF COUNCIL

- 3.1 It was noted that this role has changed somewhat in recent times; it was proposed that the role description should be amended to reflect these changes. It was also considered that the role description should be reflective of the fact that the role is, to some extent, what the individual holder makes of it.
- 3.2 The town twinning arrangement has now been in abeyance for some years; it was therefore proposed to remove reference to this.
- 3.3 The nature of civic awareness events within the community has changed in recent years and the group noted that the Chair does not hold the budget for such events: it was therefore proposed to amend the role description to reflect the Chair's participation in such functions where appropriate rather than being to initiate them.
- 3.4 It is not clear as to whether the Chair is still chairing briefings for Council meetings; Committee may wish to consider the format of these meetings going forward and in particular, whether they should continue to be chaired by the Chair of Council.

- 3.5 The group considered that the reference to supervision of an annual civic service should be deleted, given that in recent years such an event has not take place and that in any event, this aspect of the role is covered in other parts of the description.
- 3.6 The reference to the spending of the Civic Fund was no longer considered to be applicable, given that this is no longer administered by the Chair.
- 3.7 The group discussed the length of the Chair's term of office and there was a consensus that a 1 year term is insufficient to enable to an individual to develop in the role. It was therefore suggested that the current stated expectation that the Chair shall serve a 1 year term should be abandoned. This would also enable an incoming Chair to make best use of any training received upon taking up the role, which may not be available immediately.
- 3.8 It was suggested that the role description should have an additional bullet point added with the wording "*To sit on the Standards Panel when considering disciplinary matters*", in order to reflect the Investigations Procedure set out elsewhere in the Constitution.

4. VICE-CHAIR OF COUNCIL

The Group did not conclude that any alterations to the existing role description were necessary.

5. CHAIR OF A COMMITTEE

The Group concluded that this role description is largely adequate. However, it did consider that the requirement to produce annual reports to Council was often not being fulfilled. It was felt this should be noted by Committee in order to remind committee chairs of this requirement, which the group considered to be an important one.

6. COMMITTEE CHAIRS – SPECIFIC TERMS OF REFERENCE

Again, these were considered to be largely satisfactory. The Group suggests that it would be appropriate to add the words "*and having regard to the Corporate Delivery Plan*" after the second bullet point referring to role of the Strategy and Resources Chair.

7. COMMITTEE VICE-CHAIRS

No amendments were considered necessary.

8. LEADER OF THE COUNCIL

No amendments were considered necessary.

9. POLITICAL GROUP LEADER

The existing profile covers most aspects of the role, however, it was suggested that the words *“to promote good working relationships between political parties and between members and officers of the Council for the benefit of the District as a whole.”* should be inserted added to the role description, to reinforce the need to ensure that the overarching objectives of the Council are taken into account.

10. ALL COUNCILLORS

10.1 The Group recommends that the words *“and ensure regular attendance and ensure that they are adequately briefed and prepared for the meeting.”* should be added at the end of the second bullet point in the existing description, to reinforce the expectations of members.

10.2 In addition, the addition of the words *“as appropriate”* after the final bullet point would assist in catering for areas where there are a number of parish councils in a single ward.

11. OTHER MATTERS

A query was raised as to the status of working groups and whether they should be regarded as sub-committees. The Court of Appeal has made it clear that task and finish and working groups are an accepted and justified part of the conduct of Council business, provided that such groups do not have any delegated decision making powers. As such, the setting up of a group (such as this one) to consider matters and make recommendations to the Council or a committee is lawful.

12. FURTHER ACTIONS AND POTENTIAL FUTURE BUSINESS

This report concludes the work of the Group as defined by the resolution of 12th July 2018. It is expected that the report of the forthcoming peer review may identify areas for consideration or improvement in the existing constitution. It is anticipated that a report regarding such will be presented to a future committee meeting.

ROLE PROFILES FOR COUNCILLORS

This section explains what is expected of Councillors in undertaking their duties.

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Role Profiles for Councillors

CHAIR OF COUNCIL

The Chair of Council will be the Civic Head of Stroud District Council and will chair full Council Meetings.

Duties and Responsibilities

- To chair meetings of the Council ensuring among other things that all points of view have a fair opportunity to be heard, that procedure rules are applied and observed, and that debate is guided towards clear and relevant decisions.
- To represent the Council in the District and elsewhere on occasions where a civic representative is invited or otherwise required.
- To participate in events, receptions, programmes and activities designed to recognise and encourage civic awareness in the community, where appropriate.
- To attend and chair briefings for Council meetings, involving leaders of the political groups and to be proactive in making proposals for the effective conduct of the agenda.
- To host Council events of a non-party-political nature as required.
- To promote good relationships between Councillors, between political groups and between Councillors and officers.
- To oversee the spending of the Civic Fund for the benefit of the whole District.
- To ensure that the Vice-Chair is kept informed of all relevant civic matters and has a useful civic role during his/her period of office.
- To attend Chairmanship Skills training as appropriate, usually at the start of the term of office.
-

To sit on the Standards Panel when considering disciplinary matters.

VICE CHAIR OF COUNCIL

The Vice-Chair of Council will support the Chair of Council in his role and in his absence undertake the duties within the role profile for the Chair of Council.

CHAIR OF A COMMITTEE

Chairmen of committees will be elected annually at the annual Council meeting.

The role of Chair is an important one. They are the functional lead for their committee's area of work. They will be supported by the Vice-Chair who they will involve and work with.

The Chair is responsible for the effective management and running of the Committee's business. This involves directing the Committee's business agenda, the effective management of Committee deliberations and maintaining effective consideration of the Council's business.

The Chair of each Committee is expected to identify areas for inclusion in the Committee's work programme and will ensure that the Committee Members are both involved in setting the work programme and take part at all stages in deliberations.

The Chair of each Committee shall work with officers and will have responsibility for the agenda preparation of their Committee.

Part 1 - Terms of Reference for Chair of Committee (whichever committee)

- To chair meetings.
- To present to Council reports of the Committee when required and to present an annual report on the work of the Committee at the last meeting of the municipal year.
- To monitor progress in respect of the Committee's work programme.
- To maintain high standards of probity and adherence to standards of conduct and protocols.
- In conjunction with the Vice-Chair to determine appropriate means of inviting and involving public comment and representations on matters under consideration.
- In conjunction with the Vice-Chair to ensure appropriate expert and specialist advice is made available to the Committee when appropriate.
- To ensure, in liaison with the Chief Executive, that Committee Members benefit from appropriate training and development to deal effectively with the Committee's business.
- To attend chairmanship skills training as appropriate.

Part 2 – Terms of Reference Specific to Certain Chairmen

A Strategy and Resources Chair will also:

- Be the Council Leader.
- Will have the lead role in co-ordinating the work of the Committees across the Council, liaising with other committee chairmen as needed to ensure the work of all committees is undertaken in a holistic manner and having regard to the Corporate Delivery Plan.

B Communities, Environment and Housing Committee Chairmen will also:

- Sit on the Strategy and Resources Committee.
- Will champion the function of their individual committee but in doing so will recognise their part in the holistic purpose of the Strategy and Resources Committee as a body comprised of key leading members from across all functions of the Council.

C Development Control Committee Chair will also:

- Chair meetings of the Sites Inspection Panel.
- Maintain the non-party political status of committee proceedings and meeting management.

D Community and Licensing Committee Chair will also:

- When sitting as a member of a Licensing Panel chair that panel hearing.
- Promote good relationships between the Council, the various licensing trade groups and communities within the District.
- Maintain the non-party political status of committee proceedings and meeting management.

E Audit and Standards Committee Chair will also:

- Maintain the non-party political status of committee proceedings and meeting management.

VICE-CHAIR OF COMMITTEE

Vice-chairmen of committees will be elected annually by Council. The role of Vice-Chair is an important role. They holders of the post are responsible for supporting the chairmen of the committees with the effective management and running of the committees' business. When appropriate and necessary, they will take a lead in some areas of work as agreed with their Chair.

In the absence of the Chair, the Vice-Chair will chair committee meetings and conduct its business in accordance with the provisions set out in the role profile for the Chair.

The Vice-Chair is expected to support the Chair in ensuring that Committee Members are taking part at all stages of deliberations.

LEADER OF COUNCIL (CHAIR OF STRATEGY AND RESOURCES COMMITTEE)

- Act as the principal spokesperson and advocate for the Council and will at all time promote the good reputation of Stroud Council both locally and nationally.
- Represent the Council politically at a national, sub regional and local level on outside bodies, on partnerships and with other agencies unless delegated to another.
- Act as the lead member for Emergency Planning to work with the Chief Executive.

POLITICAL GROUP LEADER

- To provide leadership and speak on behalf of the political group.
- To co ordinate the role of the political group within the Council.
- To liaise with other group leaders when required and appropriate.
- To liaise with senior officers of the Council.
- To promote good working relationships between political parties and between members and officers of the Council for the benefit of the District as a whole.

ROLES AND FUNCTIONS OF ALL COUNCILLORS

Councillors will participate constructively in the good government of the District in the interests of all residents. They will contribute actively to the formation and review of the Authority's policies, budget, strategies, plans and service delivery.

Councillors will deal with constituents' enquiries and representations, and will effectively represent the interests of the Ward for which they were elected and the views of constituents.

Terms of Reference

- To fulfil the statutory and locally determined requirements of an elected Member of a Local Authority. This includes the Council's E-communications Policy.
- To participate effectively as a Member of any meeting to which the Councillor is appointed, for example by regular attendance at meetings and ensuring that he or she is adequately briefed and prepared for the meeting.
- To participate in the activities of an outside body to which the Councillor is appointed.
- To act as community champion for their ward. To provide a voice and advice for local individuals and interest groups in their dealings with the Council and, where appropriate, to advise them on the pursuit of complaints.

Version: April 2019

Section 16:
Role Profile for Councillors

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- To develop and maintain a working knowledge of the Authority's services, management arrangements, powers/duties and constraints and to develop good working relationships with relevant Officers of the Authority.
- To develop and maintain good working relationships with the local Town or Parish Council and with local County Councillors.
- To contribute constructively to open government and democratic participation by encouraging community engagement in the governance of the area.
- To keep up to date with all developments affecting the District and the Council including Government policies and prospective legislation.
- Attend meetings of Parish Councils within the ward, as appropriate.

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Report Title	DESIGNATION OF MONITORING OFFICER
Purpose of Report	To designate an officer of the Council as the Monitoring Officer.
Decision(s)	Council RESOLVES to: 1. Designate Patrick Arran as Monitoring Officer until the 26th of September 2019.
Consultation and Feedback	This is a management and legal requirement and not subject to any formal consultation.
Financial Implications and Risk Assessment	There are no direct financial implications arising from this report. Andrew Cummings, Section 151 Officer Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk
Legal Implications	There is a legal requirement for the Council to designate an officer as Monitoring Officer (who cannot be the chief finance officer or head of paid service). All further legal implications are set out in the report. Craig Hallett, Solicitor & Deputy Monitoring Officer Tel: 01453 754364 Email: craig.hallett@stroud.gov.uk
Report Author	Kathy O'Leary, Chief Executive Email: kathy.o'leary@stroud.gov.uk
Options	The Council may appoint a different officer but there is a legal requirement to designate an officer as Monitoring Officer.
Background Papers/ Appendices	None

1. Under Section 5 of the Local Government and Housing Act 1989 (as amended) the Council has a duty to designate one of its officers as Monitoring Officer.
- 1.2 The Monitoring Officer has a number of statutory duties and responsibilities which include ensuring that the Council act lawfully and to avoid any maladministration. This includes advising on the lawfulness of decision making, applying and maintaining the Council's Constitution and arrangements for effective governance. The Monitoring Officer is also responsible for promoting high standards of conduct and ethical behaviour.

- 1.3 The previous Monitoring Officer, Karen Trickey, left the Council in October 2018 and temporary arrangements have been in place since. The Chief Executive has agreed with One Legal that it will provide a suitably experienced officer to fulfil the role of Head of Legal and Monitoring Officer whilst a review of Legal Services is undertaken. One Legal has seconded Patrick Arran to the Council and he has been in post since the 11th of March 2019. Mr Arran has extensive management and legal experience and has been a Monitoring Officer in other authorities for eight years. The legal requirement is for the Council to designate an officer as Monitoring Officer, but there is no necessity for that officer to be an employee of the Council.