



James Ellis

Head of Legal and Democratic Services

MEETING : EXECUTIVE
VENUE : VIRTUAL MEETING - ZOOM
DATE : TUESDAY 5 JANUARY 2021
TIME : 7.00 PM

MEMBERS OF THE EXECUTIVE

Councillor Linda Haysey	- Leader of the Council
Councillor Peter Boylan	- Executive Member for Neighbourhoods
Councillor Eric Buckmaster	- Executive Member for Wellbeing
Councillor George Cutting	- Executive Member for Corporate Services
Councillor Jan Goodeve	- Executive Member for Planning and Growth
Councillor Graham McAndrew	- Executive Member for Environmental Sustainability
Councillor Suzanne Rutland-Barsby	- Executive Member for Communities
Councillor Geoffrey Williamson	- Deputy Leader and Executive Member for Financial Sustainability

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DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:

- fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
- fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
- participate in any discussion or vote on a matter in which a Member has a DPI;
- knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

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AGENDA

1. Apologies

To receive apologies for absence.

2. Leader's Announcements

3. Minutes (Pages 7 - 32)

To approve as a correct record the Minutes of the meeting held on 24 November 2020

4. Declarations of Interest

To receive any Member(s) declaration(s) of interest.

5. Contracting out of Homelessness Reviews (Pages 33 - 44)

6. Affordable Housing Research and Overview and Scrutiny Review (Pages 45 - 58)

7. Note a decision of the Chief Executive to approve a scheme for Local Authority Discretionary Grant fund under Urgency Provisions (Pages 59 - 68)

8. Update from Overview and Scrutiny Committee

To receive a verbal report of the Committee Chairman.

9. Update from Audit and Governance Committee

To receive a verbal report of the Committee Chairman.

10. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE
EXECUTIVE HELD AS A VIRTUAL MEETING
ON TUESDAY 24 NOVEMBER 2020, AT 7.00
PM

PRESENT: Councillor L Haysey (Chairman/Leader)
Councillors P Boylan, E Buckmaster,
G Cutting, J Goodeve, G McAndrew,
S Rutland-Barsby and G Williamson.

ALSO PRESENT:

Councillors R Bolton, M Brady, B Crystall,
H Drake, M Goldspink, M McMullen,
T Page, M Pope, C Redfern, P Ruffles,
J Wyllie and S Newton.

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Scrutiny Officer
Richard Cassidy	- Chief Executive
Helen Standen	- Deputy Chief Executive
James Ellis	- Head of Legal and Democratic Services and Monitoring Officer
Chloe Hipwood	- Service Manager - Waste, Recycling and Street Cleaning
Jess Khanom-Metaman	- Head of Operations
Karen Page	- Planning Officer
Sara Saunders	- Head of Planning

Steven Linnett and Building
Control
- Head of Strategic
Finance and
Property

245 APOLOGIES

There were no apologies for absence.

246 LEADER'S ANNOUNCEMENTS

The Leader welcomed all to the meeting including those who were watching via YouTube.

She explained that the legislative arrangements under the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 came into force on Saturday 4 April 2020 enabled councils to hold remote committee meetings during the Covid-19 pandemic period. This was to ensure local authorities could conduct business during this current public health emergency. This meeting of the Executive was being held remotely under these regulations, via the Zoom application and is being recorded and live streamed on YouTube.

The Leader referred to Covid-19 the fact that it was still with us and that on 26 November 2020 the Government would be announcing what tier Hertfordshire county would fall into. She stressed that everyone needed to obey the rules of keeping distance, and wearing face coverings otherwise there

would be a major surge in some areas and across the country. She said that we want to keep the population safe.

The Leader said that the agenda contained some very interesting papers which were necessary for the Council to move forward on.

247 MINUTES - 6 OCTOBER 2020

The Leader proposed, and Councillor Rutland-Barsby seconded a motion that the Minutes of the meeting held on 6 October 2020 be approved as a correct record and be signed by the Leader. The motion, on being put to the meeting and a vote taken, was declared CARRIED.

RESOLVED – that the Minutes of the meeting held on 6 October 2020 be approved as a correct record and signed by the Leader.

248 DECLARATIONS OF INTEREST

The Leader declared an interest in Agenda item 11 European Regional Development Fund (ERDF) Programme – Launchpad 2) by virtue of the fact that she chaired the European Structure Fund of which the ERDF was a part. It was noted that the Leader would be placed in a virtual “break out room” during consideration of the item which would be presented by Councillor Goodeve.

249 SUSTAINABLE TRAVEL TOWN BIDS

The Executive Member for Sustainability submitted a

report which set out the Council's aspirations within Hertfordshire County Council's Local Transport Plan 4 (LTP4) and the principles relating to the conditions for achieving Sustainable Travel Town status. The Executive Member said that the Council championed sustainability and that it would influence and encourage others to be more environmentally sustainable. He referred to the criteria developed by HCC which was being introduced to support travel towns sustainability.

The Executive Member said that meeting the criteria would be challenging. He said that the principles fitted those of this Council and that he would be recommending to full Council that East Herts supported the aspirations of the LTP4 and the Sustainable Travel Town criteria and would support towns who wished to submit bids to achieve this status.

The Leader said that the report set out our aspirations and that the Council would support towns who wished to do this as a way forward as it supported the Council's commitment to the "green" agenda.

Councillor Goldspink queried the authority of "Shaping Stortford" to submit a bid on Bishop's Stortford behalf, and whether this committee reported to East Herts Council. She felt that it should report to Overview and Scrutiny Committee. Councillor McAndrew explained the group's composition. The Deputy Chief Executive further expanded on this information including the remit of the group. She explained that any entity could submit a sustainability travel bid. She said that the minutes and any other documents of their meeting

were transparent and were publically available and on their website. The Leader asked that the Member be provided with a link to the "Shaping Stortford" website Minutes.

Councillor Crystall said that of the three towns only Bishop's Stortford Town was directly supported by East Herts in the report. He queried whether Officers had looked at the three towns and whether the Council should support any of the other towns to help them achieve travel town sustainability status? The Executive Member for Sustainability explained that 10 applications had been submitted, three from East Herts, none had gone through the District Council. He said the first week of December would determine who had been successful but for those who had not been successful, HCC would work with the applicants to get them further along to match the criteria.

Councillor Buckmaster said that he did not feel that it was necessary to show preferential support as this was inherent within the principle and recommendation.

Councillor McAndrew then proposed and Councillor Goodeve seconded a motion to support the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – to recommend to Council that (A) East Herts Council supports in principle, the aspirations of the LTP4 and the Sustainable Travel Town criteria; and

(B) East Herts supports, in principle, towns

wishing to submit bids for Sustainable Travel Town Status.

250 REVIEW OF OUTCOMES OF THE PARKING TASK AND FINISH GROUP

The Executive Member for Environmental Sustainability submitted a report on the outcome of the work of the Parking Task and Finish group in the context of the Medium Term Financial Plan.

Councillor McAndrew provided a summary of the background to the report in terms of the establishment and remit of the Task and Finish Group and that the Executive had last considered the matter on 11 February 2020. At that meeting the Executive agreed a further recommendation, that authority be delegated to the Head of Operations in consultation with the Chairman of Overview and Scrutiny Committee and Chairman of the Parking Task and Finish Group and the Executive Member, to assess the full viability of the recommendations and bring a further report to the Executive setting out the cost implications. He said that work had been carried out to consider the cost implications in the context of the corporate plan, but that the Council had been impacted by Covid-19 both economically and in terms of parking behavior particularly, in relation to long stay parking.

The Head of Operations explained that the report before Members had taken a pragmatic approach to ensure that the Council did not invest too much money too soon and that this would be monitored. She added that the amendment to the Residential Parking Zone

would be recommended to Council for adoption and a handful of items would be deferred as soon as Officers could establish what parking looked like on a long term basis.

Councillor Drake explained that decisions had to be made around the categorisation of the Task and Finish Group's aspirations in terms of the budget and Covid-19 and those issues needed to be future proofed.

The Leader suggested that the recommendations be taken separately as A, B, C, D and E. Councillor McAndrew then proposed and Councillor Boylan seconded a motion to support the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the group recommendations be received and considered.

(B) To approve the cessation of the following recommendations within the Parking Task and Finish group report:

- a. Recommendation 3: improve the accessibility and availability of short stay parking including an increase to the number of limited waiting, free bays where possible, throughout the town.
- b. Recommendation 10: Support Watton at Stone Parish Council in lobbying for an increase in the number of parking spaces in the station car park.
- c. Recommendation 17: The Council to challenge station car park operators to

reduce their charges to reflect closer to the all-day charge in East Herts Town Centre station car parks.

(C) To approve the following recommendations for deferral:

- a. Recommendations 1: Design and implement measures to encourage rail commuters to park in station car parks
- b. Recommendation 16: Revise the designation of Council owned car parks

(D) To note that the following recommendations will be incorporated in service plans for officers to monitor, reporting periodically to the portfolio holder for parking:

- a. Recommendation 2: Revise the designation of Council owned car parks
- b. Recommendation 6: Review Blue Badge provision in Council-owned car parks
- c. Recommendation 9: Implement a permit parking scheme for Town Centre workers
- d. Recommendation 11: Lobby for improved cycle parking facilities and improved public transport
- e. Recommendation 13: Establish EV charging bays in EHDC car parks
- f. Recommendation 15: Implementing and lobbying for sustainability improvements including solar canopies, on-street EV charging and car clubs.

RESOLVED – to recommend to Council

(E) The amendment in the Residential Parking Zone Policy as described in Paragraph 2.24 and Appendix A for adoption.

The Leader thanked the Task and Finish Group for their efforts in moving this matter forward.

251 SHARED WASTE SERVICE – ALIGNMENT OF COMMERCIAL WASTE AND RECYCLING SERVICES

The Executive Member for Environmental Sustainability submitted a report which sought to create efficiencies within the shared waste service aligning elements of waste and recycling services with North Hertfordshire District Council (NHDC) in particular, in relation to pricing for services whereby the contract pricing allowed this. Councillor McAndrew outlined the background around the development of the shared waste service commenting that there was an alignment of policies in relation to collection services but not in relation to administrative functions and charging.

There being no comments, Councillor McAndrew proposed and Councillor Haysey seconded a motion supporting the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED - that (A) the alignment in pricing and a common pricing structure for the shared waste service, for residual commercial and

chargeable household waste; within the 2020-21 financial year be agreed, including the introduction of charges for recyclable commercial and recyclable chargeable household waste in line with existing shared waste service charging; within the 2020-21 financial year;

(B) a new pricing structure for chargeable household bulky waste collections; within the 2020-21 financial year be agreed;

(C) the introduction of event waste management charges to align procedures in the shared service; within the 2020-21 financial year be agreed;

(D) the introduction of new procedures for the management of fly-tipping, residual waste and recycling at flats to align procedures and charging within the shared service; within the 2020-21 financial year be agreed;

RESOLVED – to recommend to Council

(E) decision making for setting the fees and charging regarding waste services, as set out in this report, be delegated to the Head of Strategic Finance and Property in consultation with the Executive Member for Environment Sustainability, through the Shared Service Waste Partnership Board be agreed as endorsed by the Executive.

252 GARDEN WASTE SERVICE - POLICY

The Executive Member for Environmental

Sustainability submitted a report which sought to approve the key policies, principles and service standards for the charged garden waste service which was approved by Council on 29 January 2020 as part of the Council's Medium Term Financial Plan which identified that an income of £400,000 could be achieved for 2021.

Councillor McAndrew said that the coronavirus had had a significant impact on the Council's budget and there was a greater challenge to balance the budget and to provide statutory services and services to those who needed them. The report set out a proposed approach as a basis for consultation before the matter was considered by Council in January 2021. He explained that charging for garden waste which was currently free, would be a difficult decision but collection of garden waste was a non-statutory function.

Councillor McAndrew said that a charged service would enable the Council to provide a service to residents who needed it and not charge those residents who did not need the service, such as those living in flats. He explained that many Local Authorities throughout the country charged for the collection of garden waste including the Council's Hertfordshire neighbours. He asked Members to approve the key principles of the scheme out outlined in the report, for the purpose of consultation, prior to a decision on implementation by Council.

There being no comments, Councillor McAndrew proposed and Councillor Rutland-Barsby seconded a motion supporting the recommendation in the report.

On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the key principles of a chargeable garden waste scheme as highlighted in paragraph 1 for the purpose of public consultation be approved, prior to a decision on implementation by Council.

253 GILSTON AREA COMMUNITY ENGAGEMENT STRATEGY

The Leader of the Council submitted a report which sought agreement for the Gilston Area Community Engagement Strategy and for this to be a material consideration in future planning matters associated with the development of the Gilston Area. The strategy would be published alongside other planning guidance documents that supported implementation of the District Plan. The Leader said that this would become one of a suite of documents to be used in the Gilston Planning applications going forward and also the Garden Town.

The Leader said that it was extremely important to engage with all residents, ages and demographics including those who live here and those who may come to live in Gilston. She referred to the close collaborative working with groups and organisations including Parish Councils on such matters.

Councillor Buckmaster agreed that it was a very important paper. He referred to page 104 and GA1 of the District Plan and the development of Village Master Plans and said that a Strategic Landscaping Master Plan had been development for future consideration.

He explained the private arrangement between developers and local authorities in relation to Section 106 Agreements guided by community engagement. He concluded by adding that it was important that the document recognised the timing element of the engagement processes and consultations which needed to be planned carefully.

The Leader proposed and Councillor Buckmaster seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the Gilston Area Community Engagement Strategy be approved as a material consideration in the production of planning policy/guidance documents and the processing of planning applications associated with the Gilston Area; and

(B) the Gilston Area Community Engagement Strategy be published alongside the other planning guidance documents, that support implementation of the District Plan.

254 HERTFORDSHIRE GROWTH BOARD

The Leader of the Council submitted a report on proposals to establish the Hertfordshire Growth Board and Hertfordshire Growth Board Scrutiny Committee as formal joint committees under the Local Government Act 1972 and Local Government Act 2000 and to set out the actions required.

The Leader referred to a briefing given on 11

November 2020 to all Members by the Chairman of the Growth Board, Patsy Dell which Members had found very interesting. She said that it had been in existence for a couple of years and comprised the 11 Leaders of the Hertfordshire Authorities who worked very well together. The aim of the Board was to make sure that growth now and in the future was “smart growth” and “good and well, co-ordinated growth” and that the projects to be submitted for funding to the Government would be important to all residents. The Leader explained that we now needed to ensure transparency and good governance of the growth board and that this report was the first step in the process to set up under Sections 101 (LGA 1972) joint committees.

The Leader said that the HGB had many projects at the moment for submission when funding became available.

There being no comments, the Leader proposed and Councillor Goodeve seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED –that (A) the content of the report and attached joint cover report at Appendix A: “Hertfordshire Growth Board Integrated Governance Framework” be noted;

(B) the Executive agrees to recommend to Council endorsement of the establishment of the Hertfordshire Growth Board Joint Committee and Hertfordshire Growth Board

Scrutiny Joint Committee as Joint Committees;

(C) the Leader be nominated as the Council's representative on the Hertfordshire Growth Board Joint Committee, should Council endorse the establishment of the joint committee and the council's membership, with delegated authority to appoint a substitute representative as required.

RESOLVED – to recommend to Council that:

(D) it endorses the establishment of the Hertfordshire Growth Board Joint Committee and Hertfordshire Growth Board Scrutiny Joint Committee (to hold their inaugural meetings in January/February 2021 and then HGB Scrutiny aligned to confirmation of securing Government funding in 2021) and that the council becomes a member of both.

(E) adopts the Growth Board Integrated Governance Framework into its own constitutional framework.

(F) nominates a member and substitute member as the Council's representative on the Hertfordshire Growth Board Scrutiny Joint Committee (note that nominees must not be members of the Executive) and

(G) to note that, subject to approval of Recommendation (d), the Leader is nominated as the council's representative on the Hertfordshire Growth Board Joint Committee

with delegated authority to appoint a substitute representative as required.

255 EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF)
PROGRAMME - LAUNCHPAD 2

The Executive Member for Planning and Growth submitted a report seeking approval to move ahead with a project following approval of ERDF Funding in February 2019.

The Leader, having already Declared an Interest earlier in the meeting by virtue of the fact that she was Chair of the European Structure Fund was placed in a virtual "breakout room" during consideration of the item which was presented by Councillor Goodeve.

Councillor Goodeve said that that the ERDF funding had been secured from the Ministry of Housing Communities and Local Government for a three year project, to support and expand Launchpad in Bishop's Stortford and Ware and local businesses. She thanked Officers for their roles in moving this along.

Councillor Redfern asked whether this funding would still be available after the UK left Europe. Councillor Goodeve explained that the Council would have funding for three years.

Councillor Goodeve proposed and Councillor Buckmaster seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that, subject to the outcome of a procurement process for awarding a contract for business support, the ERDF-supported Launchpad 2 project proceeds.

The Leader re-joined the main meeting at 19:45

256 BUDGET 2021/22 AND MEDIUM TERM FINANCIAL PLAN
2021 – 2024 PROPOSALS

The Executive Member for Financial Sustainability submitted a report setting out the Budget for 2021/22 and Medium Term Financial Plan 2021/24.

Councillor Williamson explained that the preparatory work had commenced and that the Council had a sizeable gap in its budgets despite the financial sustainability measures which had been introduced. He explained that the gap next year was £1M, the same again for following year and a further £2M for 2023/24. Councillor Williamson said that by the time the Council reached 2023 the Council's net revenue budget will need to be net £4M lower than it is now.

It was noted that Leadership Team had been tasked to review net costs to meet the reduction targets. These proposals were set out in Appendix A of the report. It was noted that savings proposed, exceeded the amount which the Council needed to save for the next two years. Appendix B set out the Executive's initial views on what might be taken forward which still left a gap of £200K this year and a significant gap for 2023/24. Leadership Team was proposing to carry out further work in relation to the Medium Term Financial Strategy to assist in further targeting of reductions in

net cost such as how the Council could adapt to different ways of working, following the impact of Covid-19.

Councillor Williamson referred to the approach taken in relation to the Council's capital projects as a project total all in one year and then rolled forward and the problems this approach had with loan and financing arrangements. He said that the capital programme would now be presented as a rolling 5 year programme reflecting phasing over those five years and the financing costs being reflected in the revenue account.

Councillor Williamson referred to the Council's approach to Council Tax and the Government's expectation that should be raised by a maximum of £5 on a Band D household which would provide the Council with £310K this year and next year. The gap would not be bridged unless the Council does the same again, next year and the following. It was noted that no comments were received when the matter was considered by Audit and Governance Committee.

Councillor Redfern was concerned about savings proposed and the assumptions in relation to Hertford Theatre i.e. an increased return of £410K. She felt that this had not been sufficiently justified in her view and that there had been no justification for the uplift of footfall. She asked if the impact of new evening parking charges had been considered.

Councillor Buckmaster said that business case reviews had been undertaken on all the capital projects and the Executive was satisfied all the capital projects going

forward would be viable. He said that Hertford Theatre was subsidised and that the Council improving facilities there would offer more opportunities. Councillor Buckmaster did not believe that we needed to be pessimistic or that people would not want to socialise after Covid-19 adding that the Council was going from a position of subsidy to a breakeven. He was confident that it will be successful and contribute to the local economy.

Councillor Williamson said that many of Councillor Redfern's comments related to budgets for 2022 onwards and those impacts would be monitored, as things moved forward.

The Leader said that she felt there was cynicism that cinemas would not come back. She said that as the first vaccine was announced the share prices for Cineworld had "shot through the roof" because people wanted to go to the cinema. She referred to the fact that Netflix wanted to launch the new James Bond film and offered the promoters £300M but their offer was turned down because the promoters of that film believed that when the time was right people would go back to the cinema. She believed that the cinema still had a bright future.

The Leader said that ten years ago Hertford Theatre was in her portfolio and there was discussion about whether to change this from Castle Hall to Hertford Theatre which was later considered at a Scrutiny Committee. Shortly after, the crash happened and the Council had invested over £1M to refurbish it. She was pleased that it had taken off, showing many events including first releases and pantomimes. The Leader

said that Hertford Theatre was seen as a great place to go and to look forward to this when it reopened in 2023.

Councillor Redfern commented that the Council did not have the reserves it historically had and was concerned about future borrowing which would make a difference to Council Tax payers. She urged the Executive to think more before committing the Council to such a large expenditure over the next five years.

Councillor Buckmaster said that the project would benefit residents as it would move from a subsidy to making a return and this would impact positively on the finances of the Council. Councillor Williamson supported this viewpoint.

Councillor Williamson proposed and the Leader seconded a motion supporting the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) confirm the savings proposals, after consideration of the comments from Audit and Governance Committee, to be taken forward, subject to detailed impact assessments and accepting that some may need to be reconsidered in the light of the current pandemic;

(B) Agree, as guidance to officers, that the budget proposals should be based on a Council Tax increase of £5, general inflation assumption of up to 1% and that the provision for the national pay award will be up to 2%;

(C) Endorse the production of a phased capital programme over 5 years to better reflect actual phasing of delivery and more realistic revenue impacts of capital financing; and

(D) Endorse the additional programme of work to transform the Council and place it on a financially sustainable footing as set out in paragraph 4.7.

257 QUARTERLY CORPORATE BUDGET MONITOR – QUARTER 2
SEPTEMBER

The Executive Member for Financial Sustainability submitted a report summarising the financial monitoring for the Council 2020/21 as at 30 September 2020. He said it was a time of considerable uncertainty throughout the lockdown, with many of the Council's funding streams affected badly. He explained that as a result of Government Grant support and funding, the impact was much less than previously envisaged. It was now predicted that the net revenue budget overspend would be £168K. He added that overspends and underspends by service, were set out in the report (these figures were net of Government funding).

He summarised the position in relation to the Council's Capital Projects of £70.499M which had been re-profiled of which £20.224M was estimated to be carried forward to future years.

There being no comments, Councillor Williamson proposed and Councillors Boylan seconded a motion supporting the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) that the net revenue budget 2020/21 forecast overspend at the end of quarter 2 has been contained at £168k be welcomed; and

(B) the revised capital budget for 2020/21 of £70.499m, of which £20.224m is estimated to be carried forward to future years be endorsed.

258 2019/20 TREASURY MANAGEMENT OUTTURN

The Executive Member for Financial Sustainability submitted a report which reviewed the Council's treasury management activities for 2019/20 including the prudential indicators and identified the associated impact on the 2020/21 treasury management strategy.

There being no comments, Councillor Williamson proposed and Councillor Rutland-Barsby seconded a motion supporting the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – to recommend to Council, that Annual Treasury Management Review 2019/20 be approved.

259 2020/21 MID-YEAR TREASURY MANAGEMENT UPDATE REPORT

The Executive Member for Financial Sustainability submitted a report which reviewed the Council's treasury management activity for first six months of 2020/21 financial year, including the prudential indicators. He added that references to 2019/20 should be 2020/21

Appendix A contained the review and Members were being asked to recommend this to Council. He explained that the recommendation to increase the counter party limited from £20M to £30M was brought on by the receipt of a large sum of Government funding for Covid-19 related business support grants which had briefly exceeded the current limits.

There being no comments, Councillor Williamson proposed and Councillor Buckmaster seconded a motion supporting the recommendations in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Executive recommends to Council (A) the approval of the Treasury Management Mid-Year Review 2019/20;

(B) the revised Prudential Indicators as shown in Appendix A (*columns, entitled revised estimates, highlighted 'green' within tables*); and

(C) increase the counter party limit, from £20m to £30m, for the National Westminster Bank.

Councillor Wyllie, the Chairman of the Overview and Scrutiny Committee referred Members to the report which he had submitted which highlighted only one recommendation for Members' considerations. He said that he would be happy to answer any questions.

There being no questions, the Leader thanked the Councillor Wyllie for his report and thanked him for the courtesy shown to both her and the Chief Executive at the last meeting when they gave a presentation on Covid-19.

261 UPDATE FROM AUDIT AND GOVERNANCE COMMITTEE

Councillor Pope, the Chairman of the Audit and Governance Committee provided an oral update report following the last meeting. A written report could not be submitted as the Committee had not met when the agenda was dispatched. He said that the Committee had received reports on the following matters and provided an update on Audit and Governance Members' comments in relation to:

Section 106 -
Strategic Risk Register 2019 – 20
Quarterly Corporate Budget Monitor – Quarter 2
Annual Treasury Management review
Treasury Management Mid-Year Review
Budget and MTFP 21-24 proposals

There being no questions, the Leader thanked Councillor Pope for attending the meeting.

The meeting closed at 8.14 pm

Chairman
Date

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East Herts Council Report

Executive

Date of meeting: 5 January 2021

Report by: Councillor Peter Boylan, Executive Member for Neighbourhoods

Report title: Contracting Out of Homelessness Reviews

Ward(s) affected: All

Summary

Homeless applicants have a statutory right to request a review of various decisions the council makes about their case. Reviews often involve judgements that can be legally complex in nature.

By law, reviews must be conducted by someone more senior to the original decision maker, therefore, they are currently conducted by the Service Manager – Housing Services as one of a number of competing tasks. Given the urgency and time critical nature of handling reviews, the Service Manager must react to reviews as they are requested. Having to be reactive in this way can compromise the Service Manager's ability to address more strategic issues, such as providing advice to the Gilston Garden Town team and procuring additional temporary accommodation, to the council's detriment.

There are, however, independent organisations which specialise in undertaking homelessness reviews on behalf of local authorities. As this is their main business, they are able to make timely decisions, taking into account the very latest guidance and court judgements.

Contracting out the homelessness reviews function until 31st March 2022, with a review to then determining whether or not to continue this arrangement, is now recommended. Case law dictates that contracting out the reviews function is a matter for the Executive to determine.

RECOMMENDATIONS FOR EXECUTIVE:

- a) that work to determine and issue, in accordance with the relevant legislation, the outcome of reviews requested by those subject to homelessness decisions made by the council up to 31st March 2022 be contracted out to a suitably qualified and experienced independent contractor**
- b) authority be delegated to the Head of Housing and Health to appoint a contractor, in accordance with the council's Contract Procurement Rules, from the Hertfordshire Framework Agreement for Homelessness Reviews Contracts developed by Three Rivers and Watford Councils**
- c) authority be delegated to the Executive Member for Neighbourhoods, acting in consultation with the Head of Housing and Health, to review the outcome of the trial of the contracted out service and determine whether or not to contract out this function beyond the trial period.**

1.0 Proposal(s)

- 1.1 The proposal is to trial the contracting out of the determination and issuing of homelessness reviews requested by those subject to homelessness decision made by the council up to 31st March 2022.
- 1.2 It is proposed to commission an experienced independent contractor whose business is primarily to conduct such reviews. This will, officers believe, ensure that legally complex decisions are made in a timely way with reference to national guidance, emerging case law. The decision making process will arguably also be more transparent.
- 1.3 Clear and robust decision making minimises confusion on the part of the homeless person and reduces the risk of council being unable to successfully defend its position if legally challenged or if investigated by the Local Government Ombudsman.

- 1.4 It is further proposed to delegate to the Executive Member for Neighbourhoods the authority to determine whether or not to continue the contracted out arrangement beyond the trial period.

2.0 Background

- 2.1 The council is the local housing authority for the purpose of homelessness services under the Housing Act 1996 and the Homelessness Reduction Act 2017. The legislation provides any applicant with a right to request a review of certain homelessness decisions made about them by the authority.
- 2.2 A homelessness review is a fresh assessment of the circumstances at the time of the review made by a more senior officer who was not involved in the original decision. Such reviews are currently undertaken by the Service Manager – Housing Services.
- 2.3 The following table shows the number of review requests made in the last four years.

Year	Number of reviews
2017/18	19
2018/19	7
2019/20	17
2020/21 - Until Sep 20	10

- 2.4 Following the enactment of the provisions of Homelessness Reduction Act 2017, the number of different decisions that a housing authority can make regarding someone's homelessness has increased from eight to 14. While the table above doesn't suggest any significant increase in reviews thus far, the range of decisions now open to review added to the increased range of duties brought in by the Homelessness Reduction Act is leading to greater

complexity. As a result, reviews can be more time-consuming.

- 2.5 The original decision may be upheld or substituted with an alternative decision. The council must complete the homelessness review within 56 days. When a review request is submitted, households that are living in temporary accommodation will often ask the council to extend their stay pending the outcome of the review. Thus, it is in everyone's interests for the council to ensure that all homelessness reviews are completed in a thorough and timely manner.
- 2.6 Although the reviews can be rather complicated, as noted above, it is vital to conduct a thorough investigation as the applicant may challenge this decision through judicial review and possibly contact the Local Government Ombudsman. Responding in such situations can be extremely time-consuming and costly for the council and protracted for the applicant.
- 2.7 The specialist nature of some of the reviews requires reference to legal provisions (many of which are new or regularly updated), the Homelessness Code of Guidance and new and emerging case law. Some of the requests are made via legal firms who specialise in challenging the homelessness decisions of local authorities. As a result, the internal review function requires a significant amount of officer time in comparison with the number of reviews received each year.
- 2.8 There is provision within The Local Authorities (Contracting Out of Allocation of Housing and Homelessness Functions) Order 1996/3205 for local housing authorities to contract out this reviews functions. Nationally, a number of authorities have done this including Watford, Three Rivers and North Herts in Hertfordshire, along with Broxbourne who are considering this. Recently Three Rivers and Watford Borough Council developed a county-wide framework

agreement that provides a panel of specialist organisations which are able to undertake this work at predetermined, competitive rates. This report recommends procuring a contractor using this framework agreement.

- 2.9 The homeless applicant requesting a review will have their request dealt with just as if conducted in-house, save that they would be advised of the organisation who would be undertaking their review. Should the applicant be unhappy with the review decision they will still retain the right, as now, to appeal the decision via the County Court. The Service Manager – Housing Services would monitor the outsourced review process and outcomes.

3.0 Reason(s)

- 3.1 The benefits of outsourcing the reviews function are considered to be:
- it provides an additional layer of independence and further reinforces that the reviewer has not been involved in the original decision
 - the staff within the contracting organisation specialise in reviews for local authorities and so they have an extensive expertise and knowledge of the law and have the capacity to keep up with changes in case law
 - it would build resilience into the process as currently there is only one officer in the Housing Service who has experience and the seniority to carry out reviews
 - it would free up management time for the Service Manager – Housing Services to concentrate on managing more strategic issues, such as helping ensuring an appropriate affordable housing mix at Gilston Garden Town and other strategic sites, procuring additional temporary accommodation and handling an increasingly complex homelessness, housing allocations and housing development environment.

- 3.2 The contractor will make a standard charge for each homelessness review completed. Currently, officers estimate that 20 reviews costs around £14,900 in council officer time. While contracting out reviews would release council officer time for other tasks, the contract costs will represent an additional cost to the council. That said, this cost will be in the range of £7,000-£10,000 for 20 reviews, depending on the contractor and level of service selected. This is clearly lower than the in-house staff costs.
- 3.3 Trialling contracting out from January 2021 to March 2022 would therefore incur costs of up to around £12,250. These costs can legitimately be met in full from unallocated grant resources for homelessness prevention and support already held by the council.
- 3.4 In addition, officers believe that reviews by a specialist contractor may reduce to likelihood of legal challenges and/or investigations by the Local Government Ombudsman. If such judicial reviews are sought these can incur staff and legal costs in excess of £10,000.

4.0 Options

- 4.1 Option 1: Keep the reviews function in-house and do not trial contracting out – NOT RECOMMENDED because, as discussed above, the potential benefits of contracting out indicate the council should pilot this.
- 4.2 Option 2: Recruit a specialist reviews officers – NOT RECOMMENDED as without seeking to appoint a shared officer with another authority or authorities, it would be hard to justify even a 0.5 FTE officer given the current numbers of reviews. A 0.5 FTE officer appointed at grade 9 would cost c£26k a year and so is more than the anticipated cost of the outsourced service. This option does not therefore represent best value.

- 4.3 Option 3: Trial the contracting out of reviews –
RECOMMENDED for the reasons discussed in this report.

5.0 Risks

- 5.1 As noted above, the current situation is becoming increasingly untenable. There inherent risks with the continued in-house management of reviews including decisions being taken out-of-time, the complex legal context not being fully taken into account. These factors could lead to prolonged stays in temporary accommodation reducing availability of the accommodation along with legal challenge.
- 5.2 The risks associated with outsourcing have been identified as:
- less experienced staff in the contracted service working on East Herts' cases leading to low quality decisions being made. This would be mitigated by close monitoring of the service by the Service Manager – Housing Services and swift escalation of issues via the contract. The contract will include a service level agreement (SLA) between the council and the contractor regarding, the contract specification, service expectations and on-going performance monitoring
 - increases in reviews leading for an escalation of costs. This would be mitigated by the inclusion of appropriate break clauses in the contract and/or contracting for a predetermined maximum of cases.

6.0 Implications/Consultations

Community Safety

No implications identified.

Data Protection

The council will remain the data controller in GDPR terms, with the contractor acting as a data processor. Robust data sharing protocols will be included in the contract and appropriate methods for transferring sensitive data will be utilised to minimise any risk of data breaches.

Equalities

In line with the Public Sector Equality Duty public bodies must in the exercise of its functions give due regards to the need to eliminate discrimination so as to advance opportunity and foster good relations between those who share protected characteristics and those that do not.

The homeless applicant requesting a review will face no changes in how to do so should a contractor conduct the review rather than the council. The applicant will not be required to provide any different information, interact with the contractor in a different way to interacting with the council. The council will ensure that its communications standards, notably the font size for correspondence, will be replicated by the contractor.

Therefore, it is considered that no-one with a protected characteristic will be disadvantaged by the recommendations in this report.

The contracting out of the review decision making process would allow the management capacity to further support front-line service provision and therefore vulnerable members of the community.

Environmental Sustainability

No implications identified.

Financial

The Ministry of Housing Communities and Local Government has provided all Local Authorities with a Flexible Homelessness Support Grant (FHSG) and New Burdens funding since the introduction of the Homelessness Reduction Act 2017.

This funding is designed to help local authorities meet the new legal responsibilities introduced as part of the Homelessness Reduction Act 2017 and to prevent or relieve homelessness in the district.

The council's grant in 2020/21 is £156,475 for FHSG and there is an additional £30,655 held in reserves of the New Burdens Funding, awarded in 2019/20, and not yet allocated. From the FHSG, the Housing Service funds a number of initiatives to support its homelessness prevention work, including grants to assist homeless applicants access the private sector, the provision of specialist debt advice and advice for those who are the victims of domestic abuse. The intention is to fund the contracting out of reviews from the various grant funding held in reserve.

The future level of homelessness reviews is unpredictable, however it is anticipated that they will at least continue at the current rate. Should a contractor be appointed from the framework agreement as recommended the approximate annual cost is would be between £7,000 and £10,000 for 20 reviews depending on the complexity of the review. This can be fully funded by the unallocated grant funding. The performance of the contractor will be monitored and the options post March 2022 reviewed in due course, including assessment of funding availability at that time.

The contract will be commissioned in line with the council's contract procedure rules.

Health and Safety

No implications identified.

Human Resources

The Service Manager – Housing Services role is experiencing considerable demands and pressures which are typically accommodated by working additional hours.

By law, reviews must be conducted by someone more senior to those involved in the original decision, they therefore fall to the Service Manager. Given the urgency and time critical nature of handling reviews, the Service Manager must react to reviews as they are requested. Having to be reactive in this way can compromise the

Service Manager's ability to address more strategic issues, such as providing advice to the Gilston Garden Town team and procuring additional temporary accommodation, to the council's detriment.

The recommendation would not impact on the need to retain a full time Service Manager – Housing Services, rather, the post-holder could better address more strategic demands.

Human Rights

The human rights of homeless applicants are protected through their statutory right to request reviews of local authority decisions taken. The council would be liable for the decision made by the external organisation regardless of the fact that the review itself had been outsourced.

Legal

The council is the Local Housing Authority for the purpose of homelessness services under the Housing Act 1996 (HA 1996). Section 202 of part VII of the Housing Act 1996 provides any applicant with a right to request a review of certain homeless decisions made by the authority.

Section 70 of the Deregulation and Contracting Out Act 1994 permits the contracting out of any function of a local authority if it is authorised by a statutory instrument made under that act. The Local Authorities Contracting Out of Allocation of Housing and Homelessness Functions Order 1996/3205 (the Order) has been made pursuant to this power. Article 3 of the Order allows the contracting out of any function of an authority which is conferred by or under Part VII of the HA 1996, except for those listed in Schedule 2 to the Order. Section 202 of the HA 1996 is not listed in Schedule 2 and therefore can be contracted out.

The Head of Legal and Democratic Services has advised that the case of *Tachie and others v Welwyn Hatfield Borough Council [2013]* that went to the High Court settled that outsourcing such reviews is a decision for the Executive and not Council. Although Part 3(c), paragraph 16.1 of the council's Constitution delegates to the Head of Housing and the authority *To exercise the council's functions with*

regard to homeless persons that this matter has been adjudicated on by the High Court as an Executive matter it would not appear appropriate for the Head of Housing and Health to act under authority delegated by Council.

Should the Executive approve the recommendations, the appointment of a contractor using the framework agreement will be made in accordance with the council's Contract Procurement Rules.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 None

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East Herts Council Report

Executive

Date of meeting: 5 January 2021

Report by: Councillor Peter Boylan, Executive Member for Neighbourhoods

Report title: Affordable Housing Research and Overview and Scrutiny Review

Ward(s) affected: All

Summary

This report summarises the key conclusions and recommendations made by the Housing Quality Network based on their independent research into the delivery of affordable housing in East Herts. It is proposed the HQN's report is drawn upon as the council reviews its strategies and policies concerned with the delivery of affordable housing.

In addition, the report presents the recommendations stemming from work carried out by the Overview and Scrutiny Committee at around the same time as HQN's study. Approval of the recommendations is sought as the actions identified by the Overview and Scrutiny Committee provide a way to immediately begin to embed the HQN's finding into the council's day-to-day work with developers and registered providers.

RECOMMENDATIONS FOR EXECUTIVE:

- a) that the report into Affordable Housing produced by the Housing Quality Network be used to inform the identification of options for further enhancing the supply of affordable housing informed by local needs**

- b) that the Head of Housing and Health, acting in consultation with the Executive Member for Neighbourhoods, draws on the HQN report's findings when revising the council's Housing and Health Strategy and Tenancy Strategy for consideration by Council in due course in 2021/22**
- c) the Overview and Scrutiny (O&S) Committee's recommendations, presented in section 3, for enhancing the council's working arrangements with registered providers be approved.**

1.0 Proposal(s)

- 1.1 Earlier in 2020, the council selected the Housing Quality Network (HQN) to conduct a major study of options available to the council to enable a continued supply of affordable housing that would address local needs.
- 1.2 The report of this independent research, provided to the council in November 2020, draws a number of conclusions and presents a series of issues for the council when considering how best to deliver affordable housing which addresses the specific local characteristics of housing need.
- 1.3 This report to the Executive proposes that the findings in the Affordable Housing Research be used to inform the identification of options for further enhancing the supply of affordable housing in line with local needs. Furthermore, it is proposed that the Head of Housing and Health, working in consultation with the Executive Member for Neighbourhoods, draws on the report when reviewing and redrafting the council's Housing and Health Strategy and Tenancy Strategy ready to present to Council for approval in due course during 2021/22.

2.0 Background

- 2.1 In early 2020, the council tendered for a suitably qualified, independent and experienced consultancy to conduct a

major piece of work into the future delivery of affordable housing in the district.

- 2.2 The Housing Quality Network (HQN) was selected and conducted their research over the summer months. The research approach included:
- a desktop analysis of local policies
 - a review of national policies and independent research
 - local housing affordability modelling
 - a discussion with the executive member for neighbourhoods
 - a workshop with a small number of cross party group of members
 - a workshop with senior officers from across the council.
- 2.3 The HQN report contributes to the process of starting to review the council's Housing and Health Strategy and Tenancy Strategy in 2021/22, with particular reference to reviewing the council's approach to facilitate the development of affordable housing strategy in the district. It is likely that the report's findings will also inform future review of the council's planning policies.
- 2.4 The three overarching aims of the project were to review the nature of housing need in East Herts, analyse the range and relevance of different affordable housing products and consider the options and delivery mechanisms to boost the scale and range of new affordable housing provision in the district.
- 2.5 HQN's review of local policies and the local housing market highlighted a number of interrelated issues including:
- boosting new supply, including affordable housing
 - balancing new market provision and affordable housing provision

- balancing new affordable rent and low-cost home ownership
 - in the case of affordable homes for rent – the balancing of higher numbers with higher rents and lower numbers with lower rents
 - balancing quality with quantity of housing provision.
- 2.6 The research noted the national affordable housing policy increasingly supports low-cost home ownership rather than affordable homes for rent. This is reflected, for example, in the Planning White Paper and the proposals for interim modifications to the planning system (both published in August 2020).
- 2.7 In line with the council’s existing understanding of local need, HQN’s local affordability modelling work found a need for a greater amount of affordable homes for rent, while maintaining an appropriate level of provision of low-cost home ownership products. In particular, local need levels indicate it would be beneficial to see more new properties with rents nearer to 50% of local market rents rather than the 80% figure at which new affordable rented housing is typically provided at present.
- 2.8 Lower rents can take the form of the social rent product which is subject to a specific rent formula or the affordable rent product with rents capped at, for example, 60% of open market rents. For simplicity, HQN have used the shorthand term ‘social rent’ in their report for both of these routes to lower rents.
- 2.9 HQN’s report also points out that low-cost home ownership products, for example, shared ownership, have a role in East Herts because of the difficulties for some groups of households of accessing the bottom rungs of the local

owner-occupation ladder, notably though not exclusively first-time buyers.

2.10 HQN picked up during their work with the council that there would be support for providing more 'social rent' homes rather than 'affordable rent' properties while also accelerating the rate of delivery. HQN go on to point out that addressing these two drivers is challenging.

2.11 Increasing new 'social rent' units raises the policy dilemma of balancing the delivery of a lower number of homes at lower rents ('social rent') with a higher number of properties with higher rents (affordable rent).

2.12 HQN reflected back to the council that virtually all new affordable housing in East Herts is delivered via planning agreements with private developers. The key elements of this approach are:

- registered providers purchase properties from developers
- registered providers finance these purchases using their own reserves, subsidies where available and loans funded by rental income.

2.13 The relationship between this approach to affordable housing development and rent levels is as follows:

- developers wish to get the highest price possible from registered providers when selling on the affordable homes they have built
- registered providers bid against each other to buy the properties from developers
- higher bids are typically funded from higher borrowing
- higher borrowing incurs higher interest payments
- the higher the interest payments, the higher the rents charged to cover these payments.

2.14 Conversely, for lower rents to be charged for the affordable homes:

- the registered provider would have to lower the price it pays the developer for the homes
- if the developer receives a lower payment from the registered provider, they will report that the viability of the whole development is adversely impacted financially
- the developer will then seek to overcome the financial shortfall in their viability assessment by reducing the number of affordable homes so as to make available more homes to sell on the open market at full value.

2.15 Putting it in simple terms, the overall impact of this developer-led approach to affordable housing provision is that either:

- more affordable homes (typically 40% of the total) can be provided with rents at 80% of market rents or
- fewer affordable homes (below 40%) can be provided with rents well below 80% of market rents.

2.16 With regard to accelerating delivery, this is only likely to be possible on sites that are not well-advanced in the development pipeline. As noted, the current delivery model for affordable housing is through planning agreements. This will continue to be the case for the first half of this decade. Other models, such as direct delivery, for example council house building by reopening the housing revenue account or delivering affordable housing via a local housing company (an option which is inherently difficult) and formal partnerships are problematic for two reasons; (a) the timescale for development and delivery is in excess of five years and (b) the lack of surplus council-owned land

2.17 HQN's report identifies a number of strategic choice areas for the council to consider to facilitate continued, or indeed accelerated, affordable housing delivery:

- improving implementation of current local policies
- developing new local policies and delivery methods
- emerging national policies.

2.18 The HQN report concludes with seven recommendations:

- make clear the council's response to affordable housing issues
- clarify the council's position on the three strategic choice areas (as listed in paragraph 2.17 above)
- agree high priority aims for affordable housing
- enhance the operation of the planning agreement delivery model but investigate other models for post-2025
- progress work on an action programme to improve delivery
- update information and analysis on the local housing market on an annual basis
- regularly review and monitor changing national policies.

2.19 Officers from the Housing team, in consultation with officers from the council and the Executive Member for Neighbourhoods, will address these points when drawing on the research report while redrafting the council's Housing and Health Strategy and Tenancy Strategy during 2021/22 and, in time, reviewing the council's planning policies.

3.0 Outcome of the Overview and Scrutiny Committee's review of social housing

3.1 At broadly the same time as HQN was conducting its research, the Overview and Scrutiny Committee carried out a review to investigate how the council and elected members could enhance the working arrangements

between the council and registered providers (RPs) so as to better support tenants and help improve service standards in the sector.

3.2 A Task and Finish Group consisting of Overview and Scrutiny Committee members came together on 19th December 2019 and agreed the following approach:

- investigate RPs' views of working with East Herts by inviting at least two RPs, most likely the largest in the district, Network and Clarion, to meet members of the Social Housing Task and Finish group to talk through issues
- investigate how the council and elected members could support tenants and prospective tenants and improve service standards
- hear at first hand the views of tenants of the two largest RPs in East Herts, that is, Network and Clarion.

3.3 Following meetings with tenants and senior officers of the two RPs with the largest stock holdings in the district, Network Homes and Clarion Housing, the Task and Finish Group came up with a series of recommended actions that are applicable across the whole sector.

3.4 The Overview and Scrutiny Committee debated the anticipated benefits of the proposed actions and endorsed the recommendations at its meeting of 15th September 2020. The recommended actions, listed below, link closely to enacting the findings of the HQN research. The linkages are highlighted below.

Rec 1 That Housing and Planning Officers review how the Housing service's in-depth knowledge of affordable housing need can be most effectively shared with developers at the pre-application stage to maximise the

delivery of the size, type and tenure of affordable homes that are most needed locally.

Officers feel this would be a key way in which HQN's observations about balancing the option of more homes with higher rents versus fewer homes with lower rents could be addressed. Of note, for some sites at least, a better way to meet local needs may be to agree to the provision of less than 40% of homes if the types, sizes and rent levels of the affordable homes more closely meets local needs.

In addition, in November the government issued a white paper on social housing, titled 'A Charter for Social Housing Residents'. This sets out a number of proposals including those covering safety in the home, landlord and tenant engagement and effective complaints procedures. The Forum will provide an opportunity for dialogue with partners on this.

Rec 2 That dialogue between the council and registered providers is maximised to promote high standards of management and development

- 2.a That East Herts Council reinstates regular Housing Forum meetings to cover both housing management and housing development matters. The Forum would provide an appropriate means of enabling a wider discussion of the HQN's findings.
- 2.b That East Herts Council works with registered providers on maximising the environmental sustainability of registered providers' existing and new homes.

Rec 3 That council officers and registered providers make it easier for elected members to understand key registered provider policies and raise issues directly with the registered providers

- 3.a That each registered provider be asked to provide a dedicated e-mail address for elected members to use to directly raise issues.
- 3.b That East Herts Council officers work with their registered provider counterparts to draw up a short briefing note for members on the options available to registered providers to tackle anti-social behaviour perpetrated by their tenants or tenants' household members or visitors.

4.0 Reason(s)

- 4.1 Both the HQN's work and the recommendations stemming from the Overview and Scrutiny Committee's review underscore that the provision of a continued supply of high quality affordable housing is crucial to the delivery of the council's District Plan and its corporate priorities.
- 4.2 HQN's work provides a valuable source of independent analysis when revising planning policies in the future and, in the more immediate term, the council's Housing and Health Strategy and Tenancy Strategy.
- 4.3 The Overview and Scrutiny Committee's recommendations provide an initial set of ways in which the findings can inform the council's day-to-day work with its registered provider partners.

5.0 Options

- 5.1 Option 1: Note the HQN report's findings and the recommended actions proposed by the Overview and Scrutiny Committee but choose not to act on either. NOT RECOMMENDED as the HQN's work provides a valuable source of independent analysis and the Overview and Scrutiny Committee considers that the actions identified will make a positive difference to tenants' and prospective tenants' experience.

- 5.2 Option 2: Draw on the HQN's and Overview and Scrutiny Committee's findings when working with developers and registered providers and revising key council strategies and policies concerned with the development of affordable housing – RECOMMENDED for the reasons outlined in this report.

6.0 Risks

- 6.1 The council's risks missing opportunities to continue, or indeed accelerate, the delivery of much needed affordable housing in the district if it fails to draw on up-to-date independent research and analysis. By failing to make use of such evidence, the council opens itself to be challenged by developers when seeking to maximise the numbers and types of affordable housing needed through planning agreements.

7.0 Implications/Consultations

Community Safety

A key recommendation endorsed by the Overview and Scrutiny Committee is that East Herts Council officers work with their registered provider counterparts to draw up a short briefing note for members on the options available to registered providers to take to tackle anti-social behaviour perpetrated by their tenants or tenants' household members or visitors. It is believed that attempts to minimise anti-social behaviour will have positive impacts on community safety.

Data Protection

No implications identified.

Equalities

In line with the Public Sector Equality Duty public bodies must in the exercise of its functions give due regards to the need to eliminate discrimination so as to advance opportunity and foster good

relations between those who share protected characteristics and those that do not.

Any actions taken by the council or registered providers will be subject to the relevant organisation's equalities duties and policies. Of note, when East Herts Council works with registered providers operating in the district, the council will emphasise the need to ensure that such information is made available in formats, and visits carried out in ways, that pay due respect to ensuring those with protected characteristics can access the information and support provided.

Environmental Sustainability

The recommendation that East Herts Council works with registered providers on maximising the environmental sustainability of registered providers' existing and new homes will further the council's climate change commitments and sustainability agenda

Financial

Acting on the recommendations in this report can be done within existing council budgets.

Health and Safety

No implications identified.

Human Resources

No implications identified.

Human Rights

No implications identified.

Legal

No implications directly arising from this report although it is noted that the negotiation of planning agreements with developers is governed by the council's District Planning and national guidance and legislation.

Specific Wards

No

8.0 Background papers, appendices and other relevant material

Affordable Housing Provision in East Hertfordshire – Final report: November 2020. Housing Quality Network

Affordable Housing Provision in East Hertfordshire – Supplementary report: December 2020. Housing Quality Network
Overview and Scrutiny Committee , 15th September 2020 Agenda item 5 - Enhancing the Council's Working Arrangements with Registered Providers

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East Herts Council Report

Executive

Date of Meeting: 5 January 2021

Report by: Geoff Williamson. Deputy Leader and Executive Member for Financial sustainability

Report title: Noting the decision of the Chief Executive to approve a scheme for the Local Authority Discretionary Grant Fund under urgency provisions

Ward(s) affected: All

Summary

- To note a decision taken by the Chief Executive on 1st December 2020 to approve the Local Authority Discretionary Grant funding scheme under the urgency provisions contained at Part 3C paragraph 9.2(g) of the Constitution

RECOMMENDATIONS FOR EXECUTIVE:

- (a) **That the decision to approve the scheme taken by the Chief Executive is noted.**
- (b) **That delegated authority is granted to the Head of Revenues & Benefit service in consultation with the Deputy Leader and Executive Member for Financial Sustainability to revise the scheme where appropriate.**

1.0 Proposal(s)

- 1.1 In accordance with the Government's response to Covid-19 supports for Business, the local authority is required to determine a scheme to allocate the funding made available under the discretionary grant fund. Government refer to this round of discretionary grants as **Additional Restrictions Grant (ARG)**

2.0 Background

- 2.1 In response to the most recent national lockdown (5th Nov - 2nd Dec 2020) the Government announced support for businesses liable for business rates that are mandated to close. That scheme is specified by Government.
- 2.2 They also announced additional funding for a discretionary scheme. This is a single allocation based on £20 per head of population for each local authority to use to run a discretionary grants scheme from Thursday 5th November. It is intended for awards covering the period from 5 November 2020 to 31 March 2022. No further funding beyond the initial allocation should be expected.

The amount available is: **£ 2,994,960**

- 2.3 The Government expect this funding to be primarily used for discretionary grants. They wish to encourage local authorities to help those businesses which whilst not being mandatorily closed, are severely impacted. An example might be that they are suppliers to businesses which have been mandatorily closed.
- 2.4 Local Authorities are free to provide support to businesses in the area that are not liable for business rates, and it is suggested that consideration be given to fixed costs, employees, the ability to trade online and the scale of loss they will suffer from this lock down, or subsequent local restrictions. It is also possible to top up a mandatory grant.
- 2.5 The amount of grant and frequency (if a repeat award is considered appropriate) is to be determined locally.
- 2.6 Business must also meet the core criteria, in that they were trading on the 4th November 2020, have not

exceeded state aid levels, and are not be in administration, insolvency or have a striking off notice.

2.7 The Government however has stated that funding can be used for wider business support projects and initiatives. It is for the local authority to determine if they wish to use part of the funding for other business support activities and if so how much to make available. It is however expected that the funding will mainly be used for grants.

2.8 This report is to note the decision taken by the Chief Executive to approve the scheme under the urgency provisions contained at Part 3C paragraph 9.2 (g) of the constitution.

2.9 Part 3C Paragraph 9.2(g) states:

in cases of urgency [the Chief Executive can] take any decision which could be taken by the Council, the Executive or a Committee in consultation with the Leader, provided that any such decision shall be reported to the next meeting of the Executive, appropriate Committee or Council unless there is a need for confidentiality, in which case the reporting of the decision may be deferred until the need for confidentiality

3.0 Reasons

3.1 The Government has announced a Discretionary Business Grant Fund to enable local authorities to support businesses severely affected by the national lockdown and any subsequent restrictions and recovery to 31st March 2022.

3.2 East Herts District Council has been awarded **£2,994,960**. The government has set some qualifying criteria which the Council must follow, but has

discretion to determine which businesses to support, how much to award, and frequency of schemes. In determining this policy, the Council has sought to balance the amount of overall money it has received to distribute, and the period over which funding is intended to last.

3.3 The Government also allows for local authorities to use some of the funds to support other business support initiatives but still expects the majority of the funds to be made available in grants. It has been determined to provide £70,000 for projects led by our economic development team, and to ring fence up to £160k for projects led by the LEP subject to confirmation of the viability of their schemes.

3.4 The government has set the following criteria that a business must meet in order to be eligible to apply (not necessarily be granted) to the Discretionary Business Grant Fund:

- State aid limits must not have been exceeded
- The business must have been trading on the 4th November 2020
- The business must not be in administration, insolvency or have a striking off notice.

3.5 The government criteria can be seen in full here: <https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>

3.6 It has been determined to have three tranches for grants, each covering a six month period. November 2020 – April 2021, May 2021 – October 2021, and

November 2021 – March 2022. There will be a one month window for application at the start of tranche two and three. Tranche one will have a one month window starting at its launch.

- 3.7 In determining the local scheme criteria for the first tranche, consideration has been given to those businesses which were excluded from previous grant schemes, including for example those in the supply chain or manufacturing for businesses which have been required to close.
- 3.8 It is intended to review the qualifying categories and grant levels for each tranche.
- 3.9 There are eight categories in the first tranche and the amount that can be awarded within each category is determined by the number of employees, fixed costs, proportion of trade lost in last two months, and ability to trade on the internet/click and collect and take away.
- 3.10 It has been determined to award a fixed amount to self-employed taxi drivers licensed in our area, and market traders who regularly (at least weekly) trade in our area, once they have demonstrated that their business has been severely impacted.
- 3.11 The table below details the categories and minimum and maximum grants. The actual grant awarded is determined by the number of employees; proportion of business lost, fixed costs and ability to trade on the internet/take away. Each applicant will have to specify how severely they have been impacted.

	Category	Lowest	Highest
1	1. Supplier or manufacturing to Retail, hospitality & leisure industry 2. Events businesses and suppliers or manufacturing there to	£ 5,400.00	£ 15,000.00
2	Charities (<i>not shops which are mandatorily closed</i>)	£ 400.00	£ 2,000.00
3	Other (businesses mandated to close, but without business rates) e.g.; Mobile hair dressers, Beauticians,	£ 200.00	£ 2,000.00
4	Other - business with or without business rates, not mandated to close but severely affected	£ 200.00	£ 1,000.00
5	Church halls which usually have a regular rental income - without business rates that have remained closed during lockdown (previously excluded)	£ 200.00	£ 1,000.00
6	Businesses with RV over 51k (<i>to top up mandatory scheme cases only</i>)	£ 5,400.00	£ 15,000.00
7	Taxi drivers (self-employed)	£ 500.00	£ 500.00
8	Market traders (without business rates - regularly trading in our area.)	£ 500.00	£ 500.00

3.11 The council anticipates that the demand for the discretionary grants may be greater than the amount of money we have received from government and accordingly the published levels of grant may be amended to reflect demand. The Head of Revenues & Benefits in consultation with the Deputy Leader and

Executive member for Financial sustainability will determine any revisions to the grant levels in each tranche.

3.12. The goal is to try and support as many businesses as possible with the money received from Government while keeping the individual grant amounts high enough that they will provide meaningful support to those businesses.

3.14. In addition to the criteria set out by Government above, the council recognises through its experience in administering the current grants scheme and through its knowledge of the local economy that certain business types that are particularly prevalent have not been eligible for support under the existing grant schemes. As such the discretionary scheme should enable these to be included.

3.17 Application process

It is not possible for the Council to quantify how many businesses in our area will potentially meet the criteria set out in the report. The reason for this is that the council does not hold enough data on how many businesses may fall into these categories.

Consequently rather than a first come first served basis, which may lead to some businesses with greater need missing out on a grant because the money allocated by government becomes fully committed, the proposed scheme provides a window of one month for applications to be received as it is important that the money is allocated on the basis of need rather than to those quickest to make an application.

3.18 Once the one month window has expired the Council will review the applications against the criteria set out

above. If after granting to all eligible business funding remains, a review of the criteria will be made.

- 3.19 It is proposed that any review of the criteria needed to be undertaken is carried out by the Head of Service for Revenues & Benefits in conjunction with the Deputy Leader & Executive Member for Financial Sustainability
- 3.20 As this is a discretionary scheme there is no right to appeal and the decision of the Council is final. However it is proposed to offer a review of a decision to reject an application to be considered by officers outside of the Revenues service
- 3.21 This scheme is not intended to cover all businesses that have not been included in the initial Government grant scheme. There are other avenues of support that businesses have available through the other government schemes.
- 3.22 The Council has created an online form for applications; this is the only mechanism through which the Council will accept applications.
- 3.23 Once the one month window has closed, the Council will seek to reach a decision within 10 working days.

4.0 Options

- 4.1 The draft scheme was discussed informally with Executive members on 24th November 2020 to identify any alternatives to the proposal, and there were none identified.
- 4.2 Various alternatives could be explored but the time delay incurred is considered detrimental to the objective of giving financial support to businesses in need. Consequently very little variation from the Governments core scheme is proposed.

5.0 Risks

- 5.1 Having determined the scheme as above, and acknowledged that not all businesses can be supported, some businesses will feel aggrieved,
- 5.2 Whilst the scheme cannot be appeal against as it is discretionary, a judicial review can be requested if the process agreed is not applied correctly.

6.0 Implications/Consultations

- 6.1 N/A

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Finance had been consulted and fully support the proposal.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material**Contact Member**

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