



The Arc
High Street
Clowne
Derbyshire
S43 4JY

Date: 21 December 2015

Dear Sir or Madam,

You are hereby summoned to attend a meeting of the Executive of Bolsover District Council to be held in Chamber Suites 1 and 2 at **The Arc, High Street, Clowne** on **Monday 4 January 2016 at 1000 hours**.

Register of Members' Interests - Members are reminded that a Member must within 28 days of becoming aware of any changes to their Disclosable Pecuniary Interests provide written notification to the Authority's Monitoring Officer.

You will find the contents of the agenda itemised on pages 1 to 3.

Yours faithfully


Assistant Director – Governance & Monitoring Officer
To: Chairman & Members of the Executive

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Chief Executive Officer: Dan Swaine
The Arc, High Street, Clowne, Derbyshire, S43 4JY

EXECUTIVE AGENDA

Monday 4 January 2016 at 1000 hours in
Chamber Suites 1 and 2, The Arc, High Street, Clowne

Item No.		Page No.(s)
	PART 1 – OPEN ITEMS	
1	Apologies for absence	
2	Urgent Items of Business To note any urgent items of business which the Chairman has consented to being considered under the provisions of Section 100(B) 4(b) of the Local Government Act 1972.	
3	Declarations of Interest Members should declare the existence and nature of any Disclosable Pecuniary Interest and Non Statutory Interest as defined by the Members' Code of Conduct in respect of: a) any business on the agenda b) any urgent additional items to be considered c) any matters arising out of those items and if appropriate, withdraw from the meeting at the relevant time.	
4	Minutes To approve the minutes of the meetings of the Executive held on 18 and 30 November 2015.	Circulated
5	Recommended Items From Other Standing Committees None.	
6	Scrutiny Review of CAN Rangers Service <i>Recommendations on page 5</i>	4-17
7 (KD)	Affordable Homes Programme Funding <i>Recommendations on page 20</i>	18-20
8 (KD)	Cotton Street Refurbishment <i>Recommendations on page 22</i>	21-23

9	Joint Empty Property Strategy <i>Recommendations on page 26</i>	24-92
10 (KD)	External Wall Insulation Tender <i>Recommendations on page 94</i>	93-95
11	Risk Management Strategy (including Partnership Working Strategy) <i>Recommendations on page 97</i>	96-114
12	Draft Anti–Fraud, Bribery and Corruption Strategy (including Money Laundering Policy) <i>Recommendations on page 116</i>	115-132
13 (KD)	Proposed Upgrade to Revenues and Benefits System <i>Recommendations on page 136-137</i>	133-137
14	Arrears - Irrecoverable Arrears over £2,500 <i>Recommendations on page 139</i>	138-144

PART 2 – EXEMPT ITEMS

The Local Government (Access to Information) Act 1985, Local Government Act 1972, Part 1, Schedule 12a.

15	<u>Paragraph 3</u> Arrears - Irrecoverable Arrears over £2,500 <i>Recommendations on page 146</i>	145-149
16	<u>Paragraph 1, 3 and 4</u> Heritage Conservation Staffing Proposals <i>Recommendations on page 157</i>	150-158

Notes for agenda:

Items marked (KD) are all Key Decisions. A Key Decision is an executive decision likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates or which is significant in terms of its effects on communities living or working in an area comprising two or more wards in the District. The Council has decided that income or expenditure of £50,000 or more is significant.

Item 7 on the agenda, Affordable Homes Programme Funding, is a Key Decision but it was not practicable to include it in Issue 40 of the Council's List of Key Decisions. In accordance with Regulation 10 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 the Chair of the relevant Scrutiny Committee has been advised that this Key Decision is proposed to be taken at this meeting of Executive.

There have been no representations requiring items 15-16 to be heard in public.

Bolsover District Council

Executive

Monday 4th January 2016

Scrutiny Review of CAN Rangers Service

Report of the Chair of the Customer Service and Transformation Scrutiny Committee

This report is public

Purpose of the Report

- To present the report and recommendations of the Customer Service and Transformation Scrutiny Committee following the review of the CAN Rangers Service.

1 Report Details

- 1.1 At the Annual Scrutiny Conference which took place on 19th May 2015 Members discussed the CAN Rangers Service and the current demands placed upon it. The role of the Rangers had evolved since the service was established to the present role and the job description had changed a number of times over the years. For these reasons Members wanted to understand the current demands on the service and to consider whether the service was prepared to meet future demands.
- 1.2 As a result of the review the Committee has identified seven recommendations which are detailed at section 2 of the report and each recommendation is supported by examples of the evidence heard during the review.

2 Conclusions and Reasons for Recommendation

- 2.1 To enable Executive to consider the report and recommendations arising from the Review of CAN Rangers.

3 Consultation and Equality Impact

- 3.1 As set out in the report.

4 Alternative Options and Reasons for Rejection

- 4.1 This report sets out the recommendations and it is for Executive to decide whether to accept or reject the recommendations set out in the report.

5 **Implications (Financial, Legal, HR)**

5.1 As set out in the report.

6 **Recommendation**

6.1 The Executive is asked to consider the report of the Customer Service and Transformation Scrutiny Committee.

7 **Decision Information**

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	Supporting our Communities to be Healthier, Safer, Cleaner and Greener.

8 **Document Information**

Appendix No	Title
A	Review of CAN Rangers Service– Final Report
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Covering Report Author	Contact Number
Claire Millington, Scrutiny Officer	01246 242385

BOLSOVER DISTRICT COUNCIL

CUSTOMER SERVICE AND TRANSFORMATION SCRUTINY COMMITTEE

Review of CAN Ranger Service

14 December 2015

Contents

Chair's Foreword

1. Introduction
2. Recommendations
3. Scope of review
4. Method of review
5. Evidence
6. Key findings
7. Conclusions

Appendix 1 – Stakeholders engaged during the review

Foreword of Councillor Rose Bowler Chair of the Customer Service & Transformation Scrutiny Committee

At the Scrutiny Conference earlier this year it was noted that members once again requested a review of the CAN ranger service, therefore the Customer Service and Transformation committee decided to take on this piece of work.

We started our review by looking at why the service was started and to ensure we meet any future demands that may occur. The committee have interviewed Senior Management, Cabinet members and resident groups. We also spoke to all the Rangers over two sessions. The review became quite challenging with the extent of the different tasks they were taking on. There is a strong feeling however amongst members of the committee this service has moved away from some of the original remit and it was felt the need to return to the duties of dealing with Anti Social Behaviour which seems to be again on the increase.

I would like to take the opportunity to thank all officers and Rangers for their contribution to this review, also to Abby Brownsword our Governance Officer and to Claire Millington, Scrutiny Officer for her continued commitment, and thanks to the committee members for their support.

Cllr Rose Bowler

1. Introduction

Section 17 of the Crime and Disorder Act 1998 places a statutory responsibility on Local Authorities to address Crime, Disorder and Anti-Social Behavior (ASB). The CAN Ranger Service was set up to contribute towards this statutory duty.

The review was identified during the discussions at the Annual Scrutiny Conference because elected Members felt that the role of the CAN Rangers had evolved since the service was established to the present role and the job description had been changed a number of times over the years. For this reason Members wanted to understand the current demands on the service. Also Members which to consider whether the service was prepared to meet future demands.

It was agreed from the outset that the review would look at the service as a whole from a transformation point of view and that it wasn't within the remit of the Customer Service and Transformation Scrutiny Committee to consider individual Community Safety concerns i.e. how many Fixed Penalty Notices were issued within a certain period of time as these issues were considered in the review of Enforcement carried out by the Safe and Inclusive Scrutiny Committee in 2014.

Members were sensitive to the fact that the Rangers had been the subject of a number of reviews over the past few years and it was made clear to the CAN Rangers that the review wanted to consider the demands on staff time and the support that they received or required.

2. Recommendations

2.1 **That the Assistant Director of Community Safety and Head of Housing together with the Portfolio Holder for Community Cohesion reiterate the role and duties of the CAN Rangers Service with departments and partners, particularly the Police.**

Throughout the Review, Members heard concerns that reducing Police budgets and Officer numbers was leading to an increase of situations where people were advised to contact the CAN Rangers instead. The CAN Ranger service is valued by the Authority but there is a danger that it can be abused. Rangers reported that they worked closely with PCSOs but unfortunately, because Bolsover District Council has this service, people who dial 101 are often told to contact the Rangers instead. During the focus groups Members were told, "*The Police are stretched and we do perhaps get calls that we shouldn't be dealing with*".

Examples of where the Rangers are sent to deal with a matter that actually requires Police attendance include when dealing with nuisance

motorcycles. Rangers advised that they do not have any enforcement powers under S. 59 and therefore can only request that a group or individual move on. *“Don’t send us to this kind of job when we have no power to deal with the issue when we get there!”* or being sent to noise complaints involving large groups of people who have been drinking – which would clearly require the Police to attend at the time the incident was reported. Rangers questioned during the focus groups, *“what would happen if we were involved in an accident whilst dealing with a call that shouldn’t be our job?”* As an Authority, it is our duty to ensure that our employees are safe.

2.2 That a set of guidelines and/or a criteria is developed which assists the Rangers and Central Control in assessing the urgency of a job (particularly out of hours calls) where a job is not an emergency and could be left until the following day or if in fact some jobs should be attended at all.

As part of the evidence gathering Members of the Committee considered job logs collected between May – June 2015 to give an example of the variety of work undertaken by the Rangers on both the day and night shifts.

Examples of jobs that Members queried whether or not a Ranger should have been sent out to include;

- Radiators too hot. Kevin sorted them out for her. She might ring back in the morning saying she’s too cold! (Central Control log) (5.14pm)
- Blown Bulbs. (9:54pm)

Rangers themselves commented on some of the jobs that they have attended; *“When jobs are passed on, we don’t always have an option as we are usually the last stop. People don’t know who to forward a job to so it gets sent to us”* and a question was asked; are you spread too thin? To which the response was, *“Possibly, everyone wants a bit of us”*.

Although the Job Description details the tasks that the CAN Rangers are required to undertake, Members queried whether some of the jobs that the Rangers were attending (including the examples given above) were above and beyond what Rangers should be expected to do. It is clear that the Rangers take pride in the fact that they can do anything and everything and this attitude towards their work is highly commended. The concern is that this level of service will be expected from Tenants and the CAN Rangers simply don’t have the capacity or resources to continuously provide this level of service and nor should it be expected to.

2.3 That information be provided to Tenants which provides details and examples on what is classed as an emergency and what calls will be dealt with as part of the out of hours service.

This recommendation follows as a result of recommendation 2.2. Members would like to see information to tenants published in an appropriate way which sets out the service tenants can expect from the Authority including what should be dealt with as an emergency.

2.4 That the Assistant Director of Community Safety and Head of Housing be asked to consider whether a contribution from the Community Safety Budget received from the Police and Crime Commissioner can be made towards the CAN Rangers Service.

Rangers are involved in many of the Community Safety Partnership (CSP) activities including, Crime Cracking Events, Winter Safety and 'have your say' consultation days. Rangers are also involved in diversionary activities with the Police.

Because the Rangers are out and about within the Community, a lot of local intelligence is provided to the Community Safety Partnership through the Tasking Meetings with the Police and the Crime Theme Groups. Rangers are considered a valued part of the Community.

Members were advised by the Community Safety Officer that the Community Safety Partnership received £25,000.00 from the Police and Crime Commissioner each year for initiatives that link to the Countywide Police and Crime Plan.

Members were of the opinion that as the CAN Rangers carried a proportion of work on behalf of the Community Safety Partnership then it should be considered whether there is sufficient budget to contribute towards the CAN Rangers service.

2.5 That the CAN Rangers uniform include high visibility jackets so that it is clear to Members of the Public when there is a Ranger present in an area.

Members recalled that the Rangers uniform had included high visibility clothing. The current black uniform was smart but Elected Members and the Tenants and Residents involved in discussions agreed that the Rangers should be instantly recognisable and visible which should include the use of high visibility jackets.

2.6 That a clear Training Record be developed which highlights dates that training is undertaken and dates of when the training needs to be renewed or updated.

Training has been the subject of many discussions during the course of the review and it was confirmed that there was no set training programme.

Training tended to be arranged as and when to include Lone Working, First Aid and Housing Training and was raised through the appraisal process. Rangers commented that they would welcome a regular training programme.

Having a training record in place would ensure that staff were up to date on required training which was particularly important for the CAN Rangers and the range of expertise required to carry out their role.

2.7 That the levels of staffing in the CAN Rangers Service be regularly monitored to ensure that the service is coping with current demand.

During the focus groups with the Rangers, Members expressed concerns about the potential for one Ranger to be covering the nightshift alone including when the other Ranger called in sick or was on annual leave. (Currently 2 Rangers work the night shift together – covering the whole of the District).

Whilst there are no concerns with staffing currently, having 8 Rangers doesn't allow for much flexibility or cover if a Ranger due to work the nightshift was unable to for any reason. Members asked, "*Are 8 Rangers enough?*" to which the response was, "*When we had 10 there was more continuity in the shift pattern and more cover/flexibility for annual leave*".

Rangers confirmed that they enjoy the elements of Housing work particularly the 'out of hours' work. By attending out of hours calls rather than Tomlinsons (the contractors) being called out, between April and September 2015, approximately £1,710.00 was saved. (Tomlinsons out of hours call out fee is £57.00).

There has been an increased demand for the Rangers experienced in Shirebrook this year, mostly due to Community Cohesion issues and events taking place. Rangers did comment that the fact that they don't speak Polish is often a barrier and the Community Cohesion Officer is not always available. Also, a Public Spaces Protection Order (PSPO) had been implemented on 4th November 2015 which covered specific areas of Shirebrook and Langwith for a duration of three years. This will inevitably increase the demands upon the CAN Rangers time in enforcing the PSPO over this period. The Council may choose to recruit a new employee with

specific community language(s) skills as a genuine occupational requirement under S.159 of the Equality Act 2010 if this level of demand continues. Some language training could be arranged for all staff in the meantime.

Finally Members heard that one Member of the Rangers team would turn 65 in the next 12 months and whilst workforce planning was an issue in all departments, the amount of training and expertise required for this particular role meant that this should be planned in accordingly.

3. Scope of the review

The aim of the review was to identify whether the current CAN Ranger Service was the most appropriate and cost effective way of delivering services to our Communities.

The objectives of the review were;

- To compare the job description/role from when the service was first established to the present role.
- To understand how the authority discharges its duty under Section 17 of the Crime and Disorder Act 1998 and how this compares to other authorities.
- To ascertain the involvement of Parish Councils in Community Safety and their duties under the Crime and Disorder Act.
- To consider the Budget for the service.

The Committee comprised the following Members,

Councillors;

Rose Bowler (Chair)
Pauline Bowmer
Malcolm Crane
Andrew Joesbury
Emma Stevenson

Jim Smith (Vice Chair)
Paul Cooper
Ray Heffer
Duncan McGregor
Rita Turner

Support to the Committee was provided by the Scrutiny Officer and the Governance Officer.

4. Method of review

The Committee met on four occasions to consider the scope of the review, key issues they wanted to discuss and the people they wished to interview.

The Committee sought evidence by way of questioning Officers, Rangers and local tenants and residents. Each Committee Member was tasked with contacting a neighbouring Authority to discuss how other Local Authorities discharged their duties under Section 17 of the Crime and Disorder Act and asked questions on enforcement powers. Parish Councils were also asked similar questions by email to which 12 of the 16 Parish Councils in Bolsover District provided a response.

Attached at **Appendix A** is a list of stakeholders involved in the review.

Equality and Diversity

Within the process of the review, the committee has taken into account the impact of equalities and the Improvement Officer has provided guidance and advice on the draft report.

5. Evidence

The following evidence was considered as part of the review:

- Citizens Panel results and analysis – July 2004 (Community Action Network or CAN Rangers)
- Verbal evidence from Officers and Portfolio Holders (please refer to **Appendix A** for the details of officers involved.)
- Job Descriptions dated from 2000 up to 2014
- Budget information
- Telephone interviews with neighboring authorities
- Questions to Parish Councils

6. Key findings

The CAN Ranger Service budget for 2014/15 was £310,628.00. This budget is split between the General Fund and the Housing revenue Account as follows;

General Fund – 25% = £77,657.00

Housing Revenue Account – 75% = £232,971.00

Members were advised that the 2015/16 budget had reduced to £224,000.00 as a result of salary savings, split as follows;

General Fund – 25% = £56,000.00

Housing Revenue Account – 75% = £168,000.00

The Housing Revenue Account budget provides services to Council House Tenants.

The CAN Rangers are line managed by the Housing Enforcement Officer who reports to the Assistant Director of Community Safety and Head of Housing.

When questioned about the safety of the CAN Rangers when working alone or at night, the Housing Enforcement Manager confirmed that all Rangers have received Lone Worker training, they have a mobile phone and out of hours could contact Central Control and there are trackers fitted in all vans.

When drafting the report Members agreed that the service should go ‘back to basics’ and carry out the duties that the Rangers were initially set up to do. Members considered the most up to date Job Description dated 4th February 2014 and agreed that this clearly stated what the Rangers should be doing, however, as the Rangers were asked to be involved with more and more jobs and tasks, there was less time for the ‘basics’ as set out in the Job Description.

Concerns were expressed throughout the duration of the review that the Rangers had become reactive and by moving the emphasis back to the duties set out in the Job Description, this should mean that more time and effort could be freed up for some of the activities and initiatives that made the service proactive.

When asked about their vision for the service in future, Rangers came up with the following:-

- More proactive
- Still providing a good service
- Ensuring that communities understand the service we provide
- Ensuring that those citizens that we don't get to engage with (those that don't cause any trouble or issues) understand what we do and the benefit of the service to communities.
- Better working relationship with PCSOs (as we have in the past)
- Be the best we can and provide best service we can.

There was a sense that the line of supervision wasn't always clear and that no one was ‘fighting the Rangers’ corner’ in respect of control over the jobs and tasks that they were being asked to do. It is hoped that the recommendations made will help to address some of these issues.

To ensure that the Committee had a complete picture, questions were asked to Parish Councils and neighbouring Authorities regarding the discharge of their duties under Section 17 of the Crime and Disorder Act 1998 which states that all relevant authorities – which includes town and parish councils – have a duty to consider the impact of all their functions and decisions on crime and disorder in their local area.

12 of the 16 Parish Councils in Bolsover District responded to the questions which focused on how Anti-Social Behaviour was addressed across the District. It emerged from this consultation and discussions with Officers that there are still two Parish Councils who contribute a sum of money to Bolsover District Council for 'subscription to the CAN Ranger Service' there is also one GP in the District that contributes. This is an historical payment where most Parish Councils and some GPs contributed towards the service when it was first set up. Over the years, Parish Councils and GPs have stopped their contributions.

Members of the Committee would like this issue to be highlighted as these contributions are received in the belief that a service is provided in return. When questioned, the Housing Enforcement Officer advised that the GP/Parish Councils do not receive a greater level of service than any other Parish within the District and it appears improper that the Authority still accepts this contribution on an annual basis.

A range of examples of how other Authorities managed Community Safety and Anti-Social Behaviour were received from 5 of our neighbouring authorities.

7. Conclusions

The CAN Rangers Service is an asset to Bolsover District Council and everyone involved in the review agreed that it would be a major loss to the Authority if the Service was reduced or withdrawn.

The Community issues in our towns will not disappear overnight and our Rangers play a major role in maintaining safer communities.

Council tenants appreciate the fact that the Rangers attend out of hours calls, meaning that urgent jobs are dealt with quickly and saving the Authority money in the process.

We need to ensure that the Rangers receive the support and training they require to continue to do their job and provide the expected level of service whilst dealing with demands for the service that will continue to increase in future.

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APPENDIX A

Stakeholders

Councillor Karl Reid	Portfolio Holder – Community Cohesion, Audit, Legal and Governance
Councillor John Ritchie	Portfolio Holder – Housing and IT
Peter Campbell	Joint Assistant Director – Community Safety and Head of Housing
Deborah Whallett	Housing Enforcement Manager
Anthony Stewart	CAN Ranger
Brian Stray	CAN Ranger
Chris Lindley	CAN Ranger
David Baddams	CAN Ranger
Jo Wilson	CAN Ranger
Kevin Higgins	CAN Ranger
Simon Winder	CAN Ranger
Tim White	CAN Ranger
Lynne Cheong	Improvement Officer
Tenants and Residents	Bolsover Tenants Panel
Tenants and Residents	Carr Vale Residents Group

Parish Council Consultees

Barlborough Parish Council
Blackwell Parish Council
Clowne Parish Council
Elmton with Creswell Parish Council
Langwith Parish Council
Old Bolsover Town Council
Pinxton Parish Council
Pleasley Parish Council
Scarcliffe Parish Council
South Normanton Parish Council
Tibshelf Parish Council
Whitwell Parish Council

District Council Consultees

Amber Valley Borough Council
Ashfield District Council
Erewash Borough Council
Mansfield District Council
North East Derbyshire District Council

Bolsover District Council**Executive****4 January 2016****Affordable Homes Programme Funding****Report of the Portfolio Holder for Housing****Purpose of the Report**

- To seek delegated approval from Members to enter agreements with the Homes and Communities Agency (HCA) for residential schemes brought forward by the Council
- To seek approval from Members to enter an Investment Partner agreement with the HCA.

1 Report Details

- 1.1 As members of Executive will be aware, a programme of residential development, called B@Home is being brought forward by Housing Services and Property and Estates, through an partnership with Robert Woodhead Ltd.
- 1.2 At the April 2015 Executive, it was stated, that to support the development of the B@Home programme deliver, Officers will seek HCA Affordable Homes Programme (AHP) funding on a scheme by scheme basis.
- 1.3 We are delighted to report that our AHP application for Rogers Avenue has been successful and the HCA have agreed to support the development with £151,493 grant. A further bid is due to be submitted by Officers for the former Blackwell Hotel site early in 2016.
- 1.4 The full list of sites currently being developed through the B@Home Programme is as follows:

Site	Number of Units	Progress to date
Rogers Avenue, Creswell	7	On site
Former Blackwell Hotel, Blackwell	6	Preparing for Planning submission
Fir Close, Shirebrook	8	Preparing for Planning submission
Derwent Drive, Tibshelf	12	Feasibility Complete
Recreation Close, Clowne	2	Feasibility Complete
Hilltop, Shirebrook	40*	Feasibility underway
Hereward Road, Shirebrook	6*	Feasibility underway
Station Road, Shirebrook	8*	Feasibility underway
Sycamore Close, Pinxton	2*	Feasibility underway
Ash Close, Pinxton	6*	Feasibility underway
Leamington Drive, South Norm.	2*	Feasibility underway
Garden Crescent, South Norm.	1*	Feasibility underway
Beech Grove, Pinxton	2*	Feasibility underway

Bakestone Moor, Whitwell	5*	Feasibility underway
Mill Lane, Bolsover	30*	Feasibility underway
Peveril Road, Bolsover	8*	Feasibility underway
Bainbridge Road, Bolsover	7*	Feasibility underway

*Estimated

- 1.5 To access the grant funding for Rogers Avenue and any subsequent sites, BDC are required to enter an Investment Partner Agreement with the HCA.

The AHP 15-18 Prospectus, outlines that all organisations delivering programmes through the AHP 15-18 must be an HCA Investment Partner. Investment Partner status must be achieved before payment under a completed grant agreement can be made.

Assessment of applications for Investment Partner status considers an applicant's financial and technical capacity to undertake an agreed programme of new supply, and the organisation's good financial standing.

BDC have completed the application process and the indications from the HCA is that as we are a Local Authority, the process should be relatively straight forward. We are not anticipating an outcome from our application until January 2016.

2 Conclusions and Reasons for Recommendation

- 2.1 To support the ongoing B@Home Programme by adding financial capacity to deliver more affordable homes across the district, it is recommended that delegated authority is granted to the Executive Director of Operations to enter an Investment Partner Agreement, Rogers Avenue AHP Funding agreement and subsequent AHP funding agreements for residential development brought forward by BDC.

3 Consultation and Equality Impact

- 3.1 Legal Services are currently reviewing the AHP agreement and will review the Investment Partner agreement once we have received it.
- 3.2 There is no equality impact in relation to this decision.

4 Alternative Options and Reasons for Rejection

- 4.1 The alternative option would be to reject the funding offer from the HCA, reducing the overall financial capacity of the B@Home Programme which may impact on the Council's corporate target to deliver 100 new Council homes by 2019.

5 Implications

5.1 Finance and Risk Implications

The risk in entering any funding agreement is that if the agreement is breached in any way, claw back of the funding may be sought by the funder. The terms of the agreement have been reviewed by Legal Services and the application submitted reflects the scheme that is being delivered.

5.2 Legal Implications including Data Protection

As outlined in the body of the report

5.3 Human Resources Implications

There are no human resource implications arising directly from this report.

6 Recommendations

- 6.1 That delegated authority is granted to the Executive Director of Operations following consultation with the Cabinet Member for Housing and I.T. to enter the Rogers Avenue AHP Funding agreement and subsequent AHP funding agreements for residential development brought forward by BDC.
- 6.2 That delegated authority is granted to the Executive Director of Operations following consultation with the Cabinet Member for Housing and I.T. to enter the HCA Investment Partner Agreement

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
District Wards Affected	
Links to Corporate Plan priorities or Policy Framework	Growth Strategy

8 Document Information

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Matthew Broughton, Commercial Properties & Developments Manager	01246 242210

Bolsover District Council

Executive

4th January 2016

Cotton Street Refurbishment

Report of the Portfolio Holder for Customer Services

This report is public

Purpose of the Report

- To obtain delegated authority for the Assistant Director of Property and Estates to appoint the winning bidder from the tender exercise and evaluation within existing budgets for the above contract.

1 Report Details

- 1.1 At the June 2015 Executive, members approved a recommendation to acquire and refurbish 3 Cotton Street, Bolsover as an investment property to lease to Jobcentre Plus. Subsequently, at the 30 November Executive it was approved that the Council's Bolsover Contact Centre would also relocate and co locate with Jobcentre Plus in Cotton Street.
- 1.2 Property & Estates have been working with Rider Levett Bucknall (appointed consultant) to produce the design and specification documents to allow a tender exercise to be carried out resulting in the appointment of a main contractor to carry out the work.
- 1.3 Jobcentre Plus's current lease agreement expires in March 2016 and in order to ensure continuity of the Jobcentre Plus services in the town, the refurbishment of 3 Cotton Street should be complete in early March 2016, to allow for their relocation. The additional benefit of a March (or early as possible) completion is that BDC receive the rent from Jobcentre earlier but this would also allow for an earlier relocation of the Councils own Contact Centre, from Sherwood Lodge, which will provide savings on ICT infrastructure (Leased Line) and a short-term saving on NNDR.
- 1.4 To enable a March 2016 completion and deliver the above, the tender exercise to appoint the main contractors has been made as short as practically possible allowing 3 weeks (including the Christmas/New Year period) before the bids will be received on 11th January. The evaluation will be carried out that week with the aim of appointing as early as possible for a start in January.

2 Conclusions and Reasons for Recommendation

- 2.1 In consideration of the above and in particular the need to appoint a contractor in January for a completion in early March the report seeks delegated powers to enable the most appropriate contractor, determined through the evaluation process to be appointed for an immediate start.

3 Consultation and Equality Impact

- 3.1 Consultation has taken place on the proposals outlined in this report with the Deputy Leader.

4 Alternative Options and Reasons for Rejection

- 4.1 The other option would be to wait to get the evaluation report approved at the next available Executive which would be 1st February 2016 resulting in a completion in early March unachievable. This option would jeopardise Jobcentre Plus delivery in Bolsover and delay the financial benefits to BDC as outlined in the report.

5 Implications

The implications are that a main contractor is appointed to enable work to commence for a completion in early March.

5.1 Finance and Risk Implications

No financial risk has been identified, delivery within existing budgets.

5.2 Legal Implications including Data Protection

Contract/agreement is to be arranged for the appointment of a main contractor.

5.3 Human Resources Implications

N/A

6 Recommendations

- 6.1 That Executive grant delegate authority to the Assistant Director of Property and Estates to appoint the contractor with the winning bid based upon the tender evaluation process within existing budgets to carry out the refurbishment of 3 Cotton Street

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
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District Wards Affected	Bolsover
Links to Corporate Plan priorities or Policy Framework	Growth Strategy

8 Document Information

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Michael Baker – Principal Building Surveyor	01246 242249
Matt Broughton – Commercial Property and Developments Manager	01246 242210

Report Reference –

Bolsover District Council

Executive

4th January 2015

Joint Empty Property Strategy

Report of Councillor John Ritchie (Cabinet Member for Housing and I.T, Bolsover District Council) and Councillor Mary Dooley (Deputy Leader and Cabinet Member for Corporate Plan, HR and Leisure, Bolsover District Council)

This report is public

Purpose of the Report

- This report provides Executive with the details of the proposed Joint Empty Property Strategy for Bolsover and North East Derbyshire District Councils

1 Report Details

- 1.1 In July 2014 Cabinet approved the appointment of a Joint Empty Properties Officer for North East Derbyshire District Council and Bolsover District Council.
- 1.2 The Empty Property Officer was recruited into post in March 2015
- 1.3 The primary functions of the Empty Properties Officer are to:
 - Identify, develop and implement measures to bring empty properties back into use to help meet the housing needs of the District's residents
 - Support the development and delivery of an Empty Homes Strategy for the Councils which will contribute to the Growth Strategies in increasing the number of housing units.
 - To monitor the Council's empty properties data and ensure that New Homes Bonus is maximised for both Councils.
- 1.4 As at March 2015 there were over 1200 long term empty properties spread across both districts. Over 500 of these have been empty for over 2 years.
- 1.5 These properties represent a wasted resource and are the main focus of the Empty Property Strategy
- 1.6 The strategy ties together the three main strands of Empty Property work, i) Advice, ii) Assistance and iii) Enforcement, and presents a framework for co-ordinated work moving forward in the shape of the Empty Property Action Plan.
- 1.7 The strategy details measures under each of the strands of Empty Property work which, once implemented, will help to realise a reduction of long term empty properties and an increase in New Homes Bonus realised.

2 Conclusions and Reasons for Recommendation

- 2.1 To approve the Empty Property Strategy for adoption by Bolsover District Council and North East Derbyshire District Council.
- 2.2 This will enable the Councils to implement a raft of measures to reduce the number of long term empty properties resulting in additional housing units, additional New Homes Bonus and greater community sustainability which contribute to the delivery of each Council's Growth Strategy.

3 Consultation and Equality Impact

- 3.1 Comprehensive consultation has taken place over the development of the strategy with colleagues in Legal, Revenues, Environmental Health and Planning
- 3.2 Members have been consulted at both Councils through North East Derbyshire's Leadership team and Bolsover District Councils Cabinet Process
- 3.3 Senior officers have been consulted at the Strategic Alliance Management Team.
- 3.4 An Equalities Impact Assessment has been carried out as part of the development process of the strategy, a copy of which is included with this report.

4 Alternative Options and Reasons for Rejection

- 4.1 The Councils have previously identified a need for an Empty Property Officer to deliver on and co-ordinate all the elements of empty property related work with the ultimate aim of reducing numbers of long term empty properties in both districts.
- 4.2 A key element of the Empty Property Officers work is the development and implication of a Joint Empty Property Strategy to co-ordinate all streams of empty property work.
- 4.3 Not implementing the Joint Empty Property Strategy will affect the amount of New Homes Bonus the Councils receive
- 4.4 Not implementing the Joint Empty Property Strategy will seriously impact upon the Councils ability to reduce the number of long term empty properties within the districts and their ability to deal effectively with the problems associated with them.

5 Implications

5.1 Finance and Risk Implications

Implementing the Joint Empty Property Strategy will result in sustained positive financial benefits to the Councils over the long term. Reducing the number of long term empty properties results in an increase in New Homes Bonus, the value of which equates to the annual Council Tax charge for each property returned to use, for a period of six years.

Financial and risk analysis will be completed prior to implementation of each measure on the Empty Property Action Plan contained within the Strategy. Consideration of each analysis will determine whether the proposed measure presents an acceptable level of financial and operational risk on which to proceed with implementation.

5.2 **Legal Implications including Data Protection**

A number of the measures contained within the Joint Empty Property Strategy will require input from the legal team. These are primarily operational matters pertaining to particular statutes involved in empty property enforcement work. The legal team have identified a representative to work with the Empty Property Steering Group to ensure the Councils empty property work follows correct legal procedures and guidance at all times.

Specific information relating to empty properties is held in a secure folder on the Councils computer network. Access is restricted to the Empty Property Officer and their immediate line management. All information pertaining to empty property work is managed in line with the Data Protection Act.

5.3 **Human Resources Implications**

Delivery of the measures in the action plan detailed within the Joint Empty Property Strategy will be co-ordinated by the Empty Property Officer currently in situ. Individual measures which require officer input from other teams and departments within both Councils will be managed on a case by case basis through the Empty Property Steering Group.

6 **Recommendations**

6.1 That members approve the Joint Empty Property Strategy.

7 **Decision Information**

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	Unlocking our growth potential – “Enabling Housing Growth”

8 **Document Information**

Appendix No	Title
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A B C	Draft Joint Empty Property Strategy Equality Impact Assessment LGA Guide on Empty Homes
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Equality Impact Assessment for the Empty Property Strategy Local Government Association – Empty Homes (Council action to tackle Empty Homes)	
Report Author	Contact Number
Adrian Anderson – Joint Empty Properties Officer	01246 242312 / 217722

Report Reference –



Empty Property Strategy 2015 – 2020

We speak your language

Polish

Mówimy Twoim językiem

French

Nous parlons votre langue

Spanish

Hablamos su idioma

Slovak

Rozprávame Vaším jazykom

Chinese

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Council on 01246 231111

**CONTROL SHEET FOR BOLSOVER AND NORTH EAST DERBYSHIRE
DISTRICT COUNCILS EMPTY PROPERTY STRATEGY 2015 – 2020**

Strategy Details	Comments / Confirmation (To be updated as the document progresses)
Strategy title	EMPTY PROPERTY STRATEGY 2015 – 2020
Current status – i.e. first draft, version 2 or final version	FINAL
Strategy author	ADRIAN ANDERSON
Location of strategy i.e. L-drive, shared Drive	S:Drive
Member route for approval	
Cabinet Member (if applicable)	
Risk Assessment completed (if applicable)	N/A
Equality Impact Assessment approval date	12/11/15
Partnership involvement (if applicable)	N/A
Final strategy approval route i.e. Executive/	Executive / Cabinet

Council /Planning Committee	
Date strategy approved	
Date strategy due for review (maximum three years)	3 Years
Date strategy forwarded to Improvement team (to include on Intranet and Internet if applicable to the public)	

Executive Summary

Returning empty properties to use has been identified as a government priority. This has been reinforced by the introduction of the New Homes Bonus (NHB) scheme in 2010 which provides a financial reward, equivalent to the council tax income for each new build or empty property returned to use for six years.

NHB rewards local authorities for an increase in the net number of occupied properties on their council tax database and can be earned through either returning empty properties to use or building new properties.

If the number of empty properties were to rise in any annual period, this would cancel out any bonus payment for the equivalent number of new build properties, resulting in a lower NHB payment to the authority.

However, empty properties work deals with more than NHB payments. Empty homes are recognised as a wasted resource, particularly at the current time when there is a shortage of affordable housing. Bringing empty properties back into use reduces the pressures on affordable and social housing and aligns with the Government's desire to bring empty properties back into use through the Homes and Communities Agency's (HCA) Affordable Housing Programme.

Empty properties can also attract crime and anti –social behaviour in addition to having a negative impact on the amenity of the local community.

As at March 2015, there were 1234 long term empty properties in the Bolsover and North-East Derbyshire Districts. A long term empty property (LTE) is a property that has been empty for over six months. 45% of these properties have been empty for over 2 years. The longer the properties remain empty the more complaints the councils receive as the properties and associated land deteriorates resulting in an increasing workload for Environmental Health/ Planning Enforcement and Building Control teams.

This strategy outlines the measures available in the “Empty Property Toolkit” to help return these properties to use in a sustainable manner so that they remain occupied for the long term.

Empty Property work ties in with the Councils' objectives to improve housing standards, provide additional affordable housing and reducing crime and anti-social behaviour detailed in corporate plans, policies and strategies including:

- North East Derbyshire District Council Corporate Plan 2015–19
- Bolsover District Council Corporate Plan 2015-19
- North East Derbyshire District Council Housing and Economic Development Strategy
- North Derbyshire & Bassetlaw Strategic Housing Market Assessment
- Bolsover District Council Economic Development and Housing Strategy
- The National Planning Policy Framework
- Joint Growth Strategy

The Empty Property Strategy will build on the work being carried out by the councils' enforcement officers by developing robust procedures to implement further measures such as Enforced Sale, Compulsory Purchase and Empty Dwelling Management Orders.

However, it is not only enforcement measures that reduce the number of empty properties. The role of the Empty Property Officer is first and foremost to offer guidance and assistance to owners of empty properties to help return them to use. It is through this "encouragement over enforcement" approach that we expect to achieve the majority of our successes.

The strategy will make use of best practice that is currently being utilised successfully on a national scale whilst taking the opportunity to develop innovative schemes and projects and to work in partnerships at a local and community level.

Having a well embedded Empty Property Strategy will leave the authorities much better placed when submitting formal bids for funding opportunities, as and when they arise, with much of the groundwork already being in place.

Finally, the strategy concludes with a comprehensive action plan which details the specific objectives and targets relating to empty property work, the timeline for when they will be implemented and the lead officer in each case.

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Joint Foreword

Cllr Ritchie, Cllr Dooley and Cllr Hill

Welcome to Bolsover and North East Derbyshire District Councils' first joint Empty Property Strategy which outlines the councils' priorities for reducing the number of long term empty properties located in both districts.

The Councils recognise the impact that empty properties can have, particularly in a time when there is a shortage of affordable housing for residents across the district. Financially and practically empty properties are a wasted resource and can have a disproportionate effect on the amenity of the locality.

The Strategy has been written to coordinate the joint approach that both Councils will take to address the empty property problem in the area and includes a comprehensive suite of initiatives including many based on national good practice aimed at reducing empty property numbers.

This strategy links in to the Housing and Economic Development Strategies and as such reinforces the need for a joint approach to economic development and housing delivery locally – it provides a vision for the districts as to how we will work with partners to develop and deliver more affordable housing, enable and encourage the development of additional housing choice and reduce the impact and numbers of empty properties in the area.

Insert photos and signatures

1. Introduction

Both Councils have identified a reduction in the number of long term empty properties as key objectives in their respective Corporate Plans, the Councils' Joint Growth Strategy and Housing and Economic Development Strategies.

This Empty Property Strategy has been developed to set out how the Councils intend to meet these corporate targets to reduce the number of empty properties by implementing a balanced suite of measures that will be incorporated in an "Empty Property toolkit" to return properties to use.

At the time of writing (June 2015) there are 1234 long term empty properties in the Bolsover and North East Derbyshire Districts. 45% of these properties have been empty for over 2 years.

Empty properties become, and remain, empty for a variety of reasons and in order to direct the work of the empty property team it is crucial to understand the barriers that currently exist for owners of Long Term Empties (LTE) that are preventing them being returned to use. Some of the most common are:

- Inheritance issues/delays with probate
- Lack of finance to carry out essential repairs
- Problems with achieving a sale
- Perceived problems with letting
- The owner may be in residential care
- The owner may lack the personal ability/skills to deal with the property
- The ownership of the property may be unclear
- Unwillingness to bring the property back into use.

Understanding these barriers, often on an individual basis, will direct the approach that the Empty Property Officer will use to engage with the owners and which tools will be most appropriate to achieve a successful outcome.

In all cases, it is the Councils' preference to actively engage with owners to proactively bring LTE's into use by offering advice and assistance on an informal basis. The Council will however, where appropriate, consider the use of more formal enforcement measures to achieve results.

It is also the Councils' intention to actively continue to work in partnership with appropriate partners to return empty properties to use as and when the opportunities arise. This

includes liaising with regeneration teams to convert non-domestic units to domestic units as and where appropriate.

The Councils will proactively engage with local residents and Members where appropriate, particularly in areas where empty properties have had significant impacts on the community and where wider impacts of returning the empty properties to use need to be considered.

The Councils have previously had some success working with partners to deliver empty properties back into use:

- BDC had the benefit of empty property funding from the HCA Capacity Building Programme in 2010/11. This project undertaken in partnership with Meden Valley Making Places featured in the HCA report and is considered as a good practice example.
- More recently both Councils have worked in partnership with Groundwork Creswell and Action Housing to bring further properties back into use utilising funding through the HCA's Affordable Homes Programme and the Empty Homes Community Grant Programme delivered by Tribal.

The Councils will also seek to utilise instances of good practice that have been implemented successfully by other local authorities, some examples of which are:

- Kent County Council's nationally recognised "No Use Empty" scheme
- Wales' Houses into Homes scheme
- Manchester City Council's Enforced Sale Procedure
- Exeter City Council's Private Sector Leasing Scheme

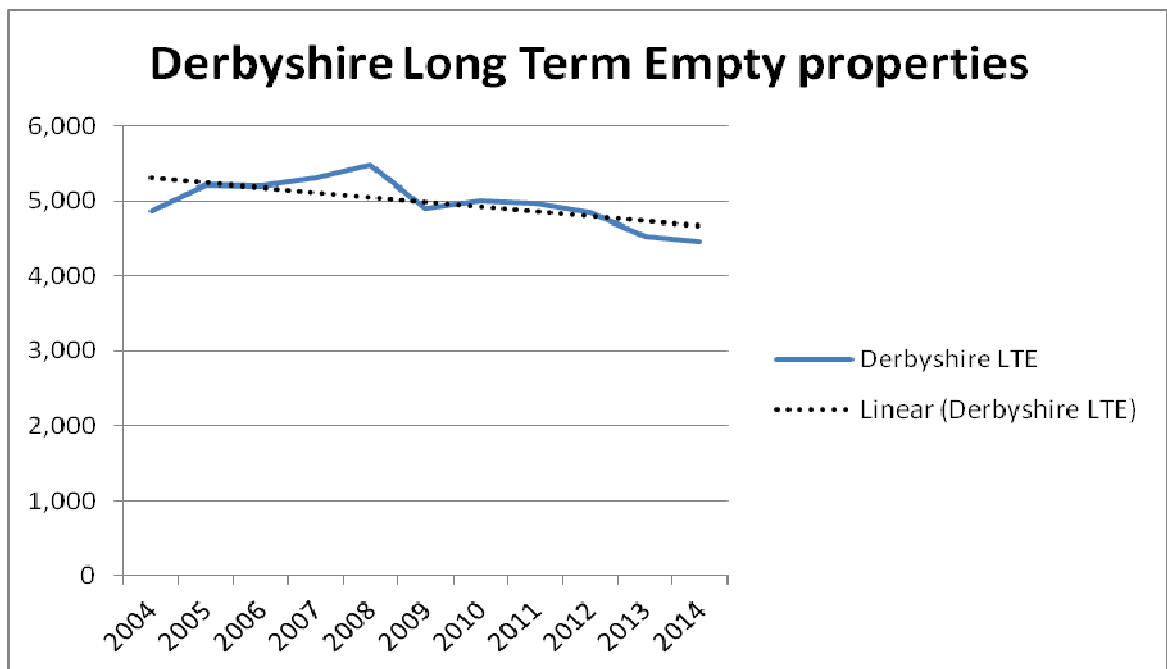
This strategy will tie together the separate strands of empty property work that have been undertaken by a number of teams within the Councils, and bring them together in a single action plan (Appendix A) with clearly defined objectives and targets, resulting in a more efficient and effective empty property service.

2. Background

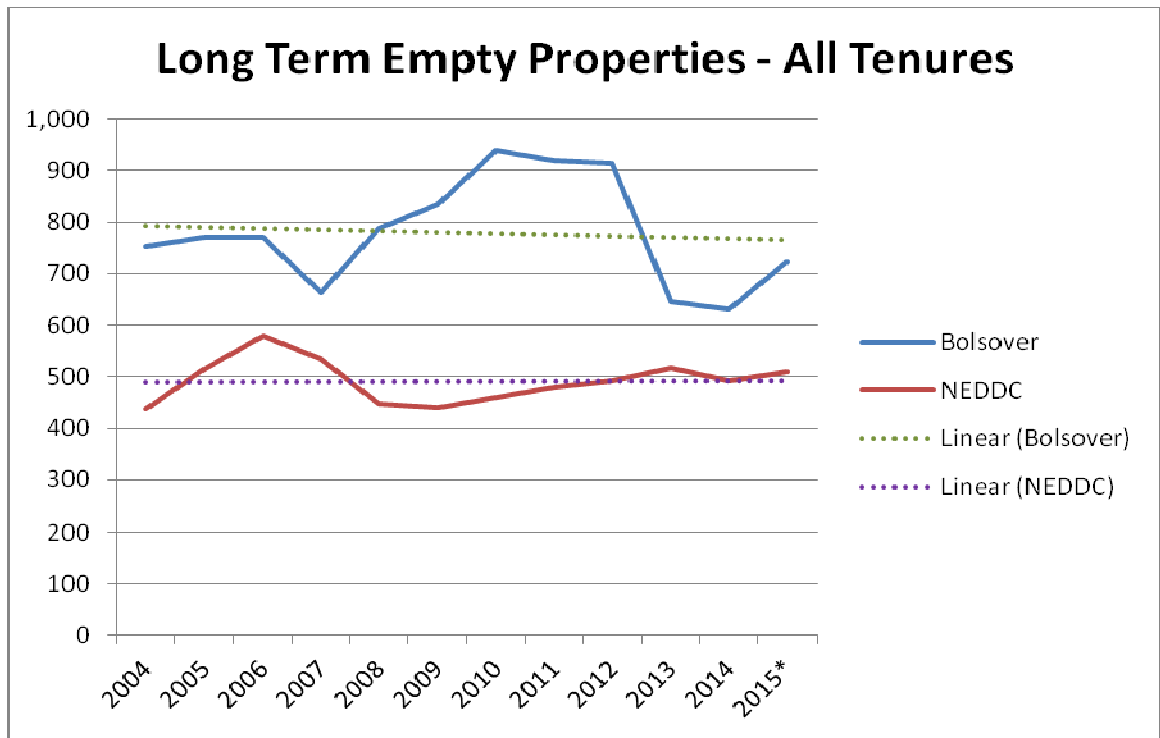
2.1 National and Local Context

In 2014 there were 610,000 empty homes in England with 206,000 of these being long term empties.

In Derbyshire there were approximately 4,500 LTEs in 2014 and the trend is towards a small reduction in LTE's over the period 2004 – 2014.



More locally, in recent history, at any given point there are between 1000 and 1500 long term empty properties in BDC & NEDDC, with their currently being 1234 LTEs.



* All figures are from October of the corresponding year with the exception of 2015 which are from March

(All figures from the Empty Homes Agency)

The number of LTEs fluctuate annually but the long term trend in BDC is around 800 properties and in NEDDC around 500.

Certain amounts of fluctuation in annual figures is to be expected due to transactional empties occurring as a result of market forces in the sale and purchase of properties but in Bolsover in particular, there appears to be pronounced change in LTEs on a cyclical basis. The reason for this appears to be that there is a pronounced delay in the sale of new properties once they have been completed and added to the council tax base.

2.2 New Homes Bonus

The key financial driver for empty property work is the New Homes Bonus (NHB). The government introduced the NHB in April 2011 and it was designed to ensure that the economic benefits of housing growth are returned to the councils and communities where that growth takes place.

For every new home built and occupied and every long-term empty home brought back into use, the government gives Councils a non-ring fenced New Homes Bonus grant each year for six years.

Over the first 5 years of the scheme North East Derbyshire has received £2,250,827 in NHB which was awarded on the basis of 664 new additions to the housing stock and an *increase* of 53 empty properties.

Bolsover has received £2,730,134 in NHB awarded on the basis of 856 new additions and a *reduction* of 203 empty properties.

NHB is allocated based on the council tax valuation banding of the new stock and/or empty property. The amount of NHB received is reduced accordingly if the number of empty properties increases. Therefore the increase of 53 empty properties in North East Derbyshire over the period of the scheme has resulted in a reduction of the NHB that was potentially available. Increases in numbers of empty properties has the effect of negating the equivalent numbers of NHB awarded for the provision of each new unit built.

From this it can be seen that reducing the number of empty properties is vital to maintaining the amount of NHB each Council receives.

It is acknowledged that there will always be a certain level of empty properties within each district. This is a normal function of the sale and letting process and is an indicator of a healthy housing market. It is difficult for a local authority to influence these transient empty properties.

This makes it even more important for the Councils to act where it can have an influence and having an effective empty property service is vital to minimise the number of empty properties and therefore maximise the amount of NHB for the Councils.

2.3 Affordable Housing

The North Derbyshire and Bassetlaw Strategic Housing Market Assessment 2013 calculated that the region needs an additional 482 new affordable homes each year to 2031 to meet identified need.

The North East Derbyshire District Council's new Housing and Economic Development Strategy 2015-2020 contains a key strategic objective to maximise affordable housing to rent and buy through new build and making use of existing stock. This strategic objective contains two key actions related to empty property work:

Action 6.3:- Making best use of existing stock including empty properties and non traditional social stock:

The HCA's 2011 – 2015 Affordable Homes Programme also included grant funding for empty properties. Through this funding the Council worked in partnership with Groundwork Creswell, Mansfield and Ashfield and Action Housing and Support to enable the delivery of 11 affordable housing units by bringing both empty residential and commercial units back into use.

We will continue to build on this work by identifying further residential and commercial empty properties which would be suitable to convert into residential units.

To enable and enhance the delivery of this priority the Council has joined with its Strategic Partner Bolsover District Council to employ a Joint Empty Properties Officer. In addition to identifying empty properties to bring back into use they will be working with colleagues internally and externally to develop an Empty Properties Strategy for both councils by the end of 2015.

This will not only make additional housing units available, bring local employment opportunities and enhance local communities by removing LTE properties but it will also increase the amount of New Homes Bonus available to the Council to further its growth agenda.

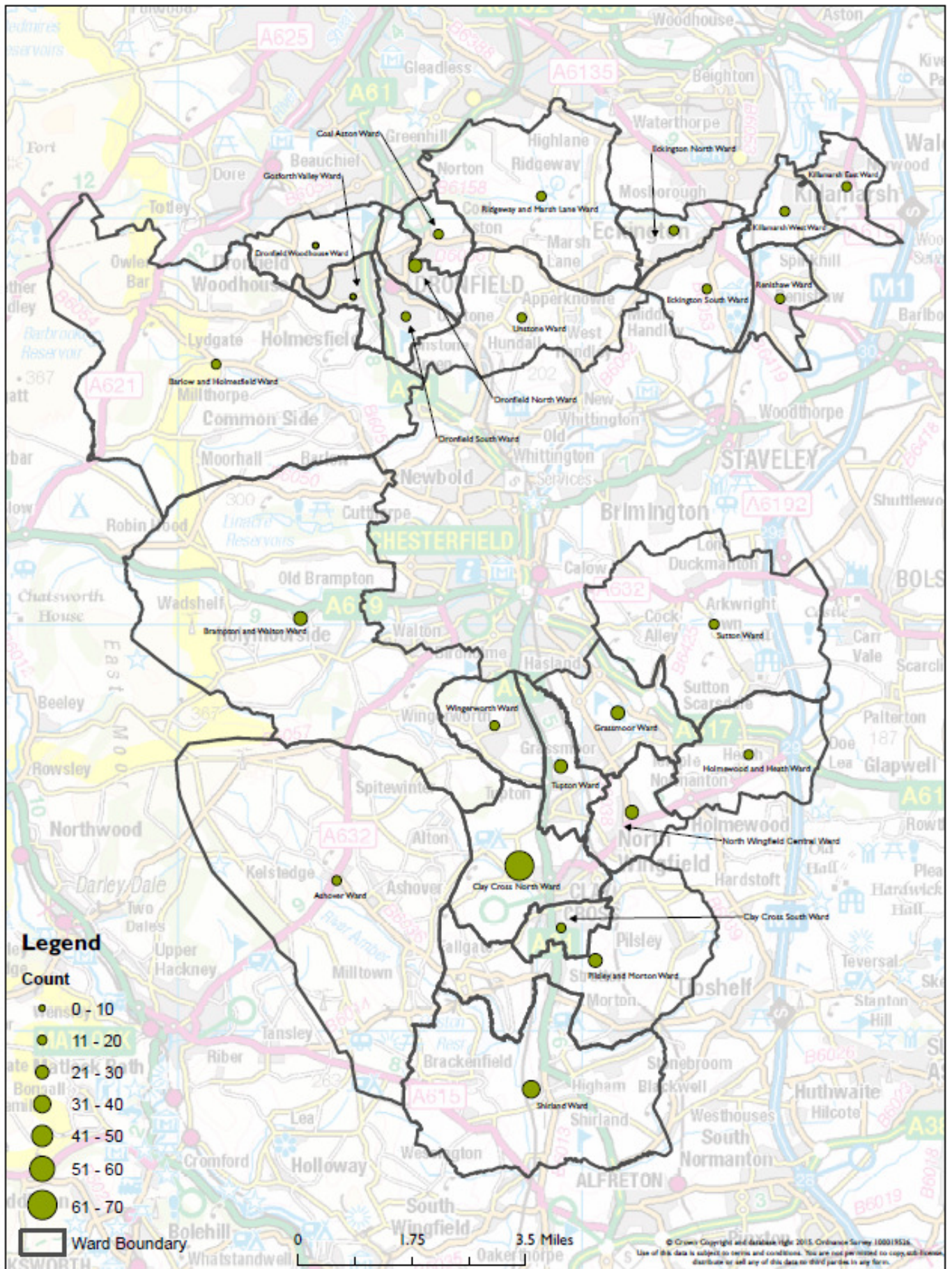
Action 6.4:- Maximise the Use of The Private Rented Sector:

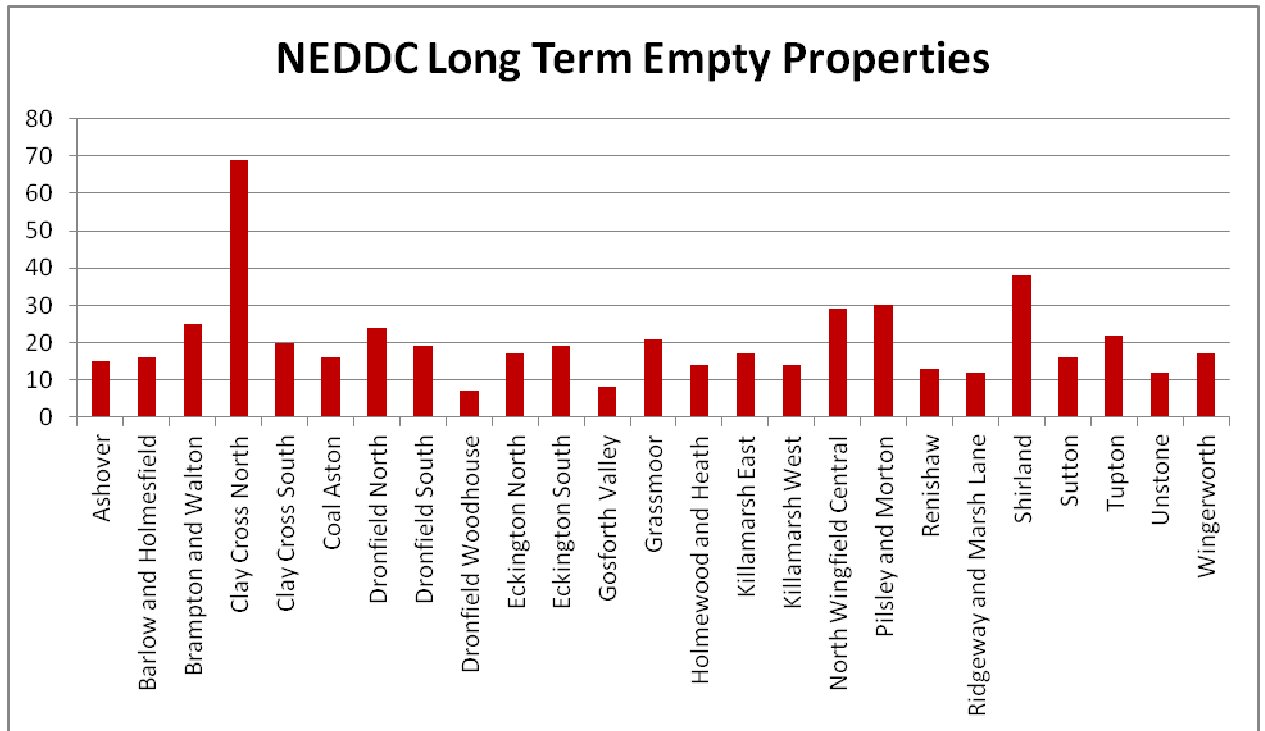
The Council will explore a private rented sector leasing scheme, with a provider such as Rykneld Homes providing a management service. We will work closely with private rented sector landlords to procure accommodation in the sector on a minimum of a 5 year lease. This enables the Council to offer a more sustainable 5 year tenancy for households as opposed to a 6 month short hold tenancy. The Council will also benefit from having additional units of accommodation for people on our housing waiting list.

2.4 Current Situation

The charts below show the breakdown of LTE properties by ward as at March 2015

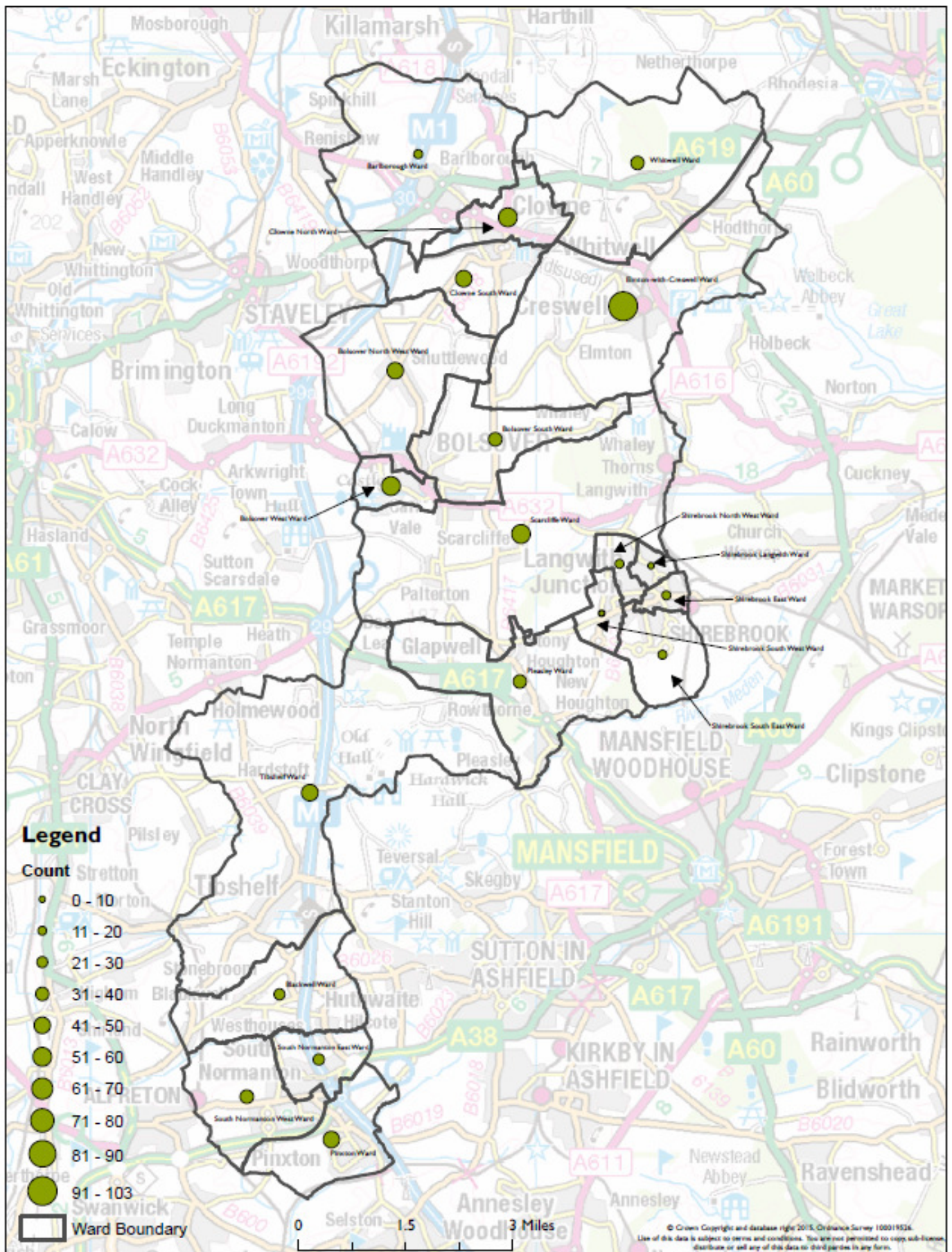
North East Derbyshire District Council Empty Properties

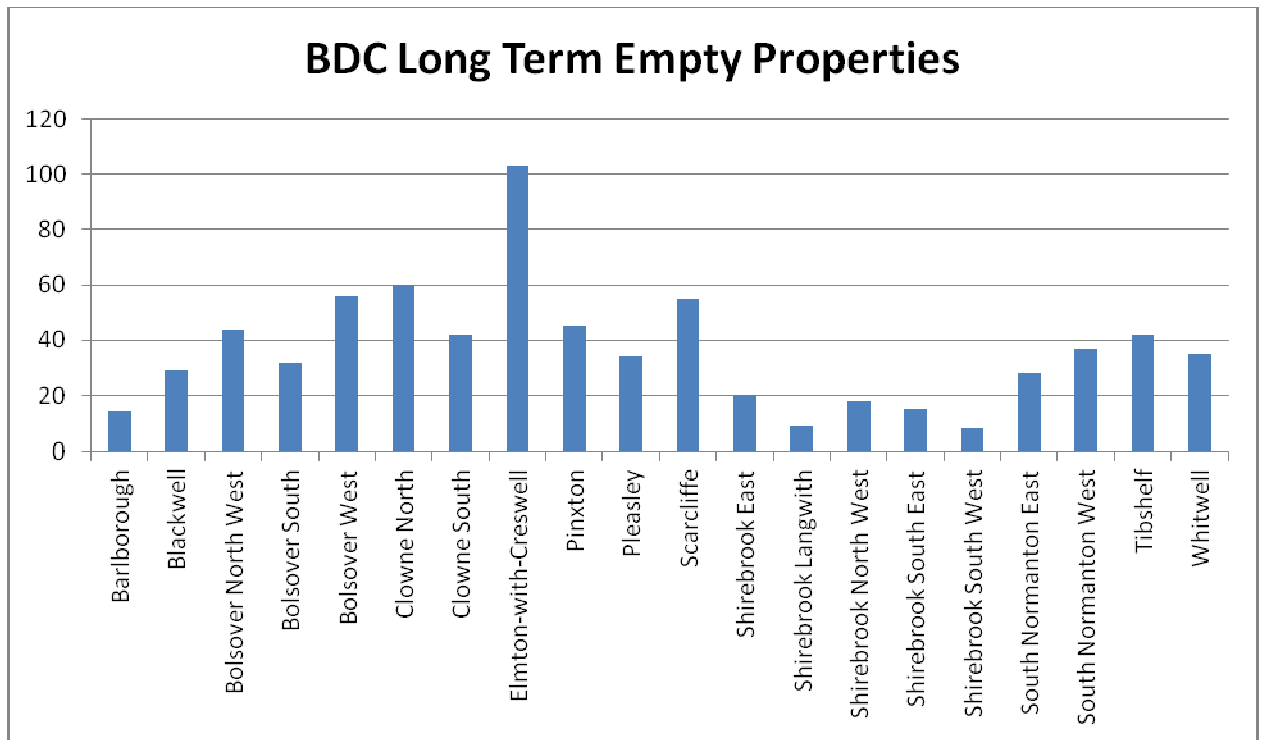




The distribution of empty properties is relatively evenly spread across the District with the exception of Clay Cross North Ward which has a significantly higher proportion of empty properties than any other ward. North Wingfield, Pilsley & Morton and Shirland Wards also show elevated levels of empty properties compared to the rest of the District.

Bolsover District Council Empty Properties





In Bolsover District the spread of empty properties is more consistent district wide although again there is one ward where there is a higher number of empty properties than elsewhere, this being Elmton with Creswell Ward. Clowne North, Bolsover West and Scarcliffe Wards also show high numbers of empty properties.

There are significant differences in the housing stock profile between the two districts with Bolsover having a far larger proportion of privately rented properties.

2.5 Environmental Health and Planning Enforcement

Historically, it has been the role of Environmental Health and Planning Enforcement Officers to carry out empty property related work but increasing service pressures mean that these teams can only deal with problems in a reactive manner, with no option to carry out pro active engagement with owners of more difficult long term empty properties that can often be more time consuming. Properties left empty for long periods of time begin to suffer from problems that are dealt with by Environmental Health and Planning Enforcement Officers. Problems associated with empty properties include:-

- Deterioration of the building fabric due to lack of maintenance
- Dumping of waste
- Overgrown gardens
- Problems due to vermin infiltration

- Squatting
- Arson
- Dangerous and dilapidated structures

Whilst this approach has some success on a case by case basis, it has been recognised, due to the impact empty properties have on both Council finances and local communities that a more joined up approach is required to co-ordinate all elements of empty property related work.

Discussions with officers from Environmental Health, Planning Enforcement and Legal teams have identified a need for a formal strategy detailing how the Councils will tackle LTE properties and a further need for working processes to be developed that clearly define the roles and responsibilities when carrying out empty property related enforcement work which typically involves cross departmental work between a number of stakeholders. These procedures will make it easier for enforcement work to be carried out in a more streamlined manner and achieve further success in returning empty properties to use.

3. Corporate Objectives

In March 2012, the Government published the National Planning Policy Framework (NPPF). The NPPF encourages local authorities to identify and bring back into use empty homes and buildings in line with local housing and empty property strategies.

Accordingly, there are a number of local documents that link in to this Empty Property Strategy which provide the strategic direction for empty properties work and also inform the Empty Property Action Plan in terms of targets and objectives for empty properties.

BDC's Corporate Plan 2015-19 contains a number of priorities and targets related to empty property work within the key aim of *Unlocking our growth potential*:

“Enabling Housing Growth: Increasing the supply, quality and range of housing to meet the needs of the growing population and support economic growth”

Empty property work will help to deliver against this priority by;

- Through a programme of targeted refurbishment bring 15 empty private sector properties back into use per annum

- Helping to achieve an increase of £850,000 in additional New Homes Bonus from the Government by 2019
- Work with partners to deliver an average of 20 units of affordable homes each year

NEDDC's Corporate Plan 2015-19 contains similar empty property related targets to deliver against the same priority of **Enabling Housing Growth**. These are:-

- Through a programme of targeted refurbishment bring 20 empty private sector properties back into use per year by March 2019
- Work with partners to deliver an average of 100 affordable homes each year
- Through a Private Sector Leasing Scheme deliver 5 additional units of affordable housing each year
- Helping to achieve an increase of £950,000 in additional New Homes Bonus from the government by 2019

4. Empty Property Toolkit

One of the empty property officer's key tasks will be the development of an "empty property toolkit" to incorporate all of the options available to local authorities to return empty properties to use. The toolkit will consist of a mix of informal and enforcement based measures, in addition to implementing initiatives and schemes to further reduce empty property numbers in the districts.

Informal measures

There are a significant number of informal measures available to help owners of empty properties return them to use. The empty property sections of both Councils' websites have undergone a significant revamp and provide details of various forms of assistance available to empty property owners. These are also available by contacting the empty property officer directly and include:

4.1 Reduced VAT scheme

In most cases VAT is payable on the costs of renovating or adapting an empty home for re-use but there are several circumstances in which VAT on building works is charged at a reduced rate or even zero-rated depending on how long the property has been empty.

4.2 Building Works

Finding reliable, good quality trades people can be a minefield for owners renovating empty properties. The empty property officer can offer guidance and advice to help find the appropriate builders, electricians and plumbers to carry out renovations on a property. The empty property officer can also advise on works required to comply with the Housing Health and Safety Rating System (HHSRS).

4.3 Letting a Property

The empty property officer is able to provide advice to private landlords and owners of empty properties who are considering letting out their property. The empty property officer can offer advice on expected property standards when privately renting and also landlord and tenants responsibilities. He/she can also advise on landlord accreditation schemes operating in the area.

4.4 Selling a Property

Advice is available to help owners sell their properties if they wish to do so. The properties can be advertised on the empty property pages on the website and the empty property officer maintains a list of developers seeking to purchase properties across the district. He/she can also offer advice on selling properties via auction.

Enforcement

Where informal measures fail, or the empty property owner fails to engage with the local authority to return the property to use, appropriate enforcement action may encourage an owner to take positive steps to reoccupy the property. (Appendix B).

Before the local authority considers the use of formal enforcement action, it would have to be satisfied that there are grounds for such action and also consider that use of a formal action may not result in the immediate reoccupation of the property in question.

Each property will be evaluated using an enforcement matrix (Appendix C) to decide on the most appropriate route to take in each case and to prioritise properties for enforcement. This will ensure that the most serious and problematical cases receive the most urgent attention.

4.5 Enforced Sale

The Law of Property Act 1925 allows local authorities to recover charges through the sale of the property. This option can only be utilised where there is a debt to the authority which is registered as a charge on the property. Council tax debts and works in default can be charged to the property in many cases which allows the enforced sale procedure to be utilised.

There is a risk with enforced sale that the owner may settle the outstanding debt before the order for sale is made. Whilst this will not return the property to use, it will result in the payment of outstanding debt to the Council and may offer an opportunity to further engage with the owner to return the property to use.

4.6 Compulsory Purchase Order (CPO)

Section 17 of the Housing Act 1985 allows the local authority to acquire underused or ineffectively used property for residential purposes if there is a general housing need in the area. Additionally Section 226 of the Town and Country Planning Act 1990 (as amended by the Planning and Compulsory Purchase Act 2004) allows local authorities to acquire land or buildings if acquisition will allow improvements or redevelopment to take place.

CPO can be a lengthy and expensive process and the possibility of CPO is intended to prompt the owner to enter into constructive dialogue with the local authority. Use of a CPO will be considered as the very last resort when all other options have been exhausted.

4.7 Empty Dwelling Management Order (EDMO)

Empty Dwelling Management Orders were introduced in July 2006 under the provisions of the Housing Act (2004). An EDMO can be made where an owner leaves a property empty and has no intention of securing its voluntary reoccupation. The Council or one of its partners may undertake the management of the property for a set period of time, up to seven years. The Councils fund any renovations and recovers costs through rental income.

Similarly to CPO, the possibility of an EDMO can result in the owner entering into a dialogue with the local authority prior to the management order being confirmed.

Other measures

4.8 Council Tax Premium

From 1 April 2013, billing authorities may charge a premium on a class of property that has been unoccupied and unfurnished for two years or more. The premium can be up to 50% of the Council Tax on the property. In 2014, a majority of local authorities in England charged a premium of between 10% and 50% on properties that have been empty for over 2 years (Appendix E).

Currently, neither NEDDC nor BDC charge this premium. Whilst there is no hard evidence to prove that implementation of the premium categorically results in a reduction of LTE's, anecdotal evidence from other local authorities who charge a premium, suggests that implementation of the premium results in a drop in empty property numbers as owners are at least incentivised to engage with the Council, enabling a dialogue to take place regarding returning the empty property to use.

4.9 Homes and Communities Agency Funding (HCA)

The HCA's 2011 – 2015 Affordable Homes Programme also included grant funding for empty properties. Through this funding the Council worked in partnership with Groundwork Creswell, Mansfield and Ashfield and Action Housing and Support to enable the delivery of 11 affordable housing units by bringing both empty residential and commercial units back into use.

We will continue to build on this work by identifying further residential and commercial empty properties which would be suitable to convert into residential units. We will also continue to work to take advantage of, and actively seek out, any funding schemes as a means of continuing the Councils' work on empty properties.

4.10 Private Sector Leasing Scheme (PSL)

Private Sector Leasing is when owners of long term empty properties lease them to a local authority or housing association for a fixed term (usually five years). The Council or housing association then lets the property to tenants through their choice based lettings system.

BDC and NEDDC, working in partnership with Groundwork Creswell delivered 11 empty properties back to use in 2014/15. The interest from owners of empty properties in this scheme was such that the Councils are now exploring the development of their own in-house PSL schemes.

4.11 Interest Free Loan Scheme

Both Kent County Council (No Use Empty) and local authorities in Wales (Houses into Homes) have implemented successful flagship loan schemes that enable the owners of LTE properties to carry out renovation works to bring the properties back into use. The cost of the renovation work is financed by the local authority and clawed back through the rent on the property when it is let out, or from the proceeds of the sale of the property.

In effect this results in a recycling fund to finance empty property work on an ongoing basis.

4.12 Empty Property hotspots

The Empty Property Officer has undertaken an exercise to map all long term empty properties across both districts. This information will be used to work along with Council Members and local communities to target empty property “hotspots” with individual schemes tailored to the specific requirements of the area.

4.13 Empty Homes Practitioner Networks

The Councils are active participants in both the national Empty Homes Network of empty property officers and also the regional East Midlands Empty Property Forum both of which are vehicles to share empty property experience and to develop and share best practice in the empty property arena.

4.14 Custom Self Build – Empty Property Strand

The Councils are investigating the feasibility of utilising the Custom and Self Build (CSB) scheme developed by Capita Treasury Solutions as an option in the Empty Property toolkit. This scheme will enable new owners of LTE properties to access a mortgage and secure an offer prior to improvement work taking place. Lenders would provide a mortgage offer based on the projected value once the improvement work is complete.

This approach would reduce the usual risks associated with renovation projects i.e. Delays, increased costs and stage payments, that have traditionally been a barrier to buyers of empty properties.

5. Resources

People

Delivery of this strategy and accompanying action plan will primarily be the role of the Joint Empty Property Officer, in partnership and consultation with a range of external and internal partners.

Individual actions contained within the action plan will contain a mix of partners as required to successfully deliver each outcome.

Key internal partners will include:

- Members
- Revenues
- Environmental Health
- Planning Enforcement
- Legal
- Finance
- GIS
- Building Control
- Communications
- Strategic Housing Function
- Housing Services (BDC)
- Regeneration
- Estates

Key external partners will include:

- Rykneld Homes
- Developers
- Action Housing
- Housing Associations
- Registered Providers

Financial

There is no financial resource currently allocated within budgets for the delivery of the Empty Property Action Plan. However, it is the expectation that delivering the actions contained within the plan will realise a financial benefit to the Council through realisation of increased New Homes Bonus.

There is also the potential for increased revenue to be gained through implementation of the Council Tax Premium for properties that have been empty for over 2 years, although it must be clear that this is not the key consideration for implementing the premium. Any monies raised through implementation of the premium could be ring fenced to finance further empty property initiatives.

Increased enforcement activity through implementation of the Enforced Sale procedure will lead to increased revenue through the recovery of outstanding debt due to the Councils through repayment of works in default carried out by the Environmental Health team.

The Empty Property Officer will continue to maximise opportunities to utilise external funding such as the HCA's Affordable Homes Programme to deliver against the actions identified in the Empty Property Action Plan.

6. Monitoring and Performance

Performance against the actions contained within the Action Plan will be monitored using the Councils' performance management system – PERFORM. This is updated every six months with progress reported to officers and Members.

The Empty Property Officer will also utilise the spreadsheet developed by the Empty Homes Network (EHN) for intervention monitoring. This will accurately capture all of the empty properties that have been returned to use by single or multiple interventions by the Empty Property Officer and will be completed using the associated EHN guidance.

Monitoring and performance reporting will take place twice a year.

7. Statement of Equality and Diversity

The Equality Act 2010 replaced previous anti discrimination laws with a single act. The Act covers nine protected characteristics, which cannot be used as reason to treat people unfairly. Every person has one or more of the protected characteristics, so the act protects everyone against unfair treatment. The protected characteristics are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Gender
- Sexual orientation

Within the act is a Public Sector Equality Duty, which came into force on 5 April 2011. The Equality Duty applies to all public bodies and others carrying out public functions. It supports good decision-making by ensuring public bodies consider how different people will be affected by their activities, helping them to deliver policies and services which are efficient and effective: accessible to all; and which meet different people's needs.

To ensure that this strategy does not discriminate unlawfully, the strategy and its associated action plan have been subject to an Equality Impact Assessment (EIA). An EIA identifies whether any groups will be treated differently as a result of a strategy, and if so, how this is justified.

8. Appendices

Appendix A: EMPTY PROPERTY ACTION PLAN

Action	Action Number	Lead Officer(s)	Target Date	Expected Outcome	Resources
Empty Properties Communications Plan launched to include new website and promotional material	1	Empty Property Officer	July 2015	Reduction in number of empty properties through increased awareness and access to assistance	EPO/Communications
NEDDC/Bolsover Empty Properties steering group established	2	Empty Property Officer	July 2015	To raise the profile of Empty Property work across all council departments	EPO/EH/Revenues/Housing/Rykneld Homes
Procurement of any HCA CME funding for empty properties schemes	3	Empty Property Officer	Nov 2015	Delivery of additional affordable units	EPO/Housing Strategy/Action Housing/HCA
Empty Properties Strategy launched	4	Empty Property Officer	Jan 2016	To provide clear strategic direction for empty property work with measurable targets and outcomes	EPO/EH/Finance/Legal/Members/Planning/GIS and others as required

15 additional housing units per year enabled by bringing both empty residential and commercial units back into use.	5	Empty Property Officer	Annual target to 2019	Additional NHB realised for the council. Increased number of affordable housing units delivered	EPO as coordinator with involvement from a range of partners
Action	Action Number	Lead Officer(s)	Target Date	Expected Outcome	Resources
Establish procedures to maintain an accurate baseline of empty properties in the District	6	Empty Property Officer	July 2015 and quarterly thereafter	3 monthly analysis of CT information resulting in an accurate baseline of LTE's to inform future work	EPO/Revenues
Reduce the number of empty properties by 5 through access to community knowledge and resources	7	Empty Property Officer	Annual target to 2019	Increased referrals of Empty Property issues and increased member engagement with EP issues resulting in a decrease in empty property numbers	EPO/Members/EH/Public
Develop an Enforced Sale Procedure (to support Action 5)	8	Empty Property Officer	Jan 2016	To reduce the number of empty properties through the utilisation of Enforced Sale	EPO/EH/Legal/Revenues
Develop a Private Sector Leasing scheme (to support Action 5)	9	Empty Property Officer	Nov 2015	To return empty properties to use via leasing properties off EP owners and placing tenants from the Councils waiting lists	EPO/Rykneld Homes/ Action Housing/Communications/Legal

Develop a Empty Dwelling Management Order Procedure (to support Action 5)	10	Empty Property Officer	March 2016	To assist in returning empty properties to use where owners are unwilling or unable to engage with the council	EPO/Legal/EH
Develop a Compulsory Purchase Procedure (to support Action 5)	11	Empty Property Officer	Oct 2016	To enable the Council to purchase Empty Properties as a last resort	EPO/Legal/EH
Investigate the use of a Council Tax premium for Long term Empty Properties	12	Empty Property Officer	March 2016	Inform the implementation or otherwise of the CT premium for LTE – Resulting in a reduction of empty properties	EPO/Revenues/Finance/Members
Action	Action Number	Lead Officer(s)	Target Date	Expected Outcome	Resources
Investigate the feasibility of utilising the CSB Empty Property strand	13	Empty Property Officer	Dec 2015	To provide a further option to purchasers of LTE's to finance works required	EPO/Housing Strategy/Members
Develop an Interest Free loan scheme (to support Action 5)	14	Empty Property Officer	March 2016	To enable further Empty Properties to be returned to use through a programme of refurbishment	EPO/Finance/Legal/EH
Provide informal assistance to 20 owners of LTE's	15	Empty Property Officer	Annual	To help individual owners return Empty Properties to use	EPO

Exploit the use of mapping empty properties onto the GIS system	16	Empty Property Officer	Aug 2015	To identify empty property hotspots and trends to enable effective direction of resources in reducing numbers of empty properties	EPO/GIS
Monitor and Report on EP work and numbers on a 6 monthly basis	17	Empty Property Officer	Ongoing	To inform officers/ members of ongoing empty property work and successes	EPO/Revenues
Prioritise 5 empty properties for enforcement via the enforcement matrix	18	Empty Property Officer	Annual	Return 5 empty properties to use	EPO/EH/Finance/Legal/Revenues
Explore the development of empty non-domestic buildings into affordable units	19	Empty Property Officer	Ongoing	Additional NHB realised for the Council Additional source of affordable units of housing made available. Extension of Platform for Life Opportunities for affordable housing for 16 – 25 year olds linked to employment and training.	EPO/ Regeneration/HCA CME funding and Platform for Life funding opportunities/ Estates

Appendix B: Main Empty Property Statutory Enforcement Options and powers that can be used in conjunction with enforcement options

- Town and Country Planning Act 1990 Section 215 – Where the condition of an empty property is adversely affecting the amenity of an area
- Building Act 1984 Section 79 – Where an empty property is in such poor condition that it is seriously detrimental to the amenity of an area.
- Building Act 1984 Section 59 – Where the condition of the drainage of a building is prejudicial to health or a nuisance
- Housing Act 2004 Sections 11,12,20 & 21 (and 46 which substitutes section 265 of the Housing Act 1985) – where the condition of a property is defective such that its use needs to be prohibited, works are required for improvement or the property requires demolition.
- Environmental Protection Act 1990 Section 80 - Where a statutory nuisance exists, is likely to occur or reoccur at the property.
- Prevention of Damage by Pests Act 1949 Section 4 – Where the condition of the property is such that it is providing or likely to provide harbourage to rodents
- Local Government (Miscellaneous Provisions) Act 1982 Section 29 – Where a property is open to unauthorised access
- Local Government (Miscellaneous Provisions) Act 1976 Section 15 – Allows authorisation to be given for officers to enter land (and property on that land) in connection with a proposal to acquire a compulsory interest in that land (and property on that land).
- Local Government (Miscellaneous Provisions) Act 1976 Section 16; and the Town and Country Planning Act 1990 Section 330 - This is served where further information regarding property ownership or interests is required
- Housing Act 1985 Section 17 – The basis of compulsory purchase
- Housing Act 2004 Part 4 – Empty Dwelling Management Orders (EDMO)
- Law of Property Act 1925 Section 103 – The basis for Enforced Sale-sale by Mortgagee

Appendix C: Assessment framework for prioritising empty homes for enforcement

Issue	How assessed	0 Points	1 Point	2 Points	3 Points
Length of time property has been empty	From Council Tax data		Per year of vacancy		
Number of complaints received about the property	From Uniform	None	1-2	3-4	5+
Level of impact on the surrounding neighbourhood	Physical assessment	None	Low	Moderate	High
State of repair	HHSRS inspection	No disrepair	Low	Moderate (Cat 2 hazard)	High (Cat 1 Hazard)
Attracting secondary issues e.g. fly tipping/antisocial behaviour	From Uniform	None	Low	Moderate	High
Local Housing Demand	Analysis of bids on Choice Based Letting scheme	Low	-	-	High
Empty Property High Incidence Ward area	Annual ward analysis of LTE	Not in priority ward	-	-	In Priority Ward
Outstanding debt on property e.g. Works in default	Local Land Charges	None	Below Enforced Sale Threshold	At Enforced Sale Threshold	Above Enforced Sale Threshold
Owner engagement	-	Owner identified and has clear plans for property	Owner identified and is engaging with Council	Owner identified but refusing to engage	Owner unknown

Appendix D: New Homes Bonus examples

NHB Examples

Example 1

300 new properties are built in NE Derbys/Bolsover in 2015/16

There is **no change** to the number of empty properties

The total NHB payable over 6 years is **£1,944,000**

Example 2

300 new properties are built in NE Derbys/Bolsover in 2015/16

100 empty properties are brought back into use.

The total NHB payable over 6 years is **£2,592,000**

Example 3

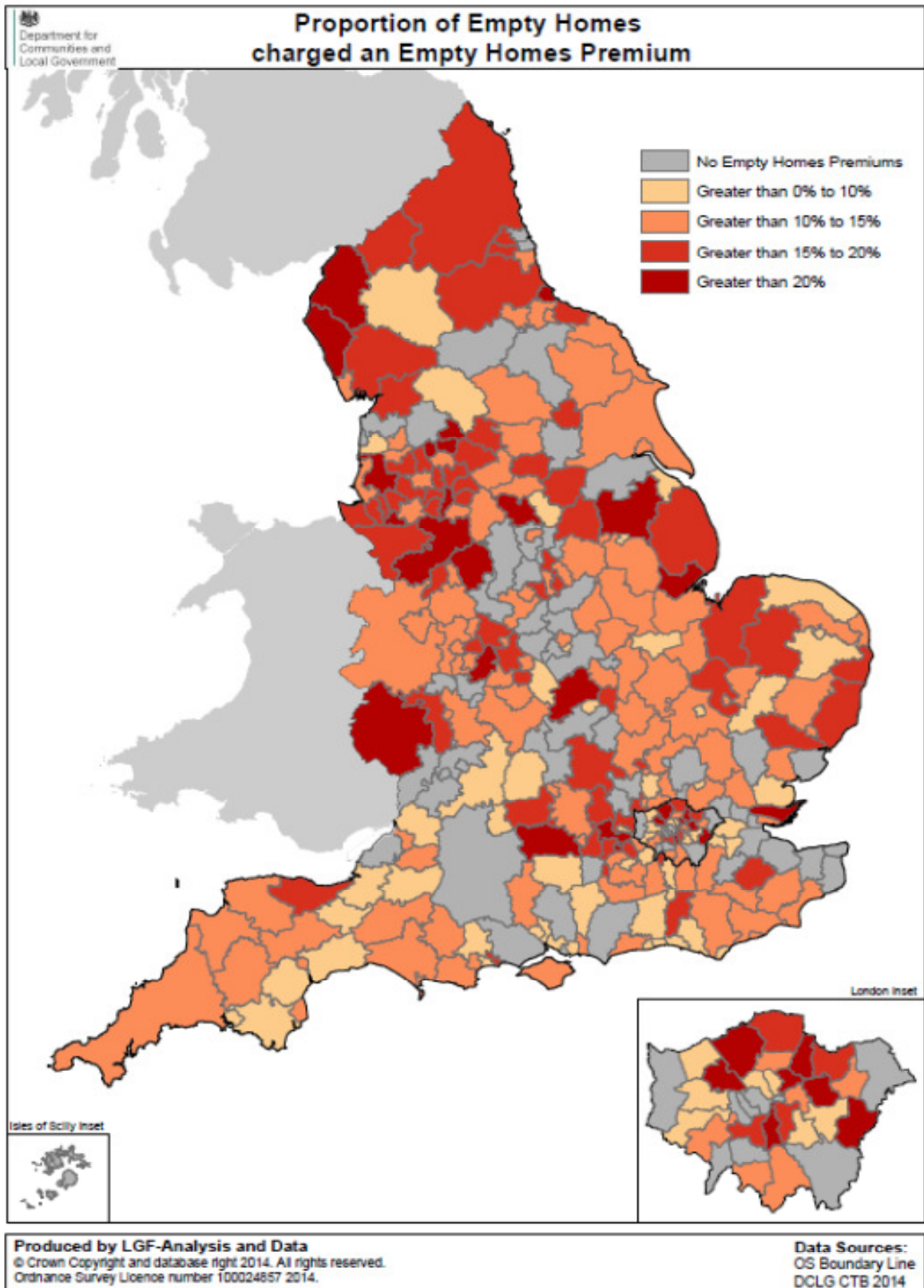
300 new properties are built in NE Derbys/Bolsover in 2015/16

The number of empty properties increases by 100.

The total NHB payable over 6 years is **£1,296,000**

(*The above examples have been calculated using an average figure for properties in Council Tax Band A)

Appendix E: Proportion of Empty Homes charged an Empty Homes Premium
(2)





Equality Impact Assessment

Responsibility and Ownership

Name of policy, practice, service or function: Joint Empty Property Strategy 2015-2020

Responsible department: Growth

Service area: Housing Strategy

Lead Officer: Adrian Anderson

Other members of assessment team

Name	Position	Area of expertise
Carl Griffiths	Private Rented Sector & Housing Options Manager (NEDDC)	Homelessness legislation, private sector housing, vulnerable households
Diane Parker	Housing Strategy Officer	EIA , housing, allocations

Scope of the assessment

1	<p>What are the main aims/objectives or purpose of the policy, strategy, practice, service or function?</p>	<p>The strategy exists to support the return of long term empty properties into sustainable use.</p> <p>The strategy is aligned with Corporate objective to:</p> <p>Increase the supply, quality and range of housing to meet the needs of the growing population and support economic growth.</p> <p>It is also in association with the following:</p> <ul style="list-style-type: none"> • North East Derbyshire District Councils Corporate Plan 2015–19 • Bolsover District Councils Corporate Plan 2015-19 • North East Derbyshire District Councils Housing and Economic Development Strategy • North Derbyshire & Bassetlaw Strategic Housing Market Assessment • Joint Growth Strategy • National Planning Policy Framework • CBL Allocations Policy <p>In addition to the corporate priority the strategy has a number of cross cutting themes:</p> <ul style="list-style-type: none"> • Tackling housing disrepair associated with empty properties • Addressing Environmental Health issues associated
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		<p>with empty properties e.g. Waste on land/public health issues/vermin/arson and squatting</p> <ul style="list-style-type: none"> • Improving the quality of private sector rented housing stock • Improving the amenity of communities across the district
2	Are there any external factors we need to consider like changes in legislation?	<p>Legislation linked to the enforcement of empty property work has been in place for many years:</p> <ul style="list-style-type: none"> • Building Act 1984 • Housing Act 2004 • Prevention of Damage by Pests Act 1949 • Law of Property Act 1925 • Housing Health and Safety Rating System (HHSRS) • Equalities Act 2010 <p>External funding to help with tackling empty properties is subject to government priorities and therefore is subject to change with each new parliament.</p>
3	Who implements the policy, strategy, practice, service or function?	<p>The strategy will be implemented by a cross section of internal and external partners, co-ordinated by the empty property officer in the Housing Strategy team. Partners will include:</p> <ul style="list-style-type: none"> • Councillors • Revenues • Environmental Health • Planning Enforcement • Legal • Finance

		<ul style="list-style-type: none"> • GIS • Building Control • Communications • Rykneld Homes • Developers • Action Housing • Housing Associations • Registered Providers
4	Who is affected by the policy, strategy, practice, service or function?	<p>Those affected by the strategy will include:</p> <ul style="list-style-type: none"> • Residents • Social Tenants • Owner occupiers • First time buyers • Private rented tenants • Developers and private builders • Partner delivery agencies • Registered providers • Rykneld Homes • Local Businesses
5	What outcomes do we want to achieve, why & for whom?	<p>The strategy will seek to co-ordinate and focus empty property work across both districts with the over arching aim to reduce the number of long term empty properties. Achieving this will also result in:</p> <ul style="list-style-type: none"> • An increase in affordable housing units

		<ul style="list-style-type: none"> • Reduced pressure on social housing stock • Realisation of additional New Homes Bonus • Greater housing choice • Improvement in Private Rented Sector housing quality
6	What existing evidence do you have on the impact of the policy, strategy, practice, service or function?	<p>Measures detailed within the strategy constitute the basic tools of empty property work. All have been successfully implemented to varying degrees by local authorities across the country resulting in reductions of long term empty properties. The Empty Homes Network and Empty Homes Agency both have substantial evidence of the positive impacts of implementing the policies contained within the strategy. Examples of good practice which have been evidenced in the development of the strategy include:</p> <ul style="list-style-type: none"> • Manchester City Councils Enforced Sale Procedure • Kent County Council's No Use Empty property renovation loan initiative • Exeter City Councils Private Sector Leasing Scheme • The Welsh Governments Houses to Homes scheme.
7	How is information about the policy, practice, service or function publicised?	<p>The final strategy will be made available on NEDDC and BDC's websites and will be circulated to partners and stakeholders.</p> <p>Empty Property work has been and will be promoted at stakeholder and partner events including the annual Landlords forum event.</p> <p>Information regarding empty property work is available on both the Council's websites and articles publicising empty property</p>

		work have been included in the latest editions of the residents newsletters, Intouch and The News. Leaflets have also been printed and distributed to all housing offices across the districts with press releases being carried out as appropriate to highlight individual schemes that sit within the strategy such as the Private Sector Leasing Scheme.
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Identifying Potential Equality Issues

Consider any impacts / barriers on each of the protected characteristics set out below and consider any that might cross over eg: between race / disability, gender / religion and belief, sexuality / age etc. Indicate where the policy, practice, service or function could have a positive or negative impact for different groups and your reasons. Specify which data sources have informed your assessment.

Race

8	Identify any adverse impacts/barriers of the policy or procedure on people who may be disadvantaged because of their race						
	White	<table border="1"> <tr> <td data-bbox="593 981 1052 1061">English / Welsh / Scottish / Northern Irish / British</td> <td data-bbox="1052 981 2060 1061" rowspan="4">No impacts/ barriers. The strategy states that the Empty Property Team will use a direct approach, on an individual basis, to engage with the owners and which tools will be most appropriate to achieve a successful outcome.</td> </tr> <tr> <td data-bbox="593 1061 1052 1101">Irish</td> </tr> <tr> <td data-bbox="593 1101 1052 1141">Gypsy or Irish Traveller</td> </tr> <tr> <td data-bbox="593 1141 1052 1316">Any other White background</td> </tr> </table> <p>No impacts/barriers, however normally Gypsies and Travellers do not wish to live in 'bricks and mortar' housing and their needs have been assessed in the Derbyshire and East Staffordshire Gypsy and Traveller Assessment 2014</p>	English / Welsh / Scottish / Northern Irish / British	No impacts/ barriers. The strategy states that the Empty Property Team will use a direct approach, on an individual basis, to engage with the owners and which tools will be most appropriate to achieve a successful outcome.	Irish	Gypsy or Irish Traveller	Any other White background
English / Welsh / Scottish / Northern Irish / British	No impacts/ barriers. The strategy states that the Empty Property Team will use a direct approach, on an individual basis, to engage with the owners and which tools will be most appropriate to achieve a successful outcome.						
Irish							
Gypsy or Irish Traveller							
Any other White background							

8	Identify any adverse impacts/barriers of the policy or procedure on people who may be disadvantaged because of their race							
	Asian / Asian British	<table border="1"> <tr><td data-bbox="607 316 1048 355">Indian</td></tr> <tr><td data-bbox="607 355 1048 395">Pakistani</td></tr> <tr><td data-bbox="607 395 1048 435">Bangladeshi</td></tr> <tr><td data-bbox="607 435 1048 475">Chinese</td></tr> <tr><td data-bbox="607 475 1048 1074">Any other Asian background</td></tr> </table>	Indian	Pakistani	Bangladeshi	Chinese	Any other Asian background	<p>No impacts/ barriers. The strategy states that the Empty Property Team will use a direct approach, on an individual basis, to engage with the owners and which tools will be most appropriate to achieve a successful outcome.</p> <p>The website does not have facilities for those whose first language is not English, however there is Google translate action to re direct to if appropriate. Also there are contact details for the translation service on the website.</p> <p>The strategy is written in English but can be ordered translated in a different language to alleviate the language barrier.</p> <p>Due to larger family sizes, larger properties may be required by the South Asian communities, however, the BME Housing Needs Study concluded that due to small numbers and the demand for larger properties from across the community, the housing needs of those who require larger houses due to religious or cultural beliefs should be met in the same way as others, which the Empty Properties team will be aware of when bringing empty properties back into use.</p>
Indian								
Pakistani								
Bangladeshi								
Chinese								
Any other Asian background								
	Black / African / Caribbean / Black British	<table border="1"> <tr><td data-bbox="607 1074 1048 1114">African</td></tr> <tr><td data-bbox="607 1114 1048 1153">Caribbean</td></tr> <tr><td data-bbox="607 1153 1048 1332">Any other Black / African / Caribbean / Black British background</td></tr> </table>	African	Caribbean	Any other Black / African / Caribbean / Black British background	<p>No impacts/ barriers. The strategy states that the Empty Property Team will use a direct approach, on an individual basis, to engage with the owners and which tools will be most appropriate to achieve a successful outcome.</p>		
African								
Caribbean								
Any other Black / African / Caribbean / Black British background								

8	Identify any adverse impacts/barriers of the policy or procedure on people who may be disadvantaged because of their race		
	Any other ethnicity	Arab	As above
		Any other ethnic group	

Sex / gender

9	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their gender		
	Female	No impacts/ barriers because of gender	
	Male	As above	
	Transgender	No impacts/ barriers. Transgender people will be treated as the gender in which they live their life	

Age

10	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their age		
	0-9 years	No impacts/ barriers as the strategy is not intended for people under the age of 18, however properties may be identified that are suitable for occupation by this age group as part of family accommodation	
	10-15 years	See above	
	16-18 years	No impacts/ barriers within the strategy for this age group, however there are barriers to housing for under 35's since the Government changes to the Local Housing Allowance and the Welfare Reforms, however the strategy is working towards providing opportunities for affordable housing for 16 – 25 year olds linked to employment and training.	
	19-24 years	As Above	
	25-34 years	No impacts/ barriers within the strategy for this age group, however there are barriers to housing for	

10	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their age	
		under 35's since the Government changes to the Local Housing Allowance and the Welfare Reforms Under Occupations charge
	35-44 years	As above
	45-54 years	As above
	55-59 years	As above
	60-64 years	No impacts/ barriers within the strategy for this age group. However this age group may need specialist housing and during the course of bringing empty properties back into use, properties may be identified that are suitable for use by residents in this age group
	65 years and over	As above

Disability		
11	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their disability or long term ill health	
	Physical or mobility impairments	<p>Empty properties vary in type, size and location. During the course of bringing empty properties back into use, properties may be identified that are suitable for use by residents with physical disabilities or mobility problems.</p> <p>The Empty Property Team may seek help from partner agencies where necessary to support those with physical or mobility impairments.</p>
	Sensory (hearing, visual, speech)	<p>The Empty Property Team will engage with the owners as most appropriate and seek help where necessary including specialist sign language providers and translators.</p> <p>The website is installed with Browse Aloud which allows people with a visual impairment to access</p>

11	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their disability or long term ill health	
		website data. Documents can be converted to a Braille document if required and the text can be enlarged.
	Mental health	The Empty Property Team may seek help from partner agencies where necessary to support those with complex needs. In particular, a partnership approach may be taken when owners appear reluctant to engage with the Council(s) because of their mental health. Empty properties can negatively impact upon the wellbeing of residents nearby, particularly if the empty property has been the subject of vandalism and/or anti social behaviour. Returning empty properties to use removes this impact from the locality.
	Learning disabilities	The Empty Property Team may seek help from partner agencies where necessary to support those with complex needs.
	Non-visible conditions such as epilepsy or diabetes	The Empty Property Team may seek help from partner agencies where necessary to support those with complex needs.

Religion or belief

12	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their religion or belief, including non belief	
	No religion	No impacts/ barriers
	Christian	No impacts/ barriers with regards to the strategy, however if an empty property is a place of worship this may need to be treated with sensitivity in respect of the local residents who practice this religious belief.
	Buddhist	As above

12	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their religion or belief, including non belief	
	Hindu	As above
	Jewish	As above
	Muslim	As above
	Sikh	As above
	Any other religion	As above
	Any other philosophical belief	No impacts/ barriers with regards to the strategy, however if an empty property or the surrounding area is connected to any philosophical beliefs then this may need to be treated with sensitivity in respect of the local residents who practice this belief.

Sexual orientation

13	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of their sexual orientation	
	Heterosexual	No impacts/ barriers because of sexual orientation
	Lesbian	No impacts/ barriers because of sexual orientation. Same sex couples will be treated the same as heterosexual couples
	Gay	As above
	Bisexual	No impacts/ barriers because of sexual orientation
	Prefer not to say	No impacts/ barriers because of sexual orientation

Other categories

13	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of other factors	
	Rural / urban	Empty properties are located across all geographical locations. Returning them to use will reduce the

13	Identify any adverse impact/barriers of policy, practice, service or function on people who may be disadvantaged because of other factors	
		housing pressures in all areas
	Carers	No impacts/ barriers
	Child poverty	No impacts/ barriers
	Social value	Returning empty properties to use that previously may have attracted anti-social behaviour or otherwise negatively impacted upon the amenity of an area will have a positive effect on the social value of the local community
	Any other	No impacts/ barriers

Analysing the information and setting equality objectives and targets

Service or function	Policy or practice	Findings	Which groups are affected and how	Whose needs are not being met and how?
None Identified at Present				

Document the evidence of analysis

Data or information	When and how was it collected?	Where is it from?	What does it tell you?	Gaps in information
Customer feedback and complaints	Letters, emails, phone calls, complaints procedure	General public/ members/ residents/partners/stakeholders	No obvious discrepancies in terms of the satisfaction with	None, as yet identified

Data or information	When and how was it collected?	Where is it from?	What does it tell you?	Gaps in information
			the service received	
Consultation and community involvement	The development of the Strategy involved consultation with partners, stake holders, developers	Surveys/ Officer steering group meetings/ consultation with members.	Fed into strategy development / Identified homes returned to use / priority for work	None, as yet identified
Performance information including Best Value	<p>Utilise the spreadsheet developed by the Empty Homes Network for intervention monitoring</p> <p>New Homes Bonus figures</p> <p>Perform – The Council’s Performance Management System</p>	<p>Internal from the Empty Property Officer</p> <p>DCLG</p> <p>Internal from the Empty Property Officer</p>	<p>How many empty properties have been brought back into use through the intervention of the Empty Properties Officer</p> <p>Comparative figures from one year to the next on how many properties which have come into use based on Council Tax figures, this includes new build properties. This also shows how much New Homes Bonus the Council will receive</p>	None, as yet identified

Data or information	When and how was it collected?	Where is it from?	What does it tell you?	Gaps in information
Take up and usage data	<p>Length of time property has been empty</p> <p>Number of complaints received about the property</p> <p>Level of impact on the surrounding neighbourhood</p> <p>Properties State of repair</p>	<p>From Council Tax data and local information from residents and members</p> <p>From Uniform</p> <p>Physical assessment</p> <p>HHSRS inspection</p>	<p>Suitable properties for empty property initiatives</p> <p>Evaluation of properties for empty property work</p> <p>Evaluation of properties for empty property work</p> <p>Evaluation of properties for empty property work and associated cost of repair</p>	None, as yet identified
Comparative information or data where no local information available	National Empty property data	Empty Homes Agency information spreadsheets which collates Empty Properties information from all local authorities across the country	The number and tenure of empty homes across the country for the past 10 years or so	None, as yet identified
Census, regional or national statistics	Hometrack Census Empty Homes Agency	Hometrack Census Empty Homes Agency	A wide range of information related to empty properties and	None, as yet identified

Data or information	When and how was it collected?	Where is it from?	What does it tell you?	Gaps in information
	data		empty property work	
Access audits or other disability assessments	N/A	N/A	N/A	N/A
Workforce profile	N/A	N/A	N/A	N/A
Where service delivered under procurement arrangements – workforce profile	N/A	N/A	N/A	N/A
Monitoring and scrutiny arrangements	Monitored every 6 months by Empty Property Officer and on Perform	Empty Property Officer records.	Number of empty properties returned to use	None, as yet identified

Recommendations and Decisions

Take immediate action by:

Amending the policy, strategy, practice, service or function	
Use an alternative policy, strategy, practice, service or function	
Develop equality objectives and targets for inclusion in the service plan	
Initiate further research	
Any other method (please state)	

All actions must be listed in the following Equality Impact Assessment Improvement Plan Summary

Equality Impact Assessment Improvement Plan Summary

Name of policy, practice, strategy, service or function

Department

Date of assessment

Please list all actions, recommendations and/or decisions you plan to take as a result of the equality impact assessment.

Recommendation/Decision	Action Required	Responsible Officer	Target Date	Resources	Progress	Actual Outcome

Please state where the departmental electronic assessment will be kept:.....

EIA Assessment Group

Date of assessment		
Sub group approval	Yes / No	
Subject to minor amendments	Yes / No	
Date published on corporate website		

Copies of all EIAs are stored on PERFORM.

The Council publishes its Equality Impact Assessments as evidence of the analysis that it undertook to establish whether its policies, strategies, practices, services and functions would further or would have furthered the 3 aims of the general equality duty, details of the information that it considered and details of engagement undertaken when doing the analysis.

The general duty requires the council to:

- Eliminate discrimination, harassment & victimisation
- Advance equality
- Foster good relations between different groups

Empty homes



Council action to tackle empty homes

A practical guide to empty homes, and options for bringing them back into use

Council action to tackle Empty Homes

There are a number of reasons why councils take action to bring empty homes back into use. Long term empty homes have a negative impact on surrounding homes and areas, and while tackling empty homes will not provide a solution to the need for new homes, it is an important part of making best use of the existing housing stock.

Tackling empty homes can also:

- improve housing conditions and reduce anti-social behaviour,
- reduce pressure on the existing housing stock,
- provide opportunities for local suppliers in the property and construction trades, and on a larger scale can support training and employment,
- help create partnerships with housing associations and the private sector.

Renewing empty homes is one strand of a bigger housing picture, but it is an issue where council involvement can lead to visible and practical action.

This paper looks at the options for bringing empty homes back into use, and draws on the experience and practice of a range of councils. Just as there is no typical empty home owner, there is no standard response and councils will need to use a range of tools and actions to support this area of work.

The paper also sets out proposals that will make it easier for councils to bring empty homes back into use by removing barriers and streamlining legislation.

Section one – where are the empty homes?

There are 709,426 empty properties in England¹. About one third of these, around 260,000, have been empty for six months or more. Bringing these properties back into use would meet approximately one year of the government's estimate of housing need, or would equate to two years of new builds at the current rate².

The vast majority of the empty properties in England are in the private sector. Just under 10%³ are local authority owned.

There are significant regional variations in the number of empty homes. The contributions that tackling empty homes can make varies significantly across the country. For example, in the North West and East Midland regions, empty homes equal 24% and 22% of the waiting list respectively. However in others, for example London, this would have a much more marginal impact.

¹ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants#live-tables>

² 115,620 completions in the 12 months to December 2012

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/86119/House_Building_release_-_December_Qtr_2012.pdf

³ All figures in this paragraph from <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants#live-tables>

Table 1: Regional breakdown of empty homes and households on council waiting lists (taken from DCLG housing statistics⁴)					
Region	Total dwellings	Total empty, 2011-12	Long term empty (over 6 months), 2011-12	Council waiting list, 2011-12	Long term empty as proportion of waiting list
North East	1,186,982	44,960	18,597	86,919	21%
Yorkshire & Humber	2,336,965	88,910	32,901	227,536	14%
East Midlands	1,989,361	64,503	24,143	106,719	22%
East Of England	2,556,412	69,654	23,868	190,911	12%
London	3,411,821	72,457	24,226	380,301	6%
South East	3,722,317	98,313	30,590	243,220	12%
South West	2,418,746	68,973	21,393	185,757	11%
West Midlands	2,387,061	72,289	26,637	188,365	14%
Northwest Total	3,168,731	130,081	57,487	238,808	24%
England Total	23,178,396	710,140	259,128	1.8m	14%

Section two: what can councils do about empty homes?

The reasons why homes are left empty for more than six months vary, although we can use the figures on the exemptions from council tax to gain an understanding of the picture of empty homes⁵. In 2012:

- 34% of council tax exemptions were for properties that were empty and unfurnished for a period up to 6 months,
- 4% of homes were exempted due to requiring major repair for a period up to 12 months,
- 9% were exempted because the letter of probate or administration had not been issued.

Some of the activities that councils can do will address all of these issues to encourage the home to be brought back into use, for example providing information and referrals to home owners. Others will be particularly relevant to properties in need of major renovation, for example providing grants and loans. These and other options are described below.

⁴ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants#live-tables>

⁵ <https://www.gov.uk/government/publications/council-taxbase-2012-in-england>

Provide information

Councils can offer a range of information on empty homes, including:

- providing information on options for renting, selling and refurbishment for owners. This could include information on financial support and tax rules,
- making it easy for residents to report empty homes, for example via online forms,
- referring owners to local partners and organisations providing professional advice such as empty homes partnerships and landlord accreditation schemes.

Examples of these can be found in the next section and in the “useful links and resources” section at the end of the paper.

Issues to consider:

- What contribution could empty homes make to the housing needs of the area?
- What resources could the council use to support work on empty homes?
- What are the opportunities to work with local partners? Local community and voluntary sector group can access different funding streams and may bring wider social benefits, for example in providing training opportunities. The Empty Homes toolkit published by the Homes and Communities Agency has extensive advice for voluntary and community groups.

Council tax levers

The Local Government Finance Act 2012⁶ gave councils greater discretion over the amount of discount applied to council payments for empty homes, and the power to introduce an empty homes premium on homes that have been empty for over two years.

Ipswich Borough Council has changed the discount on empty homes undergoing major works from 100% discount for 12 months to 10% discount for 12 months. Empty and unfurnished properties now qualify for a 50% discount for 28 days, instead of 100% discount for 12 months⁷. Ipswich have seen a rise in the number of empty homes returned to use since introducing a new toolkit in April 2012, and the council tax changes form part of a range of activities including grants and leasing schemes.

⁶ <http://www.legislation.gov.uk/ukpga/2012/17/contents>

⁷ http://www.ipswich.gov.uk/site/scripts/documents_info.php?documentID=586, applies to Class A and Class C council tax exemptions

Cornwall Council and **Leeds City Council** are among the councils charging an additional 50% on council tax rates for long term empty homes⁸.

Cornwall report that a number of empty property owners have come forward with previously unknown information about their properties since the introduction of the council tax premium. This has improved the accuracy of the Council's data on the housing stock and facilitated greater engagement between empty property owners and the Empty Homes Team. However, in some cases, the premium may result in a property being empty for longer where an owner is undertaking refurbishment works because their available funds are likely to be absorbed by the increased Council Tax.

Working with probate cases

Cases in probate formed 9% of the council tax exemptions in 2012. The period following bereavement can be a sensitive and difficult time and councils will act with care and concern for the owners. Some probate cases can become complicated and drawn out, and councils may decide to step in if no action has been taken within an appropriate period of time.

A 3 bedroom house in **Birmingham** was left empty after the death of the owner. The garden was overgrown and infested with rats, bringing complaints from the neighbours and blighting the surrounding area. In this case the owner left a will and appointed an executor, but the executor did not take any action with the property. The Council first contacted the executor in 2003 but despite repeated requests the property remained empty and continued to deteriorate. After 5 years the council sought authority for a compulsory purchase order (CPO), which was granted in 2008. The property was sold at auction and is now in use as a family home.

A probate case in **Reading** involved two sisters who left their late mother's house empty for 10 years after her death, although keeping it in good order. The daughters were reluctant to engage with the council and address the issue of what to do with their mother's house, finding the prospect of selling it too daunting on an emotional and practical level. Some sensitive advice from the Council on the options for selling brought them to a decision to sell the property, knowing that it could be sold to someone who would care for the property and use it as a family home.

⁸ <http://www.cornwall.gov.uk/default.aspx?page=33394>, <http://www.leeds.gov.uk/residents/Pages/Empty-properties-and-the-Council-Tax.aspx>

Encourage repair and regeneration

As noted above, 4% of council tax exemptions in 2012 were for homes requiring major repair. Owners who are willing to bring empty homes back into use may face practical barriers in doing so. The cost of renovating the property can be an issue, and owners may be daunted by the process of selling or letting their property. Councils can offer practical support in some cases. There are various models in use, some of which help owners to use the value locked up in their property to fund the cost of renovation.

Providing grants and financial incentives will require an upfront budget, although this can be recycled or used as a lever to bring properties into leasing schemes.

City of York Empty Property Loan

The empty property loan is provided on condition that the property is let for a minimum of 5 years through “YorHome”, the Council’s Social Lettings Agency. Owners can access free technical advice and the loan is repayable at the end of the agreement based on a percentage model. York is using the loan scheme to help an owner turn an empty shop and flats into 6 properties to be let through YorHome.
www.york.gov.uk/housing/private_housing/Empty_properties/

Kent No Use Empty Loan Scheme

The Kent “No Use Empty” programme offers loans up to a value of £175,000 per applicant. Loans are offered up to 90% loan to value with a 1st or 2nd charge being placed on the property (or another property with sufficient equity). The property must be brought up to meet decent homes standard and must be let or sold on completion of the works. Kent charge an application fee, typically £480 and conduct an initial meeting and site visit to support the loan application process. Kent have processed over 110 loan applications and note that many commercial lenders have withdrawn from the market or will only lend up to 60% loan to value.
<http://www.no-use-empty.org/loan-scheme-facts>

London Borough of Enfield empty property renovation grant

Enfield grants pay up to 25k per property, on condition that the property is let through an approved housing association for 5 years. The renovation grant is funded by income from the New Homes Bonus.

http://www.enfield.gov.uk/info/913/housing-empty_residential_properties/290/housing-empty_private_residential_properties/2

Sheffield Council has introduced leasing and purchasing options for empty home owners. The purchase scheme aims to refurbish 31 properties between 2013 and 2015.

<https://www.sheffield.gov.uk/in-your-area/housing-services/private-sector-housing-empty-properties/help-for-owners-of-empty-properties/houses-into-homes.htm>

Ipswich Council’s Empty Homes Toolkit includes grants for landlords and first time buyers. The First Time Buyers Empty Homes Grants are available to first time buyers whose mortgage is over 80% and have less than £7000 savings. The grant

can be used to fund major works on properties that were previously empty for 12 months. Ipswich have also set up an Estate Agency Discount Scheme, offering reduced fees for empty homes owners and free submission to auction.

Stoke City Council announced plans for a pioneering regeneration scheme funded by the city council and Government to revamp empty council-owned properties which have fallen into disrepair. The city council will initially cover the cost of refurbishing the homes and will sell them for just £1 to local residents. However, buyers meeting the eligibility criteria will have to pay back the cost of the refurbishment over a set period of time.

http://www.local.gov.uk/web/guest/housing/-/journal_content/56/10171/3979742/ARTICLE-TEMPLATE

Partnership with housing associations and the voluntary sector can also be an opportunity to regenerate empty homes, and bring about some wider social benefits including opportunities for skills and training. There may also be scope to work in partnership with a local housing association or voluntary group. A leasing arrangement with a local housing partner can be attractive to owners and councils, providing owners with an income and a management service in return for allocation rights.

“Our Croydon” is a social enterprise working with the London Borough of Croydon to bring empty homes back into use. The refurbishment provides work for skilled local tradesmen and placements to people from disadvantaged backgrounds.

<http://ourcroydon.org/>

Groundwork, Rochdale Boroughwide Housing and Rochdale Council have established the Housing Refurbishment programme. The refurbishment of empty homes will provide skills, experience and qualifications for trainees.

<http://www.northwest.groundwork.org.uk/oldham--rochdale/news--events/news/2012/trainees-start-empty-homes-ref.aspx>

Exeter City Council secured funding from the Homes and Communities Agency to bring 15 long term empty properties back into use. The Council will work alongside Chapter 1, a housing association who will provide housing and management support and their partner Shekinah Mission based in Plymouth who provide work, training and volunteering opportunities for vulnerable homeless people.

http://www.local.gov.uk/web/guest/housing/-/journal_content/56/10171/3845139/ARTICLE-TEMPLATE

Redcar and Cleveland Borough Council and Coast and County Housing are working with social enterprises to turn empty homes into affordable homes and support apprenticeship and training for young unemployed people.

http://www.redcar-cleveland.gov.uk/pressrel.nsf/published/march_2012_empty_homes_scheme_bringing_rundown_properties_back_into_use

Plymouth City Council Empty Property Sale Procedure

Plymouth City Council has set up a process to connect empty homes owners with developers. The Council sends the property details to developers on behalf of the owner and can arrange and conduct viewings. Developers submit sealed bids to the Council and these are passed to the owner for consideration. The process can be done in 2-3 weeks and the owner has no fee to pay. Once a bid is accepted the two parties are put in contact and proceed with the sale as normal. Plymouth formalised the process in January 2013 and have completed 3 processes to date with another 2 in progress. For more information contact plymouthcc.dhseht@plymouth.gov.uk

The PLACE Grant scheme from **Chelmsford City Council** can provide a grant of up to £50,000 for refurbishment. A condition of the grant is that the property is let through Genesis Housing Association for three years.
<http://www.chelmsford.gov.uk/empty-homes-grants-0>

Enforcement

In some cases encouragement by itself will not be enough and councils will need to take action through the range of legal powers open to them. There are a range of legal powers that are available to councils. The most frequently used in empty homes cases are detailed below.

Issues to consider:

- Enforcement action may incur some financial risk and costs.
- A budget may be required to cover the upfront costs of refurbishment , legal action and compulsory purchase.
- Effective empty homes enforcement requires experience and subject knowledge. This could be provided in house by the council, or developed as a joint approach with other councils or RSLs.

Compulsory Purchase Orders (CPOs) allow local authorities to acquire land or buildings where there is a justified cause. A CPO will ensure that a property is sold on, but it is a legal process that will require an investment of time and resources, taking between 6 and 18 months to carry out.

Since 2007, the **London Borough of Enfield** has approved 27 CPOs as part of it's Empty Homes Strategy. Most properties have been returned to use without running the full course of the CPO. Enfield have seen the process through to the end for 8 properties, 7 of which have been refurbished and are now re-occupied.

Enforced sales procedures. There are nine pieces of legislation that cover grounds for action, from drainage to unsecured buildings. Procedures can include sale but may also lead to prosecution, work carried out in default and cost recovery. Enforced sales procedures can be effective in dealing with empty homes, but they require investment of time and resources in legal fees, and may involve some upfront costs to make the property safe and secure. The council can recover reasonable costs through the sale of the property.

Swansea City Council used the enforced sale process to tackle an empty property which was attracting anti-social behaviour. Attempts to locate the owner, last heard to be living overseas, had failed. The Police had been called to the property on a number of occasions to deal with disturbances and on a few occasions found unattended fires within the property. The property was occupied by squatters and used as a sort of doss house. The Council served a notice on the owner under the Environmental Protection Act 1990, s80 to repair defective rainwater goods which were causing damp to the adjoining property. As this work had been carried out in default the debt was used as grounds for the enforced sale of the property. Swansea report that enforced sale was appropriate in this case where the property had fallen into disrepair and was causing a great deal of anxiety to local residents.

Empty Dwelling Management Orders (EDMOs) allow councils to temporarily take ownership of the property with the intent to bring it back into use as a rented home. The leasing arrangement lasts for up to 7 years and can be terminated by the owner at any point. This type of action is best suited to properties requiring minor repairs, as the council must pay the initial cost of refurbishment and recoup the cost from rental income.

A small number of councils have used EDMOs to good effect, however overall the use of EDMOs is low with only 43 authorisations between 2006-11⁹.

Swale Borough Council used an EDMO to support a property owner who was unable to sell due to negative equity, neighbour issues and the prohibitive cost of renovations. The Council secured an interim EDMO with the owner's consent, and arranged the works and short term letting. This avoided the repossession of the house. The debt was repaid and the owner is still letting the property, enabling him to meet his liabilities. The recent changes to EDMOs requiring properties to be empty for 2 years instead of 6 months would have prevented the council from acting, and the owner would have lost his home.

Section 3 considers how these powers could be simplified to make them more effective in tackling empty homes.

Resourcing empty homes work

Resourcing support and enforcement activity is an important activity to consider. There are a number of incentives, funding streams and powers that may be relevant.

- The power to introduce an empty homes premium (more information on the premium can be found on page 4)
- The New Homes Bonus is payable on long term empty properties brought back into use. Use of the bonus is not ringfenced.
- Empty homes funding is allocated through the Homes and Communities Agency¹⁰.

Central government funding for empty homes has largely been allocated through bidding processes (notably phases 1 and 2 of Empty Homes funding allocated through the Homes and

⁹ www.parliament.uk/briefing-papers/SN04129.pdf

¹⁰ <http://www.homesandcommunities.co.uk/ourwork/empty-homes-round-two>

Communities Agency). These processes take time and resources and add uncertainty therefore undermining a long term approach to tackling long term empty homes.

Local authorities already work to join up funding streams to tackle empty homes with wider regeneration initiatives and housing strategy. The LGA is arguing that funding for empty homes should be devolved to local authorities to ensure a more cost effective use of public money and allow local authorities to focus on delivery rather than bidding rounds.

Derby City Council has developed a twin track approach to Empty Homes, focusing on empty homes that attract the New Homes Bonus and “core” empty homes work on homes that do not attract the bonus but are of concern to the community due to blight and anti-social behaviour. Derby “topslices” New Homes Bonus (NHB) funding to support the delivery of the Empty Homes Strategy and to maximise NHB results in future years. Since 2011, the Empty Homes Service has contributed to income in excess of £3million from the empty homes element of NHB and assisted in the recovery of in excess of £100,000 of debt associated with empty properties.

Section three: what more could be done?

In a time of limited resources, front line council support should be focused on identifying empty homes and working with local residents to find creative solutions. Central government can help with by reducing the amount of bureaucracy created by complex and poorly drafted legislation, and devolving decision making to the local level.

Our suggestions for simplifying and streamlining the legislation are set out below.

Compulsory purchase orders

Councils report that the existing CPO process is complex and places financial liability with the local authority even in circumstances where the CPO is on behalf of a third party. Analysis from a 2011 report indicates a downward trend in the use of CPOs for both planning and housing matters, with a total of 98 submitted in 2011¹¹. The same report also reflects a reduction in the number of local authorities using CPOs.

The CPO process was not designed with empty homes in mind, and there are some revisions that would help councils to use the process more effectively for long term empty homes.

1. Reduce the financial liabilities and costs for local authorities by removing the requirements to pay compensation on long term empty properties (currently 7.5% of the property value, up to £75,000) and enabling local authorities to formally share costs and liabilities with a third party.
2. Remove unnecessary requirements including the requirement to seek Secretary of State Approval for a CPO on a long term empty property.

¹¹ <http://www.compulsorypurchaseassociation.org/files/CPO-report-July-2012.pdf>

CPO powers are currently limited in their scope. We would like to see an extension of the powers to allow for the leasing of long term empty homes.

Councils should be enabled to acquire a time limited leasehold, enabling it to undertake refurbishment work to the property and bring it back into a habitable state. The authority would then recoup its investment through rental income over the set time period. The authority might also acquire nomination rights over the property for this period.

Empty Dwelling Management Orders (EDMOs)

The EDMO is the only legislative tool designed specifically for long term empty homes. They have not been widely used, and many councils are put off by the cumbersome process and financial risk.

EDMOs should be amended to:

1. Remove unnecessary tests on EDMOs, for example the extended time period before an empty property can be considered for an EDMO.
2. Reduce financial risk and costs for local authorities, for example giving greater security on their ability to recoup of the cost of remedial works.

Further reading and useful resources

LGA Housing case studies

Case studies on a range of housing issues including empty homes

http://www.local.gov.uk/web/guest/housing/-/journal_content/56/10171/3845114/ARTICLE-TEMPLATE

The Empty Homes Network

A membership network for empty homes practitioners

<http://www.ehnetwork.org.uk/>

Homes and Community Agency

Resources include an empty homes toolkit and case studies

http://www.homesandcommunities.co.uk/empty-homes-toolkit?page_id=&page=1

Empty Homes Charity

Statistics, advice for community groups and information on loan schemes

<http://www.emptyhomes.com/>

No Use Empty programmes

The original No Use Empty programme from Kent has been adapted by Bristol and councils in the West of England. Both websites are full of information and advice for home owners and local residents

http://no-use-emptywest.co.uk/site/home_1.asp

No Use Empty Kent website

<http://www.no-use-empty.org/>

For more information please contact

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We consider all requests on an individual basis.

Bolsover District Council

Executive

4th January 2016

External Wall Insulation Tender

Report of the Portfolio Holder for Housing and IT

This report is public

Purpose of the Report

- To confirm approval and obtain authority for Property & Estates to appoint the contractor Sustainable Building Services through the Efficiency East Midlands (EEM) framework within existing budgets.

1 Report Details

- 1.1 A batch of 56 properties was identified by Housing that require external insulation works. A successful contract had been tendered through the Efficiency East Midlands framework in 2015 resulting in 31 properties in Whitwell and Creswell being upgraded (see attached report from January 2015) and therefore EEM were contacted about the possibilities of taking this contract forward.
- 1.2 EEM confirmed that the framework has been set up to allow a direct award by any of their members to any contractor registered. Given the past performance by Sustainable Building Services and the result of the mini competition that had been run in 2015 it was desirable to approach them to work on this next phase of properties. In doing this we are able to use similar rates that were beneficial on the previous contract and work with a contractor who has performed well and produced quality work. This also significantly cuts down the timescales of a traditional tender and allows work to start almost immediately.
- 1.3 Attached to the report are the costs for the works on the 56 properties amounting to £461,529.13. These have been surveyed and the costs also allow for scaffold which is being provided for the properties that are to have roofing works carried out as well, therefore saving some scaffold costs over the two elements of work because the scaffold is only erected once. The works are to be completed over a period of approximately 15 weeks.

2 Conclusions and Reasons for Recommendation

- 2.1 In consideration of the above this report is asking that on the successful outcome of the previous contract Property & Estates appoint Sustainable Building Services through the EWI/IWI Solid Wall Insulation (EEM0046) framework.

3 Consultation and Equality Impact

3.1 Consultation has taken place on the proposals outlined in this report with the Deputy Leader and relevant elected members.

4 Alternative Options and Reasons for Rejection

4.1 The only other option would be to carry out another tender exercise without using the EEM framework this time. However this would not be considered as realistic option due to the feedback that was received previously (outlined in the attached report from 2015) that a small number of properties to work on is not an attractive option to contractors on the open market. This would also delay the project start by at least a couple of months whilst another tender exercise is carried out whereas currently we are in a position to start almost immediately using the EEM framework.

5 Implications

The implications are that the contractor is appointed to enable work to start on the project almost immediately.

5.1 Finance and Risk Implications

To spend the budget allocated by Housing.

5.2 Legal Implications including Data Protection

The contract is to be arranged for the contractor to sign.

5.3 Human Resources Implications

N/A

6 Recommendations

6.1 To confirm that Property & Estates can appoint Sustainable Building Services to carry out the EWI works within existing budgets.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
District Wards Affected	Clowne & Bolsover
Links to Corporate Plan priorities or Policy Framework	Growth Strategy

8 Document Information

Appendix No	Title
<p>Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)</p>	
<p>Executive report from 5th January 2015. Preliminary Costs.</p>	
Report Author	Contact Number
Michael Baker – Principal Building Surveyor	01246 242249

Report Reference –

Bolsover District Council

Executive

4th January 2016

Risk Management Strategy (Including Partnership Working Strategy)

Report of the Section 151 Officer

This report is public

Purpose of the Report

- To recommend for approval the joint Risk Management and Partnership Working Strategy.

1 Report Details

1.1 One key element of effective financial Governance is that the Council has appropriate arrangements in place in respect of Risk Management and Partnership working including:

- A clear policy statement setting out the Council's approach to Risk Management and Partnership working. This policy statement needs to be reflected in the wider culture of the Council.
- Take steps to promote effective management of both Risk and Partnership arrangements.
- Ensure that appropriate reporting arrangements are in place

1.2 The Council currently has a Risk Management and Partnership Working Strategy in place. This document seeks to update that policy to reflect changes in good practice and it is to be launched as a Joint Strategy across the two Councils within the Strategic Alliance. As part of the consultation route it was considered by Senior Management Team, by Audit Committee and by the Strategic Alliance Joint Committee before being submitted for approval by Cabinet (NEDDC) and Executive (BDC). The launch is being supported by awareness sessions for both Officers and Elected Members, while the consultation process around the Strategy will serve to improve awareness across both Council's.

2 Conclusions and Reasons for Recommendation

2.1 Executive is recommended to approve the joint Risk Management and Partnership Working Strategy attached at **Appendix 1**, to meet the objectives as set out at paragraph 1.1 above.

3 Consultation and Equality Impact

3.1 There are no issues arising directly from this report.

4 Alternative Options and Reasons for Rejection

4.1 Given that the Council is committed to both effective management and to effective partnership working it is important that we maintain an up to date policy which helps ensure that this policy commitment is secured in practice. Given this policy commitment there is no realistic alternative other than to agree an appropriate Strategy designed to set out how the Council will ensure that the impact of fraud and related activities upon the Council is minimised.

5 Implications

5.1 Finance and Risk Implications

5.1.1 Financial and Risk issues are covered in the Strategy which is attached as Appendix 1 to this report.

5.2 Legal Implications including Data Protection

5.2.1 There are no legal or data protection issues arising directly out of this report.

5.3 Human Resources Implications

5.3.1 There are no issues arising directly from this report.

6 Recommendations

6.1 That Executive approves the joint Risk Management and Partnership Working Strategy attached at Appendix 1.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	None Directly
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
1	Risk Management Strategy (including Partnership Working Strategy).

Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Bryan Mason Executive Director Operations	01246 242431

AGIN – (CAB 0113) 2016/Risk Management/AJD

**BOLSOVER AND NORTH EAST DERBYSHIRE
DISTRICT COUNCILS**

**Risk Management Strategy 2015 (including
Partnership Working Strategy)**

Date: January 2015

Scope

The Council's Risk Management Strategy is an integral element of the Council's Corporate Governance and Performance Management framework. As part of that framework it seeks to ensure that risks are appropriately managed through the culture of the organisation, systems and processes. In particular the Council will:

- Maintain up to date Strategic and Operational Risk Register reported on a quarterly basis as part of our Performance Management Framework.
- All formal reports to decision making meetings will include a section covering Risk Management considerations.
- All projects with a value in excess of £50,000 will have a Project Risk Register in place.
- Both employees and elected members will have a good understanding of risk issues to ensure that risk is effectively managed.

This Strategy sets out the process for the maintenance and development of Risk Management. While the main focus of the arrangements set out within this Strategy will be in respect of the Council's own activities it needs to be recognised that key elements of the Council's service delivery is now secured by way of Partnership working. Accordingly the Council's own Risk Management Framework needs to ensure that the risks arising from partnership working are appropriately addressed as part of this Strategy.

While this is a Joint Strategy to be adopted by both Bolsover and North East Derbyshire District Councils it needs to be understood that this is only a shared Risk Management Framework and that accordingly both Council's will develop their own Risk Registers, etc. Accordingly references throughout the document are to the Council to recognise that each Council will be responsible for the development of its own risk assessment and risk registers.

Principles of Risk Management

The CIPFA / SOLACE Good Governance Framework defines Risk as follows:

Risk is the threat that an event or action will adversely affect an organisations ability to achieve its objectives and successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled and is a key element of the framework of governance.

It is for the organisation itself to consider and establish an appropriate appetite for risk. An organisation should be risk aware rather than risk averse as the decision as to whether to accept risk should be taken in the light of the potential benefits of a proposed course of action. To the extent to which an organisation is risk averse – whilst it will protect its own position – it is likely to fail to progress available opportunities to secure benefits for local residents.

Risk management both in the identification of risks and the mitigation taken to address them needs to be flexible and to respond to change. National policies, service delivery arrangements, national and local circumstances, together with Council priorities

change and evolve over time. Risk Management focus and arrangements need to adjust in order to ensure that current issues are effectively addressed by the Council's risk and wider managerial arrangements.

Objectives of Risk Management

Both Councils are committed to maintaining and actively monitoring the operation of a formal and systematic approach to Risk Management. The objectives of our risk management arrangements are to reduce both the number of risks which materialise and their impact should they occur. In addition the Council needs to:

- Ensure that we operate in line with best practice and update our approach to reflect evolving best practice and the experiences of other local authorities or organisations who have experienced issues that could have a local impact.
- To protect service delivery arrangements, the reputation and the financial position of the Council by managing risk effectively so as to reduce the likelihood of risk materialising and to mitigate its impact or magnitude in those cases where it does materialise.
- To maintain and strengthen robust managerial and governance arrangements within the Council. From a Governance perspective good practice views the effective operation of Risk Management as a key element of the managerial framework operating within an authority.
- Effective Risk Management is a key component in ensuring that organisations are able to achieve their objectives, and that key projects proceed in line with the agreed plan.
- The identification of the risks attached to existing service delivery, or to a project or new initiative is important both to allow a fully informed decision to be made, and to ensure that all appropriate measures to mitigate (or reduce) the risk are in place from the outset.
- Finally, an appreciation of the risk environment within which the Council operates assists in determining an appropriate level of financial reserves for sound financial management, and ensures that the organisation has a better awareness of its overall risk exposure.

Risk Management Process

Both Councils will work to ensure that they have an embedded culture of risk management in place, which is supported by appropriate procedures and policies. To ensure this we will provide regular training and awareness raising sessions for all staff and Members. This will be supported by processes of formal reporting that seek to ensure that risk is taken into consideration in all our decision making and management processes. In particular the following procedures and processes are in place to ensure effective Risk Management.

- Service Risk Registers are an integral part of the Service Plan which all teams are required to agree on an annual basis. As part of the Service Plan the service Risk Register will be discussed on a regular basis at team meetings. This provides all operational staff with the opportunity to influence the risk register in respect of their service. All Council employees need to understand, manage and accept responsibility for risk. This responsibility is recognised in Job Descriptions.
- The Councils hold quarterly Performance Management meetings involving executive Members and senior Officers which consider a range of issues around performance. These meetings drive the quarterly Performance arrangements which are formally reported to Cabinet / Executive and considered as appropriate by Audit / Scrutiny Committees. These reporting processes are intended to ensure that the Council has in place a 'balanced scorecard' approach to its Performance Management arrangements.
- The quarterly performance meetings consider and agree the revised Strategic Risk Register in the light of the service risk registers and in the light of wider concerns / issues raised at these meetings. Training sessions and comparisons against the issues identified by other local authorities are also viewed as key opportunities to fundamentally review the risks identified within the Strategic Risk Register.
- As part of the quarterly Performance Management reporting framework appropriate consideration will be given to issues of managing risks arising from Partnerships.
- The standard format for Council Risk Registers includes a section setting out the responsible officer for the particular risk identified in order to ensure effective accountability within our risk management arrangements.
- Risk Management arrangements are subject to review by Internal Audit on a regular basis as part of their risk based approach to ensuring that effective managerial arrangements are in place across the Council.
- All reports to Members are required to include a section on risk issues.
- The Audit Committee is the body responsible for ensuring that effective risk managements are in place across the Council, receiving the Quarterly Strategic Risk Register and having responsibility for approving the Risk Strategy. The Executive Director Operations is the Officer charged with ensuring effective Risk Management arrangements are in place.
- All projects with a value in excess of £50,000 are required to maintain an up to date project risk register.

Risk Categorisation

In order to ensure effective risk management the Council operates both a Strategic Risk Register and Service Risk Registers which are maintained in respect of all teams / services. The Strategic Risk Register is concerned with capturing those issues which have the potential to impact on the delivery of the Corporate Plan, or which affect more than one service. As a general guide a Strategic Risk should have a financial impact in excess of £1m. A service risk is a risk which has the potential to affect the delivery of services to the public in a specific service area.

Risk Management Processes

The processes of managing risks involves the following steps:

1. Identification of Risk.

The identification of risk is the initial stage in the risk management process as the Councils can only address / mitigate those risks which have been identified. To facilitate robust risk management arrangements the Councils will seek to encourage the active participation of both elected Members and all Employees in the identification of the risks that face the Council. In considering the key risks which face the Council appropriate consideration will be given to the Council's Corporate and Service Plans, the wider national environment in which the Councils operate and as a 'reality check' to the risks identified by other similar organisations.

2. Risk Assessment.

Once a Risk has been identified it will then be assessed for both the likelihood of it occurring and for the impact in a situation where it did arise. The Council will assess the risk using its Risk Management Matrix which is set out in Appendix 1 to this Strategy.

3. Risk Mitigation.

Having undertaken an analysis of the potential gross impact of the risk Officers will then consider what mitigation can be applied in order to reduce the risk. This net risk is the reassessed level of the Risk once appropriate mitigation is in place.

The Council recognises that risk can only be managed or mitigated. It cannot be eliminated. Once all cost effective mitigation has been put in place then the Councils need to consider whether it should accept a risk, or if it should address the risk by reviewing / ceasing certain elements of its service delivery or activity. In deciding whether or not to accept a risk a key consideration is that the benefits of accepting the risk need to exceed the potential costs of accepting the risk as part of our service delivery arrangements. This decision is also informed by the Council's Risk Tolerance. The Matrix provided in Appendix 1 categorises risks into high, medium and low priority.

Broadly, there are four potential approaches, with numerous variations to risk management. Managers may choose to:

- Accept risk; simply take the chance that the negative impact will be incurred.
- Avoid risk; changing plans in order to prevent the problem from arising.
- Mitigate risk; lessening its impact through intermediate steps.

- Transfer risk; outsource risk to a capable third party that can manage the outcome i.e. mitigation through insurance.

Where a risk is accepted then all cost effective measures which can reduce the likelihood or the impact of the risk should be put in place. Responsibility for managing each risk must be assigned to an identified officer.

4. Risk Review and Monitoring.

The implementation and outcome of the agreed mitigating measure will continue to be assessed by way of an ongoing review of all Risk Registers. Monitoring should include:

- Continuing to evaluate the risk as it changes / develops / increases / diminishes over time.
- Review that agreed mitigating actions are in place, evaluate their effectiveness in managing the risk.
- Where a risk materialises consider the impact of this on the Councils management / risk mitigation arrangements to ensure that any control failures do not have implications for other aspects of the Councils operations.

PARTNERSHIP STRATEGY

As part of the management of risk the Councils need to give consideration to how they work with and manage their partnership arrangements.

The key issues are set out below:

1. Partnership working is now an accepted part of good working practice in both local authorities and in the wider public sector. It has a good record of delivering better outcomes for local residents as against an approach where each public body works in relative isolation to achieve its own objectives. Given both its proven record of success and the increasingly constrained level of resource in the public sector Partnership working is set to continue to grow in both its scale and influence.
2. Whilst partnership working brings with it many advantages those advantages will only be secured on the basis that robust governance arrangements are in place. To secure these robust arrangements the Council needs to give careful consideration as to how it manages its relationships with partner organisations, whilst the Council needs to satisfy itself that governance arrangements within the partnership organisations themselves are fit for purpose.
3. A key starting point for the Council in deciding upon what governance arrangements are necessary is to consider the risks involved. This consideration should include the following :
 - What would be the impact on the Council and its services if a partner organisation were to fail. Clearly in those situations where the failure of a partner left the Council unable to operate a key service then there would be a major risk, and the level of assurance necessary in this instance would be far greater than for a smaller organisation delivering a discretionary (non statutory) service to a small part of the District.
 - The level of financial commitment which the Council has made to the Partnership.
 - Would the Council have options to secure a replacement partner in a relatively simple fashion should that partnership fail.
 - Partnerships which are key to achieving corporate ambitions.
 - It should be noted that we will seek to exclude purely commercial relationships from the partnership definition.
4. Where working with a partner organisation involves a significant financial commitment, is key to service delivery, would be difficult to replace, is crucial to securing corporate objectives then it is likely to be designated as a key partner, with all key partnerships being reported to Members on a quarterly basis as part of the Strategic Risk Register and Partnership report.

5. In addition to the Key Partners both Councils have well established partnership working with a number of smaller community based organisations. While collectively these play a crucial role in securing corporate objectives, individually they are often relatively small and the Council often has other partners who provide similar / related types of activity. In these cases the Council is obviously considerably better placed to secure a continued service to local residents should one of our partners fail to deliver in line with agreed standards. Given the more limited risks involved the performance management of these partnerships will be undertaken outside of the quarterly reporting process to Cabinet / Executive used to cover Strategic Risks and Key Partners. Progress updates will instead be provided by way of the reporting arrangements developed by the Partnership Team in operation at each particular Council. Given the large number and more limited scale of these partnerships the Council will continue to adopt a 'lighter touch' approach to these partners. Such a 'lighter touch' is appropriate in the light of the more limited nature of the risks involved.

6. When entering into a partnership or when reviewing its effectiveness for the Council key considerations will include:
 - What contribution does the partnership organisation make towards securing the objectives set out in the Council Corporate Plan
 - Does it provide Value for Money
 - Are there alternative delivery mechanisms available which could secure better outcomes.
 - Are the governance arrangements of the Partnership robust and does it work to similar values of openness and honesty that are crucial to the Council.
 - Do we have a legal duty to enter into the partnership with the organisation concerned ie the partnership is not an optional one.

How to carry out a Risk Assessment

All decisions that impact on business and service delivery will inevitably have an element of Risk. This Appendix sets out how to assess and manage these risks in order to help ensure that the Council is adopting a consistent approach to Risk Management.

Step 1: Identify Risks *

In the identification of risks the key issues will arise in respect of a consideration of the Council's existing activities, of its range of Plans, of anticipated Government policy or legislative changes, or changes in our local communities as a result of either particular local circumstances, or the impact of wider regional or national changes.

The risks that have been identified should be listed and then evaluated individually as follows:

Step 2: Assess Risks

It is important that the same basic process is used for assessing risks across all Council activities so that risks can be compared across services and departments in a consistent manner.

Use a separate copy of the attached Risk Assessment Form for each identified risk.

For each risk include separate assessments of:

- the **LIKELIHOOD** of the risk materialising; and
- **the severity of the IMPACT / potential consequences** if it does occur

This assessment is your own expert opinion, as a manager. It is inevitably subjective, although the process of agreeing and reviewing risk will subject the reasonableness of the assessment to challenge. There are no right or wrong answers, instead it is a tool to highlight

topics of potential concern. Assessment of the likelihood should, wherever possible, be decided upon known fact, experience and skill drawn from the team/service that is managing the hazard. see below

Each factor is evaluated on a sliding scale of 1-5; with 5 being the highest value i.e. highest likelihood / most severe impact / consequences. **Use the following guide** to assess these. This will also introduce a measure of consistency and comparability into the overall risk assessment process.

LIKELIHOOD

Score	Description	Indicative Guidelines
5	Common occurrence	<ul style="list-style-type: none"> • Is expected to occur in most circumstances • Will undoubtedly happen, possibly frequently e.g. annually or more frequently • Imminent / near miss
4	Likely	<ul style="list-style-type: none"> • Will probably occur in many circumstances • Will probably happen, but not a persistent issue e.g. once in 3 years • Has happened in the past
3	Foreseeable	<ul style="list-style-type: none"> • Could occur in certain circumstances • May happen occasionally, e.g. once in 10 years or more than 5 events in the last 5 years • Has happened elsewhere
2	Occasional incident	<ul style="list-style-type: none"> • May occur only in exceptional circumstances • Not expected to happen, but is possible e.g. once in 25 years or 1-3 events in the last 5 years • Not known in this activity
1	Freak event	<ul style="list-style-type: none"> • Is never likely to occur or no knowledge of this occurring at all. • Very unlikely this will ever happen e.g. once in 100 years • Force majeure

*You should utilise the experience and professionalism of your team/service in determining the 'actual' likelihood as opposed to the 'theoretical', wherever possible e.g. 1 = no known event, 2 = 1-3 no. events in the last 5 years, 3 = 5+ events in the last 5 years, etc.

IMPACT

Score	Description	Indicative Guidelines
5	Catastrophic	<p>Risks which can have a catastrophic effect on the operation of the Council or service. This may result in critical financial loss, severe service disruption or a severe impact on the public. E.g.s:-</p> <ul style="list-style-type: none"> • Unable to function without aid of Government or other external Agency • Inability to fulfil obligations; • Medium - Long term damage to service capability • Severe financial loss – supplementary estimate needed which will have a catastrophic impact on the Council’s financial plan and resources are unlikely to be available • Death • Adverse national publicity - highly damaging, severe loss of public confidence • Litigation certain and difficult to defend <p>Breaches of law punishable by imprisonment</p>
4	Severe	<p>Risks which can have a severe effect on the operation of the Council or service. This may result in major financial loss, major service disruption or a significant impact on the public. E.g.s:-</p> <ul style="list-style-type: none"> • Significant impact on service objectives • Short - Medium term impairment to service capability • Major financial loss - supplementary estimate needed which will have a major impact on the Council’s financial plan • Extensive injuries, major permanent harm, long term sick • Major adverse local publicity, major loss of confidence • Litigation likely and may be difficult to defend <p>Breaches of law punishable by fines or possible imprisonment</p>

Score	Description	Indicative Guidelines
3	Moderate	<p>Risks which have a noticeable effect on the services provided. Each one will cause a degree of disruption to service provision and impinge on the budget. E.g.s</p> <ul style="list-style-type: none"> • Service objectives partially achievable • Short term disruption to service capability • Significant financial loss - supplementary estimate needed which will have an impact on the Council's financial plan • Medical treatment required, semi-permanent harm up to 1 year • Some adverse publicity, needs careful public relations • High potential for complaint, litigation possible <p>Breaches of law punishable by fines only</p>
2	Minor	<p>Risks where the consequences will not be severe and any associated losses will be minor. As individual occurrences they will have a negligible effect on service provision. However, if action is not taken, then such risks may have a more significant cumulative effect. E.g.s</p> <ul style="list-style-type: none"> • Minor impact on service objectives • No significant disruption to service capability • Moderate financial loss – can be accommodated at service level • First aid treatment, non-permanent harm up to 1 month • Some public embarrassment, no damage to reputation • May result in complaints / litigation <p>Breaches of regulations/standards</p>
1	Negligible	<p>Risks where the consequences will not be severe and any associated losses will be relatively small. As individual occurrences they will have a negligible effect on service provision. However, if action is not taken, then such risks may have a more significant cumulative effect. E.g.s</p> <ul style="list-style-type: none"> • Minimal impact, no service disruption • Negligible impact on service capability • Minimal loss - can be accommodated at service level • No obvious harm/injury • Unlikely to cause any adverse publicity, internal only

Score	Description	Indicative Guidelines
		Breaches of local procedures/standards

Having scored each risk for likelihood and impact, next plot the coordinates onto the following matrix and follow the guidance as appropriate. This enables risks to be categorised into Low, Medium and High Risk, which in turn can trigger different levels of response. A 5x5 matrix is used across the Council to measure risk.

- A Risk score of 8 or above must always be addressed and mitigated.
- The impact of a Risk always attracts the same score; only its likelihood can be reduced.

Green = Low Priority

No immediate action other than to set a review date to re-consider your assessment

Yellow = Medium Priority

Check current controls and consider if others are required

Red = High Priority

Take action to mitigate the risk.

IMPACT	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
		LIKELIHOOD				

Step 3: Manage and Control Risks

Next consider the following headings and record your findings: *

- **Current Controls / Mitigation** – existing measures that will (or can be used to) alleviate any possible problems. Ask yourself what contingency plans are in place already that can be brought into action.
- **Additional Controls / Mitigation required** – new measures that can be introduced to alleviate possible problems (e.g. Business Continuity planning helps to manage risk)

It may be helpful to consider the four T's:

Risks can be – *tolerated, transferred, terminated, or treated.*

Identify a person to take ownership of the risk and who will be responsible for managing the risk (the Responsible Officer). Also consider relevant timescale and line of reporting. Record all this information on the Risk Assessment form

* See Appendix 2: Risk Terminology

Business Risk Terminology

Control (risk) self-assessment: A class of techniques used to assess risk and control strength and weaknesses against a Control Framework. The "self" assessment refers to the involvement of management and staff in the assessment process. *

Financial risk: the risk that deficiencies in controls of expenditure, or funding problems, will adversely affect the entity's goals and objectives.

Inherent risk: the uncertainty or exposures that exist assuming no controls are in place.

Internal (risk) controls: the process designed to mitigate risks and provide reasonable assurance regarding the achievement of objectives.

Operational risk: the risk that the entity will not meet its operational goals and objectives i.e. departmental.

Physical or security risk: the risks associated with the safety and security of the organisation's personnel and facilities.

Reputational or image risk: the risk that an action or inaction by the entity will impair the organisation's ability to reach its goals and objectives.

Residual risk: the risk remaining after management takes action to reduce the impact and likelihood of an adverse event.

Risk: an expression of the probability that an event or action may adversely affect the organisation.

Risk assessment: the identification and analysis of relevant risks associated with achieving the objectives of the organisation.

Risk management: the systematic approach to assessing and acting on risk, to ensure that organisational objectives are achieved.

Risk Map: the visual representation of risks for a given entity, which have been identified through a risk assessment exercise, in a way that easily allows priority-ranking them.

Risk Profile: A description of the characteristics of a risks, mapping the change in the likelihood and impact of the risk to which an organisation has exposure.

Strategic risk: the risk that the entity will not meet its strategic goals and objectives i.e. corporate or 'cross service'.

* See References

Bolsover District Council

Executive

4 January 2016

**Draft Anti–Fraud, Bribery and Corruption Strategy
(including Money Laundering Policy)**

Report of the Section 151 Officer

This report is public

Purpose of the Report

- To enable Members to consider and approve the proposed Anti Fraud Strategy and to raise any.

1 Report Details

1.1 One key element of effective financial Governance is that the Council has appropriate arrangements in place in respect of Fraud including:

- A clear policy statement setting out the Council's values of a zero tolerance of fraud, corruption, bribery and related misuse of public funds. This policy statement needs to be reflected in the wider culture of the Council.
- Take steps to promote the prevention of fraud and related activities.
- Put procedures and resources in place which promote the detection of fraud.
- Ensure that measures are taken and remain in place which deters all those connected with the Council (Employees, Elected Members, Suppliers, local residents, Partnership organisations) from committing fraud, accepting or offering bribes, or any involvement in corruption.
- Establish appropriate procedures for ensuring effective investigation action where fraud is suspected.

1.2 The Council currently has in place an anti fraud policy previously agreed in 2012. This document seeks to update that policy to reflect changes in good practice and it is to be launched as a Joint Strategy across the two Council's within the Strategic Alliance. As part of the consultation route it was considered by Senior Management Team, Audit and the Strategic Alliance Joint Committee before being submitted to Cabinet (NEDDC) and Executive (BDC) for approval. The launch has been supported by awareness sessions for both Officers and Elected Members, while the consultation process around the Strategy has served to improve awareness across both Council's.

2 Conclusions and Reasons for Recommendation

2.1 Executive is recommended to approve the Anti Fraud, Bribery and Corruption Strategy to meet the objectives set out at paragraph 1.1 above.

3 Consultation and Equality Impact

3.1 There are no issues arising directly from this report.

4 Alternative Options and Reasons for Rejection

4.1 Given that the Council is committed to a policy of zero tolerance of Fraud it is important that we maintain an up to date policy which helps ensure that this policy commitment is secured in practice. Given this policy commitment there is no realistic alternative other than to agree an appropriate Strategy designed to set out how the Council will ensure that the impact of fraud and related activities upon the Council is minimised.

5 Implications

5.1 Finance and Risk Implications

5.1.1 Financial issues are covered in the Strategy which is attached as Appendix 1 to this report.

5.1.2 If the Council is not successful in operating in a manner which minimises fraud, corruption and related activity there is a significant risk of a critical public response which will undermine the reputation of the Council. Fraud and Corruption bring with them major issues of public credibility which could undermine the ability of the Council to continue to operate effectively.

5.2 Legal Implications including Data Protection

5.2.1 Fraud, Bribery, Corruption and Money Laundering are all criminal activities. This policy is intended to minimise the risk that this Council suffers as a result of such activity, or that the Council is unwittingly used to undertake or assist such activity. There are no data protection issues arising directly out of this report.

5.3 Human Resources Implications

5.3.1 There are no issues arising directly from this report.

6 Recommendations

6.1 That Executive approves the Anti Fraud, Bribery and Corruption Strategy attached at Appendix 1.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which	No
--	----

results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	
District Wards Affected	Not Directly
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
1	Anti Fraud, Bribery and Corruption Strategy (including Money Laundering Policy).
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Bryan Mason Executive Director Operations	01246 242431

AGIN – (CAB 0113) 2016/Fraud Strategy/AJD

Bolsover and North East Derbyshire District Council

Anti-Fraud, Bribery and Corruption Strategy (including Money Laundering Policy)

POLICY STATEMENT

The Council's expects that both Elected Members and Officers will demonstrate the highest standards of behaviour in the conduct of public business.

In undertaking their functions and activities, the Councils will not tolerate any form of fraud, corruption, bribery, abuse of position or other malpractice, whether it is attempted by persons or organisations within or external to the Council.

The Council is committed to working in an open, honest and fair way and will:

- Maintain a policy and a culture characterised by Zero Tolerance of Fraud and Malpractice
- Encourage the prevention of fraud, bribery, corruption or other malpractice
- Promote the detection of fraud, bribery, corruption or other malpractice
- Maintain clear procedures for investigation and for undertaking further action where necessary

It is expected that Elected Members and staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.

The Council also expects that individuals and organisations (including suppliers and service users), with which it comes into contact, will act towards the Council with honesty and integrity.

The Council expects all partners in both public and private sectors to establish robust and transparent governance arrangements.

BOLSOVER AND NORTH EAST DERBYSHIRE DISTRICT COUNCILS

Anti-Fraud, Bribery and Corruption Strategy

1. INTRODUCTION

1.1 The Council is opposed to all forms of fraud and corruption. It recognises that fraud and corruption undermine the standards of public service to which it is committed, reduces the resources available for the benefit of the whole community and erodes public confidence in our governance.

1.2 The Anti-Fraud, Bribery and Corruption Strategy is designed to: -

- Provide a clear statement of values
- Encourage prevention;
- Promote detection,
- Act as a deterrent; and
- Set out a clear approach for investigation of any concerns, complaints, etc.

1.3 **Fraud** can be defined as:

- Fraud is a type of criminal activity, defined as an abuse of position, or false representation, or prejudicing someone's rights for personal gain. Put simply, fraud is an act of deception intended for personal gain or to cause loss to another party. (Serious Fraud Office)

Corruption is defined as:

- *The abuse of entrusted power for personal gain.*

Theft is defined as:

“a person shall be guilty of theft if they dishonestly appropriate property belonging to another with the intention of permanently depriving the other of it.

Bribery is defined as:

“an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.”

Or

“giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for already having done so.”

Bribery includes :

- Bribery of another person
- Accepting a Bribe
- Failure to prevent or disclose Bribery

Further details concerning bribery and related offences and in particular concerning the interpretation of the Bribery Act 2010 can be found at the website given below:

<http://www.legislation.gov.uk/ukpga/2010/23/contents>

1.4 Benefit fraud is where a person,

- a) makes a false statement or representation; or
- b) causes or allows a false statement or representation; or
- c) fails to notify a change of circumstances; or
- d) causes or allows another person to fail to notify a change of circumstances for the purpose of obtaining or increasing entitlement to housing/council tax benefit for themselves or others.

1.5 This document presents a Strategy for Open and Honest Councils characterised by a clear policy of Zero Tolerance of Fraud, Bribery, Corruption and related activities. The sections which follow set out the framework which it is intended will help secure that objective.

2. CULTURE

- 2.1 The Councils are determined that the culture and tone of the organisation will continue to be one of honesty, openness and opposition to fraud and corruption.
- 2.2 All individuals and organisations associated with the Councils are required to act with integrity. Council staff and Members, at all levels, will lead by example.
- 2.3 The Council's staff are an important element in ensuring that our stance on fraud and corruption is effective. They are encouraged to raise any concerns and can do this in the knowledge that these will be treated in confidence and properly investigated.
- 2.4 This commitment to investigate the concerns of any members of staff has been formally acknowledged by the Councils by the adoption of a Confidential Reporting Policy.

The Confidential Reporting Policy aims to: -

- encourage individuals to feel confident in raising serious concerns and to question and act upon concerns about working practice.
- provide avenues by which these concerns can be raised and subsequently to give feedback on any action taken.
- ensure that a response is provided to any concerns raised and that people raising concerns are aware of how to pursue them if they are not satisfied.
- reassure individuals that they will be protected from possible reprisals or victimisation if they have made any disclosure in good faith.

A copy of the Confidential Reporting Policy is available on the Council's Intranet, and will be provided in printed format if required. It should be noted that the Confidential Reporting Policy covers all issues (not just fraud and corruption).

- 2.5. The Council actively promotes an 'open' culture whereby decisions are made in public and open to scrutiny. As part of the Transparency Agenda the Council publishes a wide range of expenditure and related data which are available on the website. As such these are open to Scrutiny by the public. The Council has robust Governance arrangements in place which meet best practice requirements.

- 2.6 Where either staff or members of the public have concerns there are a number of channels available to report these concerns through:
- Directors / Assistant Directors / Managers
 - The Chief Executive
 - Internal Audit Section
 - The Council's External Auditors
 - Through the Council's Complaints Procedure
 - Both Councils websites provide details of how to report fraud. These details can be accessed by typing "fraud" in the search box which appears on the opening page.
 - Alternatively benefit fraud can be reported directly to the Department for Work and Pensions at their website, or alternatively at the GOV.UK site. Again type "fraud" in the search box which appears on the opening page. The GOV.UK site allows a wide variety of fraud such as taxation matters to be reported.
- 2.7 Senior Management are responsible for following up any allegation of fraud or corruption received and will do so by taking the following action: -
- immediately informing the Head of Internal Audit, or the Chief Financial Officer (Executive Director - Operations), or the Chief Executive.
 - recording and securing all evidence received and collected;
 - ensuring that evidence is sound and adequately supported;
 - implementing Council disciplinary procedures where appropriate;
 - where the matter is raised through the Confidential Reporting Policy, responding in accordance with that Policy.
- 2.8 Senior Management are required to deal swiftly and firmly with those who defraud the Council or who are corrupt.
- 2.9 The investigation process must not be misused and any abuse, such as raising malicious allegations, will be dealt with as a disciplinary matter.
- 2.10 The Council (Internal Audit) will report on a regular basis (at least annually) to the Audit Committee concerning its performance in respect of fraud and related matters.

3 PREVENTION

3.1 **Staff**

- 3.1.1 Staff recruitment will be in accordance with the Council's Recruitment and Selection procedures particularly with regard to the obtaining of written references. These will be used to assist in verifying the previous record of potential staff in terms of propriety and integrity. All recruitment processes must involve the Council's HR team.
- 3.1.2 Employees of the Council must follow the Employee Code of Conduct which is included in Part 5 of the Council's Constitution.
- 3.1.3 Employees must declare any circumstances where their personal interests (financial and non-financial) may conflict with those of the Council e.g. processing a planning application form for a relative or friend. Any concerns regarding a potential conflict of interest must be discussed with a senior manager.
- 3.1.4 The Council has in place agreed disciplinary procedures which management and employees must follow.
- 3.1.5 Many procedures have been designed to ensure that the work of one member of staff is checked by another. These types of checks are important deterrents to fraud. Managers must ensure that all staff have access to procedural guidance and should ensure – including by periodic checks - that agreed procedures are being operated.
- 3.1.6 Based upon a risk assessment where necessary staff will receive appropriate training to ensure that they are equipped to identify and tackle fraud related matters.
- 3.1.7 Investigation officers will receive appropriate levels of training ensuring high quality investigations. This will include training by other professional investigation bodies such as the police.
- 3.1.8 Computer Payroll details held by the Council will be compared with computer benefit details and any matches will be investigated. Likewise any data matches raised by the National Fraud Initiative will be investigated. The provisions of the Data Protection legislation will be applied.

3.2 **Members**

3.2.1 Councillors and co-opted members must follow the rules in Part 5 of the Council's Constitution, including:

- General Principles of Conduct
- Members' Code of Conduct
- Code of Conduct on Planning Matters
- Summary of other rules affecting members' conduct
- Protocol on Member / Officer Relations

Councillors are made aware of these rules as part of the Induction Process, and further on going training will be provided as appropriate.

3.2.2 The Council has in place appropriate procedures to deal with standards of conduct of District and Parish Councillors and co-opted members.

3.3 **Systems**

3.3.1 It is a management responsibility to maintain the internal control system. This includes the responsibility for the prevention of fraud and other illegal acts. By undertaking an agreed plan of work, internal audit will evaluate the adequacy and effectiveness of these controls as a means of assisting management to discharge its responsibilities.

3.3.2 The Chief Financial Officer (Executive Director - Operations) has a statutory responsibility under Section 151 of the Local Government Act 1972 to ensure the proper arrangement of the Council's financial affairs. In addition the Monitoring Officer (Assistant Director – Governance and Monitoring Officer) is responsible for ensuring that the Council's business is conducted in accordance with legislation and good practice.

3.3.3 To help ensure that robust systems are maintained the Financial Regulations require that all service financial recording systems must be designed in consultation with and to the satisfaction of the Chief Financial Officer.

3.3.4 The Council's Financial Regulations and Procedures are set down in Part 4 of the Council's Constitution. These Regulations and Procedures set out in detail how the Council's financial affairs are to be administered and controlled.

3.4 **Combining with Others**

3.4.1 Arrangements are in place to encourage the exchange of information between the Council and other agencies on fraud and corruption activity as an aid to prevention/detection. The agencies involved include: -

- The Councils External Auditors (KPMG);
- Department for Work and Pensions;
- Inland Revenue;
- Customs and Excise.

In exchanging data with other organisations the Council will comply with the requirements of the Data Protection legislation.

4 DETECTION AND INVESTIGATION

4.1 The internal control and other monitoring systems outlined above have been designed to highlight fraudulent activity, and they should be sufficient in themselves to deter fraud.

4.2 It is the responsibility of Directors and their managers to prevent and detect fraud and corruption. However it is often the alertness of other staff, Members and the public that enables detection to occur and appropriate action to be taken.

4.3 Financial Procedures require Directors and other Managers to immediately notify the Chief Financial Officer (Executive Director - Operations) or the Head of Internal Audit of any financial irregularity or suspected irregularity. Reporting is essential because it:

- Ensures consistent treatment;
- Enables investigation to be assisted by an independent team;

- Ensures agreed investigation procedure is followed.
- 4.4 Depending on the nature and the anticipated extent of the allegations, the Internal Audit Section will normally work closely with Management and other Agencies, such as the Police, to ensure that all allegations and evidence are properly investigated and reported upon, and where appropriate, maximum recoveries are secured for the Council.
- 4.5 The Council's Disciplinary procedures will be used where the outcome of an investigation indicates improper behaviour by a Council Employee.
- 4.6 Ignoring potential/possible fraud, including benefit fraud, may be construed as improper behaviour by a Council employee. If an employee has any suspicion, they should make appropriate officers aware, so that the matter can be investigated in accordance with the confidential reporting policy.

The people to contact are:-

- * your Manager
- * your Director/Assistant Director
- * the Chief Financial Officer
- * the Head of Internal Audit
- * the Benefits Team

Where your own Director or Manager is not available or should you so choose then you should contact another senior manager.

- 4.7 Causing or allowing a person to either make a false statement or declaration, or to fail to notify a change of circumstances is an offence under the law relating to the payment of benefit. Any employee / member involved is liable to prosecution.

- 4.8 Where financial impropriety is discovered, the Council's presumption is that the Police will be called in. Referral to the Police is a matter for the Chief Executive, in consultation with the Chief Financial Officer or other relevant Director. Referral to the Police will not prohibit and should not delay action under the Disciplinary Procedure.

5 HOUSING/COUNCIL TAX BENEFITS

- 5.1 While the Council encourages genuine claimants to apply for benefits to which they are entitled it has adopted a number of initiatives to detect and prevent fraudulent applications, such as: -

- A Verification Framework; which incorporates checks at the start and during the life of a benefit claim;
- A page on the Council's website provides a range of information for reporting suspected fraud.
- Publicity for a national fraud 'hotline' and the reporting tool on the Department of Work and Pensions website together with details on the Council's website of other channels for reporting issues.
- participation in the DWP sponsored or similar Datamatching exercise;
- use of the Royal Mail 'do not redirect' facility on benefit payments to private tenants;
- internal data matching, payroll data to benefit data;
- using computer links to the Department for Work and Pensions to check entitlements, to receive benefit notifications, and to check National Insurance numbers and other data;
- having a prosecution policy for alleged benefit / council tax fraudsters;
- carrying out joint fraud investigations with other bodies such as DWP.
- Regular articles in the Council's news publication circulated to all residents.

- 5.2 The Council has a Policy of undertaking the Prosecutions of persons who have committed criminal offences in obtaining housing benefit and/or council tax benefit to which they were not entitled.

- 5.3 Revenues and Benefit staff receive training in fraud awareness. Codes of Conduct have been established for these staff. These explicitly state that no employee should deal with any claimant who is personally known to them or get involved in any case where they have a pecuniary interest, e.g. the claim is in respect of a property they own or for a member of their family.

6 RAISING AWARENESS OF THIS POLICY STATEMENT

6.1 To be effective, it is essential that all staff and Members are aware of the existence of this Policy Statement. This will be achieved through a variety of means, including training, availability on the website, articles in Council publications.

7 CONCLUSION

7.1 The Council has in place a clear set of systems and procedures to assist it in the fight against fraud and corruption.

7.2 The Council will maintain a continuous overview of such arrangements through the annual review of the Constitution and Financial Regulations / Procedures, various Codes of Conduct and audit arrangements.

7.3 This Policy Statement will be subject to periodic review to ensure its continued relevance.

October 2015

ANTI MONEY LAUNDERING POLICY
(INCORPORATING TERRORIST FINANCING REQUIREMENTS)

1. INTRODUCTION

The Proceeds of Crime Act (POCA) 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 place obligations on the Council and its employees regarding suspected money laundering.

The legislative requirements concerning anti money laundering procedures are lengthy and complex. This policy has been written so as to enable the Council to comply with the Proceeds of Crime (Anti-Money Laundering) Practical Guidance for Public Service Organisations by Chartered Institute of Public Finance and Accountancy (CIPFA) relating to the anti money laundering regulations. While all organisations are required to take appropriate steps to prevent money laundering local authorities do not undertake activities which have been identified as being high risk and the approach outlined is considered proportionate to what is considered to be a low risk to the Council and its employees. While the Council undertakes activities considered to be 'low risk' what constitutes money laundering is very widely defined and it is important that the Council takes appropriate steps to prevent money laundering.

2. SCOPE OF POLICY

This policy applies to all employees of the Council and aims to maintain high standards of conduct, by reducing the risk of criminal activity through money laundering. This policy sets out the procedures, which must be followed.

The Anti Money Laundering Policy is part of the Council's Anti Fraud and Corruption Policy and Strategy and sits alongside its Whistleblowing Policy and Employees Code of Conduct.

3. WHAT IS MONEY LAUNDERING?

Money laundering is defined as the process by which the proceeds of crime, and the true ownership of those proceeds, are changed so that the proceeds of crime appear to come from a legitimate source.

Primary money laundering offences include:

- concealing, disguising, converting, transferring of criminal property or removing it from the United Kingdom
- entering into or becoming involved in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person
- acquiring, using or possessing criminal property.

There are also two secondary offences:

- failure to disclose any of the three primary offences
- 'tipping off' whereby somebody informs a person or persons who are, or who are suspected of being involved in money laundering, in such a way as to reduce the likelihood of their being investigated or prejudicing an investigation.

4. WHAT IS TERRORIST FINANCING?

The Terrorism Act 2000 creates a money laundering offence under Section 18 whereby a person commits an offence if he or she enters into or becomes concerned in an arrangement which facilitates the retention or control by or on behalf of another person of terrorist property:

- by concealment
- by removal from the jurisdiction
- by transfer to nominees, or
- in any other way.

5. OBLIGATIONS ON THE COUNCIL

The obligations on the Council as set out in the CIPFA Money Laundering Guidance for Local Authorities are to establish appropriate procedures to prevent the Council being used as a vehicle for money laundering:

- identify the potential areas where it may occur
- Ensuring those staff most likely to be exposed to money laundering are aware of the requirements and obligations placed on the Council and on them as individuals.

- provide targeted training for those staff considered to be most likely to encounter money laundering including issuing a staff guidance note and undertake training for staff working in those areas
- nominate an officer to whom concerns regarding cases of suspected money laundering can be reported.

6. REPORTING CONCERNS

The nominated officer who will receive the concerns of staff relating to money laundering is the Executive Director - Operations. All concerns must be reported immediately to either the Director or a senior officer in the Finance Team. Alternatively the Head of Internal Audit or a senior member of the internal audit team may be contacted.

Staff must not discuss their suspicions with the suspect and must not take any action that may alert the suspect to their suspicions. Tipping off a money laundering suspect is an offence punishable by fine or prison sentence.

Money Laundering can be characterised by a number of activities and any suspicions should be raised with the Money Laundering Officer. A money laundering transactions may have some of the following features:

- A large cash transaction.
- An unnecessarily complex transaction involving for instance the use of third party bank accounts, etc.
- A change in the source and or destination of any funding, or the involvement of any unconnected third party.
- Absence of any obvious legitimate source of funds.
- The size, nature and frequency of transactions are out of line with normal expectations.
- Money comes in from or is paid to an unexpected source.

Bolsover District Council

Executive

4th January 2016

Proposed Upgrade to Revenues and Benefits System

Report of Joint Assistant Director – Finance, Revenues and Benefits

This report is public

Purpose of the Report

- The purpose of the report is to present to Executive for approval proposed upgrades to the Academy system utilised by the Revenues and Benefits team in order to secure improvements in the flexibility and accessibility of the service provided to local residents, together with cashable savings from reducing overpayments, preventing fraud and securing service efficiencies.

1 Report Details

Upgrade of Academy Revenue and Benefits Software:

- 1.1 There are two items for consideration within this report the first of which requires an upgrade to the Capita Academy system. While the current system is functional it is essentially a paper based system under which residents complete paper based forms which are then submitted to the Council for input into our IT systems for the processing of information (new residents, change of circumstances), or benefits claims. Given the reality that customers are increasingly seeking to both access and change data online the Council needs to give consideration as to whether we need to enhance the availability of our systems for self service. Against a background where residents increasingly expect a self service option while self service is generally more cost effective the reality is that at some stage in the near future the Council will need to upgrade its systems in line with the proposals set out within this report. Executive will be aware that the Government is planning to transfer a range of current benefits administration onto Universal Credit over the period of the current Parliament. Given that Universal Credit will be based upon internet and on the self service, providing current systems on a similar basis will help this process of transition and put the Council in a better position to negotiate a continued role in the provision of the benefit service.
- 1.2 The Council's supplier Capital has provided the following quotations to cover the cost of upgrading the system:

Description	Implementation Cost £'s	Annual Charge £'s
Business Rates Connect Platform	5,000	1,000
Council Tax Connect Platform	12,000	2,400
Housing Benefits Connect Platform	9,000	1,800
Council Tax Change of Address	7,500	750
Direct Debit via Web – (Council Tax and NNDR)	7,500	0
E Billing Enable String	7,500	0
E Claim Form	3,000	1,000
eNotification	2,500	250
Landlord Access	5,000	500
Online Connect Authentication	3,500	350
On Line SPD	4,000	0
Self Service Change in Circumstances	4,000	1,200
Mobile Rendering	3,500	350
Fixed Cost Project Management and Implementation Services	12,375	0
<u>Less Discount</u>	(20,075)	(2,200)
Total	66,300	7,400

The specific services which will be delivered by the proposed upgrade to the system are as follows:

- Ability to process change of address, or other change of circumstances on line.
- Ability to send bills electronically and to make payments on line for both Council Tax and Benefit overpayments.
- Ability to set up direct debits on the internet.
- Complete benefit claim form on line.
- Landlord able to view housing benefit payments, etc on line.
- Ability to claim Single Person Discount.
- Secure connections with appropriate data protection controls maintained by Capita, including the ability to access the system through mobile devices.

In overall terms the above functionality will enable residents to process either benefit claims or Council Tax changes on line. That provides a significant improvement in access and convenience for local residents, facilitates more timely payments, and in respect of those of working age helps build skills that are increasingly required in the modern workplace. For the Council there are significant efficiencies which include the fact that the information provided in an electronic format goes directly into back office systems without requiring further manual input (although an element of verification and quality checking is likely to be required), while paper communication would be reduced.

- 1.3 The second item for consideration concerns an opportunity to join a Derbyshire Wide consortium of authorities in implementing a software package which is aimed at identifying fraud, or high risk cases requiring further evaluation. The Consortium has emerged from a group of Councils including Erewash, Chesterfield and Derbyshire Dales and effectively has now been expanded to include all the District Councils in Derbyshire. At this point in time Bolsover, High Peak and North East Derbyshire are all in the process of evaluating the software concerned and considering whether the Business Case for acquisition is sufficiently robust to proceed.

- 1.4 The software that is on offer consists of two packages the first of which links to call credit and can help identify high risk cases and those where Single Person Discount may be being incorrectly claimed. The focus on high risk cases should help ensure that they face a more rigorous verification process and therefore will help prevent erroneous claims from getting into the system thus minimising risks such as housing benefits overpayments which are time consuming and often result in the Council making payments which it is not able to recover. Secondly, the identification of cases where Single Person Discount is being claimed in error will maximise Council Tax revenues to the Authority. For every individual incorrectly claiming Single Person Discount there is a loss of revenue in a Band A property of some £250. Identifying 100 people incorrectly claiming Single Person Discount would save £25,000 p.a. even on the basis of the lowest Council Tax band, and this increased income would fund the annual running costs.
- 1.5 Given that some 70% of this benefit would flow to Derbyshire County Council officers are currently discussing the option of developing a Business Case on a Derbyshire wide basis in order to seek to secure Transformation Funding (in partnership with DCC) to cover at least part of these costs.
- 1.6 At this stage Officers are in the process of undertaking an evaluation of the software and in particular the benefits that it would secure if adopted. Issues such as price are still at a negotiating stage and any cost to this Council may be offset by Transformation Funding secured from Derbyshire County Council.

2 Conclusions and Reasons for Recommendation

- 2.1 This report is recommending an upgrade to the Council's Revenue and Benefits system which entails installation costs of £66,300 with additional running costs of £7,400 p.a. While the existing system remains functional the upgrades concerned will allow the service to be accessible to residents through the internet, providing what for many residents will be a more flexible means of communication with the Council, whilst securing the cost reductions arising from moving contact from face to face or the phone to self service. In addition the Council is working as part of a wider consortium of Derbyshire Authorities in order to evaluate whether to acquire some stand alone software which would facilitate improved verification of Benefits Claims and claims for Single Person discount. Given that we are currently only at the stage of initial evaluation a further report back to Executive would be required before we proceeded to implementation.

3 Consultation and Equality Impact

- 3.1 There are no direct consultation or equality impact implications arising from this report.

4 Alternative Options and Reasons for Rejection

- 4.1 The main alternative option is that the Council decides against implementing the recommendations outlined within this report. While that is a reasonable approach it needs to be understood that the Council would be unable to move away from what is essentially a paper based system to one which allows customer access and self service by means of the internet.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 On the basis that the recommendations are agreed, the initial costs to the Council of installing the system would be funded from the Transformation Reserve. The increase in annual servicing costs would need to be incorporated into base budgets with effect from the 2016/17 financial year. While the financial savings that will be achieved from this project will largely depend upon how many residents utilise the option to move to self service, officers are of the view that this is likely to prove to be an Invest to Save option and the generation of savings will be monitored through the Council's Transformation Programme. Within the Transformation Programme Officers will be seeking to secure a payback period of 4 years which implies annual savings of some £25,000 will be secured. These savings will be secured from a combination of reduced staffing costs (including temporary cover arrangements), reduced transaction costs eg increased use of direct debits and from reduced postage and printing.
- 5.1.2 Given that Capita is the Council's existing supplier it is considered that the services to be supplied constitute an extension to an existing contract, and there is in no alternative supplier available in respect of the goods concerned. Whilst the Council would have the alternative of undertaking a retendering exercise for the entire Revenues and Benefits system, this is not considered likely to secure any significant ongoing savings and were we to switch to an alternative supplier there would be significant costs of implementation.

5.2 Legal Implications including Data Protection

- 5.2.1 Legal issues are covered in the report. In relation to the need to tender, this contract falls under the exemption in 4.8.4 (c) of the Procurement Rules in the Constitution which states as follows:-

“The work to be executed or the goods or services to be supplied constitute an extension to an existing contract and it is the view of the Senior Officer that it would not be in the interests of the service or the Council to tender the contract. The Senior Officer must ensure that a record of the decision is made on the project file”

- 5.2.2 Data Protection issues are covered in the relevant sections of the report. .

5.3 Human Resources Implications

- 5.3.1 There are no HR implications arising directly from this report. However, over time, the workload and type of work is likely to evolve to reflect the greater use of online options.

6 Recommendations

- 6.1 That approval is given for the upgrade of the Council's Revenues and Benefits system as outlined within this report at an initial cost of £66,300 with an increase in annual costs of £7,400p.a. The initial cost will be met from the Transformation Reserve, with the increase annual costs included within base budgets.

- 6.2 That the project is set a target payback period of four years with progress against that target to be monitored through the Transformation Programme.
- 6.3 That it should be noted that as take-up levels by local residents for the self service option are outside of the Council's control this means that there are risks which may prevent the required level of financial savings from being secured.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	Yes
District Wards Affected	All.
Links to Corporate Plan priorities or Policy Framework	Providing Our Customers with Excellent Service Transforming Our Organisation

8 Document Information

Appendix No	Title
None	
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report to SAMT 18 th September 2015	
Report Author	Contact Number
Assistant Director Finance, Revenues and Benefits	01246 242214

Bolsover District Council**Executive****4th January 2016****Arrears – Irrecoverable Items over £2500****Report of the Joint Executive Director Operations**

This report is public

Purpose of the Report

- Executive is requested to approve the write off of the under-mentioned irrecoverable items including costs amounting to £49,825.83 as itemised on the attached schedules.

1 Report Details

1.1 The report details the amounts which are recommended for write off:

Bankruptcy/ Liquidation		
No of Accounts	Type of Account	
6	Council Tax	£28,884.52
4	Business Rates	£14,932.39
2	Benefit Overpayments	£6,008.92
	Total	£49,825.83

1.2 The above schedules are recommending the write off of these outstanding debts. Where the debtor is bankrupt / in liquidation there is no realistic prospect of recovery.

2 Conclusions and Reasons for Recommendation

2.1 The report seeks agreement to writing off of outstanding debts in respect of persons who are bankrupt / in liquidation. The process of writing off debts which are not collectable allows resources to be directed at those elements of outstanding debt where there is greater chance of recovery, while it improves the accuracy of the

Council's financial statements in that they no longer detail debt which is effectively irrecoverable.

3 Consultation and Equality Impact

There are no issues concerning consultation or equalities arising directly from this report.

4 Alternative Options and Reasons for Rejection

The only option is not to write off the amounts concerned which for reasons outlined within the report is not considered to be an appropriate course of action.

5 Implications

5.1 Finance and Risk Implications

The costs will be met from the provision for doubtful debts that has been agreed as part of the Council's budget.

5.2 Legal Implications including Data Protection

There are no issues arising directly from this report.

5.3 Human Resources Implications

There are no issues arising directly from this report.

6 Recommendations

6.1 That approval is given to write off the irrecoverable items including costs amounting to £49,825.83 with the proviso that should any of the debts become collectable the amounts be re-debited.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	N/A
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
1 2 3	Council Tax: Amounts for Write Off – Bankruptcy Business Rates: Amounts for Write Off – Liquidation Benefit Overpayments: Amounts for Write Off – Bankruptcy
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Billing and Recovery Manager	Ext 2432

COUNCIL TAX: AMOUNTS FOR WRITE OFF - BANRUPTCY

<u>Account Reference</u>	<u>Lead Liabe Name</u>	<u>Address</u>	<u>Account Balance</u>	<u>Liabe From</u>	<u>Liabe To</u>	<u>Bill Balance</u>
1 901250408	STANFORTH,MR JAMIE	23 NIGHTINGALE AVENUE PLEASLEY NG19 7QN	£ 6,195.91	01/04/2009	01/04/2010	£ 507.01
				01/04/2010	01/04/2011	£ 1,341.00
				01/04/2011	01/04/2012	£ 1,286.82
				01/04/2012	01/04/2013	£ 1,307.06
				01/04/2013	01/04/2014	£ 1,754.02
2 901585160	BHARJ,MR HADEEP	9A ROTHERHAM ROAD NEW HOUGHTON NG19 8TA	£ 2,608.25	17/07/2013	01/04/2014	£ 521.92
				01/04/2014	01/04/2015	£ 1,009.00
				01/04/2015	01/04/2016	£ 1,077.33
3 901172202	MCALEESE,MR GARY	11 THE OAKLANDS SOUTH NORMANTON DE55 3BN	£ 1,862.54	04/10/2005	01/04/2006	£ 1,090.13
				01/04/2006	04/08/2006	£ 772.41
4 901259757	MCALEESE,MR GARY	11 THE OAKLANDS SOUTH NORMANTON DE55 3BN	£ 17,241.27	01/04/2008	01/04/2009	£ 2,190.00
				01/04/2009	01/04/2010	£ 2,397.39
				01/04/2010	01/04/2011	£ 2,280.07
				01/04/2011	01/04/2012	£ 2,626.95
				01/04/2012	01/04/2013	£ 2,636.65
				01/04/2013	01/04/2014	£ 2,651.75
				01/04/2014	27/02/2015	£ 2,458.46
5 900913625	MCALEESE,MR GARY	11 THE OAKLANDS SOUTH NORMANTON DE55 3BN	£ 610.96	05/11/2004	01/04/2005	£ 610.96
6 901191355	MCALEESE,MR GARY	11 THE OAKLANDS SOUTH NORMANTON DE55 3BN	£ 365.59	03/11/2006	18/02/2007	£ 365.59
			£ 28,884.52			

BUSINESS RATES: AMOUNTS FOR WRITE OFF: LIQUIDATION

<u>Account Reference</u>	<u>Lead Liabile Name</u>	<u>Address</u>	<u>Account Balance</u>	<u>Liabile From</u>	<u>Liabile To</u>	<u>Bill Balance</u>
1 800167712	RESIN SHOP LTD	UNIT 7 AT 1 BROOKHILL LANE BROOKHILL INDUSTRIAL ESTATE PINXTON	£ 5,488.92	01/04/2013 01/04/2015	01/04/2014 08/09/2015	£ 2,184.00 £ 3,304.92
2 800172543	W KING PRECISION ENGINEERING	UNITS 2 & 3 AT 16 PLYMOUTH AVENUE BROOKHILL INDUSTRIAL ESTATE PINXTON	£ 1,385.36	01/04/2014 01/04/2015	01/04/2015 15/05/2015	£ 721.75 £ 663.61
3 800172552	W KING PRECISION ENGINEERING	UNIT 1 AT 16 PLYMOUTH AVENUE BROOKHILL INDUSTRIAL ESTATE PINXTON	£ 3,900.72	01/04/2014 01/04/2015	01/04/2015 15/05/2015	£ 3,064.00 £ 836.72
4 800187628	VIPER COATINGS LTD	UNIT 2 AT 20 BROOKHILL LANE BROOKHILL INDUSTRIAL ESTATE PINXTON	£ 4,157.39	01/04/2015	04/09/2015	£ 4,157.39
			<u>£14,932.39</u>			

BENEFIT OVERPAYMENT: AMOUNTS FOR WRITE OFF: BANKRUPTCY

	<u>Account Reference</u>	<u>Lead Liable Name</u>	<u>Address</u>	<u>Account Balance</u>	<u>Invoice Number</u>	<u>Bill Balance</u>
1	87175	MRS L WHEATLEY	15 ALANDALE AVENUE LANGWITH JUNCTION NG20 9RU	£ 3,226.51	30219418	£ 3,226.51
2	42259	MRS S LINDLEY	36 OLIVE AVENUE SHIREBROOK NG20 8HN	£ 2,782.41	30295694	£ 2,782.41
				<hr/> £ 6,008.92 <hr/>		