

NORTH HERTFORDSHIRE DISTRICT COUNCIL



26 January 2024

Our Ref Cabinet Tuesday, 6 February 2024
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To: Members of the Cabinet:

Executive Members Councillors: Elizabeth Dennis (Chair) Ruth Brown (Vice Chair)
Ian Albert, Amy Allen, Keith Hoskins, Steve Jarvis, Sean Prendergast and
Alistair Willoughby.

Deputy Executive Members Councillors: Matt Barnes, Mick Debenham, Dominic Griffiths,
Ian Mantle, Tamsin Thomas, Tom Tyson and Dave Winstanley.

NOTICE IS HEREBY GIVEN OF A

MEETING OF THE CABINET

to be held in the

**COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERON
ROAD, LETCHWORTH GARDEN CITY, SG6 3JF**

on

TUESDAY, 6TH FEBRUARY, 2024 AT 7.30 PM

Yours sincerely,

Jeanette Thompson
Service Director – Legal and Community

****MEMBERS PLEASE ENSURE THAT YOU DOWNLOAD ALL AGENDAS AND REPORTS VIA THE MOD.GOV APPLICATION ON YOUR TABLET BEFORE ATTENDING THE MEETING****

Agenda **Part I**

Item **Page**

1. APOLOGIES FOR ABSENCE

2. NOTIFICATION OF OTHER BUSINESS

Members should notify the Chair of other business which they wish to be discussed at the end of either Part I or Part II business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency.

The Chair will decide whether any item(s) raised will be considered.

3. CHAIR'S ANNOUNCEMENTS

Climate Emergency

The Council has declared a climate emergency and is committed to achieving a target of zero carbon emissions by 2030 and helping local people and businesses to reduce their own carbon emissions.

A Cabinet Panel on the Environment has been established to engage with local people on matters relating to the climate emergency and advise the council on how to achieve these climate change objectives. A Climate Change Implementation group of councillors and council officers meets regularly to produce plans and monitor progress. Actions taken or currently underway include switching to green energy, incentives for low emission taxis, expanding tree planting and working to cut food waste.

In addition the council is a member of the Hertfordshire Climate Change and Sustainability Partnership, working with other councils across Hertfordshire to reduce the county's carbon emissions and climate impact.

The Council's dedicated webpage on Climate Change includes details of the council's climate change strategy, the work of the Cabinet Panel on the Environment and a monthly briefing on progress.

Ecological Emergency

The Council has declared an ecological emergency and is committed to addressing the ecological emergency and nature recovery by identifying appropriate areas for habitat restoration and biodiversity net gain whilst ensuring that development limits impact on existing habitats in its process.

The Council has set out to do that by a) setting measurable targets and standards for biodiversity increase, in both species and quantities, seeking to increase community engagement, b) to work with our partners to establish a Local Nature Partnership for Hertfordshire and to develop Nature Recovery Networks and Nature Recovery Strategy for Hertfordshire and c) to investigate new approaches to nature recovery such as habitat banking that deliver biodiversity objectives and provide new investment opportunities.

Declarations of Interest

Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chair of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest, wishing to exercise a 'Councillor Speaking Right', must declare this at the same time as the interest, move to the public area before speaking to the item and then must leave the room before the debate and vote.

4. PUBLIC PARTICIPATION

To receive petitions, comments and questions from the public.

5. ITEMS REFERRED FROM OTHER COMMITTEES

Any Items referred from other committees will be circulated as soon as they are available.

6. UPDATE TO COMMON HOUSING ALLOCATION SCHEME

REPORT OF THE SERVICE DIRECTOR – HOUSING AND ENVIRONMENTAL HEALTH

(Pages 5
- 56)

The Council and settle housing share a Common Housing Allocation Scheme (CHAS), which sets out who can apply for affordable housing in the district and how it is allocated.

7. EMPTY HOMES STRATEGY

REPORT OF THE SERVICE DIRECTOR – HOUSING AND ENVIRONMENTAL HEALTH

(Pages
57 - 112)

This strategy states the objectives North Herts Council (the Council) has set itself so as to endeavour to bring as many long-term vacant homes back into occupation as is practicable.

8. NORTH HERTS DIGITAL STRATEGY

REPORT OF THE SERVICE DIRECTOR – CUSTOMERS

(Pages
113 -
132)

To consider the proposed North Herts Digital Strategy 2024-27.

9. COUNCIL TAX PREMIUMS FOR EMPTY AND SECOND HOMES

REPORT OF THE SERVICE DIRECTOR – CUSTOMERS

(Pages
133 -
150)

To consider increasing the council tax premiums on empty homes and introducing a new premium on second homes in a phased approach.

10. REVENUE BUDGET 2024/25

REPORT OF THE SERVICE DIRECTOR – RESOURCES

(Pages
151 -
182)

To consider the Revenue Budget 2024/25.

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PART 1 – PUBLIC DOCUMENT

UPDATE TO THE COMMON HOUSING ALLOCATION SCHEME

REPORT OF SERVICE DIRECTOR – HOUSING AND ENVIRONMENTAL HEALTH

EXECUTIVE MEMBER: COUNCILLOR SEAN PRENDERGAST

COUNCIL PRIORITY: PEOPLE FIRST

1. EXECUTIVE SUMMARY

- 1.1. The Council and settle Group share a Common Housing Allocation Scheme (CHAS), which sets out who can apply for affordable housing in the district and how it is allocated.
- 1.2. This report details proposed changes to the CHAS, which are primarily intended to ensure that scarce affordable housing continues to be prioritised for those who need it the most, but also to update the CHAS where necessary, following changes to the policy environment and working practices.

2. RECOMMENDATIONS

- 2.1. That Cabinet approves the updated Common Housing Allocation Scheme.
- 2.2. That Cabinet delegates to the Director of Housing and Environmental Health in conjunction with the Executive Member for Housing and Environmental Health, the power to make minor amendments to the Common Housing Allocation Scheme from time to time and to agree the date for its commencement.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To update the Common Housing Allocation Scheme (CHAS), to ensure that scarce affordable housing in the district continues to be prioritised for households in the greatest need. Also to ensure that the CHAS remains up-to-date following changes in the policy environment and working practices.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None. The current CHAS was approved by Cabinet at its meeting on 26th July 2016 (with further minor amendments made under delegated authority in the intervening period) and it is now timely to update it.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 The Executive Member for Housing and Environmental Health, Cllr Sean Prendergast the Deputy Executive Member for Housing and Environmental Health, Cllr Dave Winstanley, have both been consulted and are supportive of the proposals contained in this report.

- 5.2 These amendments have been agreed with settle, which works together with the Council as the North Hertfordshire Housing Partnership (NHHP) to jointly manage and operate the CHAS and the Common Housing Register.
- 5.3 Public consultation took place over six weeks in Autumn 2023, with residents invited to express their views on the proposed major changes via an online survey. The consultation was publicised via the Council and settle's websites and social media platforms. Households currently registered for affordable housing were contacted directly, as were partners and stakeholders that the Council works with including local housing providers, health services, the police, members of the North Herts Homeless Forum and the Department for Levelling Up, Housing and Communities. In total, over 600 completed responses were received with a majority in favour of each of the proposed changes to the CHAS. Appendix 1 summarises responses received.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a Key Decision that was first notified to the public in the Forward Plan on 18th August 2023.

7. BACKGROUND

- 7.1. The Council is legally required to have an allocation scheme for determining how the allocation of affordable (also known as social) housing in the district is prioritised, who qualifies for it and the procedures to be followed. In North Herts, the district's Common Housing Allocation Scheme (CHAS) is jointly managed by the Council and settle as the North Hertfordshire Housing Partnership (NHHP). The NHHP also administer and manage the district's Common Housing Register (CHR), the register of households who qualify for affordable housing.
- 7.2. Affordable housing in North Herts is owned and managed by over 20 private registered providers of housing, the largest of which is settle, to which the Council transferred its housing stock in 2003. Demand for affordable housing in the district has always outstripped supply – there are currently almost 2,500 households on the CHR with the longest wait times for larger properties, averaging up to five years. Households on the CHR include those who need to move because their current housing is adversely affecting a medical condition or disability (for example, wheelchair users whose accommodation is not accessible), those living in overcrowded or poor condition accommodation and those who are homeless.
- 7.3. Homes are allocated through choice based lettings, whereby available properties are advertised and applicants select which properties they wish to be considered for and express an interest in the property. A property will be offered to the applicant with the highest preference (priority) on the Register. There is no requirement for applicants to bid for properties (although restrictions do apply for homeless households) so wait times will in part be dependent on applicants' bidding activity.
- 7.4. The NHHP receives over 120 new applications each month, whilst in a typical year, around 400-430 lettings come up each year. The latest full-year statistics, for 2022/23, are available on our [website](#).
- 7.5. The current version of the CHAS was approved by Cabinet at its meeting on 26th July 2016. Minor amendments have since been made under delegated authority in response to a changing legislative environment (notably the Homelessness Reduction Act 2017), local operational changes and as specific issues have come to light. Now, however it is timely to propose more fundamental changes to the CHAS, in order particularly to ensure that affordable housing continues to be prioritised for households who need it the most.

8. RELEVANT CONSIDERATIONS

8.1 Affordable housing is the only option for many households in North Herts who cannot afford the high cost of home ownership, or of renting in the private sector which, in North Herts, is relatively small and in high demand. There are currently almost 2,500 households registered on the CHR. Affordable housing is by definition [intended] for those whose needs are not met by the market, and with ongoing cost of living challenges, it is all the more important to ensure that affordable housing continues to be prioritised for those who need it the most.

8.2 Full details of all proposed changes to the CHAS are set at in Appendix 2 to this report together with anticipated impacts. A number of minor amendments are proposed in response to changes in the operational environment or to clarify existing practice, including:

- tenancies to no longer be offered to applicants aged under 18, in line with current housing provider practice (paragraph 5.6 of the CHAS);
- unused preference for vulnerable applicants to be amended to reflect current practice (paragraph 19.2);
- offers of housing to be subject to applicants passing affordability checks now routinely conducted by housing providers (paragraph 22); and
- applicants being investigated for fraud to not be considered for offers of housing (paragraph 22).

Other minor changes are proposed to bring the CHAS up-to-date with changes in local and national policy/context, including for example due to the Deposit Guarantee Scheme ending.

8.3 In addition, a number of major changes are also proposed which will also bring in the Council in line with other local housing authorities. These were subject to a consultation period, as detailed at paragraph 5.2 and the results of this consultation are presented at Appendix 1. All of the proposed changes received a clear majority vote in favour (ranging from 62% - 88% of respondents in favour) and we are proceeding with the proposals as originally drafted with [a few] minor adjustments which are noted below.

8.4 The main driver behind the proposed major changes is the need to ensure that affordable housing in the district remains prioritised for those households who need it the most and who are unable to resolve their own housing needs. One of the key measures proposed is a change to the definition of what constitutes “sufficient resources” to enable a household to be able to meet their own housing need (paragraph 5.5.5). Currently, this is defined as a household being able to buy a suitable property on the open market, with households earning over £60,000 per year (gross income) also excluded from qualifying for the CHR. The changes proposed will both tighten this definition and refine it to allow for consideration of the size of property required by the household. Under the proposed new definition, an applicant will be considered to have sufficient resources if they are able to rent or buy a suitable property on the open market and specifically if the household has:

- a gross annual household income in excess of:
 - £39,000 (if a 1 bedroom/studio property is needed)
 - £50,000 (if a 2 bedroom property is needed)
 - £64,000 (if a 3+ bedroom property is needed)
- savings above the cap set by the Department for Work and Pensions for claiming Housing Benefit (currently £16,000).

8.5 The income thresholds are calculated using the most recent data on annual market rents from the Office for National Statistics and assumes that rents will be affordable

for a household if they make up less than one-quarter of the household's gross income. This will be reviewed annually and updated where necessary.

- 8.6 The savings cap was revised following feedback from consultation, so as not to be applicable to households requiring sheltered accommodation. This is to ensure that access to the CHR is not unfairly restricted for older residents for whom the private rented sector may be less suitable and who are more likely to have savings from the sale of the family home. Demand for sheltered accommodation is furthermore far less acute than that for general needs accommodation. Households requiring sheltered housing with savings above the proposed cap of £16,000 will be placed in to Band C, however they will not be awarded any other preference. This recognises that such households are likely to have more options available to them due to their more favourable financial circumstances.
- 8.7 In addition, it is proposed that homeowners requiring general needs accommodation should no longer qualify to join the CHR (paragraph 5.7). Homeowners requiring sheltered accommodation will still be allowed to join the CHR provided they have insufficient resources to resolve their own housing need, as currently.
- 8.8 It is recognised in the CHAS that the policy cannot cover every eventuality. Current provisions for senior officers to exercise discretion over qualification and preference where exceptional circumstances apply will continue unchanged.
- 8.9 The remaining major changes proposed concern preference (priority) awarded for specific housing needs. It is proposed to remove preference for households with children living in accommodation that is above ground floor and/or without access to a secure garden (currently a low preference is awarded) (paragraph 17.1.7). This is to prioritise scarce affordable housing for those with other, higher needs. The district is fortunate to have plentiful, accessible outdoor spaces and play areas and medical priority can be awarded to households who are unable to navigate stairs to their property. Most of the families who would be affected by this change also receive preference for other housing needs, for example lacking a bedroom or insecurity of tenure.
- 8.10 It is also proposed to remove preference for existing social tenants who are living in sheltered accommodation that is too big for them (paragraph 17.1.2) as there is no real requirement to free up more sheltered accommodation and this preference is no longer in use.
- 8.11 Finally, it is proposed to remove preference for households sharing facilities with others who are not included in their application but who have a legal right to reside in the property (ie joint tenants) (paragraph 17.1.9). This provision should not impact anyone living in situations where they may be at risk (of for example domestic abuse) as the CHR is not an immediate solution for these scenarios and they are able to seek emergency assistance as required outside of this policy.
- 8.12 Once the amendments to the CHAS have been finalised, a launch date will be identified whereby the changes will apply to all existing and future applicants.

9. LEGAL IMPLICATIONS

- 9.1. The Cabinet's Terms of Reference provides at paragraph 5.7.15; *"To oversee the provision of all the Council's services other than those functions reserved to the Council"*.
- 9.2. The Housing Act 1985 Section 1 (1) confirms that the District Council is the Local Housing Authority (LHA); Section 166A (1) of the Housing Act 1996 states that every LHA shall have a scheme for determining local priorities and the procedure to be

followed in allocating housing accommodation. The scheme must include a statement of the authority's policy on offering people who are to be allocated housing accommodation—

- (a) a choice of housing accommodation; or
- (b) the opportunity to express preferences about the housing accommodation to be allocated to them.

9.3 Under section 166(A)(3) of the Act the Council is required to give reasonable preference to certain categories of qualifying applicants, as follows:

- people who are homeless (within the meaning of Part 7);
- people who are owed a duty by any local housing authority under section 190(2), 193(2) or 195(2) or who are occupying accommodation secured by any such authority under section 192(3);
- people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;
- people who need to move on medical or welfare grounds (including any grounds relating to a disability); and
- people who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship.

9.4 In the exercise of their functions under Part 6 of the Housing Act 1996, local authorities must have regard to statutory guidance issued by the Secretary of State. The following additional statutory codes of guidance have also been published:

- Providing social housing for local people
- Right to move
- Improving access to social housing for victims of domestic abuse

10. FINANCIAL IMPLICATIONS

10.1 None.

11. RISK IMPLICATIONS

11.1 There is a risk that over the passage of time, the CHAS does not prioritise those in the highest need, hence the proposals contained in this report.

12. EQUALITIES IMPLICATIONS

12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2. An Equality Impact Assessment is included at Appendix 3. This illustrates that the changes are broadly viewed as positive for those with protected characteristics.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and “go local” requirements do not apply to this report. However, the proposals contribute to social value by providing community benefits that would otherwise not be realised.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to the proposals in this report.

15. HUMAN RESOURCE IMPLICATIONS

15.1 None

16. APPENDICES

16.1 Appendix 1: Consultation on the CHAS – Summary of responses

16.2 Appendix 2: Proposed amendments to the Common Housing Allocation Scheme

16.3 Appendix 3: Equality Analysis

17. CONTACT OFFICERS

17.1 Jo Doggett, Service Director – Housing and Environmental Health jo.doggett@north-herts.gov.uk ext 4470

17.2 Martin Lawrence, Strategic Housing Manager martin.lawrence@north-herts.gov.uk; ext 4250

17.3 Isabelle Alajooz, Acting Legal Manager and Deputy Monitoring Officer isabelle.alajooz@north-herts.gov.uk; ext 4346

17.4 Reuben Ayavoo, Policy and Community Engagement Manager reuben.ayavoo@north-herts.gov.uk; ext 4212

18. BACKGROUND PAPERS

18.1 None

Appendix 1:

Consultation on the Common Housing Allocation Scheme Summary of responses

1. Background

- 1.1 Consultation on proposed changes to the district's Common Housing Allocation Scheme (CHAS) took place over the period 22 September – 5 November 2023 via an online survey. The consultation was advertised widely across Council social media platforms and settle and Home4U websites. All households on the register for social housing were also contacted individually. In total, we received 585 completed returns from residents.
- 1.2 We also consulted with Council partners and stakeholders, including local housing providers, health services (including specialist voluntary organisations), the police, partners in the North Herts Homeless Forum and the Department for Levelling Up, Housing and Communities. 54 completed responses were received from stakeholders.

2. Profile of respondents

- 2.1 Residents responding to the consultation were asked to provide some basic information about themselves to provide context to the consultation. This is summarised in the tables below.

Table 1. Responses by tenure

	No.	%
Home owner	348	59%
Social tenant	136	23%
Private tenant	68	12%
With family	23	4%
Homeless	9	2%
(blank)	1	0%
Total responses	585	100%

Table 2. Responses by social housing registration

	No.	%
Registered for social housing	78	13%
Not registered for social housing	507	87%

3. **Headline figures**

- 3.1 Table 3 summarises the overall responses received from residents and stakeholders to the proposed changes. There was a clear majority in favour of all proposals, with proposals relating to home owners and under-occupiers receiving the most support and changes around the shared facilities preference receiving the least support.

Table 3. Summary of responses to proposed changes

Proposed change	Agree	Disagree
New income thresholds	73%	27%
Savings limit of £16,000	68%	32%
Home owners requiring general needs accommodation to no longer qualify	87%	13%
Remove preference for under-occupiers in sheltered housing	88%	12%
Remove preference for families living above ground floor	71%	29%
Remove preference for families lacking garden	67%	33%
Remove preference for sharing facilities with those who have legal right to reside in property	62%	38%

- 3.2 Resident responses to each proposal are broken down in more detail below, and includes a summary of open-ended comments which respondents had the opportunity to provide against each proposal.

4. **Detailed analysis of resident responses**

- 4.1 In general, support for proposals was fairly uniform, irrespective of whether respondents were registered for social housing or not. Tenants in social housing were however most likely to disagree with proposals, whilst home owners were most likely to agree with proposals.
- 4.2 There was still however majority support for all proposals across all sub-groups. Removal of shared facilities preference was the most contentious proposal, with 45% of social housing tenants disagreeing with the proposal. The removal of preference for under-occupiers in sheltered housing was the most popular, with 90% of home owners and 90% of respondents in other tenures supporting the proposal.

Qualification criteria: new income thresholds

- 4.3 Table 4 summarises responses to the proposal to introduce new income thresholds dependent on the size of home required, above which households would not qualify to join the register for social housing. The proposed thresholds are:

For households requiring a 1 bed property or studio: £39,000 per annum

For households requiring a 2 bed property: £50,000 per annum

For households requiring a 3+ bed property: £64,000 per annum

Table 4. Responses to proposed introduction of new income thresholds

	Agree	Disagree
All respondents	73%	27%
Registered for social housing	72%	28%
Not registered for social housing	74%	26%
Social tenant	64%	36%
Home owner	79%	21%
Other tenures	71%	29%

4.4 147 respondents (25%) provided further comments on the proposal, which attracted a spread of debate:

- thresholds are too generous and should be lowered (27% of comments);
- thresholds are too low, especially given the high cost of housing in the private sector (17% of comments). Some respondents commented on the extremely high rents in the private sector and also that privately renting is less desirable because it does not provide a stable home;
- broadly agree with the principle but believe cases should be considered individually as some households may have greater financial commitments – households with disabled members were mentioned in particular – and therefore a certain level of income would not necessarily mean they were able to afford to meet their own needs (11%);
- disagree with the proposal on principle, arguing that social housing should be for all, regardless of income whilst others again referenced unaffordable private housing especially lack of private rented properties (10% of respondents);
- social housing should be for 'local' people (9%), with some specifying this as people who have lived locally for a certain period of time and others as UK born people.

Qualification criteria: savings limit of £16,000

4.5 Table 5 summarises responses to the proposal to introduce a savings limit of £16,000 per household, above which households would not qualify for social housing.

Table 5. Responses to proposed introduction of £16,000 savings limit

	Agree	Disagree
All respondents	68%	32%
Registered for social housing	72%	28%
Not registered for social housing	67%	33%
Social tenant	57%	43%
Home owner	72%	28%
Other tenures	68%	32%

4.6 135 respondents (23%) provided further comments on the proposal, with the majority expressing strong views against the proposal:

- threshold is too low (32% of comments). Many believed savings of this scale (ie up to £16,000) were far from sufficient to meet their own housing needs, not being enough for a deposit on a home and not stretching very far in the private rental market, especially for larger families. By disincentivising people from saving for a deposit to buy their own home, this would further increase pressure on social housing. Some also suggested that people needed a small amount of savings "for a rainy day",

especially those with chronic health conditions and the elderly and also that it would be unfair to penalise people who benefited from small inheritances;

- disagree with the proposal in principle (28%), most commonly because they believed that people should not be penalised for saving for their futures. A few mentioned impact on the elderly/retired specifically;
- agree with the proposal (10%).

Home owners requiring general needs accommodation to no longer qualify

- 4.7 Table 6 summarises responses to the proposal that home owners requiring general needs accommodation should no longer qualify for social housing.

Table 6. Responses to proposed changes to home owners' qualification

	Agree	Disagree
All respondents	87%	13%
Registered for social housing	88%	12%
Not registered for social housing	87%	13%
Social tenant	83%	17%
Home owner	89%	11%
Other tenures	88%	12%

- 4.8 57 respondents (10%) provided further comments on the proposal, with the main themes of:

- agree with the proposal (35%);
- disagree with the proposal (19%), with respondents believing the private rented sector not to be a suitable housing option due to insecurity and high rents and others highlighting concerns about people trapped in abusive relationships and being unable to access social housing;
- should consider each case individually (12%).

Removal of preference for under-occupiers in sheltered housing

- 4.9 Table 7 summarises responses to the proposal that people living in sheltered accommodation with more bedrooms than they need should no longer receive preference on the register for social housing.

Table 7. Responses to proposal to remove preference for under-occupiers in sheltered housing

	Agree	Disagree
All respondents	88%	12%
Registered for social housing	85%	15%
Not registered for social housing	88%	12%
Social tenant	79%	21%
Home owner	90%	10%
Other tenures	90%	10%

4.10 41 respondents (7%) provided further comments on the proposal, although there were indications that the proposed change was not well understood. Main themes were:

- agree with the proposal (26%);
- disagree with the proposal (17%), with some questioning the point of the proposal if it is not going to release family size accommodation ;
- need for more housing for the elderly and/or provide incentives to downsize (7%);
- need to consider each case individually (7%);
- did not understand the proposal (12%).

Removal of preference for families with young children living above the ground floor

4.11 Table 8 summarises responses to the proposal that households with children under the age of six living in homes above the ground floor should no longer receive preference on the register for social housing.

Table 8. Responses to proposal to remove preference for families with young children living above the ground floor

	Agree	Disagree
All respondents	71%	29%
Registered for social housing	76%	24%
Not registered for social housing	71%	29%
Social tenant	64%	36%
Home owner	73%	27%
Other tenures	77%	23%

4.12 93 respondents (16%) provided further comments on the proposal, most expressing concerns about the proposal:

- disagree with the proposal (45%), mostly citing a strong belief in the need for children to have safe access to outdoor spaces (many points also carried over to the proposal about gardens below) and the beneficial impacts on physical and mental health. Some also highlighted the practical difficulties of navigating stairs (in flats without lifts) with young children and buggies;
- agree with the proposal (25%), some reluctantly, given the belief that children should have safe access to outdoor spaces but recognise the scarcity of social housing and also good availability of outdoor public space in the district;
- need to consider each case individually (14%), including whether lifts were available in flatted accommodation.

Removal of preference for families with children who lack a garden

- 4.13 Table 9 summarises responses to the proposal that households with children under the age of eleven living in homes without access to a secure garden should no longer receive preference on the register for social housing.

Table 9. Responses to proposal to remove preference for families with children without access to a garden

	Agree	Disagree
All respondents	67%	33%
Registered for social housing	63%	37%
Not registered for social housing	69%	31%
Social tenant	61%	39%
Home owner	72%	28%
Other tenures	68%	32%

- 4.14 89 respondents (15%) provided further comment on this proposal, many reflecting comments already made on the proposal about above ground floor accommodation:

- disagree with the proposal (39%), as above, highlighting the importance of access to safe outdoor space for play;
- agree with the proposal (33%), some so long as there is access to communal gardens or other public space (which others pointed out that there is plentiful supply of in the district);
- variety of other comments around the theme of needing more housing generally in the district.

Removal of preference for sharing facilities with those with legal right to reside in the property

- 4.15 Table 10 summarises responses to the proposal that households who are sharing facilities with others not included in the application but who have a legal right to reside in the property should no longer receive preference on the register for social housing.

Table 10. Responses to proposal to remove preference for sharing facilities

	Agree	Disagree
All respondents	62%	38%
Registered for social housing	59%	41%
Not registered for social housing	64%	36%
Social tenant	55%	45%
Home owner	66%	34%
Other tenures	63%	37%

- 4.16 82 respondents (14%) provided further comments about this proposal, with the vast majority (80%) expressing strong concerns over the proposal:

- potential harm to those suffering domestic abuse and forced to stay in a property with the perpetrator;
- potential impact on the welfare of any children in the household;
- potential impacts on mental health;
- potential to force people into homelessness.

Other comments

- 4.17 Respondents were given the opportunity at the end of the survey to provide any other comments they wished. 168 (29%) did so, with some core themes emerging:
- a need for more social housing (21%). This included many comments on the lack of affordable housing locally, especially for young people and the need for government to encourage development of truly affordable social housing.
 - prioritise housing for 'local' people (18%), either those who have lived and worked locally for some years or those who are UK nationals.
 - limit access to social housing (18%), for those who 'deserve' it, typically working families being mentioned, and not those who either 'take advantage' of the welfare system or do not look after their properties and/or engage in anti-social behaviour.
 - prioritise social housing for key groups (7%), most commonly those with disabilities and other health needs, but also families and those who are homeless.
- 4.18 The remainder of the comments touched on a wide range of issues with only a few comments raised against each. These included comments about specific cases, planning, tenancy and neighbourhood issues, as well as some comments about general government policy e.g. Right to Buy.

Appendix 2: Proposed amendments to the Common Housing Allocation Scheme

Para	Amendment	Current text	Amended text	Impact
	Change all references from NHDC to NHC throughout document			None.
3	Update figures on social housing stock in the district	There are over 9,000 general needs properties for rent (see Annex A) and over 30 sheltered housing/Retirement Living projects (see Annex B) spread throughout the district.	There are over 9,000 general needs properties for rent (see Annex A) and almost 30 sheltered housing/retirement living schemes (see Annex B) spread throughout the district.	None.
5.4 Page 18	Update text to reflect new national arrangements for low cost home ownership schemes	Those subject to immigration control are not restricted from accessing affordable home ownership schemes provided that they are unable to afford suitable accommodation on the open market and can secure a mortgage. Applicants who are ineligible for social housing due to their immigration status who wish to be considered for such schemes should contact the Help to Buy Agent for the East and South East of England.	Those subject to immigration control are not restricted from accessing affordable home ownership schemes provided that they are unable to afford suitable accommodation on the open market and can secure a mortgage. Applicants should visit the government's Own Your Home website for further information about available schemes and eligibility.	None.
5.5 (7 th bullet point)	<u>Refine qualification criteria</u> to ensure social housing is prioritised for those most in need (detail is provided at paragraph 5.5.5)	An applicant will not qualify for inclusion on the Common Housing Register...in the following circumstances: <ul style="list-style-type: none"> the applicant does not have a housing need (see section 17); or 	An applicant will not qualify for inclusion on the Common Housing Register...in the following circumstances: <ul style="list-style-type: none"> the applicant does not have a housing need (see section 17); or 	See comments against para 5.5.5.

<p>5.5 (final bullet point)</p>	<p><i>Remove this qualification criterion as now covered by changes to para 5.5.5.</i></p>	<ul style="list-style-type: none"> • the applicant does not have a local connection (unless they are social housing tenants in England and need to move within or into North Hertfordshire for work related reasons or they require sheltered housing/Retirement Living) (see paragraphs 17.3 and 18.1); or • the applicant or a member of his/her household has been convicted of anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant or a member of his/her household is facing legal action for anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant has an outstanding current housing debt or outstanding debt from a former tenancy for which repayment arrangements are not in place (see paragraphs 5.5.2 and 5.5.3); or • the applicant or a member of his/her household has been evicted from social housing (see paragraph 5.5.4); or • the applicant has sufficient resources to buy a suitable home on the open market (see paragraph 5.5.5); or • the applicant has made a fraudulent application to the Common Housing Register (see paragraph 5.5.6); or 	<ul style="list-style-type: none"> • the applicant does not have a local connection (unless they are social housing tenants in England and need to move within or into North Hertfordshire for work related reasons or they require sheltered housing/Retirement Living) (see paragraphs 17.3 and 18.1); or • the applicant or a member of his/her household has been convicted of anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant or a member of his/her household is facing legal action for anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant has an outstanding current housing debt or outstanding debt from a former tenancy for which repayment arrangements are not in place (see paragraphs 5.5.2 and 5.5.3); or • the applicant or a member of his/her household has been evicted from social housing (see paragraph 5.5.4); or • <u>the household has sufficient resources to meet their own housing need (see paragraph 5.5.5);</u> or • the applicant has made a fraudulent application to the Common Housing Register (see paragraph 5.5.6). 	<p>See comments against para 5.5.5.</p>
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		<ul style="list-style-type: none"> • <i>the gross income of the household exceeds £60,000 per annum unless there are exceptional circumstances.</i> 		
5.5.1	<u>Additional text</u> to clarify existing practice.	<p>The Partnership will consider a fresh application to the Common Housing Register from any applicant refused access to the Common Housing Register on grounds of anti-social behaviour if the person responsible for the anti-social behaviour/crime has lived in the community for three years with no further convictions of this type, or when their convictions are spent, whichever is the sooner (see Annex C).</p> <p>Applicants who do not qualify for inclusion on the Common Housing Register will be notified of the decision and the reasons for it in writing. The applicant has a right to request a review of such a decision (see paragraph 14).</p>	<p>The Partnership will consider a fresh application to the Common Housing Register from any applicant refused access to the Common Housing Register on grounds of anti-social behaviour if the person responsible for the anti-social behaviour/crime has lived in the community for three years with no further convictions of this type, or when their convictions are spent, whichever is the sooner (see Annex C).</p> <p><u>Any household can be removed from the Housing Register for unacceptable behaviour.</u></p> <p>Applicants who do not qualify for inclusion on the Common Housing Register will be notified of the decision and the reasons for it in writing. The applicant has a right to request a review of such a decision (see paragraph 14).</p>	None, clarifies existing practice.
5.5.2 (3 rd bullet point)	<i>Remove bullet point</i> as Deposit Guarantee Scheme no longer in operation	<p>A housing debt is a debt related to a current or previous tenancy owed to:</p> <ul style="list-style-type: none"> • a social landlord; or • a private rented sector landlord; or 	<p>A housing debt is a debt related to a current or previous tenancy owed to:</p> <ul style="list-style-type: none"> • a social landlord; or • a private rented sector landlord; or 	None.
5.5.2	<u>Additional text</u> to include use and occupation charges as housing debt			Ensures those with use and occupation charges are held

(6 th bullet point)		<ul style="list-style-type: none"> • <i>NHDC resulting from claims against the NHDC Deposit Guarantee Scheme; or</i> • an agency that has provided a loan as a result of a referral by NHDC for the purpose of preventing homelessness. <p>Housing debts include:</p>	<ul style="list-style-type: none"> • an agency that has provided a loan as a result of a referral by NHDC for the purpose of preventing homelessness. <p>Housing debts include:</p> <ul style="list-style-type: none"> • current or former tenant/licensee rent/charge arrears in respect of a dwelling; • <u>Mesne profits and use and occupation charges</u> owed by tolerated trespassers; • court costs incurred through proceedings in relation to breach of tenancy, including anti-social behaviour and rent arrears. Court costs incurred through proceedings relating to the applicant's occupation of his/her home or former home will be considered according to individual circumstances; • charges for repair of damage to a dwelling that the occupier is liable for; • loans from agencies that were enabled by NHDC for the purpose of preventing homelessness where repayments have not been maintained. 	<p>accountable when applying for social housing.</p> <p>A very limited number of households may no longer qualify for the Common Housing Register (CHR).</p>
5.5.2 (penultimate bullet point)	<i>Remove bullet point as Deposit Guarantee Scheme no longer in operation</i>	<ul style="list-style-type: none"> • current or former tenant/licensee rent/charge arrears in respect of a dwelling; • Mesne profits owed by tolerated trespassers; • court costs incurred through proceedings in relation to breach of tenancy, including anti-social behaviour and rent arrears. Court costs incurred through proceedings relating to the applicant's occupation of his/her home or former home will be considered according to individual circumstances; • charges for repair of damage to a dwelling that the occupier is liable for; • <i>claims from a private landlord against a deposit guaranteed by NHDC;</i> • loans from agencies that were enabled by NHDC for the purpose of preventing homelessness where repayments have not been maintained. 	<ul style="list-style-type: none"> • <u>Mesne profits and use and occupation charges</u> owed by tolerated trespassers; • court costs incurred through proceedings in relation to breach of tenancy, including anti-social behaviour and rent arrears. Court costs incurred through proceedings relating to the applicant's occupation of his/her home or former home will be considered according to individual circumstances; • charges for repair of damage to a dwelling that the occupier is liable for; • loans from agencies that were enabled by NHDC for the purpose of preventing homelessness where repayments have not been maintained. 	None.

5.5.5	<p>Change to qualification criteria. Assessment of applicants' financial means to meet their own housing needs refined and updated to include new income thresholds and a savings cap, above which households will not qualify for the CHR.</p>	<p><i>Applicants with sufficient financial resources to purchase accommodation that meets their housing need</i></p> <p>Applicants who can meet their own housing need by buying a suitable property on the open market, with or without a mortgage, will not qualify for inclusion on the Common Housing Register. Resources include affordable loans, income, equity and capital.</p>	<p><i>The household has sufficient resources to meet their own housing need</i></p> <p>Households who have sufficient resources to resolve their own housing need either by renting or buying a suitable property (on the open market or through a low cost home ownership scheme) or by any other means will not qualify for inclusion on the Common Housing Register.</p> <p>A household will be deemed to have sufficient resources if they have in excess of the gross annual household income limits set out as follows:</p> <p>1 bedroom/studio property: £39,000 2 bedroom property: £50,000 3+ bedroom property: £64,000</p> <p>A household with savings above the cap set by the Department for Work and Pensions for claiming Housing Benefit (currently £16,000) will also be deemed to have sufficient resources. The savings cap will not apply to households requiring sheltered housing. Households requiring sheltered housing with savings above the cap will be placed in to Band C, however they will not be awarded any other preference.</p> <p>Our assessment of resources will also take into account affordable loans,</p>	<p>Ensures that scarce social housing is prioritised for those most in need.</p> <p>Some households may no longer qualify for the CHR. All households will be re-assessed to determine whether they have sufficient resources; it is estimated that around 1 in 15 households currently on the CHR may be removed as a result of the proposed change to this qualification criterion.</p> <p>These changes have been consulted on, with the majority of respondents in favour of the proposal.</p>
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			<p>investment income, equity and capital, amongst others.</p> <p>Please note that our assessment of resources will disregard any sum received by a member of the Armed Forces as compensation for an injury or disability sustained on active service.</p> <p>Applicants who do not qualify for inclusion on the Housing Register will be informed of the decision and the reasons for it in writing. Such applicants have a right to request a review of the decision (see paragraph 14).</p>	
5.6 page 23	Update text to reflect current practice.	A guarantor may be required by social landlords when offering a tenancy to a person under the age of 18. Where a tenancy is to be offered by a member of the NHHP and there is no guarantor available to the applicant, senior officers of the Partnership will make a decision on whether an allocation can be made without a guarantor.	Applicants under the age of 18 can apply to the Common Housing Register however, will not qualify for an allocation of social housing until over the age of 18 years old.	None, clarifies existing practice.
5.7	<p>Change to qualification criteria.</p> <p>Remove qualification for homeowners requiring general needs housing.</p>	<p>Home owners (including those owning a share in a property) with a housing need will be accepted onto the Housing Register provided they have insufficient resources to resolve their housing need (see paragraph 5.5.5) and;</p> <ul style="list-style-type: none"> • it is unreasonable to continue to occupy their current accommodation; and • it is not possible to adapt their current accommodation to meet their needs 	<p>Home owners requiring general needs accommodation (including those owning a share in a property) will not qualify for inclusion on the Common Housing Register.</p> <p>Home owners who either have exceptional difficulties or who are applying for sheltered housing/Retirement</p>	Numerous applications are received from households with interest in properties with significant equity and therefore able to resolve their own housing need for example by

		<p>after taking into account the affordability and practicality of any necessary measures; and</p> <ul style="list-style-type: none"> • they have insufficient resources to purchase a suitable property in North Herts; or • they have insufficient resources to purchase suitable accommodation in the local authority area in which they currently live and there is a compelling reason why they need to move into North Herts. <p>When making a decision on whether it is reasonable for the household to continue to occupy the accommodation the following will be taken into account:</p> <ul style="list-style-type: none"> • whether the accommodation and amenities within it are accessible to all members of the household; • affordability – taking into consideration any equity in the property, any other properties owned by members of the household and the availability of government supported schemes such as Support for Mortgage Interest; • the physical condition of the property; • the probability that the continued occupation of the property will result in violence or threats of violence that are likely to be carried out against applicant or a member of their household; 	<p>Living may qualify provided they have insufficient resources to resolve their own housing need (see paragraph 5.5.5). The property must be on the market for sale before taking up a social housing tenancy. Where a tenancy is granted to a person who owns a property it will be an assured shorthold tenancy with a fixed term of 6 months. The tenancy may be brought to an end if the applicant does not take reasonable steps to sell their property.</p> <p>Once the Partnership is satisfied that the applicant no longer has an interest in their former, market property the tenancy will be converted to a social tenancy.</p>	<p>purchasing shared ownership or renting in the private sector. This proposal will help ensure that scarce social housing is prioritised for those in most need.</p> <p>A very limited number of households currently on the CHR may no longer qualify; expected to be around 10 households.</p> <p>These changes have been consulted on, with the majority of respondents in favour of the proposal.</p>
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- whether the property is overcrowded to the extent that it is unreasonable for the household to continue to occupy it;
- any other reason that would make it unreasonable for the household to continue occupy their present accommodation.

Where it is unreasonable for the household to continue to occupy their property, they will be awarded preference according to their housing need.

Home owners accepted onto the Common Housing Register are required to take all reasonable steps to complete the sale of their property before taking up a social housing tenancy. Where the NHHP is satisfied that, despite making all reasonable efforts, including reducing the price, this has not been possible, the applicant will be required to undertake to bring their interest in the property to an end as soon as possible after being granted a tenancy and to keep the NHHP informed on their progress in doing so.

Home owners who either have exceptional difficulties or who are applying for sheltered housing/Retirement Living may not be required to have taken all reasonable steps to have completed

		<p>the sale of their property before taking up a social housing tenancy.</p> <p>Where a tenancy is granted to a person who owns a property it will be an assured shorthold tenancy with a fixed term of 6 months. The tenancy may be brought to an end if the applicant does not take reasonable steps to sell their property.</p> <p>Once the Partnership is satisfied that the applicant no longer has an interest in their former, market property the tenancy will be converted to a social tenancy.</p>		
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 26 1st para)</p>	<p>Remove reference, in line with current practice.</p>	<p>Bids made by an applicant's representative, (who may be an NHHP officer), will be accepted provided the NHHP has the written consent of the applicant.</p>		<p>None, clarifies existing practice.</p>
<p>6.1</p>	<p><i>Remove reference</i> to obtaining written consent, in line with current practice.</p>	<p>Support for potentially disadvantaged applicants</p> <p>Choice based lettings require applicants to actively participate in choosing their accommodation. Some applicants may find such participation more difficult than others. Assistance in making an application and with making bids will be provided, free of charge, to ensure that such applicants are not at a disadvantage.</p> <p>Assistance will be provided at an appropriate level to the applicant's needs by NHHP officers and/or statutory and</p>	<p>Support for potentially disadvantaged applicants</p> <p>Choice based lettings require applicants to actively participate in choosing their accommodation. Some applicants may find such participation more difficult than others. Assistance in making an application and with making bids will be provided, free of charge, to ensure that such applicants are not at a disadvantage.</p> <p>Assistance will be provided at an appropriate level to the applicant's needs by NHHP officers and/or statutory and</p>	<p>None, clarifies existing practice.</p>

		voluntary support and advice agencies. This may include bids being made on behalf of the applicant <i>where the NHHP has the applicant's written permission to accept/make such bids.</i>	voluntary support and advice agencies. This may include bids being made on behalf of the applicant.	
8	<u>Additional text</u> to reflect changes at 17.1.9 which removes preference for those sharing facilities with other households with whom a tenancy is jointly held.	<p>PROPERTY SIZE</p> <p>For the purpose of awarding preference on the Housing Register, households will qualify for one bedroom for:</p> <ul style="list-style-type: none"> • every adult couple (married or unmarried); • any other adult aged 16 or over; • any two children of the same sex aged under 16; • any two children aged under 10; • a foster child; • any other child, (other than a child whose main home is elsewhere); • a carer (or team of carers) who does not live with the household but who provides permanent full-time overnight care for a member of the household. Supporting documentation will be required from Hertfordshire County Council care services. 	<p>PROPERTY SIZE</p> <p>For the purpose of awarding preference on the Housing Register, households will qualify for one bedroom for:</p> <ul style="list-style-type: none"> • every adult couple (married or unmarried); • any other adult aged 16 or over; • any two children of the same sex aged under 16; • any two children aged under 10; • a foster child; • any other child, (other than a child whose main home is elsewhere); • a carer (or team of carers) who does not live with the household but who provides permanent full-time overnight care for a member of the household. Supporting documentation will be required from Hertfordshire County Council care services. <p><u>Where an applicant is sharing facilities with another person not included in their application and both parties have a legal right to reside in the property (i.e. are joint tenants), they will be awarded priority as though they have sole use of the property. Therefore, lacking bedroom priority will</u></p>	See changes at 17.1.9.

			<u>not be awarded for themselves or their household unless they would usually be deemed to be lacking a bedroom in accordance to the criteria above.</u>	
8.1	<u>Additional text</u> to clarify difference in care needs.	The majority of units in sheltered housing/Retirement Living are self-contained one bedroom flats suitable for either couples or single applicants or studio flats which are only suitable for single person households. Such housing is available for single or couple households that include a person aged 55 or over with a support need.	The majority of units in sheltered housing/Retirement Living are self-contained one bedroom flats suitable for either couples or single applicants or studio flats which are only suitable for single person households. Such housing is available for single or couple households that include a person aged 55 or over with a low level support need. <u>Those with a high level support need and requiring flexi care accommodation will be assessed and allocated outside of this policy.</u>	None.
8.1.2	Change to preference. Remove under-occupying preference for those in sheltered/retirement living	<i>Living in accommodation that is too big for the household</i> A household will be deemed to live in unsuitable housing if they are tenants of social housing within the district who are under-occupying. Preference will be awarded where applicants are in properties with two or three bedrooms and are willing to move to a one-bedroom property; or living in four or five bedroom properties or three bedroom properties with two self-contained reception rooms who are willing to move to a smaller property. In these circumstances, households will be considered for	<i>Living in accommodation that is too big for the household</i> A household will be deemed to live in unsuitable housing if they are tenants of social housing within the district who are under-occupying. Preference will be awarded where applicants are in properties with two or three bedrooms (with the exception of sheltered/retirement living) and are willing to move to a one-bedroom property; or living in four or five bedroom properties or three bedroom properties with two self-contained reception rooms who are willing to move to a smaller property. In these	Very limited, clarifies existing practice. This preference is no longer awarded to households in sheltered accommodation. These changes have been consulted on, with the majority of respondents in favour of the proposal.

		properties that are larger than the household would normally qualify for under the terms of the Common Allocation Scheme (see paragraph 8).	circumstances, households will be considered for properties that are larger than the household would normally qualify for under the terms of the Common Allocation Scheme (see paragraph 8).	
17.1.3	Measurements in square metre equivalent added to table	Less than 48 sq ft 48 to 50 sq ft 50 to 70 sq ft 70 to 90 sq ft 90 to 110 sq ft 110 sq ft or over	Less than 48 sq ft (4.5 sq m) 48 to 50 sq ft (4.5 to 4.6 sq m) 50 to 70 sq ft (4.6 to 6.5 sq m) 70 to 90 sq ft (6.5 to 8.4 sq m) 90 to 110 sq ft (8.4 to 10.2 sq m) 110 sq ft or over (10.2 sq m)	None.
17.1.7	Change to preference. Remove preference for those with children living in accommodation that is above ground floor and/or without access to secure garden	<i>Living in accommodation with children under the age of six that is above the ground floor and/or children under the age of 11 without access to a secure garden</i>		This is seeking to ensure that scarce social housing is prioritised for those most in need. Most applicants awarded these preferences will also have other housing needs e.g. requiring another bedroom and therefore only a small number of households currently on the CHR (estimated to be around 70) would be assessed as no longer having a housing need and therefore removed

				<p>from the CHR. The vast majority of these are existing social housing tenants.</p> <p>In addition, just under 300 households on the CHR will lose housing needs points for this preference.</p> <p>These changes have been consulted on, with the majority of respondents in favour of the proposal.</p>
7.1.9	<p>Change to preference.</p> <p>Revise to exclude applicants who are sharing with another household with whom they have a joint tenancy (typically being ex-partners).</p>	<p><i>Households sharing facilities with other households</i></p> <p>This applies where the applicant and his household share facilities with others who are not included in their application.</p>	<p><i>Households sharing facilities with other households</i></p> <p>This applies where the applicant and his/her household share facilities with others who are not included in their application. However, this priority shall not be awarded where the applicant or household have a legal right to reside in the property i.e. joint tenants.</p>	<p>Again, this will ensure scarce social housing is prioritised for those most in need. Joint tenants should seek legal resolution to their housing situation. Separate robust processes are in place to ensure safeguarding issues are fully considered, including support for those at risk of/suffering domestic abuse.</p>

				A very limited number of households (estimated at less than 10) may be removed from the CHR if this is their only housing need. These changes have been consulted on, with the majority of respondents in favour of the proposal.
17.2.1 (2 nd para) 31	Remove reference to lacking garden as per proposed change to 17.1.7	Where a household is deemed to have a medical need for moving, medical priority will be awarded in addition to any already recognised housing need. For instance, a household that lacks a garden for a child under the age of 11 years is placed in Band C. Should a member of the household be deemed to have a medical need for a garden, the appropriate medical preference will be also awarded to the household. An exception may apply to applicants who are vulnerable due to a medical need (see paragraph 17.2.6).	Where a household is deemed to have a medical need for moving, medical priority will be awarded in addition to any already recognised housing need. For instance, a household that requires sheltered/retirement living is placed in Band C. Should a member of the household be deemed to have a medical need for this type of accommodation, the appropriate medical preference will be also awarded to the household. An exception may apply to applicants who are vulnerable due to a medical need (see paragraph 17.2.6).	None.
17.2.3 (2 nd bullet point)	Clarify wording around award of medical priority.	High medical priority will be granted in circumstances whereby: ... • the applicant's continued occupation of their current property is likely to	High medical priority will be granted in circumstances whereby: ... • the applicant's continued occupation of their current property will cause a	None, clarifies existing practice.

		cause a significant deterioration to their health or the health of a member of the household.	significant deterioration to their health or the health of a member of the household.	
17.2.4 (2 nd bullet point)	Clarify wording around award of medical priority.	Moderate medical priority will be awarded in circumstances whereby: ... • the applicant's continued occupation of their current property is likely to cause deterioration to their health or the health of a member of their household.	Moderate medical priority will be awarded in circumstances whereby: ... • the applicant's continued occupation of their current property will cause deterioration to their health or the health of a member of their household.	None, clarifies existing practice.
17.2.7 Page 32	<u>Additional text</u> to clarify level of support need for sheltered housing.	<i>The household includes an applicant aged over 55 and requires sheltered housing/Retirement Living</i> Sheltered housing/Retirement Living is available to single applicants aged over 55 or couples in which one of the applicants is over the age of 55. To qualify, the applicant must have a support need that can be met in sheltered housing/Retirement Living.	<i>The household includes an applicant aged over 55 and requires sheltered housing/Retirement Living</i> Sheltered housing/Retirement Living is available to single applicants aged over 55 or couples in which one of the applicants is over the age of 55. To qualify, the applicant must have a <u>low level</u> support need that can be met in sheltered housing/Retirement Living.	None, clarifies existing practice.
19.1 (5 th bullet point)	Delete this provision to ensure consistency with provisions in paragraph 20 (cumulative need)	High preference will be awarded where applicants or a member of their household: ... • a senior officer of the NHP has decided that a household has cumulative housing needs so great as to necessitate an urgent move;		This will provide consistency with provisions in paragraph 20.

19.2 (2 nd bullet point)	Revise from Band B preference to Band C to reflect current practice.	Medium preference will be awarded where: ... <ul style="list-style-type: none"> the applicant needs to move and is vulnerable and cannot be expected to find their own accommodation and there is no other person in the household who could be expected to do so on their behalf. 		Very limited, if at all. In practice, this preference is only used for care leavers, for whom separate provisions are already in place at paragraph 5.12. Other vulnerable applicants who cannot find their own accommodation as defined at paragraph 17.2.6 would not yet be in a position to manage their own tenancy so a Band B preference (which would potentially put them close to securing a home) would not be suitable for them.
19.3	<u>Additional text</u> in line with changes at 19.2 above, to be added to bulleted list	Low preference will be awarded where: <ul style="list-style-type: none"> a household with no dependent children or vulnerable adults is sharing facilities with another household; 	Low preference will be awarded where: <ul style="list-style-type: none"> a household with no dependent children or vulnerable adults is sharing facilities with another household; 	As above.
19.3 (11 th and 12 th bullet points)	<i>Remove</i> in line with changes to preference at 17.1.7	<ul style="list-style-type: none"> a household is owed a duty, other than the main housing duty, by NHDC under homelessness legislation; a household has been accepted as unintentionally homeless and in 	<ul style="list-style-type: none"> a household is owed a duty, other than the main housing duty, by NHDC under homelessness legislation; a household has been accepted as unintentionally homeless and in 	See comments against para 17.1.7.

		<p>priority need and placed in supported accommodation by NHDC but is not yet ready to move into general needs housing;</p> <ul style="list-style-type: none"> • a household that has been accepted as homeless or threatened with homelessness and in priority need by any local housing authority other than North Hertfordshire District Council; • a household is owed a main housing duty by NHDC under homelessness legislation but does not meet the qualifying criteria for joining the CHR; • the applicant or a member of his or her household has been awarded moderate medical priority; • there is a need to move to provide care to a person who has a moderate medical priority because of a permanent medical condition or a disability or such a person needs to move to receive care and other remedies have been investigated and eliminated; • the household does not include children or vulnerable adults and they require another bedroom under the terms of the Common Housing Allocation Scheme; • the household is occupying a property in which a bedroom is too small; • single person households who have lived in a bed-sit or studio flat for three years within the district, as tenants, 	<p>priority need and placed in supported accommodation by NHDC but is not yet ready to move into general needs housing;</p> <ul style="list-style-type: none"> • a household that has been accepted as homeless or threatened with homelessness and in priority need by any local housing authority other than North Hertfordshire District Council; • a household is owed a main housing duty by NHDC under homelessness legislation but does not meet the qualifying criteria for joining the CHR; • the applicant or a member of his or her household has been awarded moderate medical priority; • there is a need to move to provide care to a person who has a moderate medical priority because of a permanent medical condition or a disability or such a person needs to move to receive care and other remedies have been investigated and eliminated; • the household does not include children or vulnerable adults and they require another bedroom under the terms of the Common Housing Allocation Scheme; • the household is occupying a property in which a bedroom is too small; • single person households who have lived in a bed-sit or studio flat for three years within the district, as tenants, 	
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		<p>and wish to move to a one bedroom flat;</p> <ul style="list-style-type: none"> • <i>children under the age of 6 or pregnant women are living in flats above the ground floor;</i> • <i>children under the age of 11 who do not have access to a secure garden;</i> • there is a need to move to avoid hardship; • households are in accommodation with limited security of tenure; • the applicant is in an institution and has no suitable accommodation to return to; • applicants are over 55 years of age with a support need and require sheltered housing/Retirement Living; • looked after children and care leavers aged 16 and 17, in accordance with the Hertfordshire Joint Housing Protocol. 	<p>and wish to move to a one bedroom flat;</p> <ul style="list-style-type: none"> • there is a need to move to avoid hardship; • households are in accommodation with limited security of tenure; • the applicant is in an institution and has no suitable accommodation to return to; • applicants are over 55 years of age with a support need and require sheltered housing/Retirement Living; • looked after children and care leavers aged 16 and 17, in accordance with the Hertfordshire Joint Housing Protocol; • <u>the applicant needs to move and is vulnerable and cannot be expected to find their own accommodation and there is no other person in the household who could be expected to do so on their behalf.</u> 	
22 (7 th para)	<u>Additional text</u> to be added to bulleted list of exceptions, to reflect existing affordability checks conducted by housing providers.	<p>OFFERS OF ACCOMMODATION</p> <p>Available properties will be advertised and applicants invited to 'bid' for the property of their choice (see paragraph 6). Bidders will be short listed in order of the amount of preference that they have on the Housing Register. A maximum of five applicants, with the highest preference on the Common Housing Register will be invited to view the property. Following the</p>	<p>OFFERS OF ACCOMMODATION</p> <p>Available properties will be advertised and applicants invited to 'bid' for the property of their choice (see paragraph 6). Bidders will be short listed in order of the amount of preference that they have on the Housing Register. A maximum of five applicants, with the highest preference on the Common Housing Register will be invited to view the property. Following the</p>	None, clarifies existing practice.

		viewing, applicants will be required to confirm whether or not they want to be considered for the property. Of those who wish to be considered, the property will be offered to the applicant with the highest preference on the Register.	viewing, applicants will be required to confirm whether or not they want to be considered for the property. Of those who wish to be considered, the property will be offered to the applicant with the highest preference on the Register.	
22 (final para)	<u>Additional text</u> to streamline administrative process. We will no longer write to applicants who do not meet criteria for advertised properties, where those criteria have been clearly specified in the advert.	The type of tenancy offered may vary between social housing providers and, depending on an applicant's circumstances, could range in duration from six months to a lifetime. Further details will be found in providers' tenancy policies.	The type of tenancy offered may vary between social housing providers and, depending on an applicant's circumstances, could range in duration from six months to a lifetime. Further details will be found in providers' tenancy policies.	This will save staff time.
22 Page 36	<u>Additional text</u> to protect against fraudulent applications to be added at end.	Applicants who have been offered a property will not be considered for other properties until they have made a decision on the offer. Should an applicant be at the top of more than one shortlist, they will be required to make a decision on which property they prefer. The applicant will have a limited time period to notify the NHHP of whether they will accept an offer. Vulnerable households may be permitted a longer period to decide whether or not to accept a property to allow them time to liaise with support and advice agencies. In these circumstances, the amount of time that the applicant will be	Applicants who have been offered a property will not be considered for other properties until they have made a decision on the offer. Should an applicant be at the top of more than one shortlist, they will be required to make a decision on which property they prefer. The applicant will have a limited time period to notify the NHHP of whether they will accept an offer. Vulnerable households may be permitted a longer period to decide whether or not to accept a property to allow them time to liaise with support and advice agencies. In these circumstances, the amount of time that the applicant will be	To reduce the risk of people fraudulently obtaining scarce social housing.

		<p>given will be made on a case by case basis.</p> <p>If the applicant refuses the offer or fails to respond within the given time, the property will be offered to the applicant with the next highest preference on the Common Housing Register. This process will be followed until the property is successfully allocated.</p> <p>An exception to this process will apply where:</p> <ul style="list-style-type: none"> • the allocation is deemed unsuitable because the applicant or a member of their household poses a risk to themselves, individuals or other members of the community which, cannot safely be managed in the available property; • the applicant is 16 or 17 years of age and has no guarantor (see paragraph 5.6); • the applicant has been assessed as ineligible for an allocation (see paragraph 5.4); • the applicant does not qualify for inclusion on the Common Housing Register (see paragraph 5.5) • the eligibility criteria for the property is restricted and the applicant does not 	<p>given will be made on a case by case basis.</p> <p>If the applicant refuses the offer or fails to respond within the given time, the property will be offered to the applicant with the next highest preference on the Common Housing Register. This process will be followed until the property is successfully allocated.</p> <p>An exception to this process will apply where:</p> <ul style="list-style-type: none"> • the allocation is deemed unsuitable because the applicant or a member of their household poses a risk to themselves, individuals or other members of the community which, cannot safely be managed in the available property; • the applicant is 16 or 17 years of age and has no guarantor (see paragraph 5.6); • the applicant has been assessed as ineligible for an allocation (see paragraph 5.4); • the applicant does not qualify for inclusion on the Common Housing Register (see paragraph 5.5) • the eligibility criteria for the property is restricted and the applicant does not 	
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		<p>meet the criteria (see paragraphs 7. to 7.3);</p> <ul style="list-style-type: none"> • the applicant is in supported accommodation and not considered ready to move to general needs accommodation by his/her support provider; or • there is another special reason why a particular property cannot be offered to the bidder with the highest preference. <p>In these circumstances, the applicant may be by-passed for an allocation. Where a decision is made to by-pass an applicant for an offer of accommodation due to any of the reasons listed above, the applicant will be notified of the decision and the reasons for it in writing. The applicant may request a review of such a decision (see paragraph 14).</p>	<p>meet the criteria (see paragraphs 7. to 7.3);</p> <ul style="list-style-type: none"> • the applicant is in supported accommodation and not considered ready to move to general needs accommodation by his/her support provider; • there is another special reason why a particular property cannot be offered to the bidder with the highest preference; or • <u>the applicant fails the affordability check for the property</u> <p>In these circumstances, the applicant may be by-passed for an allocation. Where a decision is made to by-pass an applicant for an offer of accommodation due to any of the reasons listed above, the applicant will be notified of the decision and the reasons for it in writing, <u>unless the criteria for the property has been specified in the advert.</u> The applicant may request a review of such a decision (see paragraph 14).</p> <p>Registered applicants under investigation due to potential fraud will be bypassed on vacancy shortlists until the investigation has been completed. The applicant may not request a review of this decision.</p>	
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23	Update wording as settle no longer have a floating support service.	The NHHP will ensure that vulnerable households are provided with the support they need to sustain their tenancy. Such support may be provided by the NHHP, settle Floating Support Service and/or dedicated support agencies.	The NHHP will ensure that vulnerable households are provided with the support they need to sustain their tenancy. Such support may be provided by the NHHP and/or dedicated support agencies.	None, clarifies existing practice.
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Appendix 3: Equality Analysis Template

1. Name of activity:	Update to the Common Housing Allocation Scheme			
2. Main purpose of activity:	<p>The Common Housing Allocation Scheme (CHAS) sets out who can apply to join the Common Housing Register of affordable housing in the district and how affordable housing is prioritised and allocated.</p> <p>We have reviewed the CHAS and propose a number of changes to qualification criteria and preference (priority) awarded to households to ensure that the CHAS continues to prioritise scarce affordable housing for those households who need it the most.</p>			
3. List the information, data or evidence used in this assessment:	<p>NHC summary statistics: Common Housing Register 2022/23 Equality and Human Rights Commission, Housing and Disabled People (2018) House of Commons Library, Disabled People in Employment (2023) Runnymede, Falling Faster Amidst a Cost-of-Living Crisis (2022) Shelter analysis homelessness and BAME community NHC analysis of case level data for households on the Common Housing Register, December 2023</p>			
4. Assessment				
Characteristics	Neutral (x)	Negative (x)	Positive (x)	<p>Describe the person you are assessing the impact on, including identifying: community member or employee, details of the characteristic if relevant, e.g. mobility problems/particular religion and why and how they might be negatively or positively affected.</p> <p>Negative: What are the risks?</p> <p>Positive: What are the benefits?</p>
<p>Community considerations (i.e. applying across communities or associated with rural living or Human Rights)</p>			x	<p>Negative</p> <hr/> <p>Positive</p> <p>Affordable housing is in high demand in the district. There are currently around 2,500 households on the Common Housing Register for affordable housing and waits for a home can be long, between 3-5 years for properties in most demand. The private rented sector is small in North Herts and often unaffordable to many local households particularly in rural areas, which means that affordable housing is the only viable option for many. Households on the Register have a range of housing needs, including urgent medical needs to move, households living in overcrowded or poor condition accommodation and those who are homeless.</p> <p>Updating the CHAS by introducing the changes proposed in the report will ensure that affordable housing continues to be prioritised for households most in need.</p> <p>We are currently developing a new Housing Strategy for the district, which will detail how we will address wider housing needs in the district, including maximising delivery of</p>

				affordable homes, ensuring high standards of housing and preventing homelessness.
A person living with a disability			x	Negative
				Positive
				<p>People with a disability that is adversely affected by their current housing (e.g. a wheelchair-user living in accommodation without an accessible bathroom) will likely have a high priority on the Housing Register and will not be directly affected by the proposed changes.</p> <p>However, evidence suggests that disabled adults experience poverty at more than twice the rate of non-disabled adults (e.g. employment rate for disabled people is 52% compared to 81% for those without a disability). Whilst the proposed changes to the qualification criteria are unlikely to have direct implications for disabled households (in that there is no impact on the preference they will be awarded), they will restrict qualification for the Housing Register to those in most need, thereby potentially reducing wait times for those on the Register including people with disabilities. It is however acknowledged that the supply of accessible or adaptable properties in particular is a particular challenge. Planning obligations do however include requirements for the delivery of accessible properties on new affordable housing developments.</p> <p>Note that assistance in making an application and with making bids will be provided, free of charge, to ensure that potentially disadvantaged applicants do not incur any detriment.</p>
A person of a particular race			x	Negative
				Positive
				<p>Minority ethnic groups are over twice as likely to be in deep poverty than white households and are also more likely to experience poor housing conditions, overcrowding and homelessness.</p> <p>The proposals contained in this report could therefore positively benefit minority ethnic households indirectly, by removing qualification for and preference on the Register for households who are able to resolve their own housing needs and/or who have relatively lower housing needs.</p>
A person of a gay, lesbian or bisexual sexual orientation	x			Negative
				Positive

A person of a particular sex, male or female, including issues around pregnancy and maternity		x		Negative
				Around 70 families are likely to be impacted by the removal of preference for living above the ground floor and/or having no garden with young children and will no longer be deemed to have a housing need so will be removed from the Housing Register. Just under 60% of these families are headed by single mothers. Whilst it would be desirable for all families to have private access to a garden and possibly not to live in flatted accommodation (although in more built-up areas, many families do live in flats), in an area where affordable housing is in scarce supply and in high demand, it is a legitimate policy aim to seek to prioritise affordable housing for those with the highest needs. The district is fortunate to have plentiful, accessible outdoor spaces. The vast majority of families who would be affected by the proposed change already live in social housing.
				Positive
A person of a particular religion or belief	x			Negative
				Positive
A person of a particular age		x	x	Negative
				See comments above under sex – there will be some households with young children who will no longer be deemed to have a housing need. However affordable housing is in high demand in North Herts and therefore it is a legitimate policy aim to seek to prioritise affordable housing for those with the highest needs.
				Positive
				Young people are more likely to be faced with homelessness and rough sleeping (under 25s made up 19% of those owed a homelessness duty by the Council for assistance this year). Those accepted as owed a full housing (homelessness) duty receive medium preference on the Housing Register and may indirectly benefit from these proposals, which will restrict access to social housing to those in most need. Homeless young people aged under 18 are assisted outside of the Council's regular housing pathways, in accordance with the Hertfordshire Joint Housing Protocol, an

				<p>agreement between Hertfordshire County Council and the ten district/borough councils.</p> <p>Note that assistance in making an application and with making bids will be provided, free of charge, to ensure that potentially disadvantaged applicants do not incur any detriment.</p>
Transgender			x	Negative
				Positive
				<p>National evidence points to LGBTQ+ people being more at risk of homelessness however local data suggests a very small number of LGBTQ+ people applying as homeless in the district (4 in 2022/23 although large non-response rates). Those accepted as owed a full housing duty will receive a medium preference on the Housing Register. There are currently 3 applicants on the Housing Register who are transgender, although data is incomplete for older applications.</p>

5 Results

	Yes	No	
Were positive impacts identified?	x		The proposed changes to the Common Housing Allocation Scheme will prioritise scarce affordable housing for those who need it the most. This includes disabled households and those with the least resources to resolve their own housing needs, including ethnic minorities and young and transgender people facing homelessness and rough sleeping.
Are some people benefiting more than others? If so explain who and why.	x		The proposed changes have the intention of restricting access to the Common Housing Register to those households in the greatest housing need and who are unable to resolve their needs themselves. Affordable housing in the district is in high demand and of scarce supply so prioritising affordable housing in this way is a legitimate policy aim. The proposed changes should potentially reduce wait times for those on the Housing Register (although note that a choice based bidding system operates, which gives applicants the freedom to bid on properties of their choosing, in their own time and this will also influence wait times). The proposed changes will not directly benefit any particular group.
Were negative impacts identified (what actions were taken)	x		Two of the proposed changes (to remove preference for those with young children living in above ground floor accommodation and without access to a secure garden) will mean that some families will no longer be deemed to have a housing need and will be removed from the Housing Register. Just under 60% of these families are headed by a single mother. However, as stated above, with affordable housing in the district scarce and in high

			<p>demand, policy decisions have to be made to prioritise it for those in most need.</p> <p>The Council's Housing Strategy looks to address wider housing needs, including increasing the supply of affordable housing in the district and ensuring that high standards of housing are maintained, including in the private rented sector.</p>
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6. Consultation, decisions and actions

If High or very high range results were identified who was consulted and what recommendations were given?

The CHAS is jointly managed by the Council and settle. A public consultation has taken place, advertised through the Council's website and social media channels. Households on the Housing Register were contacted directly as were partners and stakeholders including local housing providers, health services, the police and the North Herts Homeless Forum. Over 600 completed responses of a consultation survey were submitted, with a majority being in favour of each of the proposals.

Describe the decision on this activity

The current version of the CHAS was approved by Cabinet at its meeting on [26th July 2016](#) with further minor amendments made under delegated authority.

List all actions identified to address/mitigate negative impact or promote positively

Action	Responsible person	Completion due date
Households currently on the CHR and who will be adversely affected by the proposed changes will be able to access housing advice from the Council if required. The proposed changes will be publicised on the Housing webpages where housing options advice is also available. More widely, our new Housing Strategy for 2024-2029 will include priorities to maximise delivery of affordable housing and ensure high standards of housing including in the private rented sector, helping to improve access to other affordable housing options.	Housing Register and Accommodation Manager Strategic Housing Manager	Spring 2024 Strategy to be delivered April 2024

When, how and by whom will these actions be monitored?

The CHAS is monitored (including the annual publication of monitoring reports) via analysis of household level equalities data and outcomes to ensure that no groups are unfairly disadvantaged by the operation of the policy. Applicants to the CHR also have the right to request a review of decisions, set out in paragraph 14 of the CHAS.

An annual plan will accompany the Housing Strategy each year, detailing how high level priorities will be achieved and setting out monitoring and reporting arrangements.

7. Signatures

Assessor

Name: **Tiranan Straughan**

Signature** T F Straughan

Validated by

Name:

Signature**

Forward to the Corporate Policy Team

Signature**

Assessment date:

Review date:

** Please type your name to allow forms to be sent electronically.

A copy of this form should be forwarded to the corporate policy team and duplicate filed on the council's report system alongside any report proposing a decision on policy or service change.

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Appendix 2: Proposed amendments to the Common Housing Allocation Scheme

Para	Amendment	Current text	Amended text	Impact
	Change all references from NHDC to NHC throughout document			None.
3	Update figures on social housing stock in the district	There are over 9,000 general needs properties for rent (see Annex A) and over 30 sheltered housing/Retirement Living projects (see Annex B) spread throughout the district.	There are over 9,000 general needs properties for rent (see Annex A) and almost 30 sheltered housing/retirement living schemes (see Annex B) spread throughout the district.	None.
5.4	Update text to reflect new national arrangements for low cost home ownership schemes	Those subject to immigration control are not restricted from accessing affordable home ownership schemes provided that they are unable to afford suitable accommodation on the open market and can secure a mortgage. Applicants who are ineligible for social housing due to their immigration status who wish to be considered for such schemes should contact the Help to Buy Agent for the East and South East of England.	Those subject to immigration control are not restricted from accessing affordable home ownership schemes provided that they are unable to afford suitable accommodation on the open market and can secure a mortgage. Applicants should visit the government's Own Your Home website for further information about available schemes and eligibility.	None.
5.5 (7 th bullet point)	<u>Refine qualification criteria</u> to ensure social housing is prioritised for those most in need (detail is provided at paragraph 5.5.5)	An applicant will not qualify for inclusion on the Common Housing Register...in the following circumstances:	An applicant will not qualify for inclusion on the Common Housing Register...in the following circumstances:	See comments against para 5.5.5.
5.5 (final bullet point)	<i>Remove this qualification criterion</i> as now covered by changes to para 5.5.5.	<ul style="list-style-type: none"> • the applicant does not have a housing need (see section 17); or • the applicant does not have a local connection (unless they are social housing tenants in England and need to move within or into North Hertfordshire for work related reasons or they require sheltered housing/Retirement Living) (see paragraphs 17.3 and 18.1); or • the applicant or a member of his/her household has been convicted of anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant or a member of his/her household is facing legal action for anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant has an outstanding current housing debt or outstanding debt from a former tenancy for which repayment arrangements are not in place (see paragraphs 5.5.2 and 5.5.3); or • the applicant or a member of his/her household has been evicted from social housing (see paragraph 5.5.4); or • the applicant has sufficient resources to buy a suitable home on the open market (see paragraph 5.5.5); or • the applicant has made a fraudulent application to the Common Housing Register (see paragraph 5.5.6); or • <i>the gross income of the household exceeds £60,000 per annum unless there are exceptional circumstances.</i> 	<ul style="list-style-type: none"> • the applicant does not have a housing need (see section 17); or • the applicant does not have a local connection (unless they are social housing tenants in England and need to move within or into North Hertfordshire for work related reasons or they require sheltered housing/Retirement Living) (see paragraphs 17.3 and 18.1); or • the applicant or a member of his/her household has been convicted of anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant or a member of his/her household is facing legal action for anti-social behaviour or certain types of crime (see paragraph 5.5.1); or • the applicant has an outstanding current housing debt or outstanding debt from a former tenancy for which repayment arrangements are not in place (see paragraphs 5.5.2 and 5.5.3); or • the applicant or a member of his/her household has been evicted from social housing (see paragraph 5.5.4); or • <u>the household has sufficient resources to meet their own housing need (see paragraph 5.5.5);</u> or • the applicant has made a fraudulent application to the Common Housing Register (see paragraph 5.5.6). 	See comments against para 5.5.5.
5.5.1	<u>Additional text</u> to clarify existing practice.	<p>The Partnership will consider a fresh application to the Common Housing Register from any applicant refused access to the Common Housing Register on grounds of anti-social behaviour if the person responsible for the anti-social behaviour/crime has lived in the community for three years with no further convictions of this type, or when their convictions are spent, whichever is the sooner (see Annex C).</p> <p>Applicants who do not qualify for inclusion on the Common Housing Register will be notified of the decision and the reasons</p>	<p>The Partnership will consider a fresh application to the Common Housing Register from any applicant refused access to the Common Housing Register on grounds of anti-social behaviour if the person responsible for the anti-social behaviour/crime has lived in the community for three years with no further convictions of this type, or when their convictions are spent, whichever is the sooner (see Annex C).</p> <p><u>Any household can be removed from the Housing Register for unacceptable behaviour.</u></p>	None, clarifies existing practice.

		for it in writing. The applicant has a right to request a review of such a decision (see paragraph 14).	Applicants who do not qualify for inclusion on the Common Housing Register will be notified of the decision and the reasons for it in writing. The applicant has a right to request a review of such a decision (see paragraph 14).	
5.5.2 (3 rd bullet point)	<i>Remove bullet point as Deposit Guarantee Scheme no longer in operation</i>	A housing debt is a debt related to a current or previous tenancy owed to: <ul style="list-style-type: none"> a social landlord; or a private rented sector landlord; or <i>NHDC resulting from claims against the NHDC Deposit Guarantee Scheme; or</i> an agency that has provided a loan as a result of a referral by NHDC for the purpose of preventing homelessness. Housing debts include: <ul style="list-style-type: none"> current or former tenant/licensee rent/charge arrears in respect of a dwelling; Mesne profits owed by tolerated trespassers; court costs incurred through proceedings in relation to breach of tenancy, including anti-social behaviour and rent arrears. Court costs incurred through proceedings relating to the applicant's occupation of his/her home or former home will be considered according to individual circumstances; charges for repair of damage to a dwelling that the occupier is liable for; <i>claims from a private landlord against a deposit guaranteed by NHDC;</i> loans from agencies that were enabled by NHDC for the purpose of preventing homelessness where repayments have not been maintained. 	A housing debt is a debt related to a current or previous tenancy owed to: <ul style="list-style-type: none"> a social landlord; or a private rented sector landlord; or an agency that has provided a loan as a result of a referral by NHDC for the purpose of preventing homelessness. Housing debts include: <ul style="list-style-type: none"> current or former tenant/licensee rent/charge arrears in respect of a dwelling; Mesne profits <u>and use and occupation charges</u> owed by tolerated trespassers; court costs incurred through proceedings in relation to breach of tenancy, including anti-social behaviour and rent arrears. Court costs incurred through proceedings relating to the applicant's occupation of his/her home or former home will be considered according to individual circumstances; charges for repair of damage to a dwelling that the occupier is liable for; loans from agencies that were enabled by NHDC for the purpose of preventing homelessness where repayments have not been maintained. 	None.
5.5.2 (6 th bullet point)	<u>Additional text</u> to include use and occupation charges as housing debt			Ensures those with use and occupation charges are held accountable when applying for social housing. A very limited number of households may no longer qualify for the Common Housing Register (CHR).
5.5.2 (penultimate bullet point)	<i>Remove bullet point as Deposit Guarantee Scheme no longer in operation</i>			None.
5.5.5	Change to qualification criteria. Assessment of applicants' financial means to meet their own housing needs refined and updated to include new income thresholds and a savings cap, above which households will not qualify for the CHR.	<i>Applicants with sufficient financial resources to purchase accommodation that meets their housing need</i> Applicants who can meet their own housing need by buying a suitable property on the open market, with or without a mortgage, will not qualify for inclusion on the Common Housing Register. Resources include affordable loans, income, equity and capital.	<i>The household has sufficient resources to meet their own housing need</i> Households who have sufficient resources to resolve their own housing need either by renting or buying a suitable property (on the open market or through a low cost home ownership scheme) or by any other means will not qualify for inclusion on the Common Housing Register. A household will be deemed to have sufficient resources if they have in excess of the gross annual household income limits set out as follows: 1 bedroom/studio property: £39,000 2 bedroom property: £50,000 3+ bedroom property: £64,000 A household with savings above the cap set by the Department for Work and Pensions for claiming Housing Benefit (currently £16,000) will also be deemed to have sufficient resources. The savings cap will not apply to households requiring sheltered housing – RM/ML to confirm Our assessment of resources will also take into account affordable loans, investment income, equity and capital, amongst others.	Ensures that scarce social housing is prioritised for those most in need. Some households may no longer qualify for the CHR. All households will be re-assessed to determine whether they have sufficient resources; it is estimated that around 1 in 15 households currently on the CHR may be removed as a result of the proposed change to this qualification criterion. These changes have been consulted on, with the majority of respondents in favour of the proposal.

			<p>Please note that our assessment of resources will disregard any sum received by a member of the Armed Forces as compensation for an injury or disability sustained on active service.</p> <p>Applicants who do not qualify for inclusion on the Housing Register will be informed of the decision and the reasons for it in writing. Such applicants have a right to request a review of the decision (see paragraph 14).</p>	
5.6	Update text to reflect current practice.	A guarantor may be required by social landlords when offering a tenancy to a person under the age of 18. Where a tenancy is to be offered by a member of the NHHP and there is no guarantor available to the applicant, senior officers of the Partnership will make a decision on whether an allocation can be made without a guarantor.	Applicants under the age of 18 can apply to the Common Housing Register however, will not qualify for an allocation of social housing until over the age of 18 years old.	None, clarifies existing practice.
5.7	<p>Change to qualification criteria. Remove qualification for homeowners requiring general needs housing.</p>	<p>Home owners (including those owning a share in a property) with a housing need will be accepted onto the Housing Register provided they have insufficient resources to resolve their housing need (see paragraph 5.5.5) and;</p> <ul style="list-style-type: none"> • it is unreasonable to continue to occupy their current accommodation; and • it is not possible to adapt their current accommodation to meet their needs after taking into account the affordability and practicality of any necessary measures; and • they have insufficient resources to purchase a suitable property in North Herts; or • they have insufficient resources to purchase suitable accommodation in the local authority area in which they currently live and there is a compelling reason why they need to move into North Herts. <p>When making a decision on whether it is reasonable for the household to continue to occupy the accommodation the following will be taken into account:</p> <ul style="list-style-type: none"> • whether the accommodation and amenities within it are accessible to all members of the household; • affordability – taking into consideration any equity in the property, any other properties owned by members of the household and the availability of government supported schemes such as Support for Mortgage Interest; • the physical condition of the property; • the probability that the continued occupation of the property will result in violence or threats of violence that are likely to be carried out against applicant or a member of their household; • whether the property is overcrowded to the extent that it is unreasonable for the household to continue to occupy it; • any other reason that would make it unreasonable for the household to continue occupy their present accommodation. <p>Where it is unreasonable for the household to continue to occupy their property, they will be awarded preference according to their housing need.</p>	<p>Home owners requiring general needs accommodation (including those owning a share in a property) will not qualify for inclusion on the Common Housing Register.</p> <p>Home owners who either have exceptional difficulties or who are applying for sheltered housing/Retirement Living may qualify provided they have insufficient resources to resolve their own housing need (see paragraph 5.5.5). The property must be on the market for sale before taking up a social housing tenancy.</p> <p>Where a tenancy is granted to a person who owns a property it will be an assured shorthold tenancy with a fixed term of 6 months. The tenancy may be brought to an end if the applicant does not take reasonable steps to sell their property.</p> <p>Once the Partnership is satisfied that the applicant no longer has an interest in their former, market property the tenancy will be converted to a social tenancy.</p>	<p>Numerous applications are received from households with interest in properties with significant equity and therefore able to resolve their own housing need for example by purchasing shared ownership or renting in the private sector. This proposal will help ensure that scarce social housing is prioritised for those in most need.</p> <p>A very limited number of households currently on the CHR may no longer qualify; expected to be around 10 households.</p> <p>These changes have been consulted on, with the majority of respondents in favour of the proposal.</p>

		<p>Home owners accepted onto the Common Housing Register are required to take all reasonable steps to complete the sale of their property before taking up a social housing tenancy. Where the NHHP is satisfied that, despite making all reasonable efforts, including reducing the price, this has not been possible, the applicant will be required to undertake to bring their interest in the property to an end as soon as possible after being granted a tenancy and to keep the NHHP informed on their progress in doing so.</p> <p>Home owners who either have exceptional difficulties or who are applying for sheltered housing/Retirement Living may not be required to have taken all reasonable steps to have completed the sale of their property before taking up a social housing tenancy.</p> <p>Where a tenancy is granted to a person who owns a property it will be an assured shorthold tenancy with a fixed term of 6 months. The tenancy may be brought to an end if the applicant does not take reasonable steps to sell their property.</p> <p>Once the Partnership is satisfied that the applicant no longer has an interest in their former, market property the tenancy will be converted to a social tenancy.</p>		
6 (4 th para)	Remove reference, in line with current practice.	Bids made by an applicant's representative, (who may be an NHHP officer), will be accepted provided the NHHP has the written consent of the applicant.		None, clarifies existing practice.
Page 50 1	<i>Remove reference</i> to obtaining written consent, in line with current practice.	<p>Support for potentially disadvantaged applicants</p> <p>Choice based lettings require applicants to actively participate in choosing their accommodation. Some applicants may find such participation more difficult than others. Assistance in making an application and with making bids will be provided, free of charge, to ensure that such applicants are not at a disadvantage.</p> <p>Assistance will be provided at an appropriate level to the applicant's needs by NHHP officers and/or statutory and voluntary support and advice agencies. This may include bids being made on behalf of the applicant <i>where the NHHP has the applicant's written permission to accept/make such bids.</i></p>	<p>Support for potentially disadvantaged applicants</p> <p>Choice based lettings require applicants to actively participate in choosing their accommodation. Some applicants may find such participation more difficult than others. Assistance in making an application and with making bids will be provided, free of charge, to ensure that such applicants are not at a disadvantage.</p> <p>Assistance will be provided at an appropriate level to the applicant's needs by NHHP officers and/or statutory and voluntary support and advice agencies. This may include bids being made on behalf of the applicant.</p>	None, clarifies existing practice.
8	<u>Additional text</u> to reflect changes at 17.1.9 which removes preference for those sharing facilities with other households with whom a tenancy is jointly held.	<p>PROPERTY SIZE</p> <p>For the purpose of awarding preference on the Housing Register, households will qualify for one bedroom for:</p> <ul style="list-style-type: none"> • every adult couple (married or unmarried); • any other adult aged 16 or over; • any two children of the same sex aged under 16; • any two children aged under 10; • a foster child; • any other child, (other than a child whose main home is elsewhere); • a carer (or team of carers) who does not live with the household but who provides permanent full-time overnight care for a member of the household. Supporting documentation will be required from Hertfordshire County Council care services. 	<p>PROPERTY SIZE</p> <p>For the purpose of awarding preference on the Housing Register, households will qualify for one bedroom for:</p> <ul style="list-style-type: none"> • every adult couple (married or unmarried); • any other adult aged 16 or over; • any two children of the same sex aged under 16; • any two children aged under 10; • a foster child; • any other child, (other than a child whose main home is elsewhere); • a carer (or team of carers) who does not live with the household but who provides permanent full-time overnight care for a member of the household. Supporting documentation will be required from Hertfordshire County Council care services. 	See changes at 17.1.9.

			Where an applicant is sharing facilities with another person not included in their application and both parties have a legal right to reside in the property (i.e. are joint tenants), they will be awarded priority as though they have sole use of the property. Therefore, lacking bedroom priority will not be awarded for themselves or their household unless they would usually be deemed to be lacking a bedroom in accordance to the criteria above.	
8.1	<u>Additional text</u> to clarify difference in care needs.	The majority of units in sheltered housing/Retirement Living are self-contained one bedroom flats suitable for either couples or single applicants or studio flats which are only suitable for single person households. Such housing is available for single or couple households that include a person aged 55 or over with a support need.	The majority of units in sheltered housing/Retirement Living are self-contained one bedroom flats suitable for either couples or single applicants or studio flats which are only suitable for single person households. Such housing is available for single or couple households that include a person aged 55 or over with a low level support need. <u>Those with a high level support need and requiring flexi care accommodation will be assessed and allocated outside of this policy.</u>	None.
17.1.2	Change to preference. Remove under-occupying preference for those in sheltered/retirement living	<i>Living in accommodation that is too big for the household</i> A household will be deemed to live in unsuitable housing if they are tenants of social housing within the district who are under-occupying. Preference will be awarded where applicants are in properties with two or three bedrooms and are willing to move to a one-bedroom property; or living in four or five bedroom properties or three bedroom properties with two self-contained reception rooms who are willing to move to a smaller property. In these circumstances, households will be considered for properties that are larger than the household would normally qualify for under the terms of the Common Allocation Scheme (see paragraph 8).	<i>Living in accommodation that is too big for the household</i> A household will be deemed to live in unsuitable housing if they are tenants of social housing within the district who are under-occupying. Preference will be awarded where applicants are in properties with two or three bedrooms (with the exception of sheltered/retirement living) and are willing to move to a one-bedroom property; or living in four or five bedroom properties or three bedroom properties with two self-contained reception rooms who are willing to move to a smaller property. In these circumstances, households will be considered for properties that are larger than the household would normally qualify for under the terms of the Common Allocation Scheme (see paragraph 8).	Very limited, clarifies existing practice. This preference is no longer awarded to households in sheltered accommodation. These changes have been consulted on, with the majority of respondents in favour of the proposal.
17.1.3	Measurements in square metre equivalent added to table	Less than 48 sq ft 48 to 50 sq ft 50 to 70 sq ft 70 to 90 sq ft 90 to 110 sq ft 110 sq ft or over	Less than 48 sq ft (4.5 sq m) 48 to 50 sq ft (4.5 to 4.6 sq m) 50 to 70 sq ft (4.6 to 6.5 sq m) 70 to 90 sq ft (6.5 to 8.4 sq m) 90 to 110 sq ft (8.4 to 10.2 sq m) 110 sq ft or over (10.2 sq m)	None.
17.1.7	Change to preference. Remove preference for those with children living in accommodation that is above ground floor and/or without access to secure garden	<i>Living in accommodation with children under the age of six that is above the ground floor and/or children under the age of 11 without access to a secure garden</i>		This is seeking to ensure that scarce social housing is prioritised for those most in need. Most applicants awarded these preferences will also have other housing needs e.g. requiring another bedroom and therefore only a small number of households currently on the CHR (estimated to be around 70) would be assessed as no longer having a housing need and therefore removed from the CHR. The vast majority of these are existing social housing tenants.

				In addition, just under 300 households on the CHR will lose housing needs points for this preference. These changes have been consulted on, with the majority of respondents in favour of the proposal.
17.1.9	Change to preference. Revise to exclude applicants who are sharing with another household with whom they have a joint tenancy (typically being ex-partners).	<i>Households sharing facilities with other households</i> This applies where the applicant and his household share facilities with others who are not included in their application.	<i>Households sharing facilities with other households</i> This applies where the applicant and his/her household share facilities with others who are not included in their application. However, this priority shall not be awarded where the applicant or household have a legal right to reside in the property i.e. joint tenants.	Again, this will ensure scarce social housing is prioritised for those most in need. Joint tenants should seek legal resolution to their housing situation. Separate robust processes are in place to ensure safeguarding issues are fully considered, including support for those at risk of/suffering domestic abuse. A very limited number of households (estimated at less than 10) may be removed from the CHR if this is their only housing need. These changes have been consulted on, with the majority of respondents in favour of the proposal.
17.2.1 (2 nd para)	Remove reference to lacking garden as per proposed change to 17.1.7	Where a household is deemed to have a medical need for moving, medical priority will be awarded in addition to any already recognised housing need. For instance, a household that lacks a garden for a child under the age of 11 years is placed in Band C. Should a member of the household be deemed to have a medical need for a garden, the appropriate medical preference will be also awarded to the household. An exception may apply to applicants who are vulnerable due to a medical need (see paragraph 17.2.6).	Where a household is deemed to have a medical need for moving, medical priority will be awarded in addition to any already recognised housing need. For instance, a household that requires sheltered/retirement living is placed in Band C. Should a member of the household be deemed to have a medical need for this type of accommodation, the appropriate medical preference will be also awarded to the household. An exception may apply to applicants who are vulnerable due to a medical need (see paragraph 17.2.6).	None.
17.2.3 (2 nd bullet point)	Clarify wording around award of medical priority.	High medical priority will be granted in circumstances whereby: ... • the applicant's continued occupation of their current property is likely to cause a significant deterioration to their health or the health of a member of the household.	High medical priority will be granted in circumstances whereby: ... • the applicant's continued occupation of their current property will cause a significant deterioration to their health or the health of a member of the household.	None, clarifies existing practice.
17.2.4 (2 nd bullet point)	Clarify wording around award of medical priority.	Moderate medical priority will be awarded in circumstances whereby: ... • the applicant's continued occupation of their current property is likely to cause deterioration to their health or the health of a member of their household.	Moderate medical priority will be awarded in circumstances whereby: ... • the applicant's continued occupation of their current property will cause deterioration to their health or the health of a member of their household.	None, clarifies existing practice.
17.2.7	<u>Additional text</u> to clarify level of support need for sheltered housing.	<i>The household includes an applicant aged over 55 and requires sheltered housing/Retirement Living</i> Sheltered housing/Retirement Living is available to single applicants aged over 55 or couples in which one of the	<i>The household includes an applicant aged over 55 and requires sheltered housing/Retirement Living</i> Sheltered housing/Retirement Living is available to single applicants aged over 55 or couples in which one of the	None, clarifies existing practice.

17.2.7	<u>Additional text</u> to accompany changes to paragraph 5.7.	applicants is over the age of 55. To qualify, the applicant must have a support need that can be met in sheltered housing/Retirement Living.	applicants is over the age of 55. To qualify, the applicant must have a <u>low level</u> support need that can be met in sheltered housing/Retirement Living. <u>Those who are home owners (and without sufficient resources to resolve their housing needs) will be placed in Band C but will not be awarded any other preference until such time as they have brought their interest in the property to an end.[also those over savings cap – or exceptional circs?] – RM to discuss with team and confirm with ML and Sean/Dave</u>	Allows home owners requiring sheltered accommodation to qualify for the CHR (para 5.7) but effectively limits chances of successfully bidding on any properties bar hard to let ones.
19.1 (5 th bullet point)	Delete this provision to ensure consistency with provisions in paragraph 20 (cumulative need)	High preference will be awarded where applicants or a member of their household: ... • a senior officer of the NHHP has decided that a household has cumulative housing needs so great as to necessitate an urgent move;		This will provide consistency with provisions in paragraph 20.
19.2 (2 nd bullet point)	Revise from Band B preference to Band C to reflect current practice.	Medium preference will be awarded where: ... • the applicant needs to move and is vulnerable and cannot be expected to find their own accommodation and there is no other person in the household who could be expected to do so on their behalf.		Very limited, if at all. In practice, this preference is only used for care leavers, for whom separate provisions are already in place at paragraph 5.12. Other vulnerable applicants who cannot find their own accommodation as defined at paragraph 17.2.6 would not yet be in a position to manage their own tenancy so a Band B preference (which would potentially put them close to securing a home) would not be suitable for them.
19.3	<u>Additional text</u> in line with changes at 19.2 above, to be added to bulleted list	Low preference will be awarded where: • a household with no dependent children or vulnerable adults is sharing facilities with another household; • a household is owed a duty, other than the main housing duty, by NHDC under homelessness legislation; • a household has been accepted as unintentionally homeless and in priority need and placed in supported accommodation by NHDC but is not yet ready to move into general needs housing; • a household that has been accepted as homeless or threatened with homelessness and in priority need by any local housing authority other than North Hertfordshire District Council; • a household is owed a main housing duty by NHDC under homelessness legislation but does not meet the qualifying criteria for joining the CHR; • the applicant or a member of his or her household has been awarded moderate medical priority; • there is a need to move to provide care to a person who has a moderate medical priority because of a permanent medical condition or a disability or such a person needs to move to receive care and other remedies have been investigated and eliminated;	Low preference will be awarded where: • a household with no dependent children or vulnerable adults is sharing facilities with another household; • a household is owed a duty, other than the main housing duty, by NHDC under homelessness legislation; • a household has been accepted as unintentionally homeless and in priority need and placed in supported accommodation by NHDC but is not yet ready to move into general needs housing; • a household that has been accepted as homeless or threatened with homelessness and in priority need by any local housing authority other than North Hertfordshire District Council; • a household is owed a main housing duty by NHDC under homelessness legislation but does not meet the qualifying criteria for joining the CHR; • the applicant or a member of his or her household has been awarded moderate medical priority; • there is a need to move to provide care to a person who has a moderate medical priority because of a permanent medical condition or a disability or such a person needs to move to receive care and other remedies have been investigated and eliminated;	As above.
19.3 (11 th and 12 th bullet points)	<u>Remove</u> in line with changes to preference at 17.1.7			See comments against para 17.1.7.

		<ul style="list-style-type: none"> the household does not include children or vulnerable adults and they require another bedroom under the terms of the Common Housing Allocation Scheme; the household is occupying a property in which a bedroom is too small; single person households who have lived in a bed-sit or studio flat for three years within the district, as tenants, and wish to move to a one bedroom flat; children under the age of 6 or pregnant women are living in flats above the ground floor; children under the age of 11 who do not have access to a secure garden; there is a need to move to avoid hardship; households are in accommodation with limited security of tenure; the applicant is in an institution and has no suitable accommodation to return to; applicants are over 55 years of age with a support need and require sheltered housing/Retirement Living; looked after children and care leavers aged 16 and 17, in accordance with the Hertfordshire Joint Housing Protocol. 	<ul style="list-style-type: none"> the household does not include children or vulnerable adults and they require another bedroom under the terms of the Common Housing Allocation Scheme; the household is occupying a property in which a bedroom is too small; single person households who have lived in a bed-sit or studio flat for three years within the district, as tenants, and wish to move to a one bedroom flat; there is a need to move to avoid hardship; households are in accommodation with limited security of tenure; the applicant is in an institution and has no suitable accommodation to return to; applicants are over 55 years of age with a support need and require sheltered housing/Retirement Living; looked after children and care leavers aged 16 and 17, in accordance with the Hertfordshire Joint Housing Protocol; <u>the applicant needs to move and is vulnerable and cannot be expected to find their own accommodation and there is no other person in the household who could be expected to do so on their behalf.</u> 	
22 (7 th para)	<u>Additional text</u> to be added to bulleted list of exceptions, to reflect existing affordability checks conducted by housing providers.	<p>OFFERS OF ACCOMMODATION</p> <p>Available properties will be advertised and applicants invited to 'bid' for the property of their choice (see paragraph 6). Bidders will be short listed in order of the amount of preference that they have on the Housing Register. A maximum of five applicants, with the highest preference on the Common Housing Register will be invited to view the property. Following the viewing, applicants will be required to confirm whether or not they want to be considered for the property. Of those who wish to be considered, the property will be offered to the applicant with the highest preference on the Register.</p> <p>The type of tenancy offered may vary between social housing providers and, depending on an applicant's circumstances, could range in duration from six months to a lifetime. Further details will be found in providers' tenancy policies.</p>	<p>OFFERS OF ACCOMMODATION</p> <p>Available properties will be advertised and applicants invited to 'bid' for the property of their choice (see paragraph 6). Bidders will be short listed in order of the amount of preference that they have on the Housing Register. A maximum of five applicants, with the highest preference on the Common Housing Register will be invited to view the property. Following the viewing, applicants will be required to confirm whether or not they want to be considered for the property. Of those who wish to be considered, the property will be offered to the applicant with the highest preference on the Register.</p> <p>The type of tenancy offered may vary between social housing providers and, depending on an applicant's circumstances, could range in duration from six months to a lifetime. Further details will be found in providers' tenancy policies.</p>	None, clarifies existing practice.
22 (final para)	<u>Additional text</u> to streamline administrative process. We will no longer write to applicants who do not meet criteria for advertised properties, where those criteria have been clearly specified in the advert.	<p>Applicants who have been offered a property will not be considered for other properties until they have made a decision on the offer. Should an applicant be at the top of more than one shortlist, they will be required to make a decision on which property they prefer.</p>	<p>Applicants who have been offered a property will not be considered for other properties until they have made a decision on the offer. Should an applicant be at the top of more than one shortlist, they will be required to make a decision on which property they prefer.</p>	This will save staff time.
22	<u>Additional text</u> to protect against fraudulent applications to be added at end.	<p>The applicant will have a limited time period to notify the NHHP of whether they will accept an offer.</p> <p>Vulnerable households may be permitted a longer period to decide whether or not to accept a property to allow them time to liaise with support and advice agencies. In these circumstances, the amount of time that the applicant will be given will be made on a case by case basis.</p>	<p>The applicant will have a limited time period to notify the NHHP of whether they will accept an offer.</p> <p>Vulnerable households may be permitted a longer period to decide whether or not to accept a property to allow them time to liaise with support and advice agencies. In these circumstances, the amount of time that the applicant will be given will be made on a case by case basis.</p>	To reduce the risk of people fraudulently obtaining scarce social housing.

		<p>If the applicant refuses the offer or fails to respond within the given time, the property will be offered to the applicant with the next highest preference on the Common Housing Register. This process will be followed until the property is successfully allocated.</p> <p>An exception to this process will apply where:</p> <ul style="list-style-type: none"> the allocation is deemed unsuitable because the applicant or a member of their household poses a risk to themselves, individuals or other members of the community which, cannot safely be managed in the available property; the applicant is 16 or 17 years of age and has no guarantor (see paragraph 5.6); the applicant has been assessed as ineligible for an allocation (see paragraph 5.4); the applicant does not qualify for inclusion on the Common Housing Register (see paragraph 5.5) the eligibility criteria for the property is restricted and the applicant does not meet the criteria (see paragraphs 7. to 7.3); the applicant is in supported accommodation and not considered ready to move to general needs accommodation by his/her support provider; or there is another special reason why a particular property cannot be offered to the bidder with the highest preference. <p>In these circumstances, the applicant may be by-passed for an allocation. Where a decision is made to by-pass an applicant for an offer of accommodation due to any of the reasons listed above, the applicant will be notified of the decision and the reasons for it in writing. The applicant may request a review of such a decision (see paragraph 14).</p>	<p>If the applicant refuses the offer or fails to respond within the given time, the property will be offered to the applicant with the next highest preference on the Common Housing Register. This process will be followed until the property is successfully allocated.</p> <p>An exception to this process will apply where:</p> <ul style="list-style-type: none"> the allocation is deemed unsuitable because the applicant or a member of their household poses a risk to themselves, individuals or other members of the community which, cannot safely be managed in the available property; the applicant is 16 or 17 years of age and has no guarantor (see paragraph 5.6); the applicant has been assessed as ineligible for an allocation (see paragraph 5.4); the applicant does not qualify for inclusion on the Common Housing Register (see paragraph 5.5) the eligibility criteria for the property is restricted and the applicant does not meet the criteria (see paragraphs 7. to 7.3); the applicant is in supported accommodation and not considered ready to move to general needs accommodation by his/her support provider; there is another special reason why a particular property cannot be offered to the bidder with the highest preference; or <u>the applicant fails the affordability check for the property</u> <p>In these circumstances, the applicant may be by-passed for an allocation. Where a decision is made to by-pass an applicant for an offer of accommodation due to any of the reasons listed above, the applicant will be notified of the decision and the reasons for it in writing, <u>unless the criteria for the property has been specified in the advert</u>. The applicant may request a review of such a decision (see paragraph 14).</p> <p><u>Registered applicants under investigation due to potential fraud will be bypassed on vacancy shortlists until the investigation has been completed. The applicant may not request a review of this decision.</u></p>	
23	Update wording as settle no longer have a floating support service.	The NHHP will ensure that vulnerable households are provided with the support they need to sustain their tenancy. Such support may be provided by the NHHP, settle Floating Support Service and/or dedicated support agencies.	The NHHP will ensure that vulnerable households are provided with the support they need to sustain their tenancy. Such support may be provided by the NHHP and/or dedicated support agencies.	None, clarifies existing practice.

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**CABINET
6 FEBRUARY 2024**

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: **Empty Homes Strategy 2024-29**

REPORT OF: Frank Harrison,
 Environmental Health Manager

EXECUTIVE MEMBER: Cllr Sean Prendergast,
 Executive Member for Housing and Environmental Health

COUNCIL PRIORITY: PEOPLE FIRST / A BRIGHTER FUTURE TOGETHER

1. EXECUTIVE SUMMARY

This strategy states the objectives North Herts Council (the Council) has set itself so as to endeavour to bring as many long-term vacant homes back into occupation as is practicable. Whilst short-term empty homes are inevitable when linked to house sales, or where the occupier may need to be care elsewhere, these homes pose little or no concern to the local communities, and quickly return to occupation. However, a small but significant number of houses remain vacant for protracted period, and it is these that tend to have a negative impact on their area, and are also the target of this strategy. The Council intends to work with the owners of these premises to initially understand their reasons for keeping them vacant, but to then work with as many owners as possible, to allow this unused resource to better serve the communities, mitigate the negative impact they have, and provide an increased opportunity to meet the Councils housing needs, without the need to build so additional new homes. This strategy sets out the intention and the outline processes to allow the Council to achieve this objective.

2. RECOMMENDATIONS

- 2.1. That Cabinet adopt the Empty Homes Strategy 2024-29.
- 2.2. The Cabinet should note that although there is no legal requirement for the Council to have an Empty Homes Strategy, there have been several significant Government-focussed documents and papers highlighting their importance, including a House of Commons Briefing Paper stating that each local authority should have such a strategy to help reduce the number of long-term empty homes in their districts.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The recommendation and considerations are being made to allow the Council to formerly adopt the 5-year Empty Homes Strategy 2024-29 to allow the Environmental Health service to work directly or with others to identify and deliver the most appropriate intervention programme to allow the Council to aim to bring as many long-term empty homes back into occupation as practicable.

- 3.2. The strategy allows the Council to state its intention to consider every aspect linked to the housing sector to bring into use as many opportunities as it can to meet the district's housing needs , without having to rely solely on new build. Whilst the number of long-term empty homes is small, and the number likely to be brought back into occupation will be smaller still, this strategy does address this sector which would otherwise be omitted from the overall resource potentially available to form our housing stock.
- 3.3. By adopting the strategy, and allowing for the development of a culture of greater awareness of vacant homes, allows for homes which become vacant to be highlighted sooner, and so they can be monitored and their owners challenged at an earlier point, thus also contributing to hopefully having more homes available for the residents of the district.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. This strategy is the first such for the Council, and sets the basis upon which any future empty-homes interventions will be based. In this capacity, there are no alternative strategies to consider, although within the strategy, it does identify a number of different options potentially available to bring an empty home back into occupation.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. Following initial consultation with the Executive Members it was recommended that this strategy be made aware to all Members to allow them to contribute to its development and acceptance into the framework for addressing the issues caused by empty homes and to bring as many as practicable back into occupation.
- 5.2. Empty homes can pose challenges for all wards, so Member consultation is not limited.
- 5.3. It is recognised that this strategy is to declare the intentions of the Council to work with owners to reduce the number of long-term empty homes as much as it is to clarify the options that may be used. As such, this strategy does not set procedure or a requirement to address all empty homes and so the scope of consultation has thus far been limited.
- 5.4. All of the Council's services that have, or may have an input into this strategy have been consulted with, and have commented as they have seen fit. Their considered views, where appropriate, have been included in the final version.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 15th September 2023.

7. BACKGROUND

- 7.1. Empty homes have been recognised for a long time as being both a loss to the local housing stock thus reducing the options available to people living or wishing to live in an area, and potentially posing a nuisance and eyesore to the local community. As such, there are many reasons to seek to bring empty homes back into occupation.

- 7.2. It is also recognised, that there are very many reasons why homes are allowed to be vacant for a period of time, and in most cases, they do not pose any local concern, for example, as part of a house sale, or when the owner is away, for example, on a long holiday or receiving medical treatment. These homes tend to fall into the category of short-term empty homes, only rarely pose any local concern, and are not the target of this strategy.
- 7.3. The empty homes that this strategy does focus on, are those considered to be long-term vacant, that is those having been empty for more than 6 months, and which pose an actual concern to the local community.
- 7.4. Long-term empty homes are known to have a negative influence on a community, both in relation to the removal of a potential housing opportunity, but also in that they tend to attract an element of anti-social behaviour, even if this is only in the poorer condition they tend to be left in. However, in some cases, the empty home is neglected further such that they become a local nuisance, sometimes becoming a local eyesore or needing the intervention of the local Council to mitigate a nuisance, all of which contributes to the negative impact they can have on the local community. It is this latter group that tends to lead to the greatest number of complaints to the Council services, usually in relation to complaints about over-grown gardens, the presence of household waste or pests, or that they have become insecure and a venue attracting crime.
- 7.5. Although it is difficult to state exactly how many empty homes there are at any one time, either nationally or locally, Council Tax data tends to be the most effective means of keeping track of their number. According to the Council's Council Tax figures, in 2022 there were 1586 vacant homes of which 466 had been vacant for more than 6 months, with over 150 believed to have been vacant for more than 2 years, which is a significant increase from pre-Covid times and before the latest cost of living crisis.
- 7.6. Whilst there are enforcement powers available and used by the Council to deal with certain matters associated with long-term empty homes, the most effective way of bringing them into reoccupation does tend to be through working with the owners, and trying to first understand why the home is vacant, and then trying to reduce the barriers so that the home can be reoccupied. This is the approach that this strategy focusses on, and outlines the preferred options that will be considered over time.
- 7.7. The House of Commons Briefing Paper also goes on to say that local authorities should seek funding and allocate resources to help address the issue, including potentially buying and refurbishing these homes, and although this is not a proposal in this strategy, it does highlight the recognition by Parliament of the challenges long-term empty homes do post, and the benefit bringing them back into occupancy can offer.

8. RELEVANT CONSIDERATIONS

- 8.1. The full draft of the strategy is provided in appendix 1 with this report for due consideration.
- 8.2. The strategy outlines the how the Council will target the long-term empty homes with the intention of bringing as many homes as possible back into use. The Environmental Health service already has a staffing resource (0.5 FTE) specific for this work, and the strategy will enable to service to target this resource and the work better towards this objective.

- 8.3. This report requests Members consider the strategy it refers to, and if in agreement, adopt it.

9. LEGAL IMPLICATIONS

- 9.1. Whilst there is no statutory provision requiring the Council to have or adopt an Empty Homes Strategy, the Government has set out the principles encouraging Councils to identify and then reduce the number of long-term empty homes in their district. Provisions in the Council's financial powers allow us to vary the amount of Council Tax payable for empty homes, resulting in a discount for short-term vacant homes covering those pending the completion of house sales and a premium for long-term empty homes in an attempt to encourage the owner to reoccupy them. Identifying the role played by long-term empty homes has also been identified in the draft Housing Strategy 2024-29 and this too highlights the need to reduce their number by returning more back to habitation.
- 9.2. A number of the long-term empty homes also pose a financial draw on the Council's resources, whether through the non-payment of Council Tax or via the accrual of costs incurred mitigating any negative impact they may have. The Council does have a statutory role in reducing the negative impact caused by empty homes, section 12 and appendix C of the strategy details this, and all of these provisions impose some degree of legal implications on the Council.
- 9.3. As the likelihood of empty homes to be present in all wards of the Council is high, and initially outside the knowledge and control of the Council, it has been considered appropriate that all Members be able to consider and contribute to this strategy. As such, it is appropriate that this is presented to Members at Council level. Funding for the administration of this strategy is already in place, but due to the potential financial options available to deliver it, knowledge by Members of these would be beneficial. As such, the strategy is to be presented to Council in due course.
- 9.4. The strategy has been considered widely by those services within the Council and amendments have been made to accommodate the appropriate recommendations forwarded by those services, including legal implications that may arise.
- 9.5. The Terms of Reference of Cabinet at 5.7.1 of the Constitution provides that Cabinet will exercise the following function: "To prepare and agree to implement policies and strategies other than those reserved to Council."

10. FINANCIAL IMPLICATIONS

- 10.1. This strategy outlines the intentions of the Council to work to reduce the number of long-term empty homes in the district, and although it refers to legal obligations under specific legislation, it does not directly identify or impose any additional financial obligations on the Council.
- 10.2. The Council has already approved 0.5 FTE of an officer to facilitate the work required to fulfil the objectives of this strategy, and it is intended that this post will be filled during the year 2024-25.

- 10.3. Due to the recognised negative impact some long-term empty homes have on their communities, regulatory services of the Council may be required to intervene to mitigate the worst of these effects. This intervention costs the Council so any reduction in the number of long-term empty homes is likely to reduce this demand thus reducing the costs to those regulatory services. This would be an indirect benefit of implementing this strategy, although one which would be difficult to financially quantify.
- 10.4. The Council may see a reduction in Council Tax income as long-term empty properties which are currently charged a Council Tax premium, and upon reoccupation this would be lost, but as a number of long-term empty homes also carry a charge owed to the Council of various reasons, this charge is likely to be either repaid, or written off as part of the sale if it is deemed non-recoverable.
- 10.5. Currently, for every house brought into occupancy, the Council receives a New Homes Bonus, which although restricted in what this can be committed to, does allow the Council offset some of its costs. This bonus is likely to be removed entirely, although it is rumoured that an alternative new home incentive may replace this, but that may exclude long-term empty homes being brought back into occupancy from the provision.

11. RISK IMPLICATIONS

- 11.1. This strategy seeks to define how the Council will meet the challenges posed locally by long-term empty homes, especially with respect to trying to bring as many as practicable back into occupancy. Although this has been highlighted as a desirable obligation Councils should strive for, producing and adopting a strategy is not a requirement in itself.
- 11.2. Whether a long-term empty home causes a local nuisance or not is not influenced by this strategy, and similarly, when such a home does pose a potential breach of a statute, e.g., provide harbourage to rats, or allows for the accumulation of household waste even if dumped by someone else, these breaches remain actionable by the regulatory service authorised to act. The presence of an adopted strategy does not influence these interventions.
- 11.3. Long-term empty homes, even where there is no statutory detriment to the area, i.e., they are still well maintained, are known to have a negative impact on a neighbourhood. Whilst this is unlikely to pose a direct impact on the Council, can be a source of dissatisfaction and complaint by local residents, and risk lowering the acceptable standards otherwise present in the community.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duties, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. Given that this policy targets empty homes, and seeks to bring them back into occupation, the status of the owners of these is not taken into consideration, and as such, in regard to this aspect, there are no negative equalities implications.

- 12.3. It is however, recognised that some owners of empty homes keep their homes vacant for personal, psychological or emotional reasons, and where this may be the reason, this strategy highlights the intention to work with current owners to understand their reasoning and for them to bring the property back into occupation willingly.
- 12.4. The benefit of having a greater number of homes available for occupation, including via a reduction in the number of empty homes, is that more people, including those currently homeless will have a greater opportunity for their own home. This strategy therefore has positive implications for this aspect of equalities.
- 12.5. To highlight the equalities impact of this strategy, an equalities assessment is included as an appendix.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report, although where officers of the Council are able to work with the owners of empty homes, they will take into consideration the foreseeable benefits of using local businesses and advocate these accordingly.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. Empty homes are recognised as posing, or being able to pose a negative environmental impact, both directly as potentially being a source of local pollution including due to the home deteriorating or offering a dumping site, but also indirectly, in being an unused commodity requiring an alternative home to offer the housing amenities. This strategy seeks to mitigate this impact by bringing as many empty homes back into occupation as practicable.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 The Council already has in place the funding for a part-time officer to implement this strategy, and by adopting this strategy, this will allow the employment of that officer to deliver the stated aims of this Council to reduce as much as practicable, the number of empty homes. Given that the funding is already in place, the strategy will not pose any initial human resource implications, in its delivery.
- 15.2 As the deleterious impact of empty homes in an area is recognised as placing additional burdens of local regulators, by adopting this strategy, it is foreseeable that the demands posed on the Council by empty homes should decrease, thereby freeing this resource to focus on other matters affecting the respective communities.

16. APPENDICES

- 16.1 Appendix 1 – The North Herts Strategy for Empty Homes
- 16.2 Appendix 2 – The Equalities Impact Assessment

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

18.1 None presented.

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North Hertfordshire District Council

Empty Homes Strategy

2023 - 2028

A Strategy for Bringing Empty Homes Back into Use

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EXECUTIVE SUMMARY

PART 1. INTRODUCTION & CONTEXT

1 Introduction

- 1.1 This is North Herts Council's (the Council) first Empty Homes Strategy, the main objective being that empty homes are brought back into use.
- 1.2 This document aims to explain the issues associated with empty homes, the reasons homes become empty, and the help and powers available to bring homes back into use.

2 The National Context

- 2.1 The Government classes properties that have been empty for longer than 6 months as long-term empty. It is recommended that local authorities have an empty homes strategy for their area, with the aspiration to reduce the number of long-term empty homes.
- 2.2 Government policy to incentivise the reoccupation of long-term empty homes allows local authorities to vary the amount of council tax payable on some empty homes, with the option of imposing an 'empty homes premium'.
- 2.3 Despite this, long-term empties are now at their highest level since 2011 (excepting 2020's pandemic-related data). There are nearly 250,000 long-term empty homes in England, and over 250,000 people in urgent housing need.

3 The Local and Corporate Context

- 3.1 Any empty property can be a problem, and therefore all owners of long-term empty properties will be contacted to encourage the return to use. Many long-term empty homes will be returned to use without continued council intervention. Therefore the focus of more significant work will therefore generally be on those properties that have been empty for more than two years or have received specific complaints. These longer-term empty homes cause most concern as they are more likely to remain empty for longer without intervention and are also more likely to be an increasing source of blight and complaint.
- 3.2 The Council Tax database is used to determine the number of empty homes in North Hertfordshire.
- 3.3 This strategy aims to verify data, build a database of empty homes, and to encourage and facilitate our residents, officers and Councillors to report suspected empty homes. This will include an article in the Council's newsletter (Outlook), that highlights a

dedicated web page, with an electronic form for residents to report potential empty homes, anonymously if they wish.

- 3.4 Although some empty homes casework can prove lengthy and time-consuming, returning empty homes to use can be the quickest and most cost-effective way to increase the supply of housing, and play an important part in maximising existing housing stock for the benefit of the people of North Hertfordshire.

4.0 Contributing to the Council Plan and Housing Strategy

4.1 This Empty Homes Strategy supports the current Council Plan and Housing Strategy. One of the priorities in the Housing Strategy for maximising the supply of affordable housing is to reduce numbers of empty homes.

4.2 Whilst, in pursuance of the Housing Strategy, the Empty Homes strategy sets a target and outlines the Council's overall process for tackling empty homes, the number of empty homes that can be tackled, and of those, the numbers that can be brought back into use each year, will depend on available resources. As resources become available, the strategy will support the Council to tackle empty homes in a fair, consistent and effective way.

5.0 Resourcing the Strategy

5.1 Thus, co-ordination and achievement of the action plan at Appendix A are dependent upon resources becoming available within the Council's Environmental Health and other services.

PART 2. BACKGROUND

6 Background to Empty Homes

6.1 Empty homes can present many problems for the owner and community, and their re-use offers many benefits, including for local housing need.

6.2 There are many reasons why a home may be left empty. When dealing with a long-term empty property, the Council will seek to understand the owner's reasons in order to work with them to best effect.

PART 3. AIMS, OBJECTIVES AND APPROACH TO TACKLING EMPTY HOMES

7. Aims and Objectives

7.1 The over-riding strategic aim is to bring empty homes back into use.

7.2 The three key objectives within the Action Plan are to:

1. *gather relevant, accurate and current information about empty homes in the District;*
 - Develop a database of long-term empty homes and their priority for investigation and action. This database is for empty homes work only and not for publication.

- Initial investigation into homes empty for more than six months.
 - Further investigation into those empty for two or more years, or problematic.
 - Focused action based on an annual prioritisation process.
2. *raise awareness of empty homes in the District and promote the strategy;*
- including publicity and information, and facilitating on-line and telephone reporting.
3. *reduce the number of empty homes and return empty homes back into use, through all available and appropriate means in the District. Specific measures include:*
- Support, provision of advice
 - Transparent, graduated approach from assistance to enforcement
 - Targeted appropriate action – to write to owners of all empty homes in the district, offering support, and seeking information to help determine appropriate action and prioritisation
 - Consideration of funding initiatives
 - Council Tax Premiums on Empty Homes
 - Enforcement, to tackle specific problems, and where voluntary re-occupation is not achieved. Options appraisal for range of available powers including compulsory purchase, empty dwelling management orders, and enforced sale. Potential to defer if owner progresses with suitable voluntary action, as this is always preferred.

8. Performance Monitoring and Review

8.1 The Service Director – Regulatory will be responsible for managing delivery of the Strategy, including inputs from other Council services, and every six months, reporting to relevant Executive Members the progress against the action plan. Performance management will in particular:

- Monitor numbers of homes brought back into use,
- Develop knowledge of best practice, and
- Review actions within the strategy's Action Plan.

9. Financial Implications

9.1 The purpose of the Strategy is to bring empty homes back into use. Social benefits often outweigh direct financial income. Potential income streams include New Homes Bonus or other government initiatives, debt recovery, and unclaimed sales income from Compulsory Purchase Orders or Enforced Sales.

10. Equalities Implications

10.1 The strategy has potential for a positive impact across a number of community groups through the increase in availability of accommodation.

11. Environmental Implications

11.1 The strategy provides an environmentally sustainable way to help meet housing demand.

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PART 1. INTRODUCTION & CONTEXT

1 Introduction

1.1 This is North Herts Council's (the Council) first Empty Homes Strategy, the main objective being that empty homes are brought back into use. This document aims to give an understanding of the issues empty homes can cause and how they impact the local community. It looks at why homes become empty, what advice and assistance are available to the owners of empty homes, and how the Council will use the range of powers available to it to return empty homes to use. The objectives of the Strategy are detailed in section 7.1. Tackling empty homes and bringing them back into use will impact positively on our residents, including people in housing need, the wider community for whom empty homes often cause problems, and also for the owners, as the property will re-acquire its intrinsic value to the community as a whole.

1.2 In North Hertfordshire, according to the Council's and Government's Council Tax records, in October 2019 there were 1223 empty homes, of which 349 had been empty for at least six months¹, and around 109 which had been vacant for 2 years or more². By October 2022, the number of empty homes had increased to 1586, of which 466 had been empty for at least six months. However, this information is limited as it is recognised that there are a number of empty homes where full Council Tax is being paid and the property has not been registered as being empty, and several exemptions apply, for example derelict or second homes are not classed as empty. These figures will not include any that are receiving an exemption whilst awaiting probate. Once probate is granted and the property remains empty it will then be included within these figures. The definitions of what an empty home is, are given in section 6 of this strategy.

1.3 Empty homes can be detrimental to the lives of local residents and communities, particularly so if not maintained. Even a single empty home can blight a whole street or community, reducing the values of surrounding properties and causing nuisance to local residents. Empty homes can also attract vandalism, fly-tipping and other criminal activity, ranging from the minor to the extremely serious, but all risk increasing crime and the fear of crime. They may also represent a risk for the emergency services and add pressure on various council teams such as Environmental Health and Building Control. Empty homes can be a drain on their owners' resources also, through their maintenance, insurance and council tax costs.

¹ MHCLG Table 615: vacant dwellings by local authority district: England, from 2004.

Available at: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants> Accessed 14th Apr 2023

² NHDC Cabinet report. Council Tax Premiums and Discounts on empty properties; 28 Jan 2020

Available at: <https://democracy.north-herts.gov.uk/documents/s9775/Council%20Tax%20Premiums%20Discounts%20on%20Empty%20Properties.pdf> Accessed 14th April 2023

1.4 The benefits of a strategy to deal with empty homes have been identified in a House of Commons briefing paper as social, regenerative, financial and strategic.³ A strategy can:

- assist in meeting housing need;
- improve housing conditions;
- assist with a reduction in crime and the fear of crime and antisocial behaviour;
- regenerate and improve the appearance of blighted areas;
- increase Council Tax collection rates and empty home premiums;
- generate additional income, such as through the New Homes Bonus (NHB) while available, or through other government grants or rent.

1.5 The case for dealing with empty homes is therefore compelling from a community and housing perspective, but (as well as the financial benefits to the owner) there are also financial incentives to not only return existing empty homes to use, but to try to ensure that the number of empty homes does not then increase.

1.6 Whilst acknowledging that there are many reasons why homes are left empty, some of a more personal and emotional nature, bringing more long-term empty homes back into use is a sustainable way to help meet housing demand, and as well as the community and strategic benefits, provides capital or income for the owner.

³ Wilson W, Cromarty H, Barton C. Empty Housing (England). Briefing Paper Number 3012. House of Commons Library; 21 Oct 2020. Available at <https://researchbriefings.files.parliament.uk/documents/SN03012/SN03012.pdf>
Accessed 14th April 2023

2 The National Context

2.1 For an effective housing market to operate there will be properties unoccupied for a short period (of up to 6 months) during the transfer of ownership or between lettings. Therefore, the Government has classified properties that have been empty for longer than 6 months as long-term empty.

2.2 Since 2010 the Government has placed considerable emphasis on the importance of returning empty homes to use. Statistics published by the Ministry of Housing, Communities and Local Government (MHCLG) put the number of empty homes in England in October 2019 at 648,114.⁴ Of these, 225,845 were classed as long-term empty homes (i.e., empty and substantially unfurnished for longer than six months). By October 2022 this had increased to 676,304 and 248,149 respectively. Unlike the figures used commonly until 2010/11, which were based on the Housing Strategy Statistical Appendix (HSSA) returns, these figures do not include empty properties where there is an applicable Council Tax exemption, nor do they include empty homes which are substantially unfurnished, which notionally differentiates them from second homes.⁵ The figures are based on the Council Tax system which provides specific statutory exemptions from Council Tax for properties left empty for specific reasons, such as when a person goes into care.

2.3 In 2018 'Empty Homes' a national campaigning charity published a report entitled 'Empty Homes in England'.⁶ This report identified an upward trend nationally for empty homes in 2018 after 10 years of a downward trend. It made several recommendations that have also been published in the House of Commons Briefing Paper No. 3012 May 2019, Empty Housing (England)⁷:

- Local authorities should have an empty homes strategy for their area, with the aspiration to reduce the number of long-term empty homes.

⁴ MHCLG Table 615: vacant dwellings by local authority district: England, from 2004.

Available at: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants> Accessed 14th April 2023

⁵ Department for Communities and Local Government. Council tax information letter: Council tax-definitions of empty homes and second homes. 23 September 2014. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/357791/140923-CTIL_on_EHP.pdf Accessed 14th April 2023

⁶ Empty Homes. Empty Homes in England. 2018. Available at: <https://www.actiononemptyhomes.org/Handlers/Download.ashx?IDMF=997e1feb-0e93-4805-b505-c655a9105e80> Accessed 14th April 2023

⁷ Wilson W, Cromarty H, Barton C. Empty Housing (England). Briefing Paper Number 3012. House of Commons Library; 29 May 2019. Available at <https://researchbriefings.files.parliament.uk/documents/SN03012/SN03012.pdf> Accessed 14th April 2023

- Local authorities and social housing providers should seek funding and allocate resources to buy and refurbish empty properties for people in housing need.
- Local authorities should take a casework approach with owners of long-term empty properties to encourage, advise and support them to bring homes back into housing use. Employing dedicated empty homes staff can ensure that the council is able to act on information about homes, and build up expertise in working with owners, including taking enforcement action where necessary.
- Local authorities with concentrations of long-term empty homes should look at how they can support community-based neighbourhood regeneration approaches.
- Local authorities, particularly in high value areas, should conduct studies to understand the extent and impact of 'buy-to-leave' empty or hardly ever used. Where it is an issue, they should review the measures they could adopt to incentivise people to sell or rent those properties, or not to buy properties in the first place with the intention of leaving them empty or hardly ever used.

2.4 In 2011, the Government confirmed that councils could attract additional funding under the New Homes Bonus scheme for bringing empty homes back into use. Under the scheme, the Government matched the Council Tax raised for each property brought back into use for a period of six years. The number of years over which payments are made was reduced from six to five in 2017/18 and further reduced to four years from 2018/19. In February 2023, the government published the New Homes Bonus allocations for 2023-24,⁸ including an element for empty homes brought back into use. However the scheme is now largely phased out, and it is currently unclear how its replacement will apply to empty homes.

2.5 Since April 2013, powers previously held by central government to vary the amount of council tax paid on some empty homes has been devolved to local level. The aim of the government's policy is to further incentivise the reoccupation of long-term empty homes by increasing council tax payable or by removing reductions or exemptions that were previously in place. Local authorities are now able to decide whether to apply a discount for properties empty for up to six months and those properties empty and in need of considerable renovation. There is also the option of imposing an 'empty homes premium'. Point 3.4, below gives the Council current response to this option.

2.6 Government Statistics, collated from the Council Tax Base returns submitted by each billing authority in England, reveal that nationally there were 483,000 empty dwellings as of September 2019 and of these 63,000 dwellings were being charged a premium because the

⁸ Department for Levelling Up, Housing and Communities. New Homes Bonus final allocations 2023 to 2024. Available at <https://www.gov.uk/government/publications/new-homes-bonus-final-allocations-2023-to-2024> Accessed 30th March 2023

dwelling had been empty for 2 years or more.⁹ The leivable premium was increased from 50% to 100% from April 2019, and 76.2% empty dwellings were charged at this higher premium.

2.7 A campaigning organisation reports that long-term empties are now at their highest level since 2011 (excepting 2020's pandemic-related data), and notes there are nearly 250,000 long-term empty homes in England, and over 250,000 people in urgent housing need.¹⁰

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⁹ Ministry of Housing, Communities and Local Government. Local Authority Council Tax base - 2019 England (Revised), Statistical Release: 20 February 2020. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/867232/Local_Authority_Council_Tax_Base_England_2019_Statistical_Release.pdf..Accessed 2nd Mar 2020

¹⁰ Action on Empty Homes. Empty Homes Data. Available at: <https://www.actiononemptyhomes.org/facts-and-figures>. Accessed 27th April 2023

3 The Local and Corporate Context

3.1 This strategy highlights how resources can best be targeted to address empty homes in North Hertfordshire, and to tap into the rewards and positive outcomes, both financial and community based, that this approach brings.

3.2 Experience in Hertfordshire has shown that a significant number of properties identified as long-term empty (i.e., that have been empty for at least 6 months) will be back in use within two years.¹¹ Whilst it is recognised that any empty property can be a problem and therefore all owners of long-term empty properties will be contacted to encourage the return to use in a short timescale, to continue to try to contact unresponsive owners at this stage is resource intensive. The focus of more significant work will therefore generally be on those properties that have been empty for more than two years or have received specific complaints.

3.3 Combining the Council's 2020 Cabinet report with the government's published statistics at that time, reveals that in North Hertfordshire, as at October 2019 around 349 homes had been empty for more than six months¹², while 109 of these had been empty for more than two years¹³. It is these longer-term empty homes which cause most concern as they are more likely to remain empty for longer without intervention and are also more likely to be an increasing source of blight and complaint. It appears that 4 longer term (i.e., more than 2 years) empty homes were brought into use between October 2019 and May 2021. Actual numbers of empty homes and the length of time vacant are useful for comparison, but naturally fluctuate over time.

3.4 The following table shows the distribution of these longer-term empty homes as at May 2021.

Table 1. Empty Properties over 2 years by Parish as at 18.5.2021

PARISH	NUMBER EMPTY OVER 2 YEARS
Ashwell	1
Barkway	2
Barley	2

¹¹ East Herts Council. Empty Homes Strategy 2016-2020. Available at: <http://democracy.eastherts.gov.uk/documents/s31904/Empty%20Homes%20Strategy%20-%20ERP%20C%20Draft%20Strategy.pdf> Accessed 15th May 2023

¹² MHCLG Table 615: vacant dwellings by local authority district: England, from 2004. Available at: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants> Accessed 30th Apr 2020

¹³ NHDC Cabinet report. Council Tax Premiums and Discounts on empty properties; 28 Jan 2020

Clothall	3
Codicote	2
Hinxworth	1
Holwell	1
Ickleford	2
St Ippolyts	4
Kimpton	3
Knebworth	2
Offley	2
Pirton	1
Radwell	1
Rusden	1
Sandon	3
Therfield	1
Weston	1
Great Ashby	1
Baldock	11
Hitchin	27
Letchworth	21
Royston	12
TOTAL	105

3.5 Since 2013, the Council has charged a Council Tax Premium of an additional 50% in respect of properties that have been unoccupied for more than two years. From April 2020 the Premium was increased to 100%. The properties in question do change from time-to-time as some return to occupation and others exceed the two-year period, therefore any comparisons can only be made from a snapshot in time. The Council receives around 13% of the income from the Premium, (the rest going to the precepting Authorities, i.e., councils from other levels of local government, such as Hertfordshire County Council). The income goes into the Collection Fund and cannot directly fund empty homes work.

3.6 Table 2 below shows the number of properties in North Hertfordshire that were empty, those empty for over six months, and those empty for over two years when the Tax Base Return

was submitted to the Ministry of Housing, Communities & Local Government (MHCLG) in October of each year since the measure was introduced.^{14, 15}

Table 2 Empty homes over 6 months and 2 years by year to 2022

Year	All vacant dwellings	Number empty for 6 months or more	Number empty for 2 years or more
2013	1249	422	70
2014	1116	301	87
2015	1157	299	92
2016	1099	343	89
2017	1219	368	99
2018	1289	398	107
2019	1223	349	109
2020	1277	400	118
2021	1481	798	103
2022	1586	466	158

3.7 The table shows the number of very long-term (i.e. 2 years or more) empty homes has increased in most years, despite the introduction of the Council Tax Premium.

3.8 Table 3 below shows for how long those very long-term vacant properties in 2019 had been vacant.¹⁶ (as reflected in the 2020 Cabinet report) and updated to show the position in 2022.

Table 3 Length of time vacant

Empty Period	Number of Properties in 2019	Number of Properties in 2022

¹⁴ NHDC Cabinet report. Council Tax Premiums and Discounts on empty properties; 28 Jan 2020

¹⁵ MHCLG Table 615: vacant dwellings by local authority district: England, from 2004. Available at: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants> Accessed 15th May 2023

¹⁶ NHDC Cabinet report. Council Tax Premiums and Discounts on empty properties; 28 Jan 2020

2 – 5 years	70	124
5 – 10 years	25	23
Over 10 years	14	11
Total	109	158

3.9 In October 2020, of the 118 properties which had been empty for more than two years, 83 had been empty between 2-5 years, and 35 had been empty for over 5 years.

3.10 To date the Council Tax database is the only available method to determine the number of empty homes in North Hertfordshire. It is however accepted that this method does not provide a full and accurate account of the number of empty homes in the district. Therefore this strategy aims to verify data, build a database of empty homes, and to encourage and facilitate our residents, officers and Councillors to report suspected empty homes. This will include an article in the Council's newsletter (Outlook), that highlights a dedicated web page, with an electronic form for residents to report potential empty homes, anonymously if they wish.

3.11 In 2019, Council Tax staff wrote to the 103 owners of the 109 homes which at that time had been empty for more than 2 years, seeking to establish the reasons they had remained empty for so long. Responses were received relating to just 43 of these properties, citing a range of reasons, the most common being that it was undergoing renovation. The responses informed the Council in setting its Council Tax discounts and premiums, and in creating its empty homes database with priorities for action¹⁷. Council Tax staff currently commission an annual external canvass of Empty Homes (though this is at risk if the financial incentive of New Homes Bonus is removed), and if there is a change the Revenues system is updated accordingly.

3.12 Although some empty homes casework can prove lengthy and time-consuming, returning empty homes to use can be the quickest and most cost-effective way to increase the supply of housing. While it will not solve the housing problem, it can nevertheless play an important part in maximising existing housing stock for the benefit of the people of North Hertfordshire.

¹⁷ NHDC Cabinet report. Council Tax Premiums and Discounts on empty properties; 28 Jan 2020

4.0 Contributing to the Council Plan and Housing Strategy

4.1 This Empty Homes Strategy supports the following objectives (which are in bold) of the Council Plan for 2020-2025:¹⁸

- **Be a welcoming and inclusive council:** the aim to work collaboratively with owners of empty homes fits well with this approach.
- **Respond to challenges to the environment:** bringing empty homes back into occupation helps to protect the built environment and improve community safety.
- **Enable an enterprising and co-operative economy:** empty homes are a wasted resource, for owners and the community. We will seek commercial and investment opportunities where appropriate to invest in empty homes and restore them to use, through proactive engagement.
- **Support the delivery of good quality and affordable homes:** this objective includes the commitment to 'develop and implement a cohesive Empty Homes strategy' (action 55 of the Council Plan). Through bringing empty homes back into use, through all available means, we will enable and support the delivery of good quality and affordable housing in the district, ensuring existing housing is fit for purpose. Purchasing or taking over management of empty homes provides an opportunity to support the Council's aim to build more effective relationships with local housing associations and recognise our role in the fight against homelessness.

4.2 The Council's Housing Strategy for the period 2019-2024 notes that 'there is a constant level of high demand for affordable housing in the district'.¹⁹

4.3 Bringing empty homes back into use could help meet some of that demand. The Housing Strategy observes that 'those properties which are left vacant for no obvious good reason are an unacceptable waste of resource when demand for homes is so high'. One of the priorities in the Housing Strategy for maximising the supply of affordable housing is to reduce numbers of empty homes.

¹⁸ NHDC Council Plan 2020-2025. Available at: <https://democracy.north-herts.gov.uk/documents/s11754/Appendix%20B%20-%20Proposed%20Actions%202020.pdf> Accessed 11th Nov 2020

¹⁹ NHDC. Housing Strategy 2019-2024. Para 2.24. Available at: <https://www.north-herts.gov.uk/sites/northherts-cms/files/Housing%20Strategy%202019%202024%20FINAL.pdf> Accessed 15th May 2023

4.4 To achieve this, the Housing Strategy makes the following commitment:

'We will develop a process for tackling empty residential properties and set a target for bringing properties back into use as part of the annual service planning process'.²⁰

4.5 This, the Council's first Empty Homes Strategy, has therefore been developed and adopted in order to meet that commitment. This strategy sets a target and outlines the Council's overall process for tackling empty homes, as promised in the Housing Strategy. The numbers of empty homes that can be tackled, and of those, the numbers that can be brought back into use each year, will depend on available resources for this new (to the Council) area of work. The target in the action plan reflects this.

4.6 Indeed, achievement of any of the actions, and the success of this strategy, are dependent on resources. This strategy has been developed to fulfil the Council's strategic aim to tackle empty homes, so that as soon as resources become available, the Council is ready to tackle empty homes in a fair, well-considered, consistent, and effective way.

²⁰ North Hertfordshire District Council. Housing Strategy 2019-2024. Para 3.28.

5.0 Resourcing the Strategy

5.1 There is currently no dedicated resource to carry out or coordinate the tasks in support of the commitment the Council has made in its Housing Strategy in relation to Empty Homes. This severely limits the amount that can be achieved. However there is potential for around 0.15 Full Time Equivalent Housing Improvement resource to be available for this work.

5.2 The new role fits well in the private sector housing team based in the Council's Environmental Health Service but the strategy extends beyond that service, contributing to corporate aims, ranging from homelessness prevention and community protection to protecting the built environment and income generation. (It may also reduce Council Tax income where 100% premiums are being paid, offset by reduced costs to those services charged with tackling the negative impacts posed by empty homes). While the private sector housing team will require dedicated staffing resource to carry out many of the functions associated with this strategy, successful delivery will also require input and support from other Council services.

5.3 The action plan at Appendix A is dependent upon that capacity being available.

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PART 2. BACKGROUND

6 Background to Empty Homes

6.1 What is an Empty Home?

6.1.1 A dwelling is considered to be a long-term empty home if it has been unoccupied for 6 months or longer. Privately owned long-term empty homes are the focus of this strategy, but concerns will be highlighted to Public Bodies and Housing Associations (Registered Providers) where an empty home they own requires attention.

6.1.2 Not all empty homes are located in what might be described as run-down areas, nor are they necessarily semi-derelict, boarded up or causing a problem. There are a large number of homes which naturally become empty for periods of time, perhaps due to the buying and selling process, being between tenants or when an owner passes away and the probate process delays moving the property on.

6.1.3 When a dwelling remains empty for a significant period of time, or is attracting unwanted attention, then it would be considered a high priority case, guided by a corporate scoring system.

6.2 Why are homes empty?

6.2.1 There are several reasons why properties become or remain empty, including:

- The property is difficult to sell or let due to its physical state or the price sought;
- It is being renovated;
- The owner does not have the capacity/finances/time/skills to manage the property;
- The property has been or is being repossessed;
- Probate issues - Where there is an issue of unresolved ownership, often as a result of the previous owner's death;
- Resolving ownership can be a lengthy legal process, during which time the property may remain empty;
- The owner is being cared for elsewhere/is in hospital;

- The property has been abandoned by the owner and the owner is untraceable;
- Property holding, when a property is left empty due to speculative investment, through acquiring a property through inheritance or where partners co-habit leaving the second property empty. Or where the property is adjoined to a business and the owner does not wish to let or sell it;
- Due to an ageing population, older property owners may move into alternative older persons accommodation for care or support needs. They may choose not to sell the property which may result in it remaining empty.

6.2.2 It is important that the Council understands why individual properties become and/or remain empty so we can work with the owners in the most appropriate way.

6.3 Challenges Presented by Empty Homes

6.3.1 Dealing with an empty home is not always straightforward. A property may be used as a second home, and so not occupied on a permanent basis, but is in use. It may be that non-residential space such as that often found above shops is being used for storage or other business-related matters and although not immediately obvious it is in use.

6.3.2 There may be properties awaiting planning permissions and work is unable to commence whilst this is being sought. A number of these may include specialist permissions if they are a Listed Building or located in a Conservation Area.

6.3.3 Ownership Issues: A property may be owned by a number of different people or companies. The property may be subject to legal proceedings such as probate, divorce settlements, proceeds of crime restrictions or other legal restrictions.

6.3.4 Land Registry Issues: Although it is now compulsory in England to register any property which changes ownership or has a mortgage taken out against it for the first time, properties which have not changed ownership since before this requirement may not be registered with the Land Registry and information regarding the property will not be available from this source.

6.3.5 Absentee Owner: It may not be immediately evident who the owner of a property is or where they are, as they may have moved away with little information available to trace them.

6.3.6 Intentionally Vacant: Some properties are deliberately kept empty by the owner for specific reasons such as for their children when they leave home or elderly relatives who are in care. Some are kept empty until the owner feels the housing market is suitable to sell the property at the price they want. Others feel unwilling to sell due to emotional/ past family connections with the property. Some owners are reluctant to engage with the Council and believe that as the property is privately owned the Council does not have the right to require action to return it to use. They may be unaware, or have no concern for, the effect the property has on the local area and surrounding properties. These are properties which are likely to be left empty for many years and fall into disrepair.

6.4 Why do Empty Homes Matter?

6.4.1 The Council receives complaints about empty homes, including those that have been neglected or fallen into disrepair, from local people who rightly object to unsightly disused properties. For properties in this state, there are implications for the Council's Environmental Health and Planning Enforcement teams that have to use staff time and other resources to intervene to deal with pests, dilapidation, overgrown gardens, damage to neighbouring properties and other issues.

6.4.2 For owners, leaving a property empty can become costly and be a source of unnecessary anxiety.

6.4.3 There is an increased risk of vandalism and crime, and the property can be difficult to insure, which could result in high repair costs or even mean a complete loss of asset.

6.4.4 Even the general deterioration of an unoccupied property will result in costs, including those due to works necessary to maintain it even in its vacant state, as well as to enable the property to be brought back up to suitable living standards.

6.4.5 For the local community empty homes can have a direct impact on adjoining properties through issues such as damp and structural problems. Alongside this, unsightly empty homes can have a detrimental effect on the neighbourhood, affecting neighbouring house prices and pose an attraction for local crime, including vandalism, breaking into the property for various reasons, and can contribute to a lack of pride in the area.

6.4.6 There is an environmental impact of leaving homes empty. To help address the need for new homes, rather than build on greenfield sites of open land that local people value, it would be much more efficient and sustainable to make best use of the homes that we already have.

6.4.7 The emergency services, the police and fire service also have to deal with complaints and call outs to empty homes, wasting the finite time and money of these vital services.

6.5 Opportunities from Empty Homes

6.5.1 By renting or selling the property to allow occupation not only are the above issues resolved but, whilst not necessarily problem-free, there is the added advantage of gaining regular rental income or the capital from the sale of the property, and a beneficial impact on local housing needs.

6.5.2 Returning empty homes into occupation can help eliminate many of these issues and ensure that house prices in the immediate vicinity are protected from preventable reductions. Improving an area can also encourage investment in the local economy and a return of any lost pride in the community created by empty homes.

6.5.3 Empty homes returned to residential use increase the availability of homes, including potentially affordable homes. Instead of being a source of concern these homes can be transformed from a wasted resource into a home for an individual or family in housing need. There are currently over 2500 households on the waiting list for social housing, and typically in the region of 70-80 homeless households in temporary accommodation in the district. The utilisation of empty homes could prevent some of these people from facing issues such as homelessness or overcrowding or provide a first home for a local person.

PART 3. AIMS, OBJECTIVES & APPROACH TO TACKLING EMPTY HOMES

7 Aims and Objectives Including our Approach to Tackle Empty Homes

7.1 Aims and Objectives

7.1.1 The over-riding aim of this strategy is to bring empty homes back into use and tackle the issues posed by those that are long term vacant, are problematic or could help to meet some of the local housing need.

7.1.2 The starting point for any intervention will be to work with the property owner where possible. Each empty home is different and there are many reasons why they become empty. However, despite these, it is also important to recognise that an empty home is a potential blight on the community and a wasted resource.

7.1.3 The Action Plan for working towards the overall aim is included at Appendix A, but the 3 key objectives are:

1. To gather relevant, accurate and current information about empty homes in the District;
2. To raise awareness of empty homes in the District and promote the strategy;
3. To reduce the number of empty homes and return empty homes back into use, through all available and appropriate means in the District.

7.2 Objective 1: Gathering relevant, accurate and current information

7.2.1 The Council holds records of properties considered 'vacant' through Council Tax information. Environmental Health will develop a database showing key information on all known long-term empty homes in the District including its 'risk rating' and prioritisation for action (7.2.3 gives more detail on the local operational guidelines followed by officers).

7.2.2 The current Council Tax database will assist in identifying most empty homes in the District. Legislation allows the use of information gathered as part of the Council Tax billing process to identify empty properties within an authority's area.²¹ As well as these properties, those empty homes that are a source of complaint to the Council will be added to the empty

²¹ Local Government Act 2003, section 85

homes database. Other homes may also come to light when identified by other departments, key partners or other Council officers as being of concern or pose an imminent risk, and these too will be added to the database.

7.2.3 The empty property database will include relevant information about the property, owners, contacts, how long it has been empty, etc., and the prioritisation category for further investigation and action, based on a scoring matrix taking into account such factors as:

- Length of time empty
- Number/spread of complaints received
- Property condition and its visual and physical impact on the neighbourhood
- Property location
- Level of debt owed to the council
- Level of formal action previous undertaken
- Likelihood of return to use without our intervention
- Strategic value, e.g., meeting local housing need.

Although the matrix score will be the principal guide to the order in which properties are dealt with, there may be exceptions based on local circumstances. For example, although there are some rural parishes in North Herts with identified housing need, there are other small parishes where additional affordable housing may not be needed. Sources of information which may be considered when corporately shortlisting properties for action include rural housing needs/parish surveys where available, the Strategic Housing Market Assessment and the common housing register for housing needs information.

7.2.4 Council Tax departments provide Central Government with local empty homes statistics, in early October each year. Since 2011, any reduction in empty homes at the time of the snapshot improves the Councils' New Homes Bonus (NHB) award, although this initiative is being reviewed, and it is currently unclear how/whether its replacement will apply to empty homes. Whilst it is common practice to commission an agency to verify empty homes data just prior to the annual October report to government, Council Tax Inspectors no longer routinely visit empty homes at other times in the year. Subject to resources, Council officers including the Empty Homes resource, as appropriate, will carry out 'empty homes' verification and information gathering visits throughout the year to ensure data accuracy, with more focussed assessments also used to consider the longer term/problematic empty homes. An aim of this strategy is for closer working between Council services to share information, enhance data accuracy and assist with identifying and bringing empty homes back into use.

7.2.5 Properties that have been empty for more than 6 months will be subject to an initial investigation. Where properties are empty for two years or more, or are problematic, the earlier investigations will be followed up. We will risk assess those properties and produce a target list of properties for focused action based on an annual process of prioritisation.

7.3 Objective 2: Raising Awareness of Empty Homes

7.3.1 Empty homes have been identified as posing a substantive issue for some while now; television programmes highlighting the waste and blight associated with empty homes have proven popular, and have often triggered debate, even if they have not necessarily been able to address all of the associated issues or causes. In a time of high housing demand, the issue is even more relevant.

7.3.2 The Council will raise the profile of the issue by participating in the National Empty Homes week of action each year (usually October) and using this as a platform to increase awareness both within the Council and with residents of the district. Social media and local press releases may be used to highlight the key issues, good news stories and successful enforcement action when available.

7.3.3 The public and our partners will be encouraged to report all empty homes and will be given advice on the tell-tale signs to look out for.

7.3.4 An on-line reporting form will be developed and included on the Council's website for our residents, partners, officers and Councillors to easily report key information about empty properties. In addition, telephone reporting will also be available, where the same information will be collected.

7.3.5 The Empty Homes pages of the Council's website will be updated as and when it is felt appropriate, e.g., change in Council Tax rates.

7.4 Objective 3: Specific measures for bringing empty homes back into use

7.4.1 Support:

7.4.1.1 Provision of Advice

7.4.1.1.1 We hope that owners will bring properties back into use voluntarily, so a strong emphasis will be placed on encouragement at all stages of engagement with the owners of empty homes.

7.4.1.1.2 Whatever the situation, the Council will attempt to contact the owner, talking to them directly where possible, and outlining the options for their empty home, providing information that may assist them in deciding what to do, but to also confirm the implications if the property is not brought back into occupation.

7.4.1.1.3 The options for the future use of the property will be discussed with the owners, including to rent the property out, sell the property or to live in it themselves. How quickly they are able to do any of this will generally depend on the condition of the property, the owners' ability to determine and then carry out the best course of action, as well as the desire on their part to address the empty home issue. The Council will advise and forward relevant information to assist with bringing the empty home back into use.

7.4.1.1.4 In the first instance, we aim to provide help and advice to the owners of empty homes. Advice may be given about refurbishment, sales, legal and other aspects of lettings, finding tenants, health and safety, energy efficiency, accessing other Council services, and help identifying the most appropriate options available for their situation.

7.4.1.1.5 Where an owner agrees to bring their property back into use, we will continue to support them as appropriate and will monitor progress.

7.4.1.2 Transparent and graduated approach from assistance to enforcement

7.4.1.2 Template letters are being developed to encourage owners of empty homes to return their properties to use and to inform them of the benefits in doing so. Where the owner fails to productively engage with the Council, these communications will potentially escalate in seriousness from the first informal advice letter to a final warning actively presenting the possibility of enforcement action being undertaken to ensure the property is returned to use.

7.4.1.3 Targeted appropriate action

7.4.1.3.1 NHC aims to write to the owners of all empty homes in the district, offering advice and encouraging them to contact the Council with information about their reasons for leaving the property empty and as to their intentions for the property. We aim to use this information and the prioritisation list to target appropriate action.

7.4.1.3.2 For properties recently identified as having been empty for more than six months, initial letters will be sent to the owners. At this stage we are seeking to:

- make contact with the owner
- confirm that the property is empty

- understand any plans the owner has for the property
- offer help to bring the property back into occupation in partnership with the owner
- advise the owner that enforcement action is a possibility if properties are left empty over a long term.

7.4.1.3.3 Certain questions may need to be answered at this stage:

- Does the property require any building work to make it habitable? If so, does the owner intend to fund it directly or are they seeking finance privately? Does this work need to be referred to the Planning Control service?
- If the owner wants to rent the property out, do they intend to do so privately or through a Leasing Scheme? Consider what schemes are available. (E.g. through a registered provider or Homes England.)
- Are they aware of the current VAT rates for developing an empty home? The Council will send a VAT information sheet outlining reduced VAT rates for certain works to empty homes and provide a (chargeable) statement as evidence that the property has been empty to HM Revenue and Customs if needed.
- Do they want to sell the property? The Council can offer guidance on looking for housing associations, estate and letting agents locally, details of auctions and dealing with any legal matters.
- Has the property been the subject of any complaints? It may be necessary to take action against an owner if there are issues such as build-up of rubbish, vermin, 'nuisance' to adjoining properties or if the condition of the property is affecting local amenity.
- Is the owner an established landlord?

7.4.1.3.4 Further investigation will be initiated once a property has been empty for more than 2 years or where a complaint has been received. In these cases, further contact will be attempted, planning and other available information will be searched, and the properties will be visited to assess their condition and impact on their neighbourhood in preparation for prioritisation.

7.4.1.3.5 On an annual basis those properties scoring highly through this prioritisation will be discussed with other departments and key external organisations as appropriate and a specific target list of properties for further action will be developed.

7.4.1.4 Financial Assistance

7.4.1.4.1 The Council does not currently have any budgets specifically for Empty Homes work (e.g., to cover costs of Empty Dwelling Management Orders, Compulsory Purchase Orders, Works in Default, or for loans or grants). The Council's Housing Renewal Assistance offer is limited to discretionary Home Repair Assistance Grants of up to £5000 to help owner/occupiers with limited financial means to remedy serious hazards,²² but eligibility is limited, and is unlikely to apply to works to bring empty homes back into use.

7.4.1.4.2 The Council may be able to consider viability of specific funding initiatives, such as loans or investment linked to reducing homelessness, (as part of the Council's Investment Strategy) with possible involvement of a housing association and/or government investment. It is expected that effective corporate liaison arrangements, including for example, involving the Council's Commercialisation Team, will be developed for empty homes work as opportunities arise during the life of this Strategy.

7.4.1.5 Restrictions on sharing data: supporting contact with other agencies

7.4.1.5.1 Legislation allows Council Tax data to be shared within the Council for empty homes work,²³ but does not permit disclosure to third parties outside of the authority, such as commercial organisations. Therefore, we will not publish nor disclose addresses or ownership details of empty homes. However, if contacted by a prospective purchaser interested in a specific property, we may offer to pass on the interested party's contact details to the owner.

²² North Herts District Council. Housing Grants Policy 2019-2024. March 2019. Available at: <https://www.north-herts.gov.uk/home/housing/advice-homeowners/housing-grants> Accessed 26th July 2023

²³ Local Government Act 2003, section 85

7.4.2 Council Tax Premiums on Empty Homes

7.4.2.1 Since April 2013, the Council has implemented a 100% discount for the first 28 days after a property becomes empty. Also, since April 2013, the Council has charged a Council Tax Empty Homes Premium of an additional 50% in respect of properties that have been unoccupied and substantially unfurnished for more than two years. From April 2020 the discounted period increased to 56 days, and the Premium increased to 100%.

7.4.2.2 By virtue of the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018, from 1st April 2020, Council Tax payable can increase as follows:

- by 100% for dwellings left empty for more than 2 years, but less than 5 years,
- by 200% for dwellings left empty for more than 5 years.
- From 1st April 2021, by 300% for dwellings left empty for 10 years or more.

7.4.2.3 The Council considered these discretions at its Cabinet meeting in January 2020, and decided:

(1) that from 1 April 2020 a 100% Premium is levied on all properties empty for more than two years; and

(2) that the Council creates a locally defined Council Tax Discount of 100% for the first fifty-six days that a property is unoccupied and substantially unfurnished and does not fall into any Council Tax Exemption Class, and zero % for any period after fifty-six days.

7.4.2.4 The reasons for the decisions were:

(1) to support the principle of getting unoccupied properties back into occupation whilst also considering the implications of collection; and

(2) to provide more time to turn around empty properties and reduce the number of small value Council Tax bills produced.

7.4.2.5 In determining the premium, the Council will consider the health of the housing market. The premium will automatically be charged once the property has been empty for two years. When administering the premium, the Council can take into account reasons why properties are unoccupied and unfurnished, including whether they are available for sale or rent and appropriately priced, and decide whether they want such properties to be included in their determination.²⁴ Where representations are received, we will also take account of individuals

²⁴ DCLG. Council Tax empty homes premium: guidance for properties for sale and letting, 2013 p3

who are struggling to complete or to afford renovations that are necessary before the property can be occupied or sold on, and where progress or hardship can be demonstrated.²⁵

7.4.2.6 Clearly, these premiums are intended to encourage owners to take steps to bring empty homes back into use. It is recognised that it may however discourage owners from notifying the Council that their dwelling has become vacant. Therefore empty homes discount of 100% will be available for the first 56 days that a property becomes vacant (to encourage reporting and swift action by the owner to bring the property back into use), and the charging policy, including the period of discounting, will be subject to review having regard to this strategy.

7.4.3 Enforcement

7.4.3.1 A voluntary way forward to renovation and re-occupation is the preferred option, and officers will endeavour to encourage and persuade such progress. However, for properties identified on the target list from the prioritisation stage, where owners cannot be traced, where informal approaches fail, or there is a detrimental effect on the community, the Council will consider proceeding with formal action.

7.4.3.2 This demonstrates the Council's determination to bring empty properties back into use, and therefore we aim to initiate enforcement action where appropriate. The Council has significant powers and, subject to available resources, will consider all options including compulsory purchase, empty dwelling management orders and enforced sale where appropriate and as a last resort.

7.4.3.3 Upon the adoption of this strategy, policies and procedures will be developed and written for empty homes enforcement as the need arises.

7.4.3.4 Prior to initiating specific enforcement action an exercise will be undertaken to determine the most appropriate method of enforcement for that particular property. An options appraisal will be undertaken for those properties identified for enforcement.

7.4.3.5 The use of enforcement powers alone may not result in the re-occupation of the property but may help to address any immediate risks or nuisance posed by the property, and may lead

²⁵ Sandford M. Briefing paper Number 08273 16 October 2018. House of Commons Library. Available at: <https://researchbriefings.files.parliament.uk/documents/CBP-8273/CBP-8273.pdf>. Accessed 18th Jan 2020

to the opportunity to consider Enforced Sale should any incurred costs not be repaid, and the Council is prepared to consider this measure.

7.4.3.6 Due regard will be given to the Council's Enforcement Policy and to the Regulators' Code before any action is taken.²⁶ The Regulators' Code provides a clear, principles-based framework for regulators to achieve their objectives in a way that minimises the burdens on those they regulate. The purpose of the Code is to embed a risk-based, proportionate, targeted and flexible approach to regulatory inspection and enforcement.

7.4.3.7 Where enforcement action (other than improvement works) is deemed appropriate the relevant Executive Members and Deputies will be made aware.

7.4.3.8 Always preferring a voluntary solution, if, whilst preparing for and undertaking enforcement action, the owner requests to take suitable voluntary action this will be considered. Enforcement action may be deferred if appropriate but the progress towards re-occupation will be closely monitored, and if does not occur in a reasonable fashion, enforcement will recommence, and consideration given to recovery of incurred costs where appropriate.

7.4.3.9 Where an empty home is causing a specific problem to a neighbourhood or is dangerous or ruinous for example, a range of enforcement powers are available. The timing and extent of the action taken will be dependent upon the individual circumstances encountered at the property.

8.0 Performance Monitoring and Review

8.1 The purpose of this strategy is to explain the current situation with regard to empty homes both on a national and local basis and to set out the Council's future plans.

²⁶ Department for Business, Innovation and Skills. Regulators Code. April 2014. Available at: <https://www.gov.uk/government/publications/regulators-code> Accessed 26th July 2023

8.2 The Service Director – Regulatory will be responsible for managing the delivery of the Strategy, but, subject to the necessary intervention in each case, effective delivery will require coordinated support from officers in almost every service within the Council.

8.3 Councillors will be encouraged to support the Empty Homes Strategy, not least by reporting empty properties within their wards and discussing the problems associated with them.

8.4 It is essential that the effectiveness of action delivered by the implementation of this strategy is closely monitored and reviewed. In order to develop a good system of performance management it is proposed in particular to:

- Monitor numbers of homes brought back into use,
- Develop knowledge of best practice, and
- Review actions within the strategy's Action Plan.

8.5 This Empty Homes Strategy is supported by a five-year action plan to deliver the strategy's objectives. Progress against the action plan will be monitored internally at least quarterly. Every 6 months the Service Director – Regulatory will be responsible for providing a progress update to the relevant Executive Members.

8.6 The target for empty homes brought back into use will depend on staffing resources available. With no specialist empty homes staff the aspirational target is 1 each year. With a 0.5 Full Time Equivalent (FTE) Resource the target could be increased to 3 in year 1, 6 in year 2, and 8 thereafter, recognising that there is often a long lead-in time to success. From year 2 of this strategy, the aim is that at least 2 of these should have been problematic, or vacant for more than 2 years. Clearly with a potential resource of 0.15 FTE at time of adopting the strategy, these targets are unlikely to be achieved.

8.7 Within 6 months of becoming aware that a home has been empty for more than 6 months, subject to the adoption of this strategy and the availability of resources, we aim to make at least initial contact in 95% of cases. Also, every year we aim to contact at least 95% of known owners of homes which have been empty for more than 2 years.

9. Financial Implications

9.1 The purpose of this Empty Homes Strategy is to bring empty homes back into use. However, there are associated corporate and financial benefits.

9.2 An Empty Homes Strategy if adopted and properly resourced, can increase the Council Tax collection rate and could, if properties brought back into use are used to help meet our homelessness duty, produce savings on temporary accommodation expenditure.²⁷

9.3 It may also reduce ongoing costs to those services tasked with reducing the negative impacts posed by empty homes.

9.4 There are three potential income streams associated with bringing empty homes back into use: New Homes Bonus or other government initiatives, debt recovery, and unclaimed sales income from Compulsory Purchase Orders (CPOs) or Enforced Sales; these are summarised below. It may therefore be possible to recover certain costs in delivering this strategy to provide financial as well as community and housing benefits and ensure finance is available to invest to bring additional homes back into use.

9.5 Whilst the Council does not currently have a budget specifically for empty homes, the capital budget for Acquisition of Property Investment could be used to buy and improve empty homes, in order to reduce numbers of empty homes and increase available housing.

9.6 New Homes Bonus (NHB)

9.6.1 In order to maximise NHB, it is planned to develop a programme of property visits which, when combined with a close working relationship between the various Council services, will allow the data that is used to calculate NHB award to be as accurate as possible at the time of the data snapshot - usually early October. This ensures that NHB income to the Council is maximised each year.

9.6.2 The NHB can overshadow other positive outcomes associated with dealing with empty homes. However, it is important to ensure that strategies and policies do not become overly reliant on this initiative to the detriment of other positive outcomes. The social benefits arising from the reoccupation of vacant premises will often far outweigh the direct financial income received by the Council.

9.6.3 In February 2020, Robert Jenrick, the Secretary of State for the Ministry of Housing Communities and Local Government said the government would consult on the future of New Homes Bonus in Spring with a move to a new, more targeted approach. As yet, details of the

²⁷ Wilson W, Cromarty H, Barton C. Empty housing (England). House of Commons Briefing Paper number 3012; 21 October 2020. Available at: <https://commonslibrary.parliament.uk/research-briefings/sn03012/> Accessed 27 July 2023

proposed replacement initiative are unknown, and it is likely that government funding for bringing empty homes back into use will be reduced.

9.6.4 However, other funding, such as commuted sums, may become available. For example, according to a House of Commons Library Research Briefing on Empty Housing in England, published in October 2020, the Affordable Homes Programme 2021-26 can support bids to bring empty homes into use as affordable housing.²⁸ The Government prefers a purchase and repair model, but there are also lease and repair options.

9.7. Debt Recovery

9.7.1 All efforts to resolve debts associated with empty homes should be taken to recover public money from this wasted resource and redirect it to the services that the Council provides for the people of North Hertfordshire.

9.7.2 There are several types of debt that can be associated with empty homes, the most common being unpaid council tax (including the empty homes premiums), works in default costs and care charges relating to previous occupiers. The pressures on local government finances continue and we should therefore seek to maximise all debt recovery opportunities. The Council will consider utilising the powers of enforced sale to recover unpaid debts and its costs in dealing with empty homes.

9.7.3 All Council Tax debts follow the statutory recovery cycle contained within legislation. There is provision within this legislation, once a liability order has been awarded by the Magistrates Court, that a Charging Order application can be made. The Council generally follows other courses of action first, but some older debts could be considered for this route, subject to available staffing resources to do so.

9.7.4 If forced sale is to be considered as a realistic option, then this measure should be confirmed at as early a stage as possible, so that any measures originating from the Council can be recorded and considered.

9.8. Unclaimed CPO / Enforced Sale Money

²⁸ Wilson W, Cromarty H, Barton C. Empty housing (England). House of Commons Briefing Paper number 3012; 21 October 2020. Available at: <https://commonslibrary.parliament.uk/research-briefings/sn03012/> Accessed 27 July 2023

9.8.1 Where a property has been sold using the enforced sale process the following can be deducted from the sale proceeds:

- the original works in default costs and associated on-costs,
- the legal costs in undertaking the enforced sale procedure,
- conveyancing costs in connection with the sale,
- auctioneer's or other marketing costs,
- officer time in relation to the enforced sale process,
- any other debts owed to the council.

9.8.2 The balance would then be paid to the former owner of the property subject to any other charges or mortgages on the property. If the identity of the owner is not known, the money will be retained by the Council.

9.8.3 Where the CPO process is used, the ex-owners will be entitled to compensation once the Council becomes the owner of the property. If a claim is not settled, nor a reference made to the Upper Tribunal (Lands Chamber), within six years, the claim for compensation will be statute barred.

10. Equalities Implications

10.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment and victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

10.2 Empty homes can often blight local neighbourhoods. In some cases, homes that are vacant for an extended period can sometimes lead or contribute to a rise in anti-social behaviour and related crime associated with vacant properties. This strategy aims to reduce the negative impacts on local communities and minimise the number of properties left empty. The strategy has the potential to create a more positive impact across a number of community groups, including, but not particular to those that have a protected characteristic, through the general increase in availability of accommodation within the district.

10.3 The completed equality analysis assessment notes the potential impact on those who have those protected characteristics.

11 Environmental Implications

11.1 Even a single empty home can blight a whole street or community, reducing the values of surrounding properties and causing nuisance to local residents. Empty homes can attract vandalism and other anti-social activity.

11.2 The case for dealing with empty homes is compelling from a community and housing perspective. While action to bring them back into use can sometimes prove lengthy and sensitive, the strategy provides an environmentally sustainable way to help meet housing demand.

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Appendix A

Empty Homes Strategy- Action Plan

Objective 1 – To collect and record relevant, accurate and current information about Empty Homes in the District						
Reference	Action	Success Criteria & Outcomes	High, Medium or Low Priority	Start Date	Finish Date	Resource implications
1.1	Update and maintain an empty homes database containing information provided by Council Tax and collected through investigations, complaints and surveys.	Information provided by Council Tax, at least 4 times per year. Significant changes identified are reported back to Council Tax A managed list of all known long-term empty homes.	H	Information provided by Council Tax within 4 months of the strategy being adopted.	Database created within 12 months of the strategy being adopted, with ongoing updates.	Council Tax to provide info, Env Health to investigate and integrate database.
1.2	Council Tax Team, in partnership with an external company, will carry out an empty homes canvass on an annual basis. This is part of a county-wide procurement.	Reduction in recorded empty homes within the district and to maintain Council Tax records.	M	Canvass commences in June of each year	Canvass is completed by the end of September of each year, prior to setting the Tax Base.	Council Tax works with the external company to provide data in order to carry out the canvass process.

Objective 2 – To raise awareness of Empty Homes in the District and promote the Strategy						
Reference	Action	Success Criteria & Outcomes	High, Medium or Low Priority	Start Date	Finish Date	Resource implications
2.1	Create a dedicated web page and electronic form, for empty homes information and reporting	<ol style="list-style-type: none"> 1. Strategy and information provided on Council website 2. On-line form enables reporting of problematic empty homes 	L	Strategy published on website within 3 months of its adoption.	E-form and current information on website within 2 years of strategy adoption	Availability of Web team and Env Health to create and update, and needs ongoing resource to respond to reports
2.2	Promote the Strategy within the Council	<ol style="list-style-type: none"> 1. Presentation/distribution of information to Councillors and managers. 2. Empty Homes Strategy implications considered when Council Tax charging policy is reviewed. 3. Corporate prioritisation/working group established and priority properties list agreed. 	M	Within 6 months of strategy adoption	Within Year 1 of strategy	<ol style="list-style-type: none"> 1. Councillor consultation during adoption process. Staff Briefing session. 2. Consultation for any Council Tax charging review. 3. Corporate participation in working group.
2.3	Promote the Strategy within the community	One publicity event or local press article publicising action on empty homes each year (to coincide with the national Empty Homes Action Week)	L	Annual target	Annual target	Liaise with Communications Team

Objective 3 – Return empty homes back into use through a range of measures						
Reference	Action	Success Criteria & Outcomes	High, Medium or Low Priority	Start Date	Finish Date	Resource implications
3.1	Design and produce an empty homes procedure with standard template letters	Properties identified on the list can be investigated and actioned	H	Within 6 months of strategy adoption	Created within Year 1.	Procedure to evolve as Env Health experience gained
3.2	Focused action based on annual prioritisation process	<ol style="list-style-type: none"> 1. Initial contact and investigation into 95% of homes empty for more than six months 2. Further investigation into those empty for two or more years, or problematic – annual contact with 95% of known owners 	M	<ol style="list-style-type: none"> 1. Initial contact within 6 months of becoming aware of long-term empty home 2. Annual 	Annual target	Target is dependent upon adoption of strategy and available resource
3.3	Implement this strategy to tackle individual empty homes	<ol style="list-style-type: none"> 1. At least 1 empty home brought back into use each year as a result of Council intervention 2. In addition, from Year 3 of the strategy, at least 1 long term or 	M	Annual targets		Action and targets are dependent upon level of available resource

		problematic empty brought back into use				
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Equality Analysis Template

1. Name of activity:	Empty Homes Strategy							
2. Main purpose of activity:	The Empty Homes Strategy supports the Council’s Housing Strategy, and sets out the Council’s plans for bringing empty homes in the District back into use over the next 5 years. By understanding the reasons why homes remain empty within North Herts, we will work with owners to encourage and assist them to bring empty homes back into use, to help support the housing needs of the District.							
3. List the information, data or evidence used in this assessment:	Council Tax data on long-term empty homes in the District, included in the Strategy focused on the property rather than the owner. Analysis of enquiries and complaints about empty homes in the District. 25 requests for service were recorded from 5/2017 to 5/2023: most were from near neighbours, and mostly recorded as concerning vermin/pests or accumulations, and 4 recorded merely as Empty Homes. Whilst there was no data as to protected characteristics of those affected, it would seem likely that these reflect the profiles of the District at large, and hence action to alleviate those concerns is likely to be beneficial to residents.							
4. Assessment								
Characteristics	Neutral (x)	Negative (x)	Positive (x)	Describe the person you are assessing the impact on, including identifying: community member or employee, details of the characteristic if relevant, e.g. mobility problems/particular religion and why and how they might be negatively or positively affected. Negative: What are the risks? Positive: What are the benefits?				
Community considerations (i.e. applying across communities or associated with rural living or Human Rights)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Negative</td> </tr> <tr> <td style="height: 30px;"> </td> </tr> <tr> <td style="padding: 2px;">Positive</td> </tr> <tr> <td style="padding: 2px;">Although owners are the focus, implementation of the Strategy will benefit the wider community as a sustainable way of increasing the overall supply of housing, and reducing the negative impact that neglected empty homes can have on communities such as crime and antisocial behaviour. Occupying empty homes will benefit neighbouring homes as demonstrated in the environmental implications sections due to the reduced need to heat homes next to an occupied home. Increasing the availability of homes will allow a reduction in homeless residents and benefit those in need of permanent accommodation and may increase the social mobility of vulnerable individuals. As this strategy is rolled out, consideration will need to be made as the process in which this is advanced. Processes are in place to assist those who need additional support in communicating with the council. Alternative methods of communication methods (such as translator services, braille transcription and large print facilities), will assist those who require it.</td> </tr> </table>	Negative		Positive	Although owners are the focus, implementation of the Strategy will benefit the wider community as a sustainable way of increasing the overall supply of housing, and reducing the negative impact that neglected empty homes can have on communities such as crime and antisocial behaviour. Occupying empty homes will benefit neighbouring homes as demonstrated in the environmental implications sections due to the reduced need to heat homes next to an occupied home. Increasing the availability of homes will allow a reduction in homeless residents and benefit those in need of permanent accommodation and may increase the social mobility of vulnerable individuals. As this strategy is rolled out, consideration will need to be made as the process in which this is advanced. Processes are in place to assist those who need additional support in communicating with the council. Alternative methods of communication methods (such as translator services, braille transcription and large print facilities), will assist those who require it.
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Positive								
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A person living with a disability	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Negative
				Positive
				The Strategy is inclusive to people with protected characteristics but is not specific to them. Returning accessible homes, such as bungalows, or homes suitable to alteration into use will be beneficial to those with a physical disability, or those with potential mobility issues due to increased availability in this type of home.
A person of a particular race	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Negative
				Positive
A person of a gay, lesbian or bisexual sexual orientation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Negative
				Positive
A person of a particular sex, male or female, including issues around pregnancy and maternity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Negative
				Positive
A person of a particular religion or belief	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Negative
				Positive
A person of a particular age	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Negative
				Positive
				Returning accessible homes, such as bungalows/homes suitable for adaptations, into use will be beneficial to those with age related mobility issues due to increased availability in this type of home.
Transgender	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Negative
				Positive
5 Results				
	Yes	No		
Were positive impacts identified?	<input checked="" type="checkbox"/>	<input type="checkbox"/>		The strategy aims to increase the supply of housing in a sustainable way and tackle the negative impacts of empty homes on communities.

Are some people benefiting more than others? If so explain who and why.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The Strategy is inclusive to people with protected characteristics but is not specific to them.
Were negative impacts identified (what actions were taken)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6. Consultation, decisions and actions			
If High or very high range results were identified who was consulted and what recommendations were given?			
N/A			
Describe the decision on this activity			
N/A			
List all actions identified to address/mitigate negative impact or promote positively			
Action	Responsible person		Completion due date
As highlighted in section 8.6 of the strategy, success in numbers of houses brought back into use will be dependent on the staffing resources available. The greater the resource, the greater number of homes brought into use. For example the possibility of bringing a bungalow or adaptable house into use may be lower than a normal house without the necessary accessibility for someone with a need as identified in the above analysis. Consideration will be made to each of the addressed protected characteristics. Mitigations will be put in place to demonstrate that the council has shown due regard through the process of putting empty homes into use.	Frank Harrison		5 years after implementation of the Strategy.
When, how and by whom will these actions be monitored?			
N/A			
7. Signatures			
Assessor			
Name: Sheila Winterburn	Signature** Sheila Winterburn		
Validated by			
Name: Frank Harrison	Signature** Frank Harrison		
Forward to the Policy & Strategy Team			
Signature** E A Hollingsworth			
Assessment date: 30/10/2023	Review date: 30/10/2024		

**** Please type your name to allow forms to be sent electronically.**

A copy of this form should be forwarded to the corporate policy team and duplicate filed on the council's report system alongside any report proposing a decision on policy or service change.

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CABINET
06 Feb 2023

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: NORTH HERTS COUNCIL DIGITAL STRATEGY

REPORT OF: SERVICE DIRECTOR CUSTOMERS

EXECUTIVE MEMBER: EXECUTIVE MEMBER FOR FINANCE AND IT

COUNCIL PRIORITY: PEOPLE FIRST / SUSTAINABILITY

1. EXECUTIVE SUMMARY

1.1 This report proposes a new Digital Strategy covering 2024-2027.

1.2 The strategy sets out our vision and aims for progressing our digital transformation journey and links our work in this area to other key corporate strategies including the Council Plan, the Customer Service strategy, and the Medium-Term Financial Strategy.

2. RECOMMENDATIONS

2.1. That Cabinet adopt the Digital Strategy (Appendix A)

2.2. That Cabinet agree to delegate any minor changes (to include reference to Council priorities) in relation to the Digital Strategy to the Service Director – Customers in consultation with the Executive Member for the Finance and IT.

3. REASONS FOR RECOMMENDATIONS

3.1. To ensure the Council has an approved digital strategy.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. There are no alternatives, the strategy is required to set out the Councils digital vision and aims.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. The strategy has been developed in consultation with the following:

- Senior Management Group
- Executive Member and Deputy Executive Member for Finance and IT

- Shadow Executive Member for Finance and IT
- A report went to the internal informal Political Liaison Board of the Executive and the Leadership team, on 16 January 2024.

5.2 The strategy has also been reviewed by the Shared Internal Audit Service (SIAS) who acted as a critical friend to ensure it is in line with the councils' priorities and other relevant strategies. SIAS also considered this in line with the digital strategies of some other Councils.

6. FORWARD PLAN

6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 18 December 2023

7. BACKGROUND

7.1. The Councils IT strategy required updating to ensure that it reflected the changes to how the council works, including changes that were brought about by the pandemic.

7.2. On reviewing the strategy, it was decided to start from scratch and have more of a focus on the digital aims of the council which will be supported by an IT technical roadmap setting out the more detailed work plan of the IT service.

7.3. We recognised that the pandemic accelerated and changed aspects of our digital transformation journey and therefore it is important that we have an up-to-date strategy that reflects our current and future digital aims that will guide us through the next few years.

8. RELEVANT CONSIDERATIONS

8.1. The Council has been steadily transforming and evolving services, working towards a digital first approach for many years. Having already embraced homeworking and implemented collaboration tools and desktop mailing solutions we were well placed to deal with the challenges of the pandemic with minimal disruption to our customers.

8.2. The legacy of the pandemic has seen a huge shift in consumer behaviours and expectations with the adoption of strong digital services being more in demand now than ever before.

8.3. This strategy sets out our aims and priorities for the next three years, recognising that this strategy will be a living document that is regularly reviewed to reflect the rapid pace of change of modern technology.

8.4. Page 5 of the strategy sets out some of the key projects that have been delivered over recent years while pages 10 and 11 detail the projects we intend to deliver to continue the evolution of our digital transformation journey.

8.5. The work we do and how we prioritise will link to our guiding principles to ensure the 'golden thread' remains running through how we develop and deliver our digital services.

- 8.6. A core component of the strategy is that the council has adopted a low code digital platform which will enable us to build our own applications on a platform that does not require traditional development skills, thus freeing up time of our IT experts and giving design control to the services that have the customer and service delivery expertise.
- 8.7. An additional benefit of the platform is that through the council building its own applications we will be able to rationalise the overall number of disparate applications we have, leading to reduced support and licence costs and improved integration capabilities which in turn will provide better data to inform decision making.
- 8.8. The digital platform is widely used by other Councils and gives us the added benefit of learning from a large user community that freely and openly share ideas, experience and resources.
- 8.9. This strategy will be Council wide with the digital services team and IT services each playing a key role in delivering on the aims and projects set out. Once adopted the strategy will underpin the work we do and will provide a robust and secure foundation to build upon with a consistent approach, ensuring that we are able to achieve our aims and objectives.

9. LEGAL IMPLICATIONS

- 9.1. Cabinets Terms of Reference include at 5.7.1. of the Constitution: 'to prepare and agree to implement policies and strategies other than those reserved to Council'.

10. FINANCIAL IMPLICATIONS

- 10.1. The strategy sets out the council's approach to digital transformation over the next three years, it is expected that the programme of works linked to the strategy will deliver efficiencies and savings over the medium to longer term. These will be monitored over time as the strategy is implemented and reported through budget monitoring reports and the annual budget setting process.
- 10.2. A small digital services team has been established to deliver the work linked to the digital platform, this has been achieved using existing resources and funding from the customer service centre.
- 10.3. The procurement of the digital platform was achieved using existing budgets, by using the platform initially to replace the Councils existing CRM system, and related software.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. Whilst the Digital Strategy document itself does not have any specific risks, the associated programme of activities linked to the strategy will have risks that will continue to be considered and reviewed, these risks include the human resources impact referenced at 15.1 as well as risks relating to unexpected technology limitations.

- 11.3. There is a risk that, if not properly implemented, we will fail to take advantage of the huge benefits the low code platform will provide. The CRM implementation and subsequent move to the low code platform has been recorded on Ideagen Risk, and progress will be monitored as part of the Council Delivery Plan.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. The digital strategy whilst taking a digital first approach, references the need to continue to provide traditional contact methods for those who need them to ensure that we continue to be accessible to all.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report as this is not a procurement exercise or contract.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. To support the advancement of the digital strategy staff are equipped with the means to access new technology (predominantly through laptops to support home working, mobile working throughout the district and when at Council locations) Throughout the digital journey the tools that have been sourced to support staff have been assessed to ensure that they have a low impact on the environment.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 The Digital strategy and related work will lead to changes in how we work, including changes in processes and systems we use. A subgroup of the project team meets to consider the impact of changes on staff and customers and includes representation for Human Resources and Communications. A communications plan has been developed and includes regular updates to staff via a range of channels including staff briefings, the staff newsletter (Insight) and the Staff Consultation Forum.
- 15.2 Digital Champions across the Council will proactively champion new ways of working and help to ensure the successful delivery of the digital programme against the vision. Champions will seek ideas from service areas, support colleagues during go-live phases and with different ways of working, assist with less complex enquiries or issues and feedback to services areas on how the wider programme is progressing.

16. APPENDICES

- 16.1 Appendix A - Digital Strategy 2024-2027

17. CONTACT OFFICERS

- 17.1 Jo Dufficy, Service Director Customers
Jo.dufficy@north-herts.gov.uk ext.4555
- 17.2 Chris Jeffery, Customer Service Manager
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- 17.3 Darren Edwards, IT Manager
Darren.edwards@north-herts.gov.uk. Ext 4455
- 17.4 Rachel Cooper, Controls, Risk and Performance Manager
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- 17.5 Ian Couper, Service Director Resources
ian.couper@north-herts.gov.uk ext. 4243
- 17.6 Jeanette Thompson, Service Director Legal & Community and Monitoring Officer
Jeanette.thompson@north-herts.gov.uk ext.4370
- 17.7 Ellie Hollingsworth, Policy and Strategy Trainee
Ellie.Hollingsworth@north-herts.gov.uk ext.4220
- 17.8 Jo Keshishian, HR Operations Manager
Jo.keshishian@north-herts.gov.uk ext.4314

18. BACKGROUND PAPERS

- 18.1 None

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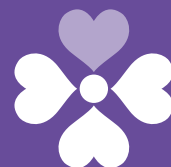
“
*Applying the culture, practices,
processes and technology of the
internet era to respond to peoples
raised expectations*

Tom Loosemore’s definition of Digital ”

Digital Strategy

2024-2027

Page 119



**North
Herts**
Council

About the Digital Strategy

This strategy sets out our vision and aims for progressing our digital transformation strategy at North Herts Council and links our work in this area to our key corporate strategies; The Council Plan, Customer Service Strategy and Medium Term Financial Strategy (MTFS). The Council Plan sets out our overarching council priorities as:



People first

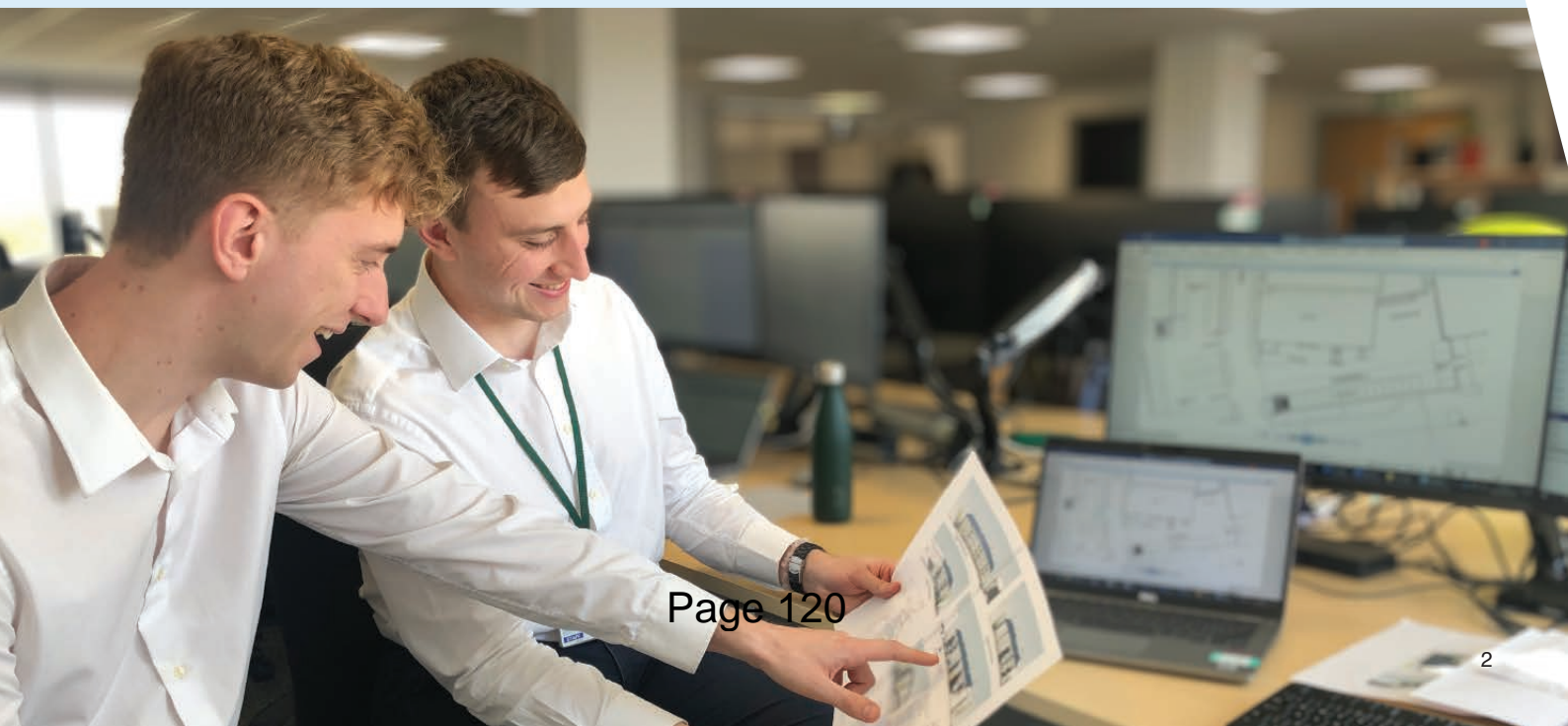


Sustainability











A brighter future together

We have been steadily transforming and evolving our services, working towards a **digital first** approach for many years. Having already embraced homeworking, implemented collaboration tools, and desktop mailing solutions, when the pandemic arrived in 2020 we were able to continue with minimal disruption to our customers. The legacy of the pandemic has seen a huge shift in consumer behaviours and expectations with the adoption of strong digital services being more in demand now than ever before.



Whilst the pandemic was undoubtedly the biggest accelerator in channel shift and digital adoption in recent years, many other external factors also have had, or will have, a significant impact, including:

 <p>The rise of Generative AI such as ChatGPT</p>	 <p>The digital health and social care agenda</p>	 <p>The 2025 Big Switch Off that will see analogue voice telecoms such as ISDN and PSTN cease</p>	 <p>The cost-of-living crisis and high inflation</p>
 <p>A continued reduction in government funding, meaning, we need to continually seek ways to be more efficient and reduce costs or increase income</p>	 <p>The adoption of our Local Plan which will increase demand on our services</p>	 <p>A changed labour market which has introduced recruitment and retention issues in the public sector</p>	 <p>Changing consumer demand, meaning that customers expect to be able to self serve at a time that is convenient to them</p>

The challenges we face, along with changes in customer expectations and demand means that we need to embrace the opportunities that digital transformation can create to enhance service delivery, remove any inefficiencies, and make the best use of our valuable resources and our people.

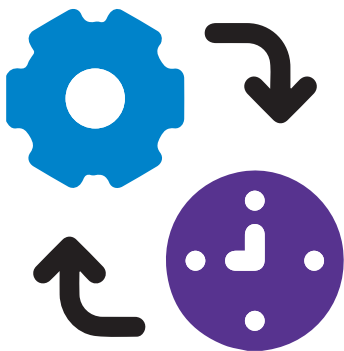
Greater adoption and evolution of council wide digital services is no longer an optional aspiration, it is essential for us to create much needed capacity within the council whilst enhancing the service offerings to our customers.



True transformation involves not just making services available online, it is rethinking how services are delivered. We also need to ensure that as an organisation we are fit and able to deliver our digital aspirations.



For that reason, we commissioned a **digital maturity assessment** of the organisation to help us prepare for the work ahead and identify where we prioritise our attention.



This strategy covers the next three years; however, we recognise that with the **pace of change** around modern technology this journey is one that will continually develop and evolve therefore the strategy will be a live document that will be reviewed and refreshed during its term.

What we have done so far

Although not at the same pace, it is fair to say we have been on a digital journey for many years. Some of the key digital projects that have already been delivered have paved the way for our current ambitions.

2014/15	Implemented a modern CRM system, with a customer portal and range of e-forms
2015/16	Implemented a new corporate telephony solution with new and enhanced internal communication tools
2015/16	Migrated our corporate telephony from traditional landlines to modern telephony services (SIP) whilst significantly reducing costs
2015/16	Purchased and refurbished the Council office building, increased home working and reduced the need for office space
2016/17	Implemented the ModGov software for committee and electronic meeting papers, reducing costs associated with printing
2016/17	Implemented an inbound mail service to enable incoming post to be scanned and delivered electronically
2018/19	Built and implemented a proof-of-concept chatbot
2019/20	Implemented an outbound mail service to enable desktop printing from any location and reduce costs associated with printing and posting documents
2020/21	Implemented Robotic Process Automation (RPA) software to automate processes
2020/21	Introduced desk booking software to facilitate hot-desking and efficiently manage desk availability
2021/22	Implemented a digital consultation and engagement platform
2022/23	Implemented Microsoft Enterprise 5 licencing model for enhanced Microsoft features and functionality
2022/23	Redesigned our internal laptop infrastructure to enable smarter working
2022/23	Implemented an intelligent Interactive Voice Response (IVR) system to automate appropriate call types
2022/23	Digitised over 75,000 planning files so customers can access online

Vision and guiding principles

As a council we want to use the best of modern digital, technology and data to help achieve our priorities. Whilst the digital strategy is about much more than just technology, we will use modern, agile technology as an enabler to help us achieve our desired outcomes. We have identified the following nine priorities that we will focus on:



Vision and guiding principles



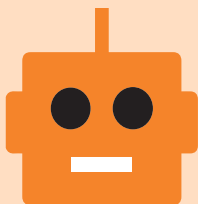
Digital first for our customers

We will put customers at the heart of our services, making services digital by default so they can be accessed 24/7 and so that customers get what they want from us, without needing multiple interactions or contacts. We will provide a seamless experience across all channels and will ensure that we do not leave anyone behind by providing traditional contact methods for those who need them.



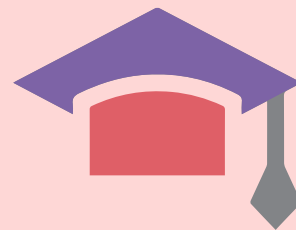
Making technology work better for our staff

Our staff's time is precious, and so we want to remove pain points for them so they can focus their time and efforts on higher value tasks and on delivering for our customers. We will rationalise the number of applications we use and seek to remove any frustrations with the technology we use.



Making processes as simple and efficient as we can

We will review our processes and identify ways to streamline and remove any inefficiencies that may exist. We will use automation and AI where appropriate. This will enable us to enhance our services to our customers and provide a better experience for our staff.



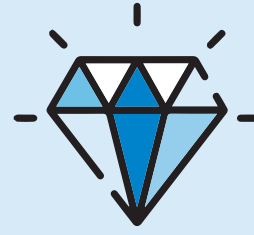
Organisational culture and capacity

We will put digital technology at the heart of the way we work, recruit, and train our staff to build on a culture of digital both now and for the future workforce. We will create digital champions across the organisation and support everyone with digital changes. We will invest in ongoing development of digital skills in our staff and councillors who in turn can support our customers where needed.



Being data-led in our decision-making

The data we collect about our customers is valuable and rich. We want to make the best use of it to enable informed decision making about how we can continually improve our services and where to focus our resources. We will invest in ways of joining up the data we collect so that our service design decisions are data-led.



Creating Value

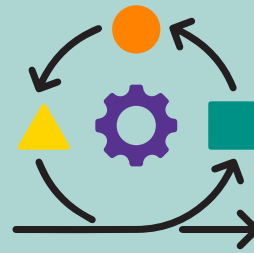
We will harness the opportunities of digital technology to release pressure on our resources, both people and money, and will proactively seek funding opportunities to support the delivery of digital transformation.



Making a positive impact on our climate commitment

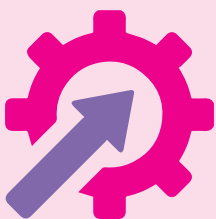
We will always consider Cloud first to enable a reduction in our physical IT estate and we will work hard to reduce the amount of physical print and post that is produced in favour of environmentally friendly options.

We will continue to enable staff to work remotely to reduce unnecessary travel, likewise we will serve our customers in a way that does not depend on them travelling to our offices.



An agile and iterative approach

We will embrace new ways of delivering on our intentions, moving from large, static work programmes, to small, iterative work packages so that we can benefit quickly from our efforts and encourage innovation across all areas. We will adopt a Minimum Viable Product or Service approach to support iterative development, while working at pace.



Continuous development of our services and technology

We will invest in a corporate low code digital solution that will enable us to control and rapidly develop our technology internally without a reliance on traditional IT development capability. We will not leave technology to stagnate and create risk, but continuously keep pace and iterate what we can offer, adapting to changing demands and needs as required. We will make sure that our infrastructure, data and systems are secure and resilient.

How we will achieve this

We will develop a clear programme of works that will enable us to deliver the outcomes we need and track our progress against the plan. Some work is already underway such as the procurement and investment of a low code digital platform. Some work will start in one year and continue into the next.

2023/24	Invest in a low code digital platform and start to build a suite of new digital services including a replacement CRM / Customer service platform
	Make appropriate use of open standards and open-source technology
	Implement live chat and intelligent chat bot services
	Continue to make services digital by default, without compromising other channels for those who need them.
	Conduct a customer centric review and re-design of end-to-end processes
	Implement text and email modules of Govmail so that more communications can be sent electronically
	Move our intranet to SharePoint, making this the heart of internal information and services
	Develop a clear technology roadmap.
	Develop and implement a Cloud strategy
	Continually develop the Customer Service digital services and make key personalised services available via the customer portal
	Sign up to the Digital Declaration
2024/25	Conduct Council wide integration analysis
	Develop and implement a programme of application development and rationalisation of legacy systems
	Develop a data strategy
	Ensure all appropriate customer contact routed via our customer service centre channels
	Work and collaborate with and learn from others, i.e. other councils, Local Digital.
	Develop a digital skills training and communications plan for staff and councillors

2024/25	Build a new IT helpdesk solution to create a modern support function and a better self-service experience for staff
	Maximise our investment in Microsoft, utilising collaboration, and other tools available
	Experiment with new technologies where appropriate, such as machine learning, Generative AI (ChatGPT) and voice activated services
	Continue to robustly maintain the security of the Councils network and data.
2025/26	Consider a fully integrated telephony solution for a complete omnichannel experience



What success will look like for us

When designing change, it is important to know how we'd recognise success. Here are a few of the overarching success measures we expect to see.



A reminder of our vision and guiding principles

Conclusion

We want to make life easier for everyone that interacts with the council, including our residents, local businesses, partners, and our staff.

This strategy signifies an exciting opportunity and a clear commitment to continue to deliver on our digital transformation across the whole council. The strategy will act as our digital compass so that we all understand the direction of travel and what needs to be done as well as being able to recognise successes as we deliver on these commitments.

We know that we need to release capacity within the organisation so that we can focus on the value-added areas that will make better use of our time and skills by working smarter and by removing inefficiencies where they exist.

We see digital transformation as an enabler and a way for us to tackle workforce challenges that are prevalent in the public

sector as well as an opportunity to develop our organisational skills and capabilities so that we can deliver on our ambitions now and continue to build upon them for the future.



Appendix A

In July 2022, the LGA launched a new outcomes-based framework for improving and supporting local government digitalisation programmes around 12 strategic outcomes that were agreed in partnership with the Society of Local Authority Chief Executives and Senior Managers (Solace) and the Society for Innovation, Technology and Modernisation (Socitm).

Below are the 12 elements of the technology code of practice of the Local Government digitisation Almanac. These elements feature in our Guiding Principles and in various aspects of our programme of works, i.e. share, use and collaborate is a key feature of our new low code digital platform.

 Define user needs	 Make things accessible and inclusive	 Be open and use open source
 Make use of open standards	 Use cloud first	 Make things secure
 Make privacy integral	 Share, reuse and collaborate	 Integrate and adapt technology
 Make better use of data	 Define your purchasing strategy approach	 Make your technology sustainable

Appendix B

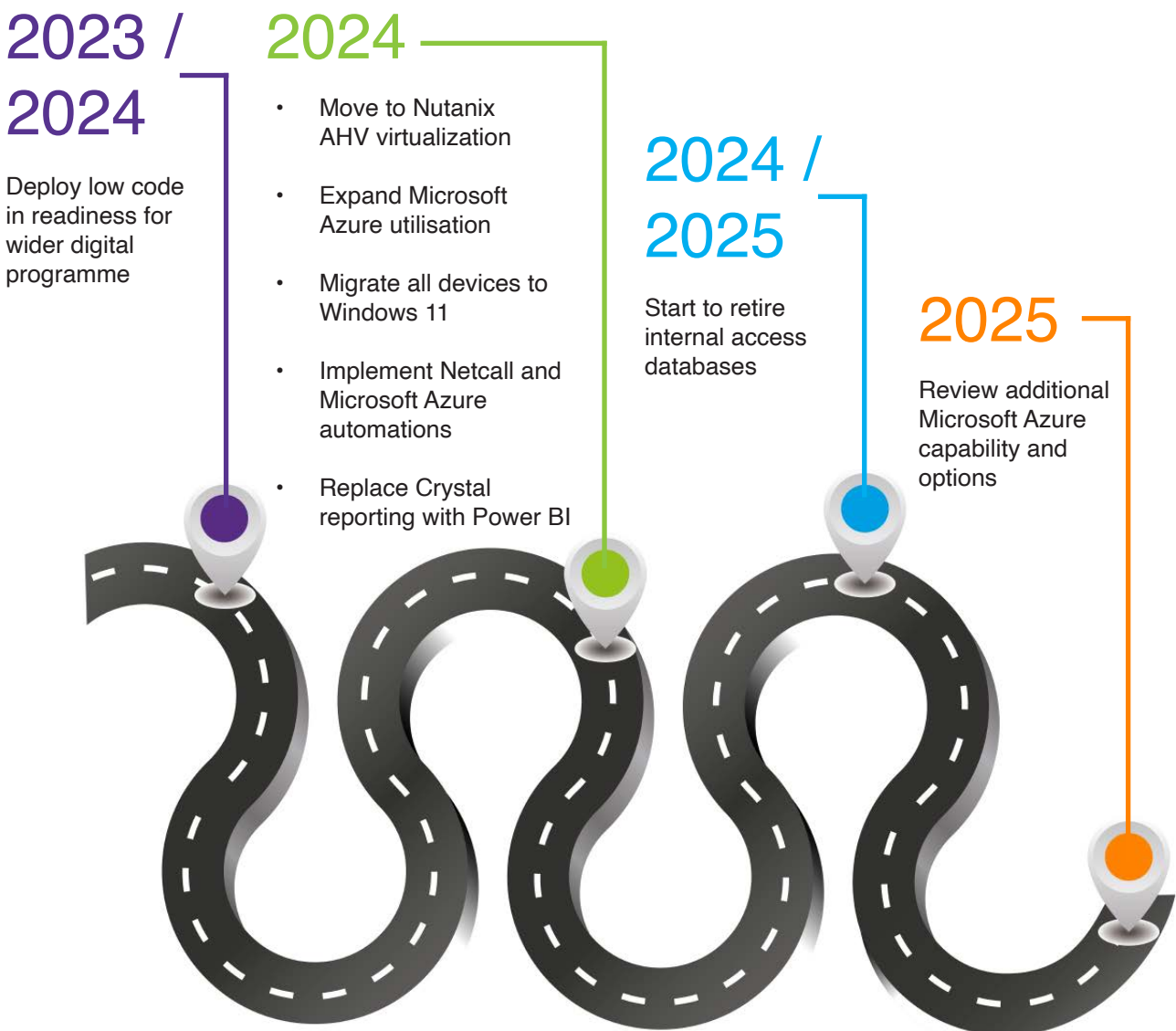
High level IT Technical Roadmap

The full IT Technology roadmap is a separate document that aligns with the Digital strategy and wider digital transformation aims.

This page shows when key technology Infrastructure changes will be implemented by the IT team, these are changes to ensure a modern and secure technology stack with a robust integration capable environment for the council.

Our technology will enable us to work closely with others and provide a safe secure environment to deliver from. The pathway detailed in the IT roadmap will provide a clear and transparent viewpoint for those who we work with.

Our IT infrastructure will become the firm, secure foundation to enable continual delivery of our traditional service methods allowing them to work seamlessly with our new digital delivery platform.



CABINET
6 February 2024

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: COUNCIL TAX PREMIUMS ON EMPTY PROPERTIES AND SECOND HOMES PREMIUMS

REPORT OF: SERVICE DIRECTOR - CUSTOMERS

EXECUTIVE MEMBER: COUNCILLOR IAN ALBERT

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

1.1 That in accordance with Section 11B and 11C of the Local Government Finance Act 1992 as amended by Section 2 of the Rating (Properties in Common Occupation) & Council Tax (Empty Dwellings) Act 2018 and the Levelling Up and Regeneration Act 2023, Cabinet considers increasing the council tax premiums on empty homes and introducing a new premium on second homes in a phased approach as follows:

2. RECOMMENDATIONS

2.1 That Cabinet recommends to Council the following changes to the Council Tax premiums on empty and second homes:

2.1.1 That from 1 April **2024** until 31 March 2025 the following interim premiums are introduced:

- Properties empty for one year but less than two will not receive a Premium
- Properties empty for more than two years, but less than five years will receive a 100% Premium.
- Properties empty for five years but less than ten years a 150% Premium.
- Properties empty for more than ten years a 200% Premium.

2.1.2 That from 1 April **2025** the Council adopts the following full Premium levy rates:

- Properties empty for one year but less than five will receive a 100% Premium.
- Properties empty for five years but less than ten years a 200% Premium.
- Properties empty for more than ten years a 300% Premium.

2.1.3 That from 1 April **2025** a 100% Premium is levied on all properties that are determined as a second home, subject to any exceptions once these have been confirmed by Regulations and that the Service Director – Customers in consultation with the Executive Member for Finance and IT is delegated authority to make any amendments following further confirmation of the Regulations.

- 3.1. To support the principle of bringing unoccupied properties back into occupation in line with the proposed empty homes strategy. At the time of writing there are 43 properties that have been unoccupied for over five years.
- 3.2. The introduction of a phased approach of increasing the premiums enables us to advertise the changes. As the introduction of premiums for properties unoccupied for between one and two years is new there will be no expectation on the owners of these properties of an additional premium and therefore it is recommended that this aspect is deferred until 2025 to allow time to advertise the change.
- 3.3. In respect of a premium on Second Homes the Council is required to give one year's notice as this is the Council's first determination in this regard and therefore a resolution must be made before the end of the 2023/24 financial year in order to bring in the premium from 01 April 2025.
- 3.4. The Council does have the ability to revoke the decision in relation to Second Homes premium, during the year should any consultation that is carried out provide evidence that this would not be effective.

4. ALTERNATIVE OPTIONS CONSIDERED

Empty Homes:

- 4.1. As this is a discretionary area, rather than taking the stepped approach outlined at 2.1.1 and 2.1.2 the Council could opt to continue with the current position that all properties empty for more than two years receive a 100% Premium.
- 4.2. The Council could seek to use the legislation to the maximum, which would result in properties empty between five and ten years receiving the 200% additional premium and properties empty for more than ten years receive the 300% additional premium.

Second Homes:

- 4.3. Currently all properties deemed as a second home receive a 10% discount, this is purely to identify them in the tax base for reporting purposes. As this is a discretionary area the Council could opt to continue with the current position of a 10% discount and not introduce a premium.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 The Executive & Deputy Executive Members for Finance & IT have been consulted on the proposals and are in favour of increasing the premiums as set out in 2.1.1 and 2.1.2.
- 5.2 The Executive and Deputy Executive Members for Housing and Environmental Health have been consulted due to the alignment with the Empty Homes Strategy being developed and support the approach being recommended.
- 5.3 There is no requirement to consult with the public in relation to the premium levied on empty homes, any change can be implemented from 1 April 2024.
- 5.3 There is no requirement to consult with the public in relation to the premium levied on properties classed as second homes. However, as this is the Council's first determination it must be made at least one year before the beginning of the financial year to which it relates, so this cannot come into effect until 1 April 2025.

- 5.4 Whilst there is no requirement to consult the Council will publicise these changes in the local press and via or website and social media channels and will proactively try to contact the owners of the empty properties, initially prioritising those that will be impacted by the changes in 2024, to give as much notice as possible of the changes.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 22 December 2023.

7. BACKGROUND

- 7.1 In October 2011 the then Department for Communities and Local Government (DCLG) consulted on proposals for a number of technical changes to Council Tax, primarily aimed at giving more discretion to Billing Authorities on how they may treat empty properties in terms of Discounts that can be awarded. The Government's policy intention was to encourage owners to bring more empty homes back into occupation.

- 7.2 As a result of this consultation Sections 11A and 11B of the Local Government Finance Act 1992, were amended by the Local Government Finance Act 2012, giving billing authorities new powers to determine further discounts for prescribed dwellings and set higher amounts for long term empty properties.

- 7.3 Following these amendments, the Council implemented the following from 01 April 2013

- continue to award a 10% Discount for Council Tax liability for second homes.
- to increase the amount of Council Tax payable by 50% for properties that previously fell under Exemption Classes A & C and which have been unoccupied for more than two years. Similarly, the intention was to encourage owners of longer-term empty properties to bring these into occupation.

- 7.4 From 01 April 2021 the Council increased the empty homes levy from 50% to 100% for all properties empty for more than two years. As detailed below at 8.9 Table 1, there were 118 properties empty over two years.

- 7.5 The legislation in 7.2 above gives the Councils the power to charge a Council Tax premium and the Council has exercised that power since 1 April 2013.

8. RELEVANT CONSIDERATIONS

- 8.1. **EMPTY HOMES** - In 2018 the Rating of Property in Common Occupation and Council Tax (Empty Dwellings) Act Legislation introduced allows Councils the ability to charge higher premiums for longer term empty properties as follows:

- From 1 April 2019 up to 100% for properties empty more than two years
- From 1 April 2020 up to 200% for properties empty more than five years
- From 1 April 2021 up to 300% for properties empty more than ten years

- 8.2 Section 79(1)(b) of the Levelling Up and Regeneration Act 2023 allows the Council to impose a premium after one year instead of two years. Section 80 provides that from 1 April 2024 a property can be charged an empty homes premium of 100% after one year, even if the property became empty before 1 April 2024. Therefore, the Council Tax payable would be as follows:

- 100% for properties empty more than one year, but less than five years
- 200% for properties empty more than five years, but less than 10 years

- 300% for properties empty more than ten years
- 8.3 The policy intention is to give further powers to Councils to encourage owners of long-term empty properties to bring these back into occupation.
- 8.4 The Council currently awards a 100% discount (no Council Tax is payable) for a period of fifty-six days when a property becomes empty to allow time for changes in occupation. From the fifty-seventh day, 100% of the Council Tax becomes due.
- 8.5 When a property has remained empty for two years or more a 100% premium is levied.
- 8.6 **SECOND HOMES** – Section 80 (2) of the Levelling Up and Regeneration Act 2023 inserts a new section into the Local Government Finance act 1992. This allows the Council to apply a premium to be levied on second homes of up to 100%.
- 8.7 The Council currently applies a 10% discount to properties that have been determined as a second home.

Council Tax Premiums for Empty Homes

- 8.8 The Council currently charges an additional 100% in respect of properties that have been unoccupied for more than two years. The properties in question do change from time-to-time as some may go back into occupation and others exceed the two-year period, therefore any comparisons can only be made from a snapshot in time.
- 8.9 Table 1 shows the number of properties empty for over two years when the Tax Base Return is submitted in October of each year, since the measure was introduced.

Table 1

Year	Number of Properties
2013	70
2014	87
2015	92
2016	89
2017	99
2018	107
2019	109
2020	118
2021	103
2022	158
2023	157

- 8.10 The table shows that the number of empty homes in the district has continued to rise, with it being more than double the number in 2023 than in 2013. It should be noted that these numbers are a snapshot at the beginning of October each year and the figures do change on a day-to-day basis.
- 8.11 Table 2 below shows the breakdown of properties by the number of years the property has been empty, and the overall current revenue raised. All properties have the 100% levy applied to the account, so liability is 200% Council Tax. The table shows 7 properties where the Council has used its discretion and has not applied the premium.

Table 2

Empty Period	Number of Properties	Current Income £,000
2 to 5 years (100%)	107	209
5 to 10 years (100%)	27	54
Over 10 years (100%)	16	29
Discretionary cases (ignored)	7	-
Total	150	292

- 8.12 Table 3 below shows the additional income that would be generated per annum based on the maximum level of premium that can be charged for each period of non-occupation, including the properties that can be charged after one year of being empty.

Table 3

Empty Period	Number of Properties	Additional Income £,000
1 to 2 years (100%)	109	433
2 to 5 years (100%)	107	418
5 to 10 years (200%)	27	161
Over 10 years (300%)	16	117
Total	259	1,129

- 8.14 It should be noted that whilst this could potentially raise an additional £1.1M extra Council Tax, the District Council's share of this is around 12% or £135K. If a stepped approach is adopted this would equate to an extra 63.9K with the districts share being 76.6K in 2024/2025. These figures assume full collection. However, it must be stressed that the aim of the premiums is not financially driven but is to encourage the bringing of empty homes back into occupation.
- 8.15 The existing premium of 100%, is currently being paid by 121 of the 150 cases where discretion has not been applied. There are currently 29 that are not paying regularly, in these cases the Council will consider the use of charging orders to secure payment where appropriate.
- 8.16 If the Council were to impose the additional premiums detailed at 8.13 in Table 3, it may cause considerable collection difficulties in some instances. For example, one property in Band G who is currently paying, would see its Council Tax rise from £6,986.98 to £13,973.96 per annum. However, the stepped approach proposed for 2024/2025 would be an increase to £10,480.47 rising to the maximum £13,973.96 in 2025/2026.
- 8.17 Table 4 below shows the breakdown by liable party, which shows that the majority of the accounts that would be affected by this are individuals, who may be hindered by extra Council Tax if they are undertaking renovations themselves and there may be a risk that the increase in council tax could impact on their ability to complete the renovation in a timely manner. The deferred introduction of the premium for those properties in the 1 to 2 year bracket would allow time for us to advertise the forthcoming changes and give a 12 month notice period to those property owners.

Table 4

Empty Period	Social Landlords	Companies	Individuals	Executors
1 to 2 years	15	13	65	16
2 to 5 years	39	13	45	10
5 to 10 years	5	3	15	4
Over 10 years	5 (4 Settle 1 NHC)	4	6	1

Total	64	33	131	31

Second Homes

- 8.20 The Council currently applies a 10% discount to properties deemed a second home. This means that these accounts receive a 90% Council Tax Bill. The property must be furnished in order to receive this 10% discount.
- 8.21 Table 5 below shows the number of properties that are currently deemed as a second home. It shows the revenue currently raised, after the 10% discount and the potential revenue that would be raised if the Council adopts the 100% premium for second homes, with effect from 1 April 2025.

Table 5

Number of properties	Current revenue raised, after 10% discount £,000	Potential Revenue Raised £,000
281	424	943

- 8.23 As this is the Council's first determination in relation to a premium for second homes, it must be made at least one year before the beginning of the financial year to which it relates, so it should be noted that this cannot come into effect until 1 April 2025.
- 8.24 At the point of writing this report we are still awaiting regulations which will outline exceptions to the premium being applied. Once these have been determined, they will form part of the Council's overarching Policy in relation to this.
- 8.25 The Council may from time to time use its discretion in exceptional cases, to choose not to apply the premium, in relation to both empty homes and second home discounts. Criteria for this will form part of the Council's overarching Policy in relation to this.

9. LEGAL IMPLICATIONS

- 9.1. Cabinet's terms of reference in the Constitution include at 5.7.38 by recommendation to Council "to advise the Council in the formulation of those policies within the Council's terms of reference Full Council's terms of reference include at 4.4.1 that it is responsible for all functions not the responsibility of the Cabinet.
- 9.2. **Empty Properties** - Section 2 of the Rating (Properties in Common Occupation) & Council Tax (Empty Dwellings) Act 2018 amends Section 11B of the Local Government Finance Act 1992 with the provisions detailed in 8.1 and 8.2. This gives a Council the discretion to increase the Premiums payable on Empty Properties if it so wishes.
- 9.3. Section 79(1)(b) of the Levelling Up and Regeneration Act 2023 allows the Council to impose a premium after one year instead of two years.
- 9.4. **Second Homes** - Section 80 (2) of the Levelling Up and Regeneration Act 2023 inserts a new section into the Local Government Finance act 1992. This allows the Council to apply a premium to be levied on second homes of up to 100%.

- 9.5. As this is the Council's first determination in relation to a premium for second homes, it must be made at least one year before the beginning of the financial year to which it relates, so this cannot come into effect until 1 April 2025.

10. FINANCIAL IMPLICATIONS

- 10.1 The Government's policy intention of increasing premiums on empty and second homes is to encourage owners to bring more homes back into occupation. The Council's Empty Homes Strategy also seeks to achieve this. Therefore, the Council's consideration of increasing premiums is not driven by raising income through this approach.
- 10.2 8.14 of this report sets out the potential increase in revenue from increasing premiums, the figures are based on an assumption of full collection, which it must be noted may not be possible.
- 10.3 If the policy intention of bringing homes back into occupation is realised then additional premiums currently being paid will cease, reducing income to the Council.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2 With a few exceptions, the existing Premium of 100% is proving to be fairly easy to collect, having only 29 accounts not being paid. Increasing the Premiums to the maximum allowable will result in some owners having significantly higher Council Tax bills. This is may lead to difficulties in securing collection of the increased amounts, but the Council would need to consider exercising the use of Charging Orders to secure payment of unpaid amounts.
- 11.3 The Council maintains a bad debt provision to provide for uncollectable debt. Any shortfall in the collection fund would have to be made up by the major precepting authorities in proportion to the level of precept. At current estimates, 12% of any bad debt would need to be borne by the Council.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.1. Owners of long-term empty properties come from a wide range of backgrounds and are not restricted to property owning landlords, the table at 8.17 shows the liability parties for current long-term empty properties. Properties may have been inherited in poor condition and the owners are making efforts to bring these up to an acceptable standard to bring them back into occupation with limited resources. The Equality assessment for the Council's Empty Home strategy set out the positive impacts that the wider community might benefit from. (enhance community inclusion, potential increase of social mobility and potential reduction in homelessness).

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to the decision as set out in this report. The bringing back of empty homes into use is a more sustainable way of increasing the supply of homes than building new dwellings.

15. HUMAN RESOURCES IMPLICATIONS

- 15.1 There are no Human Resource implications in this report.

16. APPENDICES

- 16.1 Appendix 1 - Draft Policy Document (to be updated once decision taken)

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

- 18.1 None



Empty Homes and Second Homes Premium Policy 2024-25

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1. Introduction and background

- 1.1 The following policy outlines the Council's approach to the levying of empty homes premium and second homes premiums.
- 1.2 Premiums were also introduced by government from 1 April 2013 by the with a view to encouraging homeowners to occupy homes and not leave them vacant in the long term.
- 1.3 The legislation which introduced premiums is S11B of the Local Government Finance Act 1992 (inserted by the Local Government Finance Act 2012). Premiums could only be charged on long-term empty dwellings. An empty dwelling is one which is 'unoccupied' and 'substantially unfurnished'. The definition of long-term is where the dwelling has been empty for a continuous period of at least 2 years.
- 1.4 Initially the maximum level of premium was set by government at 50% of the amount of Council Tax chargeable. Each Council could determine the level of premium up to the maximum and this is charged in addition to the amount determined by the Council as payable for an empty dwelling¹
- 1.5 Certain classes of dwellings cannot be charged a premium namely:
 - a dwelling which would be the sole or main residence of a person but which is empty while that person resides in accommodation provided by the Ministry of Defence by reason of their employment i.e., service personnel posted away from home²; or
 - dwellings which form annexes in a property which are being used as part of the main residence or dwelling in that property³.
- 1.6 In 2018 the Rating of Property in Common Occupation and Council Tax (Empty Dwellings) Act allowed authorities to increase the level of premiums on empty dwellings with effect from 1 April 2019 as follows;
 - Dwellings left unoccupied and substantially unfurnished for 2 years or more, - from 1 April 2019 a premium can be levied up to 100%;
 - Dwellings left unoccupied and substantially unfurnished for 5 years or more, - from 1 April 2020 a premium can be levied up to 200%; and
 - Dwellings left unoccupied and substantially unfurnished for 10 years or more, - from 1 April 2021 a premium can be levied up to 300%.
- 1.7 It should be noted that premiums are charged in addition to the 100% Council Tax payable on empty premises.

¹ Under the Council Tax (Prescribed Classes of Dwelling)(England) Regulations 2003 and amended by the Council Tax (Prescribed Classes of Dwelling)(England) (Amendment) Regulations 2012 - Classes C & D.

² Council Tax (Prescribed Classes of Dwelling)(England) (Amendment) Regulations 2012 - Classes E

³ Council Tax (Prescribed Classes of Dwelling)(England) (Amendment) Regulations 2012 - Classes F

- 1.8 Government, together with local authorities (including the Council) has unfortunately seen a rise of in the number of empty homes together with a growth in second homes.
- 1.9 Inconsistencies in the legislation have also been identified whereby a premium can be avoided by the taxpayer merely furnishing an empty premises, when it would become a 'second home' which currently has a maximum charge of 100% with no premium.
- 1.10 In order to address these inconsistencies, and also to bring more dwellings into use, government has introduced sections within the Levelling Up and Regeneration Act 2023 (the Act).
- 1.11 This policy details the Council's approach in the charging of premiums as allowed within the new legislation.
- 1.12 The continued pressure on local authority finances (both the Council and the Major Preceptors) together with the need to encourage all owners of domestic premises to bring them back into use, makes it essential that the Council changes its approach to empty homes. The new legislation for second home premiums will encourage the use of dwellings as primary residences.

2. Empty homes premiums (From 1 April 2024)

- 2.1 Section 79 (1) (b) of the Levelling Up and Regeneration Act 2023 permits the Council to impose an empty homes premium after one year instead of two years. Section 80 of the Act provides that from 1 April 2024, a property can be charged an empty homes premium at 100% after one year, even if it became empty before 1 April 2024.
- 2.2 The Council has resolved to implement the change with effect from 1 April 2024
- 2.3 The legislation requires the Council to be mindful of any guidance or further regulation in relation to the implementation of the premiums and this is detailed in Section 4 of this policy.

3. Introduction of premiums for second homes (From 1 April 2025)

- 3.1 The definition of a second home for Council Tax purposes is a dwelling which has "no one resident" but is "substantially furnished".
- 3.2 Section 80 (2) of the Act inserts a new section 11C into the Local Government Finance Act 1992. This permits the Council to apply a premium on second homes. The maximum Council Tax charge in these cases would be a standard 100% charge plus a premium of 100% making a total Council Tax charge of 200%.

- 3.3 Unlike empty dwellings, there is no requirement for a property to have been used as a second home for a fixed period of time before the premium can apply.
- 3.4 As with other changes introduced by the Act, section 11C (3) requires that the first decision to impose this class of premium must be taken at least 12 months before the financial year to which it would apply. In effect this means that premiums for second homes will not take effect until the 2025-26 financial year at the earliest.
- 3.5 The Council has resolved to charge second home premiums and has given the required notice.
- 3.6 The Act provides that a dwelling cannot be subject to both a second homes premium and an empty homes premium imposed under section 11B of the 1992 Act, and that an existing empty homes premium would cease to apply to a property which became subject to a second homes premium.

4. Exceptions from the premiums (empty homes premiums and second homes premium)

- 4.1 At the time of writing this policy, government has issued a consultation (which has now ended), seeking views on possible categories of dwellings which should be dealt with as exceptions to the Council Tax premiums. Regulations are expected to cover the exceptions for both empty homes premium, and also the second homes premiums.
- 4.2 **The Council has included the proposed exceptions below however; it should be noted that these MAY CHANGE when the new regulations are commenced.**
- 4.3 The consultation proposes that there will be circumstances where either premiums will either not apply or be deferred for a defined period of time. These are as follows:
 - **Properties undergoing probate** - the government proposes that these properties should be exceptions to both the second homes and empty homes premiums for a **maximum of 12 months**. The exception would start once probate or letters of administration is granted. This will not affect the Class F Council Tax exemption or the ability for the Council to charge its determined rate of Council Tax following the expiry of the Class F exemption;
 - **Properties that are being actively marketed for sale or rent** - the government proposes that this exception will apply for up to a **maximum of 6 months** from the date that active marketing commenced, or until the property has been sold or rented, whichever is the sooner. The Council, in determining whether this exemption applies will require the following evidence:

- (a) evidence that the dwelling is being **actively** marketed for sale or rent through a recognised agent (evidence can include contracts with agents, advertisements in recognised newspapers or marketing websites);
- (b) where the premises are being self-marketed by the owner or landlord, evidence that the premises is being **actively** marketed (evidence can include advertisements in recognised newspapers or letting websites);
- (c) where for sale, evidence that the premises are being sold at a true market level for the size and type of dwelling within the area in which it is situated. Where the dwelling is for let, that the rent requested is at a true market level for the size and type of dwelling within the area in which it is situated.

The above list is not exhaustive and the Council reserves the right to request further evidence to support any claim for exemption. The exemption will only apply once to any taxpayer or taxpayers if they are jointly and severally liable;

- **Empty properties undergoing major repairs** - this is time limited to 6 months. The government proposes that empty properties undergoing major repair works or structural alternations should be an exception to the premium for up to 6 months once the exception has been applied or when the work has been completed, whichever is the sooner. The exception will be applied at any time after the property has been empty for at least 12 months, so long as the Council is satisfied that the necessary repair work is being undertaken. As with all other exemptions to the premiums, the Council will require the taxpayer to provide such evidence as is required to support their application;
- **Annexes forming part of, or being treated as, part of the main dwelling** - the government proposes that such annexes should be an exception to the Council Tax premium on second homes;
- **Job related dwellings** - currently, there is a Council Tax discount of up to 50% for properties which are unoccupied because the owner is required to live elsewhere for employment purposes. The discount applies where the dwelling is provided for the better performance of the duties of the employment, and it is one of the kinds of employment in the case of which it is customary for employers to provide dwellings for employees. The government proposes that the dwelling should also be an exception to the second homes premium. **The exception will not apply to cases where someone chooses to have an additional property to be closer to work while having a family home elsewhere or where an individual is posted to a new location but maintain their previous address;**
- **Occupied caravan pitches and houseboat moorings** - the government proposes that these caravans and boats should be an exception to the Council Tax premium on second homes; and
- **Seasonal homes where year-round or permanent occupation is prohibited or has been specified for use as holiday accommodation or prevents occupancy as a person's sole or main residence** - the government proposes that properties that have restrictions or conditions preventing occupancy for a

continuous period of at least 28 days in any 12-month period, or specifies its use as a holiday let, or prevents occupancy as a person's sole or main residence, should be an exception to the second homes premium.

- 4.4 It is understood that regulations will be issued late 2023 or early 2024 and the Council will need to ensure that any charging policy is in line with legislation. Therefore, the Council's Section 151 Officer is granted delegated powers to amend this policy in line with legislative or government requirements.

5. Outcome expected and 'safety net'.

- 5.1 The expected outcomes of this policy are as follows:
- (a) Taxpayers will be encouraged, through the implementation of the premiums, to bring empty properties into use and to revert the use of second homes to primary residences;
 - (b) The reduction of empty homes and second homes within the Council's area in line with the Council's Empty Property Strategy; and
 - (c) Increased Council Tax income from empty homes and second homes.
- 5.2 There may be circumstances where the implementation of these changes may cause exceptional hardship to a taxpayer. In such cases, the Council will consider applications for a reduction in liability under its Section 13A (1)(C) of the Local Government Finance Act 1992 - Reduction in Council Tax liability policy.
- 5.3 Where such an application is received, it will be considered on an individual case basis taking into account the circumstances of the taxpayer and the situation regarding the level of Council Tax charged. Should the taxpayer be aggrieved by any decision of the Council a further right of appeal will be with the independent Valuation Tribunal.

6. Legislation

- 6.1 The legislation that covers this report and the recommendations made is as follows:
- S11A & S11B of the Local Government Finance Act 1992;
 - S11C of the Local Government Finance Act 1992 (as introduced by the Levelling Up and Regeneration Act 2023);
 - The Levelling Up and Regeneration Act 2023; and
 - S13A(1)(C) Local Government Finance Act 1992 (reduction in liability).
- 6.2 Due to changes in the legislation, the Council will be required to amend this policy, at any time, in line with statute.

7. Finance

- 7.1 Any amount of premium received will be part of the Council's Collection Fund and will be shared between the Council and Major Precepting authorities in line with their share of the Council Tax.
- 7.2 Any reduction granted under S13A(1)(c) will be financed through the Council's general fund and do not form part of the Collection Fund.

8. Notification

- 8.1 Where a taxpayer is granted an exemption, a revised demand notice will be issued. Where an exemption is applied for but not granted, the Council will provide a notification of its decision.

9. Appeals

- 9.1 Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.
- 9.2 **The taxpayer must in the first instance write to the Council outlining the reason for their appeal. Once received the council will then consider whether any additional information has been received which would justify a change to the original decision and notify the tax payer accordingly.**
- 9.3 Where the taxpayer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reductions. Full details can be obtained from the Council's website or from the Valuation Tribunal Service website.

10. Delegated Powers

- 10.1 This policy for the Council Tax premiums has been approved by the Council. However, the Service Director - Customers is authorised to make technical amendments to ensure it meets the criteria set by government and the Council.

11 Fraud

- 11.1 The Council is committed to protecting public funds and ensuring that premiums are correctly charged.
- 11.2 A taxpayer who tries to reduce their Council Tax liability by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

11.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

12. Complaints

12.1 The Council's complaints procedure (available on the Council's website) will be applied in the event of any complaint received about this policy.

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PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: REVENUE BUDGET 2024/25

REPORT OF: THE SERVICE DIRECTOR - RESOURCES

EXECUTIVE MEMBER: EXECUTIVE MEMBER FOR FINANCE AND IT

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

1.1. Cabinet are asked to recommend a budget for 2024/25 to Council for their consideration and approval. The budget considers the following:

- The funding that the Council should expect to receive in 2024/25 and an estimate of future years funding
- The forecast net spend required to enable the continued delivery of the Council services in 2024/25 and beyond
- The other risks in relation to the budget (e.g. higher spend or lower income) and providing reasonable financial protection against those risks
- The implications of all the above on future years and ensuring that actions are in place to deliver a balanced budget in the medium term.

Cabinet are also asked to approve adjustments to the 2023/24 revenue budget as a result of the revised forecasts contained within this report.

Finance, Audit and Risk Committee are asked to comment on the proposed budget through an in-depth analysis of policy issues pertaining to finance, audit and risk.

2. RECOMMENDATIONS

That Cabinet:

2.1. Approves the decrease in the 2023/24 working budget of £301k, as detailed in table 7.

That Cabinet recommends to Council that it:

2.2. Notes the position on the Collection Fund and how it will be funded.

2.3. Notes the position relating to the General Fund balance and that due to the risks identified a minimum balance of £2.48 million is recommended.

2.4. Notes the net revenue savings that are likely to be required in future years, combined with the Chief Finance Officer's section 25 report (Appendix D) which provides a commentary on the risks and reliability of estimates contained in the budget.

2.5. Approves the revenue savings and investments as detailed in Appendix B.

2.6. Approves a net expenditure budget of £20.265m, as detailed in Appendix C.

- 2.7. Approves a Council Tax increase of 2.99%, which is in line with the provisions in the Medium Term Financial Strategy.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To ensure that all relevant factors are considered in arriving at a budget and Council Tax level for 2024/25. To ensure that the budget is aligned to Council priorities for 2024/25 as set out in the Council Plan.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. In seeking to address the funding gap detailed in the Council's Medium Term Financial Strategy for 2024-29, Political Groups and Officers have been asked for savings ideas and these are presented in appendix A to this report.
- 4.2. The proposed investments are a combination of cost pressures to deliver existing services and new spend that is linked to the delivery of priorities identified within the Council Plan. Given the overall budget position, any ongoing investments should only be where there are unavoidable cost pressures.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. All Councillors were given an opportunity to comment on the revenue efficiency, revenue investment and capital proposals at the budget workshops.
- 5.2. Business Ratepayers will be consulted on the proposals within this report before the budget is discussed at Full Council on 29 February. Any feedback will be made available at the Council meeting. This is the only statutory consultation that is required. This consultation will be via the website/ e-mail, which is the method that has now been established.
- 5.3. If any saving proposal is anticipated to have a particular impact on a specific area (or areas) then it would be referred to the relevant Area Forum(s). It is however considered that this does not apply to any of the savings proposals that have been included.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 13 October 2023.

7. BACKGROUND

- 7.1. The Medium Term Financial Strategy (MTFS), which provides the financial background for the Corporate Business Planning Process, was approved by Council in November following recommendation by Cabinet (and review by the Finance, Audit and Risk Committee). The budget estimates within the MTFS included a number of assumptions. These have been updated as better information has become available. This final budget still contains some assumptions, hence monitoring reports are provided to Cabinet on a quarterly basis.
- 7.2. Political groups were given the opportunity to comment on the initial budget proposals (put forward by Officers and Executive Members) in early November. The feedback from those discussions was presented to Cabinet in January, which has resulted in the proposals contained within this

8. RELEVANT CONSIDERATIONS

Decisions made to deliver Council services and priorities

- 8.1 The Council's Medium Term Financial Strategy (MTFS) did not set a specific target for savings as part of this budget process. The reasons for this were set out in the MTFS.
- 8.2 The net ongoing impact of proposals put forward as part of the budget setting process was a small increase of £45k.
- 8.3 At its meeting in January, Cabinet considered the feedback from the Budget Workshops. Cabinet agreed to all the savings and investments that were presented to the budget workshops, as well as some additional proposals included in that report (i.e. one year investments for customer service centre and economic development). In line with Cabinet decision (December 2023 meeting) in relation to waste collection, a capital allocation for fibre bins has also been added to the capital programme for 2025/26. They also considered verbal updates on the following:
- The impact of the award of the new leisure contract, which is an increase in budgeted long-term income of £955k at current prices. This has been adjusted for estimated inflationary increases. There will be a partial off-set of around £75k for the revenue costs of capital for the Royston Leisure Centre fitness extension (this will be part of the 'revenue effects of capital' section below).
 - Our new Leisure Centre operator (SLM) have put forward a proposal that we could provide the capital funding to purchase the fitness equipment and other capital investments contained within their bid. SLM have a higher cost of capital than the Council so doing this allows them to provide a further increase in the management fee income. That management fee income increase would more than off-set our revenue costs of capital. As we haven't fully determined how this will work, we will add the capital funding to our capital programme and add an off-setting revenue saving equal to the revenue cost of capital. This is considered prudent as the actual savings should be greater. If the proposal can't happen, then there will be no net revenue impact from removing it.
 - We have re-looked at the viability of a new learner pool at Royston. It may be financially viable, but that is subject to the capital cost and the net income that SLM can generate from the facility. The capital cost will be tested via a procurement process (alongside the gym extension). It has been added to the capital programme to allow the project to progress, subject to a suitable business case.
 - We have submitted a bid to the Public Sector Decarbonisation Fund (PSDF) for the decarbonisation of our Leisure Centres, and it includes heat pumps and solar panels. The bid is based on Council match funding of £3m, with the fund paying around £7m. We do not yet know if our bid has been successful. Indications are that based on current energy prices, the energy cost savings will offset the revenue costs of capital of the Council's funding. The actual cost savings should be higher as some of the boilers would need replacing soon anyway, and energy prices would be expected to increase over time which would increase the relative savings. To allow the scheme to progress (subject to the application being successful and re-testing the financial viability) it has been added to the capital programme. An off-setting revenue saving equal to the revenue cost of capital has been added to the revenue budget. This is considered prudent as if scheme can't happen, then there will be no net revenue impact from removing it.
 - Increase the capital allocation (to £8.5 million) for the vehicles needed for the new waste and street cleansing contract. The increase is a prudent estimate based on the initial tenders received. The increase reflects some property growth and inflation on vehicle costs. Most Members will be aware of confidential indications of the

increase in costs from the new contract. The revenue impact of increased vehicle costs is already contained within those estimates.

- A short-term investment to recruit a two year post through the Local Government Association's National Graduate Development Programme. This would provide additional capacity and may help with future permanent recruitment. The cost of the two year placement will be around £84k. The additional budget will only be used if this can not be covered through staffing underspends.

General Funding

8.4. The Government provided a policy statement on Local Government funding on 5th December 2023. This was followed by the draft Local Government Finance Settlement on 18th December 2023. The policy statement provided some earlier warning of the principles that would be applied. The relevant points for future funding are:

- The baseline amount of Business Rates that Councils can retain will continue to be increased in line with CPI. Councils will continue to be reimbursed for this inflation even when Government make policy decisions to not increase the amounts that are charged to businesses.
- "Negative Revenue Support Grant" (which would reduce the amount of Business Rates that can be retained) will continue to be eliminated.
- District Councils will be able to increase Council Tax by up to 2.99% without the requirement for a local referendum. It is unknown what limits will be applied from 2025/26 onwards, but our forecasting assumption is that it will then revert back to 1.99%.
- Business rate pooling will continue to be available in 2024/25 and we will be part of a pool with the County Council and two other Districts.
- New Homes Bonus will continue in 2024/25 using the same method as applied in 2023/24 (i.e. one year reward only with a 0.4% baseline applied).
- That all Council's would see at least a 3% increase in their Core Spending Power, before they made a decision on Council Tax increases (but the 3% would be after assumed increases in the Council Tax base).
- There will be a reduction in Services Grant.

8.5. On 24th January 2024, Government announced that additional funding would be made available for Councils. For District Councils this would be by guaranteeing that Core Spending Power would increase by 4% rather than the previously announced 3%. The additional funding is estimated to be £173k. There is an expectation that this will not be used to add to reserves, which we will comply with as we were already budgeting for a drawdown on reserves to support the 2024/25 budget. By July, Councils will have to provide Government with a Productivity Plan. That will be in a set format (to be determined) and we will need to show how we will "improve service performance and reduce wasteful expenditure to ensure every area is making best use of taxpayers' money". The Department for Levelling Up, Housing and Communities will be establishing an expert panel to advise the Government on financial sustainability in the sector which will include the Office for Local Government and the Local Government Association. The panel will review local authority productivity plans and advise the Government on best practice in this area.

8.6. Overall the draft settlement is more positive than the forecasts in the Medium Term Financial Strategy. This is mainly down to the assumptions used in calculating the Core Spending Power guarantee. However it is necessary to note that the level of funding increases is still less than recent levels of inflation. The table below (table 1) shows a comparison between 2023/24 funding, the MTFS forecast for 2024/25 and the latest 2024/25 forecast. Table 2 provides estimates for future years.

Table 1 – Estimated General Funding comparison (2024/25)

£000 Funding	2023/24 Budget	2024/25 MTFS Forecast	2024/25 Latest Forecast	Difference between MTFS and latest forecast	Comments
	£'000	£'000	£'000		
Council Tax	12,791	13,106	13,147	41	Small increase in tax base forecast
Council Tax Collection Fund Surplus / (Deficit)	138	Not included	(24)	(24)	MTFS made no assumption on in-year surplus / deficit position.
Business Rates, including compensation for under-indexing the multiplier	3,310	3,693	3,686	(7)	
4% Core Spending Power Guarantee/ New Homes Bonus	952	1,024	1,419	395	Included together as the Core Spending Power guarantee provides protection against fluctuations in New Homes Bonus. Difference due to the way the Guarantee was calculated and the Guarantee providing cover against the reduction in the Services Grant.
Services Grant	110	110	17	(93)	Reduction covered by Core Spending Power Guarantee.
Less: Council Tax support to Parishes	(39)	(39)	(39)	0	Maintained at previous levels.
	17,262	17,894	18,206	312	

Table 2 – Estimated General Funding forecasts

£000 Funding	2025/26	2026/27	2027/28	2028/29	Comments
Council Tax	13,570	13,909	14,257	14,613	Assumed 1.99% increase in rate. Net 0.5% increase in tax base
Negative RSG (or equivalent)	0	(500)	(1,000)	(1,000)	Assumed that any new funding formula delayed until at least 2026/27. Assume net decrease of £1m, with half the impact in the first year.
Business Rates income (including compensation for not indexing the multiplier)	3,760	3,835	3,911	3,989	Assume 2% inflation
Other funding	898	979	1,049	609	New Homes Bonus and Services Grant (or replacement funding) to continue at current levels. 0% Core Spending Power Guarantee.
Less: Council Tax support to Parishes	(39)	(34)	(28)	(22)	Reduced to maintain funding at same cash level
	18,189	18,189	18,189	18,189	
% Change on previous year (cash terms)	-0.1%	0%	0%	0%	
% Change on previous year (real terms, if inflation is 2%)	-2.1%	-2%	-2%	-2%	

8.7. The numbers in the table above are just estimates, and we will not get any certainty on medium-term funding until at least 2025/26. These will be used for modelling future budget positions and therefore savings requirements, as they provide a realistic scenario. However overall, we will need to be ready to adapt to changes in funding levels.

Specific Funding

8.12 The Council also receives grants and contributions for specific purposes. Generally, these are built in to service budgets and have therefore already been taken in to account

when determining spend forecasts, so cannot be used towards funding the base budget. These amounts can be uncertain, and reductions in the amount can result in spending pressures that would need to be met from the General Fund. These have been reviewed and the main risks and opportunities are detailed in table 3 below, noting that this is not an exhaustive list:

Table 3 – Forecasts in relation to grants and other contributions

Grant/ Contribution	Amount in 2023/24 (£000)	Risk/ Opportunity
Healthy Hub funding	35	HCC have confirmed funding for the Healthy Hub Service in 2024/25 of £38.5k. As funding for future years beyond 24/25 has not been confirmed, fixed term staffing contract arrangements have been put in place to deliver the service in 24/25.
Homelessness Prevention Grant	364	Funding has been confirmed from DLUHC of the 2024/25 Homelessness Prevention Grant of £382k. The planned allocation of this grant to finance specific projects in 2024/25 was approved by Cabinet in June 2023.
Rough Sleeping Initiative Grant	189	Funding has been confirmed from DLUHC of the Rough Sleeping Initiative grant of £157k for 2024/25. The planned allocation of this grant to finance specific projects in 2024/25 was approved by Cabinet in December 2022.
Housing Benefit Administration Grant	248	Notification has been received of the provisional Housing Benefit Administration grant for 2024/25 of £244k, which is a £4k reduction from 2023/24. As there is no corresponding reduction anticipated in administering Housing Benefits in the next financial year, the budget pressure from this grant reduction is included in the budget estimates.

Business Rates and Council Tax Collection Funds

- 8.13 North Herts Council is required to maintain a Collection Fund to account for the income received and costs of collection for Council Tax and Business Rates. Estimates of the net income are made at the start of the year and based on this money is transferred out of the Collection fund to the North Herts Council General Fund and other precepting bodies. The Fund is required to break even over time and any surplus or deficit is transferred to the North Herts Council General Fund and other precepting bodies. For Business Rates, most of the deficits relate to reliefs introduced by Government. The Council receives funding for these which it holds in a specific reserve. This reserve is then released back to the General Fund as required. The net impact is forecast to be relatively low, and is included in the budget summary in Appendix C.
- 8.14 A Business Rates Pool application for 2024/25 has been accepted for Hertfordshire County Council and three Districts (including North Hertfordshire). The Pool has been formed with the expectation that this will reduce the business rates levy amount otherwise payable at the end of next year, as has been the case in prior years. The achievement of a pooling gain next year is however not guaranteed and will be dependent on the actual value of business rates collected in the year. As the levy payable will be funded from grant held in reserve, any pooling gain that does materialise next year will not increase the General Fund balance, but instead reduce the drawdown on the grant held in reserve. The budget makes the prudent assumption that the pooling gain will be zero.

Review of balances and reserves

- 8.15 In setting its budget, the Council needs to consider the level of its reserves. This determines the extent to which the current budget can be supported by the use of reserves or requires a budget to be set that includes an allowance for increasing reserves. In addition to the General Fund balance, the Council has specific reserves and

provisions. Specific reserves are amounts that are set aside for a determined purpose. This purpose can arise from a choice made by the Council, or where it is felt that there is an obligation. Provisions are where there is a requirement on the Council to meet future expenditure, and a reasonable estimate can be made of the amount and timing. In determining the risks that may need to be met from the General Fund, it is important to know which risks will already be covered by amounts that are set aside as a specific reserve or provision.

- 8.16 The Government have referred to Councils having high levels of reserves and that these should be used, rather than asking for more funding. The table below (table 4) demonstrate the reasons why reserves are being held, as well as forecasts of future balances. Apart from the MHCLG (which was created during the time of the Ministry for Housing, Communities and Local Government) Grants reserve, all the balances are held for a specific purpose. The table below already notes that the MHCLG Grants reserve will mainly be used to smooth the impact of funding which has not kept pace with the level of inflation.

Table 4 – Specific Reserves

Name of Reserve	Purpose of Reserve	Balance at 1 April 2023	Estimated Balance at 31 March 2024	Estimated Balance at 31 March 2025
Childrens Services Reserve	Used to help fund Active Communities projects in the district funded from grant income and/or external contributions. Drawdown is expected over the next few years to support the continued operation of the Healthy Hub service.	46	7	0
Churchgate Development Reserve	Additional income over and above that necessary to off-set the treasury income that would have been generated from the capital used to purchase the shopping centre freehold (expected at around £175k per year) will be set aside in a reserve to support the planning and delivery of Churchgate regeneration project. The money will provide necessary professional advice via consultants, architects, quantity surveyors etc.	138	283	294
Climate Change Grant Reserve	Grant awarded to help combat the effect of climate change. Being used for the additional costs (above available establishment) of employing a Trainee Policy Officer working on Climate Strategy.	19	14	9
Elections Admin Grant	Holds funding provided from government to support the delivery of the policies of the Elections Act 2022, which focused on the introduction of voter ID and improvements to accessibility for disabled voters. The reserve will be used to fund anticipated additional expenditure associated with the Act in administering future elections	19	42	Unknown
Environmental Health Grants Reserve	Holds funding amounts received for specific initiatives relating to the Council's Environmental Health service, such as air quality and housing checks. The reserve is used to finance the undertaking of the relevant initiatives and to help manage staffing and workload pressures within the service.	84	61	0
Growth Area Fund Reserve	Holds the revenue grant awarded. With the Local Plan now in place, this reserve is anticipated to be drawn down to fund relevant projects and activities.	24	24	0
Homelessness Grants Reserve	To help prevent homelessness in the district. The grant is earmarked for different homelessness projects or resources.	352	453	345
Housing & Planning Delivery	Hold unspent Housing & Planning Delivery grant to fund Cabinet approved spending plans in subsequent years. The Authority has also made a commitment to the Local Development Framework and funds are held in this reserve for this purpose. This has also been previously added to by additional income from 20% increase in statutory planning fees.	887	682	577
Information Technology Reserve	Had been there to support the purchase of hardware and software items when they are required. Now to be covered through revenue and capital budgets.	23	0	0

Name of Reserve	Purpose of Reserve	Balance at 1 April 2023	Estimated Balance at 31 March 2024	Estimated Balance at 31 March 2025
Insurance Reserve	Used to finance potential claims for risks that are not covered by external policies together with higher excesses currently being borne by the Authority. It is good financial management practice to have an insurance reserve. The future balances will depend on the claims received and the level of relevant insurance.	34	Unknown	Unknown
Land Charges Reserve	Reserve originally established to help meet the potential cost should the financial risk of the repayment of personal search fees occur. In recent years some of this has been used for additional administration costs and software upgrades.	12	12	12
Leisure Management Maintenance Reserve	To help cover the cost of any future significant repair liabilities on the leisure facilities. The Leisure Contract (from April 2024) requires a contribution from the Council for maintenance items over £15k, so therefore if funds are not available in the reserve then this would impact on the general fund. Use of the reserve depends on what arises and is therefore unknown.	68	68	Unknown
DLUHC (previously MHCLG) Grants Reserve	Balance of unapplied Section 31 business rate relief grants and pooling gains. Used to fund NNDR Collection Fund deficit contributions and levy payments in future years. As detailed and explained in the MTFs, a total of £3m will be released into the General Fund to help bridge the forecast funding gaps in the coming years. This is included in Appendix C..	4,135	5,092	Unknown
Museum Exhibits Reserve	Funds the purchase of museum exhibits and is funded from donations. Use of reserve will depend on donations and opportunities for acquisitions.	14	14	Unknown
Neighbourhood Plan Reserve	Funds received from Government to support neighbourhood planning have been transferred to reserve. The funding will be needed in future years as neighbourhood plans are developed and public examinations and public referendums are required.	115	130	110
Paintings Conservation Reserve	Used to help restore paintings. This is funded through donations and publication income. To be used against a list of items that require conservation.	11	11	Unknown
Shared Prosperity Fund Grants Reserve	Holds the balance of unspent grant funding received to date to support the Council's delivery of the three-year Investment Plan approved by Government in the autumn of 2022.	17	17	Unknown
Street Name Plates	To fund Street Name Plates as and when required.	16	16	Unknown
Syrian Refugee Project	The Council has agreed to house Syrian Refugees under the government's resettlement scheme. The scheme is fully funded by the government based on expected costs and by using Registered Provider housing, the costs incurred are less than the grants awarded. The Council will look to use some of this funding to support linked housing pressures (around £100k per year).	619	706	695
Taxi Reserve	Any surplus from the taxi service will be transferred to the earmarked reserve where it can be used to offset any future deficit or to fund investment in the taxi service.	11	11	Unknown
Town Centre Maintenance	For the implementation of the Town Wide Reviews and ad hoc town centre maintenance.	77	85	93
Traffic Regulation Orders	An audit was done to identify TRO work to be carried out in the district. Amounts will be drawn down as and when the work is done.	376	371	366
Waste Reserve	AFM monies are transferred to help mitigate any potential risk to the waste service and support future service developments. To be spent on various projects., including the new waste contract procurement work and any spend related to options around a new waste depot. There will be no further AFM money after 2023/24.	836	836	Unknown
Waste Vehicles Reserve	As repayment of the finance lease principal embedded within the waste contract is funded from the Council's cash reserves, the saving on the revenue account is transferred to this reserve to fund the purchase of vehicles when they next need to be replaced.	1,850	2,456	3,178

Name of Reserve	Purpose of Reserve	Balance at 1 April 2023	Estimated Balance at 31 March 2024	Estimated Balance at 31 March 2025
Welfare Reform Grants Reserve	Awarded to the Authority for different initiatives or changes relating to Housing & Council Tax benefit scheme, and more recently the Business Support and self-isolation grant schemes developed in response to the Covid-19 pandemic. The balance in reserve will be used to develop the service and drawn down when the initiatives or changes are carried out, and therefore the exact timing of usage is unknown.	658	444	342

8.17 As at the 31 March 2023 there was a total of £1.366m held as long-term provisions. These are comprised of:

- Business Rates appeals - £1.348m - the Council's estimated share of outstanding business rates appeals
- Insurance - £18k - covers the uninsured aspect of outstanding insurance claims.

8.18 We do not want to be in a position where we are holding such a high level of provision in relation to Business Rates appeals, but it reflects the number of outstanding appeals which need to be dealt with by the Valuation Office Agency (VOA). Until those appeals are resolved, the Council cannot use these amounts for another purpose, nor can they go back to businesses.

8.19 North Herts Council operates with a reserve balance for General Fund activities in order to provide a cushion against unexpected increases in costs, reductions in revenues and expenditure requirements. Guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) suggests that the revenue balances should be set at no less than 5% of net revenue expenditure, having taken account of the risks faced by the Authority in any particular year. As net expenditure is anticipated to be around £20million, this means a minimum balance of about £1million. The Council's budget is also reliant on generating income to set a balanced budget, so an additional 3% of budgeted income (excluding Housing Benefit, grants and other contributions) is included in determining the minimum level. Income from fees, charges, interest and rentals is forecast to be around £13.5m and therefore an additional allowance of around £400k is added.

8.20 An assessment of the risks has been compiled for the coming year based on risks identified by each Service Director and cross-referenced to the risk register. The identified areas are where the financial impact is not wholly known, but an estimate can be made. The amount allocated is based on the forecast likelihood of occurrence. Where there is a high likelihood, 50% of the estimated financial impact is allowed for. For medium likelihood, it is 25%. For low likelihood, it is 0%. Table 5 summarises the risks, the forecast impact and the risk allowance to be made. A full list of these risks is shown in Appendix A.

Table 5- Budget Risks in 2024/25

Category	Number of Risks	Forecast Value of Impact (£000)	Risk Allowance (£000)
Low	14	3,759	0
Medium	14	1,318	330
High	9	1,460	730
Total	37	6,537	1,060

8.21 Combining the risk allowance for specific risks and unknown risks means that a General Fund balance of at least £2.48million should be maintained. This is what is recommended by the s151 Officer (Chief Finance Officer).

Expenditure Forecasts

8.22 The starting point for forecasting net expenditure for future years is the previous year's budget, as set in February 2023. This is then adjusted (where necessary) through the Quarterly budget monitoring reports, which highlight both in-year and ongoing impacts. An additional budget review is carried out at the end of November (month 8). The results of this are detailed in table 7 below. The budgets requested to be carried forward and the ongoing impacts are included in the budget estimates detailed in Appendix C, while the forecast General Fund outturn of £17.28m for 2022/23 informs the opening general fund reserve balance shown in Appendix C.

Table 7- Summary of forecast variances (amounts £000)

Budget Area	Current Working Budget	Forecast Outturn	Variance	Explanation for variance	Carry-Forward requested	2024/25 Budget impact
Equipment Costs	768	568	(200)	The significant increase in refurbishing and reusing returned alarms has resulted in an underspend in the equipment purchases budget. The underspend value is net of the growth in the establishment required to recruit the necessary engineers. Even though the level of refurbishment is set to continue, it's important to note that this strategy also brings a potential financial risk. If technological advancements necessitate an increase in new equipment purchases, our budget for equipment purchases may need to be adjusted accordingly. A financial risk for 2024/25 is therefore included in the risk listing at Appendix A..	0	(185)
Hertfordshire County Council Careline income	(2,829)	(2,880)	(51)	Additional income received to cover the increased cost of pay inflation above what was budgeted. The pay costs have already been adjusted.	0	(51)
Council Tax Summons Income	(178)	(224)	(46)	Summons income depends on number of summons issued and court hearings that take place, and this can be unpredictable. As at month 8 income has been overachieved by £46,400. With another court date booked for Jan/Feb, which will mean the invoicing of further summons income, it is anticipated that the income budget will be over-achieved.	0	0
Council Tax and NNDR consultants	50	17	(33)	Analyse Local have been employed to check our business rates tax base to make sure we have captured every business that should pay business rates, and that no businesses have been missed or circumstances changed that would result in increased business rates income. Analyse Local will only charge us when their investigations result in an increase in Rateable Value, and then they will charge 10% of the increase. So far there has been spend of £12k. Whilst there are a large number of increases that Analyse Local have notified to the Valuation Office, there is a delay in the Valuation office processing the changes. Analyse Local will not invoice until the changes have been processed. £33k is therefore requested to be carried forward into 2024/25.	33	0

Budget Area	Current Working Budget	Forecast Outturn	Variance	Explanation for variance	Carry-Forward requested	2024/25 Budget impact
BID levies	0	22	22	The Council needs to pay a Business Improvement District (BID) levy for properties that it owns within the BID areas. The cost has previously been within the main BID accounts that are outside the general fund. However the BID accounts balances should be zero. So this needs to be included within the General Fund budget. This will be an ongoing cost.	0	22
Pay as you use parking income	(1,848)	(1,870)	(22)	Higher than anticipated income from parking up until the end of December has increased the total projection for the year from that forecast at quarter 2, with more than 90% of the original income budget now expected to be achieved. With the recovery in parking activity still ongoing following the pandemic, the estimated impact in future years does assume some further growth in use of the car parks next year but it is not anticipated to be sufficient to meet all of the residual shortfall in income.	0	100
Planning Application Income	(940)	(790)	150	There has been a material reduction in the number of minor applications received, which is a national trend, which has resulted in the forecast income shortfall. This fall in applications is likely to be the result of interest rate increases and increases in the cost of construction materials. Planning fees have increased from the 6th December 2023, and it was anticipated that there would be an increase in major and minor applications before the fee increase date, however this has not materialised. From April - Nov the underachievement of income is £150k, the fee increase means that the income target should be achieved from December to March, however the £150k will not be recovered. The drop in applications is expected to be temporary as interest rates stabilise and the increase to application fees should address this shortfall in fee income in the next financial year.	0	0

Budget Area	Current Working Budget	Forecast Outturn	Variance	Explanation for variance	Carry-Forward requested	2024/25 Budget impact
Supplementary Planning Documents (SPD) Consultant Costs	87	37	(50)	This budget was approved for the preparation of Supplementary Planning Documents supporting the new Local Plan. A programme of work is ongoing with a draft Sustainability SPD presented to Cabinet in December. This is being prepared in house and, to date, and has not incurred any external costs. External costs will be incurred in relation to the remaining SPDs (Biodiversity SPD and Design Code SPD), these have been delayed due to staffing/capacity issues and also the need to wait for relevant legislation and Government guidance. Subject to the above, it is anticipated that some spend will may be incurred before year end, £80k was carried forward at Qtr2, a further £50k is now requested to be carried forward and this is because of further delays in the resolution/implementation of the above.	50	0
Town Centre Consultants	70	30	(40)	£50k carry forward reported at Qtr2. At the time, retail consultants were being procured to prepare the necessary background evidence for the overarching town centre strategy. These have now been procured and from their work plan its estimated that £30k will be spent in 2023/24 so request to carry forward a further £40k. The procurement was delayed due to inability to recruit to the Town Centre Officer post.	40	0
Local Plan Post Adoption Consultants	56	26	(30)	Budget to support work on an early review of the Local Plan. The narrative supporting the budget bids identified that there maybe year-on-year underspends so carry forwards would be required which would help mitigate or reduce further growth bids as the Plan reaches key points (e.g. pre-submission and examination) which require significant financial resource in terms of a full, up-to-date evidence bases, legal support and inspection costs. There is expected to be some expenditure this financial year, £60k was requested to be carried forward at Qtr2, and now a further £30k is requested to be carried forward. This is because the Levelling Up and Regeneration Act was only published in November 2023 (having been expected earlier in the year). Secondary legislation and Government guidance which will set out how Local Plans should now be prepared are still awaited.	30	0

Budget Area	Current Working Budget	Forecast Outturn	Variance	Explanation for variance	Carry-Forward requested	2024/25 Budget impact
Housing Services-staffing	488	296	(192)	Agreed at Cabinet in November 23 that £192k of Homelessness Prevention Grant (HPG) will be used to extend two Homelessness advisors posts until March 2027. DLUHC have confirmed that the HPG needs to be fully spent in the 23/24 financial year, so the grant will be used to fund core homelessness provision such as staff salaries. The underspend on this budget will be transferred to the Homelessness earmarked reserve and used to cover the £192k cost of the two posts in future years up to March 2027.	0	0
Housing Services- net transfer reserves to	(96)	96	192			
Environmental Health Stock Condition Survey	20	5	(15)	Request to carry forward £15k budget for stock condition survey. Will be carried out in a framework agreement with neighbouring authorities. The delay in the procurement means that the survey will not be completed until the end of Qtr1 2024/25, however some work will be done in 2023/24.	15	0
Total of Explained Variances	(4,352)	(4,667)	(315)		168	(114)
Other Minor Variances	21,756	21,770	14		0	(1)
Total General Fund	17,404	17,103	(301)		168	(115)

8.23 Budget proposals were put forward for discussion at Group workshops in November. Comments on the proposals made by the Groups were outlined in the draft budget report presented at the December meeting of Cabinet. This has been covered in more detail in paragraphs 8.1 and 8.2 above. The complete final list of savings and investments is included at Appendix B.

Revenue effects of capital

8.24 The Council incurs some interest costs in relation to historic borrowing for capital purposes. The small cost of this is reflected in budget estimates. When the Council uses up its capital reserves then it will have a Capital Financing Requirement (CFR). This means that we will incur revenue costs in relation to funding our capital programme. This includes interest costs and Minimum Revenue Provision (MRP). MRP is explained in the Investment Strategy report. In line with the Prudential Code (and as set out in the Investment Strategy), the Council plan to borrow internally against revenue balances first, and only when those balances are insufficient would we borrow externally. Borrowing internally is generally cheaper as the interest cost is the lost interest that would have been earned, rather than the external borrowing cost. MRP still needs to be applied.

8.25 As identified in the Investment Strategy report, the Council is expected to have a CFR in 24/25. The revenue costs of that borrowing, alongside the impact of using reserves to fund revenue expenditure (i.e. lost investment interest), need to be reflected in the revenue budget. Table 8 shows the amounts that need to be incorporated into revenue spend forecasts:

Table 8- Revenue impacts from the Investment Strategy

£000	2024/25	2025/26	2026/27	2027/28	2028/29
Forecast external borrowing costs (existing borrowing)	36	34	33	32	31
Forecast interest income from investments	(1,112)	(583)	(456)	(249)	(162)
Forecast MRP requirement	0	721	1,163	1,313	1,411
Net budget requirement	(1,076)	172	740	1,096	1,280
Current allocated budget*	(988)	(331)	(244)	(207)	n/a
Change in budget required	(88)	503	984	1,303	

Reliability of estimates

- 8.26 As part of the budget setting process, the Chief Finance Officer is required to comment on budget risks, the reliability of the estimates made and levels of Council reserves. This is known as a section 25 report. Note that this report is required alongside the budget every year, and is very different to a section 114 report. Although failure to take action on any risks highlighted in a section 25 could ultimately end in the need for a section 114 report. Therefore Council should note the contents of the section 25 report which is attached at Appendix D.

Cumulative impact

- 8.27 The cumulative impact of all the estimates described in the previous sections is provided at Appendix C. This shows a forecast of funding and net expenditure for the next five years, including the impact on the General Fund balance.
- 8.28 Appendix C also includes a forecast of the expected minimum level of savings that the Council still needs to deliver by 2028/29. The level of savings is expected to increase significantly when the costs of the new waste and street cleansing contract are known.
- 8.29 The improved position on funding means that the drawdown on reserves will be lower in 2024/25. This supports the approach that the Council can plan to deliver the majority of its savings in later years (which are likely to involve service change and reduction) after the impacts of high inflation have subsided and the cost of the new waste contract is known. There will be a need to make considerable savings before there is certainty over future Government funding, due to the ongoing delays in getting a new funding formula.
- 8.30 This level of savings still required to be identified assumes that the Council will continue to increase Council Tax at the maximum level permitted without the need for a referendum. Any increase in Council Tax below this level would further increase the savings required to balance the budget over the period and require greater drawdown on reserves. The proposal is therefore that Council Tax should be increased by the maximum allowed. It is expected that future Government forecasts of our required funding will assume that we have increased our Council Tax by the maximum amount allowed (without a local referendum).

9 LEGAL IMPLICATIONS

- 9.1 The Cabinet has a responsibility to keep under review the budget of the Council and any other matter having substantial implications for the financial resources of the Council.
- 9.2 Cabinet's terms of reference at 5.7.39 include recommending to Council the annual budget, including the capital and revenue budgets and the level of council tax and the

council tax base. Council's terms of reference at 4.4.1 (b) include approving or adopting the budget.

- 9.3 Finance, Audit and Risk Committee's terms of reference at 10.1.5 (d) include assisting the Council and the Cabinet in the development of its Budget and Policy Framework process by in-depth analysis of policy issues pertaining to finance, audit and risk.
- 9.4 Cabinet's terms of reference at 5.7.8 include monitoring revenue expenditure and agreeing adjustments within the budgetary control framework. This applies to decisions relating to approving in-year variances.
- 9.5 Members are reminded of the duty to set a balanced budget and to maintain prudent general fund and reserve balances.
- 9.6 Local authorities are required by virtue of the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves. The Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year.
- 9.7 The provisions of section 25 Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the Chief Finance Officer (s.151 officer) as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.

10 **FINANCIAL IMPLICATIONS**

- 10.1 These are covered in the body of the report.

11 **RISK IMPLICATIONS**

- 11.1 Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2 The budget setting process includes a detailed assessment of financial risks, so these are covered in section 8, appendix A and appendix D.
- 11.3 There are significant uncertainties and risks with regard to the funding of the Council over the medium term. This uncertainty is reflected in a corporate risk of 'Financial Sustainability/Balancing our Budget'.

12 **EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 For any individual proposal comprising either £50k growth or efficiency, or affecting more than two wards, an equality analysis is required to be carried out; this has either taken place or will take place following agreement of efficiencies or growth.

13 **SOCIAL VALUE IMPLICATIONS**

- 13.1 The Social Value Act and "go local" policy do not apply to this report.

14 ENVIRONMENTAL IMPLICATIONS

- 14.1 The proposal for the decarbonisation of the leisure centres would have a positive environmental impact. Some of the savings and investments identified in Appendix B are put forward to have a positive influence on the Council's environmental impact (i.e. the heat decarbonisation plans and APSE energy membership). For others there may be a low level of indirect negative implications (e.g. recruiting additional staff could require increased travel, redecoration may require contractor travel and use of paint), and for these the impacts will be managed as much as possible. Overall the Council still plans to deliver the commitments contained within its Climate Change Strategy. Some of the specific actions contained within the Climate Strategy will be dependent on opportunities and funding being available. They may not therefore be in this budget, but could be incorporated in future years.

15 HUMAN RESOURCE IMPLICATIONS

- 15.1 Some of the investments relate to additional staffing resource. Depending on the level of additional work that these entail, these may have a positive impact on staffing capacity. Additional HR support will be needed to help recruit to these posts, but this can be absorbed within the existing team.

16 APPENDICES

- 16.1 Appendix A – Financial Risks 2024/25
- 16.2 Appendix B – Revenue Budget Savings and Investments
- 16.3 Appendix C – Budget Summary 2024 – 2029
- 16.4 Appendix D - Section 25 report

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18 BACKGROUND PAPERS

- 18.1 Medium Term Financial Strategy <https://democracy.north-herts.gov.uk/documents/s23527/Appendix%20A%20MTFS%202024-29.pdf>

Financial Risks 2024/25

Risk	High/ Medium/ Low	Risk Value £	%	Total Risk Assessment £
Fines for breaches of the EU General Data Protection Regulation by the Council or by NHDC outsourced providers when handling and storing data originally collected by NHDC	L	500,000	0%	0
Bad Debt Provision may need to increase in light of the roll-out of Universal Credit and in particular the managed migration of working age housing benefit clients to Universal Credit.	L	70,000	0%	0
Ransomware attack results in the write-off of some IT hardware and infrastructure.	L	200,000	0%	0
Failure to meet projected Careline sales income as a result of the loss of a corporate client or fall in the number of private clients.	M	50,000	25%	12,500
Increased expenditure on new Careline equipment because of a reduction in the level of stock that can be refurbished and used for new client installations. This may be due to, for example, changes in technology making older equipment obsolete.	L	150,000	0%	0
Adverse possession of land/buildings (litigation costs). Protection of "Village Greens". Signs/fences need to be constructed to avoid residents claiming ownership rights.	L	35,000	0%	0
Reduction in income from Churchgate means that funds are not available for the external spend required to progress the regeneration project. Project spend is funded from excess income (above the cost of capital) being achieved since the purchase of the head leasehold interest.	M	100,000	25%	25,000
Reduction in income generated from Hitchin Town Hall due to the impact of the ongoing 'cost of living crisis' on the level of demand for events held at the venue.	M	40,000	25%	10,000
District by-election	M	8,000	25%	2,000
Legal team resources - requirement due to recruitment/retention issues to use temp. staff or outsource work. Additional external expertise for assistance with the delivery of key Corporate projects or Governance issues	H	150,000	50%	75,000
Legal expertise related to employment cases	M	50,000	25%	12,500

Risk	High/ Medium/ Low	Risk Value £	%	Total Risk Assessment £
The Council is required to meet the cost of any award from new or ongoing judicial reviews.	M	100,000	25%	25,000
Possible procurement challenge. Legal costs and costs of re-tendering if necessary.	L	100,000	0%	0
Costs incurred from an increased number of prosecutions pursued in court, for example due to persistent flytipping.	M	50,000	25%	12,500
Domestic Homicide Review – requirement for additional resources to respond	H	15,000	50%	7,500
The council is forced to re-tender a major contract if a contractor is unable to deliver a contract for any reason .	L	300,000	0%	0
Increase in the net cost of recycling services due to either or all of ; adverse changes in the market prices for commodities; a reduction in the volume of recyclates collected; a change in the material composition of the recyclates collected	H	500,000	50%	250,000
Reduction in funding from third party agency agreements for contracted grounds and/or tree maintenance works.	L	50,000	0%	0
Costs resulting from a localised flooding event that is associated with water courses within the responsibility of NHDC to maintain.	L	50,000	0%	0
Cost of felling and destroying trees as a result of pests and tree disease.	L	50,000	0%	0
Cost of maintaining service provision in the event of major contract failure.	L	1,000,000	0%	0
Income from Trade Refuse is adversely affected by economic downturn.	M	300,000	25%	75,000
Lack of resilience in delivering key statutory services, such as Environmental Health, Planning including Enforcement, project work and Parking, when staff absence occurs (other than normal leave) e.g. medium/long term sickness, staff resignations, redeployment to other duties and projects etc, increases expenditure on agency staff and / or consultancy advice or other method to maintain service provision.	H	100,000	50%	50,000

Risk	High/ Medium/ Low	Risk Value £	%	Total Risk Assessment £
Increase in net cost of measures to address homelessness/rough sleeping and meeting obligations/projects as a result of for example: absence of government funding / reduced government funding, national and local situations such as with the current pandemic and 'everyone in' approach from Central Government etc.	M	250,000	25%	62,500
Dangerous structures - where the Council is unable to recover either or both of; the costs incurred in making the structures safe because, for example, the owner of the property is not known or the land/building is unregistered; the costs involved in seeking to recover the expenditure incurred.	L	50,000	0%	0
Specialist advice required with regard to planning applications, e.g. town centre schemes, specialist areas such as solar farms, and "hostile applications"	M	100,000	25%	25,000
Costs associated with a challenge to a forthcoming decision of the Council or one that has been made, for example: legal challenges, tribunals, contracts, grant schemes, an appeal against a planning decision, judicial review or threat in advance of a planning decision, Secretary of State call in or holding direction etc..	H	500,000	50%	250,000
Enforcement – costs in relation to enforcement for example: investigations to enable consideration of enforcement action, specialist legal or other advice, direct action / appeal processes, recovery of illegal earnings.	M	100,000	25%	25,000
New duties and obligations associated with government policy, projects etc.. leads to requiring additional training or additional and/or specialist staff or consultancy support etc.. to deliver.	M	50,000	25%	12,500
Local Plan: additional costs associated with implementing the Local Plan or associated processes, such as a review.	M	50,000	25%	12,500
Theft of, or damage to, parking pay & display equipment	M	20,000	25%	5,000
Disabled Adaptations: Hertfordshire Home Improvement Agency fail to recover sufficient fees, based upon application throughput, resulting in additional payment requested by HCC to cover costs. Increased level of fee exempt Building Control applications for which the Council must reimburse the fee to Hertfordshire Building Control.	H	15,000	50%	7,500
Assumed vacancy saving within staffing payroll budgets does not materialise as a slim staffing structure, and / or an increase in the level of demand for services, reduces the capacity to hold posts vacant for any significant period of time.	L	350,000	0%	0
Breach of partial-exemption calculation for VAT	L	300,000	0%	0
Increases in construction inflation increase the cost of property repairs and maintenance required.	H	20,000	50%	10,000

Risk	High/ Medium/ Low	Risk Value £	%	Total Risk Assessment £
Localisation of Business Rates – The council is directly exposed to a range of risks including; business rates levy, safety net.	L	225,000	0%	0
Member/Officer Indemnity Agreement is called upon	L	100,000	0%	0
Further payments are required under MMI scheme of arrangement	L	20,000	0%	0
Reduced staffing capacity means that the delivery of Council projects is delayed and / or additional staffing resource must be hired externally at a cost premium to the Council.	H	150,000	50%	75,000
Relates to an environmental warranty that was provided to North Herts Homes on the transfer of the Housing stock.	L	209,000	0%	0
Increase to the annual external audit fee negotiated between the Council's External Auditor and Public Sector Audit Appointments exceeds the amount of additional related grant funding received from government.	M	50,000	25%	12,500
Cost of annual Housing Benefit Subsidy Certification is higher than budgeted due to additional audit fieldwork required.	H	10,000	50%	5,000

6,537,000

1,059,500

REVENUE BUDGET SAVINGS AND INVESTMENTS

New Revenue Efficiency Proposals and Savings Identified

Ref No	Service Directorate	Description of Proposal	Budget Impact	Net Efficiency				
				2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
E1	Enterprise	Howard Park kiosk income following refurbishment (see linked capital proposal). Additional income from bringing the kiosk in-house. Proposal remains subject to business case. Estimated value based on activity in previous years when operated by the leisure contractor.	Additional Income	(5)	(5)	(5)	(5)	(5)
E2	Place	Website development costs. The planned replacement of the Council's externally hosted intranet and Insight staff magazine pages with SharePoint will mean that the current web hosting and support services are no longer required.	Expenditure Reduction	(5)	(5)	(5)	(5)	(5)
E3	Regulatory	Additional income from the increase to statutory planning fees from 1st April 2024. Fee increases were announced by government in response to a DLUHC consultation earlier in the year and the draft legislation is expected to pass into law this autumn. Fees for major applications received will rise by 35% and all other planning applications by 25%. Estimate is based on planning activity in 2022/23.	Additional Income	(175)	(175)	(175)	(175)	(175)
E4	Regulatory	Town Wide Reviews. Use of balance held in earmarked reserve to finance costs of town wide reviews over the next five years.	Expenditure Reduction	(15)	(15)	(15)	(15)	(15)
E5	Resources	Removal of the approved investment budget (PI13 below) for the repair of the surface drain at District Council Offices (DCO) following further inspection. The need for the repair was originally identified in a survey by external contractors undertaking the refurbishment of DCO, but subsequently there have been no significant issues from, nor noticeable deterioration in, the condition of the drain.	Expenditure Reduction	(15)	-	-	-	-
E6	Place	Leisure Centre management fee income. Revision to management fee income budget based on the tender prices submitted by the preferred bidder. Efficiency values include estimated annual inflation of management fee.	Additional Income	164	150	(514)	(542)	(1,039)
E7	Managing Director	Revenue saving from proposed provision of a learner swimming pool at Royston leisure centre. Delivery of this project is expected to result in an increase in the management fee income due to the Council, of an amount at least equivalent to the associated capital financing cost.	Expenditure Reduction	-	(125)	(125)	(125)	(125)
E8	Managing Director	Revenue saving from financing improvement projects at our Leisure Centres. Delivery of these projects would be expected to result in an increase in the management fee income due to the Council, of an amount at least equivalent to the associated capital financing cost.	Expenditure Reduction	-	(262)	(542)	(542)	(542)
E9	Managing Director	Revenue savings from decarbonisation projects. It is anticipated that the delivery of those projects eligible for match funding from the Public Sector Decarbonisation Fund will enable the Council to achieve ongoing revenue savings at least equivalent to the associated capital financing cost of the relevant projects.	Expenditure Reduction	-	(230)	(230)	(230)	(230)
Total Net Budget Reduction from new efficiency proposals			Total Expenditure Reduction	(35)	(637)	(917)	(917)	(917)
			Total Additional Income	(16)	(30)	(694)	(722)	(1,219)
			Total Efficiencies	(51)	(667)	(1,611)	(1,639)	(2,136)

New Revenue Pressures and Investment Proposals

Ref No	Service Directorate	Description of Proposal	Budget Impact	Investment				
				2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
R1	Customers	Procurement of Careline call handling and service desk system solution(s). The current calls handling platform has been used for over 10 years and a new tender exercise is required in accordance with procurement rules. While the Careline Service Desk System is part of the existing Careline call handling system, most call handling platforms do not include this as part of the call handling software so the likelihood is that two pieces of software will need to be procured. The IT Strategy requires consideration of more cloud based solutions, while at present we have a cheaper on-site solution. Software suppliers may not offer an on-site solution and initial advice received is that the cost is likely to rise.	Additional Expenditure	59	59	59	59	59
R2	Enterprise	Removal of the anticipated revenue income return from the proposed capital investment to build a commercial storage facility alongside a new museum storage facility at Bury Mead Road, Hitchin (PE5 below). Further investigation and evaluation of the options for a commercial storage facility on the site did not identify a viable scheme for delivery.	Income Reduction	25	50	50	50	50
R3	Enterprise	Full time Project Officer/ Project Curator for Burymead Project: This role would be a 2 year fixed term contract. This will be required as a temporary increase to the curatorial teams staffing capacity so that they may undertake the work of managing the transition of the collection during the rebuilding works. While the post would be subject to job evaluation, the investment value represents the maximum in terms of the expected cost for this post.	Additional Expenditure	50	50	-	-	-
R4	Enterprise	Redecoration of the Lucas Room, hallway and Mountford Hall at Hitchin Town Hall. Previous painting has involved painting over the existing coat, so the paint is peeling away in certain areas and does not have much longevity. To carry out a professional re-paint of this area will involve removing the base coats and sanding out to ensure a durable and professional finish.	Additional Expenditure	-	27	50	-	-
R5	Enterprise	Purchase and laying of new carpet throughout the Lucas Room and hallway at Hitchin Town Hall to compliment the repainted walls.	Additional Expenditure	-	8	-	-	-
R6	Enterprise	Museum Visitor Services Assistant Supervisory Position. Upgrading a member of the existing front of house team to a team supervisor level to allow the curatorial team to focus on managing the museum collection and expanding and enhancing the quality of those services offered to the public. There is likely to be a need for additional hours to be awarded for this post over and above their substantive VSA role, and it is assumed this would be approximately half a day per week.	Additional Expenditure	7	7	7	7	7

Ref No	Service Directorate	Description of Proposal	Budget Impact	Net Efficiency				
				2024/25	2025/26	2026/27	2027/28	2028/29
				£'000	£'000	£'000	£'000	£'000
R7	Enterprise	Purchase and installation of a screen in Mountford Hall at Hitchin Town Hall. We previously installed acoustic panelling within the hall which has vastly improved the sound quality at events but this has meant that the back wall of the stage now has distinct lines between the various panels. In order to maximise the quality of projected slides and film for events and screenings, the installation of a screen that can descend across the projection area of the stage for events is required.	Additional Expenditure	5	-	-	-	-
R8	Enterprise	Planned preventative maintenance at the Hitchin Town Hall and Museum community facility following an audit of the property. Maintenance would include the scheduled replacement of; gas safety system components, the frost protection of elements of the heating system situated on the roof, the thermostatic water valves on most sinks in the facility.	Additional Expenditure	-	9	-	-	-
R9	Legal & Community	Temporary appointment of experienced elections expert to support the Returning Officer during the all out District elections and the anticipated parliamentary election, with the additional parliamentary boundary, for resilience reasons.	Additional Expenditure	40	-	-	-	-
R10	Legal & Community	Purchase of equipment for forthcoming elections to enable the postal vote opening and scanning capacity to double. Due to moving to whole Council elections, there will be more postal votes to process. In addition the Authority will be responsible for two Parliamentary constituencies, with an increase in postal votes anticipated at General Elections. The current scanners also require replacement. The budget requested is for the purchase of 5 scanners, 5 laptops, 2 printers and 2 TVs and stands and includes the cost of associated licences.	Additional Expenditure	10	-	-	-	-
R11	Place	Commission consultants to prepare heat decarbonisation plans for District Council offices, Hitchin Town Hall and North Herts Museum to ensure readiness for future rounds of public sector decarbonisation funding and / or invest to save capital proposals. This will include consideration of the issue of overheating at Hitchin Town Hall and Museum.	Additional Expenditure	40	-	-	-	-
R12	Place	Subscription to the Association for Public Sector Excellence (APSE). The subscription provides learning and development opportunities, free and discounted events, publications and advice to all staff covering a range of services e.g. waste, leisure, greenspace, commercialisation, museums, property etc..	Additional Expenditure	3	3	3	3	3
R13	Place	Subscription to APSE Energy. The subscription provides specialist learning and development opportunities around energy and climate change, free and discounted events, publications and advice to all staff.	Additional Expenditure	3	3	3	3	3
R14	Place	Leisure consultancy fees. Following completion of the North Herts, Stevenage & East Herts Sports Strategy, specialist consultants are required to develop a 'Long Term Built Leisure Strategy' that will address the outcomes and recommendations of the Sport Strategy, ensuring NHC deliver sufficient leisure provision in North Herts to meet demand arising over the period of the next Local Plan review (2040s).	Additional Expenditure	25	-	-	-	-
R15	Regulatory	Local Plan Review. The Council has previously approved two growth bids in the budgets for 2021/22 and 2022/23, each for £60k per year over a five-year period (i.e. £600k in total) to fund the Local Plan Review. Following adoption of the current Local Plan in November 2022, the costs of its preparation have been finalised with total external (i.e. non-staff) revenue costs of £1.5m incurred from the commencement of work on the Local Plan in 2013. It is anticipated that the cost of the review will not be as high due to, inter alia, having a relatively recent plan to build upon. This third tranche of resource requested will provide a total working budget of £780k and should mitigate the need for significant growth bids in future years as any review of the Plan progresses. By early 2024, Cabinet will have been asked to resolve on the broad nature of any review, with any substantive work anticipated to commence in Summer 2024 following clarity on Government reforms; these presently advocate completion of Local Plans within a 30-month window (i.e. by end of 2026 based upon a mid-2024 start and significantly quicker than for the current Local Plan).	Additional Expenditure	60	60	60	-	-
R16	Regulatory	Additional 3 year career-grade Planning Officer / Senior Planning Officer post (grade 8 - 10). This will create additional capacity and resilience across the strategic planning service in delivering any local plan review alongside implementation of the current plan (SPDs, masterplanning), neighbourhood planning and other duties. Investment profile reflects anticipated recruitment by October 2024.	Additional Expenditure	30	60	60	30	-
R17	Regulatory	Principal Planning & Implementation Officer. Existing Grade 11 post was reduced to 24.5 hours as part of an internal restructure reflecting the post holder's working arrangement and to fund the increase of other posts to full-time to meet business needs. Budget is requested to allow the post to be advertised / recruited to at 37 hours per week (FTE).	Additional Expenditure	23	23	23	23	23
R18	Regulatory	Provision of Specialist planning advice: Landscape, trees, ecology etc. The planning service requires specialist, qualified technical advice on key disciplines to inform decisions and (e.g.) the discharge of conditions (DOCs) relating to detailed landscaping schemes on development sites. Following the adoption of the Local Plan, a number of outline permissions are being considered on allocated sites. Should these be granted they will be followed by detailed reserved matters applications and conditioned to provide additional detail on the provision of green space, landscaping and / or trees. The Council's previous landscape officer retired in April 2021 and was not replaced and there is not a dedicated planning tree officer. The advice might take the form of an additional establishment post or used to fund a service-level agreement with Hertfordshire County Council (or other provider) to deliver these services. Requested investment based upon a Grade 10 post.	Additional Expenditure	60	60	60	60	60
R19	Regulatory	Planning service administrative support. There is presently a shortage of administrative support across the planning service to support or co-ordinate meetings and minutes, project and programme management, document management, website updates etc.. There will be additional administrative burdens relating to monitoring arising from the recent restructure and provision of additional capacity in the enforcement service. Funding equivalent to a Grade 6 Technical Support post is sought. This may be disaggregated into more than one post and / or used to backfill existing duties where current postholders have taken on additional responsibilities or workload in relation to the above.	Additional Expenditure	40	40	40	40	40
R20	Regulatory	London Luton Airport Development Consent Order application. The Planning Inspectorate should have concluded their examination into Luton Airport's expansion plans by February 2024. This request for funding is to support the work arising from a positive decision from the Inspectorate, such as implementing monitoring levels and the enforcement of the approved scheme	Additional Expenditure	20	-	-	-	-
R21	Regulatory	Hertfordshire Growth Board. Resource request is to support the work of Hertfordshire Growth Board including the North East Corridor in its work around future growth plans.	Additional Expenditure	20	-	-	-	-
R22	Regulatory	Hitchin Station Eastern Access. Resource requested to continue the work on the Sustainable Travel link linking east and west Hitchin. The revenue investment budget approved last year for 2023/24, together with funding from HCC, has enabled an options appraisal to be undertaken. The budget requested for 2024/25 will enable work to continue on the project.	Additional Expenditure	20	-	-	-	-

Ref No	Service Directorate	Description of Proposal	Budget Impact	Net Efficiency				
				2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
R23	Customers	Opening of the Customer Service Centre (CSC) to in-person visitors without the need for an appointment. Some CSC staff have been redeployed to support the development of a new software solution to support customer interactions with the Council, improving the experience and making processes more efficient. To facilitate both the opening and to enable this additional work to continue, there is an additional staffing cost.	Additional Expenditure	80	-	-	-	-
R24	Enterprise	Economic Development Officer. To continue with a part-time (shared post with East Herts) Economic Development Officer post in 2024/25. This will help complete and deliver the Council's Enterprise Strategy. The strategy itself will need to consider the level of resource (and funding of that resource) for 2025/26 onwards.	Additional Expenditure	27	-	-	-	-
R25	Managing Director	Introduction of a graduate training programme. The graduate training post would be for a fixed term of two years commencing in September 2024.	Additional Expenditure	25	42	21	-	-
R26	Managing Director	Revenue cost of internal borrowing required to finance the proposed capital programme 2024-2034. Amounts are additional to those estimated to finance the proposed capital programme 2023-2033 (see below). Value only reflects estimated Minimum Revenue Provision, as additional impact of lost interest income is included in the interest income projection.	Additional Expenditure	(31)	530	939	1,073	1,171
R27	Managing Director	Interest income return from treasury investments. Estimates represent change in interest income based on the proposed Investment Strategy (Integrated Capital and Treasury) 2024-2034.	Income Reduction	(91)	(50)	34	222	309
Total Net Budget Increase from new pressures and investment proposals			Total Additional Expenditure	616	981	1,325	1,298	1,366
			Total Income Reduction	(66)	-	84	272	359
			Total Investments	550	981	1,409	1,570	1,725

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Appendix C - General Fund Estimates for 2024/25 to 2028/29

All amounts £000	2024/25	2025/26	2026/27	2027/28	2028/29
Net expenditure brought forward	17,329	20,265	19,724	19,077	18,630
Planned delivery of savings previously identified	608	12	12	-6	158
Planned Investments previously approved	484	109	-67	-44	-40
Other previously identified adjustments in future years	-19	16	-19	17	-19
Savings and Cost Reductions reported in year	-658	0	0	0	0
Investments and Pressures reported in year	923	-15	-15	0	0
Phased reduction in Covid-19 Recovery Provision	-450	0	0	0	0
New savings proposals	-51	-616	-944	-28	-497
New investment proposals	550	431	428	161	155
Net pay increments	-14	50	50	50	50
Pay inflation	683	450	300	300	300
Pension contribution inflation	31	32	0	0	0
Forecast Contractual Inflation	538	325	325	325	325
Forecast Income Inflation	-314	-209	-217	-222	-226
2023/24 Budgets Carried Forward	626	-626	0	0	0
Further savings tbc	0	-500	-500	-1,000	-700
Total Net Expenditure	20,265	19,724	19,077	18,630	18,137
Council Tax Income	-13,147	-13,570	-13,909	-14,257	-14,613
Council Tax Collection Fund (Surplus) / Deficit	24	0	0	0	0
Negative Revenue Support Grant	0	0	500	1,000	1,000
Business Rates	-3,097	-3,159	-3,222	-3,286	-3,351
Business Rates - Under-indexing of multiplier compensation	-589	-601	-613	-625	-638
Other Funding	-1,436	-898	-979	-1,049	-609
Less: Council Tax Support to Parishes	39	39	34	28	22
Total Funding	-18,206	-18,189	-18,189	-18,189	-18,189
Net funding position (use of reserves)	2,059	1,535	888	441	-52
General Fund b/f	13,425	13,222	11,687	10,800	10,359
MHCLG Grants Transfer	-1,856	0	0	0	0
General Fund c/f	13,222	11,687	10,800	10,359	10,411

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Appendix D- Chief Finance Officer section 25 report

As part of this report, under section 25 of the Local Government Act, the Council's Chief Finance Officer is required to comment on the robustness of estimates and the adequacy of reserves.

The major external factors affecting the Council are uncertainty over future funding and inflationary impacts. Inflationary impacts have created cost of living pressures which could also impact on income and service demand.

Future funding

In the draft Local Government settlement, Government have provided a 3% funding guarantee for 2024/25. This guarantee is provided before local decisions on Council Tax levels. However the guarantee does make an assumption around an increase in the Council Tax base (the number of properties paying Council Tax). Even if that assumption is correct, then part of the overall funding increase is therefore to cover population growth, and therefore not just to cover inflationary pressures. Our position is affected by an increase in the support provided via our Council Tax Reduction Scheme (CTRS). This reduces the Council Tax base, which means that our funding goes up by less than that implied by the 3% funding guarantee. We still have growth in the actual number of properties in the District, so we are still having to provide services to more residents and households. This CTRS impact was known about when the Medium Term Financial Strategy (MTFS) was set, and included in those assumptions. The MTFS does assume that there will be a reversal of the impact, which could happen through general economic improvements meaning less residents needing CTRS support, changes to the CTRS scheme or improvements in Council Tax collection rates.

Beyond 2024/25, there is very limited indication of what Council funding will be. A new funding formula for Councils has been due for a long time and will now not be in place until well into the next Parliament. There remains the possibility that when it is introduced that we will see a funding reduction, akin to the previously announced (but then rescinded) 'negative Revenue Support Grant'. The current 3% funding guarantee is highly unlikely to continue, as that level of funding to Councils is not consistent with the forecasts that sat behind the Government's Autumn Statement. There is some indication that the cap on Council Tax increases could be retained at 3%, rather than reverting back to 2%.

On the funding side, Cost of Living pressures could have an impact on residents ability to pay their Council Tax. However, our collection rates remain in line with previous years and therefore it seems reasonable to assume that we will continue to achieve an ultimate collection rate in excess of 99%.

The current funding forecasts are based on the following:

- That Council Tax increases will be 2%. There is an up-side (in funding terms) opportunity that the cap could stay at 3% per year. Over a 5 year period that would equate to additional annual Council Tax income of £XXk. Although any increase may be partly off-set by a decrease if there was a funding guarantee in place, as although current year decisions on Council Tax increases are not included, assumptions are built in as those impacts flow in to later years.
- That the 3% funding guarantee is replaced by a 0% funding guarantee, and that there remains the prospect of a £1m funding cut alongside a new funding formula. Given the Autumn Statement forecasts, it seems likely that any funding guarantee level would be below inflation, but it could still be more than 0%. The down-side risk is that there is a

funding cut without any funding guarantee protection and/or the level of cut is greater than £1m (as there has been significant inflation since that figure was due to be implemented).

- Given the assumptions above, the other elements of our funding (e.g. retained Business Rates and New Homes Bonus) become somewhat irrelevant, as movements would be covered within the funding guarantee.

The table below considers how much funding we would get in 2028/29 using our current base assumption, a plausible better case assumption and a plausible worse case assumption. Note that these are deliberately not intended to be best or worst case assumptions.

Assumption Type	Council Tax referendum limit per year	Negative RSG	Increase in retained Business Rates	Funding guarantee	New Homes Bonus	Other general grants	2028/29 Funding (£m), and difference to base case
Current base case	2%	£1m from 27/28	Increases with CPI	0% funding guarantee	Continues at current level	Stay at current levels	18.0
Plausible better case	3%	£0.5m from 27/28	Increases with CPI	0.5% funding guarantee	Continues at current level	Stay at current levels	18.9
Plausible worse case	2%	£1.25m from 27/28 (to account for inflation)	Increases with CPI	Does not protect against negative RSG	Continues at current level	Reduce to zero	17.6

It is my view that the assumption made is a reasonable one to make with limited information available. As will become a theme through this section 25 report, there will be a need to be ready to react as better information becomes available. That means having a set of plans that are developed and being ready to make decisions that ensures the ongoing sustainability of the Council.

Impact of inflation

The United Kingdom (alongside other global economies) has seen a very high level of inflation in recent years. This has been responded to by the Bank of England with high interest rates, in accordance with their monetary policy objectives. Economic forecasters are predicting that UK inflation will return to target levels during 2024. However interest rates are expected to remain high, probably dropping to around 4% by the end of 2024 and then falling to around 2.5% during 2025.

Each year, we apply increases to our budgets to reflect forecasts of contract inflation and pay inflation. Contract inflation is usually linked to specific indicators and we use published economic forecasts to predict what these will be. Even when inflation is applied to contracts, when contracts need to be retendered there is a risk that there could be exceptional increases or decreases in the contract value. Competitive tendering processes are used to help ensure that, whatever the outcome, we are getting good Value for Money. The renewal of our leisure contract has provided us with a long-term increase in the amount of income that we will received compared to our budget. However as highlighted in the report to Cabinet in December, there is expected to be a significant increase in the costs of our waste and street cleansing contract. As we are in the middle of a procurement process and as the new contract starts in May 2025, it is not appropriate to fully quantify this increase. Decisions have been made to try and mitigate some of the expected

increases. Now there is a need to wait for the final tender prices and be ready to react and make appropriate decisions for the 2025/26 budget.

We have estimated pay inflation at 4% for 2024/25, followed by 3% in 2025/26 and then 2% per year thereafter. Whilst the forecast for 2024/25 pay inflation is above the expected level of inflation in April 2024, there is still a reasonable risk that the amount forecast will be too low. This reflects that we may need to catch-up as recent pay awards have been below the prevailing rate of inflation. It may also need to reflect recruitment issues across Councils (which we are definitely exposed to) and the need to attract and retain staff, and pay levels will always be a component of that. That also links into what other wages are increasing by. For example, the National Living Wage in April 2024 is increasing by almost 10%. Whilst I think the current budget assumption is a reasonable one to take, I am concerned that it may turn out to be an under-estimate.

We set our capital budgets over a 10-year time horizon, and therefore our estimates are susceptible to inflation between when they are added to the programme and when the expenditure is ultimately incurred. For more discretionary capital spend, this can have an impact on viability when estimates are updated. As part of this years budget process we have increased the forecast capital spend on waste vehicles to deliver the new contract from 2025. A combination of changing income forecasts and increasing capital costs means that the planned museum storage scheme is being reviewed. An allocation has been kept in the capital programme, but spend will be dependent on a business case. Whilst IT and leisure centre capital costs are forecast over a long period, they are reviewed and revised on a regular basis. The cost of the Royston fitness extension has been reviewed as part of procurement process and the previous allocation was deemed to be sufficient. Some of the Grounds Maintenance forecasts do not get adjusted (e.g. the play area refurbishment allocations), although the extent of some of these can be adjusted to fit the budget available. Whilst the provision for a new waste depot has been kept in the capital programme, there are concerns over the actual costs that will be necessary, which may affect the viability. This will need to be kept under review.

There are some revenue budgets that do not get inflated each year, i.e. budgets that do not relate to pay or where known contract inflation can be applied. These are generally low value budgets that pay for ad-hoc items, but it is acknowledged that the spending power of those budgets is being eroded. In the quarterly budget monitoring process we have not seen any pattern of overspend against these budgets. However, especially as one of the budget types included is staff training, this will be kept under review.

The inflation that is applied to fees and charges budgets is done in accordance with the assumptions agreed in the MTFS. In some areas this acts as a clear plan for how the level of fees and charges will be adjusted, although there is still uncertainty over the level of demand for those services. For car parking charges there is an additional level of risk over the total income that will be received. The MTFS assumption acts as a budget forecasting estimate only, and there will be a subsequent report to Cabinet to consider the actual changes to parking tariffs. That report will need to consider the wider implications and justification for any tariff changes. Whilst the percentage increase is moderate (2%), the total impact equates to around £50k. I feel that this is a balanced assumption, but highlight that there is an element of risk to highlight.

Demand pressures and grant funding

In relation to the potential impact of reduced demand (either at current prices or where prices are inflated), there are various factors that provide me with confidence that the forecasts are reasonable. Firstly, we have been carrying out budget monitoring through the first 8 months of the

year and have not seen any significant in-year drops in demand that needs to be adjusted on an ongoing basis. Secondly, as part of the Quarter 2 budget monitor a permanent adjustment to the parking budget was proposed to reflect the continuing post-Covid-19 drop in income. This has been incorporated into these budget forecasts. Thirdly, there are no significant increases in any of our fees and charges budgets.

Housing is the main service area where cost of living pressures are likely to lead to a demand pressure that in turn leads to a substantially higher cost that we face. In this year we are seeing an increase in the need to use hotel and B&B placements. The excess cost of these placements is currently being covered through specific housing grants. Whilst it is expected that housing grant funding will continue in 2024/25, there is a risk over any grant funding in terms of whether it continues, the amount received and any restrictions attached to it. This therefore an area to keep a focus on through quarterly monitoring.

As detailed in the main budget report, the risks in relation to other specific grant funding have also been considered.

Capital spend, capital funding and debt

Capital spend comes with a revenue cost, which ranges from lost treasury income through to external interest charges and Minimum Revenue Provision. There is therefore a need to ensure that our capital spend forecasts continue to be realistic, both in terms of cost forecasts for items that are progressing, as well as being prepared to remove those items that are no longer deliverable.

The impact of inflation on capital spend forecasts is considered above. The need to fund capital spend from borrowing comes with an increased revenue cost, compared with being able to fund it from capital receipts. It is therefore necessary to consider the assumptions made in relation to generating new capital receipts.

There has been a delay in the timing of capital receipts compared to forecasts. This is due to a combination of economic conditions, resourcing in the Estates team and investigating options for developing housing on Council land. As we are reaching the tipping point where we will run out of existing capital reserves, I have asked the Estates team to be more prudent in their forecasts in the timing and amount of capital receipts. This results in a higher forecast Minimum Revenue Provision charge than may be required, but I consider this to be necessarily prudent.

As it currently stands we have a small amount of historic external debt that it is not economic to repay. In the short-term we have the option to borrow internally against our revenue reserves and delay any further external borrowing as long as possible. This is both a more prudent approach, and likely to reduce longer term costs as it is likely that the cost of borrowing will continue to reduce.

Savings requirement

The plan (as established in previous years' budgets and detailed in the MTFs) is to use Business Rate pooling gains (that are held in reserve) to support balancing the budget in 2024/25. This has meant that a savings target has not been set for the 2024/25 budget. Once the impact of increased waste and street cleansing costs (that will apply from 2025) are known then it will be necessary to consider the savings necessary to balance the budget in 2025/26 and beyond. Our level of reserves gives some scope to phase in the delivery of those savings, but there is expected to be a need to take decisive action. There is likely to then be a need for a second phase of substantial savings when a new Council funding is implemented, assuming the impact is in line with our forecasts.

As there is not a savings target in place, any savings that have been put forward have not been due to pressure being placed on Budget Managers. Therefore, I consider the savings that have been put forward as part of this budget to be achievable and I do not need to flag any risks or concerns.

Council Reserves and the CIPFA Resilience Index

At the start of 2024/25 we expect our General Fund reserves to be £XXm and we also have £XXm of previous Business Rate pooling gains held in reserve. As detailed in the budget report this is substantially above the recommended Minimum General Fund reserve levels. This gap helps to provide further comfort against the risks and concerns that I have highlighted in this section 25 report.

The Chartered Institute for Public Finance and Accountancy (CIPFA) produce a Resilience Index for Councils. CIPFA recommend that Chief Finance Officers consider the results from the index in compiling their section 25 reports.

The index is published on the CIPFA website (<https://www.cipfa.org/services/financial-resilience-index>). At the time of writing this report the version on the website was still based on March 2022 data. CIPFA had provided a pre-release version using 2023 data to Chief Finance Officers, and the considerations below are based on that version. I hope that version is published on the CIPFA website soon.

The Resilience Index includes some important measures in relation to level of reserves and how quickly they are being used. However, as it is based on data from the previous financial year-end, it obviously is not current data. Any key messages that are highlighted by the Resilience Index, would usually have been being flagged by the Council's Chief Finance Officer long before they show up on the Resilience Index. However, the Index can help as a wake-up call to reiterate the need for action.

The Index is based on comparisons, both with others and over time. In our case we can compare ourselves against all Districts or our statistical near neighbours. This can help with highlighting where you are different to other Councils and not just rely on the fact that it is difficult for everyone.

When compared with our nearest neighbours the two measures which are showing as higher risk are: level of reserves and change in reserves. Our results are that our reserves were 142% (comparative range of 52% to over 300%) of our net expenditure and that we increased our reserves by 21% (comparative range -14% to 63%) during that year. My conclusion is that our reserves are at a reasonable level for the risks that we are exposed to. Some Councils may have higher reserves as a way to mitigate against the higher risks (e.g. in relation to investments or borrowing) that they face. There is capacity for our reserves to drop as we respond to the budget pressures that we expect to have to face. But is worth noting that our reserves are not so high to allow for an excessively delayed response. They are at a level that allows for measured but prompt response but reflecting that savings will take some time to implement.

Conclusion

Overall, I consider that the budget is proposed based on robust estimates. I have highlighted where I feel that there are elements of higher risk, but I am satisfied that there are mechanisms in place to be able to respond to these if required.

My overall conclusion is focused on the medium-term. It is almost certain that there will be a need to act. The 2025/26 budget is almost certainly going to require some difficult decisions over

areas of priority. As long as action is taken then the Council can be sustainable in the medium-term and beyond. But if action is not taken then our reserves could be fall very quickly.