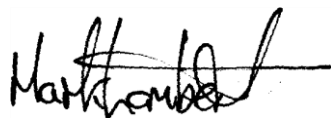




SUMMONS

To the Mayor and Members of Carlisle City Council

You are summoned to attend the Meeting of Carlisle City Council which will be held on **Tuesday, 08 September 2020 at 18:45**, **This meeting will be a virtual meeting and therefore will not take place in a physical location.**



Corporate Director of Governance and Regulatory Services

AGENDA

1. **The Mayor will invite the Chaplain to say prayers.**

2. **Register of Attendance and Declarations of Interest**

The Town Clerk and Chief Executive will open the meeting by calling the roll; and at the same time Members are invited to declare any disclosable pecuniary interests, other registrable interests and any interests, relating to any item on the agenda at this stage.

3. **Minutes**

The Council will be asked to receive the Minutes of the meeting of the City Council held on 14 July 2020.

4. **Public and Press**

To determine whether any of the items of business within Part A of the Agenda should be dealt with when the public and press are excluded from the meeting.

To determine whether any of the items of business within Part B of the Agenda should be dealt with when the public and press are present.

5. Announcements

- (i) To receive any announcements from the Mayor
- (ii) To receive any announcements from the Leader of the Council
- (iii) To receive any announcements from Members of the Executive
- (iv) To receive any announcements from the Town Clerk and Chief Executive

6. Questions by Members of the Public

Pursuant to Procedure Rule 10.1, the Corporate Director of Governance and Regulatory Services to report that no questions have been submitted on notice by members of the public.

7. Presentation of Petitions and Deputations

Pursuant to Procedure Rule 10.11, the Corporate Director of Governance and Regulatory Services to report that no petitions or deputations have been submitted by members of the public.

8. Questions from Members of the Council

Any views or opinions expressed in the questions set out in this Agenda paper are those of the person submitting the questions and do not necessarily reflect the position, views or opinions of the Council.

Pursuant to Procedure Rule 11.2, the Corporate Director of Governance and Regulatory Services to report the receipt of the following questions submitted on notice by Councillor Dr Davison:

“ Would the Finance, Governance and Resources Portfolio Holder:

- (a) Provide an update on the details and progress of the task group he set up to ensure residents are properly engaged with the city council’s response to the permitting process for the incinerator?
- (b) Detail the task group’s remit?
- (c) List the actions that have been taken to date?
- (d) Provide a hard copy of the group’s agreed action plan, given the time constraints of the Environment Agency consultation process?

Given the concerns recently highlighted by residents about the legality of aspects of the county council's planning process, the makeup of the Task Group now leaves itself open to accusations of conflict of interest, as both the city and county council representatives on it are both members of both authorities.

Will the portfolio holder today commit to add a local city councillor to the group who is not also on the county council, to ensure that the voices of our citizens are heard above those of the county and provide residents transparency and trust in the process?"

9. Minutes of the Executive

The Council will be requested to receive the Minutes of the meetings of the Executive held on 20 July and 17 August 2020 and ask questions of the Leader and Portfolio Holders on those Minutes.

10. Executive - Portfolio Holder Reports

The Council will be asked to receive reports from the following Portfolio Holders:

- | | |
|--|----------------|
| (i) <u>Culture, Heritage and Leisure</u> | 9 - 12 |
| (ii) <u>Communities, Health and Wellbeing</u> | 13 - 16 |
| (iii) <u>Environment and Transport</u> | 17 - 22 |
| (iv) <u>Economy, Enterprise and Housing</u> | 23 - 26 |
| (v) <u>Finance, Governance and Resources</u> | 27 - 28 |
| (vi) <u>Leader's Portfolio</u> | 29 - 32 |

and ask questions of the Leader and Portfolio Holders on those Reports.

(Copy Reports herewith)

11. **Minutes**

The Council will be asked to receive the Minutes of the meetings as detailed within Minute Book Volume 47(2); and ask questions of the Leader, Portfolio Holders and Committee Chairs.

For ease of reference the Minutes are:

Committee	Meeting Date
Health and Wellbeing Scrutiny Panel	16 July 2020
Business and Transformation Scrutiny Panel	23 July 2020
Economic Growth Scrutiny Panel	9 July 2020
Development Control Committee	17 and 19 June; and 17 July 2020
Audit Committee	30 July 2020

12. **Scrutiny**

The Council will be asked to receive reports from the Chairs of the Scrutiny Panels:

- (i) **Health and Wellbeing Scrutiny Panel** **33 - 34**

- (ii) **Business and Transformation Scrutiny Panel** **35 - 36**

- (iii) **Economic Growth Scrutiny Panel** **37 - 38**
(Copy Reports herewith)

13. **Notice of Motion**

- (i) **Great British September Clean**

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report the receipt of the following motion submitted on notice by Councillor Nedved:

“Carlisle City Council fully supports the Great British September Clean to be held from 11th to 27th September 2020.

This Council is committed to tackling the blights of litter, fly tipping, graffiti and dog fouling.

Support can be given by organising private clean ups with up to five family or friends.

Litter blights our streets, parks and green spaces costing this Country millions of pounds to clear up every year.

Carlisle City Council expresses its thanks to Officers and Staff from Green Spaces and Area Maintenance Teams for their hard work in keeping Carlisle and District tidy.”

(ii) Deer Park

Pursuant to Procedure Rule 12, the Corporate Director of Governance and Regulatory Services to report the receipt of the following motion submitted on notice by Councillor Dr Davison:

“Carlisle City Council

1. Acknowledges the value that its diverse and open green spaces provide as important places for people to get out into to benefit their health and wellbeing, even more so given the challenges and increasing stresses on many in our community as a result of the pandemic.

2. Recognises that those spaces closest to people’s homes are particularly important for their overall sense of wellbeing in terms of how they feel about where they live and their ability to easily get outdoors and into nature.

3. Acknowledges that, given the environmental crisis and biodiversity loss happening alongside the climate crisis, it is more critical than ever before that biodiverse areas within our city are protected from development.

4. Recognises that Deer Park field, directly next to Kingmoor Sidings nature reserve, is one of these precious spaces, much loved and used by local residents young and old, over the years to walk in, walk dogs, get out into a place where they can feel away from it all, pick fruit, watch wildlife, enjoy the varied flora and, as children, play in.

5. Recognises that Deer Park field enhances the offer of the Kingmoor Sidings Nature reserve, both as the route to it but also in offering different habitats from the nature reserve, enjoyed and used by residents and the wildlife to be regularly observed in it

6. Acknowledges that since the last revision of the local plan, adopted in 2016, much has changed in our understanding of the full impact of human activity on our environment and biodiversity and that it is time that we make decisions based on new knowledge and focused on protecting those spaces and habitats which, once lost, will be irreplaceable, along with the species growing and living there.

7. Recognises that the loss of Deer Park to housing development will be a very significant loss to the local and wider community of Carlisle and also to all the wildlife, flora and fauna that currently inhabit it.

Given all the above issues the City Council:

1. Commits to expedite the local plan review process and ensure that all green spaces within the city are reconsidered as to their benefit for wellbeing to local residents and providing biodiverse spaces.

2. Will support residents in investigating and getting those which are of real community value designated as a Local Green Space, as allowed under the National Planning Policy Framework.

3. Will add to the local plan process our planners doing a properly publicised whole district call for sites to be considered as Local Green Spaces, alongside work to identify and directly contact green space / friends groups.

4. Commits to prioritise supporting residents in the Deer Park area to have this field protected in this way, should the current planning application be refused, and in the longer term to investigate, and as funds or grants allow acquire the land, to link it to, enhance and develop the offering of Kingmoor Sidings nature reserve to safeguard that historically interesting and biodiverse green space for residents.”

14. Proposals from the Executive in relation to the Council's Budget and Policy Framework

- (i) **Medium Term Financial Plan 2021/22 to 2025/26** **39 - 86**
Pursuant to Minute EX.69/20 and EX.88/20, to consider a recommendation from the Executive that the Medium Term Financial Plan 2021/22 to 2025/26 be referred to Council for approval.
(Copy Report RD.25/20 and Minute Extracts herewith)
- (ii) **Capital Investment Strategy 2021/22 to 2025/26** **87 - 122**
Pursuant to Minute EX.70/20 and EX.89/20, to consider a recommendation from the Executive that the Capital Investment Strategy 2021/22 to 2025/26 be referred to Council for approval.
(Copy Report RD.26/20 and Minute Extracts herewith)
- (iii) **Asset Management Plan 2021 to 2026** **123 - 148**
Pursuant to Minute EX.71/20 and EX.90/20, to consider a recommendation from the Executive that the Asset Management Plan for 2021 to 2026 be referred to Council for adoption.
(Copy Report GD.43/20 and Minute Extracts herewith)
- (iv) **New Cumbria Choice Allocations Policy** **149 - 302**
Pursuant to Minute EX.68/20 and EX.73/20, to consider a recommendation from the Executive that Council approves and adopts the updated Cumbria Choice Allocations Policy.
(Copy Report GD.39/20 and Minute Extracts herewith)
- (v) **Carlisle Southern Link Road Agreements - Financial Implications** **303 - 310**
Pursuant to Minute EX.99/20, to consider recommendations from the Executive concerning the financial implications on the Council's budgets and the Medium Term Financial Plan, as a result of the Council completing both the Grant Determination Agreement and the Collaboration Agreement, in relation to the Carlisle Southern Link Road on 31 July 2020.
(Copy Report RD.27/20 and Minute Extract herewith)
- (vi) **Business and Planning Act 2020 and Constitutional Amendment relating to Delegation of Emerging Legislative Powers** **311 - 320**
Pursuant to Minute EX.100/20, to consider recommendations from the Executive relative to a proposed scheme of delegation for the decision making powers contained within the Business and Planning Act 2020.
(Copy Report GD.41/20 and Minute Extract herewith)

15. **Audit Committee's Annual Report** 321 -
334
To consider the Annual Report of the Audit Committee.
(Copy Report RD.28/20 and Minute Extract herewith)
16. **Operation of the Provisions Relating to Call-in and Urgency** 335 -
338
Pursuant to Overview and Scrutiny Procedure Rule 15(i), the
Corporate Director of Governance and Regulatory Services to report
on the operation of call-in and urgency procedures.
(Copy Report GD.42/20 herewith)
17. **Communications**
To receive and consider communications and to deal with such
other business as may be brought forward by the Mayor as a matter
of urgency, in accordance with Procedure Rule 2.1(xv) to pass such
resolution or resolutions thereon as may be considered expedient or
desirable.

PART 'B'

To be considered in private

- NIL -

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Culture, Heritage & Leisure Portfolio Holder's Report –
Councillor Stephen Higgs**

TOURISM / DISCOVER CARLISLE

The Discover Carlisle Team are continuing to support the re-opening of the High Street. The City Centre Officer has been working with colleagues to support retailers by providing advice and assistance on COVID safe measures, and by managing the revised Pavement Café Licence process.

A series of new promotional videos have been launched. These include a destination video, re-opening of retail video, re-opening of hospitality video and re-opening of attractions videos. Since their launch they have reached 125,098 people, they have generated 416 reactions and have been shared 339 times.

The first Farmers' Market was held again on 1st August with Covid secure measures in place.

The Tourist Information Centre has re-opened, and there has been a significant level of demand from visitors seeking help planning their visit in person, by telephone and by online enquiry.

The Discover Carlisle Team continue to liaise with counterparts in the other Cumbrian Districts as well as Cumbria Tourism. Industry research has shown that current predictions are for a loss of 23 million visits which is a reduction of 49% and a loss of 32 million tourist days, a reduction of 51%. Only 29% of tourism businesses in the County have fully re-opened and 19% of tourism businesses haven't re-opened at all. The District Councils in partnership with Cumbria Tourism and Cumbria LEP are putting in place plans to support the industry with an enhanced marketing campaign which includes video advertising, and plans are being made for TV advertising.

CULTURE AND EVENTS

Events where it is not possible to implement social distancing measures have been cancelled. However, it is important that we give visitors and locals more reasons to come into Carlisle and in particular the City Centre. Plans are being made to host a City of Lights event in February 2021. It is hoped that the event will stimulate the local economy. Last year the event contributed £166,000 to the local economy over 3 days.

Talkin Tarn held two sell-out outdoor theatre events with performances from the Pantoons of 'Sherlock Holmes' and 'Twelfth Night'. All the social distancing regulations were adhered to with appropriate spacing amongst all attending, tickets were limited to 100 to manage social distancing etc. Feedback from the audience members has been very positive.

Cultural Strategy for Carlisle

We have been working as part of the Carlisle Cultural Consortium to develop a Strategic Framework for Culture within the District, through cultural leadership and enterprise, cultural destination and place-making, community wellbeing, children and life-long learning.

The Cultural Consortium is made up of Carlisle City Council, Prism Arts, Tullie House Museum and Art Gallery Trust and the University of Cumbria.

Following wide consultation via a series of workshops in 2019, and a pause during the Covid Pandemic, the Strategy is currently being reviewed by the partnership and will be published later this year.

LEISURE SERVICES

Sands Centre/Newman Leisure

Our Leisure provider, GLL, has moved into the ex-Newman School site for gym and fitness classes and in line with Government guidance opened their doors to customers on the 25th July. The temporary site, as part of The Sands Centre redevelopment, has been positively received by customers with 3,000 visits in the first three and a half weeks.

The Pools

The Pools opened on the 1st August and had nearly 1,300 visits in the first two and a half weeks. On top of these figures the Swimming Clubs have also been using the Pools on Tuesdays and Thursdays.

Sheepmount Athletics and Football

The Sheepmount Athletics track has reopened to Clubs and the Team are busy getting the football pitches ready for the season.

CUMBRIA'S MUSEUM OF MILITARY LIFE

We are now open seven days a week, working closely with English Heritage to ensure visitor safety. We continue to operate with minimal staffing using the Job Retention Scheme to maximise income. This is limiting what we are able to do on a day-to-day basis.

We marked the 75th anniversary of VJ day with an external exhibition (which continues until 31st August) and a small event on 15th August which was attended by the Mayor and her Consort.

TULLIE HOUSE

The reopening of the Museum has been very well received by visitors. Although our overall footfall is around 40% of last year's (higher than predicted) our admissions figures are roughly at the 30% industry standard we have been advised to predict. We are hopeful that, with the re-introduction of Covid-safe family activities in the second half of August, visitor numbers will increase.

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Communities, Health and Wellbeing Portfolio Holder's Report –
Councillor Elizabeth Mallinson**

DEFENCE EMPLOYER RECOGNITION SCHEME – SILVER AWARD

The Council was successful in its application for the Silver Award of the Defence Employer Recognition Scheme in August 2020. This award recognises the Councils' support to the Armed Forces community, including the Carlisle and Eden Forces Link Project and partnership working through the Cumbria Armed Forces Covenant Partnership.

The scheme encourages employers to demonstrate and advocate support to Defence and the Armed Forces community, and align their values with the [Armed Forces Covenant](#). The Council is proud to have achieved this award and plans to work towards the Gold Award in future.

ANNUAL EQUALITY REPORT AND EQUALITY ACTION PLAN 2020

Following the approval of the revised Equality Policy and Equality Objectives 2020-24 in May, the Annual Equality Report has been reported to Scrutiny and the Executive.

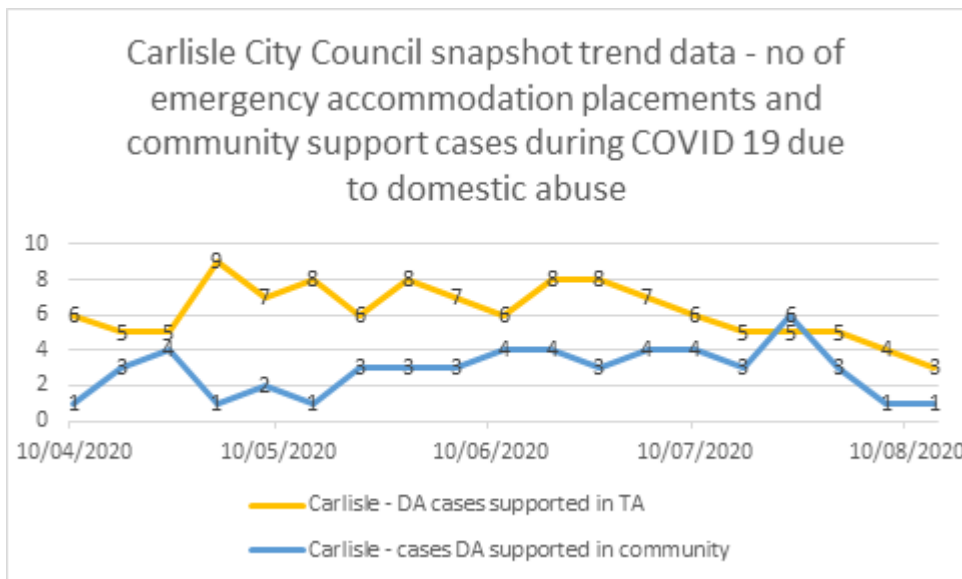
The Annual Equality Report celebrates what the Council has achieved during the previous year and work undertaken to promote equality. This includes the workforce profile, employee support, customer satisfaction, complaints, consultation and engagement. The Report also helps the Council learn and plan how it can achieve the equality objectives through the Equality Action Plan.

DOMESTIC ABUSE PLACEMENTS IN EMERGENCY ACCOMMODATION DURING COVID 19

From 1st April 2020, the Homeless Prevention and Accommodation Services have assisted:

- 14 households with emergency accommodation as a direct result of domestic abuse
- 36 households with community support as a direct result of domestic abuse

The service works closely with wider statutory and safeguarding partners to keep people safe, this has increased in frequency during the lockdown period, with weekly snapshot and comparative trend data being closely monitored and reported in order to ensure that capacity to assist appropriately is maintained.



DISABLED FACILITIES GRANT UPDATE

The Disabled Facility Grant service is now fully operational and essential adaptations are now being undertaken in all properties, with COVID secure arrangements in place for all customers.

The Council has just approved its first relocation grant under the Housing Renewal Assistance Policy, this was to assist a family in moving to a property that can be better adapted for their family's daily needs.

Up until the 14th August, 151 households have had Discretionary Grant funding either approved or paid by Homelife HIA, this included 35 individuals that have received support to enable hospital discharge.

CUSTOMER SERVICES

Customer Services have continued to handle telephone, email and social media requests throughout the pandemic. We started working from home on 1st April and since then have answered over 45,000 calls and over 6,500 emails.

We have kept services running for the most vulnerable people including Foodbank referrals and personalised call backs for the less digitally aware. Since April we have made 128 referrals to the Foodbank and performed over 100 call backs.

The Contact Centre is now open on an appointment basis. Our Team has been split into 3 bubbles with the telephone functionality remaining at home. The Contact Centre has been modified to include staff toilets and kitchen facilities which makes us self-sufficient,

effectively making the Contact Centre its own bubble. This is a significant step in protecting the entire Civic Centre.

HEALTHY CITY TEAM

Wraparound Support for Children and Young People

The Team have been busy supporting the 'Wraparound Support for Children and Young People' in conjunction with Cumbria County Council and various Partners. The local volunteer group Brampton Area Action Group (BAAG) were given support by the Team which enabled them to deliver activities for children requiring childcare during the summer months. The summer camp took place at Talkin Tarn Country Park and has been a great success.

Support was also provided to the 'Rock Youth Project' to allow them to carry out interactive sessions with young people, within the various city centre parks.

Space to Talk

This initiative aims to provide a listening space for the people of Carlisle to share their experiences throughout Covid-19.

The first event took place on the 21st August with another planned for 11th September. These are being delivered in partnership with the Lead Social Prescriber for the Carlisle Network, the Social Prescribing Team for Carlisle Care and the Vineyard Church and along with the Carlisle City Council's Healthy City Team.

These events will be followed up by the provision of information, signposting and engagement plus an explanation of the role of social prescribing.

We hope that these events will become part of a programme to support local people and to create healthier and more resilient communities as we move through the recovery stages of the pandemic.

Active Spaces (July, August 2020)

Tribune Drive, Houghton

- A consultation process on new play equipment to be installed at Tribune Drive, Houghton, was completed earlier this summer and, following a tendering process, the contract to supply and install new equipment has been awarded to Kompan Scotland Ltd. This project is expected to commence in September, starting with removal of the old play equipment and surfacing by City Council staff and local contractors. The new play equipment should be completed and open for use during October.

Bitts Park Play Area

- Following the flooding experienced in Bitts Park during February this year a settlement has now been reached with the Council's Insurers to reinstate the

interactive water feature or splash park, located in the play area. The water feature is extremely popular with children but suffered severe damage and now requires a full electrical re-fit and subsequent re-commissioning. This work will be tendered and completed during the Autumn and Winter months in readiness for re-opening in Spring 2021.

Dale End Field, Harraby

- Consulting engineers are currently working on designs to support a planning application for a BMX Pump Track at Dale End Field, Harraby. This project has arisen due to community demand for such a facility, funds have been raised by the local Residents' Association and the project will be delivered by the Council. A planning application is due to be submitted at the start of September, with subsequent tendering and construction during the Autumn.

CARLISLE COMMUNITY RESILIENCE GROUP (CaCRG)

CaCRG continues to meet and work with partners to support recovery and cascade key information top down and bottom up. The response from Partners and the community across Carlisle continues to be amazing. It continues to bring together a wide range of community partners, organisations and groups and remains jointly chaired by Cumbria County Council and Carlisle City Council. Both Officers received a special award from the High Sherriff in recognition of the groups and their work during the emergency phase. This was accepted on behalf of all members of the CaCRG who have continued to work tirelessly throughout this period.

Moving forward a number of subgroups have been proposed and are being developed below CaCRG. These subgroups have been carefully structured on intelligence, data and consultation with stakeholders. The four subgroups are:

1. Children and Families
2. Community Emergency Response Groups
3. Health and Wellbeing
4. Welfare and Hardship

Work to support and develop these groups to assist in the response continues to take place.

A funding newsletter and Partnership email continues to be shared to wider partners too. The communications has been well received and a number of partners have benefitted from funding.

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Environment & Transport Portfolio Holder's Report –
Councillor Nigel Christian**

REGULATORY SERVICES

I am pleased to confirm that two Officers from the Housing and Pollution Team both successfully completed the Private Water Supply sampling. The City Council samples approximately 110 private water supplies in the District, which serve over 400 residential properties and commercial outlets.

Environmental Health have been heavily involved in the local management of COVID19 outbreaks within the Carlisle area. Working alongside our colleagues at Cumbria County Council and Public Health England, Officers within the Team have worked extremely hard to identify local clusters and try and prevent further transmission of the virus within the local community. The work includes obtaining customer track & trace details held by businesses implicated, contacting cases and contacts, working with Public Health colleagues in neighboring Districts and across the Border, arranging testing, updating the local track and trace database system, assistance in media releases and visiting business premises to check COVID controls, and where required, the customer track and trace arrangements. Infectious disease control is a key element of the work undertaken by Environmental Health and the support of COVID outbreak management will continue for the foreseeable future.

NEIGHBOURHOOD SERVICES

Car Parking And Enforcement

From Tuesday.1st September 2020 there will be a new check-in / check-out parking offer at West Walls Car Park providing a more flexible option for users of the car park. Motorists will check-in on arrival at the car park and check-out on departure and will be charged per minute for the time parked. This removes the pressure on people rushing back to their car when their ticket runs out with the aim of encouraging people to dwell for longer in the city centre. It also provides a more flexible option for those just popping to the shops or

the bank. If this proves popular, our intention will be to extend this offer to other car parks.

September will also see an extension of the Early Bird Offer to support those paying to park before 10:30 a.m. (previously 09:30 a.m.). This change provides more flexibility for commuters keen to stagger their start times to avoid peak traffic times etc.

The Enforcement Team have recently stepped up patrols at weekends in parks and open spaces to challenge those littering or failing to clean-up after their dogs. Civil Enforcement Officers have also produced new anti-litter notices advising of the penalties for littering and these are available for Councillors to use in their Wards or to circulate to community groups etc. to further raise awareness.

During the period of lockdown, the Neighbourhood Services Team has dealt with an increase in fly-tipping. Where there is evidence, the Enforcement Officers will investigate and take robust action against those responsible. Again, additional signage has been displayed and CCTV deployed to key areas.

For understandable reasons, the local Magistrates' Court in recent months has prioritised more urgent cases with a number of our enforcement cases on the back burner. Currently, there are 18 cases awaiting Court action with the Team continuing to take formal action against those responsible for littering offences (six fines issued), dog fouling (one fine), fly-tipping (three fines) and business waste offences (two fines).

As part of the Christmas campaign last year which focussed on tackling fly-tipping at recycling sites, Members may be interested to know that the Enforcement Team have carried out 35 investigations, issued 20 fly-tipping fixed penalties and 57 warning letters. This campaign will be repeated for Christmas 2020 and will be further enhanced with additional CCTV systems.

Fleet Update

To further highlight the commitment of the Council to tackling enviro-crime, orders have now been placed for three replacement vehicles for the Enforcement Team. The three vehicles will be fully electric and will replace three older diesel vehicles currently on the fleet helping to reduce carbon emissions and improve local air quality. Two fully electric cars (Renault Zoes) are expected to arrive in September with the fully electric small van (Renault Kangoo) expected in December.

This van will then be fitted with cameras and high-profile livery to firstly raise awareness, hopefully as a deterrent, but when needed to provide robust video evidence to support our enforcement activity for example targeting roadside littering from vehicles. Such litter is not only unsightly but is very expensive and often can be risky for staff to clean up. It is also very damaging to the local environment and wildlife further polluting water courses, rivers and seas.

Waste and Recycling

Our teams continue to do an excellent job, with the support of residents, collecting increased volumes of refuse and recycling. All services are operating, and my special thanks are recorded to all Neighbourhood Services Staff for their extra efforts at this time, but also for adapting to the new ways of working to stay safe. This involves the use of shuttle vehicles, to limit the times when staff travel together, additional hand hygiene and PPE, such as wearing face coverings when travelling inside vehicles.

For April to June 2020, compared to the same period for 2019:

- Paper and card is up over 13%
- Plastic, glass and cans is up over 41%
- 30% increase on recycling for this period.
- Refuse has also increased by 16%.

Garden waste collections were suspended in the early weeks of lockdown as the service coped with absences of staff and resources needed to be re-allocated to refuse and recycling collections. Garden waste collections were initially phased back in at 50% levels with households receiving a collection every four weeks instead of the usual two weeks. The service is now operating at full capacity providing a collection every two weeks for residents.

The Cumbria Strategic Waste Partnership has now appointed a Partnership Development Officer, jointly funded by the Districts and County Council, to take forward the work of the partnership. This is a key appointment, three-year role, to develop a long-term waste and recycling strategy and to ensure we are best placed to respond to any changes arising from the Government's Resources and Waste Strategy.

GREEN SPACES

Hammonds Pond Refurbishment Project

Preparations progressing on a major, S106 funded, investment project at Hammonds Pond in Upperby:

- Permits from the Environment Agency have been gained to allow de-silting of the Wire Mire Beck, which flows through the Park. Clearing the beck will allow water to pass through more quickly, reducing the risk of overflows and flash flooding in the Park during periods of heavy rain. With permits in place these works will soon be put out to tender for specialist contractors to undertake the work
- Work has started on gaining the appropriate permissions to replace and upgrade three existing foot bridges over the Wire Mire Beck within the Park
- CCTV improvements will also form part of the Hammonds Pond refurbishment project and we are currently trialling a wireless 4G CCTV system currently in operation at Hammonds Pond. Improved CCTV will help us support Cumbria Police in the reduction of anti-social behaviour in the park

Spider Park / Tribune Drive

Land drainage work is due to commence in Spider Park, Belle Vue, this month and a similar scheme will take place in the green space at Tribune Drive, Houghton in October. Both drainage projects are aimed at reducing the effects of surface water flows and flooding on residential properties and well used pedestrian routes.

ENVIRONMENT AGENCY WORK

Thank you to the Environment Agency for hosting the Carlisle Phase 2 briefing session for Members on 12th August. The up-dated Flood Hub website gives a very good explanation of all the different elements of Phase 2. The Environment Agency Contractor has started setting up a compound and securing off a work area using Swifts and Bitts Car Parks in preparation for the works. The work due to be completed by Spring 2021. Access to Bitts Park and play area maintained throughout, however many areas will be out of bounds due to construction work. In addition, we are working with the Environment Agency on a scheme to upgrade an area of the park to improve access and increase the wildlife friendly planting, with a focus on pollinators.

Melbourne Park

The Environment Agency is due to complete the bulk of the Phase 1 works this Winter. The embankments (raising and extending) are expected to be completed by Autumn. The EA are also aiming to construct a new stretch of embankment (Phase 1B) alongside Adelaide St allotments towards the end of this year.

National Tree Strategy

Green Spaces Officers have responded to the consultation on the new National Tree Strategy which aims to extend planting to 30,000 hectares per year across the UK. The consultation is open to everybody and closes on 11th September.

GROUNDS MAINTENANCE

The Grounds Maintenance Team continue continues to work extremely hard to keep our parks, open spaces and cemeteries to a high standard.

Floral displays are now in place throughout Bitts Park, Carlisle Cemetery and the City Centre.

The team have started using battery powered trimmers and hedge cutters within our cemeteries alongside older petrol equipment. The battery powered equipment produces less noise and emissions and are more user friendly for staff. We will continue to increase the amount of battery powered equipment as we upgrade our machinery. Sunday league football is looking to start up again and we have been supporting the Carlisle City League and Junior Football by providing pitches at Melbourne Park for friendly games and training sessions. All teams must follow the Covid-19 guidance relating to grass roots football.

BEREAVEMENT SERVICES

Government guidance continues to affect the provision of funeral services and we continue to have restrictions in place, but where possible changes are being made to improve the experience of attendees:

- The number of funeral attendees has increased from 12 to 24 (services continue to be relayed via external speakers to all other attendees outside the Chapel)
- Funeral services held in the Crematorium Chapel remain restricted to 20 minutes to allow adequate time to clean the chapel between services
- The toilets at the exit to the Crematorium Chapel have been re-opened
- Contact details of funeral attendees are gathered via our Funeral Directors in line with the Track and Trace guidance
- From Saturday 8th August it became mandatory for all funeral attendees (except those that are exempt) to wear a face covering. Disposable face masks are available on site for anyone who requires one
- The Crematorium building and Office remain closed to the general public

The provision of a meaningful funeral, whilst ensuring the safety of the public and our staff, remains the priority at Bereavement Services.

LOCAL ENVIRONMENT (CLIMATE CHANGE) STRATEGY

A new Member Advisory Group (MAG) met in August to discuss the work need to move the draft strategy out for public consultation.

The Member Advisory Group (MAG) is a cross-party, informal group that will provide Elected Member input to the Local Environment (Climate Change) Strategy. Its role is as follows:

- To input to and steer a vision and set of objectives
- To receive and have input to a consultation document and plan
- To receive good practice examples to inform the work
- To consider options for the delivery of key actions
- To be advised of progress against agreed deadlines
- To promote the work being undertaken to all Members

The ultimate objective is to ensure that, subject to legal constraints, all strategic decisions, budgets, approaches to Planning decisions, and, in so far as the Council can influence, arrangements with Partners, are in line with a shift to zero carbon.

The Portfolio Holder completed an APSE Carbon Literacy Standard Training day in July. An intense but very worthwhile introduction to the subject suitable for any level of knowledge. Thank to the Member Development team for setting this up.

Zero Carbon Cumbria Partnership

Cumbria's bid for £2.5 million of National Lottery funding to cut carbon emissions in the county has been successful.

Carlisle City Council is one of nearly 70 organisations in Cumbria that came together to submit the bid to the National Lottery Community Fund, the largest funder of community activity in the UK. The award to the Zero Carbon Cumbria Partnership will fund a five-year programme of action aiming to make Cumbria the first carbon-neutral county in the UK, in a way that benefits communities and is led by them.

An ambitious programme will begin in January 2021 led by the Zero Carbon Cumbria Partnership, which spans the public, private and third sectors, including Community Groups, Councils, the NHS, Police, National Parks, businesses and the farming community, among others.

The programme will also build strong working relationships among a wide range of organisations across the county, raising their ambition to tackle climate change and sharing learning and resources.

The breadth of Partners and community involvement were strong points for Cumbria's bid, along with the fact that it will also contribute to climate action beyond the county, by trialling projects and ways of working that could be replicated elsewhere.

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Economy, Enterprise & Housing Portfolio Holder's Report –
Councillor Paul Nedved**

ST CUTHBERT'S GARDEN VILLAGE

The preferred option masterplan is due to be received in the first week of September, having been informed by a technical stakeholder consultation undertaken in July and August. This illustrative masterplan will be accompanied by a report, an infrastructure schedule and strategic design guidance.

Moving forward we are planning an Autumn period of public consultation on the masterplan, in tandem with the Garden Village Local Plan policies. Given our good track record on innovation in engagement, we are developing animated digital tools to aid this process. The Members' Advisory Group which includes two Parish Council representatives continues to meet, and the next session is due towards the end of August, where they will be updated as regards to delivery mechanisms, and the masterplan.

Work on the St Cuthbert's Local Plan, which will be used in tandem with the masterplan to guide development in the area, is also continuing. Strategic policies are nearing their first full draft, in readiness for their progress through the Committee cycle, before going out to the Autumn consultation

We are shortly due to submit an expression of interest to the MHCLG Development Corporation Fund to seek assistance with exploring different delivery models and their feasibility. In addition, we have been invited by MHCLG to submit a bid for further capacity funding for the Garden Village project, with, as always, a tight deadline of 4th September.

With regards to the Carlisle Southern Link Road, in July Carlisle City Council together with Cumbria County Council and Homes England entered into a collaboration agreement to formally secure the final allocation of the funding required

to deliver the road. This funding agreement is a major milestone and will deliver in excess of £134 million. The new road will unlock the delivery of the St Cuthbert's Garden Village and together these two projects will play a vital role in supporting the economic recovery of Carlisle following the impacts of Covid 19, as well as the continued long-term growth of the City.

FUTURE HIGH STREET FUND

The final business case for investment from the Future High Street Fund (FHSF) was submitted to the Ministry for Housing Communities and Local Government (MHCLG) on 31st July.

The business case for Carlisle sets out a strategy to create a resilient city centre by supporting economic activity, improving the visitor offer and experience and widening the opportunities to have more people living and working in the centre.

The business case seeks £14.1 million of FHSF investment to support the delivery of six distinct but inter-related projects:

1. Redevelopment of the former Hooper's building
2. Repurposing of the properties 6-24 Castle Street
3. Preparing Central Plaza site for redevelopment
4. Creation of a multipurpose events space and improved gateway to the Historic Quarter within the area that incorporate the Green Market and Old Town Hall
5. Pedestrian enhancement of Devonshire Street
6. Remediation and redevelopment of the Caldew Riverside site for city centre living

TOWN DEAL

Progress continues to be made on the development of a Town Investment Plan for Carlisle, which will be submitted to MHCLG for consideration in October of this year.

The Town Deal Board have developed a vision for Carlisle and a set of investment objectives that will provide the framework for the Town Investment Plan and also the selection criteria for potential projects.

An initial consultation of the proposed vision and objectives has just concluded, which ran from the 27th July – 14th August. Engagement has been positive, and the feedback received will be used to further refine the vision and objectives and ensure they reflect the aspirations of local communities and businesses.

The next stage of work involves the identification and shortlisting of projects for which Town Deal funding will be sought.

FREEPORT

Freeports are a special kind of port where normal tax and customs rules do not apply. These can be airports as well as maritime ports. At a freeport, imports can enter without paying tariffs. Businesses operating inside a Freeport can manufacture goods using the imports and add value, before exporting again without ever facing the full tariffs or procedures.

A consultation on Freeports by the Government concluded on 13th July and the City Council has submitted its response, which covered issues such as customs, taxation, planning, regeneration and innovation. It is anticipated that the Government will put out a call for expressions of interest from places interested in establishing Freeport areas in the coming months.

HOMELESS, PREVENTION AND ACCOMMODATION SERVICES

From 1st April 2020, the Homeless Prevention and Accommodation Services have assisted:

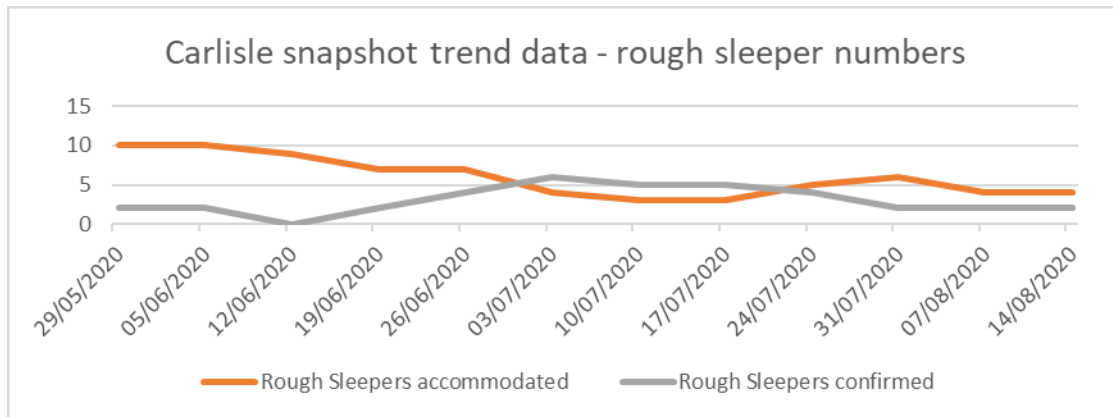
- 275 households with housing and homelessness assistance
- 71 households have been assisted with emergency accommodation and support

Covid-19 Crisis Response:

The coronavirus pandemic has meant that the services have had to operate in differing ways to ensure that we can ensure that clients and staff are safeguarded as much as possible. This means that within the emergency accommodation we continue to follow changing Government guidance in ensuring shared accommodation environments meet stringent safety and distancing measures. It is not deemed appropriate currently to safely reinstate all the units within the accommodation portfolio, therefore the service is working hard to ensure that throughput can be maintained in order to meet demands. Service Managers continue to work closely with MHCLG specialist advisors monitoring and reporting weekly trend data and will ensure that appropriate contingencies are in place in the run up to the winter period should full operational recovery still not be recommended.

The chart below (Figure 3) highlights the weekly snapshot trend data of the rough sleeper numbers that have been accommodated as part of the Government's mandate during lockdown to 'get everyone in', and the number of rough sleepers confirmed by outreach staff as rough sleeping; please note that the two confirmed rough sleepers have both had offers of support and accommodation that have been refused; Officers continue to work with these individuals along with other professionals to support and engage them as safely as possible.

Figure 1



The MHCLG has released a current funding application (deadline 20th August) to provide support to those placed in emergency accommodation as a result of Covid-19 and to increase move on options for rough sleepers longer term.

Cumbria County Council Supported Temporary Accommodation Decommissioning:

Cumbria County Council currently commission two local providers to deliver 45 units of longer term supported accommodation for those at risk of homelessness in Carlisle; these contracts end on 31st March 2021 and the providers will stop taking referrals from 30th September 2020 as part of the decommissioning process. The Homeless Prevention & Accommodation Services Manager is currently in discussion with the providers to determine next steps and wider implications.

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Finance, Governance & Resources Portfolio Holder's Report –
Councillor Gareth Ellis**

HR AND PAYROLL

- Since the last Report the team's focus has now moved to getting staff returned to their job role whilst they can – always with the preface of where people can work from home they should. This has seen some 60+ staff in vulnerable and/or extremely vulnerable categories being referred to Occupational Health. We continue to assist with communications, FAQs, guidance and reporting to relevant Government Departments as well as internally to SMT. Twice monthly updates via Microsoft Teams with North West Employers continues and the Head of HR is Chairing the next Cumbria HR Leaders Network Meeting in September. The HR & Payroll Team continue to work from home, and we have successfully run 5 payrolls from outside the Civic, so the systems are holding up well
- We are hoping we can begin the work started earlier in the year to make better and more efficient use of the I-Trent system – specifically for recruitment and logging time
- The Member led Task And Finish Group is progressing really well on the revised Attendance Management Policy and the Team are grateful for the Member involvement. Next meeting scheduled for 19th August.
- Recruitment activity has commenced again – 95% of interviews being scheduled online and we are seeing a 5/6-fold increase in the number of applicants. Key recent appointments include the Head of Planning Policy and Head of Digital & Technology

ICT UPDATE

- All RBS Laptops now issues to RBS Staff
- RBS Capita System Upgrades implemented for COVID support and grant payments
- SIEM Security Monitoring now operational
- Assisting staff returning to Council's Offices

- Windows 1909 upgrade testing ongoing
- Firewall upgrade 22nd August
- Restructure – ongoing
- Head of ICT appointed

ORGANISATIONAL DEVELOPMENT

OD have delivered virtual training for Managers as part of the Management Competency Standards Training, very successful and excellent feedback.

The virtual Wellbeing Day went well and sessions were recorded to allow Staff to view at a time convenient to them. Over 100 participants on the day, which we were pleased with and feedback regarding presentations has been very good.

INFORMATION MANAGEMENT – LEGAL SERVICES

Recent counts for information requests (From 24th June 2020 – 17th August 2020):

- Environmental Information Regulations requests received - 6
- Environmental Information Regulations requests responded to - 10
- Freedom of Information Act requests received – 87
- Freedom of Information Act requests responded to - 75
- Data Protection Act requests received – 2
- Data Protection Act requests responded to – 2

ELECTORAL REGISTRATION

The Annual Canvass is well underway and approximately 9,000 of the 15,000 properties have not responded to the Canvass Communication B letter, which requires confirmation or further information. These properties will receive a Household Enquiry Form and a pre-paid envelope at the beginning of September and following that if no response is received, a telephone communication where possible.

FINANCIAL SERVICES

The Council is continuing to monitor the financial impact of the COVID-19 pandemic and is submitting returns to MHCLG on a monthly basis outlining the actual and potential financial losses being incurred. The Council is also continuing to work closely with other authorities around Cumbria to understand the impact on wider issues such as Council Tax and Business Rates.

The budget process for 2021/22 has now begun with the MTFP, Capital Investment Strategy and Asset Management Plan being considered elsewhere on this Agenda.

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Leader's Portfolio Holder Report –
Councillor John Mallinson**

CARLISLE AMBASSADORS

Meetings: Carlisle Ambassadors continue to have the opportunity to join weekly Zoom meetings online each Friday morning at 10.00 a.m. Members are finding this useful and as from September, there will be a guest speaker kicking off each meeting. For information on how to join these online networking opportunities, look out for the alerts sent to Carlisle Ambassadors or contact Michelle Masters via email at info@michellemastersconsulting.co.uk. The next scheduled Carlisle Ambassador conference is still in the diary for Thursday, 1st October 2020 pending guidance from Government on COVID safety and opening up for larger business meetings. A final decision as to whether it will be possible to hold a meeting along the lines of its usual format (albeit with COVID safe practise in place) will be taken nearer the time and in conjunction with Carlisle Racecourse as the venue.

Alternative options include online meetings such as a webinar which could be pre-recorded for Carlisle Ambassadors to enjoy at their leisure.

Membership: Despite lockdown, we are still receiving requests from businesses keen to join – membership is now 221. We have had 23 new members since our last meeting in March. The Zoom meetings are helpful for businesses new to the area as a way to meet people and make business connections.

COMMUNICATIONS

The regular 'e' newsletter is still proving popular with nearly 1,600 subscribers and includes the latest information from Government, regional and local alerts. The website is currently being updated with four videos created in partnership with Carlisle Ambassadors to showcase their sector and share the latest news in how their business is operating as we come out of lockdown and begin to work in the 'new normal'.

PROJECTS

Young Carlisle Ambassadors: a new date has been secured for the Talent Connect Event – 25th September 2021. The database of businesses keen to take part is growing and the Young Carlisle Ambassadors Committee will reconvene in early September to begin to plan for the event.

Meanwhile, we are preparing to engage young people with Carlisle City Council's priority projects such as the development of the Town Deal, Future High Street Fund and Borderlands. The approach will be to use technology to consult with young people in a flexible way (not bound by timeframes or deadlines). The support of partners is sought from within Carlisle Ambassador businesses, University of Cumbria, Carlisle College and our Secondary Schools to disseminate and encourage engagement with this project. It is hoped that this will have a significant reach as such digital media can easily be used as a teaching resource and a way to engage young people in planning for Carlisle's future.

Business Support: The 'Small Business Support Carlisle' established at the end of May by Michelle Masters is supported by several Carlisle Ambassadors. Membership is now in the order of 2,600 micro, small and medium Carlisle businesses. All contacts with businesses provide opportunities to signpost to the sources of help available e.g. Chamber of Commerce; Digital Cumbria; CLEP, Carlisle City Council's Business Support (Economic Development), Britain's Energy Coast Business Cluster, Federation of Small Businesses. We continue to work closely with these partners (who are also CA members) to support our local businesses.

Carlisle Ambassador Mentor Programme: Established earlier this year continues to grow and receive positive feedback from the businesses taking part. All mentors are volunteers and the businesses are very much valuing this free support. We have now had 25 mentees sign up to get help from the programme and 22 mentors signed up to offer their help and experience.

ENGLAND'S HISTORIC CITIES CONSORTIA

Following England's Historic Cities Consortium submission of reports to Visit England Board and to the DCMS Select Committee on the impact of Covid-19 on tourism which was sent on 19th June 2020. Plans are underway to invite the Minister to the next England's Historic Cities meeting to take place on 8th September 2020.

The consortia continues to work together to deliver projects and a revised bid to Visit England for DEF 5 funding has been submitted. The project would focus on domestic tourism in our historic cities and their rural hinterland. The aim is to ensure that the international impact of COVID 19 on the visitor economy is mitigated by the England Originals project activity in 2020 -21. A decision on funding is awaited.

BORDERLANDS INCLUSIVE GROWTH DEAL

I attended the Borderlands Shadow Partnership meeting on Thursday 23rd July. At the meeting the Board received an update on the projects and programmes included in the initiative and in particular progress towards a Full Deal. The Partnership are in discussion with the two Governments with the aim of getting a deal sorted early in the New Year. A number of projects have already been approved including Alnwick Garden and the Digital Voucher scheme. The Carlisle Station Gateway Outline Business Case was also presented to the Board and is ready for formal submission.

The Board also received a presentation on the Place Programme which is an important part of the Borderlands Initiative as it is Borderlands wide and will have an impact on a number of the smaller towns and villages in the area. The Partnership is in discussion with both Governments as to how to implement the scheme to avoid having to get Government approval for every individual project which would slow the process down. The next phase of the Governance structure had been put on pause due to Covid 19. However, the Board agreed that from September the Chief Economic Development Officers Group, Financial Officers Group and the Economic Forum will be set up. In addition, the rotation of Co-Chairs for the Borderlands Partnership Board, now being Carlisle City Council and Scottish Borders Council will take place in September.

Programme Level

At the programme level, work to progress to Full Deal continues. This involves the production of the business cases for all projects and programmes, collaboration agreement, communications protocol and the monitoring and evaluation frameworks.

Work is also being undertaken to support the case for additional investment to be allocated to the delivery of the Inclusive Growth Deal to respond to the economic impacts of COVID-19. A proposal document is currently being prepared outlining the economic case for this additional investment – that will be submitted for the Compressive Spending Review in the Autumn.

Carlisle projects

Good progress continues to be made on three Carlisle projects - Carlisle Station Citadels and Caldew Riverside:

- The detailed business case for the improvements to the railway station project has been finalised and shared with the Ministry for Housing, Communities and Local Government for comment
- Work on the detailed business case for the Citadels is well underway, with the current stage being the selection of a preferred option for the site in terms of types of use, layout and amount of floorspace. The University of Cumbria will be the main occupier of the site
- Proposals for the development of the Caldew Riverside (Lower Viaduct) site continue to be progressed. A detailed remediation appraisal has been undertaken which has provided a more accurate figure for the costs of cleaning up the site and

options for undertaking the works. A feasibility study is now in the process of being prepared for a residential development scheme

Central Plaza

The redevelopment of the site continues to be progressed, with it forming one of the key projects in the Council's Future High Street Fund (FHSF) bid. The project included in the FHSF involves the construction of the middle-upper tier branded hotel on the site

A detailed appraisal of the hotel proposal has been prepared that includes further feasibility work and construction costings that demonstrate a new hotel is deliverable with 'gap' funding of around £5 million. A demand / capacity assessment has also been undertaken, which indicates that a new branded hotel would perform well and be profitable.

EMERGENCY PLANNING

Covid-19

The Council continues to respond to the Covid-19 emergency through the Cumbria Local Resilience Forum, Health Protection Board and Strategic Recovery Coordination Group.

The frequency of meetings has been reduced and resources have shifted across to the Health Protection Board and the Local Outbreak Control Plan. This marks a clear change from a civil contingency response to a public health response, with recovery running in parallel.

Multi-agency Flood Plan

A countywide Task And Finish Group is up and running to update the Multi-agency Flood Plan. The District will be covered by local plans that will have all aspects of response included in them.

Update on communications and public consultations

We continue to support the countywide communications response to the Covid-19 emergency. In addition to this, work continues on key projects with communications support provided to Borderlands schemes, the Town Investment Plan and St Cuthbert's Garden Village, plus other Council services.

STRATEGIC PARTNERSHIPS

Strategic partners continue to feed into the recovery efforts across Carlisle. Carlisle Partnership continues to send a regular Partnership update emails on the latest national and local guidance and news updates. The Funding newsletter is also distributed. Feedback around communication continues to be positive.

Meeting Date: 8 September 2020

Public/Private*: Public

Title: Health and Wellbeing Overview and Scrutiny Committee

Councillor Jack Paton

Covid-19 in Carlisle

We had a lengthy discussion on this in which a lot of areas were covered, and the update was very informative. The R rate for one was quite worrying with the report that the number of cases had risen, but like we pointed out a lot of this was due to the results from the care homes. This in no way reflects their professionalism as in nearly all cases it was brought into the care homes.

It was mentioned that the report did not look at the virus and the recovery process in relation to climate change as was requested at a previous meeting.

There were concerns about the R rate and were we preparing plans in case of a second wave. The Military have been in the city doing track and trace tests where lots of people were tested.

One thing came to light that the numbers of domestic abuse cases had risen since the lockdown. This is extremely alarming but a number of agencies including our team from the City Council have been working very hard and continue to monitor the situation.

It is alarming that a large number of people might lose their jobs as quite a lot of firms have concerns that they may not survive a long term lockdown, even with the support that the government is giving, people are very worried about their future.

It was upsetting to hear that certain pubs and barbers were not adhering to social distancing. I myself have reported a number of barbers who were cutting hair without any PPE however I think this has now been resolved.

Homelessness has been a subject that has drew attention from the Panel. Our Accommodation Manager and the team have worked so hard to try and get as many people into housing, working with other charities and agencies.

New Cumbria Choice

The new policy related to homelessness as well as normal allocations. This would give greater clarity for who may register in the future. The panel welcomed the Equality Act, however the inclusion of transgender in the assessment was incorrect as it was in direct opposition to the men and women it referred to.

There are a large number of people registered with Cumbria Choice, but the bands have changed. The Homeless Manager said that the reduction in the bands should give greater clarity for customer and if the applicants were not satisfied, they could appeal.

I submit this report to the council

Cllr Jack Paton

Chair – Health and Wellbeing Overview and Scrutiny Committee

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Business & Transformation Scrutiny Panel Chairman’s Report –
Councillor James Bainbridge**

The consideration of the Draft Medium Term Financial Plan and Capital Investment Plan are of course 5-year Plans. With the Covid-19 affecting the local economy, and with it the work of the Council, the focus of discussion was very much related to the here and now, rather than the nuances of our intended position in 2024/5.

The Panel were appreciative of the verbal updates, assurances and candour as to the current financial position and the potential areas where Covid-19 will impact our budgets. At no time did I personally feel that the Council is at risk of financial turmoil similar to the occurrence in Northamptonshire, though as the current situation affects areas from car parking revenue to business rate income, it would be fair to use the aviation analogy of “fastening our seatbelts and putting our trays in the upright position” for yet another spell of unsettling turbulence on our financial budgeting.

If you were to look at my Report last year, though in fairness you’ve all got better things to do, you would note that a number of budget reporting changes were due to be brought in both at a national and local level at this time. It’s fair to say that in the present situation the timetables have been readjusted to account for more immediate concerns.

In terms of the Employee Survey, it was heartening to see that most of the areas were positively up or remaining broadly in line with the previous survey. There were some areas of large swings in relation to the final question, which are being analysed for further, more detailed understanding.

We received the End of Year Performance Reports for 2019/20, which reflected a consistent performance in most area areas. There were signs of Covid-19 restrictions impacting performance in March, however in considering the Report, the wider issues of whether these Reports influence an improvement process or not is a moot point. Within the wider context of the LGA Report, there was mention of Reports being received for noting versus the need for the Panels to set their own agenda more. As a response to this, and the recent Chairman’s and Vice-Chairman’s Liaison Group, Cllr Birks, the Scrutiny Officer and myself will be assessing the workplan, hopefully with the support of

the Panel members, to try and change the emphasis of the upcoming meetings to better reflect the feedback from the LGA and members.

In considering the Corporate Project Report, there were no areas classed as having significant or overdue issues, with three areas having some relatively limited snagging areas.

The final item was a Part B Report on the asset management of Kingstown and Parkhouse. I would encourage members who are interested in receiving information in this area to request a copy of this Report.

Full details of the discussions are to be found within the Minute Book

Cllr James Bainbridge
Chairman

Meeting Date: 8th September 2020

Public/Private*: Public

Title: **Economic Growth Overview and Scrutiny Panel – Councillor Lisa Brown**

The Panel was interested to hear what steps were being taken to address the challenges Carlisle faces and how the economy would recover moving out of the COVID-19 lockdown. The Corporate Director of Economic Development submitted report ED.26/20 which outlined these challenges and the move towards economic recovery and renewal. The report outlined the impacts of Covid-19 on the economy; a framework for recovery; business support measures; areas for transformation / renewal, and an update on several funding bids and the Borderlands Inclusive Growth Deal. The report also contained a Mott MacDonald technical report, actions plans and maps.

With such a broad issue, there were questions from members around many aspects of the report, such as stakeholder engagement in the Mott Macdonald report, indication of the number of retail premises that may not re-open in Carlisle, which may lead to likely loss of rental and rates income to the progress of schemes such as Borderlands. The Corporate Director responded that University was in discussions regarding the Borderlands' Citadels Project and it was confident that it had developed a strong Business Case. Moreover, it was looking at ways of securing student admissions and was also considering how working online may facilitate that. Delivering courses that would meet the needs of businesses in the District had been a strong element of the University's Business Case.

The report detailed several other future projects that would be delivered in the medium term. A Member asked if there were any shorter-term projects to support economic growth. The Corporate Director stated that in terms of the projects in the report, every effort was being made to draw down funding at the earliest opportunity so that they may be implemented. The Council's Development Management Team were also supporting economic activity through its work with the construction sector.

As we moved onto the Overview item on the agenda, the Panel agreed that they would like to look further into the role played by other organisations in response to the pandemic. A Member suggested that a representative from the Local Enterprise Partnership be invited to update the Panel on the work the organisation was doing to support economic recovery post Covid-19. It was also suggested that representatives from the Enterprise Zone and Carlisle Ambassadors be invited, so that the Panel may understand their roles in helping the city recover from the pandemic.

The Panel made the following resolutions:

2) That the Overview and Scrutiny Officer liaise with the Local Enterprise Partnership; the Enterprise Zone and, Carlisle Ambassadors in relation to attending the August or October 2020 meetings of the Panel to discuss their work regarding economic recovery post Covid-19.

3) That the Overview and Scrutiny Officer liaise with Officers regarding the submission of a report on events in the city for the August 2020 meeting of the Panel.

As always, the Panel members participated fully in the meeting and I would like to thank them for their contribution to the scrutiny process. Full details of the meeting, questions and responses can be found in the minutes.

Cllr Lisa Brown

Chair – Economic Growth Overview and Scrutiny Panel

Report to Council

**Agenda
Item:

14(i)**

Meeting Date: 8th September 2020
 Portfolio: Finance, Governance and Resources
 Key Decision: Yes: Recorded in the Notice Ref: KD15/20
 Within Policy and Budget Framework YES
 Public / Private Public

Title: MEDIUM TERM FINANCIAL PLAN 2021/22 to 2025/26
 Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
 Report Number: RD 25/20

Purpose / Summary:

The Medium-Term Financial Plan (MTFP) sets out the current framework for planning and managing the Council’s financial resources, to develop its annual budget strategy and update its current five-year financial plan. The Plan links the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources, enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives. The MTFP will inform the budget process and will be updated for changes when known. The MTFP has been considered by the Executive and the Business and Transformation Scrutiny Panel.

Recommendations:

The Council is asked to:

- (i) approve the Medium-Term Financial Plan for the period 2021/22 to 2025/26.

Tracking

Executive:	20 July 2020
Scrutiny:	23 July 2020
Executive:	17 August 2020
Council:	08 September 2020

1. BACKGROUND

- 1.1 The Medium-Term Financial Plan (MTFP) is the key policy document to guide the Council's forward financial planning process. The attached report details the current Plan for the period 2021/22 to 2025/26. The MTFP is reviewed annually starting with the assumptions made in the Budget Resolution approved by Council on 4 February 2020. The starting point for the MTFP is to show the impact of the Council Resolution and raise awareness of the issues that are on the horizon that will need to be considered as part of the detailed budget process.
- 1.2 The Corporate Charging Policy has also been reviewed and included within the MTFP. It provides a framework detailing potential policy options for each Charging area. This recognises that different approaches may be required for different services and that there are a variety of influences that need to be acknowledged in charge setting.
- 1.3 The MTFP has been prepared at a time of great uncertainty in respect of the economy, especially in terms of the impact of leaving the European Union, the financial impact and economic recovery from COVID-19 and also in terms of the Government's wider approach to Public Sector Funding in general and particularly for Local Government Funding.

2. KEY DATES

- 2.1 A timetable for the budget process will be prepared and the overall budget position for revenue and capital, and individual reports on spending pressures, saving proposals, and charging reports will be considered by the Executive at its meeting on 9 November. These reports will be scrutinised by the three Scrutiny Panels at the end of November and beginning of December.
- 2.2 Development of the budget consultation documents was undertaken as part of previous year's process with improved visuals produced including a 'Have your say' document. This provided more clarity on the budget pressures the Council faced and assisted stakeholders in their understanding of the budget process.

3. KEY MESSAGES

- 3.1 The MTFP shows the starting position for budget considerations for the next five years and gives an indication of the likely factors that will have an impact in the budget setting process. Key to these considerations will be:
 - Further clarity on the future of local government funding through the Spending Review, Fair Funding Review and any changes to future Business

Rate Retention schemes, that may pass on added responsibilities to the Council.

- Achievement of transformation savings;
- Further reductions in government grant as part of the Fair Funding Review, e.g. New Homes Bonus, Housing Benefit Admin Grant;
- Longer term impact of COVID-19

3.2 As well as some significant pressures, there is scope for some additional savings and additional income opportunities to be considered as part of the budget process too. These considerations are likely to be around:

- More commercial and investment opportunities

4. RISKS

4.1 The Medium-Term Financial Plan contains risk analysis of the issues that could potentially affect the budget and financial planning position.

5. CONSULTATION

5.1 The draft MTFP, particularly the Financial Principles, has been considered by the Senior Management Team and the Portfolio Holder for Finance, Governance and Resources.

5.2 The Business and Transformation Scrutiny Panel considered the MTFP on 23 July, and recommendations will be made to full Council on 08 September.

5.3 The Budget Process and MTFP are also informed by consultation with wider stakeholders, including residents. Each year the Council consults with the Business Community and also carries out public consultations as appropriate.

6. CONCLUSION AND REASONS FOR RECOMMENDATIONS

6.1 The Council is asked to:

- (i) approve the Medium-Term Financial Plan for the period 2021/22 to 2025/26.

7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

7.1 The Medium-Term Financial Plan outlines how the Council will prioritise its financial resources in the delivery of services

Contact Officer: Alison Taylor

Ext: 7290

**Appendices
attached to report:**

Appendix 1 – Medium Term Financial Plan 2021/22– 2025/26

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS/RISKS:

Legal – The Council has a legal duty to put in place a balanced budget to the satisfaction of the Council’s Section 151 Officer. The Medium-Term Financial Plan is an important part of fulfilling this obligation.

Finance – Contained within the MTFP

Equality – Corporate Charging Policy includes considerations for the targeting of concessions for named protected characteristic.

Information Governance - There are no Information Governance Implications

Property Services - The Medium-Term Financial Plan links with the Asset Management Plan 2021/22 to 2025/26 to provide details on how the City Council will utilise its property assets to assist with the Council’s finances and development new infrastructure for the City.

Medium-Term Financial Plan

Carlisle City Council

2021/22 to 2025/26

Contents

1.0	Introduction.....	2
2.0	Financial Principles supporting the MTFP	3
3.0	Links to other Strategies.....	7
4.0	Revenue Budget Forecasts	8
5.0	Provisions, Reserves & Balances.....	15
6.0	Income.....	19
7.0	Assumptions.....	22
8.0	Appendices	26

1.0 Introduction

- 1.1 The overarching policy guidelines of the Medium-Term Financial Plan (MTFP) are that resources will be redirected to Council priorities via the budget process within the overall caveats that: -
- Redirection of resources towards areas of high priority will be contained within existing budgets, unless increases can be justified and funded through the budget process.
 - Council Tax increases will be limited to fair and reasonable levels, taking account of national guidance from Government.
 - External grants and income will be maximised wherever possible to mitigate the effects of budget increases.
 - Partnership working and funding opportunities will be explored wherever feasible.
- 1.2 The Medium-Term Financial Plan sets out how Carlisle City Council will manage its finances to deliver against its corporate priorities, whilst protecting its financial standing and responding to the many challenges it faces.
- 1.3 Economic growth in Carlisle will impact on the income the Council receives and also the support it is able to give to vulnerable residents. Treasury Management income will be limited whilst interest rates remain low, and the available institutions with which the Council can invest with diminishes due to restrictions in bank credit ratings. The effects on the MTFP of any changes to the state of the economy, including the impact of leaving the European Union, will need to be closely monitored in order to react effectively to changing situations. The Government's approach to public sector funding beyond 2020/21 in terms of the Review of Local Authorities Relative Needs and Resources, the Business Rate Retention Reform (including pooling arrangements), and the Comprehensive Spending Review, will be a significant factor for the lifespan of this MTFP. The impact of COVID-19 will be one of the most significant risks facing this authority in terms of additional costs, reductions in income, and economic recovery especially in terms of receipts of council tax and business rates income. This impact is likely to extend beyond the current financial year and into 2021/22.
- 1.4 The Medium-Term Financial Plan provides the corporate financial planning framework to provide strategic direction to the Council for the next five years and to ensure that the financial resources of the Council are directed to achieving the Council's key corporate priorities.

2.0 Financial Principles supporting the MTFP

2.1 The key principles to be applied to the MTF are set out by theme below:

Financial Principle 1 – Revenue Budget Strategy

- Guide the integration of financial planning with the priorities set out in the Carlisle Plan to ensure that spending decisions contribute to the achievement of the Council's priorities;
- Guide and be informed by Directorate Service Plans and other relevant strategies and plans of the Council, which set out how resources will deliver the outcomes and priorities specified in the Carlisle Plan;
- Forecast a minimum five -year corporate and financial planning horizon, with longer periods developed where necessary;
- Manage performance management and decision-making procedures to help achieve the best use of available resources;
- Monitor and evaluate proposed and actual spending to ensure that value for money is obtained;
- Review the Council's Reserves and Balances Policy in line with CIPFA and other best practice guidance to ensure that all the reserves held by the Council are still applicable and relevant;
- Achieve a minimum level of General Fund Reserves of £3.1m over the life of the MTFP subject to an annual risk assessment (Appendix A);
- Consider the use of earmarked reserves to support non-recurring expenditure;
- Commitment to minimise staff compulsory redundancies;
- Consider the impact of any other Government Budget initiatives e.g. 75% retention of Business Rates, Business Rate Baseline resets, the Fair Funding Review and any Comprehensive Spending Review implications;
- Assess the impact of the decision to leave the European Union may have on the Council's budgets, e.g. changing forecasts for interest rates, inflation forecasts, pension fund revaluation and changes in legislation;
- Consider the implications of the use of financial resources on the levels of Council Tax and other Council charges;
- Services that have a statutory requirement to be self-financing need consideration in the budget process e.g. Licensing, Building Control;
- Consideration to the use of revenue grants received and held in the Revenue Grants Earmarked Reserve to support the revenue budget;

- Develop and implement a robust savings and additional income plan to close the anticipated £1million per annum funding gap (from 1st April 2021);
- Undertake and implement a base budget review.
- Limit revenue budget bids to those which are unavoidable and which cannot be accommodated within existing base budgets.

Revenue Budget Assumptions:

- *Reduction in overall funding from Business Rates of £1,500,000 for 2021/22 pending notification and implications of revised retentions scheme, pooling arrangements and baseline reset;*
- *Inflation is assumed in the MTFP at 2% for expenditure and 3% for income;*
- *Pay Award is assumed in the MTFP at 2%.*

Financial Principle 2 – Commercial and Income Generation

- Annual review of the Corporate Charging Policy to identify areas of potential charging and opportunities for increasing income;
- Consider the levels of income achievable as part of Corporate Charging Policy;
- Consider other sources of potential income generation such as advertising and sponsorship;
- Consider the development of a commercialised culture where the charging powers of the organisation are maximised and encouraged;
- Seek to develop investment opportunities to maximise the use of the Council's asset portfolio;
- Develop a commercial strategy which defines what commercialisation means in Carlisle, risk appetite and potential scope of commercial activity;
- Consider the funding strategy with a view to maximising external grants and contributions.

Charging/Income Assumptions:

- *Income from fees and charges currently achieve approximately £5m per annum;*
- *The Corporate Charging Policy assumes that income from fees and charges will increase at 1% above the inflation rate set for expenditure.*

Financial Principle 3 – Council Tax & Business Rates Policy

- Provide value for money to residents through efficient management of council tax collection;
- Determine Council Tax levels that are prudent and retain stability in the Council's financial strength;
- Annual review of the Business Rate Pooling arrangements and whether this should or can continue for 2021/22 onwards depending upon the outcome of the reset of Business Rate Retention scheme (currently delayed);
- Assessment of the impact of business rates retention including impact on Section 31 grants and funding for Small Business Rate Relief and any additional burdens on councils;
- Consider any implications of the Enterprise Zone on the City and potential resources allocated for future projects;
- Annual review and approval of the Council Tax Reduction Scheme (CTRS);
- Consider any likely reductions to Housing Benefit Admin Grant and the impact on the Council with the onset of Universal Credit.

Council Tax and Business Rate Assumptions:

- *Council tax levels currently assumed at a £5 increase per annum (Band D Equivalent) over the lifetime of the MTFP;*
- *Business Rate Retention growth assumed at £900,000 (reduced from £2,400,000 in 2020/21) above the baseline level set by Government pending the reset and re-design of the Business Rate Retention Scheme.*

Financial Principle 4 – Treasury Management

- Annual review of the Treasury Management budget for revised interest rates, changes to average balances and the effects of capital spending decisions;
- Consider appropriate levels of prudential borrowing that is affordable, sustainable and within acceptable council tax levels, and delivers objectives aligned to the Council priorities;
- Treasury Management Strategy to achieve the optimum return on investments, with the security of the principal sum always being the primary consideration.

Treasury Management Assumptions:

- *Rate for refinancing stock issue currently included in MTFP at an assumed rate of 2.7% on a principal and interest loan;*
- *Average investment return assumed at 1.2% for 2021/22.*

Financial Principle 5 – Capital Investment

- As set out in the Capital Investment Strategy;
- Review of capital financing decisions which will likely have a revenue budget impact due to lack of capital resources (E.g. through re-profiling of capital receipts and borrowing);

Capital Investment Assumptions:

- *The current capital programme is forecast to utilise all forecast capital receipts (including from Asset Disposal Programme) and includes a borrowing requirement to fund the planned programme.*

3.0 Links to other Strategies

3.1 The Carlisle Plan

3.1.1 The Carlisle Plan forms part of the Policy and Budgetary Framework for the Council. These frameworks work together to create the strategic framework.

3.1.2 The Medium-Term Financial Plan must both support and inform the Council's vision for the Carlisle area and the strategic direction set out in the Carlisle Plan. This is to enable resources to be matched against the agreed priorities and any other supporting needs.

3.1.3 The Medium-Term Financial Plan takes account of other Council Plans and Strategies of the Council, which have a potential impact on the use of resources by the Council. Particularly consideration is given to the following key strategies: -

- The Capital Investment Strategy, which provides information on the proposed level of investment in capital projects and the consequent impact on the revenue budget;
- The Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy, which sets out the assumptions for financing requirements and interest rates and their effect on the revenue budget;
- The Asset Management Plan, which provides forecasts of necessary investment in the Council's land and property portfolio;
- The Procurement and Commissioning Strategy;
- Local Plan/Local Development Framework;
- The ICT Strategy;
- The Organisational Development Plan, which highlights the need for a thorough review of the Council's staffing needs and skill levels to ensure that the Council improves its performance to deliver excellent services to the local community in the future;
- There are also a number of strategies, which set out policy direction for key Council priority areas, and these include the Economic Strategy, and Housing Strategy and Green Infrastructure Strategy
- Directorate Service Plans will be used to inform the budget setting process and identify key strategic and operational objectives and the resources required to deliver those.

4.0 Revenue Budget Forecasts

4.1 Current Budget Forecast

4.1.1 The Council has well established mechanisms in place for forecasting resources and expenditure over a five-year planning period. Projections will inevitably change over the period of the plan and these forecasts are updated as part of the detailed budget process.

4.1.2 The Council approved the current forecast for the period 2020/21 to 2024/25 in February 2020 and updated for the 2019/20 outturn position and details are shown below together with the base estimate figures for 2025/26.

2020/21 Revised £000	Summary Net Budget Requirement	2021/22 Budget £000	2022/23 Proj £000	2023/24 Proj £000	2024/25 Proj £000	2025/26 Proj £000
14,527	Total Recurring Expenditure	12,507	12,528	12,753	12,947	13,170
	Non Recurring Revenue Expenditure					
1,946	Existing Commitments	(36)	(45)	0	0	0
811	Carry Forward	0	0	0	0	0
17,284	Total Revenue Expenditure	12,471	12,483	12,753	12,947	13,170
	Less Contributions (from)/to Reserves:					
(1,141)	Recurring Commitments Sub Total	(287)	16	121	263	382
(2,757)	- Existing Commitments	36	45	0	0	0
13,386	Total City Council Budget requirement	12,220	12,544	12,874	13,210	13,552
688	Parish Precepts	705	723	741	760	779
14,074	Projected Net Budget Requirement for Council Tax purposes	12,925	13,267	13,615	13,970	14,331

Table 1a: Summary Budget Position (Expenditure)

The budget requirement is funded as follows:

2020/21	Total Funding and Council Tax Impact	2021/22	2022/23	2023/24	2024/25	2025/26
34,468.61 £000	Estimated TaxBase	34,911.93 £000	35,261.05 £000	35,613.66 £000	35,969.80 £000	36,329.50 £000
	Projected Net Budget Requirement for Council Tax Purposes (Schedule 5)					
13,386	- City	12,220	12,544	12,874	13,210	13,552
688	- Parishes	705	723	741	760	779
14,074	Total	12,925	13,267	13,615	13,970	14,331
	Funded by:					
(7,487)	- Council Tax Income	(7,757)	(8,011)	(8,269)	(8,532)	(8,799)
(3,335)	- Retained Business Rates	(3,513)	(3,583)	(3,655)	(3,728)	(3,803)
(2,400)	- Business Rate Growth/Pooling	(900)	(900)	(900)	(900)	(900)
(134)	-Business Rate Multiplier Grant	0	0	0	0	0
(30)	- Estimated Council Tax Surplus	(50)	(50)	(50)	(50)	(50)
(688)	- Parish Precepts	(705)	(723)	(741)	(760)	(779)
(14,074)	TOTAL	(12,925)	(13,267)	(13,615)	(13,970)	(14,331)
	City Council Tax					
£ 217.20	Band D Council Tax	£ 222.20	£ 227.20	£ 232.20	£ 237.20	£ 242.20
	Increase over Previous year:					
£5.00	£	£ 5.00	£ 5.00	£ 5.00	£ 5.00	£ 5.00
2.36%	%	2.30%	2.25%	2.20%	2.15%	2.11%

Table 1b: Summary Budget Position (Funding)

4.1.3 The assumptions built into the MTFP that form part of the figures above are detailed at section 7.

4.2 Funding Prospects

4.2.1 The Council receives core funding from Government each year as part of the Settlement Funding Assessment which comprises of the Business Rates baseline funding level and information on tariffs and top ups. Although the Government set the Business Rates Baseline, the actual funding is received via the Non- Domestic Rates income the Council collects.

4.2.2 As well as the core funding as agreed in the Settlement Funding Assessment, the Council is also the recipient of other support from central government in the form of specific grants. These are included in the budget as income rather than funding and are linked to specific schemes or services. Further details of grants included in the MTFP are given at section 6.3.

4.2.3 Spending Review

The Chancellor announced on 24th March that the Comprehensive Spending Review 2020 would be delayed to enable the government to remain focused on responding to the public health and economic emergency. Therefore, the Spending Review for 2020, that would have announced the overall funding available to Local Government for the next few years will be deferred until 2021. The government have said they will continue to work with councils on the best approach to the next financial year, and the approach to the 2021/22 local government finance settlement. This means that there will be again, only a 1-year settlement for 2021/22 and will also mean the deferring of the implementation of the Fair Funding Review and Business Rate Retention reset (outlined below). **This will increase uncertainties in the Medium-Term Financial Plan with a further delay to future funding and the implications it will have on the Council.**

4.2.4 Fair Funding Review & Business Rate Retention

The Government have also confirmed that the Review of Relative Needs and Resources ('Fair Funding Review') and 75% Business Rate Retention will no longer be implemented in 2021/22. The Government will keep an open dialogue with local authorities about the best approach to the next financial year, including how to treat accumulated business rates growth and potentially including a reset of the business rate base and the approach to the 2021/22 local government finance settlement. On the latter point, it is understood that this means that some form of a reset of retained business rates next year has not been ruled out. In the longer-term, the Secretary of State reiterated his commitment to reforms.

Therefore, it is very difficult to predict the future potential funding for the Council from Central Government beyond 2020/21. The Fair Funding Review will also have an impact on and be impacted by revisions to the Business Rates Retention system and also specific grants awarded by central government e.g. New Homes Bonus and Housing Benefit Administration Grant.

4.2.5 Business Rates Baseline

The Council budgets for income from Business Rates at the baseline level as set in the Settlement Funding Assessment. However, the income collected and paid over to the main preceptors (Central Government, Cumbria County Council and Carlisle City Council) is based on the projections in the NNDR1 return to Government. Any difference in these amounts is included in the

MTFP as part of the Growth/Pooling amount anticipated of £2,400,000 for 2020/21 falling to £900,000 for 2021/22. **However, uncertainty about the future retained business rates scheme beyond 2020 means that there may be resets to the scheme that could erode any additional income above baseline levels that have been built up under the previous scheme. Until full details of a future scheme are known it is prudent not to over-estimate any future income from business rates.**

Due to the deferral of the 75% Business Rates Retention Scheme, the Council continued to participate in the Cumbria Business Rates Pool, during 2020/21, which enables the County and the Council to retain more of the growth it generates. Given that the Retention Scheme has been deferred again, the specific impact on Carlisle is yet to be understood, but any proposals will likely come with an understanding that local authorities will have to take on additional responsibilities (e.g. absorbing some current one-off grants such as Housing Benefit Administration Grant), which may mean additional cost pressures.

4.2.6 The summary of funding included in the Medium-Term Financial Plan is as follows:

	Budget	Forecasts				
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Business Rates Baseline	(3,335)	(3,513)	(3,583)	(3,655)	(3,728)	(3,803)
% Change		5%	2%	2%	2%	2%
Rates Growth/Pooling	(2,400)	(900)	(900)	(900)	(900)	(900)
% Change		-63%	0%	0%	0%	0%
Total Funding	(5,735)	(4,413)	(4,483)	(4,555)	(4,628)	(4,703)

Table 2: Funding

4.2.7 Council Tax

The MTFP includes Council Tax increases from 2021/22 onwards at £5 per Band D equivalent.

The MTFP assumes an increase in the taxbase of 1.00% per year and the City Council's share of the Collection Fund Surplus is assumed to be a recurring £50,000.

Any increase in the tax base as a result of new housing developments and/or population increases will also mean a requirement to provide services to those households. Although there will be an increase in the amount of funding received through Council Tax, there will also be a cost of providing council services. Further work on the net unit cost of providing services for new developments and population growth will be undertaken during this budget process.

The MTFP also assumes continuation of the statutory Council Tax Reduction Scheme (CTRS) as the Council's localised scheme. Any support provided through the Council Tax Reduction Scheme will be fully funded by all the main preceptors on the Collection Fund i.e. the Council, the County Council and the Police & Crime Commissioner. Consideration will need to be given as to whether this scheme is to be continued in the same format or incorporate changes to the level of support provided.

	Budget	Forecasts				
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Council Tax Base	34,468.61	34,911.93	35,261.05	35,613.66	35,969.80	36,329.50
% Change		1.29%	1.00%	1.00%	1.00%	1.00%
	£000	£000	£000	£000	£000	£000
Council Tax Surplus	(30)	(50)	(50)	(50)	(50)	(50)
% Change		67%	0%	0%	0%	0%
Band D Council Tax	217.20	222.20	227.20	232.20	237.20	242.20
% Change		2.30%	2.25%	2.20%	2.15%	2.11%
Total Yield	(7,487)	(7,757)	(8,011)	(8,269)	(8,532)	(8,799)

Table 3: Council Tax

The recent comprehensive funding package announced by the Government refers to:

- A phased recovery of Collection Fund deficits over the next 3 years;

- A commitment to determine what support is needed to help councils meet the pressures of irrecoverable tax income at the Spending Review.

However, until final details are provided the impact on the MTFP cannot be assessed.

A significant risk relates to how the expected overall increase in CTRS claimants (as a result of COVID-19), and the associated cost of CTRS relief, will be funded and be provided to the Council. An increase in claimants directly impacts on the council tax base and ultimately the yield from council tax.

4.3 **Efficiency Strategy**

4.3.1 In order to ensure the Council maintains a minimum level of reserves to the end of the MTFP period, efficiencies are required throughout the period of the plan. The efficiency strategy will concentrate on the following areas:

- Asset Strategy – to focus on ensuring the council's asset portfolio maximises the benefit to the Council through income generation or by realising receipts of assets that do not generate a return that can then be utilised to ease pressures in capital and revenue budgets through the most appropriate means, e.g. re-investment in new assets and supporting the capital programme to reduce the CFR
- Service Reviews – A review of services to include their purpose and relevance in achieving the Carlisle Plan priorities, including a review of those services which do not fall within the Council's core priorities or which are not statutory will be undertaken to ensure that services and resources are properly aligned to what the Council wants to achieve.
- Core Budgets – a review of base budgets, including income generation and a fundamental zero-based budget review of all base budgets, to ensure compliance with best practice and outcome based budgeting and other appropriate budget disciplines.

The recent Peer Review has recommended 3 actions which Members may wish to consider as part of this Savings Strategy:

- Develop a commercial strategy which defines what commercialisation means in Carlisle, risk appetite and potential scope of commercial activity;

- Develop and implement a robust savings and additional income plan to close the anticipated £1million per annum funding gap (from 1st April 2021);
- Undertake and implement a base budget review.

4.3.2 The savings currently included in the MTFP total £1million on a recurring basis increasing by a further £850,000 on a recurring basis:

	Cumulative savings required £	In year savings required £
2020/21	0	0
2021/22	1,000,000	1,000,000
2022/23	1,000,000	0
2023/24	1,850,000	850,000
2024/25	1,850,000	0
2025/26	1,850,000	0

Table 4: Savings

4.3.3 Further savings will be dependent upon future funding settlements, Council Tax increases and changes to income and expenditure levels (pressures and savings) that are outwith the current Medium-Term Financial Plan. Savings will be profiled in the most effective way to ensure that they are achievable, timely and ensure reserves are not adversely affected.

5.0 Provisions, Reserves & Balances

5.1 The Council holds balances in order to meet future commitments. The Council policy on the use of reserves is as follows:

- Reserves generally will not be used to fund recurring items of expenditure, but where it does steps will be taken to address the situation.
- Reserves will not become overcommitted.
- The Council benefits from its level of reserves as it is able to: -
 - Meet its capital programme obligations, with borrowing only undertaken where funded from existing revenue budgets;
 - Fund exceptional increases in its net budget requirement without affecting the Council Tax charged to its taxpayers;
 - Ensure that surplus resources are retained for the general benefit of the Council to protect against large increases in Council Tax;
 - Maximise income received from the investment of its reserves to contribute to the budget requirement of the Council, which is a key part of the Council's Treasury Management Strategy.

5.2 General Fund

5.2.1 Having undertaken a risk assessment considering the risks and working balances required, the balance on the General Fund reserve indicates that this should broadly equal £3.1m as a prudent level. The risk-based assessment of the appropriate level of this reserve is carried out as part of the budget process and the current assessment is shown at **Appendix A**, which will be updated during this budget process. The prudent level of reserves may need to be revised in the medium term to reflect the changes circumstances around funding changes retention of business rates.

5.2.2 If the balance in the short-term falls below minimum levels, the Council will top-up the balance to this level from the General Fund Income and Expenditure Account.

5.2.3 If the balance in the short-term exceeds minimum levels then the surplus will be transferred to the Council's Project Reserve.

5.3 Earmarked Reserves

5.3.1 Earmarked reserves will not be used for recurring items of expenditure, nor become over-committed.

5.3.2 For each earmarked reserve there will be a clear protocol in place setting out:

- The purpose of the reserve.
- How and when the reserve can be used.
- Procedures for the management and control of the reserve.
- Processes for the review of the use of the reserve to ensure that it continues to have an adequate level of funds and remains relevant to the business of the Council.

(Further details of this are shown at **Appendix B**)

5.3.3 The revenue reserves the Council currently holds are as follows:

	31/03/2020 £000	31/03/2021 £000	31/03/2022 £000	31/03/2023 £000	31/03/2024 £000	31/03/2025 £000
General Fund Reserve	3,100	2,431	2,180	2,241	2,362	2,625
Projects Reserve	836	0	0	0	0	0
Carry Forward Reserve	654	632	632	632	632	632
	4,590	3,063	2,812	2,873	2,994	3,257
<u>Revenue Earmarked Reserves</u>						
Flood Reserve	1,948	4	4	4	4	4
Cremator Reserve	1,080	1,111	1,111	1,111	1,111	1,111
City Centre Reserve	5	5	5	5	5	5
Planning Services Reserve	196	182	182	182	182	182
Prosecutions Reserve	36	36	36	36	36	36
Waverley Viaduct Reserve	30	30	30	30	30	30
Revenue Grants Reserve	1,939	1,495	1,495	1,495	1,495	1,495
Apprentices Reserve	78	78	78	78	78	78
Building Control Reserve	100	100	100	100	100	100
	5,412	3,041	3,041	3,041	3,041	3,041
Total Revenue Reserves	10,002	6,104	5,853	5,914	6,035	6,298

Table 5: Revenue Reserves

5.3.4 The MTFP does not assume any use of earmarked reserves beyond 2020/21.

5.3.5 As well as revenue earmarked reserves, the Council also holds a small number of earmarked reserves for capital purposes. These are as follows:

	31/03/2020 £000	31/03/2021 £000	31/03/2022 £000	31/03/2023 £000	31/03/2024 £000	31/03/2025 £000
<u>Capital Earmarked Reserves</u>						
Usable Capital Receipts	0	0	0	0	0	0
Unapplied Capital Grant	136	113	113	113	113	113
Lanes Capital Reserve	75	90	105	120	135	150
Total Capital Reserves	211	203	218	233	248	263

Table 6: Capital Earmarked Reserves

5.4 **Provisions**

5.4.1 The Council holds a number of provision balances for items where future commitments are likely and use of these are delegated to the relevant Corporate Director in consultation with the Corporate Director of Finance and Resources.

5.5 **Charitable and Other Bequests**

The Council holds a number of bequests for use by the Council. These funds can only be released with the full approval of the Council under the terms set out when the bequest was given. In the first instance it will be the responsibility of the Executive to consider a report outlining proposals for the use of the bequest prior to submission of the request to Council.

5.6 **The Responsibilities of the Corporate Director of Finance and Resources**

5.6.1 The Corporate Director of Finance and Resources will review each reserve and its protocol annually and produce a report for the Executive as part of the annual budget process detailing: -

- Compliance with the use of reserves and associated protocols,
- Movements in the level of reserves, including the purposes for which reserves were used during the previous financial year,
- The adequacy of the level of reserves and the effects on the Council's budget requirement,
- Any reserves which are no longer required,
- Proposals to set up new reserves, including purposes, protocols, funding sources and potential impact on the Council's Medium-Term Financial Plan.

5.6.2 The Corporate Director of Finance and Resources will review this policy at least annually and will obtain the approval of the Council for any change required to either the policy or protocols associated with specific reserves.

5.7 **Planned Use of Reserves**

5.7.1 When the budget was set in February 2020, it assumed that there would be contributions to and from General Fund Reserve over the life of the MTFP. With the outturn position for 2019/20 now confirmed, the General Fund Reserve and Projects Reserve has been updated as shown in Table 5 above.

5.7.2 The reserves position is also subject to the savings required (as in Table 4) being met as scheduled. Any slippage on savings or any savings made in advance will impact on the contributions to and from reserves.

6.0 Income

6.1 Fees & Charges

6.1.1 Fees and Charges for individual services generate in the region of £5m p.a. for the City Council. **Appendix C** sets out the Council's approach to the reviewing and setting of fees and charges on an annual basis. The overall aim is to increase the proportion of income raised from users of discretionary services to ensure that they meet the full cost of these services, rather than the costs falling on Council Taxpayers in general.

6.1.2 In the past the income target has been set at 1% above the inflation rate. Each directorate must prepare a Charges Review Report as part of the budget process that must clearly set out the overall policy objective. In the past few years, increases in income from charges have not always resulted in the MTFP target being achieved.

6.1.3 There are certain functions the Council provides where it has little or no control over the charges to be set and where the service is statutorily bound to be self-financing, for example Building Control. This requirement is likely to extend to Licensing in the future and this means that any surplus income generated by raising fees has to be ring-fenced to these functions.

6.1.4 The main areas of fee generating income are shown in the table below:

	2018/19 Actual £000	2019/20 Actual £000	2020/21 Budget £000
Parking	(1,195)	(1,088)	(1,095)
Bereavement Services	(1,596)	(1,713)	(1,615)
Development Control	(689)	(435)	(602)
Total	(3,480)	(3,236)	(3,312)

Table 7: Main areas of Income

6.2 Property Rentals

6.2.1 Income received from property rentals is in the region of £4.1 million per annum.

6.2.2 The yield from property rentals included in the MTFP is shown in the following table: -

	2018/19 Actual £000	2019/20 Actual £000	2020/21 Budget £000
The Lanes	(1,080)	(1,028)	(950)
The Market	(132)	(68)	(88)
Industrial Estates	(2,784)	(2,662)	(2,596)
Misc Properties	(363)	(393)	(484)
Total	(4,359)	(4,151)	(4,118)

Table 8: Property Income

6.2.4 The MTFP makes no provision for additional rental income from assets via rent reviews.

6.3 **Grants & Contributions**

The Council receives grants from various sources as part of its overall funding. Some of these grants are given as part of the Settlement Funding Assessment by MHCLG and as such, these are budgeted only when notification is received.

6.3.1 **New Homes Bonus**

The Council receives central funding in relation to the New Homes Bonus Scheme. The Council used to receive an allocation of funding under the scheme each year and each allocation lasted for four years. However, as part of the Local Government Finance Settlement for 2020/21 indicative figures were provided for one year only (with no legacy payments being made in subsequent years) with any new funding beyond 2020/21 being subject to the 2020 Spending Review with possible revisions to the scheme too. The MTFP does not therefore assume any new allocations of New Homes Bonus beyond 2020/21; however, it does include the continuation for 4 years of those allocations received in previous years. **Revisions to the New Homes Bonus scheme are expected alongside the Fair Funding Review and changes to Business Rates Retention. It should be anticipated that there may be changes to the scheme that reduce the amount of grant that may be awarded in the future.**

Details of allocations included in the MTFP as shown in the table below:

Allocation Year	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
2015/16						
2016/17	(480)					
2017/18	(476)	(476)				
2018/19	(259)	(259)	(259)			
2019/20	(351)	(351)	(351)	(351)		
2020/21		(408)	?	?	?	?
2021/22			?	?	?	?
2022/23				?	?	?
Total	(1,566)	(1,494)	(610)	(351)	0	0

Table 9: New Homes Bonus

6.3.2 Housing Benefit Admin Grant

The Council receives grant funding towards Housing Benefit Administration. The Council currently has a recurring budget of £423,500 for this grant. Allocations are received on an annual basis. However, it is likely that this grant will eventually reduce with the onset of Universal Credit and the resultant downsizing of Housing Benefit Administration by the Council. This reduction in grant will need to be considered in line with any reductions in workload associated with any transition.

7.0 Assumptions

7.1 The MTFP includes assumptions regarding the main items of income and expenditure. Some of these assumptions have been previously explained, e.g. Government Funding and Council Tax. The following sections provide further details of the assumptions currently included in the MTFP. Any deviation from these assumptions will be included in the budget process for 2021/22 as pressures or savings.

7.2 Pay

- Annual increase in MTFP **2%**
- Salary Turnover Savings **£442,100**
- Pension Contribution Rate (Current Service) **19.9%**
- Sensitivity & Risk Analysis:

	Base Level	Sensitivity		
	£000	+/-1%	+/-2%	+/-3%
Pay Award (£000)	14,148	141	283	424
Pension Contribution (£000)	1,769	18	35	53
		Risk		
		High	Medium	Low
<u>Pay Award</u>				
Likelihood of Change				
Impact of Change				
<u>Salary Turnover</u>				
Likelihood of Change				
Impact of Change				
<u>Pensions</u>				
Likelihood of Change				
Impact of Change				

- Key Considerations:
 - The pay award for 2020/21 has not yet been agreed. 2% is factored into the MTFP.
 - Implications of the triennial pension revaluation for 2020 are incorporated into the budget.

7.3 **General Inflation**

- Annual increase in MTFP for expenditure **2%**
- Annual increase in MTFP for Income **3%**
- Sensitivity & Risk Analysis:

	Base Level	Sensitivity		
	£000	+/-1%	+/-2%	+/-3%
Expenditure (£000)	8,967	90	179	269
Income (£000)	(4,623)	(46)	(92)	(139)
		Risk		
		High	Medium	Low
Pay Award				
Likelihood of Change				
Impact of Change				
Salary Turnover				
Likelihood of Change				
Impact of Change				

- Key Considerations:
 - Inflation level of 2% is set at the Bank of England target for inflation.

7.4 **Investment Income**

- Investment Returns –

	2020/21	2021/22	2022/23	2023/24	2024/25
Investments	1.08%	1.20%	1.33%	1.58%	1.83%
Property Fund	4.40%	4.40%	4.40%	4.40%	4.40%

	Base Level	Sensitivity		
	£000	+/-1%	+/-2%	+/-3%
Treasury Income (£000)	30,956	310	619	929
Property Fund Income (£000)	3,383	34	68	101
		Risk		
		High	Medium	Low
<u>Investment Income</u>				
Likelihood of Change				
Impact of Change				
<u>Property Fund Income</u>				
Likelihood of Change				
Impact of Change				
<u>Average Balances</u>				
Likelihood of Change				
Impact of Change				

- Key Considerations:
 - Use of and Contribution to Reserves will impact on average balances and subsequently investment return achieved.
 - Capital Investment decisions will affect the Capital Financing Requirement and average balances
 - The investment returns used when the budget was set in February 2020 will need to be updated given current guidance on when interest rates are expected to change.

7.5 **Borrowing**

- Assumed Borrowing - 2020/21 **£22.0m**
- Assumed Borrowing Rate - 2020/21 **2.25% - 2.70%**

Borrowing assumptions are based on a Principal (capital) and Interest repayment loan

- Assumed Capital Financing Requirement (CFR) & Minimum Revenue Provision (MRP):

	2020/21	2021/22	2022/23	2023/24	2024/25
CFR	6,942	13,020	39,939	39,385	39,247
MRP	-	-	150	957	941

	Base Level	Sensitivity		
	£000	+/-1%	+2%	+/-3%
Borrowing Rate (£000)	22,000	220	440	660
MRP	0	0	0	0
		Risk		
		High	Medium	Low
<u>Increase to Borrowing Rate</u>				
Likelihood of Change				
Impact of Change				
<u>Increase to CFR</u>				
Likelihood of Change				
Impact of Change				

- Key Considerations:
 - Borrowing assumed in MTFP for Leisure facilities, Gateway 44 and Southern Relief Road
 - Any future Capital Programme decisions will likely require a borrowing requirement, either internal or external which will have an impact on the revenue budget
 - Re-profiling of anticipated capital receipts will impact on CFR, and subsequently MRP charge

8.0 Appendices

Appendix A – Risk Assessment of Minimum Level of General Fund Reserve 2020/21

Potential Risk	Financial Impact	Financial Exposure (£000)	Probability	Weighting	Risk Score	Balance Required (£000)	Comment (Basis of Financial Exposure)
Base Budget Contingency for inflation or other unanticipated rise.	2	132	2	50%	4	66	1% of Net Revenue Recurring Budget
Underachievement of Charges Income targets and spending exceeds budgets	3	225	3	75%	9	169	5% Charges Income forecasts for 2019/20
Underachievement of Investment Income	2	95	1	25%	2	24	0.5% of exposure of average balance of £19m
Insurance Excesses	2	500	2	50%	4	250	Based on maximum excess for flood (£500k)
Fall in Rental Income from Property	3	215	1	25%	3	54	5% of Rental Income (assumed at £4.5m for 2019/20)
Transformation not met	4	1,134	2	50%	8	567	Transformation savings still to be agreed
Loss of Income from Retained Business Rates	4	1,154	3	75%	12	866	Safety Net Threshold for Business Rates Retention Scheme + Business Rate Pooling
Additional Redundancy Costs	3	200	2	50%	6	100	Not met from Transformation Reserve
Emergency Contingency	4	1,000	4	100%	16	1,000	Emergency contingency fund - Council practice to allocate £1m for any unforeseen emergencies
TOTALS		4,656				3,095	
Maximum Risk Based Reserve Balances						4,656	
Minimum Risk Based Reserve Balances						1,164	
Current Level of Reserves (Projected as at 31/03/21) (General Fund including carry forward reserve)						3,063	
Projected Shortfall/(Excess) of Current Reserve Balance over Risk Based Reserves						-32	

Appendix B – Reserves & Provisions

Reserves

Reserve	Balance 31/3/20	Purpose	Conditions of Use	Future of the Reserve
<i>Capital Reserves</i>				
Usable Capital Receipts	0	To provide funds to support the capital programme	Capital receipts can only be used to support capital spending or the repayment of debt. Management of the use of the receipts rests with the Corporate Director of Finance and Resources but approval of their use must be given by Council.	
Lanes Capital Reserve	75	To provide funds to meet potential exceptional capital works under the terms of the lease agreement.	Management of the reserve rests with the Corporate Director of Governance and Regulatory Services who will be responsible for developing proposals requiring funding from the reserve. Approval to release funds from the reserve can only be given by the Council.	This reserve is still required
<i>Revenue Reserves</i>				
General Fund Reserve	3,100	To be a general working capital / contingency to cushion the Council against unexpected events and emergencies	<p>Management of the reserve rests with the Corporate Director of Finance and Resources. The use of the reserve is dependent on judgements taken when setting the Council's revenue budget on:</p> <ul style="list-style-type: none"> - Cash Flow requirements - Inflation and interest rates - Demand Led Budget Pressures - Efficiency and Productivity Savings - The Availability of funds to deal with major unexpected events or emergencies - Risks arising from significant new funding partnerships, major outsourcing arrangements or major capital developments <p>Approval to release funds from the reserve can only be given by the Council as part of the budget process, or through</p>	This reserve is still required

Reserve	Balance 31/3/20	Purpose	Conditions of Use	Future of the Reserve
			<p>consideration of supplementary estimates on an ad-hoc basis</p> <p>Where there is a critical need to access the emergency element of the Fund of 825£1m on the grounds of protection of persons or property or in any way safeguard the interests of the Council then this can be accessed through agreement with the Leader, Portfolio Holder and Leader of Main Opposition party and will be reported to the next available Council meeting</p>	
Projects Reserve	836	<p>The balance at 31st March shall be earmarked to support potential revenue budget shortfalls identified by the Medium-Term Financial Plan. Additions to the balances thereafter can be used either to support revenue budget shortfalls or projects within the Council's capital programme</p>	<p>Management of the reserve rests with the Corporate Director of Finance and Resources. Funding for the Reserve will be provided by windfall gains over and above those required to maintain the General Fund at its approved level and balances on reserves that are no longer needed. Approval to release funds from the reserve can only be given by the Council either as part of the budget process, or through consideration of supplementary estimates on an ad-hoc basis.</p>	This reserve is still required
Carry Forward Reserve	654	<p>To establish a reserve to hold carry forward budgets. Any expenditure in relation to a carry forward listed below will if possible be funded from base budgets but can be called from this reserve if the section is likely to be in an overspend position at year end.</p>	<p>Management of the Reserve rests with Corporate Director of Finance and Resources. Approval to release funds from the reserve can only be given by the Corporate Director of Finance and Resources and/or The Chief Executive.</p>	This reserve has been reviewed and re-allocated to specific projects

Reserve	Balance 31/3/20	Purpose	Conditions of Use	Future of the Reserve
Building Control Reserve	100	To provide funds for improvements to the delivery of the Building Control function.	Management of the reserve rests with the Corporate Director of Economic Development. The balance is ring-fenced by statute to support improvements to the Building Control Service and is not available for general use by the Council. Funding is provided from surpluses generated by the service annually. Approval to release funds from the reserve can only be given by Corporate Director of Economic Development via an Officer Decision Notice	This reserve is still required
Conservation Reserve	0	To purchase historic buildings at risk or fund repairs and / or improvements to historic buildings	Management of the reserve rests with the Corporate Director of Economic Development. Funding is provided from the sale of property. Approval to release funds from the reserve can only be given by the Executive of the Council.	This reserve is still required
Cremator Reserve	1,080	To build up resources to replace cremators when required	Management of the reserve rests with the Deputy Chief Executive. Approval to release funds from the reserve can only be given by the Executive of the Council.	This reserve is still required
City Centre Reserve	5	To establish a reserve for the future Festive Lighting Programme.	Approval to release funds from the reserve can only be given by an Officer Decision Notice by The Chief Executive in consultation with the Deputy Chief Executive, Portfolio Holder and Corporate Director of Finance and Resources.	This reserve is still required
Repairs & Renewals Reserve	0	To establish a Repairs and Renewals Fund that can be used for revenue and capital items in the future, e.g. ICT, Vehicles	Approval to release funds from the reserve can only be given by the Executive of the Council.	This reserve is still required
Flood Reserve	1,948	There are likely to be further costs that are not recoverable from insurers and it is proposed to establish a new reserve to contribute to these costs.	Management of the reserve rests with the Corporate Director of Finance and Resources with the use of the Reserve requiring an Officer Decision notice by the Corporate Director of Finance and Resources.	This reserve is still required and will be released in 2020/21 to support the reinstatement of the Civic Centre

Reserve	Balance 31/3/20	Purpose	Conditions of Use	Future of the Reserve
Prosecutions Reserve	36	For future anticipated Barrister & legal fees	Approval to release funds from the reserve can only be given by an Officer Decision Notice by the Corporate Director of Governance & Regulatory Services in consultation with the Chief Executive, Portfolio Holder & Corporate Director of Finance and Resources.	This reserve is still required
Revenues Grants Reserve	1,939	To hold grant funds received by the Council which have not yet been utilised.	Approval to release funds from the reserve only be given by the Corporate Director of Finance and Resources in consultation with the relevant Chief Officer.	This reserve is still required but should be subject to a review to determine if all balances held therein are still required
Planning Services Reserve	196	To establish a reserve for the 20% uplift on the new planning fees which are to be spent on the planning service to improve performance.	Approval to release funds from the reserve can only be given by an Officer Decision Notice by the Chief Executive in consultation with the Corporate Director of Economic Development, Portfolio Holder & Corporate Director of Finance and Resources.	This reserve is still required
Apprenticeship Reserve	78	To establish a reserve for the committed balances from the annual Apprentice Infrastructure budget that will be required in future years of the employment contracts.	Management of the Reserve Rests with the Corporate Director of Finance and Resources. Approval to release funds from the reserve only be given by the Corporate Director of Finance and Resources in consultation with the relevant Chief Officer.	This reserve is still required
Waverley Viaduct Reserve	30	To earmark funds towards the development of the Waverley Viaduct	Management of the Reserve Rests with the Corporate Director of Governance & Regulatory Services. Approval to release funds from the reserve only be given by the Corporate Director of Governance & Regulatory Services.	New Reserve
BRR Volatility Reserve	0	To cushion against losses in Business Rate income as a result of being part of the Cumbria Business Rates Pool	Management of the reserve rests with the Corporate Director of Finance and Resources with the use of the Reserve requiring an Officer Decision notice by the Corporate Director of Finance and Resources.	This reserve is still required

Provisions

Provision	Balance 31/3/20	Purpose	Future of the Provision
Business Rate Appeals	1,694	To provide an amount for settling outstanding appeals made against business rate liabilities by ratepayers. This amount represents the Council's 40% share of total appeals under business rate retention. This amount is charged against the Collection Fund when settled.	The provision is reviewed annually as part of the closure of accounts and adjusted according to the outstanding estimated appeals anticipated.
Insurance Provision	155	To provide an amount for settling outstanding insurance claims taking into account excesses to be paid by the Council and claims to be settled by insurers. The provision at 31 March 2019 also included amounts relating to excess payments due as part of the flood claim.	The provision is reviewed annually as part of the closure of accounts and adjusted according to the outstanding insurance claims at 31 March. Any reductions in to the provision are credited back to general fund and any increases required are charged to general fund as part of the outturn.
Rickergate Ringfenced Account	173	This provision was established to hold the net income received from properties acquired with NWDA funding in Rickergate. Funding was received to acquire the properties and the funding agreement obliged the Council to ring-fence the rental income achieved on the properties pending the final outcome for development of the area. There is therefore a potential obligation to repay these sums if no development occurs.	This provision is reviewed annually and the income generated in the year is added to the balance carried forward. Therefore, the provision is still required.
Land Charges Provision	34	This provision was established to provide a sum to settle claims against the Council for overpaid land charges. A national claim was brought forward that argued that Council's had overcharged for Land Charges in previous years.	This Provision is still required for land and property initiatives
Cemeteries Perpetuity Fund	75	This provision was established to maintain and repair cemetery headstones where owners cannot be contacted.	This Provision is still required
Licencing Appeals	20	This provision was established to provide a sum for settling costs associated with appeals to licencing decisions.	This Provision is still required

Provision	Balance 31/3/20	Purpose	Future of the Provision
Licensing Taxi Plates	7	This provision was established to hold sums paid for Taxi plate deposits	This Provision is still required
Standards Committee Complaints Provision	10	This provision was established to provide a sum for settling costs associated with complaints made from Standards Committee decisions.	This Provision is still required
Property Deposits	1	These provisions hold deposits made to the Council for property (e.g. grazing land), enterprise centre and market by tenants. If tenants vacate deposits are repaid.	This Provision is still required
Market Hall Deposits	9	These provisions hold deposits made to the Council for property (e.g. grazing land), enterprise centre and market by tenants. If tenants vacate deposits are repaid.	This Provision is still required
Enterprise Centre Deposits	9	These provisions hold deposits made to the Council for property (e.g. grazing land), enterprise centre and market by tenants. If tenants vacate deposits are repaid.	This Provision is still required
Civil Penalties	23	To establish a provision in relation to costs to be funded from Civil Penalties income in accordance with the Housing & Planning Act 2016.	New Provision
Working Time Directive	62	To establish a provision in relation to costs associated with the Working Time Directives.	New Provision
Bequests	18	These provisions hold balances in relation to bequests made to the Council. The Parker bequest was established in 1954 and was to benefit disabled children and other young residents of the City. The District Nursing Amenity Fund was established to provide amenities for nurses homes and retirement allowances to nurses.	These provisions are still required; however it is recommended that these provisions be reviewed to determine how best they can be utilised in line with their original purpose.

Appendix C - Corporate Charging Policy

This appendix sets out the corporate approach to the setting of fees and charges.

The Corporate Charging Policy applies to those fees and charges that the Council has control over and can set independently of any statutory provision. Any services where charges are set by Government or where services have to be self-financing are excluded from the Corporate Charging Policy.

The Corporate Charging Policy assumes that Income from fees included in the Charging Policy will increase by 1% above the inflation rate set for expenditure. For 2020/21 this equates to a 3% increase. The MTFP assumes that income will increase by 3% although this does not necessarily mean that charges have to increase by 3% as increases in demand could account for additional income.

Each service is required to consider how and to what extent each of the following applies to the fees and charges it proposes to set:

1. Objectives of Charge - Set out the principal objective(s) of setting the charge:

- Recover cost of service provision
- Generate Surplus Income (where permitted)
- Maintain existing service provision
- Fund service improvements or introduction of new service(s);
- Manage demand for service(s)
- Promote access to services for low-income households;
- Promote equity or fairness;
- Achieve wider strategic policy objectives (e.g. encouraging green policies);

2. Other factors influencing decisions on whether and how much to charge:

- The Council's historic approach to charging
- The views of local politicians, service users and taxpayers
- Other councils' and service providers approach to charging
- Levels of central government funding and policy objectives
- The Council's overall financial position
- Changes in demand for services
- Policy on Concessions
- Availability of powers to charge for discretionary services (e.g. pre-application planning advice)
- Central government policy objectives

3. Targeting Concessions - The following target groups should be considered:

- Persons over the age of 65
- Unemployed
- Young persons under the age of 18
- Students in full time higher education
- Community Groups
- Armed Forces Veterans
- Those in receipt of supplementary benefits, tax credits, attendance allowance, disability living allowance and other appropriate groups

4. Trading

The Council is empowered to sell goods or services to other public bodies or trade commercially through a company with non-public bodies. The objectives should be considered for relevant services (including Building Cleaning and Maintenance, Vehicle Maintenance, Grounds maintenance, Legal Services, Human Resources, IT, Payroll, Planning and Development Services) as follows to:

- Deliver services more strategically on an area-wide basis
- Achieving greater efficiency
- Capitalise on expertise within the council
- Utilise spare capacity
- Generate income
- Support service improvement

5. Value For Money

- Has charging been used as a tool for achieving strategic policy objectives?
- Has the optimum use of the power to charge been used?
- Has the impact of charging on user groups been monitored?
- Has charging secured improvements in value for money?
- Has charging been used as a tool to reduce increases in Council Tax?

Appendix D – Gross Expenditure Breakdown

	Original Budget 2020/21 £
Expenditure	
Employee Related	15,894,000
Premises Related	4,091,100
Transport Related	1,415,000
Supplies & Services	4,341,300
Third Party Payments	2,319,200
Transfer Payments	26,516,600
Support Services	12,113,100
Capital Financing Costs	2,470,100
Recharges	(14,223,700)
Total Expenditure	54,936,700
Income	
Government Grants	(1,676,800)
Specific Grants	(27,013,400)
Other Grant/Reimbursements/Contributions	(1,846,400)
Interest	(265,700)
Customer and Client Receipts	(10,292,400)
Total Income	(41,094,700)
Net Budget Requirement	13,842,000
Funded By:	
Council Tax	(7,487,000)
Council Tax Surplus	(30,000)
Retained Business Rates	(3,468,900)
Business Rates Growth/Pooling	(2,400,000)
Reserves	(456,100)
Total Funding	(13,842,000)

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 20 JULY 2020

EX.69/20 **DRAFT MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2025/26**
(Key Decision – KD.15/20)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader reported (RD.09/20) on the draft Medium Term Financial Plan (MTFP) 2021/22 to 2025/26, which set out the current framework for planning and managing the Council's financial resources, developing its annual budget strategy and updating its current five year financial plan. The Plan further linked the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources thereby enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The MTFP was reviewed annually commencing with the assumptions made in the Budget resolution approved by Council on 4 February 2020. In addition, the Corporate Charging Policy had been reviewed and included within the MTFP. The Charging Policy provided a framework detailing potential policy options for each charging area, whilst recognising the different approaches that might be required for different services and the various influences which needed to be acknowledged in charge setting.

Referencing paragraph 1.3, the Deputy Leader emphasised the importance of economic growth to the City, adding that the MTFP had been prepared at a time of great unknowns in respect of the economy, especially in terms of the impact of leaving the European Union, the financial impact and economic recovery from COVID-19 and also in terms of the Government's wider approach to Public Sector Funding in general and particularly for Local Government Funding.

Details of the key dates; key messages; and risks were also provided at Sections 2, 3 and 4 of the report.

The Deputy Leader concluded his presentation by moving the recommendation set out.

The Leader seconded the recommendation.

Summary of options rejected None

DECISION

That the Executive had given consideration to the draft Medium Term Financial Plan 2021/22 to 2025/26 as appended to Report RD.09/20; and made it available for consideration by the Business and Transformation Scrutiny Panel on 23 July 2020.

Reasons for Decision

To consult with the Business and Transformation Scrutiny Panel on the draft Medium Term Financial Plan 2021/22 to 2025/26

EXCERPT FROM THE MINUTES OF THE BUSINESS AND TRANSFORMATION SCRUTINY PANEL HELD ON 23 JULY 2020

BTSP.33/20 DRAFT MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2025/26

The Corporate Director of Finance and Resources submitted the Council's draft Medium Term Financial Plan (RD.09/20) for the period 2021/22 to 2025/26 which set out the framework for planning and managing the Council's financial resources, developing its annual budget strategy and updating its current five year financial plan. The Plan linked the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources, enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The Executive had considered the Draft Medium Term Financial Plan 2021/22 to 2025/26 at their meeting on 20 July 2020 (Minute Excerpt EX.69/19 refers) and made the report available to the Panel for scrutiny.

In considering the Draft Medium Term Financial Plan (MTFP) 2021/22 to 2025/26 Members raised the following comments and questions:

- What were the opportunities for additional commercial and investment income; had the Council gathered comparative information from other local authorities on their approach to commercialisation?

The Corporate Director of Finance and Resources reminded the Panel of the recommendations in the Peer Challenge Review, one of which had been to develop a commercial strategy for Carlisle. Before this could happen there was a requirement to better understand what was meant by commercialisation, what the Council's appetite for risk was and what scope there was for commercial activities in Carlisle. The Council had significant assets on its balance sheets, commercial opportunities would come from making those assets work better for the Council. However, there was severe pressure on commercial income due to the Covid 19 pandemic and the Council had to be mindful of the current situation before it developed any strategy on commercialisation.

- Had the improved visuals in the 'Have your say' document increased public responses to the budget consultation process?

The Corporate Director of Finance and Resources responded that the new document had been well received, however, there would be continuous improvements made to the consultation documents to increase the engagement on the budget process with residents of Carlisle.

- The MTFP was an important document, however, it contained many areas of uncertainty, would the document be reviewed as matters developed?

The Corporate Director of Finance and Resources agreed there was great uncertainty in the document; it would be reviewed and updated as the situation changed, and further reports would be considered by the Panel as the budget process progressed.

- The climate emergency was a priority for the Council; however, it had not been included in the MTFP.

The Corporate Director of Finance and Resources explained that the Capital Strategy and Capital Programme included information on small climate change related projects. She added that she was awaiting further information from the Climate Change Group before any adjustments could be made to the MTFP.

A Member welcomed the inclusion in the Capital Strategy but felt that the climate emergency should also be referenced in the MTFP.

- Was there any indication how the lost income from business rates would be replaced until Government moved forward with the business rate review?

The Corporate Director of Finance and Resources clarified that the assumption had been made that the Council would not be in the Business Rate Pool in 2021/22, however, as the Business Rate Review had been deferred the impact on the pool arrangements were unknown. She assured the Panel that the situation was being closely monitored and the City Council had regular discussions with Cumbria County Council, the Police and the other Cumbria District Councils. She informed the Panel that government had announced a new comprehensive funding package to support local authorities with income shortfalls and deficits from collection fund recovery due to Covid 19.

- Would the Business Rate Appeals require all the provision in the MTFP?

The Corporate Director of Finance and Resources confirmed that significant provision had been made for Business Rate Appeals, work was being carried out with the Valuation Office to estimate the likely appeals and how successful they would be.

- Did the savings, as detailed in section 4.3.2 of the report, include additional requirements that may be a result of the exceptional circumstances?
- Did the yield from property rentals reflect the current situation?

The Corporate Director of Finance and Resources clarified that all assumptions and savings detailed in the MTFP were based on the situation at this point in time. She explained that work was being carried out using government guidance to look at income shortfalls, the figures did not include pressures which could arise as a result of Covid 19.

- Given the exceptional circumstances would the Council consider engaging someone with proven commercial and industrial experience to support the qualified, professional team in the Council?

The Finance, Governance and Resources Portfolio Holder reminded the Panel that the Council brought in specialist skills when required; the Council was already quite commercial in utilising income from its assets. He added that it was important to bring in income to ensure the continuing delivery of discretionary services.

- Would it be possible to close down the redundant bequests and release the funds to other projects?

The Corporate Director of Finance and Resources confirmed that the bequests could be closed, the money could be released to community groups or charities that met the conditions of the bequest.

- The Council annually earmarked reserves for the cremator, would it be possible in future to build this reserve from income from the cremator rather than allocations from the Council?

The Corporate Director of Finance and Resources clarified that the reserve was built up from contributions from the income generated by Bereavement Services..

- How would the Council mitigate the loss of the New Homes Bonus?

The Corporate Director of Finance and Resources explained that the New Homes Bonus had not been included in the budget, should any payments be received they would be additional income.

- What had been the reduction in housing benefit claims following the launch of Universal Credits, did it give the Council an indication of when its responsibility ended? In addition, Covid 19 had caused an increase nationally in Universal Credit applications, had this impacted on the reduction in housing benefit claims?

The Corporate Director of Finance and Resources responded that Universal Credit claims had not yet had a significant increase due to Covid 19 however the position would continue to be monitored.

- A Member urged the Executive to retain the Council Tax Reduction Scheme to continue to support the poorest and most vulnerable residents in Carlisle during this difficult time.

The Finance, Governance and Resources Portfolio reassured the Panel that the Executive had no intention of changing the Council Tax Reduction Scheme (CTRS). The CTRS had been included in the MTFP because there was a requirement to consider the Scheme annually. The City Council CTRS was considered one of the most generous and complete schemes in the Country, when government provided additional resources to enhance the scheme the Council increased the amount of support available. The Government recognised that many people were not eligible for the CTRS and a new hardship fund was being launched by the Council which supported those people in dealing with arrears.

The Corporate Director of Finance and Resources informed the Panel that the Council had stopped all debt recovery during the pandemic as it was mindful of the pressure on people in such uncertain times. Work was beginning on a soft reminder process, which many other authorities had undertaken, reminders would be sent out encouraging people to contact the Council if they were having issues in making payments so they could be supported with instalment options or through the CTRS process. This soft recovery approach would also be taken with sundry debtors where commercial income comes in.

REOLVED – 1) That the Panel had considered and commented upon the draft Medium Term Financial Plan 2021/22 to 2025/26 (RD.09/20);

2) That the Panel thanked the Corporate Director of Finance and Resources and her team for the production of the Medium Term Financial Plan during such uncertain and difficult times;

3) That the Panel request that reference is made to environmental policies in the Medium Term Financial Plan in the future;

- 4) That the Panel are included in the development of a commercial strategy;
- 5) That the Corporate Director of Finance and Resources undertake to consider the conditions of the redundant bequests and reallocate the funds to suitable community groups or charities;
- 6) That the Finance, Governance and Resources Portfolio Holder circulate a copy of the Council's Hardship Scheme to all Members.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 17 AUGUST 2020

EX.88/20 **MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2025/26
(Key Decision – KD.15/20)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

Pursuant to Minute EX.69/20, the Deputy Leader reported (RD.09/20) (amended) on the Medium Term Financial Plan (MTFP) 2021/22 to 2025/26, which set out the current framework for planning and managing the Council's financial resources, developing its annual budget strategy and updating its current five year financial plan. The Plan further linked the key aims and objectives of the Council, as contained in the Carlisle Plan, to the availability of resources thereby enabling the Council to prioritise the allocation of resources to best meet its overall aims and objectives.

The MTFP had been prepared at a time of great uncertainty in respect of the economy, especially in terms of the impact of leaving the European Union, the financial impact and economic recovery from COVID-19 and also in terms of the Government's wider approach to Public Sector Funding in general and particularly for Local Government Funding.

Details of the key dates; key messages; and risks were as outlined within the report.

The Deputy Leader highlighted, for the record, the undernoted minor changes to the MTFP:

- Page 18 - Investment returns and borrowing rates had been updated to ensure consistency between the MTFP and Capital Strategy
- Table 1a on page 20 of the pack had been amended to reflect the estimated costs of providing council services in 2025/26
- Table 6 on page 29 of the pack reflected the up-to-date capital reserves position
- Page 34 – before approval by Council, the risk assessment for the pay award would be changed to high rather than low as it was highly likely that would change

- Page 36 and page 37 of the pack now reflected the investment returns/borrowing assumptions built into the Treasury Management projections

The Business and Transformation Scrutiny Panel had scrutinised the matter on 23 July 2020 (BTSP.33/20 referred) resolving:

- “1) That the Panel had considered and commented upon the draft Medium Term Financial Plan 2021/22 to 2025/26 (RD.09/20);
 2) That the Panel thanked the Corporate Director of Finance and Resources and her team for the production of the Medium Term Financial Plan during such uncertain and difficult times;
 3) That the Panel request that reference is made to environmental policies in the Medium Term Financial Plan in the future;
 4) That the Panel are included in the development of a commercial strategy;
 5) That the Corporate Director of Finance and Resources undertake to consider the conditions of the redundant bequests and reallocate the funds to suitable community groups or charities;
 6) That the Finance, Governance and Resources Portfolio Holder circulate a copy of the Council’s Hardship Scheme to all Members.”

The Chair of the Business and Transformation Scrutiny Panel had been invited to speak on the matter but was not in attendance.

Referring to the above-mentioned Minute, the Deputy Leader advised that the Panel had some concern at the lack of projected costs within the MTFP with regard to climate change. Further information was awaited from the Climate Change Group before any adjustments could be made to the MTFP, but the intention was to include those costs.

The Deputy Leader concluded by moving the recommendations, which were duly seconded by the Leader.

Summary of options rejected that the Medium Term Financial Plan should not be referred to Council for approval

DECISION

That the That the Executive:

1. Had considered the comments made by the Business and Transformation Scrutiny Panel on 23 July 2020 as detailed within Minute BTSP.33/20.
2. Referred the Medium Term Financial Plan 2021/22 to 2025/26 to Council on 8 September 2020 with a recommendation that the said Plan be approved.

Reasons for Decision

To consider the comments of the Business and Transformation Scrutiny Panel on the Medium Term Financial Plan prior to recommending the Plan to Council for approval

Report to Council

Agenda
Item:

14(ii)

Meeting Date: 8 September 2020
Portfolio: Finance, Governance and Resources
Key Decision: Yes: Recorded in the Notice Ref: KD15/20
Within Policy and Budget Framework YES
Public / Private Public

Title: CAPITAL INVESTMENT STRATEGY 2021/22 - 2025/26
Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
Report Number: RD 26/20

Purpose / Summary:

The Council's Capital Investment Strategy is intended to direct the Council's Capital Programme and the allocation of resources for the five-year period 2021/22 to 2025/26. The guidance in this strategy complements and supplements the Medium-Term Financial Plan.

The Capital Investment Strategy has been considered by the Executive and the Business & Transformation Scrutiny Panel.

Recommendations:

Council is asked to:

- (i) approve the Capital Investment Strategy for the period 2021/22 to 2025/26.

Tracking

Executive:	20 July 2020
Scrutiny:	23 July 2020
Executive	17 August 2020
Council:	08 September 2020

1. BACKGROUND

- 1.1 The Capital Investment Strategy is a key policy document, providing guidance on the Council's Capital Programme and the use of capital resources. The Strategy supplements guidance contained in the Medium-Term Financial Plan (MTFP).
- 1.2 The Capital Investment Strategy is reviewed annually alongside the MTFP, starting with the assumptions made in the Budget Resolution approved by Council on 4 February 2020. This position has been updated to reflect any known changes since that date. The Strategy also incorporates the requirements under the Prudential Code 2017 to link capital investment with treasury management activity and service objectives.

2. KEY MESSAGES

- 2.1 The Capital Investment Strategy shows the starting position for the budget considerations for the next five years and gives an indication of the likely factors that will have an impact in the budget setting process. The Capital Programme and the financing of the programme are going to play an important role in shaping future budget considerations due to:
- The re-profiling of asset sales will be updated as part of the budget process, especially in regard to the timing and level of receipts as a result of COVID-19; this may have a significant impact on the revenue budget through the requirement to fund the capital programme with an additional borrowing requirement;
 - Additional Capital investment decisions will likely require revenue funding, either as a direct contribution from revenue reserves or through borrowing costs;
 - Impact of COVID-19 on the deliverability of capital projects.
- 2.2 Although there is a forecast borrowing requirement to fund the capital programme, there are some factors that will also need consideration. These are:
- Asset sales generating receipts over current estimate levels will reduce any borrowing requirement;
 - The ability to make a recurring revenue contribution to fund the capital programme will reduce any borrowing requirement;
 - A review of the current programme may relieve some of the expenditure pressures.

3. RISKS

- 3.1 The Capital Investment Strategy contains risk analysis of the issues that could potentially affect the budget and financial planning position.

4. CONSULTATION

- 4.1 The draft Capital Investment Strategy has been considered by the Senior Management Team and the Portfolio Holder for Finance, Governance and Resources.
- 4.2 The Business and Transformation Scrutiny Panel considered the report on 23 July 2020 and recommendations will be made to full Council on 08 September.

5. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 5.1 Council is asked to:
- (i) approve the Capital Investment Strategy for the period 2021/22 to 2025/26.

6. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

- 6.1 The Capital Investment Strategy contains the current capital programme and how this aims to enhance the Carlisle area through the development of new infrastructure to both improve service delivery and provide additional facilities in the area.

Contact Officer: Alison Taylor **Ext:** 7290

Appendices Appendix 1 – Capital Investment Strategy 2021/22 to 2025/26
attached to report:

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: • None

CORPORATE IMPLICATIONS/RISKS:

Legal – The Council has a fiduciary duty to manage its resources correctly. The Capital Investment Strategy is an important part of the budgetary process and seeks to ensure a planned and coordinated approach to the delivery of projects within the parameters of our financial resources.

Finance – contained within the report

Equality – Strategy includes expenditure forecast for Disabled Facility Grants

Information Governance - There are no Information Governance Implications

Property – The Capital Investment Strategy links with the Asset Management Plan 2021/22 to 2025/26 to provide details on how the City Council will utilise its property assets to assist with the Council’s finances and the development of new infrastructure for the City.

Capital Investment Strategy

Carlisle City Council

2021/22 to 2025/26

Contents

1.0 Introduction..... 2

2.0 Financial Principles supporting the Capital Strategy 6

3.0 Capital Expenditure 9

4.0 Debt, Borrowing and Treasury Management..... 14

5.0 Commercial Activity 19

6.0 Other Long-Term Liabilities 21

7.0 Knowledge and Skills 22

1.0 Introduction

- 1.1 The Capital Investment Strategy is a key policy document for the Council and provides guidance on the Capital Programme and the use of capital resources and Asset Management Plans. The strategy reflects the links to other Council plans and is based on the guidance in the Medium-Term Financial Plan (MTFP). The Capital Investment Strategy is written following guidance included in the Prudential Code (2017) and is required to be approved by Full Council.

The objectives of the Capital Investment Strategy are to:

- Provide an overview of the governance process for approval and monitoring of capital expenditure;
- Provide a longer-term view of capital expenditure plans;
- Provide an overview of asset management planning;
- Provide expectations around debt and use of internal borrowing to support capital expenditure;
- Define the authority's approach to commercial activities including due diligence and risk appetite;
- Defines the available knowledge and skills to the authority in relation to capital investment activities.

- 1.2 Capital spending is strictly defined and is principally incurred in buying, constructing or improving physical assets such as buildings, land and vehicles, plant and machinery. It also includes grants and advances to be used for capital purposes. The Council's policy on capitalisation is included in the Accounting Policies of the Statement of Accounts. The policy states that items of vehicle, plant and equipment over £5,000 will be capitalised and expenditure on land, buildings and other structures over £20,000 will be capitalised. Expenditure under these limits is deemed to be a revenue cost.

1.3 **Evaluation and Monitoring of Capital Projects**

The evaluation and monitoring of capital projects is important to enable the Council to determine:

- If projects have met their individual objectives for service provision,
- If projects have been delivered on time and to budget, or whether lessons need to be learned to improve processes in the future,
- If projects have contributed to the overall aims and objectives of the Council.

1.4 To assist with these processes, the Council has a series of procedures in place as a capital project develops. These consist of: -

- Consideration of all aspects of a capital project by the Transformation Sub-Group, comprising senior officers of the Council, whose purpose is to lead on the prioritisation of capital investment through the consideration of business cases and the ongoing monitoring and evaluation of individual capital projects. All proposals for investment will be submitted to members for consideration as part of the normal budget process.
- The development of a risk-assessed project plan for every project, which is subject to regular monitoring against key milestones by a nominated project officer.
- Changes to capital budgets, scheme costs, the inclusion or removal of individual schemes and information on remedial action needed to bring projects back on track are reported to Council as required.
- The Senior Management Team and the Executive receive quarterly monitoring reports on the Capital Programme to review progress on the delivery of projects. This process also includes the evaluation of completed capital projects to assess if their individual aims and objectives have been met, and makes recommendations where necessary to improve the delivery of similar projects in the future.
- The Council's Business and Transformation Scrutiny Panel also critically examines the performance in delivering capital projects on a quarterly basis.

1.5 **Current Asset Portfolio**

The Council holds a significant asset portfolio that supports both its operational activities and non-operational activities from which it receives significant rental income.

The rental income it receives is used to support Council services and provides a significant proportion of the income it receives. The income from rentals on the non-operational asset portfolio is approximately 60% of what the Council receives in funding from Council Tax.

Asset Category	Valuation 31/03/20 £000	Rental Income £000	Other Income £000	Total Income 20/21 £000
Investment Property	79,905	4,118	0	4,118
Surplus Assets	961	0	0	0
Land & Buildings	32,255	0	3,924	3,924
Infrastructure	5,114	0	0	0
Community Assets	4,128	24	0	24
Dwellings	201	0	0	0
Vehicles Plant & Equipment	5,896	0	0	0
Heritage	19,502	0	0	0
Assets Under Construction	4,218	0	0	0
TOTAL	152,180	4,142	3,924	8,066

Investment Property (Non-Operational)

These assets include Industrial Estates, land held for capital appreciation and rental income, Lanes Shopping Centre

Surplus Assets (Non-Operational)

These assets include land held that do not generate significant rental incomes or are held for capital appreciation

Assets Held for Sale (Non-Operational)

This relates to assets that have been identified for sale and are in the process of being disposed at the Balance Sheet date.

Land & Buildings (Operational)

These are operational properties that are used to deliver council services and include Council accommodation, community centres, car parks and hostels

Infrastructure (Operational)

These assets include bridges and footpaths

Community Assets (Operational)

These assets include parks and open spaces

Dwellings (Operational)

These assets are primarily homeshares used by the homelessness service

Vehicles, Plant and Equipment (Operational)

These assets are used in the delivery of Council services and include all Council owned vehicles, IT equipment, play equipment and green spaces equipment

Heritage (Operational)

These assets relate to items of heritage and include the Tullie House Museum Collection and statues and monuments.

Assets Under Construction (Non-Operational)

These are assets that are in the course of construction but have not yet been completed.

The assets held on the balance sheet are offset by the long-term debt currently held on the balance sheet. As at 31 March 2020, this totalled £29million, which represents a debt cover ratio of 18.9%.

2.0 Financial Principles supporting the Capital Strategy

2.1 Capital expenditure is to be incurred in line with Financial Procedure Rules as follows:

- The Corporate Director of Finance and Resources is responsible for ensuring that a capital programme is prepared on an annual basis for consideration by the Executive before submission to the Council (FPR2.14);
- Capital Programme – Key controls and responsibilities of the Corporate Director of Finance and Resources and Corporate Directors (B.51 – B.66).

2.2 The key principles to be applied to the Capital Investment Strategy are set out below:

- Capital resources are held corporately and are allocated according to the priorities set out in the Carlisle Plan (i.e. there is no automatic ring-fencing of resources for specific purposes with the exception of the repayment of Renovation grants);
- Capital receipts will be allocated in accordance with Council priorities;
- Specific repayments of Renovation Grants will be reinvested in the programme and be used to support Private Sector Renewal Grants;
- Income generated from the sale of vehicles, plant and equipment will be reinvested in the programme and be used initially to fund future replacements;
- The Council will seek to maximise the use of grants and external funding;
- The Council is committed to deliver capital investment with partners to maximise benefits where this fits with Council priorities;
- Redirection of capital resources from one project to another will be contained within existing budgets, unless increases can be justified through the budget process;
- Capital budgets are generally cash-limited i.e. no provision is made for inflation which effectively means that over time there is a real reduction in the value of resources allocated to specific capital projects;
- Council Tax increases will be limited to fair and reasonable levels. This requires a full assessment of the revenue consequences of capital projects and their respective methods of finance;
- Any shortfall against the capital receipts forecast to be received will have significant implications on the ability to deliver the forecast levels of investment without incurring borrowing;

- Review of capital financing decisions which will likely have a revenue budget impact due to lack of capital resources (E.g. through re-profiling of capital receipts and borrowing);
- Review the Asset Review Business Plan to see if any asset sales can be re-profiled and whether expected proceeds require revisions;
- In order to reduce the exposure of the council to a borrowing requirement the following steps should continue to be examined:
 - Review of existing capital programme to ensure that schemes are still required and are accurate;
 - Maximisation of the use of grants and contributions from external sources;
 - Providing a recurring revenue contribution to the capital programme;
 - Invest to save schemes that can repay the capital investment over a period of time.

Capital Investment Assumptions:

- *The current capital programme is forecast to utilise all forecast capital receipts and includes a borrowing requirement to fund the planned programme.*

2.3 **Carlisle Plan and Other Council Strategies, Plans and Policies**

The Carlisle Plan forms part of the Policy and Budgetary Framework for the Council. These frameworks work together to create the strategic framework.

The Capital Strategy must both support and inform the Council's vision for the Carlisle area and the strategic direction set out in the Carlisle Plan. This is to enable resources to be matched against the agreed priorities and any other supporting needs.

The Capital Investment Strategy takes account of other Council Plans and Strategies of the Council, which have a potential impact on the use of resources by the Council. Particularly consideration is given to the following key strategies:

- The Medium-Term Financial Plan, which provides information on the proposed revenue budget and considerations that will impact on future budgets.
- The Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy, which sets out the

assumptions for financing requirements and interest rates and their effect on the revenue budget.

- The Asset Management Plan, which provides forecasts of necessary investment in the Council's land and property portfolio.
- The Procurement and Commissioning Strategy.
- Local Plan/Local Development Framework.
- The ICT Strategy.
- The Organisational Development Plan, which highlights the need for a thorough review of the Council's staffing needs and skill levels to ensure that the Council improves its performance to deliver excellent services to the local community in the future.
- There are also a number of strategies, which set out policy direction for key Council priority areas, and these include the Economic Strategy, and Housing Strategy.
- Directorate Service Plans will be used to inform the budget setting process and identify key strategic and operational objectives and the resources required to deliver those.

3.0 Capital Expenditure

3.1 Capital Investment Priorities

The Capital Investment Strategy needs to ensure that any capital investment decisions are both affordable and achieve the priorities as set out in the Carlisle Plan. The Council is at a point where capital resources have become scarce and as such any investment in assets will have implications on the revenue budget.

The Capital Investment Strategy must therefore recognise the implications of capital investment decisions and ensure that they are in line with Council priorities and financing requirements are robustly evaluated and understood.

The current capital programme includes provision for investment in new Leisure facilities at £25.5million primarily funded from borrowing that will be offset by a reduction in the subsidy payable on the Leisure contract. The programme also includes provision for Gateway 44 investment and Carlisle Southern Relief Road.

Other capital investment opportunities may present themselves over the lifetime of the MTFP; each will be subject to further business cases on investment opportunities and the benefits that could be made from those investments.

All business cases will be subject to the usual due diligence to ensure that they afford the best value for money for the Council, align with its core priorities and do not expose the Council to unnecessary risk that could put future delivery of services in jeopardy. Further details on the Council's attitude to risk and due diligence is given at section 5 (Commercial Activity).

The table below shows the current capital resources before any new decisions around capital investment are made.

	Budget	Forecasts				
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Borrowing Requirement B/Fwd	2,711					
Estimated resources available in year (Table 3)	(9,605)	(6,204)	(2,454)	(2,454)	(2,899)	(2,454)
Proposed Programme (Table 2)	29,946	10,387	7,996	2,869	3,714	2,866
In-Year Borrowing Requirement	20,341	4,183	5,542	415	815	412
Cumulative Borrowing Requirement	23,052	27,235	32,777	33,192	34,007	34,419
In-Year External Borrowing planned to be Undertaken	7,000	6,000	5,000	0	0	0
External Borrowing undertaken in previous years	14,000	0	0	0	0	0
Cumulative External Borrowing to Fund the Capital Programme	21,000	27,000	32,000	32,000	32,000	32,000
Amount of Borrowing Requirement funded from internal cash balances (Internal Borrowing)	2,052	235	777	1,192	2,007	2,419

Table 1: Current Capital resources

Note: External Borrowing shown is in relation to capital expenditure only. Other external borrowing is not shown here (i.e. refinancing of Stock Issue)

3.2 Current Expenditure Forecast

The Council approved the current forecast for the period 2020/21 to 2024/25 in February 2020 and details are shown below adjusted for the outturn from 2019/20 and also for decisions made in relation to capital investment between April and June 2020.

	Budget	Forecasts				
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Disabled Facilities Grants	2,865	1,467	1,467	1,467	1,467	1,467
Vehicles Plant & Equipment	1,532	1,215	1,158	976	1,851	1,003
Property Enhancements	377	250	250	250	250	250
ICT Strategy	311	101	76	131	101	101
Recycling Containers	45	45	45	45	45	45
Play Area Developments	83	0	0	0	0	0
Gateway 44	4,622	0	0	0	0	0
Bits Park Flood reinstatement	22	0	0	0	0	0
Planning Software	150	0	0	0	0	0
Cemetery Infrastructure	36	0	0	0	0	0
Open Space Improvements	81	0	0	0	0	0
Minor Works Grants	23	0	0	0	0	0
Carlisle Southern Relief Road	0	0	5,000	0	0	0
On Street Charging Points Infrastructure	204	0	0	0	0	0
Civic Centre Development	2,581	1,021	0	0	0	0
Savings to be identified	0	(200)	0	0	0	0
LED Footway Lighting Installation	203	0	0	0	0	0
Skew Bridge Deck	70	0	0	0	0	0
Central Plaza	12	0	0	0	0	0
Rough Sleeping Initiative	50	0	0	0	0	0
Leisure Facilities	16,679	6,488	0	0	0	0
Total Programme	29,946	10,387	7,996	2,869	3,714	2,866

Table 2: Current Capital Programme

3.3 **Current Resource Forecasts**

The Council's capital programme can be financed, (or paid for), through a variety of sources and the Corporate Director of Finance and Resources will make recommendations on the most effective way of financing the Capital Programme to optimise the overall use of resources. The availability of staff resources to deliver the approved programme will need to be considered during the budget process. Table 3 shows the estimated level of capital resources, which will be generated over the next five years.

	Budget	Forecasts				
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Capital Grants & Contributions	4,304	1,467	1,467	1,467	1,467	1,467
Capital Receipts (Asset Review)	2,078	3,750	0	0	445	0
Revenue Financing	3,223	987	987	987	987	987
Total Resources Receivable in Year	9,605	6,204	2,454	2,454	2,899	2,454
Borrowing Requirement (in Year)	20,341	4,183	5,542	415	815	412

Table 3: Current Proposed Resources

There is a further £113,000 held within capital grants unapplied account that is not currently allocated to fund specific projects and is therefore not included within the figures above or the opening balances. These can only be utilised on projects linked to the original grant allocations. £750,000 has also been received in relation to a specific Cumbria LEP funded scheme which is not yet in the current programme.

3.3.1 Capital Grants

The Council receives one primary capital grant from central government to support its role in providing Disabled Facilities Grants. For 2020/21 the Council has budgeted to receive £1,467,300 which will increase to £1,899,800 now that the 2020/21 allocation has been confirmed. The grant continues to be distributed through the County Council, as the Better Care provider, who then allocates funding to the District Councils.

3.3.2 Revenue Contributions and Reserves

The capital programme can also be financed through the use of reserves (both capital and revenue) although revenue contributions will have an overall effect on the General Fund revenue budget

3.3.3 Capital Receipts

Capital Receipts arise principally from the sale of Council capital assets.

The sale of assets as part of the Asset Review are now utilised to support the Capital Programme in the Capital Strategy. Sales of £2.078million are included in the Capital programme to be achieved in 2020/21.

3.3.4 Borrowing Requirement

The borrowing requirement includes £34m borrowing over the next five years for the funding of the capital programme, with £14million of this requirement having been borrowed in 2019/20. The majority of the revenue cost of the borrowing is to be paid for through a reduction in the Leisure contract fee, increased income and developer contributions.

3.4 Asset Management

A separate Asset Management Plan is produced annually by the Council that outlines the ongoing asset management requirements to maintain the property portfolio. This Plan is considered alongside the MTFP and the Capital Investment Strategy.

The Council also maintains a vehicle Plant and Equipment Replacement Plan which outlines the anticipated replacement lifecycle for the main items of fleet it requires to operate services. This plan is updated annually and is fed into the budget process to determine the capital requirement.

4.0 Debt, Borrowing and Treasury Management

4.1 **Borrowing**

Rules on borrowing have been relaxed since the introduction of the Prudential Code in April 2004 with authorities now able to borrow as much as it wishes provided that it can afford the repayments from its revenue budget.

The Council has identified that it may need to borrow up to £34million in total to fund the current capital programme to support the development of Leisure Facilities, Gateway 44 project and Carlisle Southern Relief Road. The cost of this borrowing is included in the Medium-Term Financial Plan and is also offset by a corresponding savings from the Council's Leisure Contract, increased income and developer contributions.

Borrowing can be undertaken through external loans with, for example, the Public Works Loan Board (PWLB), or can be undertaken by utilising internal resources, i.e. investment balances. This is known as internal borrowing. External borrowing of £14million was undertaken through the PWLB in 2019/20 to support the Council's overall borrowing requirement.

The Corporate Director of Finance and Resources is delegated with responsibility for the financing of the capital programme and as such may make borrowing decisions based upon interest rates, the Council's cash flow projections and other economic factors, in order to optimise the overall use of resources. External advice will be sought from the Council's Treasury advisors, Link, if necessary.

In order to reduce the exposure of the council to a borrowing requirement the following steps should be examined when determining proposed capital programmes:

- Fundamental review of existing capital programme to ensure schemes are still required and are accurate;
- Maximisation of the use of grants and contributions from external sources;
- Providing a recurring revenue contribution to the capital programme;
- Invest to save schemes that can repay the capital investment over a period of time.

Where possible the Council will attempt to avoid using any debt financing for capital projects, however, it recognises that this is not always possible. In

cases where debt financing is unavoidable, the Council will consider robust business cases to ensure the servicing of debt costs can be adequately met from revenue resources without having an adverse impact on service delivery. Where possible, debt will be repaid at the earliest opportunity, and the type of borrowing undertaken will always reflect the need the Council has at the point in time it is taken out. The Council will look to repay all borrowing either before or upon its actual maturity profile.

4.2 **The Capital Financing Requirement**

The Capital Financing Requirement (CFR) represents the Council's underlying need to borrow. This is different to any actual borrowing. If the Council generates the same amount of resources in a year to meet its capital expenditure requirements, then there is no change to the CFR. However, if the Council spends more than the resources it generates in year, the CFR will increase as in effect the Council has created a borrowing requirement to bridge the gap in the resources it needs and the resources it has.

Although the CFR does not necessarily reflect actual borrowing taken from an external source, it can reflect the use of internal cash resources, i.e. internal borrowing.

Where the Council has a positive CFR, i.e. an underlying need to borrow, it must make provision to repay that 'debt', or repay the cash used through internal borrowing. This is known as Minimum Revenue Provision (MRP). The Council's current policy, as set out in the MRP Strategy is to charge MRP on a straight-line basis at 3% of the CFR. As MRP is a non-cash transaction it has the effect of increasing the cash balance of the Council.

The current forecast for the CFR and MRP based on the current capital programme is as follows:

	Budget	Forecasts				
	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Total Capital Expenditure	29,946	10,387	7,996	2,869	3,714	2,866
Capital Resources Receivable in Year	(9,605)	(6,204)	(2,454)	(2,454)	(2,899)	(2,454)
MRP & Repayment of Debt	(12)	(12)	(162)	(969)	(953)	(1,187)
Change in Underlying need to borrow	20,329	4,171	5,380	(554)	(138)	(775)
CFR Brought Forward	14,485	34,814	38,985	44,365	43,811	43,673
CFR Carried Forward	34,814	38,985	44,365	43,811	43,673	42,898
Adjustment A Revision	(4,426)	(4,426)	(4,426)	(4,426)	(4,426)	(4,426)
Adjustment for Assets Under Construction	(23,446)	(21,539)	0	0	0	0
CFR FOR MRP PURPOSES	6,942	13,020	39,939	39,385	39,247	38,472

Table 6: Capital Financing Requirement

4.3 Investment and Reserve Balances

An important consideration to understand when making capital investment decisions, especially when a borrowing requirement exists is the relationship between the Council's available cash investment balances and its reserves.

At 31 March 2020, the Council had cash and investments of £30.956million. If all revenue and capital budgets are spent in line with the budget and all receipts are received in line with expectations then at 31 March 2021, investment balances would be £12.3million. The following table shows the breakdown of the investment balance and what the cash relates to:

	Outturn	Forecasts					
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Total Investments	30,956	12,326	12,284	10,145	9,000	7,580	6,918
<i>Made up of:</i>							
General Fund Reserves	4,590	3,063	2,812	2,873	2,994	3,257	3,639
Capital Reserves	75	90	105	120	135	150	165
Earmarked Revenue Reserves	5,412	3,041	3,041	3,041	3,041	3,041	3,041
Provisions	2,552	2,552	2,552	2,552	2,552	2,552	2,552
Collection Fund Adj Account	1,101	1,101	1,101	1,101	1,101	1,101	1,101
Capital Grants Unapplied	136	113	113	113	113	113	113
Working Capital	2,799	2,799	2,799	2,799	2,799	2,799	2,799
Capital Receipts applied	0	0	0	0	0	0	0
Total Working Capital & Balances	16,665	12,759	12,523	12,599	12,735	13,013	13,410
Surplus Cash/(Cash Deficit)	14,291	(433)	(239)	(2,454)	(3,735)	(5,433)	(6,492)

Table 7: Investments and Reserves

The figures above are based on assumptions regarding budgets being fully spent with no over/under spends and reserves utilised as per current budget projections.

The surplus/deficit cash position represents how much of any borrowing requirement identified can be met from internal resources (internal borrowing) or how much will need to be met from actual external borrowing up to 2025/26.

This can also be shown when comparing the difference in the CFR (underlying need to borrow) and the actual borrowing level.

	Outturn	Forecasts					
	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
CFR (Underlying Need to borrow)	14,485	34,814	38,985	44,365	43,811	43,673	42,898
Total Borrowing	28,776	34,381	38,746	41,911	40,076	38,240	36,406
(Over)/Under Borrowing Position	(14,291)	433	239	2,454	3,735	5,433	6,492
Less Capital Receipts Applied	0	0	0	0	0	0	0
(Over)/Under Borrowing Position	(14,291)	433	239	2,454	3,735	5,433	6,492

Table 8: Borrowing position

Therefore, the Council is holding £14.291million of cash in its investment balances at 31 March 2020 that can be attributed to the amount of debt it

holds. This was due to the borrowing undertaken in 2019/20 that has yet to be spent on the capital programme. Where actual debt is greater than the CFR, the Council holds this surplus cash in its investment balances and this is known as over-borrowing.

As the figures shown above are based on forecast levels of expenditure linked to current budgets and anticipated receipts, actual figures will vary in each year depending upon actual expenditure and income levels.

4.4 **Authorised Limit and Operational Boundary**

The Authorised Limit and Operational Boundary are set in line with the requirements of the Prudential Code and are included in the Treasury Management Strategy Statement and approved by Council in February each year.

The Authorised Limit is consistent with the authority's current commitments, plans and proposals for capital expenditure and its financing. **However, the overall authorised limit should not be exceeded without prior Council approval.**

The operational boundary is based upon the same estimates as the authorised limit but without the headroom included within the authorised limit to allow for unusual cash movements. As with the authorised limit, the Council is asked to delegate authority to the Corporate Director of Finance and Resources to effect movement between the separately agreed limits for borrowing and other long-term liabilities. The operational boundary can be exceeded in exceptional circumstances without prior Council approval providing that it remains within the authorised limit.

The limits shown below will be reviewed during the consultation process of the Capital Investment Strategy and recommendations will be made in the final versions to be considered by Council in September 2020 on adjusting the limits in line with the current projections for the CFR.

PRUDENTIAL INDICATOR TREASURY MANAGEMENT INDICATORS	2019/20 actual	2020/21 estimate	2021/22 estimate	2022/23 estimate	2023/24 estimate	2024/25 estimate
	£000	£000	£000	£000	£000	£000
Authorised Limit for External Debt:						
- Borrowing	44,000	44,000	45,000	48,000	47,000	45,000
- Other Long Term Liabilities	100	100	100	100	100	100
TOTAL	44,100	44,100	45,100	48,100	47,100	45,100
Operational Boundary for external debt:						
- Borrowing	39,000	39,000	40,000	43,000	42,000	40,000
- Other Long Term Liabilities	100	100	100	100	100	100
TOTAL	39,100	39,100	40,100	43,100	42,100	40,100

5.0 Commercial Activity

5.1 The Council has used its asset portfolio to operate in a commercial manner for many years. Much of the investment property portfolio is held on long term leases which provide a guaranteed rental return from the asset with regular rental review built into the terms of each lease. This way of operating therefore provides some certainty about the income levels receivable.

With reductions in funding the Council is having to look at commercial activities to supplement its income and support service delivery. However, to minimise risk of potential loss of income in the longer term it needs to ensure that any investment opportunities are based upon sound decision making that consider the future likelihood of investment income reducing.

Therefore, when making commercial investment decisions the Council will follow the principles set out below:

- Commercial capital investments will only be made to enhance the Council's asset portfolio and will be linked to the delivery of the Carlisle Plan;
- Consideration will be given to the economic development potential of any investment decision;
- Expert advice will be sought to ensure any investment decision is based upon sound market intelligence, forecasts for future investment returns and yields that offer a sound investment return without risking the capital invested;

- Any borrowing linked to investment opportunities is secured upon the potential guaranteed element of the investment return so that any liability can be met from the activity undertaken;
- Investment opportunities will always ensure that the Council's investment is protected as far as possible either through increases in capital value or from guaranteed revenue income;
- Capital investment decision will be subject to the usual governance processes of consideration by Executive, scrutiny by the appropriate panel and Council approval where a budget is required to be established.

6.0 Other Long-Term Liabilities

- 6.1 The Council currently holds a £15million stock issue loan that is due for redemption in 2020. This debt is factored into the Medium-Term Financial Plan to be re-financed in 2020 at a lower rate of interest. The loan is currently repayable at 8.75% and the MTFP assumes that the new borrowing will be at a lower interest rate, however, the actual rate achieved will depend on prevailing market rates at the time the loan is re-financed. The MTFP also assumes that any new loan will be taken on a principal repayment term so that the debt repaid fully once the new term ends.

7.0 Knowledge and Skills

7.1 The Council utilises the knowledge and skills of its internal officers when considering capital investment decisions and where necessary it also relies on the expert knowledge of specialist external advisors.

7.2 The Council employs professionally qualified legal, finance and property officers who are able to offer advice and guidance when considering any capital investment decisions.

7.3 **Finance**

Finance staff are professionally qualified to advise the Council on all financial aspects of capital decisions. They also have the necessary experience of how the Council works having been in post for a number of years. Finance staff also undertake Continuous Professional Development and the Council is an accredited body of the CIPFA (Chartered Institute of Public Finance Accountancy) CPD scheme. They maintain knowledge and skills through regular technical updates from appropriate bodies.

7.4 **Property**

The City Council's in-house property team is made up of a number of Chartered Surveyors who advise the Council on all property matters. They are all members of the Royal Institution of Chartered Surveyors (RICS) and comply with the RICS's rules in relation to Continuing Professional Development. The Property Services Manager is also an RICS Registered Valuer. The Council is a member of ACES – the Association of Chief Estates Surveyors and Property Managers in the Public Sector. The team have extensive property knowledge and have worked for the Council for a number of years.

7.5 **Legal**

Legal Staff are professionally qualified as either solicitors or legal executives and are regulated by their respective professional bodies (Solicitors Regulation Body/Institute of Legal Executives). The staff undertake Continuing Professional Development and their rules of conduct require that they have an appropriate level of skill and expertise to deal with the particular matter with which they are dealing. All staff are aware of the operational structure of the Council. They maintain knowledge and skills through regular technical updates from appropriate bodies.

7.6 **External Advice**

The Council uses external advisors where necessary in order to complement the knowledge its own officers hold. Some of these advisors are contracted on long term contracts or are appointed on an ad-hoc basis when necessary. The main advisors the Council uses are as follows:

- **Link Asset Services** – Treasury Management, including Cash investments, borrowing and capital financing
- **ChanceryGate** – Property and Asset Management and asset development opportunities in relation to Kingstown Industrial Estate

APPENDIX A

Capital Programme – Risk Assessment

Risk	Likelihood	Impact	Mitigation
Capital projects are approved without a full appraisal of the project and associated business case.	Remote	High	Strengthen the role of Transformation Sub-Group when considering capital project appraisals, to include consideration of business cases
Full capital and revenue costs of a project not identified.	Remote	High	Capital spending must meet statutory definitions. Financial Services to regularly review spending charged to capital. Appraisals to identify revenue costs, including whole life costs to improve financial planning.
VAT partial exemption rules are not considered.	Remote	High	Reduced impact following the decision to elect to tax land and property. To be considered as part of Project Appraisals and assessed by Financial Services.
Capital projects are not monitored nor reviewed (post contract) to ensure that the original business case assumptions have been achieved	Reasonably probable	Marginal	Better project management skills (including contract monitoring) have been introduced through PRINCE 2. Project managers to take more ownership and responsibility for the delivery of projects, including post contract reviews.
Capital projects are not delivered to time	Reasonably Probable	High	Significant slippage in the current capital programme. Better project management skills to be introduced through PRINCE 2. Project managers to take more ownership and responsibility for the delivery of projects. The review of the capital programme currently underway will address some of these issues.
Capital projects are not delivered to budget. Major variations in spending impact on the resources of the Council.	Reasonably Probable	High	Improved capital programme monitoring through PRINCE 2 and monthly financial monitoring. Corrective action to be put in place where necessary.
Assumptions on external funding for capital projects are unrealistic	Remote	High	Potential shortfalls arising from changes to external funding have to be met from other Council resources, so assumptions need to be backed by firm offers of funding before projects are submitted for appraisal. Risk increased due to uncertainty around funding, e.g. MHCLG grants
Spending subject to specific grant approvals e.g. housing improvement grants, disabled persons adaptations varies from budget	Remote	Marginal	Specific grants are generally cash limited so variations in projects supported by funding of this nature will be monitored closely to ensure target spend is achieved to avoid loss of grant or restrictions on subsequent years grant funding.
Shortfall in level of capital resources generated from Capital Receipts	Probable	High	Economic downturn will impact - early warning so as not to over commit capital resources.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 20 JULY 2020

EX.70/20 **DRAFT CAPITAL INVESTMENT STRATEGY 2021/22 TO 2025/26**
(Key Decision – KD.15/20)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader reported (RD.08/20) on the Council's draft Capital Investment Strategy 2021/22 to 2025/26, which was a key policy document providing guidance on the Council's Capital Programme and the use of capital resources. The Capital Investment Strategy was reviewed annually alongside the Medium Term Financial Plan, commencing with the assumptions made in the Budget Resolution approved by Council on 4 February 2020. The position had been updated to reflect any known changes since that date.

The Strategy also incorporated the requirements under the Prudential Code 2017 to link capital investment with treasury management activity and service objectives.

In terms of the key messages, the report recorded that the Capital Investment Strategy showed the starting position for the budget considerations for the next five years and gave an indication of the likely factors that would have an impact in the budget setting process. The Capital Programme and the financing thereof would play an important role in shaping future budget considerations.

Although there was a forecast borrowing requirement to fund the capital programme, the factors identified at paragraph 2.2 would also need consideration.

The Deputy Leader commented upon the ambitious nature of the capital programme. Importantly, the Council held a significant asset portfolio that supported its operational activities and non-operational activities from which it received significant rental income. He added that the rental income received was used to support Council services and provided a significant proportion of the income it received. The income from rentals on the non-operational asset portfolio was approximately 60% of what the Council received in funding from Council Tax.

The Deputy Leader concluded by moving the recommendation, which was duly seconded by the Leader.

Summary of options rejected None

DECISION

That the Executive had considered the draft Capital Investment Strategy 2021/22 to 2025/26 as appended to Report RD.08/20; and made it available for consideration by the Business and Transformation Scrutiny Panel on 23 July 2020.

Reasons for Decision

To consult with the Business and Transformation Scrutiny Panel on the draft Capital Investment Strategy 2021/22 to 2025/26

EXCERPT FROM THE MINUTES OF THE BUSINESS AND TRANSFORMATION SCRUTINY PANEL HELD ON 23 JULY 2020

BTSP.34/20 DRAFT CAPITAL INVESTMENT STRATEGY 2021/22 – 2025/26

The Corporate Director of Finance and Resources reported (RD.08/20) on the draft Capital Investment Strategy 2021/22 – 2025/26, which directed the Council's Capital Programme and the allocation of resources for the five year period 2021/22 to 2025/26. The guidance in the strategy complimented and supplemented the Medium Term Financial Plan.

The Executive had considered the Draft Capital Investment Strategy 2021/22 to 2025/26 at their meeting on 20 July 2020 (Minute Excerpt EX.70/20 refers) and made the report available to the Panel for scrutiny.

In considering the Draft Medium Term Financial Plan 2021/22 to 2025/26 Members raised the following comments and questions:

- The Council had £4m in rental income from investment property, was there a potential that tenants could default on payments due to Covid 19 and result in a reduction in the income?

The Corporate Director of Finance and Resources confirmed that there was a risk to income due to Covid 19; the situation was being closely monitored and the debtors' team were working closely with property services to support tenants and provide them with payment options.

- A Member asked that consideration be given to the best options for plant and vehicle replacement to meet the climate strategy obligations.

The Corporate Director of Finance and Resources clarified that the assumption in the budget was for like for like replacement, however, each asset was considered individually at the time of replacement, and alternative options were considered including electric vehicles and lease options.

- A Member felt that the key considerations for shaping the budget were appropriate under the current circumstances and sought reassurance the impact of Covid 19 was part of the consideration given to the deliverability of the current capital programme.

The Finance, Governance and Resources Portfolio Holder assured the Panel that the capital programme was reviewed annually, the current programme of works would not be affected by the impact of Covid 19 however this would continue to be monitored.

- A Member commented that the Covid 19 pandemic had highlighted the need for the Council to invest in its ICT and asked for confirmation that this would be a priority for the Executive and Senior Management Team.

The Corporate Director of Finance and Resources reported that the Council was in the process of appointing a new Head of Digital and Technology whose role would be to update and refresh the Council's ICT Strategy. The Strategy would come through the democratic process and would be scrutinised by the Panel.

RESOLVED – That the Panel had considered and commented upon the draft Capital Investment Strategy 2021/22 – 2025/26 (RD.08/20).

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 17 AUGUST 2020

EX.89/20 **CAPITAL INVESTMENT STRATEGY 2021/22 TO 2025/26
(Key Decision – KD.15/20)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

Pursuant to Minute EX.70/20, the Deputy Leader submitted report RD.08/20 (amended) presenting the Council's Capital Investment Strategy 2021/22 to 2025/26, which was intended to direct the Council's Capital Programme and the allocation of resources over that five-year period. The guidance contained therein also complemented and supplemented the Medium Term Financial Plan.

The background position; key messages; and risks were as detailed within the report.

The Deputy Leader reported upon the undernoted changes to the Strategy:

- Table 1 on page 67 had been expanded to provide clarity on the borrowing requirement to fund the capital programme and also to set out the assumptions currently built into the MTFP
- Table 6, 7 and 8 starting on page 73 now reflected the capital financing requirement for the Council including updates to the assumed level of investments held by the Council over the next five years

The Business and Transformation Scrutiny Panel had considered and commented upon the draft Capital Investment Strategy 2021/22 – 2025/26 at their meeting on 23 July 2020 (BTSP.34/20 referred).

The Chair of the Business and Transformation Scrutiny Panel had been invited to speak on the matter but was not in attendance today.

The Deputy Leader moved the recommendation set out in the report, which was duly seconded by the Leader.

Summary of options rejected that the Capital Investment Strategy should not be referred to Council for approval

DECISION

That the Executive had considered the observations of the Business and Transformation Scrutiny Panel on 23 July 2020 as detailed within Minute BTSP.34/20; and referred the Capital Investment Strategy 2021/22 – 2025/26 to the meeting of the City Council on 8 September 2020 with a recommendation that the Strategy be approved.

Reasons for Decision

To consider the comments of the Business and Transformation Scrutiny Panel on the Capital Investment Strategy prior to recommending the Strategy to Council for approval

Report to Council

Agenda
Item:
14(iii)

Meeting Date: 8 September 2020
 Portfolio: Finance, Governance and Resources
 Key Decision: YES: Recorded in the Notice Ref: KD. 13.20
 Within Policy and Budget Framework: Yes
 Public / Private: Public

Title: Asset Management Plan 2021 to 2026
 Report of: The Corporate Director of Governance and Regulatory
 Report Number: Services GD 43/20

Purpose / Summary:

The draft Asset Management Plan was considered by Executive on 20th July 2020 before being referred to Business and Transformation Scrutiny Panel on 23rd July 2020 and back to Executive on 17 August 2020.

The Plan will also report on the current position and performance of the Portfolio, and the Asset Disposal Programme.

Recommendations:

Council agree to adopt the Asset Management Plan for 2021-2026

Tracking

Executive:	20 th July 2020
Scrutiny:	23 rd July 2020
Executive:	17 th August 2020
Council:	8 th September 2020

1. BACKGROUND

- 1.1. The Council's property assets are one of the essential resources used to carry out our day to day business, generating income to support services, and delivering economic development goals and housing opportunities.
- 1.2. The Asset Management Plan (AMP) outlines how the Council's strategies and policies for its property portfolio are used to support corporate priorities and directorate service plans.
- 1.3. The AMP outlines the overall performance of the asset base, what it is costing and producing, and how it is being used and reviewed. It also takes account of, and links into, the Council's Medium Term Financial Plan (MTFP) and the Capital Strategy (CS), which provides guidance on the Capital Programme and use of resources. The AMP is part of the Council's Budget.
- 1.4. For a number of years, the Council has been working towards the recommendations within the Asset Review Business Plan, approved by Council in January 2011. Along with the redefining of the Portfolio, the Business Plan proposed staffing and management structures should be realigned to provide the appropriate resources, skills and experience to run each category of asset. This has happened in the context of service transformation and is continually evolving.
- 1.5. An appraisal of the property portfolio identified a requirement to rationalise and consolidate assets and a programme of disposals has taken place to re-engineer the investment portfolio. A revised Disposal Programme was approved by the Executive in December 2018 with the aspiration to generate £10m in capital receipts.
- 1.6. Because of service transformation the Council has been looking at its operational assets. The Accommodation Review aims to more efficiently and cost effectively meet future service delivery, identifying savings and opportunities to generate additional income.
- 1.7. The AMP is reviewed annually and updated, along with the MTFP and CS, all documents forming part of the Council's Budget (Article 4 of the Constitution).

2. PROPOSALS

- 2.1 The AMP provides a succinct document that reflects;
 - The Asset Review Business Plan & Disposal Programme – progress on the implementation and the impact on the Portfolio and its future management,
 - Structural changes in the portfolio – the makeup of the operational and non-operational assets, current capital worth and rental levels,

- Performance of the assets and how these are constantly reviewed and challenged,
- Condition of the Portfolio – the standard of our properties, current maintenance requirements, suitability and sustainability for future use, and the steps which are being taken to improve energy efficiency,
- Accommodation Review – the outcomes, achievements and next steps to improve the use and efficiency of our operational property portfolio,
- Capital Schemes and Maintenance Budget – where the money is going,
- Property acquisitions – what has been done to reinvest in assets to produce income, maintain service delivery, support economic development initiatives and deliver services,
- Future Asset Management Options at our Kingstown and Parkhouse estates, and
- How our Economic Development property portfolio is being managed to support economic growth.

3. RISKS

- 3.1 By having an Asset Management Plan the Council can ensure that it uses its assets efficiently and that they support the Council's priorities.

4. CONSULTATION

- 4.1 Internally via the Council's corporate structures and processes. The Draft Plan was considered by Business and Transformation Overview & Scrutiny Panel on 23rd July.

5. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 5.1.1. To update the Council's Asset Management Plan and the position of the property portfolio in the light of the Asset Review Business Plan and Disposal Programme and other corporate initiatives.

6. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

6.1 The proper management of the Council's property resource makes an essential contribution the achievement of the Council's action plans and priorities.

Contact Officer: Mark Walshe

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Appendices attached to report: Asset Management Plan 2021 - 2026

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

LEGAL - The Council has a fiduciary duty to properly manage its assets and the Asset Management Plan is a vital part of this process. It is also a designated budget document in accordance with the Council's Budget & Policy framework and, as such, as the report indicates, it is required to follow the usual route of consideration by Scrutiny and, thereafter, recommendation by the Executive to the Council.

FINANCE – The Asset Management Plan provides details on the Council's asset portfolio and the issues around the management of these assets. This will be used to inform the Medium Term Financial Plan and budget setting process for 2021/22 to 2025/26.

EQUALITY – None

INFORMATION GOVERNANCE – N/A



Managing property as a resource for the City

ASSET MANAGEMENT PLAN

2021 – 2026

CONTENTS

	Page
1. The Council	3
2. Purpose, Aims and Objectives	3
3. Property Strategies and Principles	4
4. Value for Money	5
5. Property Services	5
6. The Portfolio and Current Performance	6
7. Continuous Review and Challenge	10
8. Conclusion	16

1. The Council

- 1.1 Carlisle City Council delivers services to around 108,000 people and for the year 2020/21 has a net revenue budget of £14.65 million and capital expenditure budget of £29.92 million. The Council uses its property resources to deliver services, either directly or through the rental income it earns, and improve the quality of life for local people.
- 1.2 The Council's asset base produces a rental income of around £4.46 million per annum, from its non-operational property, with a net asset value, taking account of depreciation, of circa £80 million.

2. Purpose, Aims and Objectives

- 2.1 The Asset Management Plan sets out the Council's approach to managing its land and property assets and aligns to Council's policies and strategies, particularly the Carlisle Plan, Directorate and Service Plans, the Medium-Term Financial Plan and Capital Strategy.
- 2.2 The aim is to own assets which are fit for purpose and sustainable, to enable services to be delivered effectively and with equality of access, and to meet the strategic objectives outlined below:
- Identify all property the Council owns or uses, maintaining accurate records, establishing its value and the function it performs, ensuring a reliable and accurate property management system is in place.
 - Make services aware of the costs of occupying property, maximising the use of the asset base, identifying 'expensive' and 'obsolete' assets.
 - Respond to changing property needs for service delivery improvements, identifying improvements to assets or the asset base to enhance service delivery, disposing of assets no longer required for operational purposes and acquiring new assets to support service delivery.
 - Generate capital for investment purposes aligned to corporate objectives.
 - Ensure a healthy and safe environment for property users.

ASSET MANAGEMENT PLAN 2021-2026

- Apply “Green Design” principles to construction, refurbishment and maintenance projects and encourage environmentally sustainable management of operational properties.
- Encourage community and partnership use of assets by identifying opportunities for shared services, liaising with partners and working with the community.
- Contribute to the Council’s Medium-Term Financial Plan and Capital Strategy, identifying investment opportunities.
- Provide sustainable planned maintenance programmes for a 5-year period by undertaking and reviewing condition surveys.

3. Property Strategies and Principles

3.1 The Council has developed the following strategies and principles:

- **Operational Property Investment Principles** – Investment will be made where a property is required for the medium or long-term use, enhances service delivery, improves environmental sustainability, improves utilisation, increases efficiency, adds value, and addresses statutory obligations.
- **Non-Operational Property Strategy** – to own property that supports the growth of Carlisle and the Economic Development Strategy, provides a sustainable income stream, is a key component of the Medium-Term Financial Plan.
- **Non-Operational Property Investment Principles** - commercial property will only be held where it provides an acceptable financial return, there is potential to deliver economic development objectives, it contributes to the delivery of other Council priorities, it addresses legal or contractual liabilities and obligations.
- **Surplus Property Strategy** – the Council will dispose of surplus assets on a freehold or leasehold basis at best consideration. Disposals at less than best consideration may be agreed subject to the necessary statutory and Council approvals.
- **Surplus Property Principles** - operational and non-operational property will be sold unless occupied for service provision, used to deliver social, housing, economic or environmental benefits meeting agreed priorities, or it is a long-term strategic investment.

ASSET MANAGEMENT PLAN 2021-2026

- **Property Acquisition Strategy** - the Council will acquire assets; that improve service delivery, assist with delivery of Economic Development policy, develop opportunities to assemble sites to deliver Council objectives, improve the financial returns and deliver the Asset Review Business Plan.
- **Property Acquisition Principles** - property will only be acquired where whole life costings and option appraisal exercises are undertaken and meet set target criteria around risk, income returns and yields.

4. Value for money

- 4.1 There is a Council-wide approach to managing assets as a corporate resource, using assets to help to deliver social, environmental and economic outcomes for local communities.
- 4.2 Collaborating with partner organisations on strategic asset management planning is an important requirement. The Council will continue to develop its strategic approach to working with other bodies to identify opportunities for shared use and alternative options for the management and ownership of its assets.

5. Property Services

- 5.1 Property Services are responsible for managing the City Council's extensive property portfolio. The multi-disciplinary team cover everything from ad-hoc property repairs to multi-million-pound developments such as the Sands Centre and Gateway 44. The service is supplemented by external resources when specialist assistance is required.
- 5.2 The property team face many challenges in supporting the Council with the competing pressures to deliver income whilst supporting the delivery of front-line services and realising ambitions for economic growth. Our aim is to provide a first-class property service for the City Council.

6. The Portfolio and Current Performance

6.1 Gross Asset Value as at 31 March 2020

	Operational assets		Non-operational assets		Total
	Community Assets	Land & Buildings	Investment	Surplus	
No of assets	72	64	52	13	201
Total income	£23,600	£3,923,800*	£4,118,600**	-	£8,066,000
Capital value	£4,128,000	£32,255,000	£79,905,000	£961,000	£117,249,000
Capital Expenditure	£51,691	£195,846	£168,930	-	£416,467
Outstanding Maintenance		£2,380,200	£2,000,000	-	£4,380,200
* Income from operational assets (i.e. car parks, crematorium, Civic Centre rents)					
** Rental income from investment assets					

6.2 The total capital spend on property assets in 2019/20 was £3.18 million.

6.3 The figure for the outstanding maintenance on the operational buildings is based on a costed 5-year plan. The condition surveys were last undertaken in the summer of 2018. The information which has been derived from the surveys has been considered to assess the current condition of the portfolio, whilst further having regard to the work undertaken during the same financial period. Outstanding maintenance has reduced from circa £2,587,300 to £2,380,200. The Pools continue to be removed from the programme given their impending closure as part of the Sands Centre redevelopment.

6.4 We are currently spending £250,000 p.a. to enhance our operational portfolio as detailed below in a bid to reduce the risk of major long-term capital expenditure being required.

6.5 Non-operational outstanding maintenance relates primarily to historical infrastructure costs associated with our industrial estate ground rent portfolio. We are currently in the process of reviewing the non-operational maintenance liability and anticipate that the level of outstanding maintenance will reduce given the asset

ASSET MANAGEMENT PLAN 2021-2026

disposals and investment undertaken at Durranshill and Kingstown Industrial Estates.

6.6 Outstanding Maintenance

	20/21	21/22	22/23	23/24	24/25	25/26
Total Revenue Budget	£745,900	£760,700	£776,000	£791,500	807,400	823,500
Capital Schemes Special Projects	£250,000	£250,000	£250,000	£150,000	£150,000	£150,000
Ratio Planned: Reactive Maintenance	76 : 24	76 : 24	76 : 24	76 :24	76:24	76:24

6.7 Based upon the final condition surveys, the annual planned maintenance programme has been further developed for the operational assets. As discussed above, there is unplanned maintenance currently assessed at £2,380,200 for the portfolio of operational buildings. The planned delivery programme to reduce this, incorporates a degree of flexibility to respond to the demands of service delivery, asset review, and other circumstances which may arise during the programme. Members approved a 3-year programme of planned and reactive maintenance on 18 November 2019 (report reference GD.62/19). In condition category terms the split is:-

Condition Category (as a % of Gross Internal Area Operational Property)			Sustainable Criteria
	2019-24	2020-25	
A. (Excellent)	0.73%	0.73%	Yes
B. (Good)	89.42%	89.42%	Yes
C. (Mediocre)	9.85%	9.85%	Review
D. (Poor)	0%	0%	No

ASSET MANAGEMENT PLAN 2021-2026

6.8 The table above shows the condition categories of the operational portfolio. There has been no overall change to the condition categorisation of operational assets over the last year as work undertaken has focused on addressing maintenance issues rather than improvements. The condition is continually reviewed and for over 90% of the portfolio classed as either excellent or good, is a testimony to the proactive management regime, which would otherwise leave the portfolio falling short of that required to provide the Council's services.

6.9 Energy Efficiency

6.10 A programme of energy efficiency and renewable energy projects has been carried out with significant investment in former years. We continue to look to incorporate energy efficiency measures as part of any improvement works. Projects are being considered to incorporate whole place energy efficiency measures where possible, in addition to that required to meet current building regulation standards.

6.11 The solar photovoltaic arrays at the Civic Centre and Sands Centre continue to be successful in terms of electricity generation and income received from the feed in tariff.

6.12 The operational and investment portfolio has been assessed to produce up to date Display Energy Certificates (DECS) or Energy Performance Certificates (EPCS) as legally required. This exercise has created an understanding of the implications of the Minimum Energy Efficiency Standards (MEES) on the sale and let ability of the non-operational assets and provide a benchmark from which to improve the CO2 emissions of the publicly funded buildings.

6.13 The data forms part of the wider consideration of the asset management of the property portfolio and particularly when assessing the viability of the long-term use, maintenance and ownership of the assets.

6.14 Where assets have fallen below the required standard this has been assessed and maintenance work has been completed. On a larger scale Capital works are completed to meet the relevant building standards and where financially viable and opportunities are available additional initiatives are being incorporated to further improve the energy standard of the asset stock.

6.15 Capital Works and Repairs

6.16 The programme of works identified in the Capital Major Repairs Programme is initially shaped by a 5-year maintenance plan produced from condition surveys and adjusted each year to keep abreast with new legislation. The Council has a

ASSET MANAGEMENT PLAN 2021-2026

legal duty to maintain its properties and the programme is required to meet those statutory duties. Report GD.62/19 was presented to the Executive with proposals for capital investment for planned major repairs which was approved as follows:

Property	Description of works	Estimated Cost
Cemeteries	Resurfacing	£30,000
Carlisle Cemetery	Decoration to perimeter railings	£10,000
Bousteads Grassing	Roller shutter renewals	£10,000
Bousteads Grassing	Main office re-roof	£30,000
Crematorium	Flat roof and felt gutter renewal	£15,000
Tullie House	Pitched roof repair and rainwater goods renewal	£10,000
Talkin Tarn Tea Room	Fire escape staircase renewal	£15,000
Civic Centre	Concrete balcony repairs	£15,000
Civic Centre	Lift motor bearings renewal	£10,000
Richardson Street Football Changing Rooms	Demolition of premises	£10,000
Belah Park Depot	Demolition of premises	£10,000
Old Town Hall	External redecoration	£10,000
Stony Holme Club House	Flat roof renewal	£20,000
Tullie House	Plant replacement	£20,000
Talkin Tarn	Aeration system compressor renewal	£10,000
Melbourne Park Changing Rooms	Flat roof renewal	£10,000
Greystone Community Centre	Repointing and masonry repairs etc.	£5,000
Various	Legionella risk assessment updates and renewals (30 properties approx.)	£10,000
Total 2020 / 2021:		£250,000

ASSET MANAGEMENT PLAN 2021-2026

6.17 Due to resourcing issues and a series of Storm events which reduced the safe working period the following items of Capital Repairs are subject to a carry forward request. Some items have since been completed and pending final sign off.

Works Carried Forward From 2019 / 2020

Civic Centre	Flat roof repairs over rates hall / customer contact centre	£20,000
Bousteads Grassing	Depot resurfacing (right hand side)	£10,000
Currock CC	Flat roof renewal	£14,400
Monuments	James Creighton & Queen Victoria refurbishment	£10,000
Monuments	James Steele & Earl of Lonsdale refurbishment	£10,000
Enterprise Centre	Fire alarm upgrade	£20,000
Civic Centre	Roof beam covers	£30,000
Dixons Chimney	On-going stone & pointing repairs	£21,400
Carlisle Cemetery	Decoration to perimeter railings	£5,000
General fund c/f		£6,000
Total C/F:		£146,800

7. Continuous Review and Challenge

7.1 The Council continuously reviews and challenges how to best use its asset portfolio;

- The Council holds a significant, numerous and diverse portfolio of assets across the city, which generates considerable income and which has an important impact

ASSET MANAGEMENT PLAN 2021-2026

on the local economy. The Council uses property well to meet its aims and is planning future investment and development to allow it to continue to do this.

- The Council has a highly rationalised operational portfolio, however the significant level of maintenance yet to be carried out will present challenging issues going forward. New investment in assets such as the Sands will help alleviate issues by removing older, poorly functioning assets such as the current Pools facility.
- The accommodation review and Asset Review Business Plan is an ongoing programme that will continue to deliver efficiency benefits.
- The Council has a diverse and mixed non-operational portfolio which, through rationalisation, is becoming more efficient but has considerable further potential. This will be further explored and actions taken to realise efficiencies with the resources currently available.
- The Council is taking a more commercial approach to the management of the portfolio in order to strategically balance the need for operational assets, income generation and economic development, in support of the local economy, the protection of public services and other priority objectives.
- The Transformation Programme has identified the need for further rationalisation and consolidation of the operational property to improve access to public services and efficiency. The accommodation review will address these needs.

7.2 Accommodation Review

7.3 An Accommodation Review of both back office and front public facing service delivery assets is ongoing. This comprises an analysis of accommodation needs and the existing provision, exploring future solutions and implementing the most beneficial models for the Authority.

7.4 It seeks to deliver effective and efficient accommodation that suits the needs of each service, establish a more corporate approach to accommodation, make more effective use of space, improve the working environment and make the accommodation as productive as possible.

7.5 Works have commenced on the redevelopment of the Civic Centre ground floor and are scheduled for completion during 2021. The new accommodation will allow modern ways of working to be embraced, with more flexible multi-purpose space

ASSET MANAGEMENT PLAN 2021-2026

available. The design has incorporated flood resilience and energy efficiency where possible.

- 7.6 The redevelopment of the ground floor has reflected the changing business requirements of the City Council and sought to embrace modern ways of working whilst also incorporating flood resilience where possible. The new multi-functional chamber and enhanced parking facilities will also provide income generating opportunities.
- 7.7 The current programme of works is the first phase of a wider scheme to maximise space occupancy within the Civic Centre. The current Coronavirus pandemic has shown that alternative forms of working can be successful and the challenge going forward will be to incorporate these opportunities for greater space utilisation throughout the building.
- 7.8 We already have a number of public sector partners co-locating with the City Council and we are working with partners through the One Public Estate programme to encourage greater take up of vacant space in the building which will generate additional income as well as reducing the overall public sector property costs.
- 7.9 Agile working has not only cost benefits but others such as improving the attractiveness of the organisation to potential employees, improving both the health and well-being of staff and the local environment by reducing the need for travel.
- 7.10 Asset Review Business Plan
- 7.11 An asset review and investigation into the options for the development of a new approach to the management and use of the portfolio was concluded in 2010 with the adoption by Council of an Asset Review Business Plan (Report Ref. CE 39/10 refers).
- 7.12 Work continues on the implementation of the Business Plan as detailed below:

ASSET MANAGEMENT PLAN 2021-2026

7.13 Disposal Programme

7.14 In December 2018 a revised disposal programme was approved by the Executive with the aspiration of generating £10m to assist with funding major developments such as the Sands Centre and Gateway 44 scheme.

7.15 Additional staff resources have been engaged to deliver this 5-year programme. To date over £3.2m has been generated, however we anticipate that the ongoing pandemic will delay progress as prospective purchasers concentrate on their existing portfolios rather than seek additional assets and inevitably there will be an impact on values. At this stage the full impact is not known and will only become clear over the coming years however we anticipate that there will be delays to the programme and capital values will be reduced.

7.16 A number of the assets identified for disposal have significant issues to resolve prior to marketing and this lull in the market is allowing the due diligence to be progressed in order that when market conditions improve, we are ready to proceed at speed.

7.17 Reinvestment Options

7.18 The Business Plan envisages capital receipts will be used to generate additional revenue and support purchases in the economic development and operational property portfolios.

7.19 Opportunity purchases into the Economic Development portfolios are being progressed to support the aspirations of the Borderlands Growth Deal and are discussed further in section 7.31 below

7.20 We continue to look for opportunities to enhance income generating opportunities for the City Council.

7.21 Sands Centre redevelopment

7.22 The redevelopment of the Sands Centre has commenced with the temporary accommodation for GLL & NHS complete at Newman School and the Sands. The decision was taken to lease space at the former Newman School and refurbish rather than take temporary portacabin accommodation to not only minimise cost but also to provide a more suitable temporary leisure facility and leave a legacy for

ASSET MANAGEMENT PLAN 2021-2026

the city once we vacate. Temporary accommodation has also been provided at the Sands to allow events to continue in the main hall.

- 7.23 Once complete the development will provide a modern energy efficient leisure centre for the citizens of Carlisle. The current swimming facilities will be redeveloped as part of the Station Gateway project and will also reduce the Council's repairing liabilities. Works are scheduled for completion in spring 2021.
- 7.24 Chancerygate – Kingstown and Parkhouse
- 7.25 Chancerygate, the Council's appointed asset managers for their Kingstown & Parkhouse assets, continue to make good progress with the management and development of our portfolio north of the City.
- 7.26 They are currently project managing the construction of Gateway 44, a 42,000 sq. ft. bulky goods retail scheme at Parkhouse. The asset is being developed as an income generating asset and will be held as part of the investment portfolio. Completion of the build programme is anticipated in October 2020; this is slightly behind schedule due to inclement weather early in the build programme and the coronavirus pandemic. However, the construction team have done an incredible job to minimise delays with work continuing, albeit at a reduced pace, throughout lockdown.
- 7.27 Despite the turmoil in the retail sector we continue to generate interest and are working on potential deals. Unfortunately, Oak Furnitureland who were due to take space within the scheme have gone into administration, we are currently reviewing options for this unit.
- 7.28 Good progress has been made with the rent review programme with 36 having been completed within 2019/20 with the rent roll increasing by circa £31,000 p.a. Chancerygate currently have 63 reviews in progress.
- 7.29 In addition to this Property Services and their other advisors have completed 13 reviews during 2019/20 increasing rental levels by circa £5,000 p.a. A further 31 reviews are in progress.
- 7.30 Overall ground rent income has increased by 7.25%.

ASSET MANAGEMENT PLAN 2021-2026

7.31 Economic Development Portfolio

7.32 The assets within this portfolio are directed towards supporting and creating opportunities for the growth of the City using employment, housing and retail development land.

7.33 The Borderlands Growth Deal presents a once in a lifetime opportunity for the growth of the city with Carlisle seen as the “beating heart” of the Borderlands region. Schemes are being developed to transform areas around the Citadel station and the Courts area. The Council are a key partner in both schemes and have property assets, such as The Pools and the Old Gaol site that will be integral to delivery of the projects. As well as dealing with our own assets we are also assisting with site assembly. The programme not only offers transformational opportunities for the City by developing a HS2 compliant station and a home for the University of Cumbria but also potential income generating opportunities in the future.

7.34 The Southern relief road opens up further opportunities for growth of the City. We are currently awaiting final scheme proposals before considering further the options for development of Council owned land outlined for the Morton District Centre which will encompass both a retail element and employment land.

7.35 St Cuthbert’s Garden Village scheme continues to make good progress, with the proposals now focusing on smaller settlements rather than one large one.

7.36 Coronavirus pandemic

7.37 The Coronavirus pandemic has had a major impact on the operations of the City Council. The Authority has used its property portfolio to support the public sector response to the crisis by enabling the creation of a recovery centre at the Sands and public car parks have been converted to mobile testing stations.

7.38 From an operational perspective many buildings have been closed and colleagues working from home where possible. The challenge in the short term will be to install social distancing measures to allow buildings to safely reopen. The pandemic has demonstrated that large sections of the Council can work remotely and there is no longer the need for staff to be permanently based in offices such as the Civic Centre. Agile working is likely to become the norm in the future and now is the perfect time for the Council to grasp the opportunity.

7.39 There are a number of benefits for the Council; cost savings by reduced floor space requirements; environmental improvements with fewer people travelling into the

ASSET MANAGEMENT PLAN 2021-2026

city reducing pollution; improved staff retention and recruitment, greater flexibility around the workplace is attractive to many especially younger job seekers who see agile working as an essential part of the package.

- 7.40 The UK economy is currently experiencing a period of severe contraction due to the Covid-19 pandemic. Short term income will inevitably be reduced and tenants will vacate despite the significant assistance provided by Central Government. The long-term impact is not yet clear, however it is likely that values will fall although this will vary between sectors and this will impact on the investment portfolio. Certain sectors such as the High Street will see major structural change and the Council aims to minimise the long-term effect on its income levels through proactive property management.
- 7.41 Further, the potential impact of the UK's withdrawal from the European Union (EU) and the uncertainty over its future trading relationship with the EU are other factors that could put downward pressure on property values.
- 7.42 The assets (and the values that will be realised from them) within the Disposals Programme will not be immune from the market influences and therefore the values achieved over the next few years may not be as great as previously forecast.

8. Conclusion

- 8.1 The Council has a highly rationalised and suitable service occupied portfolio. The key challenge will be to build on the opportunity that Coronavirus has given us to roll out agile working. The completion of the Civic ground floor redevelopment will provide an enhanced customer services operation and entrance to the building. Opportunities to co-locate with other public sector partners will be pursued.
- 8.2 The Sands Centre redevelopment offers an opportunity to enhance leisure facilities within the city it will also reduce our maintenance liability and support our aspirations for economic growth.
- 8.3 The Council has a significant investment property portfolio; the challenge will be to protect this income stream as the effects of the pandemic become clear.
- 8.4 The Council will continue to review its property portfolio and ensure that it is used to achieve the Council's operational, investment and economic development aims.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 20 JULY 2020

EX.71/20 THE ASSET MANAGEMENT PLAN 2021-2026
(Key Decision – KD.13/20)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader submitted report GD.32/20 presenting the draft Asset Management Plan 2021– 2026, which outlined the overall performance of the asset base, what it was costing and producing and how it was being used and reviewed.

The Asset Management Plan was reviewed annually and updated, along with the Medium Term Financial Plan and the Capital Investment Strategy; providing a succinct document which reflected the factors identified at paragraph 2.1.

The Deputy Leader indicated that, like the preceding two reports, the Plan would go forward to Scrutiny for consideration, back to the Executive and then to full Council.

The Deputy Leader then moved the recommendations set out, which were duly seconded by the Leader.

Summary of options rejected None

DECISION

That the Executive:

1. Noted the position as set out in Report GD.32/20.
2. Approved the update to the draft Asset Management Plan in order for it to proceed for consideration by the Business and Transformation Scrutiny Panel, before coming back to the Executive and then full Council in September 2020.

Reasons for Decision

To update the Council's Asset Management Plan and the position of the property portfolio in the light of the Asset Review Business Plan and Disposal Programme and other corporate initiatives

EXCERPT FROM THE MINUTES OF THE BUSINESS AND TRANSFORMATION SCRUTINY PANEL HELD ON 23 JULY 2020

BTSP.35/20 DRAFT ASSET MANAGEMENT PLAN 2021 TO 2026

The Corporate Director of Governance and Regulatory Services presented report GD.32/20 which set out the revisions to the Asset Management Plan which had been updated to reflect key issues and changes affecting the management and use of the City's property resources. The Plan also reported on the current position and performance of the portfolio, and the Asset Disposal Programme.

The Executive had considered the Draft Asset Management Plan 2021 to 2026 at their meeting on 20 July 2020 (Minute Excerpt EX.71/20 refers) and made the report available to the Panel for scrutiny.

In considering the Draft Asset Management Plan Members raised the following comments and questions:

- Green spaces supported the City Council's priorities for health and wellbeing and climate change; were they included in the Asset Management Plan?

The Property Services Manager agreed that green spaces were important and clarified that they were a key part of the Council's portfolio and were considered operational to provide services.

- How was the performance of Council property monitored?

The Property Services Manager reminded the Panel that Chancerygate managed Kingstown Industrial Estate and property assets; they produced annual Key Performance Indicators for their performance.

- What were the plans for the Newman School site when the Sands Centre redevelopment was complete?

The Property Services Manager reported that originally portacabins were going to be used to provide leisure services for GLL, an opportunity had presented itself to utilise the Newman School building. This resulted in a cost saving, the refurbishment of a building that was flood damaged and a legacy project. The Council had the lease for the building which would return to the Diocese with the aspiration that it remained in the education sector. Plans for its future use would not be finalised until the Sands Centre was nearly complete and the building was no longer required by the Council.

- Had work been undertaken to seize any opportunities that may come forward from Brexit?
The Property Services Manager that the situation was being closely monitored for opportunities for the Council.
- The last property survey had taken place in 2018, would depreciation have affected the value of the properties?

The Property Services Manager explained that the condition surveys were undertaken every five years, this was a reasonable timescale to allow the Council to plan and budget for required maintenance work as well as give flexibility for reactive repairs.

- Had Covid 19 impacted the programme of repairs to assets?

The Property Services Manager confirmed that the programme had been delayed primarily due to issues within the supply chain for materials, contracts and in-house staff being unavailable, this was expected to continue for some time.

- What were the options for the development of the Morton District Centre?

The Property Services Manager responded that the site had been allocated as a local district centre and employment site. Development work on the future of the site would not progress until the route for the Southern Relief Road had been finalised due to the impact it would have on the site.

- A Member sought clarification with and an update on the assets which had been identified for disposal with significant issues.

The Corporate Director of Governance and Regulatory Services explained that the assets were varied and been acquired over a number of years, the issues were not necessarily regarding the condition of a property but were legal issues that needed addressed prior to disposal.

The Property Services Manager added that the lull in the market allowed the Council to progress with the due diligence work in order that when the market conditions improved the Council could proceed with disposals immediately.

- Considering the need to become more commercial would it be beneficial to refresh the Asset Review Business Plan to maximise the use of the assets to support a commercialisation policy moving forward.

The Corporate Director of Governance and Regulatory Service responded that the 2011 Asset Review Business Plan set the parameters which the Council would work within and the three categories that assets would be considered: investment, economic development and operational. However, it was continuously being reviewed alongside the Asset Disposal Programme and any opportunities which presented themselves to the Council.

- A Member asked for an update on the rent reviews.

The Property Services Manager assured the Panel that the rent reviews were moving forward as planned. He set out the issues that the Council faced when carrying out rent reviews and the reason for delays.

RESOLVED - That the Panel had considered and commented upon the draft Asset Management Plan 2021 to 2026 (GD.33/20).

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 17 AUGUST 2020

EX.90/20 **ASSET MANAGEMENT PLAN
(Key Decision – KD.13/20)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

Pursuant to Minute EX.71/20, the Deputy Leader submitted report GD.37/20 presenting the Asset Management Plan 2021 – 2026.

The Asset Management Plan was reviewed annually and updated, along with the Medium Term Financial Plan and the Capital Investment Strategy; and provided a succinct document which reflected the issues identified at paragraph 2.1 of the report.

The Deputy Leader reported that, during their scrutiny of the matter on 23 July 2020, Members of the Business and Transformation Scrutiny Panel had asked a number of questions (BTSP.35/20 referred); resolving “That the Panel had considered and commented upon the draft Asset Management Plan 2021 to 2026 (GD.33/20).”

The Chair of the Business and Transformation Scrutiny Panel had been invited to address the Executive but was not in attendance today.

The Deputy Leader concluded his presentation by moving the recommendation, which was duly seconded by the Leader.

Summary of options rejected that the Asset Management Plan should not be referred to Council for adoption

DECISION

That the Executive had considered the comments of the Business and Transformation Scrutiny Panel and referred the Asset Management Plan 2021 to 2026 to Council on 8 September 2020 with a recommendation that the said Plan be adopted.

Reasons for Decision

To update the Council's Asset Management Plan and the position of the property portfolio in the light of the Asset Review Business Plan and Disposal Programme and other corporate initiatives

Council

Agenda
Item:
14(iv)

Meeting Date: 8 September 2020
 Portfolio: Economy, Enterprise and Housing
 Key Decision: No
 Within Policy and Budget Framework: Yes
 Public / Private: Public

Title: *New Cumbria Choice* Allocations Policy
 Report of: Corporate Director of Governance and Regulatory Services
 Report Number: GD.39/20

Purpose / Summary:

The Council is required to have a housing allocations policy by virtue of Part VI of the Housing Act 1996. Furthermore, the Council has obligations under Part VII of the same Act in relation to Homelessness. The Report proposes the required policy (drafted in partnership with the other Cumbrian Councils) to Council so as to deal with the legislative requirements and have a consistent approach across Cumbria. Homelessness is one of the reserved matters under Carlisle City’s policy framework (Article 4, Constitution) and, therefore, this matter has followed the required procedure for policy development which has resulted in amendments to the document, proposed by the Health & Wellbeing Scrutiny Panel and the Executive, being agreed by the other partner organisations.

Recommendations:

That the Council approves and adopts the updated *Cumbria Choice* Allocations Policy (Appendix 1).

Tracking

Executive:	22 June and 20 July 2020
Scrutiny:	16 July 2020
Council:	

1. BACKGROUND

- 1.1** *Cumbria Choice* is the adopted social housing allocation policy of all six district councils in Cumbria, as well as the seven largest housing associations operating in the county. The first version was introduced in 2011 and has been in operation ever since. The Allocation Policy is periodically reviewed by the partnership to ensure it remains fit for purpose and is fully compliant with the latest legislation and good practice - notably the *Homelessness Reduction Act 2017* and associated Code of Guidance, as well as further Allocations regulations arising from the UK's exit from the EU, issued in 2019. The Cumbria Choice Policy was most recently updated in 2016.
- 1.2** The review has undertaken to streamline the Policy so that it is easier to understand and apply for people who need to access social housing and to the Registered Providers who administer the Scheme. Further aims include “making best use of available housing stock” and “ensuring that there is a social housing lettings service that embraces equality and diversity by being open and fully accessible to all individuals”. One of the key aims outlined in the current policy is to “improve the means by which local people in Cumbria gain access to social rented housing by providing a modern and easy to understand allocation system which allows choice and is fair, transparent and accountable”.
- 1.3** The timescale for the Policy review is crucial, as any changes or updates to the existing Policy need to be fed into the specification for the procurement of a new IT platform. The contract for the current system expires on 31 March 2021 and in order to ensure that the new system goes live on 1 April 2021, the procurement needs to be concluded as soon as possible. The Project Board appointed Andy Gale (the Housing Consultant who led on the previous Cumbria Choice review) to undertake the 2020 Policy review. Mr Gale has considerable experience in the field of allocations and homelessness, so his input has helped to ensure the new Policy is fully compliant with the latest legislation.
- 1.4** An important distinction between Cumbria Choice (original version and later updates) and previous allocations schemes is that people on the register apply for vacant properties they are interested in, giving them more of a choice in where they live and a greater stake in their local communities. Under earlier policies people were allocated properties as vacancies arose, based on a waiting list scheme, meaning there was

much less choice, and priority homeless households were accommodated through separate “nomination agreements” with individual housing associations. This was a significantly more bureaucratic process, as people wishing to register for social housing were required to complete a separate housing application form for each housing provider (all of whom operated different policies) meaning the previous system was less consistent and transparent.

- 1.5** As the updated draft policy also relates to homelessness, and not solely allocations, it falls within the ambit of the Council’s budget and policy framework, so has needed to be considered through the full Committee process. The vast majority of the Council’s homeless clients are housed through Cumbria Choice; whereas under previous allocation policies, the Council had to make homeless “nominations” to individual housing associations.

2. PROPOSALS

- 2.1** The extract below from the minutes of the Health & Wellbeing Scrutiny Panel on 16 July (HWSP.35/20) details the Panel’s requests and recommendations.

RESOLVED –

1) That the Panel have considered and commented on updated Cumbria Choice Allocations Policy and Equality Impact Assessment (GD.27/20).

2) That the Executive and the Partnership Board be asked to consider the following amendments and proposals:

- Clarification of the wording for protected characteristics on page 25 in the ‘Qualification rules adopted under the Policy’ section;*
- Removal of the word ‘transgender’ in the Equality Impact Assessment;*
- That paper applications for Cumbria Choice are still available for those who cannot access or use IT equipment.*

3) That a demonstration of the new Cumbria Choice ICT system be given to the Panel following the procurement in 2021.

The Cumbria Choice Project Board have agreed to continue providing a paper application form and make both of the textual amendments recommended under point 2, which are included in the last paragraph on page 20, which previously stated “advance equality of opportunity

and foster good relations between those who share a protected characteristic and those who do not” has been removed and page 106 within the equality impact assessment, where the word “transgender” has been removed, of the updated policy in *Appendix 1*. The IT demonstration, requested under point 3, will be arranged once the new IT system is in place, from April 2021.

- 2.2** The recommendation of Executive report GD.28/20 on 20 July was as follows.

That the Executive:

- 1. Receive and consider the feedback from the Health & Wellbeing Scrutiny Panel; and, either*
- 2. Recommend the revised Cumbria Choice, Choice Based Lettings Policy to Council for approval and adoption; or*
- 3. As per the consultation process, revert to the Cumbria Choice Partnership (“the Partnership”), specifying which matters they wish to be considered further by the Partnership;*
 - a. If the Partnership agree the amendments which the Executive wish to be incorporated then the revised Policy will be recommended directly to Council for approval and adoption;*
or
 - b. If the Partnership do not agree the suggested changes then the Executive will meet again to consider their response.*

As the Cumbria Choice Project Board have approved all of the recommendations made by the Health and Wellbeing Scrutiny Panel, the amended final draft Allocation Policy has therefore been referred to Council for approval, in accordance with paragraph 3a, above.

3. KEY CHANGES AND AMENDMENTS TO THE PREVIOUS VERSION OF THE ALLOCATION POLICY

- 3.1** The full details of the proposed amendments to the Cumbria Choice policy, following the Project Board’s review, together with the relevant supporting information are included in the report as follows:-

- The full updated draft Allocation Policy is included as *Appendix 1*;
- The supporting Equality Impact Assessment, approved by the Project Board in June, is provided as *Appendix 2*;

- A list of the proposed amendments since the previous update to the Policy is shown as *Appendix 3* - this list predates the amendments requested by Scrutiny (outlined in paragraph 2.1) and changes approved based on recommendations by Carlisle City Council Member and Officers (detailed in *Appendix 4*);
- Responses to queries received from City Council Officers and Members are included as *Appendix 4*.

3.2 The two major changes to the policy are a reduction from five housing priority bands to three and a reduction in the minimum local connection qualification for allocations in priority bands A & B from three years in the last five to one year, which are explained in more detail in paragraphs 3.2.1 and 3.2.3, below.

3.2.1 Applicants on Cumbria Choice are allocated bands, based on their level of housing need. Under the updated policy, which reduces the number of bands from five to three to make the policy more straightforward and easier to understand, the new bands are:-

Band A – Urgent Housing Need to Move

Band B – Statutory Housing Need to Move

Band C – All Other Applicants in Housing Need.

Band C is awarded where an applicant is not assessed as coming under the criteria adopted by the policy for being in a statutory housing need. Applicants placed in band C can still bid for properties but will not be considered above applicants from Bands A or B who have bid for the same property. A detailed breakdown of the bandings is included in *Appendix 1*. It is anticipated that the proposed changes will simplify the operation of the policy to the benefit of both staff and customers.

3.2.2 Timescales for eligibility to join the scheme and allocations have been amended as follows:-

- i) Eligibility to join the scheme: Cumbria Choice applicants must now demonstrate that they have a minimum local connection of a year before being registered into one of the reasonable preference bands A & B. There was previously not a restriction on people registering for the scheme under the current version of the policy. People can still register under Band C; although they would usually only qualify for lower demand properties with this reduced priority.

- ii) For allocations purposes, people would now need to demonstrate a local connection for at least the last year (or three of the previous five years) to qualify for Bands A & B (which was previously three of the last five years under the current version of the policy). This one-year period would make this commensurate with the eligibility criteria to register for the priority bands, delivering a consistent approach across the Policy.

The partnership agreed this approach, which was also supported through the stakeholder consultation process, would be housing people in the greatest need, as well as affording the housing associations participating in Cumbria Choice greater flexibility in their allocations, reducing the risk of empty properties and resulting loss of rental income streams in lower demand areas. It is also acknowledged that Carlisle needs to attract more working age people just to maintain existing employment levels due to the ageing population. A more flexible Allocations Policy can be of benefit in respect of supporting labour mobility.

Many of the other amendments are of a more technical nature, and the full list of proposed amendments to the previous version of the Cumbria Choice policy is included in *Appendix 3*.

A more detailed explanation of the proposed changes, following a query received through the consultation process, has been provided by the consultant who has written the updated Allocation Policy, and is included in *Appendix 4*.

3.3 The draft Allocation Policy, included in *Appendix 1*, has been updated since the previous report presented to Executive on 22 June to include:-

- i) New statutory guidance introduced on 27 June in respect of Armed Forces personnel and veterans, which: -
 - Strongly encourages local authorities to exempt from their local connection requirements divorced or separated spouses or civil partners of Service personnel who need to move out of accommodation provided by the Ministry of Defence, and
 - Sets out how local authorities can ensure that members of the Armed Forces and veterans suffering from mental ill health and given appropriate priority for social housing.
- ii) New statutory guidance introduced on 2 July in respect of

family members of people from Northern Ireland, relating to:-

Eligibility for an Allocation of Social Housing under Part 6 Homelessness Assistance and Part 7 of the Housing Act 1996:

Family Members of a Person of Northern Ireland with Leave under the EU Settlement Scheme and Persons with Stateless Leave.

iii) Further amendments to the Policy have been made to accommodate recommendations made by the Council's Information Governance Manager regarding the following sections:-

- General Data Protection Regulations 2018
- Assessing Applications.

4. CUMBRIA CHOICE HEADLINE PERFORMANCE FIGURES

4.1 Total Number of Applicants

The table below sets out the total number of applicants registered on Cumbria Choice, including their minimum bedroom requirement, registered up until 31/03/2020.

Local Authority	Minimum bedrooms required					Total
	1	2	3	4	5	
Allerdale Borough Council (ABC)	1251	522	252	10	1	2036
Barrow Borough Council (BBC)	857	409	249	5	1	1521
Carlisle City Council (CCC)	2909	1300	741	27	2	4979
Copeland Borough Council (CBC)	842	294	179	3	1	1319
Eden District Council (EDC)	585	255	132	2	1	975
South Lakeland District Council (SLDC)	2433	1061	441	12	0	3947
Total	8877	3841	1994	59	6	14777

4.2 Applicants in Priority Need for Housing

The following table identifies the number of households in priority need bands, as at 31 March 2020 under the old policy:-

- A – Urgent Housing Need to Move
- B – Statutory Housing Need to Move
- C – All other Applicants in Housing Need.

Under the old policy bands D & E are non-priority. The new policy reduces the number of bands from five to three to make the policy easier to understand and more transparent.

Local Authority	Band A	Band B	Band C
Allerdale Borough Council	34	98	422
Barrow Borough Council	33	105	366
Carlisle City Council	74	212	1214
Copeland Borough Council	47	100	306
Eden District Council	5	21	188
South Lakeland District Council	91	167	760
Total	284	703	3256

Of the 14,777 households registered for Cumbria Choice, 4243 are identified as being in a priority need group.

4.3 Lettings by Band

The following table sets out the total lettings through Cumbria Choice during 2019-20.

Local Authority	Band					
	Anony-mised	A	B	C	D & E (non-priority)	Total
Allerdale	27	32	43	233	293	628
Barrow	3	20	88	87	41	239

Carlisle	4	25	66	176	190	461
Copeland	8	19	46	98	119	290
Eden	45	5	17	69	129	265
SLDC	12	52	55	102	73	294
Total	99	153	315	765	845	2177

In the last year 1,233 lettings (over 59%) went to people in priority need bands (this has been calculated by subtracting the anonymised figures, which could be in any band from the total before applying the percentage).

Even in cases where people are allocated a priority banding due to a disability, in some cases there may still be a delay in re-housing them, as they may need to wait for a suitably adapted property to become vacant in a location where they have a support network.

5. RISKS

- 5.1** The Council needs to ensure it is content with the wording of the updated Cumbria Choice policy before approving it; however, there would be risks in not adopting the policy. All local housing authorities are required to have an allocation scheme for determining priorities and procedures for the allocation of social housing in the authority area (regardless of whether the authority has its own housing stock). Should the Cumbria Choice partnership cease to exist, the Council would be required to come up with a new Allocation Policy. The partnership approach requires that we have a collectively agreed policy across Cumbria. If Cumbria Choice ceased to operate when the current IT contract ends at the end of March 2021 this would mean all of the partners going back to operating their individual policies with separate waiting lists, which would be a lot more onerous and less transparent for social housing customers.
- 5.2** The partnership approach also has benefits for local residents, as prior to the implementation of Cumbria Choice in 2011, applicants for social housing had to apply separately to each housing provider (all of whom operated different allocation policy) so the old system was less transparent and consistent.

- 5.3** Approval of the updated Policy ensures the Council is meeting statutory requirements around equality and diversity, reducing the risk of any legal challenge. The revisions to the policy address any potential negative impacts on protected characteristics by providing a clearer and more consistent approach to the allocation of social housing.
- 5.4** The current IT contract expires on 31 March 2021, so any delay in approving the new Policy would increase risks regarding the timetable for the procurement of the new IT system, which will be required to accompany the new Policy.
- 5.5** If the Cumbria Choice partnership dissolved, and individual housing associations reverted to running their own individual allocation policies, this would be a less customer-friendly, and less consistent process for local residents, but would also mean the City Council would lose a lot of influence over allocation systems. The Council's Homelessness team would also have to return to making individual nominations to housing associations on behalf of clients. Officers would consider the current system is a lot more effective.
- 5.6** Alternatively, Members could decide not to recommend approval of the amended policy or request many additional or substantive amendments. This is not recommended, as the suggested updates will provide a clearer policy and one which is responding to legislative changes, including the *Homelessness Reduction Act* and new Armed Forces statutory guidance relating to Armed Forces personnel and veterans. If substantial changes are to be considered by the Project Board then this could significantly delay implementation of the revised policy, which could then risk legal challenge by not responding to the legislative changes.

6. CONSULTATION

- 6.1** The revised policy and Equality Impact Assessment has been considered by Health and Wellbeing Scrutiny Panel on 16 July 2020, and all of the Panel's recommendations have been approved and included in the updated Allocation Policy. Two specific comments and queries from Council Officers and Members have been received relating to the updated Policy, and responses to these points are included in *Appendix 4*.

- 6.2** An extensive consultation has already been held by the Cumbria Choice Project Board, during April and May 2020, with a wide range of key stakeholders, including charitable and third sector organisations. This includes Adult Social Care and Supporting People (Cumbria County Council), the Citizens Advice Bureau, Law Centre, private landlord groups, Armed Forces personnel representatives, and a range of organisations representing children, young people, disabled people, homeless people, mental health, older people and BAME groups.
- 6.3** Any major change to the policy can only be made after a copy of the proposed amendments have been consulted on by sending to every Registered Provider Housing Association in Cumbria, regardless of whether an association is a participating member of Cumbria Choice (Section s166A (13) Housing Act 1996). The Policy review has:-
- Taken all the views of partners into account;
 - Considered consultation responses from a range of stakeholders.

7. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 7.1** It is recommended that the Council approves the updated Cumbria Choice Allocation Policy. The partnership has been operating successfully for over nine years, and the Choice-Based Lettings system is much more customer-friendly than previous allocation policies, as there is a consistent policy and a single application form operated by all District Councils and the largest Housing Associations across Cumbria. The proposed updates to the existing policy (including amendments approved by Health & Wellbeing Scrutiny Panel, Councillors and Council Officers) will help to ensure that there is a consistent and fair approach amongst housing associations letting homes in Carlisle to assist people in the greatest housing need. Approval of the revised Cumbria Choice allocation Policy will ensure greater clarity and consistency for households registering for social housing in Carlisle, while simultaneously complying with legislative changes (including the *Homelessness Reduction Act* and resultant Statutory Guidance).
- 7.2** As this is a shared Allocations Policy, all thirteen Partners have to seek formal approval from their respective Boards, Committees, Cabinets and/or Council to enable the revised policy to be adopted. This could result in some minor alterations arising after other partners have formally agreed to adopt the new Policy. It is therefore recommended

that delegated authority should be given to the Corporate Director of Governance and Regulatory Services, in consultation with the Portfolio Holder for Economy, Enterprise and Housing, to approve any minor changes arising from this process. This proposal is outlined under 'Making Changes to the Policy', included in Section 1 Introduction and Background (*Appendix 1*).

8. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

8.1 "Address current and future housing needs to protect and improve residents' quality of life."

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**Appendices
attached to report:**

Appendix 1: Cumbria Choice Based Lettings Allocations Policy (2020 Policy Review)

Appendix 2: Cumbria Choice: Revised Housing Allocations Scheme Equality Impact Assessment (EQIA) June 2020

Appendix 3: Cumbria Choice Based Lettings Policy – Summary of Proposed Changes – 2020 Update

Appendix 4: Draft Cumbria Choice Policy Review 2020 - Consultation Responses

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

Homeless and Rough Sleeping Strategy for Carlisle 2015-20

<https://www.carlisle.gov.uk/LinkClick.aspx?fileticket=O7JyYfUVyt4%3d&tabid=1888&portalid=0&mid=8408>

Homelessness Reduction Act 2017

<http://www.legislation.gov.uk/ukpga/2017/13/contents/enacted>

CORPORATE IMPLICATIONS:

LEGAL – The Council is required to have an allocations policy by virtue of Part VI of the Housing Act 1996. Furthermore, the Council has obligations under Part VII of the same Act in relation to Homelessness. The proposed policy is drafted in partnership with the other Cumbrian Councils so as to deal with the legislative requirements and have a consistent approach across Cumbria. Homelessness is one of the reserved matters under Carlisle City’s policy framework (Article 4, Constitution) and, therefore, is required to follow the procedure for policy development.

PROPERTY SERVICES – No property implications.

FINANCE – There are no financial implications of adopting this revised allocation policy for social housing.

EQUALITY – The policy has been prepared with due regard to the Public Sector Equality Duty. An Equality Impact Assessment is included in the Executive paper.

INFORMATION GOVERNANCE – The Project Board have taken on board Information Governance related feedback and updated the Policy accordingly. The recent updates will ensure improved compliance with Data Protection Legislation.



Allocations Policy (2020 Policy Review)

Section 1: Introduction and background	3
Members of the Cumbria Choice Based Letting Partnership	3
Legal context	4
The key aims and objectives set for the Policy	6
Making changes to the Policy	6
General Data Protection Regulations 2018	7
Equality, accessibility and monitoring	7
Complaints	8
Policy Statement on Choice and Preferences	9
Section 2: Who can apply to the Housing Register and the criteria for assessing applications	14
The eligibility persons from abroad qualification rules	14
The qualification rules adopted by the CCP	15
Qualification rule 1 – Local Connection	15
Qualification rule 2: The requirement to give permission to obtain and share an applicant's personal information	17
Qualification rule 3: Homeownership or legal interest in home ownership	17
Qualification rule 4: Financial resources	18
Qualification rule 5: Failure to Bid	19
Qualification rule 6: Fraud or giving False Information	19
Qualification rule 7: Circumstances where an applicant has current or former social housing rent arrears or another relevant recoverable housing related debt	19
Qualification rule 8: Serious unacceptable behaviour	23
Qualification rule 9: CCP Tenants not assessed as Band A or Band B Housing Need	24
How the CCP will consider exceptional circumstances when applying any of the qualification rules	24
Section 3: Applying to join the Housing Register	26
How to apply	26
When a band will be allocated and what date this will be from	27
Assessing Applications	27
Checks into any court cases or unspent criminal convictions	28
Who can be included in the application?	29
How joint applications will be considered and when will a joint tenancy normally be granted?	30

Households with access to children/shared residency order or Child Arrangement Orders	30
The requirement to inform the CCP of any change of circumstances	30
Applications from Councillors, Board Members or staff of a CCP partner	31
Reviewing the Register	32
Cancelling Applications	32
Deliberate Worsening of Circumstances	32
When an applicant can request a review	33
Section 4: How an applicant's housing needs and circumstances will be assessed	34
The Banding system	34
The Banding Table setting out the 3 Bands and the housing need criteria required to qualify for each	35
Advertising properties	44
Sheltered Housing	44
Section 106 Developments	45
Local Lettings Policies	46
Specific Local Lettings Policies for villages or rural parishes	46
Appendix 1 – Operational and Procedural Instructions, Guidance and detail for how the Policy will be applied	47
Appendix 1.1: Lettings not covered by the Policy	47
Appendix 1.2: The details for how the scheme will apply: 1) The General Data Protection Regulations 2018 2) The 'Privacy Notice' for the policy, and 3) An applicant's right to information	49
Appendix 1.3 Details of how alleged fraud or providing false information will be assessed	51
Appendix 1.4: Additional procedural information on the consideration of exceptional circumstances and how applications where there is a 'Debt Relief Order', 'Bankruptcy Declaration' or 'Individual Voluntary Agreement (IVA)'	
Appendix 1.5: Additional guidance for assessing officers and the framework to be used to apply the test of unacceptable behaviour	54
Appendix 1.6: How a request for a review will be administered	56
Appendix 1.7: Further operational and procedural details covering: a) Advertising properties b) The bidding and selection process c) Offers of accommodation d) Feedback on lettings	57
Appendix 1.8: Assessing whether an applicant qualifies for a priority band A or B on the basis of medical priority	61
Appendix 2: Definition of terms	68
Appendix 3: How local lettings policy will be applied and reviewed	70
Appendix 4: Definition of a reasonable offer	72
Appendix 5: Contact details for all CCP Partners	74
Appendix 6: Household type and property size allowed	76
Appendix 7: Right to move criteria	78
Appendix 8: List of person/s who will take specific decisions	80
Appendix 9: How major changes will be considered by each of the 6 Cumbrian Councils	81

Section 1 Introduction and Background

Members of the Cumbria Choice Based Letting Partnership

This document is the revised Housing Allocation Policy for the Cumbria Choice Partnership (CCP).

The Allocation Policy is called the 'Cumbria Choice' and is a choice based letting scheme where applicants are able to bid for advertised vacant properties. Cumbria Choice is a sub-regional partnership between the 6 Local Council Districts and 8 Registered Provider Housing Associations that own social housing stock across Cumbria.

The following are members of the Cumbria Choice Partnership:

Allerdale Borough Council
Barrow Borough Council
Carlisle City Council
Copeland Borough Council
Eden District Council
South Lakeland District Council

Plus the following Housing Associations:

Accent Housing
Eden Housing
Home Group
Impact Housing
Riverside Housing
South Lakes Housing
Castles and Coasts Housing Association

Each of these Registered Providers (commonly known as and referred to in this policy as Housing Associations) have voluntarily signed up to the policy to ensure that all applicants applying for social housing in Cumbria are provided with a single route of access to social housing and are assessed using a single policy. Where any individual housing association in Cumbria is not a partner to the policy and continues to let vacant properties owed to the Council under a nominations arrangement, this policy will apply to the nominations owed.

The participating Housing Associations listed above (contact details are set out in appendix 5) have agreed to advertise the majority of their available vacant properties through the scheme and in accordance with this policy.

The 'Cumbria Choice Partnership' is overseen by a 'Sub Regional Project Board', which is governed by a partnership agreement. The membership consists of one senior officer representative from each organisation. Each organisation has one vote within the partnership.

The Project Board will meet at least six times a year to oversee the running of the scheme and to monitor its compliance with local and national policy and guidance. The partnership will continue to monitor, fund, develop and make policy decisions about the scheme as appropriate.

The policy covers the nomination of any applicant under the scheme to be an assured or an assured short hold tenant of housing accommodation held by any participating Housing Association across Cumbria, whether by way of a legally enforceable arrangement or not. This includes a nomination of a 'starter tenancy'. Of the 6 Cumbrian Councils only Barrow still owns Council stock and the policy applies to allocations made for that stock.

This policy sets out who is, and who isn't, eligible for social housing in Cumbria and how the CCP will make this assessment. It details how applications to join the CCP Housing Register can be made, the priority they will be given, and how offers of social housing will be made.

This is a revised 'Housing Allocation Policy' and will take effect in respect of all allocations of housing on or after [insert date here](#). The assessment of need and qualifying criteria set out in this policy will be applied to all new and existing Applicants from this date.

Legal context

This is the 6 Cumbrian Councils Housing Allocation Policy as required by Part 6 of the Housing Act 1996. Applicants are able to apply for housing and all applications will be fully assessed.

When applying an applicant will be asked to choose a local authority or housing association partner to administer their application. Where a housing association partner assesses and administers an application they will, on behalf of the 6 Cumbrian local authorities, be formally discharging the legal responsibility for a local authority to receive applications and apply their adopted allocation policy to assess that application. All applications will be assessed and administered through applying this allocation policy: this being the legally adopted allocation policy for all 6 Cumbrian local authorities.

In developing this policy the Councils have followed and fully considered the following housing legislation, regulations, statutory guidance, and strategies:

- 1) The Housing Act 1996, Part 6 as amended by Localism Act 2011 (England)
- 2) The Housing Act 1996, Part 7 as amended by the Homelessness Reduction Act 2017
- 3) Allocation of Accommodation: Guidance for Local housing Authorities in England (2012, DCLG) "the Code";
- 4) Providing social housing for local people: Statutory guidance on social housing allocations for local authorities in England (DCLG, December 2013) "Supplementary Code".

- 5) Improving access to social housing for members of the armed forces: Statutory guidance issued by MHCLG June 2020
- 6) Plus the following statutory regulations:
 - a) Allocation of Housing (Procedure) Regulations 1997, SI 1997/483;
 - b) Allocation of Housing (England) Regulations 2002, SI 2002/3264;
 - c) Allocation of Housing and Homelessness (Eligibility) (England) Regulations 2006, SI 2006/1294 and all subsequent amendments
 - d) Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations 2012, SI 2012/1869;
 - e) Housing Act 1996 (Additional Preference for Armed Forces) (England) Regulations 2012, SI 2012/2989.
 - f) The Allocation of Housing (Qualification Criteria for Right to Move) (England) Regulations 2015
 - g) 'The Allocation of Housing and Homelessness (Eligibility) (England) (Amendment) (EU Exit) Regulations 2019 (SI 2019/861)'
 - h) Right to Move guidance (DCLG, 2015)
 - i) Social Housing for Victims of Domestic Abuse in Refuges or other Types of Temporary Accommodation, guidance (MHCLG, 2018)
 - j) Homelessness code of guidance for local authorities (MHCLG, 2018)

In framing our allocations scheme this policy has had regard to the District Council's Homelessness and Rough Sleeping Strategy, Housing Strategy, and Tenancy Strategy as well as the Equality Act 2010.

In relation to f) above in accordance with the Right to Move statutory guidance on housing allocations for local housing authorities in England (Department for Communities and Local Government, March 2015) the Policy sets a limit of no more than 2% of lettings will be allocated to social housing tenants from outside of Cumbria who need to move for employment purposes.

All references to statutory materials are by way of summary and for convenience only, and are not to be used as substitutes for the details within the original.

Where the Policy refers to the Cumbrian Choice Partnership, or CCP, this is to be taken to mean each of the 6 Cumbrian Councils. Each Council has adopted this Policy as its legal Allocation Policy to meet the statutory duty under Part 6 of the Housing Act 1996.

This Allocation Policy applies when a Cumbrian Council:

- a) Selects a person to be a secure or introductory tenant of housing

accommodation (i.e. in practice accommodation owned by Barrow Borough Council as the other 5 Council Partners no longer retain social housing stock).

- b) Nominates a person to be a secure or introductory tenant of housing accommodation (i.e. in practice accommodation held by another housing authority).
- c) Nominates a person to be an assured tenant or assured shorthold tenant of housing accommodation held by a Registered Provider (commonly referred to in the Policy as Housing Associations).

The above includes Affordable Rent properties and Flexible (i.e. fixed term) tenancies.

For details of lettings not covered by the policy see appendix 1.1

The key aims and objectives set for the Policy

The key aims and objectives adopted for the Policy are:

1. A Policy that meets the legal requirements placed on each Cumbrian Council, namely to give appropriate priority to applicants who fall within the Housing Act “reasonable preference” categories
2. To ensure there is a social housing lettings service that embraces equality and diversity by being open and fully accessible to all individuals.
3. To improve the means by which local people in Cumbria gain access to social rented housing by providing a modern and easy to understand allocation system which offers realistic choices.
4. A Policy that is simple to understand and use, is transparent and is seen as fair by the general public and applicants
5. To support the objective of making the best use of the social housing stock in Cumbria, and to support mobility across Cumbria especially where residents need to access to employment.
6. A Policy that contributes to creating balanced and sustainable communities, and helps attract new customers to areas of low demand thereby reducing void times on any ‘harder to let’ properties.

Making changes to the Policy

Any major change to the Policy can only be made after a copy of the proposed amendments have been consulted on by sending to every Registered Provider Housing Association in Cumbria, regardless of whether an association is a participating member of the CCP. (Section s166A (13) Housing Act 1996).

All major changes must first, be agreed by the CCP Partnership Board who will make recommendations that will then be considered:

- a) By each of the 6 Cumbrian Councils, and

b) By each participating Partner Housing Association.

Details of how major changes will be considered by each of the 6 Cumbrian Councils are set out in appendix 9.

For minor changes to the policy or the operational procedures, decisions will be delegated to the CCP Board who will consult with the lead officer responsible for housing in each Council, (or their delegated officer), and with the Chief Executive for each CCP Partner Housing Association (or their delegated officer).

All major changes to the policy will be notified to those it may affect within a reasonable period of time.

General Data Protection Regulations 2018

We will ensure for any person on the housing register their information is stored lawfully and we act in a fair and transparent way in processing their data. We will only collect data that is specific, explicit and legitimate for the purpose of the application and lettings processes set out in this policy. The data will be kept up to date and not held unnecessarily or without appropriate security measures in place. Information will only be shared with other organisations or individuals in order to legitimately assess and progress a person's housing, or for the prevention of fraud, or with the person's explicit consent.

Appendix 1.2 sets out the details for how the scheme will apply:

- 1) The General Data Protection Regulations 2018
- 2) The 'Privacy Notice' for the policy, and
- 3) An applicant's right to information

Equality, accessibility and monitoring

The CCP is committed to ensuring that the Policy and the implementation of all associated guidance and procedures are non-discriminatory and that all applicants are able to access the service, especially taking account of any vulnerability or other specific needs, and also the needs of different groups protected by the Equality Act 2010; the Human Rights Act 1998; and for Children, Section 11 of the Children Act.

To identify the needs of our applicants the application contains specific questions relating to vulnerability, ethnic origin, sexual orientation, disability and other relevant criteria. The information obtained will be used to monitor the impact of the policy on minority and specific needs groups and to evidence the need for amendments, as may be required.

Under the Equality Act 2010 and in particular the Public Sector Equality Duty under section 149, Councils are required to give due regard to the need to eliminate discrimination when exercising a public function such as their legal Housing Allocation Policy.

The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The CCP will ensure that the policy complies with the current equality legislation and with all relevant statutory codes and guidance. The new policy has been subject to a full, detailed 'Equality Impact Audit' before it has been adopted (see appendix 10). This EIA will be regularly reviewed as more monitoring information regarding the impact of the policy is obtained.

The outcomes for applicants identified as having specific needs or who meet the definition of a protected characteristic under the Equality Act will be monitored in relation to the outcomes for applications to join the register and offers of social housing.

The CCP will monitor the policy and outcomes to ensure that it is meeting all legal requirements and that the aims and objectives set for the policy are being met. Monitoring will be used to ensure that:

- Those in the 'reasonable preference' categories are given priority for housing
- The Policy is complying with its Equality Act duties
- There is overall customer satisfaction with the scheme

Complaints

Complaints are separate to the circumstances where an applicant wishes to seek a review of a decision made on their application. Such a request should be made under the review procedure set out in section 4 and not through the complaints procedure.

Where an applicant wishes to make a complaint about poor service, or the way they have been treated, this should be made using the complaints procedure for the Cumbrian District Council where they currently live. A copy of the current complaints procedure for each of the 6 Councils is available on their websites.

Complaints regarding the handling of an application by a partner Housing Association should be made through that Association's complaints procedure which will be detailed on the Association's website.

Where a complaint relates to how an applicant has been dealt with under this policy an applicant has the right to continue with their complaint to the Local Government Ombudsman Service if they are unhappy with the response to their complaint.

The Local Government Ombudsman is an independent service run by Central Government to make sure that Councils provide the required standard of service to their customers.

The Ombudsman can investigate complaints about how the Council has done something, but they cannot question what has been done simply because someone did not agree with it.

The Ombudsman will normally deal with a complaint if a customer feels they have been treated unfairly as a result of maladministration.

For example, if a Council has:

- Delayed taking action without good reason
- Taken into account facts which are not relevant or ignored facts which are relevant
- Not followed their own rules or complied with the law
- Not taken action that they had promised to
- Given a customer the wrong information
- Not reached a decision in the correct way

The Ombudsman will not normally investigate a complaint:

- ✓ Until a Council has had the opportunity to review its decision (normally by accessing the complaints process), or
- ✓ If it is a matter which has been, are, or could be dealt with by the courts or an internal review procedure
- ✓ If it was a matter which the applicant was aware of more than twelve months before making the complaint

All complaints to the Ombudsman must be in writing. Applicants can request assistance from their local Councilor or ask an advocate to write on their behalf. The contact details for the Local Government Ombudsman are:

Local Government Ombudsman

PO Box 4771

Coventry CV4 0EH

Tel: 0300 061 0614.

You can also text 'call back' to 0762 480 3014.

Fax: 024 7682 0001

Website: www.lgo.org.uk

Policy Statement on Choice and Preferences

One of the key objectives of the Policy is to, as far as possible, give choice to applicants who wish to obtain social housing. This is why the CCP has taken the decision to operate the Policy through a 'choice based lettings' system (CBL). The aim being to give applicants the best possible choice over where they wish to live.

For all applicants who are eligible to be registered, they should be able to express a preference over any area that they would like to live in and the type of property they would prefer. However, the ability to satisfy that preference might be limited by the housing pressures faced.

The housing pressures faced limit the degree of choice that can be offered, along with the responsibility the 6 Cumbria District Councils have to offer housing to applicants in urgent housing need, including the need to reduce the financial impact of temporary accommodation on a Council. As a result of housing pressures there is a limit on the degree of choice that can be offered. The district councils have to offer housing to applicants in urgent housing need, this reduces the financial impact of providing temporary accommodation on that Council.

Expressing a preference over where an applicant would prefer to live does not mean that preference can be met, nor prevent an applicant being offered suitable accommodation outside of their preferred area.

Any applicant will be asked to state any area where they believe they cannot live due to fear of violence, harassment or domestic abuse. The assessment will then consider the facts and decide whether the applicant can be allowed to restrict those areas.

The key policies on choice explained

A) When the CCP may make a direct offer outside of the choice based letting (CBL) system and, in exceptional circumstances, outside of the CBL band and date order system

Not all properties that become available will be advertised and offered through the Choice Based Lettings (CBL) system. There may be circumstances where for urgent operational or financial reasons there is a need to make a direct offer of housing outside the CBL and, in exceptional circumstances, outside of the band and date order criteria set out in this policy.

Specifically, this would be where there are urgent operational or financial reasons. Examples include but are not limited to:

- 1) Situations where urgent re-housing is required due to an applicants existing property being uninhabitable, or where there are serious health and safety or personal protection issues that need to be addressed or in discharge of a statutory homelessness duty.
- 2) Urgent housing need situations where it would not be reasonable in the circumstances to wait for the Choice Based Lettings process to produce an offer.
- 3) Where there is an evidenced threat to life in the area in which an applicant currently lives.
- 4) Tenants of a CCP Partner in emergency cases whose homes are damaged by fire, flood or other disaster
- 5) To facilitate a three way (or greater) mutual exchange. Mutual exchanges are not an allocation, but when it would make best use of its housing stock and support the needs of the tenants involved, the CCP may make available a property for a three-way exchange
- 6) Direct offers to persons who the council has a duty to rehouse under section 39 of the Land Compensation Act 1973.
- 7) Direct offers in order to meet an annual lettings plan in the circumstances where a decision has been taken to adopt an annual lettings plan.
- 8) Where an applicant is homeless and in temporary accommodation and owed a section 189B(2) Relief duty or 193(2) main duty a Partner Council may wish

to implement a short term scheme to make direct lettings for a period of time to move applicants out of temporary accommodation, in order to manage any budgetary or legal impact. The CCP Board should be informed so that they can monitor to ensure that any scheme does not undermine the key objective, which is to ensure that direct lets do not form more than 15% of all lettings.

- 9) If an applicant is not being realistic in the areas they are bidding for accommodation, and as a result they may be occupying a temporary accommodation unit that may be needed for another newly presenting homeless applicant.
- 10) Where a vacant adapted property or a property designed to disability standards becomes available and there may be a need to offer that property to an applicant whose disability need best matches that property, regardless of the date they were registered.
- 11) Where the assessment is that it is inappropriate for the applicant to participate in Choice Based Lettings. For example, vulnerable applicants nominated by Adult Social Care where work is on-going with social workers and care managers to decide on the best letting solution for that applicant.
- 12) Other examples include cases where an applicant is subject to Multi Agency Public Protection Arrangements (MAPPA), or presents a risk to themselves or others

Furthermore, we may decide to restrict the time an applicant is able to bid for accommodation in an area where they would prefer to live. An offer of accommodation may be made in any area that has been assessed as being suitable and safe for the applicant to live in.

We will provide information about the number and types of homes, and current vacancy rates, to help applicants to make informed choices. The more flexible applicants are in their choice of areas and property types, the sooner they are likely to be successful in being offered a property that meets their need.

The number of direct offers will be monitored and should add up to no more than 15% of all lettings annually made under the scheme. This is to preserve Choice Based Lettings as the primary method of letting social housing properties in Cumbria.

B) Penalty for refusing a set number of offers

Any applicant in Bands A or B who refuses 3 reasonable offers within a 12-month period will have their application placed into Band C for up to 12 months. This is to tackle the problem of applicants making unlimited bids that may result in higher refusal rates with resulting extended re-letting periods.

Criteria setting out what will be considered to be, and not be, a reasonable offer is set out in Appendix 4. A refusal of an offer of the correct size and type will normally be considered unreasonable.

C) Offers of accommodation made to any applicant owed any statutory homelessness duty under Part 7 of the Housing Act 1996

Specifically, for applicants owed the section 189B(2) Relief of homelessness duty, or the Main section 193(2) duty under Part 7 of the Housing Act 1996, or where an applicant has an urgent housing need that must be met immediately, although the Council supports that the ability of applicants to express a preference for where they wish to live, the Council is of the view that what is paramount is the need to offer suitable housing, which may not be possible in the location preferred by the applicant.

If an applicant owed any of the statutory homelessness duties set out below refuses a written offer of suitable social housing accommodation made through this policy, then the duty owed to them will be discharged and they will lose any priority status afforded to them because of that homeless duty owed.

Applicants owed a statutory homeless duty will be identified through the IT system at the shortlisting stage. On identification of a suitable property the RP and LA partners will agree the a process for ensuring the a 'final offer warning letter' will be sent to the homeless applicant owed a statutory homelessness duty set out below. This will normally be to inform the relevant local authority Housing options Team that an offer is to made so they can send out a 'final offer warning letter'

In these circumstances unless they have another reason to be awarded a statutory housing need Band A or B under this policy, they will be placed into Band C. The offer they have refused will count as the first offer out of the 3 offers allowed within the 12 months period. They will no longer be owed any banding award for being owed a statutory homelessness duty, as that duty would have been brought to an end when they refused a suitable offer of social housing.

A statutory homeless duty means:

- a) The prevention of homelessness duty under Section 195(2)
- b) The 'relief of homelessness duty under Section 189B(2)
- c) Where the relief duty has come to an end and an applicant is then owed a section 190 Intentionally homeless temporary accommodation duty to provide them with a reasonable opportunity to secure alternative accommodation for occupation (section 190(2) duty),
- d) The section 193(2) Main Homelessness duty or the section 193C(4) 'reduced' section 193 duty

For operational guidance notes:

Note 1: Where it has been decided to refer the case to another authority at either the 'Relief Stage' or at the 'Main Duty stage' of their homeless application, an applicant will not receive any banding for being owed any homelessness duty as the Council will owe no duty (other than, depending on the circumstances) an interim accommodation duty. Being owed an interim accommodation duty pending the outcome of a local connection referral does not qualify an applicant to be owed a banding A or B

Note 2: Where a Cumbria District Council has ended any statutory homeless duty and is exercising its power to provide accommodation pending a review

decision (section 188(3) power) no statutory duty will be owed by the Council unless the outcome of any review is favourable for the applicant. Therefore where a review has been requested any banding priority for being owed any of the homelessness duties will be removed.

D) Where applicants in Band A have not bid within 3 months of being awarded Band A

Band A is an award of additional preference based on an applicant's very urgent need to be housed. The need to house someone urgently will be undermined if an applicant fails to bid because they may, for example, be waiting for the 'perfect property' to become available.

Therefore an award of Band A will be reviewed after 3 months for any applicant who has not bid, or where the view is that bids have been made but are not realistic.

The review after 3 months could result in a decision that:

- a) The Band A award should continue with further reviews scheduled for every 3 months, or
- b) The Band A award should be removed with the applicant losing additional preference and being placed into Band B, or
- c) That a direct offer should be made as soon as possible due to the urgent need for the applicant to move.

Note: There may be circumstances where no suitable properties have become available for an applicant to bid on within the 3-month period. In these circumstances an applicant will not have Band A removed and will continue to be able to bid. However, in recognition of their urgent need to move it may be agreed with the relevant local authority to make a direct offer for any property that is assessed as suitable to meet their urgent housing need.

Section 2: Who can apply to the Housing Register and the criteria for assessing who is eligible to be included

The CCP Housing Register is a single list of applicants across Cumbria who qualifies to be included on the scheme. It includes new applicants and existing social housing tenants living in Cumbria who are seeking a transfer.

Anyone over the age of 16 is eligible to join the Housing Register if their current address is their only home, or sole residence, and they are not already registered through someone else's housing application.

If an applicant is under 18 years of age they will not normally be offered a tenancy. This does not apply to young people living in a foster home or in residential care provided by Social Services for whom re-housing under the Children Act has been agreed and who are within 6 months of their 18th birthday. There is an agreed protocol between the Housing and Social Services

departments covering housing for applicants who are looked after, or were formerly looked after.

Any offer to an applicant who is under the age of 18 will only be made after their ability to manage a tenancy has been fully assessed. This assessment is to make sure that they can cope with being a tenant at a young age and that they do not risk losing that tenancy offered through a lack of support.

If a person who is 16 or 17 is granted a tenancy, this will be held in trust until they reach 18. This means that another suitable person (such as a parent, legal guardian, social worker or relative) will be responsible for the tenancy.

The eligibility persons from abroad qualification rules

Everyone can apply to join the register but there are some groups of people who by law cannot join the register, regardless of their housing need or circumstances. These are people who:

- Come under the Government's 'persons from abroad' eligibility rules and cannot lawfully be given housing help;
- Do not live habitually in the Common Travel Area (UK, Channel Islands, the Isle of Man or the Republic of Ireland);
- Do not have the right to live in the UK;
- Plus other categories of people who the Government may in the future, decide are not eligible for housing assistance.

Under sections 160ZA (1), (2) and (4) of the Housing Act 1996 the CCP cannot allocate a tenancy, or nominate a person for housing, if they are a person who is ineligible for an allocation of housing accommodation by virtue of being a person subject to immigration control or a person from abroad who is prescribed as ineligible.

The relevant regulations that apply to eligibility are:

- Regulations 3 and 4 Allocation of Housing and Homelessness (Eligibility) (England) Regulations 2006, SI 2006/1294
- All subsequent amendments including 'The Allocation of Housing and Homelessness (Eligibility) (England) (Amendment) (EU Exit) Regulations 2019 (SI 2019/861)
- The Allocation of Housing and Homelessness (Eligibility) (England) (Amendment) Regulations 2020 (SI 2020/667) implemented from the 24 August 2020.

The rules are complicated and anyone who is impacted or believe they may be impacted can approach any CCP Partner for advice, or seek independent legal advice.

The rules will change from 2021 due to the UK's exit from the EU and new regulations regarding eligibility for housing based on the EU settlement scheme. This policy will be amended to take into account any new rules.

The qualification rules adopted under the Policy

In addition to the Government's 'persons from abroad' rules setting out when a person is ineligible for an allocation of housing accommodation the housing laws allow for the CCP to define in the Policy who will be regarded as 'qualifying persons' (section 160ZA).

What this means is that under section 160ZA(7) is that the Policy can set out classes of people who are, or are not, qualifying persons. A number of qualification rules have been adopted by the CCP. There are also a number of defined exceptions to all, or an individual qualification rule. The qualification rules and exceptions are set out below.

Qualification Rule 1: Local Connection

Only those applicants with a local connection to Cumbria and who also have an assessed statutory housing need, as defined by this policy, are eligible to be included for the statutory reasonable preference housing needs Bands A and B. The local connection rules do not prevent an applicant from being awarded Band C as long as they meet the other qualification rules set, for example – as long as they are not disqualified through the unacceptable behavior rule.

There will be some properties advertised that may be subject to additional local connection requirements however, these will be clearly stated in the advert where this is the case. A local connection is defined as:

- a) Must live in Cumbria and have done so continuously for the past year, or for 3 years in the last 5, and that residence was of their choice.
- b) Have immediate family (mother, father, brother, sister, son, daughter) who are currently living in Cumbria and have done so for at least the last 3 years
- c) Are employed in permanent employment in Cumbria. Employment is defined as paid employment for 16 hours or more per week for a period of one year, or self-employment where an applicant can demonstrate that the self-employed work they perform is in the Cumbria area and is on average 16 hours a week or more. The employment must be based on their actual place of work in the area and not based on a head office or regional office situated in the area but from which the applicant does not work. Where working hours fluctuate i.e. casual or zero hours contract, an average will be taken over the last three months, or
- d) Have close family (normally mother, father, brother, sister, son or daughter) that have lived in Cumbria for a minimum of the past 3 years. We will consider whether there are exceptional circumstances where other family members may be considered as close. For example, the circumstances where an extended family member brought up a person in the absence of their own parents.
- e) Where there is an exceptional need to move to the area as determined for very special circumstances.

For the purposes of determining local connection for residence in Cumbria, this will include:

- 1) Residency in a non-traditional dwelling, such as a mobile home that is placed on a residential site, or an official pitch where it is demonstrated that this their

permanent place of residence and can be evidenced through paying council tax.

- 2) People who are forced to sleep rough in Cumbria if they meet the qualification period for residency.

The exemptions to the residency qualification rule for Bands A or B are:

- 1) An applicant is homeless and a Cumbrian Council has accepted the section 189B 'relief of homelessness duty or the main section 193(2) housing duty under the Housing Act 1996, and they are not intending to refer the applicant to another Council under the homelessness local connection rules.
- 2) A Cumbria District Council has placed an applicant into temporary accommodation outside of Cumbria.
- 3) Where there are significant and special circumstances requiring a move into Cumbria. This will be decided on a case-by-case basis following a request from the applicant or from the information submitted on their housing register application. Examples include:
 - a) Reasons of safety; i.e. when an applicant is fleeing domestic abuse or hate crime from another area, or
 - b) Is on a witness protection programme and the CCP have agreed that there is an essential reason why they need to move to Cumbria
- 4) Applicants who are leaving an institution such as a prison or secure unit or a hospital, rehabilitation centre, refuge, hostel or supported accommodation scheme that is not in Cumbria and the applicant was resident in Cumbria for one year one year immediately preceding residency in an institution, or 3 out of the last 5 years immediately before they were accommodated in that institution.
- 5) The CCP will consider any application from a gypsy or traveller household where the applicant may not meet the continuous period of residence rule, as the period may have been broken by travelling. The CCP will consider the facts of each case when deciding whether the rule should be waived.
- 6) Care Leavers below the age of 25 years who are, or were, owed a duty under section 23C of the Children Act 1989 by Cumbria County Council and have been looked after in accommodation outside of Cumbria. This will include care leavers who are still receiving after care support from Children's Service until they are 25, and some care leavers who are in full-time education who wish to move back to Cumbria on completion of their education.
- 7) Applicants that satisfy the Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations 2012. These are:
 - a) Applicants who are serving members of the regular armed forces
 - b) Applicants who served in the regular armed forces within the 5 years immediately prior to the date of their application
 - c) Applicants who are serving or former serving members of the regular armed forces or reserve forces who suffer from a serious injury, illness or disability sustained as a result of their service

- d) Applicants who are a bereaved spouse/civil partner of a former serving member of the regular armed forces and have recently ceased (or will soon cease) to be entitled to reside in services accommodation following the death of their spouse/civil partner.
- 8) Spouses and civil partners who are required to leave accommodation provided by the Ministry of Defence following a breakdown in their relationship with their Service spouse or partner. This exemption is recommended by the MHCLG Statutory guidance issued in June 2020.
- 9) Applicants who satisfy the right to move criteria will be exempt from the Bands A or B qualification rule. The Right to Move qualification regulations 20155 states that Local Connection criteria must not be applied to existing social tenants who seek to move from another Council district in England and who have a need to move for work related reasons to avoid hardship.

To qualify the applicant must:

- Be social housing tenant living in England
- Wish to join the Housing Register in Cumbria due to work related reasons to avoid hardship are able to do so provided that they can provide evidence to that effect that is accepted.
- Satisfy the criteria that the tenant needs, rather than wishes to move for work related reasons and if they were unable to do so would result in hardship.

Qualification rule 2: The requirement to give permission to obtain and share an applicant's personal information

Applicants will be required to sign a declaration, or to give informed consent, to confirm their understanding that:

- a. The information given is correct and that they will notify the CCP of any change in their circumstances.
- b. Enquiries will be made concerning their eligibility for housing and level of priority.
- c. Information will be provided to other partner organisations that are part of the scheme.

This is a condition of being accepted onto the housing register and applies to the applicant, or any member of the applicant's household.

Once an applicant provides information we will process that information under Article 6 GDPR. The processing is necessary under the Public Task purpose and is necessary for the Council to perform a task in the public interest or for its official functions, and that task or function has a clear basis in law.

Qualification rule 3: Homeownership, or legal interest in homeownership

An applicant cannot qualify for Bands A or B of the housing register (see section on exemptions) if they own or have an interest in residential property including freehold, leasehold, joint ownership or shared ownership (applicants who have been the owner of a residential property within the last 5 years will be required

to provide proof of the proceeds from the sale and of the disposal of the proceeds). This includes:

- Properties owned and rented out to other persons
- Properties in the UK or other Countries
- Properties owned by a spouse or civil partner

However, applicants will be able to qualify for Band C.

However, if as a result of a divorce settlement a Court has ordered that, for a period likely to exceed 5 years, an applicant may not reside in a former matrimonial or civil partnership home in which they still have an interest the Applicant will be treated as disqualified under this rule.

Qualification rule 4: Financial resources

Applicants who are considered to have sufficient financial resources to buy suitable accommodation in Cumbria will not qualify for Bands A or B but can qualify for Band C. 'Sufficient financial resources' are defined as sufficient capital to buy or rent privately; or sufficient income to raise a mortgage to buy or rent privately; or a combination of both. The income and savings limits are:

- 1) Applicants (both single persons and couples) who have total savings, investments and/or assets of £25,000 or more.
- 2) Applicants whose total gross household income from all sources exceeds an annual income of £45,000 or more (for single persons) or joint income of £60,000 or more (for couples).

'Sufficient financial resources' includes any assets or investments even if they are not immediately available to the applicant, such as any residential or non-residential property that they own or part own anywhere in the UK or abroad.

Any lump sum received by a member of the armed forces as compensation for an injury or disability on active service will be disregarded.

Although this qualification rule will mean an applicant cannot be granted the statutory housing needs bands A or B, it does not prevent them being considered for any low cost home ownership schemes, such as rent to buy, shared ownership/equity, discounted market sale and starter homes or lower demand properties. Information can be given on request regarding which Housing Associations or developers are currently operating any of the above schemes and how applications can be made.

Applicants who do not qualify for Bands A or B under the homeownership, legal interest or financial resources rules may be considered as an exception if:

- a) They own or part own accommodation or have an legal interest in accommodation; and
- b) They are over state pension age or have a substantial disability; and their current home is not suitable for their specific needs and cannot be adapted, and
- c) They have insufficient financial resources to buy accommodation that meets their particular housing needs in the private market despite owning a property, or having income or savings above the 'sufficient resources' thresholds set out in this policy.

The possible exemption is intended to cover situations where a person owns their own home but where it is agreed that they are no longer able to manage in it due to their advancing years, or due to developing a substantial disability that makes living in their home impracticable. This would be the circumstances where selling up would not provide sufficient funds to purchase a more suitable alternative in the area leaving that person in a difficult position.

Qualification rule 5: Failure to Bid

This is a disqualification rule that will be applied to applicants who are included on the Housing Register.

The CCP will monitor the bidding patterns to identify applicants who fail to bid and identify any applicants where their failure to bid could be the result of a vulnerability and not being able to understand the bidding system. In these circumstances the rule will not be applied.

Any applicant who has failed to bid for more than twelve months will be removed from the Housing Register to reduce the administrative burden of maintaining the register. This is based on the assumption that an applicant who has not bid for accommodation in 12 months is unlikely to continue to be in housing need. Any applicant removed from the register can reapply if they have a housing need.

If an applicant has only registered because they are interested in bidding for accommodation for a new section 106 rural developments that may be being built, this will be considered as an exception to the 'no bid in 12 months' rule.

Qualification rule 6: Fraud or giving False Information

Applicants who are found to have withheld or given false information may be removed from the register and will not be able to reapply for a period of 12 months. Decisions to remove the person from the register will be made based on the seriousness of the false information given, or an assessment of why important information was withheld. The rule applies to an application for housing where the applicant has:

- a) Committed fraud, or
- b) Given false information, or
- c) Withheld information

For details on how we will assess the question of alleged fraud or false information see appendix 1.3

Qualification rule 7: Circumstances where an applicant has current or former social housing rent arrears or another relevant recoverable housing related debt.

This section sets out the rules for when an applicant

- a) Will not be allowed to qualify for the Housing Register because of rent arrears or a housing related debt, or

b) Will be allowed to qualify but will not be allowed to bid for properties advertised until the rent arrears or housing related debt have been resolved to the satisfaction of the CCP using the criteria set out below.

When carrying out an assessment, we will take into consideration all housing related debts, associated with either a current or former tenancy where this relates to any social housing provider in the UK. Note the rules in this section apply only to social housing former or current rent arrears, occupation of temporary accommodation debts, and some other forms of housing related debt. This section does not cover any rent arrears for a private sector tenancy or licence. This is covered under the unacceptable behaviour rules set out in Qualification rule 8 below.

Note: the definition of a housing debt will not include debts that are statute barred. The debt will be considered statute barred where an applicant, or their representative or someone else they held the account with hasn't:

- Made a payment in the last 6 years
- Written to the creditor acknowledging the debt in the last 6 years
- Had a county court judgement (CCJ) relating to the debt in the last 6 years

For the purposes of this qualification rule housing related debts include:

- a) Current or former tenancy rent arrears of a social housing tenancy;
- b) Outstanding re-chargeable repairs;
- c) Current and former housing related service charge arrears;
- d) Bed and breakfast or other temporary accommodation charge arrears for a licence or a tenancy
- e) Housing benefit overpayments for a social housing tenancy;
- f) Failing to adhere to the terms of an agreed payment plan in relation to rent arrears or housing debt for a social housing tenancy or temporary accommodation
- g) Any court costs associated with any of the above debts

Housing related debts apply to both the applicant and to any members of their household that are included in the application.

The purpose of this qualification rule is two fold.

- 1) To ensure any debt to a former landlord is recovered and
- 2) To focus on whether an applicant's history creates a risk of future non-payment, rather than simply on the existence of a current outstanding debt.

The following framework will be used to guide officers to apply this qualification rule. We will consider:

- Whether the applicant still owes that debt, and if they do, the extent of the arrears/debt and whether it is a recoverable debt or a statute barred debt.
- Whether there possible exceptional circumstances that need to be considered.
- Whether the claimant has taken debt advice acted on it, and entered into and begun to implement any arrangement to clear the arrears/debt.

- If an arrangement has been made, the amount of arrears/debt paid off, any amount outstanding, and the regularity of any payments made.

After applying the above procedure it may be decided that the applicant does not qualify for the housing register or that they will be allowed to qualify, but not allowed to bid for advertised properties until the matter has been resolved to the satisfaction of the CCP.

There is no time limit regarding when a person can make a new application following disqualification. Where a new application is made we will assess whether the applicant has taken appropriate action to address the debt. When disqualified the applicant will have been informed of the steps they need to take to resolve the debt in order to qualify.

How decisions for applicants with a social housing debt will be made

a) Applicants with debts of £1,000 or more who have not made any arrangement to address the debt

Applicants with debts of £1000 or more who have not made any arrangement to address the debt should be ineligible to join the register unless the circumstances surrounding the debt are exceptional and the assessment concludes that there is no real risk of future non-payment.

b) Applicants with debts of £1,000 or more who have made any arrangement to address the debt

Applicants will be permitted to join the register and be able to bid for accommodation if they have maintained a payment arrangement for at least 13 weeks and have either:

- Repaid at least £750; or
- Repaid at least 25% of their original debt

Applicants who satisfy the above will be permitted to bid for properties. All partner landlords are encouraged to abide by these guidelines and to accept bids on this basis. It is however, accepted that the housing association to whom the debt is owed may wish to see that a longer period of repayment should be kept to. Where this is the case the period should not be more than a further 13-39 weeks in addition to the 13-week period that the applicant has already paid. Any requirement by the partner to whom the debt is owed for payments to be maintained for more than 13 weeks should not prevent an applicant from bidding for properties advertised by another housing association partner.

All partner landlords are discouraged from requiring a debt of £1000 plus to be paid in full. This disincentives applicants from making any attempt at payment and may result in an applicant having to demonstrate an extended repayment period of several years before they can be considered for accommodation. This would be unfair on applicant's who have demonstrated a commitment to pay off the debt and that the risk of any further debt for a new tenancy is low. It also makes it more likely that the housing association is unable to recover the debt.

c) Applicants with debts of £1-£499

Applicants with debts of £1-£499 should be eligible to join the register and eligible to bid, unless there is clear evidence of a future risk of non-payment.

Clear evidence of a future risk could include factors such as:

- a) A long history of housing debt;
- b) A long history of poor rent payments; and
- c) A long history of breached payment arrangements.

Where such evidence exists the applicant should be unable to bid until there is evidence of rehabilitation. Evidence of rehabilitation could include factors such as:

- a) Maintaining a payment arrangement for 1-8 weeks;
- b) Demonstrating that the causes of the previous problems have been addressed.

d) Applicants with debts of £500-£999

Applicants with debts of £500-£599 should be eligible to join the register but ineligible to bid, unless the applicant can demonstrate there is no real risk of future non-payment.

Evidence there is a no real risk of future non-payment could include factors such as:

- a) A history of not having housing debts;
- b) A history of regular rent payments; and
- c) A history of maintained payment arrangements.

Where no such evidence exists the applicant should be unable to bid until there is evidence of rehabilitation. Evidence of rehabilitation could include factors such as:

- a) Maintaining a payment arrangement for 8-26 weeks;
- b) Reducing the debt to below £500 (in which case the above rules at c would apply)
- c) Demonstrating that the causes of the previous problems have been addressed.

Applicants who are disqualified for a housing related debt of £1,000+ should notify the CCP immediately when they have either repaid at least £750 or repaid at least 25% of their original debt so they can qualify for the register. If it is agreed that the matter has been resolved and they can register, their effective date will be the date they have been assessed as qualifying for the register and will not be the date of their first application which resulted in the decision that they do not qualify.

The only exceptions to this qualification rule are applicants who can demonstrate that their circumstances are exceptional and that they would face serious hardship or risk through not being allowed to qualify. An exception may be considered where for example an applicant has a good payment history with a debt resulting from a one off incident or problem such as relating to Universal Credit, or benefits reforms, or where a tenant had to flee domestic abuse and a subsequent debt built up for their tenancy.

Additional procedural information on the consideration of exceptional circumstances and how applications where there is a 'Debt Relief Order', 'Bankruptcy Declaration' or 'Individual Voluntary Agreement (IVA)' are set out in appendix 1.4

Qualification rule 8: Serious unacceptable behaviour

This rule will apply where an applicant, or any member of their current or prospective household, has a history of serious unacceptable behaviour that, in the view of the CCP, makes them unsuitable to be a tenant. It is important to note that whether an applicant's behavior means that they are not allowed to register is entirely a matter for the CCP and that the qualification rule is not restricted to whether the unacceptable behavior would entitle the Council to an outright Possession Order if the applicant were to be a tenant. This was the 'threshold test' set by the legislation for Housing Allocation Policies until the Localism Act 2011 was implemented in 2012. Since 2012 the legislation allows qualification for unacceptable behavior to be defined through the rules adopted in any new Housing Allocation Policy.

In applying this qualification rule the CCP will decide on the facts of the case whether:

- a) The applicant should not qualify to be included on the Housing Register due to their (or household member's) serious unacceptable behaviour, or
- b) Will be allowed to qualify but will not be allowed to bid until the applicant (or household member) has demonstrated to the satisfaction of the assessing officer that their behavior has changed.

In the circumstances described by b) the applicant will be placed in the band that reflects their housing need and will continue to accrue 'time' on the register for the band awarded, despite not being able to bid. Once they have resolved their unacceptable behavior their date within the Band will remain the date they were awarded that band for their housing need and will not be the date they resolved the unacceptable behavior to the satisfaction of the CCP.

This rule will apply for example where the CCP is satisfied, having considered all available evidence of any of the following in relation to an applicant (or a member of their current or prospective household)

- 1) A serious failure to adhere to the terms of any current or previous social housing or private rented sector tenancy agreement. This includes failing to maintain any previous social rented or private sector rented property within the terms of their tenancy agreement, or committing acts causing or likely to cause nuisance or annoyance to neighbours or others in the locality of where they live or where they previously have lived. Non-qualification will apply until the applicant (or a member of their prospective household) has demonstrated, to the satisfaction of the CCP, that circumstances have changed such that the previous conduct is unlikely to reoccur. In many cases this could include demonstrating cooperation with support agencies leading to a substantial improvement in behaviour.

- 2) Conduct likely to cause nuisance or annoyance if they were to be offered a tenancy. This is conduct or behavior that does not only relate to a previous social housing or private rented sector tenancy agreement but conduct or behaviour that the CCP has assessed is still current. This includes where an applicant or a member of their current or prospective household is the subject of actions being taken by a Council (or some other recognised body) on grounds of alleged Anti Social Behaviour (ASB).
- 3) Rent arrears for their last private rented tenancy where the CCP has been able to obtain information that confirms on the balance of probabilities a debt is owed. If there is a debt owed it will be for the assessing officer to decide on the level and debt and any facts gathered regarding the level of debt and the reasons for it whether the applicant should be classified as a non qualifying case or, should be allowed to qualify but prevented from bidding until the debt is resolved, or should be allowed to qualify with no penalty applied.
- 4) Circumstances where the applicant, or any member of their household, has assaulted a member of staff, whether or not an injunction is being sought or has already been obtained

Additional guidance for assessing officers and the framework to be used to apply the test of unacceptable behaviour are set out in appendix 1.5

Qualification rule 9 – Existing CCP Tenants who are not assessed as Band A or B for having a statutory housing need.

Existing tenants of any Council or Housing Association located in Cumbria or outside of Cumbria will only be allowed to qualify for the Housing Register if they have an assessed housing need that would qualify them for Bands A or B.

This does not prevent a tenant who is not in housing need from seeking a transfer through the 'Mutual Exchange Scheme'.

How exceptional circumstances will be considered for any of the qualification rules

The CCP retains the ability, in exceptional circumstances, to exercise its discretion when applying any of the qualification rules. Note, it is for the applicant to request that discretion should be applied for exceptional circumstances and once requested this will be considered by a senior housing operational manager from the Council normally for the Council area where the applicant has applied from. A request for a review of a decision that an applicant does not meet the qualification rule will be taken as a request for any exceptional circumstances to be considered. The delegated responsible manager for each assessing organisation will consider:

- 1) Whether the application would result in the applicant being awarded a statutory housing need reasonable preference Band A or B under the Policy, and if so
- 2) Whether the applicant's circumstances (or those of a member of the applicant's household) are so exceptional that the qualification rule should be waived.

They will assess the case for exceptional circumstances and will record all decisions reached along with full reasons for that decision. The applicant will receive a written decision with the reasons set out.

Please note 1: that the CCP cannot waive the eligibility rules for any applicant who is not allowed to access social housing under the 'person from abroad' legal eligibility rules set by Central Government.

Please note 2: In deciding whether an applicant's circumstances are exceptional we will fully consider the Equality Act 2010 and Children Act 2004. For the Equality Act we will specifically consider:

- a) Whether the person, or a member of their household that they wish to be housed with them, meets the definition for one or more of the 9 protected characteristics in listed in the Equality Act 2010
- b) If we agree that the applicant or a member of their household comes under the definition for a protected characteristic the CCP will fully comply with section 149 of 2010 Equality Act and ensure that it has obtained all relevant information relating to the applicant's protected characteristic and will consider that if they were not able to qualify for the scheme, whether this would have an exceptionally detrimental impact on the person with the protected characteristic, and
- c) Ensure that any decision that the applicant's circumstances are not exceptional will be a decision that is a proportionate means of achieving the legitimate aims set out in this policy in section 1.

Section 3: Applying to join the Housing Register

How to apply

Applications should be made online by accessing the housing allocations section of the Cumbria Choice website and completing the on-line application form - <https://www.cumbriachoice.org.uk/Data/ASPPages/1/38.aspx>

An applicant will be asked to choose one housing organisation to administer their application. This can be the local authority for where they are resident or a housing association partner. If the applicant is a tenant of a 'Cumbria Choice' partner their application must be administered by that housing association. If they are a former tenant of a 'Cumbria Choice' partner, that partner must administer their application.

Applicants can call any of the CCP Council or Housing Association Partners if they need help to make their application on-line. There is also free access to the Internet at libraries, Council offices, Housing Association Offices and at some community facilities. A telephone or office appointment can be offered when an applicant has no access to the Internet or is unable to use the Internet. To mitigate any impact it is agreed that paper forms will still be available in

exceptional circumstances where it is agreed an applicant is unable to complete an on-line form.

The Cumbria Choice website contains a list of all of the supporting documents that an applicant must provide in order to progress their application. In most circumstances an applicant will be able to upload their documents.

Where the applicant indicates that they have medical problems they will also be requested to complete an additional medical assessment form on-line.

Once the on-line application has been received there may be a need for additional information. If so applicants will receive a phone call, email or letter setting out the details for any additional information needed.

Prisoners can register in the 6-month period prior to their date of release. They are able to express an interest in a property in the 2-week period prior to release but must be able to accept the tenancy on the date required by the housing provider.

If accepted onto the register, applicants will be informed of:

- 1) The band they have been placed in (this determines priority)
- 2) The date of application (may be used to determine priority within the band allocated)
- 3) The size and type of properties for which they can bid
- 4) Their application reference number (applicants will need this to bid)
- 5) How to appeal against their banding if they think it is wrong.

They will also receive a user guide. This will inform them about how the scheme works and will include such information as:

- Where to look for advertised properties;
- How to bid for a property
- What checks are made before any offer is confirmed?
- Feedback on their bid

Where a band is allocated what date will this be from?

The band start date is the date that the housing register application was received for assessment, unless an applicant's housing need and/or circumstances changes and they are as a result placed in a higher band. In these circumstances they will have their band start date reset as the higher band reflects how long they have had the higher level of housing need.

Note for eligible homeless applicants who meet the qualification rules to join the Housing Register the following will apply with regard to their Band start date:

- a) Owed a section 195(2) Prevention of homelessness duty – Band date is the date the duty was owed and not the date of the homelessness application
- b) Owed a section 189B (2) Relief of homelessness duty – Band date is the date the duty was owed and not the date of the homelessness application
- c) Owed the Main section 193(2) duty – Band date is the date the Relief of homelessness duty was owed and not the date the Main duty was owed. To start the date at the date the Main duty was owed would disadvantage an

applicant by 56 days who has been found to be in priority need and unintentionally homeless

- d) Relief duty has ended and the applicant is assessed at this point as not being in priority need - Band date is the date the Relief of homelessness duty was owed and not the date the Relief duty is ended and the non-priority decision confirmed. To start the date at the date the Relief duty was brought to an end would disadvantage an applicant by 56 days who has been found to be homeless but not in priority need

Assessing Applications

In order to assess an applicant's housing need and therefore their place on the Housing Register the scheme uses a needs based banding system detailed in section 4 below.

The Bands are awarded to reflect housing need, whereby the need reflected by the highest Band indicates the greater need for housing.

Applicants will be required to sign a declaration, or to give informed consent, to confirm their understanding that the information given is correct and that they will notify the CCP of any change in their circumstances.

It is the responsibility of the applicant to provide all the information requested to assess their circumstances, and to provide any supporting information or documents that are requested. Incomplete applications will not be made active until such time as the CCP is satisfied that it has in its possession all of the information it requires to complete its assessment.

All incomplete applications will be cancelled after a period of 28 days measured from the date information has been requested and not provided. If canceled this does not prevent the applicant making a subsequent application at a later date, although in such cases the effective date of registration would not be backdated to the earlier application date.

The CCP may request information or a reference from an applicant's current or previous social landlord and, depending on whether the application gives rise to any concern, request a reference from the most recent private sector landlord if the applicant is or has been a private sector tenancy.

Where a landlord does not reply a reminder will be sent, and if still not forthcoming any other information or records available will be checked to try to determine whether there have been any concerns over the way an applicant may have conducted their private rented tenancy. An applicant should not be disadvantaged if, despite every effort, it is not possible to obtain a reference from their current or previous landlord.

All applications are subject to certain verification checks and may be reassessed:

- At the point of initial application
- Following any change of circumstance notified to the CCP by the applicant
- Following any routine validation audits

- Following an annual review of the application
- At the point of an offer of accommodation
- At the point of letting

Checks into any court cases or unspent criminal convictions

In the interests of community all applicants and members of their prospective household will be requested to disclose any pending court cases or unspent criminal convictions.

The CCP may use any information disclosed (or any other information obtained during the assessment or following registration) to ascertain whether the applicant should be disqualified from joining, or remaining on the register, due to applying the serious unacceptable behaviour rule including whether they may pose a serious risk to a community if they were to be housed.

Spent convictions are not required to be disclosed and will not be taken into account in assessing that person's eligibility to join the register. The assessment will instead reflect whether there is evidence of any current serious unacceptable behavior regardless of whether a person has been convicted in the past for that behavior.

If the CCP decide that, on the information obtained during the assessment process, there is a real pressing need for a 'Disclosure and Barring Service (DBS)' check, or a police check, a supplementary request for information and declaration will be sent to the applicant asking for more details and for permission from the applicant for the CCP to make the relevant check. Failure to give permission may result in the application not being made live whilst the CCP consider the information available to it or may result in the application being closed through the applicant failing qualification rule 2 which is to give permission for the CCP to undertake all reasonable enquiries.

Information gained will not automatically exclude an applicant from the register. Information received may also be used to make informed decisions about the suitability of any property that may be offered.

All assessments will be carried out in accordance with the data protection and information sharing policies and legal requirements.

Who can be included in the Application?

The Application can include the following household members:

- a) Spouses or Civil Partners where the applicant lives with and/or intends to live with their Spouse or Civil Partner.
- b) Partners where the applicant is currently cohabiting with a member of the same or opposite sex.
- c) Children who reside with and are dependent upon the applicant. Children are defined as under 18 for these purposes. Where there is any dispute as to whether children reside with and are dependent upon the applicant, the

CCP will apply the test in Section 189(1)(b) of Part 7 of the Housing Act 1996 to decide (see below).

- d) A Carer where the assessing officer has agreed that on the evidence there is a need for a live in Carer. The Carer is a person who provides or intends to provide care for another adult. It is either a relative or friend who assists another person in their day-to-day life. This is different from someone who offers care professionally or through a voluntary organisation. Even if a carer is in receipt of Carer's Allowance this does not necessarily mean that it is necessary for them to reside with the person who is being cared for. An application to include a carer in a housing application will be considered by the assessing officer's Manager to determine if the carer has been assessed by Social Care and Health as needing to provide overnight support. In these circumstances the applicant must provide supporting evidence from other agencies e.g. Social Care or a Health professional.
- e) Any other household member at the discretion of a manager delegated by the assessing body to make such decisions.
- f) Note: Individuals can only be on 1 application. Where someone has an application in their own name (or with a partner) they cannot also be included as a household member on another application unless they are a victim of domestic abuse. If this is the case they should remove themselves from their previous application.

How joint applications will be considered and when will a joint tenancy normally be granted?

Joint applications will be accepted and will be treated as one application. The housing need of the full household will be considered in assessing housing need.

Joint tenancies are normally granted where applicants have a long-term commitment e.g. married and unmarried couples, civil partners but this decision is down to the individual housing association who will decide whether to allow a joint tenancy depending on the rules adopted by that association.

Households with access to children/shared residency order or Child Arrangement Orders

As part of the assessment process the CCP will record whether the applicant claims to have children that live with them part of the week whether or not this arrangement is set by the court or not. The CCP will apply the test in Section 189(1)(b) of Part 7 of the Housing Act 1996 to decide whether any child both lives with and is dependent on the applicant. Unless this test is passed an applicant will only be able to be considered for the size of accommodation relevant to their circumstances.

There will be cases where after the section 189(1)(b) assessment it is agreed that children live with the applicant on a 'shared arrangement' even though they do not exclusively live with the applicant.

In these cases, and in cases where an applicant has contact with children who stay over but do not live with the applicant, the applicant will be advised as to what size of property the applicant they are likely to be able to access and the rules applied by each partner housing association for allocating accommodation to households where children do not exclusively live with an applicant. The decision in this respect of each partner Housing Association is likely to vary and will depend on a number of factors including:

- a) The ability of the applicant to afford the rent with or without help from benefits
- b) The availability and popularity of family housing in any area that an applicant expresses a preference to live in. For example a Housing Association may be willing to be more flexible where a vacancy relates to a flat than a house as long as the rent is assessed as being affordable.

The requirement to inform the CCP of any change of circumstances

Applicants are required to inform the CCP of any changes in their circumstances, which affect their housing application.

Examples of a change in circumstances include but are not limited to:

- a. A change of address or contact details, for either themselves or members of their prospective household;
- b. A change in their medical condition or disability (either existing or newly acquired);
- c. Additional family members or other people they wish to add to their application (It will be for the CCP to decide whether they will allow additional people to join the application);
- d. Any family member or any other person on the application who has left the accommodation; and
- e. Any significant changes in income, savings or assets, which may require a reassessment under the income and savings qualification rule.

Where there is any change in an applicant's circumstances, an on-line change of circumstances form must be completed, and supporting documents must be provided. If there is any change to the banding, applicants will be informed in writing. The onus is on applicants to inform the CCP when there is a relevant change in their circumstances.

If the change in circumstances results in a higher banding award the effective date will be the date they moved into the higher band. If the applicant moves to a lower band there will be no change to their effective date.

Note, a failure to notify the CCP of changes in circumstances may lead to the offer of any housing being withdrawn and the application suspended whilst the changes are verified.

Applications from members of the Council, Board Members, and staff

Elected Councillors, or Housing Association Board Members, cannot be involved in assessing housing applications or the allocation of housing. However, this does not prevent Councillors seeking or providing information on behalf of applicants.

In order to ensure that the Council is treating all applicants fairly, any application for housing from a Councillor, Board Member, or employee of any Cumbrian Council's Housing Department or Partner Housing Association will be assessed in the normal way, but an offer of housing must be approved by the Lead Officer for the social housing partner advertising the vacant home. Canvassing is not allowed in any circumstances by or on behalf of members of staff.

Reviewing the Register

Every applicant on the Register will have their application reviewed annually, or more frequently as decided by the CCP in order to manage the administration of the register. A letter will be sent to all applicants requesting confirmation of their current circumstances, and asking if they wish to remain on the register. If a reply is not received within 28 days of the date the letter is sent the application will be cancelled.

Cancelling Applications

An application will be cancelled in the following circumstances:

- At the request of an applicant
- Where an applicant does not respond to an application review, within the specified time limit set out in any correspondence sent to them
- Where a CCP Partner, or any other Council, or Housing Association has housed the applicant (unless it is assessed that the applicants' housing circumstances still qualify for an award of Band A or B based on their housing need, but this is unlikely to be the case). An applicant that has been rehoused and does not have an assessed housing need could of course apply again and would be included in Band C with a new Band date, which would be the date of their application.
- When a tenant on the housing register completes a mutual exchange
- Where the applicant moves and does not provide a contact address
- Where the applicant has died
- Where the applicant has not supplied information requested within 28 days at the application stage or the annual review stage.

Where the information known is that an applicant is vulnerable, the assessing officer may contact the applicant, or any agency supporting them, to check their current circumstances before cancelling the application.

If an applicant has moved into private rented accommodation rather than social housing the application will not be cancelled but if the result of a reassessment

at this stage is that as a result of their changed housing circumstances they no longer qualify for an award of Band A or B, then they will be allocated Band C.

Any applicant whose application has been cancelled has the right to ask for a review of that decision.

Deliberate worsening of circumstances

Where there is evidence that an applicant has knowingly and deliberately made their housing situation worse in order to gain a higher priority on the register, the assessment of their needs will be based on the circumstances before their situation changed through their actions to deliberately worsen their circumstances.

Examples are:

- Applicants who have allowed family members or others to move into their property, who previously had suitable accommodation or the financial means to secure their own accommodation, and this has resulted in the property being overcrowded.
- Applicants who have moved from previously suitable or more suitable accommodation which it were reasonable for them to continue to occupy, into a less suitable property.
- Homeowners who have transferred their property to another family member within the last 5 years from the date they make their application to the Register.
- Applicants who have given up affordable and suitable private rented accommodation which they are able to maintain, to move in with other relatives or friends, creating a situation of overcrowding and/or sharing of bathroom/kitchen and/or a split household;
- Requesting or colluding with a landlord or family member to issue them with a Notice to Quit

These are examples only. There may be other circumstances where the CCP decide that an applicant has deliberately worsened their circumstances

The Review Procedure

The CCP is committed to making the correct decisions on all applications. Notification letters by post or email notifying an applicant of ineligibility or non-qualification for joining the Housing Register, or about the band that they have been awarded, or about any other decision concerning the facts of an applicant's case, will state that the applicant has a legal right to request a review of the decision made.

Under the housing legislation that applies to Allocation Policies there is a legal right to request a review of a decision in the following circumstances:

- a) A decision that an applicant is ineligible, or not a qualifying person to join the Housing Register.
- b) A decision regarding which band an applicant has been awarded.

- c) The priority date granted for the band awarded.
- d) To remove an applicant from the Housing Register.
- e) Any decision about the facts of the case that has been used to assess their application.
- f) Where an applicant considers that a decision has been reached based on incorrect information.

The procedure for how a request for a review will be administered is set out in appendix 1.6

Section 4: How an applicant's housing needs and circumstances are assessed

The Banding system

The demand for social housing exceeds supply in many areas of Cumbria and therefore this Allocation Policy intends to prioritise the housing of those applicants who are assessed as being in the greatest need. Once registered this does not mean that an applicant has a right to be offered social housing. They can be considered for housing based on their housing need but many applicants will unfortunately not have sufficient housing need to be offered a property.

The banding system will normally be used to decide priority between applicants for an offer of accommodation. Additionally, the CCP may apply the 'direct offer procedure in particular cases as set out in this policy.

Where the bidding process applies, priority is generally awarded in descending order between Band A, Band B, Band C. Within bands, priority is generally awarded according to the band date. The sub-categories within each band do not affect relative priority within that band.

The law, as it applies to local housing authorities, requires that the scheme be framed so as to secure that Reasonable Preference for housing is given to those in the categories set out in the Housing Act 1996 (as amended). The statutory Reasonable Preference categories cover:

- a) People who are homeless within the meaning of Part VII of the Housing Act 1996.
- b) People who are owed certain homelessness duties by any local housing authority.
- c) People occupying unsanitary, overcrowded or otherwise unsatisfactory housing.
- d) People who need to move on medical or welfare grounds (including grounds relating to a disability).
- e) People who need to move to a particular locality within the district to avoid hardship to themselves or others.

Reasonable preference is defined on the policy as a statutory housing need. There are two statutory housing need bands (A and B) and one non-statutory housing need band (Band C). The purpose of reducing the number of bands from 5 under the old policy to 3 is to ensure that the policy is more transparent and simple to use. Once a band has been allocated based on the applicant's housing need, that band would (with the exception of where a direct offer is made under the policy) operate as a 'waiting list' so that applicants can see progression and be given more accurate information on how long they are likely to wait for an offer of accommodation depending on the area and type of property they wish to consider. This system is fairer and aims to build confidence in applicants regarding the allocations process.

The following section provides details of the 3 bands an applicant may be awarded. The band in which an application is placed, will be determined by their housing need. How the policy defines and assesses housing need is described in the table below. Where there are further details (beyond that contained in the table) of how the housing need criteria will be assessed, these are set out in appendix 1, for example, how officers will assess medical housing need claims (appendix 1.8).

It is important to note that applicants will be placed in the appropriate band when it is assessed their housing need meets the set threshold. An applicant who qualifies under more than one housing need criteria will be awarded the highest priority that any one of their assessed needs is entitled to. For example, an applicant with a need that is awarded band A and another need that would be awarded band B will be awarded band A. An applicant who meets 2 Housing Need criteria for Band B will still only be awarded band B. This new housing allocation policy no longer reflects cumulative housing need to ensure that the policy is seen as being fair and less complicated to understand and administer. This will also ensure decisions reached are consistent.

The Bands are:

Band A - Urgent housing need to move: These are applicants that are owed a statutory award of what the 'Housing Allocation Legislation' calls '*reasonable preference*' but whom the CCP believes should also be awarded '*additional priority preference*' based on their urgent and exceptional housing need.

Band B – Statutory housing need to move: These are applicants that are owed a statutory award of *reasonable preference* under the policy and have been awarded Band B priority based on their statutory housing need. It also includes certain key workers granted B priority.

Band C – All other applicants in housing need: This is the housing need band awarded where an applicant is not assessed as coming under the criteria adopted by the policy for being in a statutory housing need. Applicants placed in band C can still bid for properties but will not be considered above applicants from Bands A or B who have bid for the same property.

The CCP wish, over time, to increase the Options available to applicants in all 3 Bands including Band C. We aim to use technology to send direct texts and emails to inform applicants of available housing options and this may include information on:

- 1) Social rented low demand properties available now in any area of Cumbria
- 2) Older person housing opportunities
- 3) Affordable homes with specific rural local connection criteria or section 106 agreement
- 4) Affordable rent
- 5) Rent to buy
- 6) Shared ownership/equity
- 7) Discounted market sale / starter homes
- 8) Market rented
- 9) Help to buy opportunities.

The reasonable preference criteria and the Band allocated for that housing need criteria

<p>Band A: Additional preference for certain homelessness duties <i>(This is assessed and verified by the Partner Council's Housing Options Team)</i></p>
<p>This banding applies where a Cumbrian Council have accepted:</p>
<p>1) People owed the Section 193(2) main homelessness duty or the Section 193C(4) 'reduced' Section 193 duty, or</p>
<p>2) People owed a section 189B (2) Relief duty and the applicant is, at the point of that 189B duty being accepted, considered likely to be in priority need and unintentionally homeless, whether a decision to that effect has been made or not, and the applicant is in temporary accommodation provided by the Council to meet a section 188 interim accommodation duty.</p>
<p>In these circumstances where an applicant is homeless and in temporary accommodation and owed a Section 189B(2) relief duty, or 193(2) main duty or a section 193C(4) reduced main duty the Council will need to move applicants out of temporary accommodation to manage the budgetary or legal impact on the Council. The applicant may still bid for properties advertised but due to the budgetary pressures faced by the Council and the need to maintain a supply of available temporary accommodation for new cases presenting as homeless, the Council is likely to make a direct offer of suitable accommodation into the private rented sector or social housing regardless of the preferences expressed by the applicant.</p>
<p>Band A: Additional preference for medical or disability (See appendix 1.8 for full details of the medical need assessment process)</p>
<p>Where an applicant (or a member of their household) is unable to continue to occupy their current accommodation due to high medical need or disability. Examples of when Band A may be awarded include:</p>
<p>Applicants ready to be discharged from hospital who: have somewhere to live but their accommodation is unsuitable due to their medical needs and cannot be made suitable through adaptations because of cost effectiveness or structural difficulties or the property cannot be adapted within a reasonable amount of time.</p>
<p>Applicants who have urgent need to move due to them having medical problems or disabilities that are being exacerbated by their current housing situation. This includes applicants:</p>
<p>a) Whose life is at risk due to their current housing conditions or who are housebound, effectively housebound or cannot access the essential facilities in their home and there are critical concerns about their safety, for example through falls due to difficulties with access.</p>
<p>b) Whose condition is terminal and rehousing is required to provide a basis for the provision of suitable care</p>

c) Whose condition is life threatening and their existing accommodation is a major contributory factor
d) Whose health is so severely affected by the accommodation that it is likely to become life threatening for example, where an applicant has significant mental health problems which are exacerbated by their accommodation
e) With disabilities, who have restricted mobility and are limited by their accommodation such that they are unable to carry out day-to-day activities or have difficulties accessing facilities inside and outside of their accommodation and require rehousing into accommodation suitable for their use.
f) In overcrowded accommodation which puts the applicant at risk of infection, for example, where an applicant is suffering from late-stage or advanced HIV infection
Band A: Additional preference where there is a need to move on welfare grounds due to exceptional impact on the applicant or a member of their households well being
Not every circumstance that may present can be captured by the policy so below are examples of welfare ground cases that will be considered. The list is not exhaustive:
a) Suffering extreme violence, harassment or discrimination, whether a hate crime or otherwise, and that it is not safe for them to remain in their present home/locality.
b) Applicants who need to move due to domestic abuse threats from an ex partner or family member they do not live with, extreme threats of violence, extreme harassment, or other extreme circumstances deemed to significantly affect a household's welfare and wellbeing.
c) Exceptional circumstances due to significant problems associated with the tenant's occupation of a dwelling in the social or private rented sector and there is high risk to the tenant or their family's safety if they remain in the dwelling/area.
d) For applications in circumstances where there is a serious threat to the well being of a child and their accommodation is a major contributory factor to that risk. This will be in circumstances where the relevant manager in Children's Services or equivalent assesses the level of risk exposure in relation to the child or children remaining in the current property as being so critical that no other reasonable options in relation to accommodation are available to protect the child.
Band A: Additional preference Armed Forces
Applicants with urgent housing who:
a) Are serving (and will soon leave) the regular forces, or are a former member of the armed forces and is suffering from serious injury, illness, mental ill health, or disability which is attributable (wholly or partly) to the person's service

b) Have recently ceased, or will cease to be entitled, to reside in accommodation provided by the MOD following the death of that person's spouse or civil partner who has served in the regular forces and whose death was attributable (wholly or partly) to that service or
c) Are serving or have served in the reserve forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the persons service
Band A: Additional preference for unfit or unsatisfactory housing
There are 3 circumstances where Band A may be awarded:
1: Applicants without access at all to any of the following facilities:
No access to:
a) A bath or shower
b) A toilet
c) Cooking facilities
d) Running hot water supplies
e) Electric/gas needed for essential activities
Applicants who have access to shared facilities re cooking; bathroom and toilet will not qualify under these criteria.
2: Exceptional impact cases.
Applicants who currently occupy a private sector property which has at least one Category 1 Hazard (excluding overcrowding) under the Housing Health and Safety Rating System (HHSRS) and where a Prohibition Order has been served or is intended to be served under the Housing Act 2004 and the effect of the Prohibition Order is likely to mean that the applicant(s) will lose the use of their home on a permanent basis. The relevant conditions at the property must be life-threatening or present an immediate threat of serious injury to the occupant(s)
This includes a property that has severe damp, major structural defects including subsidence, flooding, collapse of roof, or have living conditions which are a statutory nuisance, <u>and</u> there is no prospect of the problems being remedied within a period considered to be reasonable by the Council and the household are not able to afford to resolve their own housing problem by moving to alternative private sector accommodation.
Note - this does not include Council or Housing Association homes as there is a legal requirement on social landlords to urgently remedy defects that pose a risk to their tenants
3: Demolition or Compulsory Purchase Order (CPO) cases.
Where the applicant's property is subject to demolition or subject to a Compulsory Purchase Order for redevelopment
Band A: Additional preference for severe overcrowding as defined as 2 bedrooms or more overcrowded <i>Note: the measurement of overcrowding is based on the "bedroom standard" (with some exceptions adopted see below).</i>

This is the non-statutory standard set out in the government's allocation of accommodation guidance.

Where an applicant household is severely overcrowded defined as requiring 2 or more additional bedrooms to reach the bedroom standard. In calculating the overcrowding the following circumstances will be disregarded unless there are exceptional circumstances:

- Children over the age of 16 will be excluded from the calculation
- Cases where extended family had moved into accommodation causing the 2 bedroom plus level of overcrowding
- Where the household contains non-dependent adults as there is more chance of non dependents being able to resolve their housing
- The CCP will take account of the space and layout of rooms and bedrooms in deciding whether the 2 bedroom plus priority will be awarded

Band A: Additional preference for applicants nominated by Cumbria Adult Social Services/Children's Services in the following circumstances:

- Where there is an essential need to move due to child protection issues
- Fostering carers for Cumbria County Council where there is a need to move to a larger home in order to accommodate a looked after child (this would not apply where the home required would be 4 bedrooms or more)
- Adoption arrangements where there is a need to move to a larger home in order to accommodate a looked after child (this would not apply where the home required would be 4 bedrooms or more)
- Applicants owed a duty by Adult Social Services under the Care Act 2014 / Mental Health Act 1983/2007 who have been assessed by the housing team as being ready to move onto independent living and have an appropriate support package in place

Band A: Additional preference for Cumbria County Council Care Leavers (Former Relevant children) as defined by the Children (Leaving Care) Act 2000 and need to move on

Applicants must be a former "Relevant Child" as defined by the Children Leaving Care Act 2002 and be a young person at risk of homelessness. The evidence to support this award will be provided by the council's leaving care service and will consist of confirmation that:

- a) All referrals by Children's Services will be made following the provision of Cumbria's Joint Protocol for young people
- b) The care leaver is ready to move to independent settled housing and is genuinely prepared for a move to independent living
- c) The care leaver possesses the life skills to manage a tenancy including managing a rent account.
- d) The care leaver has either long term or medium term tenancy support arranged, as required.
- e) Ongoing support needs have been assessed and, where appropriate, a support plan is in place and

f) The CCP's assessing officer agrees that due to the nature and extent of their vulnerability, accommodation in the private rented sector would, through its short-term nature, have a detrimental effect on their well-being
<i>Note: Care leavers will be awarded Band A on proof of their status. If an application for housing is made before it has been determined by the CCP assessing officer that the individual is ready for independent living, taking into account information from the applicant's support worker and other agencies, the application will not have any bid considered until the support worker presents the evidence to the CCP that the individual is ready to move on and the CCP agree with that evidence.</i>
Band A: Additional preference for applicants who are part of a multi-agency public protection agreement (MAPPA).
Band A would apply only where:
a) On the recommendation of the MAPPA partnership the applicant requires and is suitable for independent housing and qualify for the Housing Register, and
b) The CCP assessing officer agrees that due to the nature and extent of the circumstances of the MAPPA case accommodation in the private rented sector would, through its short-term nature, have a detrimental effect on the multi agency planning for that individual
Band A: Additional preference for certain MARAC assessed cases
Applicants fleeing domestic violence and abuse that have been assessed by MARAC (or any subsequent multi agency arrangement) as needing to move urgently for the safety and security of themselves and or any dependent children and are assessed as being in immediate danger, and
a) The MARAC partnership has referred the case and provided evidence as to why the applicant requires social housing, and
b) The CCP assessing officer agrees that due to the nature and extent of the circumstances of the MARAC case accommodation in the private rented sector would, through its short-term nature, have a substantial detrimental effect on individual or household
Band B – Reasonable preference for certain homelessness duties owed <i>(This is assessed and verified by the Partner Council's Housing Options Team)</i>
Any of the following statutory homeless duties owed by a Cumbrian Council:
a) People where it has been verified that they are rough sleeping in a Cumbrian Council area regardless of whether they have made a homeless application
b) People owed the prevention of homelessness duty under Section 195(2) by any Cumbria local authority
c) People owed the 'relief of homelessness duty under Section 189B(2) (Note: applicants owed a relief duty and are likely to be in priority need,

unintentionally homeless and are in temporary accommodation will be placed in Band A)
d) People where the relief duty has been brought to an end and an applicant has been assessed at that point as not being in priority need. Note this priority banding is dependent on the applicant remaining homeless. If their circumstances change and they are no longer homeless the band B priority award will be removed. If an offer of accommodation were to be made and upon verification the assessment was that the applicant was no longer homeless the offer would be withdrawn.
Band B: Reasonable preference for insecure accommodation arrangements
“A pregnant woman or applicant with a child or children who are sharing a home with family and where:
a) They have no ownership or tenancy rights and the arrangement is short term and very insecure and only available whilst the applicant is actively seeking an offer of social housing or alternative accommodation with friends or in the private rented sector, and
b) They were owed a prevention of homelessness duty as they were assessed as likely to become homeless within 56 days, and that duty has ended because they have been allowed to remain at home whilst they bid for social housing with their Band B priority and it is likely that they can remain for at least 6 months to a year.
c) The family member with the interest in the home has agreed to allow the applicant to remain for at least 6 months to a year.
Band B: Reasonable preference for medical or disability housing need (See appendix 1.8 for full details of the medical need assessment process)
Applicants who have need to move due to them having medical problems or disabilities where their housing conditions exacerbates a serious medical condition or disability but do not qualify for an award of Band A. This includes (the examples are to illustrate the level of housing need to be awarded Band B and is not an exhaustive list).
a) The applicant’s current accommodation to a significant extent directly exacerbates an existing medical condition, is the direct cause of a medical condition or impacts on the ease of use of the facilities within their home for a disabled person.
b) Applicants who have mobility issues and it has been assess need to move to ground floor or level access accommodation
c) Applicants who have mobility issues and need to move to accommodation that has level access showering facilities
d) Applicants who have a significant physical or mental health condition that is directly affected by their accommodation and where a move to alternative accommodation would help to ease or resolve their condition
e) Applicants who have a medical need for an additional bedroom (e.g. because they need an overnight carer or need to accommodate a substantial amount of medical equipment)

Band B: Reasonable preference under the Government's 'Right to move' regulations

Existing social tenants of accommodation in England who the CCP have assessed as qualifying for the housing register and additionally meet the Government's Right to Move regulations will be placed into Band B

Allocation to those Applicants who qualify is limited to a maximum of 2% of all lettings.

Band B: Reasonable preference for 'move on' from supported housing

Where the CCP assessing officer after considering evidence from the applicant's support officer agrees that due to the nature and extent of their vulnerability, accommodation in the private rented sector would, through its short-term nature, have a detrimental effect on their well being.

The requirements are that before the award is made, ongoing support needs will need to have been assessed and, where appropriate, a support plan put in place to increase the chances of the tenancy succeeding and the person must have been assessed as ready to move on from supported to independent housing.

Band B: Reasonable preference where it is agreed there is a need to move on welfare or hardship ground:

1) Applicants who need to move closer to a specialist organisation, agency or institution located in a specific area of Cumbria, where moving would prevent significant physical, psychological or financial hardship. (The assessment will include the availability and ability to use public transport)

2) Hardship on support grounds: Applicants that have demonstrable evidence that they provide or receive substantial and on-going support to or from relatives or friends and where moving would prevent significant physical, psychological or financial hardship. This award will only be considered where there are significant medical or welfare issues including grounds relating to disability. This award for applicants who give or require support from relatives or friends will only be considered where there is a severe disability or mental ill health, medical or welfare issue (relating to the applicant or their household or the relatives or friends) and there are reasons why this support cannot be made available through reliance on public transport or the persons own transport. (The assessment will include the availability and ability to use public transport).

3) Employment Hardship - Priority will only be given in exceptional circumstances and applicants will need to show that they need to move to take up or continue an employment opportunity not available elsewhere. They will only be considered where they do not live within a reasonable commuting distance and will be required to provide confirmation of employment details from the employer. Employment purposes are defined as: applicants including people needing to move

<p>from outside Cumbria and between Cumbrian Districts, taking up or continuing permanent employment for a minimum of 16 hours per week. Under this clause applicants will only be considered where they do not live within a reasonable commuting distance and will be required to provide confirmation of employment details from the employer. (The assessment will include the availability and ability to use public transport)</p>
<p>Band B: Reasonable preference for being overcrowded by 1 bedroom <i>Note: the measurement of overcrowding is based on the "bedroom standard" (with some exceptions adopted see below). This is the non-statutory standard set out in the government's allocation of accommodation guidance.</i></p>
<p>Applicant's living in overcrowded conditions and whose housing circumstances have been assessed as being 1 bedroom short of what they need as measured by the bedroom standard.</p>
<p>Or alternative wording</p>
<p>Where an applicant household is overcrowded by one bedroom as measured by the bedroom standard. In calculating the overcrowding the following circumstances will be disregarded unless there are exceptional circumstances:</p>
<ul style="list-style-type: none"> ➤ Children over the age of 16 will be excluded from the calculation ➤ Cases where extended family had moved into accommodation causing the 1 bedroom level of overcrowding ➤ Where the household contain non-dependent adults as there is more chance of non dependents being able to resolve their housing
<p>The CCP will take account of the space and layout of rooms and bedrooms in deciding whether the 1 bedroom priority will be awarded</p>
<p>Band B: Reasonable preference for unsatisfactory housing conditions or issues of property fitness</p>
<p>Private sector tenants that the relevant Council has determined that the property poses a category 1 hazard under the Health and Safety fitness rating and the CCP assessing officer is satisfied that the problem cannot be resolved by the landlord within 6 months and as a result continuing to occupy the accommodation will pose a considerable risk to the applicant's health. This includes a property that has severe damp, major structural defects including subsidence, flooding, collapse of roof, or have living conditions which are a statutory nuisance, <u>and</u> there is no prospect of the problems being remedied within a 6 month time period, and the household are not able to resolve their own housing problem by moving to alternative private sector accommodation</p>
<p>Band B: Reasonable preference for under-occupation</p>
<p>Applicants who have a social housing tenancy with a Cumbrian CCP Partner and are under-occupying social rented accommodation by two or more bedrooms. The exception to the 2 or more bedroom under occupation rule will be:</p>

<p>a) Where a tenant occupies a house that they are under occupying by 1 bedroom and a move to a flat would free up that house</p> <p>b) Where it is agreed that under-occupancy by 1 bedroom will cause significant financial hardship for tenants. This is where there is clear evidence that tenants on lower incomes are forced to spend significant percentages of their incomes on servicing 1 bedroom under-occupancy deductions</p>
<p>Band B: Local preference for recent ex armed forces applicants</p>
<p>Members of the Armed Forces persons who are serving in the regular forces who will be discharged within three months and have served for five years preceding their application for an allocation of housing accommodation as long as this has not been a dishonorable discharge.</p>
<p>Band B: Local preference for identified 'Key Workers'</p>
<p>The following key workers whose total gross household income from all sources does not exceed an annual income of £45,000 or more (for single persons) or joint income of £60,000 or more (for couples).</p>
<p>1) National Health Service Staff and Social Care staff</p>
<p>2) Community Support Officers</p>
<p>3) Members of the Territorial Army</p>
<p>4) Volunteer Fire Officers</p>
<p>Band C – All other applicants in housing need: This is the housing need band awarded where an applicant is not assessed as coming under the criteria adopted by the policy for being in a statutory housing need. Applicants placed in band C can still bid for properties but will not be considered above applicants from Bands A or B who have bid for the same property.</p> <p>Band C will include applicants who have been assessed as being intentionally homeless by any Council and since that award has not had settled accommodation (defined by the CCP assessing officer)</p>

Note applicants who only want to register for a section 106 village or rural development and have no other statutory housing need will be allocated Band C.

Advertising Properties

All CCP Partners with social housing stock have agreed to advertise the majority of their properties through Cumbria Choice. Properties will be advertised on a weekly basis on the website.

Choice based lettings are about the applicants being given choice about where they want to live. Properties will be advertised and applicants will be able to indicate the properties for which they want to be considered by 'bidding'. Once the bidding process closes a shortlist will be compiled and the property allocated will be based on the banding priority of the applications and the time they have waited as long as they meet the criteria set out in the advertisement.

If a bid is received from an applicant on Cumbria Choice who does not have a local connection with the Council area where the advertised property is located then the local connection criteria set out in 'Section 2 Qualification rule 1' will be used to produce the shortlist, unless the property is advertised with no preference for applicants with a local connection to the area where the property is located. For properties advertised under a local letting policy the criteria for that LLP will be used to produce a shortlist.

So far as is possible the CCP will use the CBL letting process, banding priority system, and waiting time within the band to allocate accommodation. However, there may be times when a direct letting will need to be made to a property using the criteria set out in 'Policy on Choice' detailed in Section 1. In these circumstances a property will not be advertised. The aim is that no more than 15% of properties available to let should be allocated through a direct letting in order to preserve the integrity of the choice based letting process. However, in the circumstances of a national emergency such as the Covid-19 pandemic choice based lettings may be suspended, or a much higher percentage of lettings may be made directly.

Further operational and procedural details are set out in appendix 1.7 covering:

- a) Advertising properties
- b) The bidding and selection process
- c) Offers of accommodation
- d) Feedback on lettings

Sheltered Housing

Sheltered accommodation is included within the scheme. It is generally for people of 60 years and older and offers independent living with the added security and support of a warden service. In certain circumstances it may be advertised for people aged below 60 years. Property advertisements will clearly state the age requirements of applicants able to 'bid' for a property.

Section 106 developments

Under the Town & Country Planning Act 1990 some developments are subject to Section 106 planning obligations which usually requires properties to be let to applicants with a local connection to stated Parishes. Where this applies only those applicants meeting the requirements of the Section 106 agreement will be eligible for an offer of a property.

Advert details will state when the letting of a property is governed by a Section 106 agreement.

Local Lettings Policies

Local lettings initiatives may be applied to meet the particular needs of a local ward or area or to address sustainability and community issues to ensure that the housing allocation scheme is able to contribute to building sustainable communities. Appendix 3 gives full details for how local lettings policies will be assessed and applied.

The following are examples of local lettings policies that may be deployed under this policy. The list is for illustrative purposes and is not exhaustive.

- 1) Age restrictions.
- 2) Specific local lettings policies for a village or rural parish (see below)
- 3) Prioritising applicants who are key workers, as defined by the CCP.
- 4) Restrictions on lettings to vulnerable households where there are already a concentration of supported tenants/residents in a street or block.
- 5) Lettings to childless households where there are high concentrations of children and young people living on a specific estate, street or block.
- 6) Disregarding household type or property matching rules to allow, for example, under-occupation to reduce child density or to account for future family growth.
- 7) Ensuring that there is a balance of working and non-working households allocated to a scheme.
- 8) Enhanced local connection restrictions relating to a specific parish.

New developments will normally have local lettings policies (usually only applies to first lettings) regardless of whether the new development is subject to a Section 106 agreement or affordable housing statement. Where a new development is subject to a Section 106 planning agreement the criteria set will be followed.

Specific Local Lettings Policies for Rural Villages and Parishes

For some villages and rural parishes where there is a high demand for housing additional priority may be given to applicants who have a local connection to the particular village or rural parish. Advert details will state where an applicant having a local connection to the specific village or rural parish may be given priority. Those villages and rural parishes subject to a local lettings policy will be identified for each Cumbria Council. For some villages or rural parishes the definition of local connection may be based on locally agreed criteria through the Parish Council and will not necessarily be the definition set out below. In these circumstances the property advert will fully set out the local connection criteria.

Section 5 Appendices

Appendix 1 – Operational and Procedural Instructions, Guidance and detail for how the Policy will be applied.

Appendix 1.1: Lettings not covered by the Policy

- a) Introductory or probationary tenancies – Where an introductory/probationary tenancy becomes a secure or assured tenancy
- b) Family Intervention Tenancies – Introduced by the Housing and Regeneration Act 2008, Family Intervention Tenancies are a form of residential tenancy without security of tenure. They may be offered by either a local housing authority or a housing association to anyone who is a tenant of a secure (or assured) tenancy subject to a possession order on the grounds of anti-social behaviour or domestic abuse or anyone who (if they had a secure or assured tenancy) could have had such a possession order made against them.
- c) Succession under S89 of the Housing Act 1985 (secure tenancies), under S133 (2) of the Housing Act 1996 (introductory tenancies) or under S90 of the Housing Act 1985 (fixed term tenancies).
- d) Non-Secure tenancies or ‘temporary accommodation’ – Any accommodation that is provided to meet an interim duty under Part VII of the Housing Act 1996.
- e) Temporary decants – Secure or introductory tenants of a local authority or assured or assured shorthold tenants of Registered Providers who need to be moved temporarily whilst major work is carried out on their home.
- f) Demoted tenancies - Following a successful application for a demotion order under sections 14 and 15 of the Anti Social Behaviour Act 2003.
- g) Mutual exchanges between existing tenants under S92 of the Housing Act 1985 or under S158 of the Localism Act 2011.
- h) Assignment to a person who would be qualified to succeed the tenant under S92 of the Housing Act 1985 (secure tenancies) or S134 Housing Act 1996 (introductory tenancies).
- i) Conversion of an introductory tenancy to a secure tenancy under S125 Housing Act 1996).
- j) Transfers of secure or introductory tenancies by a court order made under certain provisions contained within matrimonial, family, children and partnership legislation.
- k) Allocation to a person entitled to rehousing under section 39 of the Land Compensation Act 1973.

- l) Allocation to a person whose home is repurchased under sections 554 or 555 of the Housing Act 1985 (defective dwellings).
- m) The Allocation Scheme does not apply to an allocation to anyone who is already a secure or introductory tenant or an assured tenant of a private registered provider of social housing or registered social landlord unless the person has applied to the CCP for a transfer and the CCP is satisfied that the person is to be granted reasonable preference under one of the reasonable preference categories in S166A (3) of the Housing Act 1996

Appendix 1.2: The details for how the scheme will apply:

- 1) The General Data Protection Regulations 2018
- 2) The 'Privacy Notice' for the policy, and
- 3) An applicant's right to information

General Data Protection Regulations 2018

A Data Protection Impact Assessment (DPIA) will be undertaken for any proposed changes to the policy or procedures where those changes are likely to result in a high risk to individuals' interests in order to comply with the requirements of General Data Protection Regulation (Regulation (EU) 2016/679) and Data Protection Act 2018.

Personal information will only be used in ways that the applicant reasonably expects in order to process their application. This will include the sharing of information with the Housing Association Partners to this scheme or any other Housing Association that is not a member of the scheme.

Where it is necessary for personal information to be shared with third parties, it will be transferred in a secure way to ensure it is not compromised or accessed by anyone who is not entitled to it.

On a case by case basis, where the law requires or permits, and the disclosure is necessary and proportionate, information about an applicant may be shared in the absence of consent without breaching data protection, human rights or the common law obligation of confidence.

Usually this will involve striking a balance between the rights of the applicant and other legitimate interests, which may justify the information sharing. An obligation of confidentiality/privacy may be set aside where the interference is in accordance with the law, necessary and proportionate to the legitimate aim being pursued to meet one or more of the following interests:

- a) National security
- b) Public safety
- c) The detection or prevention of disorder or crime
- d) Protection of health or morals
- e) The protection of the rights or freedoms of others (e.g. safeguarding public funds, protecting those at work)

Privacy Notice

All CCP Partners have a responsibility to protect public funds. For Local authorities this is a legal duty. The CCP partnership may obtain and share information about the applicant to:

- Prevent or detect crime or fraud
- Protect public funds
- To make sure information is correct

Third parties include government departments, other Councils, private sector companies, including companies that assist us in fraud detection and prevention, such as '*Credit Reference Agencies*'. Information may also be obtained from social media.

Any use of personal data will be in full accordance with 'The Data Protection Act 2018', which incorporates the implementation of the General Data Protection Regulation (GDPR). A full copy of each CCP Privacy Notice is available on request via emailing Cumbria Choice *@add cumbria choice general query email address*

Right to information

The Freedom of Information Act 2000 makes it a requirement for every public authority to produce a 'Publication Scheme' which sets out all the information it makes available to the public, and whether copies of that information are available free of charge. The 'Publication Scheme' includes information that a Council is legally obliged to publish. The Scheme is also intended to assist in developing a culture in which openness and transparency is encouraged as per the requirements of the Local Government Act 2000.

Appendix 1.3 Details of how alleged fraud or providing false information will be assessed

Section 171(1) of the Housing Act 1996 makes it an offence for anyone, in connection with the exercise by a local housing authority of their functions under Part VI of the Housing Act 1996 (and therefore in seeking an allocation of accommodation) to:

- a) Knowingly or recklessly make a materially false statement or
- b) Knowingly withhold information that the CCP has reasonably required him/her to give in connection with the exercise of those functions.
- c) A person guilty of this offence is liable on summary conviction to a fine at the date of this scheme document of up to £5,000.

The circumstances in which an offence is committed could include:

- d) Any false information given on an application form for housing/accommodation (including transfer applications);
- e) Any false information given in response to subsequent correspondence;

In addition making a fraudulent application for housing may constitute an offence under the Theft Act 1968 and/or the Fraud Act 2006.

If an applicant has given materially incorrect information at the time of the application or that subsequently comes to light, amounting to deliberate concealment of for example a debt, or an eviction, their application will ordinarily be cancelled and a letter will be sent to the applicant to notify him/her of the decision and reasons.

Determination of deliberate intent

In many cases, applicants will have provided incorrect or inadequate information on their application form, but the assessment concludes that there was no deliberate intention.

It will be for the assessing officer in the first instance to decide if any errors contained in an application were deliberately made or not. If the officer is satisfied that the errors were not deliberate, or that it had no impact on the application, then no action will be taken though the applicant may be warned about the need to provide accurate information and the consequences for not doing so.

However, if the assessing officer has concerns, these will be discussed with their Manager who will decide if they:

- 1) Are satisfied that there is insufficient evidence to disqualify the application on these grounds;
- 2) Requires more information to be gathered before a decision can be made;

- 3) Are satisfied that the applicant has provided fraudulent information, or withheld important information.

The Manager will notify the CCP Board and, in serious cases the Police, in all cases where serious or systematic fraud is suspected.

If the decision is that applicant has given false information or withheld information they will not qualify for the register, or where information emerges after they have been placed on the register, they will be disqualified. In these circumstances a letter will be sent to the applicant to notify them of the decision and they will have a right to seek a review of that decision.

Appendix 1.4: Additional procedural information on the consideration of exceptional circumstances and how applications where there is a 'Debt Relief Order', 'Bankruptcy Declaration' or 'Individual Voluntary Agreement (IVA)'

Note: it is the responsibility of the applicant to make the case as to why their circumstances are exceptional. Once a request has been made for exceptional circumstances to be applied the assessing officer will consider that request under the statutory review procedure. Each request to be considered an exemption will be assessed on the facts presented. The CCP will also consider cases where it has assessed that a tenant accrued rent arrears due to the bedroom tax resulting in the tenant being unable to pay the full rent, or through having a reduced income as a result of a National Emergency for example the Covid19 emergency.

Note 1: This qualification rule also applies to applicants currently on the register. An applicant's eligibility to remain on the register will be kept under review. An applicant may be rendered ineligible (or allowed to remain on the register but not be allowed to bid) at anytime should the CCP become satisfied that there is new evidence, or a change of circumstances, that mean the rule relating to former rent arrears or a housing related debt should be applied to their case.

Note 2: For applicants who have had their rent arrears included in a 'Debt Relief Order', bankruptcy declaration or individual voluntary agreement (IVA) a period of at least 12 months has to pass from the declaration of insolvency to the point a debt is cleared. Should an applicant maintain their finances for this period, this will be considered as strong evidence that their previous problem has been resolved. Should an applicant fail to maintain their finances during this period, any new social housing debt can be taken into account as normal. Therefore, we see no benefit of taking into account such debts at a later point.

Appendix 1.5: Additional guidance for assessing officers and the framework to be used to apply the test of unacceptable behaviour

Specific examples of serious unacceptable behavior are:

- a) Being subject to a court order (including an interim order) for breach of tenancy conditions
- b) Conviction for illegal or immoral use of their current or former home
- c) Causing nuisance and annoyance to neighbours or visitors
- d) Committing criminal offences in or near the home and still posing a threat to neighbours or the community
- e) Being violent towards a partner or members of the family
- f) Allowing the condition of the property to deteriorate
- g) Paying money illegally to obtain a tenancy for example a corrupt payment
- h) Unlawfully subletting their tenancy
- i) Applicants that have been convicted of housing or welfare benefit related fraud, where that conviction is unspent under the Rehabilitation Offenders Act 1974.
- j) Having unspent convictions where the assessment concludes that the applicant is unsuitable to be a tenant due to a significant risk to potential neighbours and/or communities.
- k) An applicant or any member of their household has been responsible for any racial harassment or other hate crime. Racial harassment and Hate Crimes is defined as racist, religiously aggravated, faith, gender, age, disability, and trans phobic or homophobic or gender re-assignment harassment or hate crime. A hate crime or racist incident is defined as any incident which is perceived to be racist or hate crime related by the complainant or any other person.

Note: This rule applies to applicants currently on the register as well as new applicants. An applicant's qualification to remain on the Housing Register will be kept under review during their time on the register. An applicant may be disqualified (or allowed to remain on the register but not be allowed to bid until the behaviour is resolved) at anytime during the process should the CCP become satisfied that the rule relating to unacceptable behaviour should be applied to their case.

As a guideline any new application will normally only be reconsidered at the request of the applicant, and as a guideline the CCP will consider whether there has been no reasonable cause for complaint or concern against the applicant (or members of their prospective household) for a period of 12 months.

Note: Where an applicant has resolved their behaviour to the satisfaction of the CCP it may still be the case that a CCP Housing Association Partner where the behaviour occurred might decide they do not want to consider rehousing their former tenant. However, this will not prevent an applicant from being considered for housing by another Housing Association.

The assessing officer will be guided by the following considerations:

- 1) The behaviour need not have led to possession, prosecution or other enforcement action by a statutory agency, provided that, on the balance of probability, the household is responsible
- 2) In normal circumstances the behaviour concerned should have occurred within the last two years. In cases of a more serious nature, for example, those involving criminal prosecution, a longer time-scale may be appropriate.
- 3) There must be reasonable grounds for believing that the behaviour could continue or be repeated. For example, the applicant may have issued threats, or there might be a history of repeat offending.

The assessing officer will specifically consider:

- a) The seriousness of the applicant's behaviour
- b) The duration of the behaviour and/or the number and frequency of incidents
- c) The length of time that has elapsed since the behaviour took place
- d) Any facts that indicate that there has been no further cause for concern in the last 6 to 12 months
- e) Any relevant vulnerability or support needs that may explain the behaviour
- f) Whether there is meaningful engagement with support agencies
- g) Critically, whether there has been a significant and sustained change in the applicant's behavior, and
- h) Whether they believe on the evidence that the behavior is likely to still reoccur now or at the point a tenancy was offered or commenced

Applicants to whom the rule is applied will be written to and informed that:

- a) That the unacceptable behavior rule has been applied to their case and either they do not qualify, or that they qualify but cannot bid until the behavior has been resolved
- b) What they must do to resolve the problem
- c) That for either decision i.e. disqualification or qualification but not allowed to bid, it is the applicant's responsibility to notify the CCP when they have, in their view, resolved the issue and that they will need to present evidence to back up their view.
- d) Where an applicant is disqualified for unacceptable behaviour they will have a right to ask for a review of the decision made to disqualify them.

Note where an applicant is disqualified, any new application will normally only be reconsidered at the request of the applicant and only where there has been no reasonable cause for complaint or concern against the applicant (or members of their prospective household) for a continuous period of 12 months.

Appendix 1.6: How a request for a review will be administered

1. How a request for a review will be dealt with

2. A review must be requested within twenty-eight days of the date of the letter advising the applicant of the decision on their application. The CCP has discretion to extend this time limit, or consider a request made out of time, if it considers this would be reasonable. Any request for a review out of time should therefore state why the applicant considers that the 28-day time limit should be extended.
3. The request for review should be made by email or letter to a Cumbria Choice Review Requests email account or PO Box address.
4. As a first stage the Housing Association or Partner who has assessed the applicants case will consider the applicants concerns and provide a response to the applicant. If the applicant is still unhappy their concerns will then be treated under the formal review procedure set out below.
5. Once the informal consideration process has been completed and after receiving a response the applicant has indicated in writing or verbally that they wish the review to proceed the relevant Cumbrian Council's Housing Options Service covering the area where the applicant has applied will conduct the review or may delegate this task to the CCP Partnership Manager to undertake the review on behalf of the relevant Council. Please note these reviews do not form part of the separate homelessness review process contained within section 202 of the 1996 Housing Act and they will not be subject to an appeal process pursuant to section 204 of the Housing Act 1996.
6. The applicant, or their representative, must give reasons why they wish to have the decision reviewed so that the CCP can ensure that the request falls under the statutory review request criteria.
7. Upon receipt of a request for a review the CCP will send an acknowledgement letter explaining the review process and procedure to be followed.
8. The officer undertaking the review will not normally have been involved in an original decision.
9. An applicant may be asked to attend an interview and, if so, can be accompanied by an advisor or friend.
10. Where it appears that the applicant needs an interpreter this can be arranged.
11. The review will be carried out and the decision and the reasons for it will be given to the applicant in writing within 56 days of the request being received. There is no right to request a review of this review decision.

Appendix 1.7: Further operational and procedural details covering:

- a) Advertising properties
- b) The bidding and selection process
- c) Offers of accommodation
- d) Feedback on lettings

Advertising properties

It should be noted that in certain circumstances a participating Housing Association might apply their own rules regarding the allocation of accommodation, for example an association may wish to apply its own test of affordability. The aim of all CCP partners is to keep these individual association rules to a minimum. Where there are rules set by an individual Housing Association that differ from the common policy, the intention is to set these out in a link to the on-line policy.

Properties will be advertised in an easy to read format. They will usually include a picture of the property or scheme in which it is located. Property adverts will include details of the property and will indicate suitable household size as well as giving information about the local area. The properties will clearly indicate which housing organisation is the Landlord.

Properties may be advertised during the 4-week notice period given by an outgoing tenant. If the notice is subsequently withdrawn by the tenant, the property will unfortunately be unavailable to let.

Direct offers will be made in accordance with the criteria set out in section 1 plus lettings to extra care housing and some sheltered schemes. Otherwise all categories of properties will be advertised. General needs properties; properties that have been adapted for those with disabilities; properties that are specifically for the elderly and which may have a warden and/or an emergency call system. Adverts will clearly indicate any restrictions on bidding (e.g. where properties have been adapted and/or are specifically for people with disabilities) and will detail any particular criteria that apply (e.g. where full occupancy is required, affordability criteria etc.)

Bids from applicants will only be accepted if they meet all of the eligibility criteria for the property. However if their situation is changing imminently, once evidence has been provided, they will also be accepted.

The bidding and selection process

Properties are advertised on a weekly cycle. Applicants may express an interest through bidding on any advertised property that meets their needs. For applicants in bands A or B they are able to place up to 3 bids each week. For applicants in band C they are able to place unlimited bids in order to improve their prospects of obtaining an offer of a lower demand property in the circumstances where there may be several lower demand properties advertised in that cycle.

Bids can be made in a number of ways: on the website using the username and password; by telephoning or visiting the office of a partner organisation; by mail; by proxy bidding.

Applicants are able to check their position on the list at the time of the bid, together with the total number of bids already placed. This allows applicants to make decisions about their choice of property and the likelihood of being successful. Within the bidding period, applicants may withdraw bids and make further bids.

Only the applicant whose bid is successful will be contacted unless they refuse the offer made or are ineligible to be offered the property.

So far as is possible the CCP will use the banding system, and waiting time within the band to allocate accommodation. However, there may be times when a direct letting will need to be made to a property using the criteria set out in 'Policy on Choice' detailed in Section 1. In these circumstances a property will not be advertised. The aim is that no more than 15% of properties available to let should be allocated through a direct letting in order to preserve the integrity of the choice based letting process. However, in the circumstances of a national emergency such as the Covid-19 pandemic choice based lettings may be suspended, or a much higher percentage of lettings may be made directly.

The highest bidder is awarded priority in descending order between Band A, Band B, and Band C.

Within bands, priority is awarded according to an applicant's waiting time within that band and this is based on their registration date. However, there may be other reasons why it would be necessary or advisable to reject a bid that would otherwise have been successful: for example where there was restrictive labelling for the property advertised or where the property would not be suitable for that particular applicant. In the circumstances where the landlord who has advertised the property has decided that it would not be suitable, despite the applicant meeting the bidding criteria, there should be a discussion with the local authority's Housing Options Team before the bid is rejected.

Unless a property is advertised with restrictions, applicants who are members of the scheme can bid for any property in Cumbria regardless of where they live in Cumbria. However, when drawing up the shortlist applicants will be ranked first by local connection to the Council area where the property is advertised (using the local connection criteria set out in Qualification rule 1 Section 2 of the Policy) then by band and date order. There are 3 examples set out below. The exception to this rule will be where a bid is made by a victim of domestic abuse where it has been assessed and agreed that they cannot remain in the local authority area where they are at risk.

Example 1 - Applicant X has a local connection to Eden and this is the area where the advertised vacant property is located. Applicant X is in Band B. An applicant living in Allerdale (applicant Y) bids for the property and is in Band A but has no local connection to Eden. Applicant X will be shortlisted above applicant Y as they have a local connection with the area where the property is located.

Example 2 - Applicant T has a local connection to Eden and this is the area where the advertised vacant property is located. Applicant T is in Band C. An applicant living in Allerdale (applicant U) bids for the property and is in Band B but has no local connection to Eden. Applicant T will be shortlisted above applicant U as they have a local connection with the area where the property is located.

Example 3 – Applicant C is from Carlisle and has been assessed as being at risk in Carlisle due to fleeing domestic abuse. She is staying temporarily with friends outside of Carlisle. Applicant C has no local connection to Eden and this is the area where the advertised vacant property is located. Applicant C is in Band B with an effective date of 1/3/20. She bids for an advertised property in Eden. Applicant D is from Eden and is also in Band B with an effective date of the 1/4/20 and bids for the same property. This case would be the exception to the rule that priority would always be given to the applicant with a local connection to the local authority where the property is located. Applicant C would be the successful bidder based on her band and effective date.

In the circumstances where there are two households with the same Band and registration date that bid for a property a decision to offer the property will be based on the household who is assessed as being most suitable for that property.

Where the property advert has indicated specific requirements such as age or accessibility, only those applicants meeting those requirements will be eligible for an offer.

Offers of accommodation

This section sets out the procedure that will apply to making an offer of accommodation once an applicant has been selected from a shortlist of successful applicants bidding for that property.

All bids for a property are checked. Ineligible bids for a property will be excluded from consideration. Once selected and, prior to an offer being made, the Council or Housing Association landlord for that property will carry out a further verification of their eligibility and priority. In certain situations the offer will not be made, or if made may be withdrawn if:

- Since joining the scheme an applicant has become ineligible.
- On verification of the applicants' details, the priority band has been incorrectly awarded due to the information received by the applicant, or due to mistakes in the assessment of the application itself.
- The applicants' circumstances have changed since the priority band was awarded and the applicant is no longer entitled to the same level of priority.
- The landlord has evidenced housing management reason not to offer the property.

If an applicant does not reply to an invitation in writing, by letter or email or text, to view a property within 2 working days of receiving an offer then the offer will be deemed to have been refused and the property will be offered to the next applicant on the shortlist who qualifies for that offer.

A suitable and reasonable offer of accommodation is defined in appendix 4 of the policy.

There may, unfortunately, be exceptional circumstances where following a viewing or notification of offer an offer may still be withdrawn. This can be done up to the point when a tenancy agreement is signed. Examples of reasons when a property offer may be withdrawn are:

- The property is not suitable for the households needs
- The property fails to become available
- There is an issue and concern for community safety
- It comes to light that information has been withheld
- It comes to light that that the household or member of the household has a property related debt
- The offer has been made in error
- The households circumstances changed
- The property is required for an emergency
- It transpires that the rent would not be affordable

There must be clear grounds recorded by the Council or a Partner Housing Association on the IT operating system if a decision is taken to refuse or bypass an applicant who is top of any shortlist. Where an applicant has been refused or bypassed because they have failed a verification check or that their circumstances have changed they should be informed of the reason and how it now effects their application.

For all other reasons for example, issues of public safety, risk, or sustainability of the tenancy, an applicant, upon request, will be informed of the reason behind the decision to refuse or bypass them.

Feedback on Lettings

A main aim of the Cumbria Choice scheme is to operate an open and transparent lettings system.

The result of lettings made through the scheme will be published on the Cumbria Choice web site and at the end of the property advert newsheet.

Appendix 1.8: Assessing whether an applicant qualifies for a priority band A or B on the basis of medical priority

The assessment: Awarding Medical Priority for significant Medical Conditions that are being made worse by an applicant's housing circumstances

The framework that will be applied to assess medical impact cases

This appendix provides detailed operational guidance to help officers to make their decisions on whether medical or welfare impact priority should be awarded.

Applicants will be asked for information and any supporting documentary evidence, regarding how their health or welfare are affected by their current home, or why the applicant's health cannot be managed in their current accommodation. They will be asked to complete medical information questions set out in the on-line application form and may, depending on their answers, be asked to complete a follow up form to allow the assessing officer to obtain more information.

On receipt, the assessing officer will consider whether any supplementary information is needed from any other relevant professional, who may be able to explain the impact the applicant's current accommodation is having on their medical condition or disability.

While this information is being provided, and pending the assessment of medical priority, eligible and qualifying applicants who have another statutory housing need will be registered and placed in a band according to that need. Where no other housing need exists, the application will remain as pending until any medical priority is determined

The assessing officer supported, where necessary, by a senior officer, will normally make a decision whether or not to award a priority based upon the information provided. They will use the guidance notes and assessment framework in this appendix to help them make a decision.

If the assessing officer is of the view that it would be beneficial to obtain an opinion from an independent Medical Advisor, or Occupational Therapist they will make a referral. A Medical Advisor will not normally be asked to carry out a medical examination and their opinion will be based on the information provided by the applicant and any supporting information from a medical professional and any information submitted by any organization supporting the applicant.

Applicants are not required to provide any supporting medical evidence in support of their application before an assessment is made although where this is available they should provide it in support of their case.

Where the assessing officer believes that further medical information is required before they can make an assessment they may request it from a relevant medical professional dealing with the applicant.

It is important to note that the assessing officer is not making a medical opinion. The role of the officer is to consider evidence re the impact of an applicant's current housing circumstances on any medical condition or disability.

Medical priority will not normally be awarded in the following circumstances:

- a) Where the applicant has a health issue, however severe, that is not impacted by the accommodation occupied
- b) Health problems that are not affected by housing or cannot be improved by moving
- c) Where a move would only make a marginal improvement to the applicant's condition
- d) Medical impacts caused by housing defects that are likely to be rectified in a reasonable time frame.
- e) Where another reasonable course of action is available to the applicant to resolve their difficulties.
- f) Time-related medical problems (e.g. pregnancy-related problems or a broken leg)
- g) Disrepair problems not impacting significantly on the applicant's medical condition. (Note under the policy an applicant may receive priority separately for living in unfit or unsatisfactory housing depending on the assessment made of their circumstances and impact).
- h) Overcrowding not impacting significantly on the applicant's medical condition. (Note under the policy an applicant may receive priority separately for being overcrowded).
- i) If the situation can be resolved by equipment or minor adaptations which can be implemented in a reasonable period of time.

Applicants who require support to live independently with their medical condition will be placed in a priority band for their medical need but will be suspended from bidding until an appropriate package of support has been agreed. If no appropriate support package has been agreed the applicant will not be offered accommodation whilst a support plan/package is pursued.

Each individual on the application with a health or welfare problem will be assessed. If there is more than 1 member of the household whose health and/or welfare is being affected by their housing, their application will be awarded the need relating to the severest problem.

Where an applicant has been placed in bands A or B as a result of a medical need this may be reviewed on a regular basis to ensure the award is still relevant.

The review will determine whether the level of priority is still appropriate. The review may involve a phone-call to the applicant and/ or support agency, an email, or a home visit.

Once the assessment has been completed the applicant will receive a letter or email advising them of the outcome, and if a priority band is awarded what that band is.

Where an applicant already registered notifies a change of medical circumstances that are impacted by their current housing the applicant's priority will be re-assessed using the same process.

This section below quotes examples of when Bands A or B could be awarded. These are just examples and an assessment will be made on the facts of the case.

Band A: Covers urgent and immediate medical impact problem

This top category band A will be reserved for exceptional cases where an applicant's health is seriously at risk (including a risk to life) due to the associated medical and housing difficulties that are inherent in their existing accommodation.

Band B: Covers serious medical impact problem

A band B award also reflects urgent medical impact cases that have a clear relationship with the applicant's existing housing circumstances.

The detail for the operational guidance that used to assess medical cases

1. The applicant will be asked to indicate on their on-line application form whether they or anyone in their household has an illness or disability that is affected by their current accommodation.
2. If the information returned on the on-line form does not clearly address the impact of the applicant's current housing on their condition, the assessing officer will contact the applicant to ask them specifically to describe how the current housing is impacting on the condition described (a standard letter/form will be used).
3. The email/letter will explain that where supporting information from a health professional is available, the applicant should provide this information to support their application, but that we do not, as a matter of course, require an applicant to submit a medical report, or obtain letters from their GP before an assessment will be progressed. We do not wish to create further work or costs for doctors or applicants by insisting that medical reports are produced before an application can be considered.
4. It is expected that the majority of cases can be assessed by the assessing officer by using this guidance and where necessary taking advice from a senior officer. Only where relevant and appropriate will advice from an independent medical advisor or OTT be sought.
5. Depending on the seriousness of the circumstances claimed the case might be referred to an independent medical advisor or OTT to provide advice on the possible impact of any medical or disability condition to help address the impact of the applicant's current accommodation on that condition.
6. In the circumstances where the assessing officer believes there may be an urgent and immediate need, due to the severity of the impact of their current housing on an applicant's disability, the case can (with a senior officer's approval) be submitted to Cumbria County Council's Occupational Therapy Team (OTT) for a more detailed assessment. In order to do this the OTT may visit the home of the applicant and consider any supporting information and may recommend whether Band A or B priority should be awarded, based upon the severity of the case and the urgency of the need for re-housing.
7. The OT may also make recommendations re the type of housing that the applicant may need.

8. Where priority is awarded applicants will only be considered for the type of accommodation assessed as being required. For example, if it is assessed that an applicant needs to move to a bungalow because due to their condition they need to use a wheelchair, they will only be considered for suitable properties that meet this need.
9. There will be occasions when advice, or clarification, from a GP or hospital consultant may need to be sought. For example, where it is claimed that an applicant's housing circumstances is severely affecting their mental health.
10. Where the information indicates that the applicants condition is not so urgent and immediate that they are unable to live in their current home, or that there is insufficient evidence that the medical condition would be significantly improved by alternative housing no award of priority band A or B will be made.
11. The following list sets out some of the circumstances that may qualify for an award of priority banding:
 - a) An applicant's inability to manage stairs, control temperature, etc.
 - b) Where an applicant is confined to their existing accommodation due to the physical nature of that accommodation
 - c) Where an applicant's accommodation is having a significant or exceptional impact or is causing an applicant's mental or physical health.
 - d) An applicant's restricted ability to fend for him/herself in the accommodation which may put them at significant risk due to the physical nature of the accommodation
 - e) The need for adapted housing and/or extra facilities
 - f) The need for sheltered or supported housing due to the impact of their current housing on a medical condition.
 - g) The need for alternative housing as part of a care plan

When assessing whether to award band A or B or no band, the assessing officer will follow the 5-stage process set out below:

1. Is the medical/disability issue serious enough for a priority banding to be considered?
2. If the medical condition is serious enough for a priority banding to be considered the assessing officer should then decide if there is a direct link between the identified medical problem and the applicant's current housing accommodation/situation, i.e. on the facts obtained (from the applicant and any medical information or reports submitted including any advice from an independent medical advisor or OTT) is the officer accept that the applicant's current housing accommodation/circumstances is making their medical condition substantially worse, or will make it worse.
3. In practical terms the officer should consider the adverse effect this has on the applicant's ability to manage day-to-day tasks in their current home. The applicant's current housing accommodation/circumstances may be impacting on their medical condition or disability but not to the extent that an award of band A or band B priority should be granted under the criteria adopted for the policy. The examples listed for an award of band A or band B should be used to guide the officer when making their decision.
4. Before making an award the assessing officer needs to be satisfied that there is a realistic expectation that the impact on the identified medical condition/disability would be removed or significantly improved through the provision of alternative accommodation.

5. If the officer is satisfied that the impact on the identified medical condition/disability would be removed or significantly improved they would then decide whether to award Band A or B depending on the severity of the impact and using the examples below to guide them.

More extensive examples to help the assessing officer to decide if band A should be awarded on medical or disability grounds

These examples are intended to guide the assessing officer on the threshold set for a band A or band B priority award, or whether no award should be made. They will also serve to help an applicant understand the threshold for a priority award to be given.

The following are examples of cases that may qualify for Band A award. It may apply to the applicant or a member of their household:

1. Applicants who have a progressive, chronic or life threatening medical condition and cannot be discharged from hospital because they do not have any accommodation, or their accommodation is unsuitable for example, because they cannot access toilet and/or bathing facilities in the property. This will include cases that cannot be discharged from hospital due to their accommodation being unsuitable.
2. Applicants who have a progressive, chronic or life threatening medical condition and urgently need to move to accommodation with significant disabled adaptations, such as accommodation suitable for a wheelchair user.
3. An immediate life threatening condition which is seriously affected by the current housing and where re-housing would make that condition significantly easier to manage
4. A serious illness, where an applicant is receiving palliative care and urgently requires rehousing to facilitate the on-going provision of that care
5. A life limiting condition and their current accommodation is affecting their ability to retain independence or enable adequate care
6. The applicant's health is so severely affected by the accommodation that it is likely to become life threatening, e.g. applicant has severe mental health problems that are significantly exacerbated by their accommodation;
7. A new and life-changing condition that severely impairs their mobility, meaning they are unable to carry out day-to-day activities, or have difficulty accessing facilities inside and outside of their accommodation and require housing into suitable accommodation
8. Where their current property leaves a person at risk of infection, e.g. where an applicant is suffering from late-stage or advanced AIDs
9. Due to limited mobility a person is unable to access essential parts of the property e.g. bathroom/toilet.
10. A member of the household is elderly or disabled or has a progressive illness and is likely to require admission to hospital or residential/nursing care in the immediate future and re-housing would enable the person to remain at home.
11. Armed forces personnel who need to move to suitable adapted accommodation because of a serious injury, medical condition or disability that he or she has sustained as a result of service.
12. Veterans who have actively served in the armed forces and are suffering from severe post traumatic stress disorder or serious illness directly related to service in the forces

13. People who have a severe mental health or learning disability which significantly affects their ability to lead a normal life and which puts them at risk of admission to hospital or residential care.
14. People living in a mobile home, caravan or converted vehicle which, due to medical conditions, the vehicle cannot meet their essential needs
15. Where remaining in the current accommodation poses a significant risk of serious and permanent injury and/or permanent severe disability
16. Where the applicant is prevented from having access to kidney dialysis, respiratory, or other similar essential equipment. This will normally apply where these circumstances are likely to prevent someone from remaining in their home for all or most of the time. Such a condition would be likely to be ongoing, rather than a temporary condition
17. Someone with a medical or disability who's housing has rendered them housebound
18. Where a move would avoid the need for another service (e.g. Social Services) from having to provide a significant level of support. This might include for example residential care; overnight care provision, or other support with similar resource implications
19. Where someone suffers with epilepsy or other conditions that cause frequent and unpredictable falls and all medical interventions to prevent them have been investigated. This will involve an assessment of the layout of their current accommodation, for example the number and nature of steps, stairs or other hazards that may increase the risk of serious injury
20. Where it is impossible for the person to use essential facilities within the home and no adaptation is possible
21. The applicant or household member requires significant disabled adaptations to meet their needs and this is not possible in their current accommodation or would not be cost effective.

More extensive examples to help the assessing officer to decide if band B should be awarded on medical or disability grounds

1. Applicants who have significant mobility issues and would benefit from a move to ground floor or level access accommodation
2. Applicants who have significant mobility issues and would benefit from a move to accommodation that has level access showering facilities
3. Applicants who have a significant physical or mental health condition that is directly affected by their accommodation and where a move to alternative accommodation would help to ease or resolve their condition
4. Applicants who have a medical need for an additional bedroom for example, because they have been assessed as requiring an 'overnight carer', or they need more space to accommodate a substantial amount of medical equipment.
5. Applicants whose housing is unsuitable for severe medical reasons, or due to a disability, but who are not housebound, or whose health, or safety is not at such a risk level to require immediate urgent housing may be awarded band B
6. Children with severe conditions such as autism, or cerebral palsy where their long term needs cannot be met without long term settled accommodation.
7. A person whose disability means that re-housing would help them to overcome physical barriers created by their current accommodation that they struggle with e.g. stairs and steps.

8. A person with a severe disability requiring some adaptations to their property that cannot be provided for in their current accommodation.
9. Where an applicant can access their home, but struggles to access normal day-to-day facilities within it (e.g. bath/shower/toilet) without experiencing significant difficulty, pain or other discomfort. This would include cases where an adaptation is possible but cannot be undertaken in a reasonable period of time. (Note: any priority would be removed if an adaptation is completed, or work started)
10. An applicant is suffering from a long-term mental illness that is being exacerbated by their accommodation. There will normally not only be GP involvement, but other specific mental health support already provided.
11. Where an applicant is only not housebound due to significant support that is available to enable them to get out of their accommodation
12. An applicant or member of their household with a terminal illness, or long term medical debilitating condition, whose current accommodation is not necessarily having a significant impact on their condition but where it is agreed by the council that their quality of life would be significantly improved by moving to alternative more suitable accommodation, or accommodation that is nearer to support that is essential for their well being.

Appendix 2 – Definition of Terms

Accessibility – Used here the term refers to how ‘user friendly’ the service is to all people who may want to use it.

Adapted Property – Property that is suitable for those with a physical disability i.e. where a stair lift has been fitted.

Automatic Bidding – Within the ICT system a means of expressing an interest in a property for someone, without making the bid themselves.

Banding Scheme – The method by which customers are prioritised for social housing (previously ‘points schemes’).

Bidding – The term used to describe people who register an interest in a property (no money is involved in making the bid).

Choice Based Lettings (CBL) – The system of letting property that gives customers choice in where they live through advertising property.

Housing Register – One list for all of Cumbria of people applying for social housing (previously ‘housing waiting lists’).

Applicants – Those people applying to the scheme for housing.

Effective Date – The date used to decide between customers in the same Band to establish who has waited longest.

Fully Occupied – Bedrooms in the property that are being fully used in terms of the household occupying the property in accordance with the table in Appendix 6. When they are not fully used the property could be considered under occupied.

Hard to Let – Low demand property where it takes longer to find a tenant.

Housing Options – A term used to describe a service that advises customers of all their choices and includes mutual exchanges, low cost home ownership and renting in the private sector.

Letting Policy – The means by which it is decided how property will be offered to customers.

Local Lettings – Policy made in local areas (to tackle specific, identified housing management issues) on how property will be offered that differs in some part from the overall scheme policy.

Management Discretion – Property that is offered directly to an identified person without being advertised.

Partnership – The name for the District Councils and housing associations that have funded, developed and continues to operate the scheme.

Proxy Bidding – a Local Authority or Registered Provider places bids on the customer's behalf.

Social Housing Providers – The term for a variety of housing organisations that provides not for profit housing and included local authorities, housing associations.

Appendix 3: How any local lettings policy will be applied and reviewed

Local lettings initiatives may be applied to meet the particular needs of a local ward or area or to address sustainability and community issues to ensure that the housing allocation scheme is able to contribute to building sustainable communities.

They will be tailored to fit local situations in well-defined communities (such as a particular block of flats, an individual street, or new housing development, or may be applied to a parish or a village in a rural area). Each local lettings policy will be based on a detailed analysis of relevant information gathered from a variety of sources and may include, for example, evidence from internal departments, partner Housing Associations, local Councillors, and the community itself. (Evidence may include information such as tenant profiling, the incidence of anti-social behaviour, and stock turnover in a particular block, street or area, a neighbourhood plan or the need to provide housing for local people in rural villages and parishes, or evidence from the Local Housing Authority internal departments i.e. environmental health).

The following are examples of local lettings policies that may be deployed under this policy. The list is for illustrative purposes and is not exhaustive.

- 1) Age restrictions.
- 2) Prioritising applicants who are key workers, as defined by the CCP.
- 3) Restrictions on lettings to vulnerable households where there are already a concentration of supported tenants/residents in a street or block.
- 4) Lettings to childless households where there are high concentrations of children and young people living on a specific estate, street or block.
- 5) Disregarding household type or property matching rules to allow, for example, under-occupation to reduce child density or to account for future family growth.
- 6) Ensuring that there is a balance of working and non-working households allocated to a scheme.
- 7) Enhanced local connection restrictions relating to a specific parish.

New developments will normally have local lettings policies (depending on the planning permission or agreement reached these may apply to first lettings only or be ongoing) regardless of whether the new development is subject to a Section 106 agreement or affordable housing statement. Where a new development is subject to a Section 106 planning agreement the criteria set will be followed.

In order to ensure a reasonable mix of household sizes and types, and families with children of different ages, a local lettings policy will normally be used for new developments larger than four properties. The local authority may set restrictions on the number of lettings, which can be made to families with young children, for example, or the number of families who are not working.

How will a local lettings policy be assessed and agreed?

The process for agreeing local letting policies may differ across the Cumbrian region. In some districts the decision is made by the Council and in other districts the decision is for the stock holding CCP partner in consultation with the Council.

There must be a clear evidence base for adopting a local lettings policy. The following framework will be used to decide whether a local lettings policy is appropriate:

- 1) That there is a clear definition of the objective to be achieved by that particular local lettings policy.
- 2) That there is a clear evidence base to back up the need for a local lettings policy.
- 3) That any potential equality impact has been considered.
- 4) How long the local lettings policy is intended to operate.
- 5) When the local lettings policy should be reviewed.

A written record of each policy adopted or rejected should be kept.

It is the intention that local lettings policies will be fluid with new policies being added as are required and existing policies being deleted once the objective for that policy has been met. Local lettings policies must be approved by the exceptions panel before they are applied.

All local letting policies will be reported to the CCP Board who will discuss any policies where there is any dispute over the wish to apply a local letting policy.

The intention is for all current local lettings policies to be listed as a link to the on-line version of this policy so the public can see which policies are in operation at any point in time. In addition any property advert will state whether there are any local lettings restrictions or criteria.

Appendix 4: Definition of a reasonable offer

A refusal of an offer of the correct size and type will normally be considered unreasonable.

Guidance on reasonable and unreasonable refusals:

1) Property size

The property must be the appropriate size for the household's needs at the time of making the offer. Where the family composition has changed, so that the property offered is too small or large for the applicant's needs, the refusal will be recorded as reasonable.

It is the applicant's responsibility to ensure that they register any change in their circumstances that will affect the number of bedrooms to which they are entitled.

Where the applicant refuses a property because it is too small on grounds of the need for an additional or larger bedroom(s) due to medical/mobility factors, but it meets the lettings standard, this will normally be considered to be an unreasonable refusal unless the applicant provides new medical information at the offer stage that is accepted by the CCP.

2) Property type

It will not be considered to be a reasonable refusal due to a dislike of the property type. Therefore an applicant cannot reasonably refuse an offer because for example, it is in a tower block, it does not have a garden or a particular heating system, it is on a wrong floor, or does not have a lift. If the applicant states medical grounds for refusing the property, these should already have been disclosed and considered as part of the assessment of their application, unless new information is submitted that is accepted by the CCP.

Where specialist accommodation is offered to a household inappropriately, this is considered to be a reasonable refusal. This may be for example:

- a) Offers of wheelchair standard housing to households which do not have wheelchair users
- b) Offers made to disabled applicants which are unsuitable for their needs, for example where they are unable to open a door entry system because the doors are too heavy
- c) Offers of sheltered housing where the applicant is not of the appropriate age.

3) Property condition

Where a property is refused on grounds of repair/decoration, this will be considered an unreasonable refusal unless the voids team decides to withdraw the property from letting for further works to be carried out.

4) Area of choice

Where the offer is not within one of the applicant's specified areas, the refusal will not be considered to be reasonable. It should also be noted that where an applicant is made a direct offer such as: where the applicant has been assessed as being statutory homeless and are owed a statutory homeless duty, area of choice will not apply.

5) Racial harassment

Where an applicant from a black or ethnic minority household refuses the property prior to viewing because the previous tenant was rehoused as a result of racial harassment, or there is a known problem of racial harassment in the vicinity of the property, the refusal is considered reasonable.

6) Choice of landlord

An applicant receiving a direct offer cannot choose whether they are rehoused by the Council or by a Housing Association or a specific Housing Association. Therefore, any refusal of Housing Association property because, for example, there is no Right to Buy, or Right to Acquire, or the rent is higher than another social landlord will not be considered to be reasonable (unless in the example of the rent level the assessment is that the offer is unaffordable for the applicant in question).

7) Pets

One of the conditions of the tenancy agreement is that a tenant must obtain the written consent of the landlord before keeping domestic pets.

Any intention to keep a pet must comply with the Council's or partner Housing Association's tenancy terms and conditions, which means that permission must be sought and agreed prior to signing the tenancy agreement for the property. Therefore any refusal on the basis that permission has not been granted to keep a pet is not reasonable.

Appendix 5: Contact Details for all Partner Organisations

Accent Housing Association
Charlestown House
Acorn Park
Industrial Estate
Charlestown
Shipley
West Yorkshire
BD17 7SW
Tel: 0345 6780555

Allerdale Borough Council
Allerdale House
New Bridge Road
Workington
CA14 3YJ
Tel: 03031 231702

Barrow Housing Department
Town Hall
Duke Street
Barrow-in-Furness
LA14 2LD
Tel: 01229 876550

Carlisle City Council
Civic Centre
Rickergate
Carlisle
CA3 8QG
Tel: 01228 817200

Copeland Borough Council
The Market Hall
Market Place
Whitehaven
CA28 7JG
Tel: 01946 598300

Eden District Council
Mansion House
Friar Gate
Penrith
CA11 7YG
Tel: 01768 817817

Eden Housing Association
Blain House
Bridge Lane
Penrith
CA11 8QU

Tel: 01768 861400

Home Group
PO Box 115
Duke Street
Whitehaven
CA28 0BT
Tel: 0345 1414663

Impact Housing
Nook Street
Workington
CA14 4EH
Tel: 0344 8736290

Riverside Housing Association
English Gate Plaza
Botchergate
Carlisle
CA1 1RP
Tel: 0345 111 0000





















South Lakeland District Council
South Lakeland House
Lowther Street
Kendal
LA9 4DQ
Tel: 01539 733333

South Lakes Housing
Bridge Mills Business Centre
Stramongate
Kendal
LA9 4BD
Tel: 0300 303 8540

Castles and Coasts Housing Association
3 Castle Street
Carlisle
CA3 8SY
Tel: 0800 0851171

Appendix 6 - Household Type and Property Size – *This will need to be amended according to the overcrowding rules that the CCP want to adopt as discussed in overcrowding section of the section 4 banding table*

This table provides guidance on the size of home that different types of household can bid for on Cumbria Choice. This is supplemented by the more detailed information which each housing provider places in individual advertisements and in guidance published on the Cumbria Choice website.

Household	Bedsit	1 bed	2 bed	3 bed	4 bed	5+bed
Single person			D	D		
2 Adults (couple including same sex couples)			D	D		
2 Adults (non couple)			 *	D		
Single 1 child				D		
Single 2 child						
Single 3 Child						
Single 4 or more children						
Couple 1 child				D		
Couple 2 child						
Couple 3 child						
Couple 4 or more children						

NB *Households with access to children will not be able to include them as part of the household when looking at eligibility for property size. See section 2.1 Households with access to children/joint custody.*

Key



Number of bedrooms allowed for this household type



Number of bedrooms allowed for this household type, subject to the ages of the children.

Two children under the age of 10 are usually expected to share a bedroom.

Two children of the same sex are usually expected to share a bedroom until they are 16.

Once a child is 16 a separate bedroom is allowed.

D

Allowed by discretion only when stated in the advertisement.

This is most likely to apply in one of the following circumstances:

- There is low demand for the type of property in the location
- There is lack of supply of smaller homes in the location
- A local lettings or s106 policy applies

*

Some providers may only allow households with children to bid on houses

Appendix 7 - Right to Move Qualifying Criteria

To meet the Allocation of Housing (qualification criteria for the Right to Move - England) Regulations 2015, a local connection may not be applied to existing social tenants seeking to transfer from another local authority district in England who: -

- Have reasonable preference under Section 166(3)(e) because of a need to move to the Local Authority's district to avoid hardship, and
- Need to move because the tenant works in the district, or
- Need to move to take up an offer of work

QUALIFYING CRITERIA

This applies to existing social housing tenants: -

- Who need to move within a Local Authority area or to another local authority area to avoid hardship, and
- Who need to move because the tenant works in the district, or
- Who need to move to take up an offer of work?

What the Local Authority should take into account: -

Need to Move:

Tenants must need to move, not simply want to move. Factors to consider in determining `need` are: -

- The distance and/or time taken to travel between home and work.
- Availability and affordability of transport as against earnings.
- Nature of the work and whether similar opportunities are available nearer home.
- Other personal factors, for instance medical conditions, child care
- Length of work contract.
- Would failure to move mean a lost opportunity to improve employment circumstances or prospects?

Work:

`Work` only qualifies as `work` if it is not: -

Short term:

- Consider whether the work is regular or intermittent (particularly relevant for the self-employed).
- Consider the period of employment – a contract of less than 12 months could be considered short-term.

Marginal:

- Less than 16 hours per week could be considered marginal
- Consider the level of earnings.

Voluntary:

- Unpaid, or expenses only.

Ancillary:

- That is, if the person works occasionally in another local authority area, but main place of work is a different area, the work is excluded.

Verification and Evidence

The tenant must be able demonstrate that he/she has a genuine job offer and that he/she has a genuine intention to take it up.

Appropriate evidence could include: -

- A formal offer letter.
- A contract of employment.
- Wage/salary slips covering a certain period, or bank statements (zero hour contracts).
- Tax and benefits information, for example proof of receipt of working tax credit.

Appendix 8: Person(s) Who Will Take Specific Decisions *this will be added to the final policy*

Appendix 9: How major changes will be considered by each of the 6 Cumbrian Councils

Will be added to the final policy

Appendix 10: The revised Equality Impact Assessment June 2020

This is attached to the policy as a separate document given its length. A copy can be emailed on request.

Appendix 2: CUMBRIA CHOICE: REVISED HOUSING ALLOCATIONS SCHEME EQUALITY IMPACT ASSESSMENT (EQIA) JUNE 2020

Date approved	June 2020
Approved by:	
Next Review Date:	

Background

Under Part VI of the Housing Act 1996, every local authority is required to adopt a 'Social Housing Allocation Policy', the purpose of which is to determine priorities in allocating housing and to set out the procedures to be followed. The Allocation Scheme determines individual priority for housing. In June 2020 the 'Cumbria Choice' Allocation Policy was reviewed and a number of changes made. Cumbrian Choice is the adopted social housing allocation policy for all 6 Cumbrian local authorities.

Cumbria Choice is a sub regional partnership between the 6 local authority districts and 8 'Registered Provider' housing associations that own social housing stock across Cumbria.

The revised policy was subject to a public consultation from 23rd April 2020 ending on 21st May. The consultation involved:

- Sending out a detailed consultation survey (attached at appendix 1 with a summary of the consultation responses). This was sent out with a copy of the draft policy.
- The survey and draft policy was sent to all relevant stakeholders including specialist organisations working with groups and individuals owed a protected characteristic including organisations working with disability, mental health, domestic abuse, older persons and race. In total over 350 stakeholders and individuals were sent the survey
- The survey was also sent to a group of service users who had previously indicated that they would like to be involved in the consultation exercise.
- The survey was also posted on the Cumbria Choice Website so that anyone registered could make comments.

This Equality Impact Assessment (EQIA) and has been finalised in the light of the consultation responses.

Comments received were logged and considered against the policy proposals. Some minor changes have been made as a result of the consultation. The changes were strongly supported by stakeholders who responded to the survey.

Under the Equality Act 2010, when adopting a new Allocation Policy a local authority is required to have due regard to the need to:

- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by, or under the Act
- b) Advance equality of opportunity between those with a protected characteristic and those without
- c) Promote good relations between those with a protected characteristic and those without

The 'protected characteristics' in law are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination. The equalities impact assessment set out below, has considered the impact of the changes to the Allocation Policy on the protected groups and, where there is an impact, set out the justification for continuing with the policy change along with the actions that will be taken to reduce any impact that has been identified.

The key objectives for reviewing the social housing allocation policy are:

- a) To continue to support local people most in need of housing in Cumbria
- b) To simplify the policy so that it is easier for customers to use, is transparent, and is accepted by customers as a fair way to allocate social housing when it is often in short supply.
- c) To ensure the policy contributes towards creating mixed and sustainable communities where people of different backgrounds and socio economic groups live side by side including the need to the problem in some areas where there is not as high a demand for social housing as there is in other parts of Cumbria.

Details of the changes to the 'Cumbria Choice' policy

There were a number of important changes proposed and these are explained below using the explanation set out in the consultation survey.

1) We want to reduce the number of Bands from 5 to 3

The Cumbria Choice Partnership has received regular feedback from users and stakeholders that the allocation policy is too complicated and confusing. One of the main concerns expressed is that customers do not understand why there needs to be 5 Bands and inevitably this encourages 'higher band chasing' which, in turn, increases the officer time needed to administer the scheme.

The proposed solution is to move to a simple 3-band system with the time a person joined the register determining their place in the queue for the band they have been allocated.

Band A will be for the most urgent housing need cases that need to move quickly.

Band B will be everyone else that the legislation states has a statutory housing need.

Band C will be everyone else.

This aim of this simple change is to build trust in the system as it will become more of a 'waiting list' queuing system recognised by everyone using it as a fair way to allocate a limited resource where there is often over demand for certain property types or areas.

2) We intend to keep an 'Open Register'

Many local authorities restrict their Housing Registers so that only customers who are assessed as having what is called by the allocations legislation 'a statutory housing need' can join the register

We intend to continue to operate an open register in Cumbria. Everyone will still be able to register regardless of whether they meet the definition for a statutory housing need (unless there is evidence of serious unacceptable behaviour or significant former rent arrears). Those customers who are not assessed as having a statutory housing need will be placed in the Band C. This still means they have a chance of being housed but when they bid for accommodation they will be 'shortlisted' below customers from the higher statutory housing need bands A and B. We think this is a fair system that gives everyone some chance of being considered for social housing.

3) We are adding to, and amending the qualification rules for when a customer is able to join the Housing Register

The current policy has a number of qualification rules that decide whether an applicant will be allowed to join the Housing Register in Cumbria. We are amending some of the rules regarding when a customer can qualify to be included on the Housing Register, and in addition creating a rules for when a customer can qualify for Band C but not for the higher needs Bands A and B. We want to know what you think of each of these qualification rules. They are set out in the table below with an explanation for what we are trying to achieve.

Two of the key rule changes relate to customers where there is evidence of former social housing rent arrears or unacceptable behaviour. The objective is to be much clearer with customers what they have to do to resolve the issue in question but to discourage some previous practices whereby they may be 'arbitrary blocked' from being considered for social housing. The new rules mean fewer will be disqualified but they will not be offered social housing until they have demonstrated the changed behaviour required to be considered to be a good tenant.

<p>Qualification rule 1 – Local Connection</p>	<p>It is proposed that the Policy will restrict access to the high housing need Bands A and B to customers who can evidence a local connection with Cumbria. This would prioritise Cumbrian households for the higher 2 bands but there would be exceptions for people without a local connection if they were homeless or victims of domestic violence.</p> <p>Therefore to qualify for Bands A or B the customer must have a local connection with Cumbria. This could be set as:</p> <p>Option A:</p> <ul style="list-style-type: none">a) Living in Cumbria for the last year, or 3 years in the last 5b) Having close family living in Cumbriac) Working in Cumbria as long as this isn't casual work. <p>Option B</p> <ul style="list-style-type: none">a) Living in Cumbria for the last year, or 3 years in the last 5b) Having close family living in Cumbria that provide essential supportc) Working in Cumbria - defined as Employment is defined as paid employment for 16 hours or more per week for a period of one year, or self-employment where an applicant can demonstrate that the self-employed work they perform is in the Cumbria area and is on average 16 hours a week or more.
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	If the customer doesn't meet one of the above they can still register but will be placed in band C
Qualification rule 2: The requirement to give permission to obtain and share an applicant's personal information	Unless the customer gives permission to enable enquires to be made to assess their application and circumstances, they will not be able to qualify for the housing register. This is to combat possible fraudulent applications.
Qualification rule 3: Homeownership or legal interest in home ownership	If the customer owns their home they will either a) not be able to qualify to be included on the register, or b) will not be able to qualify for Bands A or B but would still be allowed to be placed into Band C. We would like your views on this rule and if you support it which should it be a) or b)?
Qualification rule 4: Financial resources	If the customer earns above a set net income or has savings above a set threshold they will either not be able to qualify for the register or will not be able to qualify for Bands A or B but would still be allowed to be placed in Band C despite their income or savings. We would like your views on which option should be included and if you support income or savings thresholds what these should be?
Qualification rule 5: Failure to Bid	Many customers once they register don't bid for the properties advertised. We think that if someone hasn't made one bid in 12 months that they should be removed from the register. This will cut down on the time and costs in administering the housing register. This rule would not stop a customer from reapplying at a later date.
Qualification rule 6: Fraud or giving False Information	If someone has lied or withheld information in an attempt to get social housing we think they should not be able to register, or if they are already registered and we discover they have led or withheld information they will be removed from the register. This would be serious cases of lies or withholding information that were intended to obtain social housing by deceit.

<p>Qualification rule 7: Circumstances where an applicant has current or former social housing rent arrears or another relevant recoverable housing related debt</p>	<p>This rule in the current policy is being amended to help customers who have former social housing rent arrears or housing related debt to be able to obtain social housing.</p> <p>For customers with serious rent arrears it will continue to be the case that they cannot qualify for the housing register until they have reduced the debt to a level we agree is reasonable.</p> <p>However, for customers who owe less than £1000 they will be able to qualify and be banded for their assessed housing need but they will not be offered a property until they have resolved the debt to a level we think is reasonable in the circumstances. There will be clear criteria for what they have to do to resolve the issue and they will continue to 'move up the queue for their band' so they have not 'lost out' whilst resolving the debt.</p>
<p>Qualification rule 8: Serious unacceptable behaviour</p>	<p>This rule in the current policy is being amended to encourage customers to tackle any unacceptable behavior issues, or ASB issues before they will be able to be considered for an offer of social housing.</p> <p>For customers with a history of serious unacceptable behavior that has not been resolved when they apply to join the housing register it will continue to be the case that they cannot qualify for the register until they have resolved the problem to the satisfaction of Cumbria Choice. That is not a change from the current policy.</p> <p>However, it is proposed that customers presenting with more minor issues that are assessed as needing to be resolved will be allowed to qualify and will be banded for their assessed housing need. However, they will not be offered a property until they have resolved their behavior to a level that will give us confidence that they will be good tenants in the future.</p> <p>There will be clear criteria for what they have to do to resolve their behavior and they will continue to 'move up the queue for their band' so they have not 'lost out' whilst they resolve the problem.</p>

<p>Qualification rule 9: CCP Tenants not assessed as Band A or Band B Housing Need</p>	<p>Existing Housing Association and Barrow Council tenants who have a housing need will be able to join the Housing Register. However, there is a problem in existing tenants who do not have a housing need wishing to transfer to another social housing property. Each transfer costs the social housing landlord thousands of pounds in costs to re-let the property. We think that tenants who do not have a housing need should still be able to seek a transfer through the Mutual Exchange Scheme but not through the housing register.</p>
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4) We are making the rules clearer regarding when a direct letting outside of the choice based letting system will be allowed.

The current policy on making a 'direct letting' will be made clearer regarding when a direct let will be allowed. The Policy intention is that direct lets should account for no more than 10%-15% of all lettings to preserve the integrity of the choice based letting system.

The main examples of when a direct offer will be considered due to exceptional reasons are:

- a) Urgent housing need situations where it would not be reasonable in the circumstances to wait for the Choice Based Lettings process to produce an offer such as a threat to life in the area in which an applicant currently lives.
- b) Tenants of a Cumbria Choice Partner in emergency cases whose homes are damaged by fire, flood or other disaster
- c) Where an applicant is homeless and in temporary accommodation and owed a section 189B(2) Relief duty or 193(2) main duty and the Cumbria Choice Board agree with a request from a Partner Council to allow direct lettings to move applicants out of temporary accommodation in order to manage any budgetary or legal impact.
- d) Where a vacant adapted property or a property designed to disability standards becomes available and there may be a need to offer that property to an applicant whose disability need best matches that property, regardless of the date they were registered.
- e) Other examples include cases where an applicant is subject to 'Multi Agency Public Protection Arrangements' (MAPPA), or may present a risk to themselves or others

5) We are proposing a penalty for applicants who refuse 3 reasonable offers in a 12-month period.

All applicants will continue to qualify for 3 reasonable offers in a 12-month period. If an applicant in the high need Bands A or B refuses 3 reasonable offers in that 12 months they will be 'downgraded' to Band C for 12 months. This is to stop applicants bidding for properties they are not committed to taking which has the consequence that properties take longer to let and cost the social housing landlord money in lost rent. The definition of a reasonable offer is clearly set out in the new policy.

6) We are proposing to remove the 'Cumulative Need' rule from the Policy

We propose to remove the 'cumulative housing need' rule from the scheme to make the scheme more transparent for customers and easier to understand and to administer. Under the current policy customers who have two or more of the housing needs as listed in Band C are 'promoted' into Band B. This is called the cumulative need rule.

Under the new policy we propose that an applicant who meets 2 of the housing need criteria for band B will still only be awarded band B and not promoted to Band A. The old policy of cumulative need has been extremely hard for officers to assess and results in people constantly requesting that their circumstances reassessed in the hope of qualifying for the higher band.

7) We are setting out how we propose to give choice to registered customers who have a local connection with the local authority area where a vacant property is advertised whilst at the same time encouraging mobility across Cumbria

We want to encourage mobility by allowing everyone registered to be able to bid for most of the properties advertised regardless of whether they have a local connection with the local authority area where the property is vacant. There will be exceptions, for example where there is a new development under a section 106 Planning Agreement that requires tenants to have a close local connection.

However, to ensure that properties are prioritised for customers who have a local connection to the area where the property is advertised we intend in the first instance to shortlist customers who have bid and have a local connection to the Council area where the property is advertised. We think this is a fair process and protects areas of higher demand for residents who have a connection to an area, but at the same time encourages customers to be more mobile in contemplating moving across Cumbria as if no one with a local connection bids then the customer who has a connection to Cumbria but not to the particular Council area will then be considered for that property based on their band and date in band.

8) We intend to expanded criteria for when a customer will qualify for the statutory housing need bands A and B and have set out clearer criteria for when a band will be awarded to ensure assessments are always consistently applied.

The criteria for when a customer will qualify for the Housing Need Bands A and B will be expanded and made far clearer. This will make it easier for applicants and their representatives to understand if they qualify, and far easier for officers assessing their case to made consistent and timely decisions regarding whether a customer qualifies for a high needs the Band A or B.

The Equality Impact Assessment (EQIA)

This EQIA considers the changes to the Allocations Policy and assesses their impact on those applicants/households within the protected characteristic groups. The assessment considers whether an impact that is identified is considered to be a positive, negative or neutral impact. Where negative the EQIA sets out what steps have or will be taken to reduce that impact.

Data, guidance and evidence used to assess the EQIA

This assessment has been drawn up using a broad range of data available to officers about applicants on the Housing Register. In addition to the legislation and case law governing allocations, regard has been had to the government guidance on the allocation of housing, the Equality Act 2010 and recent case law on the operation of Section 149 of that act.

It is recognised that the current 'Cumbria Choice' scheme does not have a comprehensive set of data for the households on the housing register and for those rehoused. This is, in part, due to the limitations of the current operating system to develop comprehensive monitoring and performance reports. Raw data can be captured but has not been configured into reports based on the protected groups. This is a critical task for the project plan implementing a new IT operating system. A further problem with the data is that a large number of applicants fail to complete the personal data section of the application form.

Moving forward Cumbria Choice needs to be able to monitor those on the register who are bidding for properties as well as those applicants who are housed under the policy. This will allow the local authorities and partners to analyse if those housed by each protected group is proportional to the proportion from each group registered.

A new IT operating system is being purchased. To ensure that Cumbria Choice has better information to review the EQIA in the future the following actions will be taken:

- 1) The on-line applicant form will be amended to encourage more applicants to fully complete the relevant sections,
- 2) Officers will, on contact with an applicant, request any applicant who has not completed the personal information section to do so.
- 3) Changes will be made to the home page for the applicant's on-line account to show a message explaining the importance of providing the information.
- 4) At the point all applicants are written to asking them if they wish to remain on the Housing Register they will be prompted to complete the personal data section

The data that does exist indicate that the following groups are over-represented in the high priority groups on the Housing Register:

- Families with children
- BME households
- Households with disabled or long-term health problems.
- Female headed households

Research shows that this is common for all local authority allocation schemes and is explained by socio economic factors and poverty.

The new EQIA assessment is set out in the table below and has been structured to consider:

- a) Part A - Firstly, each Individual protected group in the context of the changes, and then
- b) Part B - The changes in the context of their impact on all of the protected groups

The consultation responses summarised

All 8 changes proposed were strongly supported including each of the 9 qualification rules set out in change 3. A number of changes have been made as a result of the consultation feedback. These amendments include:

- a) Allowing applicants where it is agreed need to move from one Cumbrian Council district to another due to domestic abuse, the same priority in any shortlist as an applicant who has an established local connection to the area where a property is advertised.
- b) Making the criteria clearer for an applicant with housing debt as to when they may qualify for the housing register with no penalty, and where a penalty is applied more clarity on the criteria to be applied for the actions needed to resolve the debt so that they may be considered for an offer of social housing
- c) Helping to define which keyworkers should be given band B priority under the scheme.

Part A – Consideration of each Individual protected group in the context of the changes

Protected characteristic	Potential issue where there may be a positive or negative impact	Impact Judgement + / -	Observations and Recommendations	Relevant comments or Action/s to reduce any impact
Age				
	<p>The scheme will require applications to be made on-line as opposed to submitting a paper form.</p> <p>The impact could be that older people are less able to use an on-line application form and the system of bidding for properties through choice based lettings</p>	Negative	<p>On-line applications have been the preferred method for the vast majority of residents in Cumbria to make their applications, but in some areas applications are still made by way of a paper form.</p> <p>To mitigate any impact it is agreed that each partner will assist older and vulnerable people to:</p> <ul style="list-style-type: none"> ➤ Fill out their on-line application and ➤ To make bids under CBL ➤ Plus paper forms will still be available in exceptional circumstances where it is agreed an applicant is unable to complete an on-line form <p>On-line applications and CBL bidding on-line has been operating for several years. There is no evidence reported from applicants or stakeholders that customers are experiencing difficulty in applying for accommodation, or using the CBL system</p>	<p>The new website FAQs section will be amended to inform applicants that help is available if they are having difficulty in using any of the online application and bidding processes.</p> <p>The intention is to add a web chat option on the website to</p>

				further help applicants
	There is evidence nationally that younger people find it easier to access services online rather by filling out forms. Young people may be disadvantaged by a system where access is by paper form	Positive	It is reported by partners re the age profile of the Housing Register, that the majority of applicants are under 40. Delivering the application and bidding system on line is an advantage to younger people	No additional comments
	Seeking to deliver more of the application process on-line could disadvantage those applicants without internet access and these tend to be older applicants, or applicants most impacted by poverty	Negative	<p>Libraries have free public PC's. There are also free computer training sessions available across Cumbria.</p> <p>Information is available from any CCP partner on the availability of free local public internet access.</p> <p>There are numerous PCs in Council and Housing Association partner offices and the offices of other public authorities.</p> <p>Currently CCP partners report that the vast majority of bids are placed electronically. There are however alternative ways to bid.</p> <p>The office of National Statistics reported that In 2018, 90% of adults in the UK were recent internet users, up from 89% in 2017. 8.4% of adults had never used the internet in 2018, down from 9.2% in 2017. Virtually all adults aged 16 to 34 years were recent internet users (99%) in 2018, compared with 44% of adults aged 75 years and</p>	There is sufficient internet access points and support available in Cumbria to help people without access to the internet.

			over. The majority of the users of the CBL scheme are likely therefore to be confident in using on-line facilities and the scheme has ensured that there are sufficient protections in place for those applicants who are not confident of accessing the service online.	
	Young People - Care Leavers	Positive	Care leavers and young people ready to move on from supported accommodation benefit from the proposals as they are placed in Band A the highest priority Band. This should mean that they are provided with an offer of social housing in a relatively short time period Band A priority is also granted for children assessed as needing an urgent move for child protection concerns, and for residents who need larger accommodation to foster or adopt.	No additional comments
Disability				
	What is the impact of the changes on the housing prospects of applicants with a disability	Positive	The revised policy actively promotes the needs of disabled groups by ensuring that applicants with mobility problems are prioritised for accommodation that is suitable for them. On the limited statistical information available it is estimated that for the Housing Register as a whole up to 25% of applicants have some level of disability. Many applicants with a physical disability where their current housing circumstances impact on their disability will be prioritised for housing under the Policy. Disability is recognised in both of the 2 priority bands A and B. Many applicants with a severe mental health condition and are homeless will be prioritised under the policy through being awarded reasonable preference for being owed a statutory homelessness duty	No additional comments

			The Council is also committed to capturing better information about social housing void properties to classify those that have or can be adapted.	
	How accessible are the application and bidding processes for applicants with a disability?	Positive	The intention is to move to a new IT operating framework. The new website will be developed to ensure that it is fully compliant with all accessibility requirements. Actions that will be explored include: <ul style="list-style-type: none"> a) To ensure that the website is W3C 1.0 compliant b) That information is available on how to adjust type, font size, colour contrast and how to make the applicant's computer speak text aloud. c) To implement a drop down menu for people who need to read information in a language other than English. d) The ability to receive a letter in audio. 	The Council will seek in the future, where the IT allows, to monitor data on the frequency of applicants accessing their account to check whether some applicants are being disadvantaged
Gender reassignment				
	Is there an impact of the policy, or the changes, on gender reassignment applicants	Neutral	Applicants who have undergone gender reassignment – can, as with any other applicant, apply to join the housing register and will qualify as long as they meet the eligibility and qualification criteria.	The scheme will more proactively collect monitoring information

			The revised policy provides band A priority for applicants who have been subject to extreme harassment. Nationally statistically many people who have undergone gender reassignment report higher levels of harassment.	for this group but has insufficient data at present
Pregnancy and maternity				
	No further impact identified	Positive	<p>The majority of the Register is made up of applicants that are female-headed households with up to 10% being pregnant (based on national estimates). Pregnant women are more likely to have become homeless due to being excluded from a family home, or homeless due to domestic abuse, or homeless due to being unable to continue to afford the rent on a private rented property once they have given birth given the cost of childcare.</p> <p>The homeless and survivors of domestic abuse are given a high priority for housing under the Policy and therefore pregnant women as a groups are likely to be advantaged and not disadvantaged by the Policy</p>	No additional comments
Race				
	The changes to the residency requirement for banding priority under the Housing Register may	Negative	<p>A residency requirement of 1 year or 3 years in the last 5 to qualify for the higher needs bands A or B will have some impact on, refugees, non-UK nationals and Irish Travellers. The revised scheme has attempted to:</p> <p>Strike the right balance between disadvantage to some groups of a residency requirement and the policy aims of the residence</p>	No additional comments

	<p>impact on refugees, non British nationals and Irish Travellers</p>		<p>requirement, which is to prioritise applicants who can demonstrate a positive commitment to Cumbria through being settled in the area. That is why:</p> <ul style="list-style-type: none"> a) A 1 year qualification has been chosen instead of 2 or 3 years which is the norm for the vast majority of local authorities (based on the national statistical local authority returns to MHCLG) b) The policy still allows applicants without the required residency period to qualify for the register (unlike most local authority schemes), awards them band C and means they may be still be successful in bidding for properties. c) To mitigate any impact the policy is careful to build in exemptions and consideration of exceptional circumstances for applicants who do not meet the residency rules. <p>This impact and mitigation is considered more fully below in the section on the impact of the Policy changes across all of the protected groups</p>	
	<p>On-line access for making an application and bidding will impact on applicants whose first language is not English</p>		<p>The new Cumbria Choice website will have information for people who need to contact or talk to a partner in language other than English and there is a translation option for the on-line form and accompanying information.</p> <p>This is considered to be a low risk because if a person's command of English is particularly poor they are likely to have access to someone with interpretation skills.</p> <p>The new Policy has been designed to be more 'straightforward' and easier to understand reducing the potential impact on applicants who do not have English as their first language. As is currently the</p>	

			case, Officers can provide advice and assistance for people who may have difficulty understanding the policy	
Religion / belief				
	Is there an impact of the Policy or the Policy changes on applicants with a religion or belief?	Neutral	It can be difficult to distinguish what are factors to do with a person's religion as opposed to their ethnic or cultural origins. At present there is only generalised information for the Housing Register.	There will be more effort on collecting more accurate information in order to be able to assess any impact as the policy and the EQIA is reviewed
Sexual orientation				
	Is there an impact of the policy changes on applicants re their sexual orientation?	Neutral	The revised policy provides band A priority for applicants who have been subject to extreme harassment. Nationally, statistically many people report higher levels of harassment due to their sexual orientation.	More effort will be made on collecting the information in order to be able to assess any impact as the policy and the EQIA is reviewed

Sex				
	Is there any potential gender bias in the changes proposed?	Negative	<p>Females make up the majority of the housing register. This is because women are likely to be the main carers and are more likely as a result to come under one of the reasonable preference categories for a statutory housing need. This is likely to continue.</p> <p>A large proportion of the register is made up of 'female headed' households. The changes will not impact on the proportions of female headed households owed a statutory housing need</p> <p>Married, civil partners and co-habiting couples, same sex couples, brothers and sisters who wish to live together, can make applications.</p>	No additional comments
General comments on impact and safeguards			<p>Overall the changes proposed will have a positive impact for many of the protected groups identified under the Equality Act. Where there could be a negative impact the policy changes have been carefully constructed to keep any negative impact on any group to a minimum.</p> <p>Although it can always be argued that any change that positively impacts on the chances of social housing for one or more protected groups may have a negative impact on another protected group any impact is not considered to be substantial.</p> <p>There is a further protection in that all applicants have a statutory right to seek a review of their housing application if they are dissatisfied with the Council's decision regarding how they have been assessed and the band they have been awarded.</p>	

			The policy has been amended to provide all applicants with the opportunity to submit reasons why they believe their case should be considered for exceptional circumstances and where requested this will now be considered under the statutory review process ensuring senior officer scrutiny of their request and improved consistency in decision making.	
Part B Consideration of the changes in the context of their impact on all or several of the protected groups	All Groups/Several Groups			
	The impact of moving to a simple 3-band system with the time a person joined the register determining their place in the queue for the band they have been allocated	Neutral	<p>This aim of this simple change is to build trust in the system as it will become more of a 'waiting list' queuing system recognised by everyone using it as a fair way to allocate a limited resource where there is often over demand for certain property types or areas.</p> <p>This is assessed as having a neutral impact, as the 2 high need bands A and B are retained and applicants with a protected characteristic dominate these bands.</p>	
	The policy makes changes to the local connection rules impacting on whether an applicant may be awarded a priority band A or B.	Negative	<p>To qualify for the higher priority bands A or B an applicant must have a local connection with Cumbria. This is defined under the new policy as:</p> <ul style="list-style-type: none"> a) Living in Cumbria for the last year, or for 3 years in the last 5 b) Having close family living in Cumbria c) Be working in Cumbria as long as this isn't casual work. 	The scheme will analyse the equality profile of households who will potentially be affected by

			<p>Statutory guidance from the Government’s MHCLG Department strongly encourages all local authorities to adopt a minimum 2 - year residency test as part of their qualification criteria.</p> <p>In accordance with Government Guidance there is the intention to embrace the idea of giving greater priority to applicants in housing need with a local connection to Cumbria based on residency, employment, or close family. However, the changes have sought to strike the right balance between the potential disadvantages for some groups of a residency requirement set against the policy aims of adopting a residency requirement, which is to prioritise applicants who can demonstrate a positive commitment to Cumbria through being settled in the area.</p> <p>The compromise chosen therefore is a 1 year residency rule to qualify for the higher priority bands A or B instead of 2 or 3 years residency rule to qualify for the register at all, which is the norm for the vast majority of local authorities (based on the data for local authority statistical returns to MHCLG 18/19).</p> <p>A key safeguard is that the policy will still allow applicants unable to meet a 1 year residency period to qualify for the register (unlike most local authority schemes) and they will be placed into Band C. This means they may still be successful in bidding for properties that are in less popular areas</p> <p>Local connection rules including length of residency were overwhelmingly supported in the consultation feedback.</p> <p>Adopting a residency rule is considered as particularly necessary given that the rental market in some parts of Cumbria is an affordable option for those seeking to rent privately in the region. It means that without a rule any applicant can apply for social housing, and their</p>	<p>the proposed changes to local connection rules</p>
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		<p>housing need may attract band A or B priority regardless of the fact that they may have only just moved into Cumbria. This is important for local authorities that have limited access to social housing in areas of high demand and seeks to prioritise limited social housing resources for applicants who have an established connection to the area.</p> <p>The partnership is mindful of any potential impact of introducing local connection rules on applicants who are classified as a protected group under the Equality Act.</p> <p>We are satisfied that the 1 year residency rule, employment and close family connection rules, are a proportionate means of achieving a legitimate aim which is to prioritise people with a local connection without preventing any access to housing for those in housing need without a local connection.</p> <p>The Council is satisfied that it has brought in changes that achieve an appropriate balance and namely that any indirect discrimination of the local connection rules on applicants from a protected group will be minimised through the actions set out below and that any impact is proportionate.</p> <p>The new policy has been careful to build in safeguards and exemptions to the local connection rules and the residency rule in particular. The safeguards include the ability for an applicant to retain their local connection where they have left the area due to:</p> <ol style="list-style-type: none">1) Being in hospital, or2) Having to move out of the area for care, or3) Being accommodated in supported accommodation outside the district, or	
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			<p>4) Having been placed into temporary accommodation outside of their 'home' district Cumbrian Council, or</p> <p>5) Applicants who are leaving an institution such as a prison or secure unit or a hospital, rehabilitation centre, refuge, hostel or supported accommodation scheme and were resident for 1 year or 3 out of the previous 5 years immediately before they moved into their current accommodation.</p> <p>Exemptions from the local connection rules for exceptional circumstances will also be considered for:</p> <ol style="list-style-type: none"> 1) Any application from a Gypsy or Traveller household that does not meet the continuous period of residence rule, as the period may have been broken by periods of travelling. 2) Care leavers below the age of 21 years who are owed a duty under Section 23C of the Children Act 1989 by any local authority Children Services Department and have been accommodated within Cumbria for a continuous period of at least two years 3) Reasons of safety; i.e. when an applicant is fleeing domestic abuse or hate crime from another area, or <ol style="list-style-type: none"> a) Is on a witness protection program, or b) Where by not moving to the area this would be detrimental to their wellbeing or cause significant hardship. <p>Going forward there is a commitment to monitor and analyse the equality profile of households who will potentially be affected by the local connection rules and in particular the 1 year residency rule.</p> <p>A residency requirement of 1 year will impact to some extent on, refugees and non-UK nationals, Irish Travellers (though safeguards have been built in for travellers). The Council has sought to strike the right balance between disadvantage to some groups of a</p>	
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			<p>residency requirement and the policy aims of the residence requirement, which is to prioritise applicants who can demonstrate a positive commitment to Cumbria Choice and are settled in the area as defined by 1years residence, employment or close family associations.</p> <p>It is likely that for residents who have not resided in Cumbria for more than a year the rule will impact to some extent on BME residents, former asylum seekers and Irish travellers who will not be able to access the higher priority bands A or B until they meet the 1 year residency criteria, or other local connection rule such as employment. It should be noted however, that this will not stop them from bidding with their band C status and they may still be successful in obtaining an offer of social housing.</p> <p>It is also the case that levels of 'inward migration' into Cumbria is relatively low compared to other local authority areas of England.</p> <p>The Statutory Guidance issued by the Government expressly highlights the need for local authorities to take account of special circumstances. The changes on residence achieve this, for example, by protecting people who are moving into the district to escape violence</p> <p>Furthermore, it should be noted that all applicants to the housing register would be equally disadvantaged through the 1-year residency rule.</p> <p>To summarise the impact of the residency criteria is not considered to be substantial and the 6 local authorities have been careful to reduce the impact through the following actions:</p>	
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			<p>1 - The residency criteria is set at 1 year which is the number of years suggested in the Government's own guidance. We have been careful not to adopt a '2 or 3 years or more' residency rule which would have a greater negative impact.</p> <p>2 - The proposed allocations policy recommends that exceptions to the 1-year local connection requirement be made in appropriate cases, such as applicants who have been subjected to domestic violence.</p> <p>3 - By permitting exemptions to avoid hardship, the circumstances of all applicants can be fully considered and the possibility of an applicant suffering any disadvantage avoided.</p> <p>4 - There is an exemption for applicants where there are additional health, welfare or care/support needs that is reliant on the relative being within the area</p> <p>5 - All applicants have a statutory right to seek a review of their housing application if they are dissatisfied with the decision re the band they have been awarded. This provides an applicant with the opportunity to submit reasons why they believe their case should be considered under the exceptional circumstances part of the policy.</p> <p>6 - The Policy includes other ways an applicant can obtain the higher A or B banding for their housing need other than being resident for 1 year. The alternatives are where an applicant is employed in Cumbria for as little as 16 hours a week, or has close relatives living in Cumbria.</p> <p>7- Any disadvantage is only for a relatively short time period until the applicant can evidence residency for 1 year after which an applicant will be allocated the band that fully reflects their housing need.</p>	
	The specific change to include the ability to qualify for households who	Negative or neutral and positive in the longer term	<p>One of the policy aims is to reduce inequality and poverty over the long term by encouraging employment</p> <p>A key aim of this policy change is to encourage those who work in Cumbria to be able to work, live and settle in Cumbria. This is</p>	The scheme will analyse the equality profile of households

	are employed in the area		<p>especially relevant where they are unable to afford to rent or buy and have a housing need.</p> <p>The criteria has been deliberately set as paid employment for 16 hours or more per week for a period of one year, or self-employment where an applicant can demonstrate that the self-employed work they perform is in Cumbria. This recognizes that many women with childcare challenges may only be able to work part time.</p> <p>The policy aim is to make a contribution to rebalancing communities on social housing estates seeking a balance of households that are dependent on benefits and are economically active.</p> <p>There will be little impact on other households who don't work and live in Cumbria Choice and have a protected characteristic, as most of these applicants will qualify for a priority band under the 1-year residency rule.</p> <p>Unlike many other local authorities we have been careful not to build into the shortlisting rules work as a determining factor for prioritising applicants, as this could have a disproportionate impact on applicant's who are not able to work and come under the definition of one or more of the protected characteristics.</p> <p>Many of the mitigating actions and considerations set out in the section on the residency rule above apply equally here</p>	who will potentially be affected by the proposed changes to local connection rules for employment
	The specific change to include under the local connection rules family (normally mother, father,	Neutral or positive	This rule allows an applicant who is not resident or employed in Cumbria Choice to qualify under the local connection rules if they have close family living in Cumbria.	

	brother, sister, son or daughter) that have lived in the area for a minimum of the past five years.		This rule is likely to be positive for those applicants from a relevant protected group who live outside of Cumbria but have close family living in Cumbria and would be unable to qualify for another reason	
	What is the assessed impact of the revised income, savings/assets thresholds on applicants with a protected characteristic under the Equality Act?	Neutral or negative	<p>There were income and savings qualification thresholds under the previous Policy. These have been revised and are:</p> <p>Applicants who are considered to have sufficient financial resources to buy suitable accommodation in Cumbria will not qualify for Bands A or B but can qualify for Band C. 'Sufficient financial resources' are defined as sufficient capital to buy or rent privately; or sufficient income to raise a mortgage to buy or rent privately; or a combination of both. The income and savings limits are:</p> <p>Applicants (both single persons and couples) who have total savings, investments and/or assets of £25,000 or more. Applicants whose total gross household income from all sources exceeds an annual income of £45,000 or more (for single persons) or joint income of £60,000 or more (for couples).</p> <p>Those applicants with savings or income above the thresholds will be able to join the register and will be placed in band C and will also be advised on homeownership options and market and intermediate rent options.</p> <p>Although some applicants from a protected group will be impacted by this policy many other protected group applicants are on low incomes or have no savings and will benefit, because there will be fewer applicants on the register in bands A or B competing for housing.</p>	The Council will monitor the number of applications rejected for an award of the higher bands A or B due to high income levels or savings

			<p>The Council is satisfied that:</p> <p>The new policy contains a wide range of exemptions to the Income and savings thresholds compared to the previous policy and that these exemptions are targeted at applicants likely to be from a protected group based on age or disability.</p> <p>Furthermore, any negative impact on protected groups is reduced by the fact that they will have the income level or savings to obtain an alternative housing solution and by the fact that there is a process in the policy to consider exceptional circumstances.</p> <p>A key safeguard is that the policy will still allow applicants whose income or savings are above the thresholds to still qualify for the register (unlike most local authority schemes) and they will be placed into Band C. This means they may still be successful in bidding for properties that are in less popular areas</p>	
All groups				
	We will continue to operate an open register in Cumbria. Everyone will still be able to register regardless of whether they meet the definition for a statutory housing need (unless there is evidence of	Positive	Although not a change to the policy the continuation of an open register will not impact on the objective that social housing should continue to be prioritized for those applicants assessed as being in the greatest housing need (bands A and B) and that these households are overrepresented by applicants who meet the protected groups criteria.	

	serious unacceptable behaviour or significant former rent arrears). How might this impact on the protected groups?		However, many applicants without an assessed statutory housing need still meet the protected groups criteria. The continuation of an open register is therefore likely to benefit these applicants because they may be successful in bidding for lower demand properties.	
	The new Policy includes the ability to apply local lettings policies	Neutral at this stage. Each local lettings policy will need to consider any equalities impacts before being adopted.	<p>Although this isn't a change to the new policy as local letting policies were always allowable under the current policy, the new policy sets out a clear framework for how these policies will be agreed and requires an evidence base and a strict timetable for reviewing the impact. The equalities impact of local lettings policies had not been assessed fully under the current policy. There will now be a clear equalities consideration as part of the process for agreeing any LLP policy and a clear equalities monitoring on the impact of any policy.</p> <p>Local lettings policies have the potential to have an impact on the housing prospects of a number of disadvantaged groups. Such a policy restricts allocations within a small geographical area in order to achieve certain policy and good management outcomes. An example might be lower child densities in certain block or road, or to restrict the number of vulnerable people allocated accommodation in a block where there are already a number of people housed with complex needs and there is evidence that the number is causing</p>	We will fully consider the equalities impact of any local letting policy in deciding whether to approve any LLP and will then monitor the on-going impact

			<p>housing management issues for a landlord and impacting on other residents.</p> <p>The Allocations Policy is framed to allow for individual lettings plans to be developed and approved on a case-by-case basis. Each local letting plan will have to have an evidence base and be approved through a clear transparent process. Any equalities impact must be considered as part of the assessment process when deciding whether on not to approve a local lettings plan.</p>	
	<p>Applicants with former/current rent arrears or serious unacceptable behaviour who are assessed as being in housing need will be assessed as either non qualifying or allowed to qualify but not allowed to bid until the issue has been resolved.</p>	<p>The changes will have positive implications</p>	<p>Applicants with former/current rent arrears or serious unacceptable behaviour that are in housing need will be assessed as either non qualifying or allowed to qualify but not allowed to bid until the issue has been resolved.</p> <p>This isn't a change to the Policy but a clarification of how these rules will be applied. Under the previous policy section an applicant could be disqualified for former rent arrears or unacceptable serious behaviour. The previous policy lacked clarity resulting in some applicants being 'stuck' and unable to access social housing due to previous rent arrears or behaviour but a lack of clarity for how the policy would be applied and what an applicant needed to do to resolve a problem led to inconsistency in the application of the policy. Many applicants where the policy was applied would be in a protected group.</p> <p>Changes have been made that will benefit these applicants. These are:</p> <ul style="list-style-type: none"> a) Much clearer criteria for when an applicant will or will not qualify b) Exemptions and exceptional circumstances consideration built into the Policy. c) Agreement with the Registered Provider housing associations on the approach to take regarding when an applicant should be 	<p>The number of households impacted by policy will be carefully monitored</p>

			<p>considered for an offer accommodation in respect of what 'resolving their arrears or unacceptable behaviour means. This will mean fewer applicants are 'stuck' with no solution.</p> <p>d) Where applicants qualify but are unable to bid until the matter has been resolved they will be allocated the correct band for their housing need and will continue to accrue 'time in band' priority which will be an advantage to them when they have resolved the issue.</p> <p>Although the housing related debt and unacceptable behaviour rules will impact negatively on some applicants from a protected group we are satisfied that:</p> <ul style="list-style-type: none"> ➤ The rules are a proportionate means of achieving a legitimate aim which is to ensure that new tenants pay the rent and resolve previous housing debt owed to a social landlord, or resolve unacceptable behaviour, and ➤ The changes that achieve an appropriate balance with safeguards and exemptions so that any indirect discrimination on applicants from a protected group has been minimised through the safeguards introduced in the new Policy and are proportionate. 	
	Making direct lets /sensitive lettings outside of the CBL system in certain circumstances	Positive for the protected groups of sex, disability	The revised Policy allows more flexibility in certain circumstances to make the best use of the housing stock. The vast majority of general needs properties will continue to be allocated via choice based lettings but there will be times when a housing association or Council needs to directly match a property to an applicant.	A target figure of no more than 15% has been set to ensure that the integrity

		<p>and sexual orientation</p> <p>Neutral for the other groups</p>	<p>The policy lists the circumstances when a direct letting may be applied and includes MAPPA, MARAC or other sensitive lets or where there is a need to move due to extreme risk of domestic violence or harassment or witness protection.</p> <p>Where direct lets are made in sensitive circumstances this is often where an applicant may be a victim of domestic abuse or is being harassed or has complex needs. A direct sensitive let will allow the best match to be made depending on the circumstances and needs of a particular applicant. This is an advantage to a number of protected groups for disability, sex (women are more likely to be victims of domestic abuse)</p> <p>For the other protected groups making direct lets outside of the policy band and date order will have a minimal negative impact as these will only be made in limited circumstances</p>	<p>of the CBL system is retained. The percentage of direct lets will be carefully monitored</p>
	<p>If an applicant in the high need Bands A or B refuses 3 reasonable offers in that 12 months they will be 'downgraded' to Band C for 12 months</p>	<p>Negative</p>	<p>Applicants in Bands A or B who refuse 3 offers following a successful bid or direct allocation will be downgraded to Band C for a period of 12 months.</p> <p>We will implement clear operational procedures for the assessing officers to take into account people with mental health or support needs where their condition may impact on their behaviour and their ability to keep appointments in the normal way. Officers will look at the individual circumstances for all applicants before applying the rule.</p> <p>An additional safeguard is that the new Policy clearly defines what a reasonable offer is. This will ensure consistency in the application of the refusal policy.</p>	<p>Regular analysis of the number and needs of applicants downgraded to Band C because they refused 3 reasonable offers will be needed to ensure that specific groups are not being</p>

			<p>The view is that allowing an applicant to refuse 3 reasonable offers before being downgraded to Band C is a reasonable compromise between allowing choice and managing re-letting times for the partners. It is not expected that many applicants will have the rule applied, as having the rule in place will focus applicants on seriously considering any property they bid for.</p> <p>It is also likely to be positive in that some applicants in a high band who are in a protected group refuse offers of accommodation waiting for what they perceive to be the 'perfect' offer. This leaves them in unsuitable housing for a longer period of time. This policy will help tackle this problem</p> <p>Where an applicant is owed a homeless duty 1 suitable offer will end the homeless duty (this is required by the homelessness legislation) but they would still be able to receive 2 more offers if their housing need means they would still qualify for a Band A or B.</p> <p>Even if they have no other statutory housing need they would still qualify for the Housing Options Band C and be able to access lower demand properties and be entitled to 2 more offers in a 12 month period.</p>	adversely affected
	Removal of 'cumulative housing need' rule from the scheme to make the scheme more transparent for customers and easier to	Neutral or negative	The change is to remove the 'cumulative housing need' rule from the scheme to make the scheme more transparent for customers and easier to understand and to administer. Under the current policy customers who have two or more of the housing needs as listed in Band C are 'promoted' into Band B and meeting 2 band B criteria would be promoted to band A. This is called the cumulative need rule. There may be some impact on applicants who meet the protected group criteria and have more than one assessed housing need.	

	understand and to administer		<p>Under the new policy an applicant who meets 2 of the housing need criteria for band B will still only be awarded band B and not promoted to Band A. The old policy of cumulative need has been extremely hard for officers to assess resulting in inconsistency in applying the rule and applicants constantly requesting that their circumstances reassessed in the hope of qualifying for the higher band.</p> <p>There is mitigation built into the decision to remove the cumulative need rule in that band A criteria has been clarified to include applicants with an exceptional or urgent housing need therefore reducing the need for a cumulative need rule.</p> <p>There is also a positive impact in that applicants in the current band C are less likely to have a protected characteristic. By being able to meet 2 band C criteria they would be placed on an equal footing with applicants with a band B need and band B contains more applicants that have a protected characteristic.</p>	
	Applicants who have a local connection with the Cumbrian local authority where a vacant property is advertised will be given priority in any shortlist	Neutral	<p>This is not a direct change to the policy but an amendment to provide greater clarity.</p> <p>For any shortlist an applicant that has a local connection with the Cumbrian local authority where a vacant property is advertised will be given priority over applicants who bid without that local connection. This could impact on victims of domestic abuse but the policy has safeguards built in so that any DA cases where it is agreed that they need to move as they cannot stay in their local authority district due to risk, will be treated equally on any shortlist.</p>	
	The impact of the expanded criteria for when a customer will qualify for the statutory housing need bands A and	Positive	<p>The criteria for when a customer will qualify for the Housing Need Bands A and B will be expanded and made far clearer. This will make it easier for applicants and their representatives to understand if they qualify, and far easier for officers assessing their case to made consistent and timely decisions regarding whether a customer qualifies for a high needs the Band A or B.</p>	

	B and have set out clearer criteria for when a band will be awarded to ensure assessments are always consistently applied		This decision has a positive impact in that the criteria for being granted a band A or B award has been expanded for medical, disability, hardship, risk and move on meaning that more applicants from a protected group will qualify for a higher band award.	
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Date EQIA approved

Any subsequent amendments – date and detail

Appendix 3: Cumbria Choice Based Lettings Policy – Summary of Proposed Changes – 2020 Update

Changes to Policy	Details	Impact of Changes	Initial Board Consultation Responses	Change made to Policy in line with recommendation
Statutory Guidance	Policy updated in line with legislative changes since the last review of policy.	Low.	None identified	Yes updated in line with latest Homelessness legislation.
Equality Act 2010	An equality impact assessment has been undertaken as a result of which changes to syntax have been made throughout.	High. A significant number of customers are classed as vulnerable.	None	None
Reduction in number of Bands from 5 to 3	It is proposed that the number of bands reduce from 5 to 3 to make the Policy easier to understand and administer. The first two bands would cover the 'reasonable preference' categories as identified in relevant legislation with the remaining Band for any other applicants. Determination of priority would then be based on date of application.	Medium.	13 = yes agree 3 = no	Yes draft Policy updated.
Keep an 'open Register'.	This means that anyone can apply to join the Housing Register. This does not change the current position.	Low.	15 = yes agree 1 = no	None required.
Proposed changes to qualification rules	1 – Local Connection changes to allow those with local connection to Cumbria for the past year, or for 3 years in the last 5 years by way of immediate family in the area, permanent employment, or exceptional need (includes but not limited to: fleeing violence; armed forces, care leavers)	Medium.	15 = yes agree there should be a local connection rule	Some changes made to cover the local connection criteria.

Proposed changes to qualification rules	2 = requirement to give permission to obtain and share an applicant's personal information.	Low.	15 = yes agree	Yes draft Policy updated.
Proposed changes to qualification rules	3 = Homeownership or legal interest in home ownership. Should people who own their own home not qualify for higher bands A and B.	Low as applicants who own their own home have a low need for social housing.	10 = yes agree 5 = no	Yes draft Policy updated. However, if as a result of divorce settlement a Court has ordered that an applicant may not reside in the home in which they have a legal interest for a period likely to exceed 5 years then this will not be taken into account.
Proposed changes to qualification rules	4 = financial resources. People with a certain level of income/savings will not qualify for higher bands A and B.	Low as applicants can satisfy their housing need on the open market.	12 = yes agree 3 = no	Yes draft Policy updated. Applicants (single persons and couples) with total savings, investments and/or assets of £25,000 or more can qualify for Band C. Applicants with gross income exceeding £45,000 or more (single) or joint income of £60,000 (couple) can qualify for Band C.
Proposed changes to qualification rules	5 = failure to bid for a period of 12 months.	Medium to ensure that applicants who are vulnerable are not discriminated against.	13 = yes agree 2 = no	Yes draft Policy updated.
Proposed changes to qualification rules	6 = Fraud or giving false information will result in removal from the Register for a period of 12 months.	Medium depending on reasons why important information was upheld and whether any vulnerability identified.	15 = yes agree 1 = no	Yes draft Policy updated.
Proposed changes to qualification rules	7 = circumstances where an applicant has current or former social housing rent	Medium depending on reasons why debt has	11 = yes agree 4 = no	Yes draft Policy updated:

	<p>arrears or another relevant recoverable housing related debt.</p> <p>Debts £1000+ who have made no arrangement to address the debt will be ineligible.</p> <p>Debts £1000+ who have made an arrangement to address can join but will need to maintain a payment arrangement for 13 weeks and have either: repaid at least £750 or at least 25% of the original debt.</p> <p>Debts £1-£499 – eligible to join and bid unless evidence of risk of future non-payment such as history of housing debt/poor rent payments or breached payment arrangements.</p> <p>Debts £500-£999 – eligible to join but not to bid unless no real risk of future non-payment such as history of not having housing debts, history of regular rent payments, maintained payment arrangements. Alternatively, evidence of rehabilitation such as maintaining a payment arrangement 8-26 weeks, reducing debt to below £500, demonstrating cause of previous problems addressed.</p>	<p>accrued in the first place and vulnerability issues.</p>		
<p>Proposed changes to qualification rules</p>	<p>8 - serious unacceptable behaviour updated.</p> <p>Applicants guilty of serious unacceptable behaviour may not be admitted to the register or where there is evidence of rent arrears from the last private rented</p>	<p>Medium. This will need to be monitored to ensure that vulnerabilities are taken account of.</p>	<p>Yes agree= 13</p>	<p>Policy updated.</p>

	tenancy. The non-qualification will apply unless the applicant can demonstrate that the previous conduct is unlikely to reoccur. This could include demonstrating cooperation with support agencies leading to a substantial improvement in behaviour.			
Proposed changes to qualification rules	9 - CCP Tenants not assessed as Band A or Band B Housing Need and wanting to transfer should seek to do so through the Mutual Exchange Scheme.	Low Applicants can seek a transfer through mutual exchange or if assessed as Band A or B will qualify.	Yes agree = 14 No = 1	Policy updated.
Proposed changes to make the rules clearer regarding when a direct letting outside of the choice based letting system will be allowed.	Clarity provided on when direct lettings are allowed for example, urgent re-housing due to property being uninhabitable or where there are serious health and safety issues, or discharge of a statutory homeless duty; urgent housing need where it would be unreasonable to wait for the bidding process, threat to life, natural disaster, facilitate a three way (or greater) mutual exchange to make best use of housing stock; persons where the Council has a duty to rehouse due to the Land Compensation Act 1973, lettings due to annual lettings plans, adapted property, cases where Adult Social Care work is ongoing, cases of high risk such as Multi Agency Public Protection Arrangements (MAPPA).	Medium. Cases will need monitoring by the Board where direct lets are permitted.	Yes agree = 15	Policy updated.
Proposal to introduce a penalty for applicants who refuse 3	Applicants in reasonable preference Bands A and B who refuse 3 reasonable offers in a	Medium. Cases of vulnerable applicants	Yes agree = 14 No = 1	Policy updated and 'reasonable' is defined in the draft Policy.

reasonable offers in a 12 month period.	12 month period will be 'downgraded' to Band C for 12 months.	will need to be monitored.		
Proposal to remove the 'Cumulative Need' rule from the Policy	The 'Cumulative Need' rule was difficult to understand and administer and often resulted in 'band chasing' where applicants seek to move bands if they could demonstrate more than one need.	Low. The bandings allow for prioritisation of applicants based on need.	Yes agree = 14 No = 1	Policy updated.
Proposal for expanded criteria for when a customer will qualify for the statutory housing need bands A and B and a clearer criteria for when a band will be awarded to ensure assessments are always consistently applied.	Ensure bandings are applied consistently.	Low. Clarity in awarding Bands. Less likely to be challenged.	Yes agree = 8	Policy updated (Bands table outlined below).
A number of changes are proposed to the banding system and these are out in the summary table below.	Changes are detailed in the Table below.	Low. Changes will make the application of the Policy clearer.	Yes agree = 8	Policy updated.

Revised Bands

Band A: Additional preference for certain homelessness duties <i>(This is assessed and verified by the Partner Council's Housing Options Team)</i>
This banding applies where a Cumbrian Council have accepted:
3) The Section 193(2) main homelessness duty or the Section 193C(4) 'reduced' Section 193 duty, or
4) A section 189B (2) Relief duty and the applicant is, at the point of that 189B duty being accepted, considered likely to be in priority need and unintentionally homeless, whether a decision to that effect has been made or not, and the applicant is in temporary accommodation provided by the Council to meet a section 188 interim accommodation duty.
In these circumstances where an applicant is homeless and in temporary accommodation and owed a Section 189B(2) relief duty, or 193(2) main duty or a section 193C(4) reduced main duty the Council will need to move applicants out of temporary accommodation to manage the budgetary or legal impact on the Council. The applicant may still bid for properties advertised but due to the budgetary pressures faced by the Council and the need to maintain a supply of available temporary accommodation for new cases presenting as homeless, the Council is likely to make a direct offer of suitable accommodation into the private rented sector or social housing regardless of the preferences expressed by the applicant.
Band A: Additional preference for medical or disability (See appendix 1.8 for full details of the medical need assessment process)
Where an applicant (or a member of their household) is unable to continue to occupy their current accommodation due to high medical need or disability. Examples of when Band A may be awarded include:
Applicants ready to be discharged from hospital who: have somewhere to live but their accommodation is unsuitable due to their medical needs and cannot be made suitable through adaptations because of cost effectiveness or structural difficulties or the property cannot be adapted within a reasonable amount of time.
Applicants who have urgent need to move due to them having medical problems or disabilities that are being exacerbated by their current housing situation. This includes applicants:
g) Whose life is at risk due to their current housing conditions or who are housebound, effectively housebound or cannot access the essential facilities in their home and there are critical concerns about their safety, for example through falls due to difficulties with access.
h) Whose condition is terminal and rehousing is required to provide a basis for the provision of suitable care

i) Whose condition is life threatening and their existing accommodation is a major contributory factor
j) Whose health is so severely affected by the accommodation that it is likely to become life threatening for example, where an applicant has significant mental health problems which are exacerbated by their accommodation
k) With disabilities, who have restricted mobility and are limited by their accommodation such that they are unable to carry out day-to-day activities or have difficulties accessing facilities inside and outside of their accommodation and require rehousing into accommodation suitable for their use.
l) In overcrowded accommodation which puts the applicant at risk of infection, for example, where an applicant is suffering from late-stage or advanced HIV infection
Band A: Additional preference where there is a need to move on welfare grounds due to exceptional impact on the applicant or a member of their households well being
Not every circumstance that may present can be captured by the policy so below are examples of welfare ground cases that will be considered. The list is not exhaustive:
e) Suffering extreme violence, harassment or discrimination, whether a hate crime or otherwise, and that it is not safe for them to remain in their present home/locality.
f) Applicants who need to move due to domestic abuse threats from an ex partner or family member they do not live with, extreme threats of violence, extreme harassment, or other extreme circumstances deemed to significantly affect a household's welfare and wellbeing.
g) Exceptional circumstances due to significant problems associated with the tenant's occupation of a dwelling in the social or private rented sector and there is high risk to the tenant or their family's safety if they remain in the dwelling/area.
h) For applications in circumstances where there is a serious threat to the well being of a child and their accommodation is a major contributory factor to that risk. This will be in circumstances where the relevant manager in Children's Services or equivalent assesses the level of risk exposure in relation to the child or children remaining in the current property as being so critical that no other reasonable options in relation to accommodation are available to protect the child.
Band A: Additional preference Armed Forces
Applicants with urgent housing who:

d) Is serving (and will soon leave) the regular forces and is suffering from serious injury, illness, mental ill health, or disability which is attributable to the person's service
e) Has recently ceased, or will ceased to be entitled, to reside in accommodation provided by the MOD following the death of that person's spouse or civil partner who has served in the regular forces and whose death was attributable (wholly or partly) to that service or
f) Is serving or has served in the reserve forces and is suffering from a serious injury, illness or disability which is attributable (wholly or partly) to the persons service
Band A: Additional preference for unfit or unsatisfactory housing
There are 3 circumstances where Band A may be awarded:
1: Applicants without access at all to any of the following facilities:
No access to:
f) A bath or shower
g) A toilet
h) Cooking facilities
i) Running hot water supplies
j) Electric/gas needed for essential activities
Applicants who have access to shared facilities re cooking; bathroom and toilet will not qualify under these criteria.
2: Exceptional impact cases.
Applicants who currently occupy a private sector property which has at least one Category 1 Hazard (excluding overcrowding) under the Housing Health and Safety Rating System (HHSRS) and where a Prohibition Order has been served or is intended to be served under the Housing Act 2004 and the effect of the Prohibition Order is likely to mean that the applicant(s) will lose the use of their home on a permanent basis. The relevant conditions at the property must be life-threatening or present an immediate threat of serious injury to the occupant(s)
This includes a property that has severe damp, major structural defects including subsidence, flooding, collapse of roof, or have living conditions which are a statutory nuisance, <u>and</u> there is no prospect of the problems being remedied within a period considered to be reasonable by the Council and the household are not able to afford to resolve their own housing problem by moving to alternative private sector accommodation.
Note - this does not include Council or Housing Association homes as there is a legal requirement on social landlords to urgently remedy defects that pose a risk to their tenants

3: Demolition or Compulsory Purchase Order (CPO) cases.
Where the applicant's property is subject to demolition or subject to a Compulsory Purchase Order for redevelopment
Band A: Additional preference for severe overcrowding as defined as 2 bedrooms or more overcrowded <i>Note: the measurement of overcrowding is based on the "bedroom standard" (with some exceptions adopted see below). This is the non-statutory standard set out in the government's allocation of accommodation guidance.</i>
Where an applicant household is severely overcrowded defined as requiring 2 or more additional bedrooms to reach the bedroom standard. In calculating the overcrowding the following circumstances will be disregarded unless there are exceptional circumstances:
➤ Children over the age of 16 will be excluded from the calculation
➤ Cases where extended family had moved into accommodation causing the 2 bedroom plus level of overcrowding
➤ Where the household contains non-dependent adults as there is more chance of non dependents being able to resolve their housing
➤ The CCP will take account of the space and layout of rooms and bedrooms in deciding whether the 2 bedroom plus priority will be awarded
Band A: Additional preference for applicants nominated by Cumbria Adult Social Services/Children's Services in the following circumstances:
• Where there is an essential need to move due to child protection issues
• Fostering carers for Cumbria County Council where there is a need to move to a larger home in order to accommodate a looked after child (this would not apply where the home required would be 4 bedrooms or more)
• Adoption arrangements where there is a need to move to a larger home in order to accommodate a looked after child (this would not apply where the home required would be 4 bedrooms or more)
• Applicants owed a duty by Adult Social Services under the Care Act 2014 / Mental Health Act 1983/2007 who have been assessed by the housing team as being ready to move onto independent living and have an appropriate support package in place
Band A: Additional preference for Cumbria County Council Care Leavers (Former Relevant children) as defined by the Children (Leaving Care) Act 2000 and need to move on
Applicants must be a former "Relevant Child" as defined by the Children Leaving Care Act 2002 and be a young person at risk of homelessness. The evidence to support this award will be provided by the council's leaving care service and will consist of confirmation that:
g) All referrals by Children's Services will be made following the provision of Cumbria's Joint Protocol for young people

h) The care leaver is ready to move to independent settled housing and is genuinely prepared for a move to independent living
i) The care leaver possesses the life skills to manage a tenancy including managing a rent account.
j) The care leaver has either long term or medium term tenancy support arranged, as required.
k) Ongoing support needs have been assessed and, where appropriate, a support plan is in place and
l) The CCP's assessing officer agrees that due to the nature and extent of their vulnerability, accommodation in the private rented sector would, through its short-term nature, have a detrimental effect on their well-being
<i>Note: Care leavers will be awarded Band A on proof of their status. If an application for housing is made before it has been determined by the CCP assessing officer that the individual is ready for independent living, taking into account information from the applicant's support worker and other agencies, the application will not have any bid considered until the support worker presents the evidence to the CCP that the individual is ready to move on and the CCP agree with that evidence.</i>
Band A: Additional preference for applicants who are part of a multi-agency public protection agreement (MAPPA).
Band A would apply only where:
a) On the recommendation of the MAPPA partnership the applicant requires and is suitable for independent housing and qualify for the Housing Register, and
b) The CCP assessing officer agrees that due to the nature and extent of the circumstances of the MAPPA case accommodation in the private rented sector would, through its short-term nature, have a detrimental effect on the multi agency planning for that individual
Band A: Additional preference for certain MARAC assessed cases
Applicants fleeing domestic violence and abuse that have been assessed by
MARAC (or any subsequent multi agency arrangement) as needing to move urgently for the safety and security of themselves and or any dependent children and are assessed as being in immediate danger, and
a) The MARAC partnership has referred the case and provided evidence as to why the applicant requires social housing, and
b) The CCP assessing officer agrees that due to the nature and extent of the circumstances of the MARAC case accommodation in the private rented sector would, through its short-term nature, have a substantial detrimental effect on individual or household
Band B – Reasonable preference for certain homelessness duties owed <i>(This is assessed and verified by the Partner Council's Housing Options Team)</i>
Any of the following statutory homeless duties owed by a Cumbrian Council:

e) People where it has been verified that they are rough sleeping in a Cumbrian Council area regardless of whether they have made a homeless application
f) Applicants owed the prevention of homelessness duty under Section 195(2) by any Cumbria local authority
g) Applicants owed the 'relief of homelessness duty under Section 189B(2) (Note: applicants owed a relief duty and are likely to be in priority need, unintentionally homeless and are in temporary accommodation will be placed in Band A)
h) Where the relief duty has been brought to an end and an applicant has been assessed at that point as not being in priority need
Band B: Reasonable preference for insecure accommodation arrangements
"A pregnant woman or applicant with a child or children who are sharing a home with family who are not part of their household and where:
a) They have no ownership or tenancy rights and the arrangement is short term and very insecure and only available whilst the applicant is actively seeking an offer of social housing or alternative accommodation with friends or in the private rented sector, and
b) They were owed a prevention of homelessness duty as they were assessed as likely to become homeless within 56 days, and that duty has ended because they have been allowed to remain at home whilst they bid for social housing with their Band B priority and it is likely that they can remain for at least 6 months to a year.
c) The family member with the interest in the home has agreed to allow the applicant to remain for at least 6 months to a year.
Band B: Reasonable preference for medical or disability housing need (See appendix 1.8 for full details of the medical need assessment process)
Applicants who have need to move due to them having medical problems or disabilities where their housing conditions exacerbates a serious medical condition or disability but do not qualify for an award of Band A. This includes (the examples are to illustrate the level of housing need to be awarded Band B and is not an exhaustive list).
f) The applicant's current accommodation to a significant extent directly exacerbates an existing medical condition, is the direct cause of a medical condition or impacts on the ease of use of the facilities within their home for a disabled person.
g) Applicants who have mobility issues and it has been assess need to move to ground floor or level access accommodation
h) Applicants who have mobility issues and need to move to accommodation that has level access showering facilities
i) Applicants who have a significant physical or mental health condition that is directly affected by their accommodation and where a move to alternative accommodation would help to ease or resolve their condition
j) Applicants who have a medical need for an additional bedroom (e.g. because they need an overnight carer or need to accommodate a substantial amount of medical equipment)

Band B: Reasonable preference under the Government's 'Right to move' regulations
Existing social tenants of accommodation in England who the CCP have assessed as qualifying under the Government's Right to Move regulations will be placed into Band B
Allocation to those Applicants who qualify is limited to a maximum of 2% of all lettings.
Band B: Reasonable preference for 'move on' from supported housing
Where the CCP assessing officer after considering evidence from the applicant's support officer agrees that due to the nature and extent of their vulnerability, accommodation in the private rented sector would, through its short-term nature, have a detrimental effect on their well being.
Before the award is made, ongoing support needs will need to have been assessed and, where appropriate, a support plan put in place to increase the chances of the tenancy succeeding and the person must have been assessed as ready to move on from supported to independent housing.
Band B: Reasonable preference where it is agreed there is a need to move on welfare or hardship ground:
4) Applicants who need to move closer to a specialist organisation, agency or institution located in a specific area of Cumbria, where moving would prevent significant physical, psychological or financial hardship. (The assessment will include the availability and ability to use public transport)
5) Hardship on support grounds: Applicants that have demonstrable evidence that they provide or receive substantial and on-going support to or from relatives or friends and where moving would prevent significant physical, psychological or financial hardship. This award will only be considered where there are significant medical or welfare issues including grounds relating to disability. This award for applicants who give or require support from relatives or friends will only be considered where there is a severe disability or mental ill health, medical or welfare issue (relating to the applicant or their household or the relatives or friends) and there are reasons why this support cannot be made available through reliance on public transport or the persons own transport. (The assessment will include the availability and ability to use public transport).
6) Employment Hardship - Priority will only be given in exceptional circumstances and applicants will need to show that they need to move to take up or continue an employment opportunity not available elsewhere. They will only be considered where they do not live within a reasonable commuting distance and will be required to provide confirmation of employment details from the employer. Employment purposes are defined as: applicants including people needing to move from outside Cumbria and between Cumbrian Districts, taking up or continuing permanent employment for a minimum of 16 hours per week. Under this clause applicants will only be considered where they do not live within a reasonable

commuting distance and will be required to provide confirmation of employment details from the employer. (The assessment will include the availability and ability to use public transport)
Band B: Reasonable preference for being overcrowded by 1 bedroom <i>Note: the measurement of overcrowding is based on the "bedroom standard" (with some exceptions adopted see below). This is the non-statutory standard set out in the government's allocation of accommodation guidance.</i>
Applicant's living in overcrowded conditions and whose housing circumstances have been assessed as being 1 bedroom short of what they need as measured by the bedroom standard.
Or alternative wording
Where an applicant household is overcrowded by one bedroom as measured by the bedroom standard. In calculating the overcrowding the following circumstances will be disregarded unless there are exceptional circumstances:
➤ Children over the age of 16 will be excluded from the calculation
➤ Cases where extended family had moved into accommodation causing the 1 bedroom level of overcrowding
➤ Where the household contain non-dependent adults as there is more chance of non dependents being able to resolve their housing
The CCP will take account of the space and layout of rooms and bedrooms in deciding whether the 1 bedroom priority will be awarded
Band B: Reasonable preference for unsatisfactory housing conditions or issues of property fitness
Private sector tenants that the relevant Council has determined that the property poses a category 1 hazard under the Health and Safety fitness rating and the CCP assessing officer is satisfied that the problem cannot be resolved by the landlord within 6 months and as a result continuing to occupy the accommodation will pose a considerable risk to the applicant's health. This includes a property that has severe damp, major structural defects including subsidence, flooding, collapse of roof, or have living conditions which are a statutory nuisance, <u>and</u> there is no prospect of the problems being remedied within a 6 month time period, and the household are not able to resolve their own housing problem by moving to alternative private sector accommodation
Band B: Reasonable preference for under-occupation
Applicants who have a social housing tenancy with a Cumbrian CCP Partner and are under-occupying social rented accommodation by two or more bedrooms. The exception to the 2 or more bedroom under occupation rule will be:
c) Where a tenant occupies a house that they are under occupying by 1 bedroom and a move to a flat would free up that house

d) Where it is agreed that under-occupancy by 1 bedroom will cause significant financial hardship for tenants. This is where there is clear evidence that tenants on lower incomes are forced to spend significant percentages of their incomes on servicing 1 bedroom under-occupancy deductions

Band B: Local preference for recent ex armed forces applicants

Members of the Armed Forces persons who are serving in the regular forces who will be discharged within three months and have served for five years preceding their application for an allocation of housing accommodation as long as this has not been a dishonorable discharge.

Band B: Local preference for identified 'Key Workers'

The following key workers whose total gross household income from all sources does not exceed an annual income of £45,000 or more (for single persons) or joint income of £60,000 or more (for couples).

5) National Health Service Staff and Social Care staff

6) Community Support Officers

7) Members of the Territorial Army

8) Volunteer Fire Officers

Band C – All other applicants in housing need: This is the housing need band awarded where an applicant is not assessed as coming under the criteria adopted by the policy for being in a statutory housing need. Applicants placed in band C can still bid for properties but will not be considered above applicants from Bands A or B who have bid for the same property.

Band C will include applicants who have been assessed as being intentionally homeless by any Council and since that award has not had settled accommodation (defined by the CCP assessing officer)

Appendix 4 - Draft Cumbria Choice Policy Review 2020 - Consultation Responses

Ref no.	001	Aaron Linden (Information Governance Manager, Carlisle City Council)	Project Board Response
<p>Comments: As part of the review, the data protection sections require updating as there are some out of date and some inaccurate points of information included within the Policy as it stands. In addition, the Privacy Notice on the Cumbria Choice website should also be reviewed in accordance with the eventual Policy amendments.</p> <p>The section highlighted in bold and underlined; permission/ consent must be freely given and cannot be a condition of service. The lawful basis for processing their personal information will be public task and the agreements lists relevant legislation. Individuals have a choice whether to progress with the CCP housing register however, if they decide to progress, they do not have a full control regarding the processing of their personal information. It is proposed that this section be removed completely. Please note, whilst specific sections have been highlighted for review, all sections should be reviewed as part of this process.</p> <p>General Data Protection Regulations 2018</p> <p>We will ensure for any person on the housing register their information is stored lawfully and we act in a fair and transparent way in processing their data. We will only collect data that is specific, explicit and legitimate for the purpose of the application and lettings processes set out in this policy. The data will be kept up to date and not held unnecessarily or without appropriate security measures in place. Information will only be shared with</p>			<p>All of the comments and suggestions provided by the Council's Information Governance Manager been approved by the Cumbria Choice Project Board and are now reflected in the final draft Allocation Policy, included in <i>Appendix 1</i>.</p>

other organisations or individuals in order to legitimately assess and progress a person's housing, for the prevention of fraud or with the person's explicit consent.

An applicant's permission to share their personal information is a qualification condition of being accepted onto the CCP housing register.

Appendix 1.2 sets out the details for how the scheme will apply:

- 1) The General Data Protection Regulations 2018
- 2) The 'Privacy Notice' for the policy, and
- 3) An applicant's right to information

Similar issue with this section below headed Assessing Applications as it refers to consent. What if a person consents to i.e. enquiries being made concerning their eligibility but not to allowing information to be provided to other partner organisations? If they have no choice, the wording should be changed to:

Applicants will be required to sign a declaration to confirm their understanding that:

- a) the information given is correct and that they will notify the CCP of any change in their circumstances.
- b) Enquiries will be made concerning their eligibility for housing and level of priority.
- c) Information will be provided to other partner organisations that are part of the scheme.

Ref no.	002	Councillor Gareth Ellis – Ward Member for Belah and Kingmoor & Deputy Leader of Carlisle City Council	Project Board Response
<p>Comments: Having read through some of the detail on this. I'm not sure I agree with reducing the amount of time that Cumbrians have to be resident to be eligible for the scheme...</p> <p>“ A residency requirement of 1 year or 3 years in the last 5 to qualify for the higher needs bands A or B will have some impact on, refugees, non-UK nationals and Irish Travellers. The revised scheme has attempted to: Strike the right balance between disadvantage to some groups of a residency requirement and the policy aims of the residence requirement, which is to prioritise applicants who can demonstrate a positive commitment to Cumbria through being settled in the area. That is why:</p> <p>a) A 1-year qualification has been chosen instead of 2 or 3 years which is the norm for the vast majority of local authorities (based on the national statistical local authority returns to MHCLG)</p> <p>b) The policy still allows applicants without the required residency period to qualify for the register (unlike most local authority schemes), awards them band C and means they may be still be successful in bidding for properties.</p> <p>c) To mitigate any impact the policy is careful to build in exemptions and consideration of exceptional circumstances for applicants who do not meet the residency rules.</p> <p>This impact and mitigation is considered more fully below in the section on the impact of the Policy changes across all of the protected groups”</p> <p>Why one when others are two to three?</p>			<p>The following response has been provided by Andy Gale, the housing consultant who has written the new Allocation Policy, in collaboration with the Project Board:-</p> <p><i>“Firstly, there wasn't any qualification rule for the register under the old policy and we have added one for the new policy requiring the applicant to have been resident in Cumbria for 1 year or 3 years in the last 5.</i></p> <p><i>Then for shortlisting and prioritising bidders we have strengthened the requirement to have a local connection with the local authority where the property was located which was set out in 5.8 of the old Cumbria choice policy which required residence of 6 months in the last 12, or 3 years in the last 5. We strengthened this to needing to have been resident in that local authority area for the last year (not 6 months), or 3 years in the last 5.</i></p> <p><i>The Councillors may be referring to the Government guidance for setting qualification rules for local connection (not shortlisting) where the guidance is to go is 2 years (it does not recommend 3 years btw). Many councils in higher demand areas do set a 2 year or 3 year qualification rule for the register, but the trend in the north is not to set a 2 year rule, or many keep it to 6 months out of 12. In the discussions we had on the options for local connection the project group did not feel there was a need to set a longer period for qualification as the were not that many 'incomers'</i></p>

and there was a need to have enough applicants on the register to fill some of the harder to let properties

I've set out the details below from the old and new policies to demonstrate that we have tightened the rules on local connection and not reduced them

If Carlisle wanted to have a 2 or 3 year qualification rule just for Carlisle they could, but their stock housing association Riverside made clear they do not want restrictions as it would reduce the number of applicants that could fill their harder to let properties

Old Policy: *No rule on local connection to qualify for the housing register*

New policy: *Must have lived within any area of Cumbria for the past year, or for 3 years in the last 5 and that residence was of their choice.*

Local connection for residence when shortlisting

Old Policy

5.8 Local Connection

In situations where priority is to be given to applicants with a local connection the process will be:

Banding priority will apply

- *Within each Band those with a local connection to the Local Authority in which the property is located will be given a higher priority than those whose local connection is with other Cumbrian Authorities.*

A local connection means that a customer:

Currently resides in the area in either temporary or permanent accommodation and has been resident in the Local Authority area or specified town/village for at least 6 out of the past 12 months or 3 out of the past 5 years.

New Policy for shortlisting

Have lived within any area of Cumbria for the past year, or for 3 years in the last 5 and that residence was of their choice.”

The partnership agreed this approach would afford the housing associations participating in Cumbria Choice greater flexibility in their allocations. Through the consultation feedback received there was no objection from stakeholders to this amendment to the policy - all were in agreement.

On a more general point - it is acknowledged that Carlisle needs to attract more working age people just to maintain existing employment levels due to the ageing population. A more flexible Allocations Policy can be of benefit in this respect.

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 22 JUNE 2020

EX.68/20 **NEW ALLOCATIONS POLICY AND EQUALITY IMPACT ASSESSMENT**
(Non Key Decision)

Portfolio Economy, Enterprise and Housing

Relevant Scrutiny Panel Health and Wellbeing

Subject Matter

The Corporate Director of Governance and Regulatory Services presented report GD.22/20 which recorded that Cumbria Choice was the adopted social housing allocation policy of all six district councils in Cumbria, as well as the Registered Social Landlords operating in the county. Cumbria Choice had been in operation since March 2011, and the policy was periodically reviewed by the partnership to ensure it remained fit for purpose and was fully compliant with the latest legislation and good practice.

As the updated draft policy also related to homelessness, and not solely allocations, it fell within the remit of the Council's budget and policy framework, so would need to be considered through the full Committee process. The Executive would on 20 July 2020 consider the response from the Health and Wellbeing Scrutiny Panel and refer any changes to South Lakes District Council (who were the lead authority on Cumbria Choice). If there were no proposed amendments the policy review would be recommended to Council on 8 September 2020 for adoption; however, if there were proposed changes, those would be referred to the Executive on 14 September 2020.

The Economy, Enterprise and Housing Portfolio Holder moved the recommendation set out in the report, which was duly seconded by the Communities, Health and Wellbeing Portfolio Holder.

The Deputy Leader indicated that, whilst he agreed with reference of the matter to the Scrutiny Panel, he was greatly concerned by certain details within the policy. He considered a weakening of the local connection in the Allocations Policy to be a fundamental error, adding that could be discussed in greater detail at Scrutiny or when the matter came back before the Executive.

Summary of options rejected that the proposed Policy should not be referred to
Scrutiny

DECISION

That the proposed Allocations Policy and EIA should be referred to the Health and Wellbeing Scrutiny Panel in accordance with the Budget and Policy Framework and considered by Officers.

Reasons for Decision

Approval of the revised Cumbria Choice Allocation Policy, following Scrutiny and consideration by Officers, would ensure greater clarity and consistency for households registering for social housing in Carlisle, while simultaneously complying with legislative changes (including the Homelessness Reduction Act and resultant Statutory Guidance)

EXCERPT FROM THE MINUTES OF THE HEALTH AND WELLBEING SCRUTINY PANEL HELD ON 16 JULY 2020

HWSP.35/20 NEW CUMBRIA CHOICE ALLOCATIONS POLICY AND EQUALITY IMPACT ASSESSMENT

The Corporate Director of Governance and Regulatory Services introduced the final draft of the Cumbria Choice Based Lettings Allocations Policy review supported by the updated Equality Impact Assessment and a summary of the key changes from the previous policy (GD.27/20).

The Housing Development Officer reported that the updated Policy related to homelessness as well as allocations, approval of the updated Policy would ensure that there was greater clarity for households in Carlisle who were registered for social housing or who may register in the future. As it was a shared Allocations Policy, which had to be approved by thirteen partners, it was proposed that minor changes from the consultation process would be signed off by the Corporate Director of Governance and Regulatory Services in consultation with the Economy, Enterprise and Housing Portfolio Holder.

The Housing Development Officer highlighted the changes that had been made to the Policy (as set out at in appendix 3 of the report) and informed the Panel that some amendments and recommendations had been received after the publication of the report, and had been approved in principal by the Partnership. The amendments, which covered information governance, statutory guidance regarding armed forces personal and veterans and those who had a connection Northern Ireland, had been included in the draft Policy for consideration by the Executive on 20 July 2020 along with the minutes from this Panel.

The Homeless Services Manager reiterated that the new Policy would be compliant with all new and amended legislation including the Equality Act and would be a clearer Policy for both the customers and those implementing the Policy. He drew the Panel's attention to the Cumbria Choice Headline figures which demonstrated the effectiveness of the Allocations Policy and how successful the County wide approach had been.

The matter had been referred to the Panel by the Executive at their meeting on 22 June 2020 (Minute Excerpt EX.68/20 refers).

The Communities, Health and Wellbeing Portfolio Holder commented that the amended Policy was a vast improvement on an already excellent County wide document and she supported the reduction in bands and the inclusion of armed forces and veterans and those with Northern Ireland connections.

In considering the Allocations Policy Members raised the following comments and questions:

- The Finance, Governance and Resources Portfolio Holder asked for clarification with regard to the consideration of the Equality Act in applications and questioned how it would be possible for someone to not have a protected characteristic.

The Corporate Director of Governance and Regulatory Services responded that everybody had the benefit of the various legal protections and the policy catered for the possibility that an applicant may argue that they had a protected characteristic which was allegedly being infringed. This would need to be properly considered and responded to.

- The Panel welcomed the incorporation of the Equality Act into the Policy, however the inclusion of transgender in the Equality Impact Assessment was incorrect. The Equality Act guidelines were for gender reassignment only and the inclusion of transgender was in direct opposition to the protected characteristic of sex in particular to men and women. There had been no legislative change to include transgender as a protected characteristic and it was proposed that the word be removed from the document.
- A Member felt that it should be mandatory for applicants to complete all sections of the application to be eligible.
- There was a large number of people registered for Cumbria Choice, how many people were in each band and was there an appeals process for those who were not happy with their placement in the new bands?

The Homeless Services Manager responded that the reduction in the bands should provide greater clarity and transparency for customers and would not significantly change the banding they were in. If, however, applicants were not satisfied there was an appeals process that was managed by the appropriate housing association. There was support available for individuals who wanted to appeal from local authorities or from a number of charities.

- Given the demand for housing through Cumbria Choice, how many social housing properties were available in Cumbria?
- If an applicant to Cumbria Choice did not have a local connection could they only apply to band C or return to their local area?
- How did the changes to the Policy impact those applying to Cumbria Choice?
- Was the Policy prescriptive for applicants or was there some discretion for individual cases?

The Homeless Services Manager confirmed that the Policy was purposefully prescriptive for transparency. The previous Policy had been vague and ambiguous which had led to different interpretations across the County. Although the Policy was prescriptive local authorities' statutory duty for homelessness did take priority and matters such as the local connection would not be required in those cases.

- A Member was concerned that changing the Section 106 details in the Policy could cause issues in rural areas where there was a risk of losing social housing.

The Housing Development Officer advised that Section 106 agreements were legal agreements which would not be superseded by the Policy.

- The IT system which was used was outdated and difficult to use, the Panel asked that the new system should be simple, use plain English and be easy to access and to use. They also asked that consideration be given to having paper copies of the application available to those who

could not access or use IT equipment. The Panel asked that a demonstration of the new system be given to the Panel at a future date.

The Homeless Services Manager agreed that the current system was no longer fit for purpose. The procurement of a new system would begin when the Policy was adopted and would be tailored to the requirements of the Policy. He agreed that a demonstration of the system could come to the Panel.

Referring to the paper applications he explained that the Partnership Board was moving to paperless applications, however, he agreed that not everyone could access IT equipment and he would raise the Panels concerns with the Partnership Board.

The Economy, Enterprise and Housing Portfolio Holder praised officers for their part in the production of the Policy. He highlighted the high level of housing delivery in the City and commented that the current and future offer looked promising.

REOLVED – 1) That the Panel have considered and commented on updated Cumbria Choice Allocations Policy and Equality Impact Assessment (GD.27/20).

2) That the Executive and the Partnership Board be asked to consider the following amendments and proposals:

- Clarification of the wording for protected characteristics on page 25 in the 'Qualification rules adopted under the Policy' section;
- Removal of the word 'transgender' in the Equality Impact Assessment;
- That paper applications for Cumbria Choice are still available for those who cannot access or use IT equipment.

3) That a demonstration of the new Cumbria Choice ICT system be given to the Panel following the procurement in 2021

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 20 JULY 2020

EX.73/20 **NEW CUMBRIA CHOICE ALLOCATIONS POLICY AND EQUALITY
IMPACT ASSESSMENT**
(Key Decision – KD.18/20)

Portfolio Economy, Enterprise and Housing

Relevant Scrutiny Panel Health and Wellbeing

Subject Matter

Pursuant to Minute EX.68/20, the Economy, Enterprise and Housing Portfolio Holder reported (GD.28/20) that Cumbria Choice is the adopted social housing allocation policy of all six district councils in Cumbria, as well as the seven largest housing associations operating in the county.

He reminded Members that Cumbria Choice had been in operation since 2011, and the policy was periodically reviewed by the partnership to ensure it remained fit for purpose and was fully compliant with the latest legislation and good practice.

As the updated draft policy also related to homelessness, and not solely allocations, it fell within the ambit of the Council's budget and policy framework, so would need to be considered through the full Committee process. Members' attention was also drawn to the four appendices to the report.

The Portfolio Holder advised that the Executive had, on 22 June 2020, referred the report to the Health and Wellbeing Scrutiny Panel.

The Panel had scrutinised the matter at their meeting on 16 July 2020 when an excellent discussion ensued (Minute HWSP.35/20) and had resolved:

"1) That the Panel have considered and commented on updated Cumbria Choice Allocations Policy and Equality Impact Assessment (GD.27/20).

2) That the Executive and the Partnership Board be asked to consider the following amendments and proposals:

- Clarification of the wording for protected characteristics on page 25 in the 'Qualification rules adopted under the Policy' section;
- Removal of the word 'transgender' in the Equality Impact Assessment;
- That paper applications for Cumbria Choice are still available for those who cannot access or use IT equipment.

3) That a demonstration of the new Cumbria Choice ICT system be given to the Panel following the procurement in 2021.”

The Chair of the Health and Wellbeing Scrutiny Panel had been invited to address the Executive but was unable to be present today.

The Portfolio Holder stated that he was happy to accept the Panel’s recommendations to be forwarded to the Partnership Board.

He then moved recommendations 1 and 3, which were duly seconded by the Communities, Health and Wellbeing Portfolio Holder.

Summary of options rejected to recommend the revised Cumbria Choice, Choice Based Lettings Policy to Council for approval and adoption

DECISION

That the Executive:

1. Received and had considered the feedback from the Health and Wellbeing Scrutiny Panel; and
2. As per the consultation process, revert to the Cumbria Choice Partnership (“the Partnership”), specifying the matters identified above which they wished to be considered further by the Partnership;
 - a. If the Partnership agree the amendments which the Executive wish to be incorporated then the revised Policy will be recommended directly to Council for approval and adoption; or
 - b. If the Partnership do not agree the suggested changes then the Executive will meet again to consider their response.

Reasons for Decision

The Cumbria Choice partnership had been operating successfully for over nine years. The Choice-Based Lettings system was much more customer-friendly than previous allocation policies, as there was a consistent policy and a single application form operated by all District Councils and the largest Housing Associations across Cumbria. The proposed updates to the existing policy would help to ensure that there is a consistent and fair approach amongst housing associations letting homes in Carlisle to assist people in the greatest housing need. Approval of the revised Cumbria Choice allocation Policy, following Scrutiny and consideration by Officers, would ensure greater clarity and consistency for households registering for social housing in Carlisle, while simultaneously complying with legislative changes (including the *Homelessness Reduction Act* and resultant Statutory Guidance)

As this was a shared Allocations Policy, all thirteen Partners had to seek formal approval from their respective Boards, Committees, Cabinets and/or Council to enable the revised policy to be adopted. That could result in some minor alterations arising after other partners had formally agreed to adopt the new Policy. It was therefore recommended that delegated authority should be given to the Corporate Director of Governance and Regulatory Services, in consultation with the Portfolio Holder for Economy, Enterprise and Housing, to approve any minor changes arising from that process.

Report to Council

Agenda
Item:

14(v)

Meeting Date: 8th September 2020
Portfolio: Finance, Governance & Resources
Key Decision: NO
Within Policy and Budget Framework: YES
Public / Private: PUBLIC

Title: CARLISLE SOUTHERN LINK ROAD AGREEMENTS – FINANCIAL IMPLICATIONS
Report of: CORPORATE DIRECTOR OF FINANCE AND RESOURCES
Report Number: RD27/20

Purpose / Summary: This report provides Members with the financial implications on the Council's budgets and the MTFP, as a result of the Council completing both the Grant Determination Agreement and the Collaboration Agreement, in relation to the Carlisle Southern Link Road on 31st July 2020.

Recommendations:

The Council is asked to approve the 50/50 split in the recovery proceeds as requested by the County Council; and the consequential impact on the Council's MTFP in terms of the temporary use of reserves and/or savings.

Tracking

Executive:	17th August 2020
Scrutiny:	Not applicable
Council:	8th September 2020

1. BACKGROUND

- 1.1 The Carlisle Southern Link Road (CSLR) is a significant project for both the City and County Council. The governance framework for this scheme required (1) a Grant Determination Agreement, to be signed between Homes England, the City Council and the County Council, and (2) a Collaboration Agreement, to be agreed between and signed by the City Council and the County Council.
- 1.2 Both of these agreements were signed by all parties on Friday 31st July 2020.
- 1.3 The CSLR is a £144million scheme with the bulk of the funding being received via Homes England (£134million) with both the County and City Council's contributing £5million each.

2. PROPOSALS

2.1 Grant Determination Agreement

The Council's contribution is earmarked within the 2022/23 Capital Programme, to be funded by borrowing, with the expectation that this sum is recouped via recovery proceeds (developer contributions) once St Cuthbert's Garden Village commences. The City Council, and the County Council, will each retain their £5million from the recovery proceeds, before Homes England's £134million is 'received' or reinvested in the Garden Village infrastructure. Following negotiations and discussions, this position is now reflected in the Grant Determination Agreement.

2.2 Collaboration Agreement - Recovery Proceeds

The Collaboration Agreement currently states that the City Council will be entitled to retain the first £5million of recovery proceeds and thereafter the next £5million will be paid to the County Council; however, Cumbria County Council has requested that this clause be revisited and require the recovery proceeds to be split 50/50. Although this will not change the level of contributions received by the City, the timescale for recoupment will be extended and will require the approval of full Council to make the necessary revisions to the MTFP in terms of the temporary use of reserves and required savings.

Any recovery proceeds above £10million will be dealt with in accordance with an agreed Housing Delivery Statement, which is due to be completed by September 2021 and is one of the key milestones and obligations placed upon the City Council. The MTFP assumes the following in terms of developer contributions on the basis that the City Council retains the first £5million of recovery proceeds. The impact of the proposed 50/50 split is also shown:

MTFP – current**MTFP - proposal**

Year	MTFP income
2022/23	£31,000
2023/24	£72,000
2024/25	£166,000
2025/26	£310,000
2026/27	£372,000
2027/28	£413,000
2028/29	£475,000
2029/30	£516,000
2030/31	£516,000
2031/32	£516,000
2032/33	£516,000
2033/34	£516,000
2034/35	£516,000
2035/36	£65,000
2036/37 – 2048/49	£0
TOTAL	£5,000,000

50/50 split income	MTFP Shortfall/ (surplus)	Cumulative shortfall
£15,500	£15,500	£15,500
£36,000	£36,000	£51,500
£83,000	£83,000	£134,500
£155,000	£155,000	£289,500
£186,000	£186,000	£475,500
£206,500	£206,500	£682,000
£237,500	£237,500	£919,500
£258,000	£258,000	£1,177,500
£258,000	£258,000	£1,435,500
£258,000	£258,000	£1,693,500
£258,000	£258,000	£1,951,500
£258,000	£258,000	£2,209,500
£258,000	£258,000	£2,467,500
£258,000	(£193,000)	£2,274,500
£2,274,500	(£2,274,500)	(£2,274,500)
£5,000,000	£0	£0

In order to achieve a balanced budget year on year, the MTFP shortfall identified in the table above will have to be funded from a variety of sources such as the temporary use of reserves, virements (potentially on a non-recurring basis) from base budgets, and/or through the achievement of additional savings, commercialisation schemes or additional income generated through fees and charges.

2.3 Collaboration Agreement - Indemnity Cap

Council will be aware that, following consideration of this report by the Executive on 17th August, the signed Collaboration Agreement also contains a clause (clause 10) whereby the City Council provides an indemnity/warranty to the County Council in the event of any breach of our contractual obligations. Through negotiation, this has been capped at £5million and is in addition to the £5million capital contribution. A claim under this clause could be made for potential financial losses and liabilities

incurred by the County Council, as a result of the City Council not meeting the 4 milestones which are reflected in the collaboration agreement as follows:

- Saint Cuthbert's Garden Village Masterplan finalised – 30 November 2020;
- Supplementary Planning Document for Saint Cuthbert's Garden Village adopted – 30 April 2021;
- Final Housing Delivery Statement for Saint Cuthbert's Garden Village – 30 September 2021;
- Saint Cuthbert's Garden Village Local Plan adopted – 31 July 2022.

3. RISKS

- 3.1 The trigger for any potential claim under this clause would be the legal action of the County Council against the City Council, if Homes England sought to recover grant money from them because they have not fulfilled their obligations; or they have incurred additional costs; or Homes England decides to not fund the full grant. The trigger would not be the failure by the City Council to hit the milestones, but Cumbria County Council would have to prove that liability attached to Carlisle City Council because their milestones had not been met.

The indemnity set out in clause 10 has been capped at an aggregate of £5million, and whilst an Insurance product and solution is currently being investigated for the potential liability, this is highly unlikely. Therefore the risks and any mitigating control strategies or these key milestones must be fully understood, documented and closely monitored to ensure that the warranty clause is not enforced as this £5million potential cost would be a charge against the revenue budget and would require savings and reserves to be identified. Members are reminded that our current levels of free reserves are just over £3.1million and are also based upon the achievement of £1.850million over the lifetime of the MTFP.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Council is asked to approve the 50/50 split in the recovery proceeds as requested by the County Council; and the consequential impact on the Council's MTFP in terms of the temporary use of reserves and/or savings

Contact Officer: Alison Taylor

Ext: 7290

Appendices attached to report: None

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- **None**

CORPORATE IMPLICATIONS:

LEGAL – The legal situation is set out in the body of the Report. Once the budget profiling position is resolved the Collaboration Agreement between the City and County Councils will need to be amended, for which delegated authority has been given to the Corporate Director of Governance & Regulatory Services to complete, following consultation with the S151 Officer, Leader, Deputy Leader and Portfolio Holder for Economy, Enterprise and Housing.

PROPERTY - None

FINANCE – as detailed in the main body of the report

EQUALITY – None

INFORMATION GOVERNANCE – None

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 17 AUGUST 2020

**EX.99/20 **CARLISLE SOUTHERN LINK ROAD AGREEMENTS – FINANCIAL
IMPLICATIONS**
(Non Key Decision)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor had agreed that call-in procedures should not be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader presented report RD.23/20, which provided Members with the financial implications on the Council's budgets and the Medium Term Financial Plan (MTFP), as a result of the Council completing both the Grant Determination Agreement and the Collaboration Agreement, in relation to the Carlisle Southern Link Road (CSLR) on 31 July 2020.

The Deputy Leader commented upon the importance of the CSLR to the continuing growth of the City. In so doing he wished to thank all those involved – Members and Officers of both the City and County Councils, and Government representatives for their efforts and for the hard work undertaken during detailed negotiations and which ensured that the project would progress.

The Deputy Leader then moved the recommendations set out in the report.

The Economy, Enterprise and Housing Portfolio Holder echoed the Deputy Leader's comments, expressing special thanks to the Corporate Director of Governance and Regulatory Services; the Corporate Director of Finance and Resources; the Corporate Director of Economic Development; and the Leader of the Council for their work in relation to the complex negotiations on the Grant Determination and Collaboration Agreements.

He expressed the hope that completion of the said Agreements would kick start development of the CSLR which was so important in terms of connectivity of the A595 and M6 and also for the development of the 10,000 homes at St Cuthbert's Garden Village.

Overall, the Portfolio Holder considered it a real demonstration of the ambition and economic growth of the City and so was wholeheartedly behind the project.

The Leader thanked the Deputy Leader and the Portfolio Holder for their comments, indicating that he wished to join in thanking staff and Members from all sides for their work in securing an outcome which would be of benefit to Carlisle over many years to come. He was therefore pleased to second the recommendations.

Summary of options rejected that a recommendation to Council should not be approved

DECISION

That the Executive:

1. Had considered and approved, for recommendation to Council, the 50/50 split in the recovery proceeds as requested by the County Council; and the consequential impact on the Council's MTFP in terms of the temporary use of reserves and/or savings;
2. Noted the £5million indemnity cap which may be triggered by the County Council as a result of any financial loss incurred by them, due to the City Council defaulting on any of its obligations and milestones, noting that this will be a call on the revenue budget, if the clause is enforced;
3. Delegated authority to the Corporate Director of Governance and Regulatory Services following consultation with the S151 Officer, Leader, Deputy Leader and Portfolio Holder for Economy, Enterprise and Housing, to approve any amendments to the Collaboration Agreement.

Reasons for Decision

To consider and approve, for recommendation to Council, the financial implications on the Council's budgets and the MTFP of the Carlisle Southern Link Road Agreements

City Council	Agenda Item: 14(vi)
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Meeting Date: 8 September 2020
 Portfolio: Finance, Governance and Resources
 Key Decision: No
 Policy and Budget Framework: Yes
 Public / Private: Public

Title: **Business and Planning Act 2020 and Constitutional Amendment relating to delegation of emerging legislative powers**
 Report of: Corporate Director of Governance and Regulatory Services
 Report Number: GD.41/20

Purpose / Summary:

As part of the Government’s plans to reopen the hospitality and retail sector in the wake of Covid-19, it encouraged businesses to make greater use of outside space. The Business and Planning Act 2020, which came into force on 20th July 2020, has introduced a streamlined application process to allow restaurants, cafes, pubs and bars to place removable furniture such as tables and chairs on the paved highway adjacent to their premises. The measures support businesses to operate safely and generate income whilst maintaining social distancing measures. This report sets out a proposed scheme of delegation for the decision making powers contained within the Act.

The Business and Planning Act 2020 was introduced at short notice and without giving the Council the opportunity to put in place an appropriate scheme of delegation for exercise of the decision making powers. This has highlighted the need for interim measures to be in place to enable powers introduced by other new legislation to be exercised until such time as a report can be taken to Council or the appropriate committee. This report sets out a proposed delegation to the Town Clerk and Chief Executive following consultation with the Chair of the relevant Committee which would otherwise make the decision.

Recommendations:

It is recommended that Council resolves to:

- (i) Delegate responsibility to Development Control Committee for all matters in relation to pavement licences under the Planning and Business Act 2020 which are not otherwise delegated to Officers;
- (ii) Further delegate authority to the Corporate Director of Economic Development to determine applications for pavement licences, to include setting the duration of the licence and attaching such conditions as is considered reasonably necessary; and to take any necessary action in relation to the enforcement and revocation of the licence;
- (iii) Establish an internal review process, where a licence has been refused or revoked or granted subject to conditions with which the applicant disagrees, using the Council's established Appeals process, giving the applicant the chance to make written and/or oral representations to one of the Council's Appeals Panels;
- (iv) Further delegate the following decision-making power to the Town Clerk and Chief Executive:

“Power to take any decision on behalf of the Council, not otherwise delegated, which can lawfully be delegated to officers, subject to the decision taker, before taking the decision, having taken appropriate steps to consult the Chair of the committee which would, save for this delegated power, have taken the decision. The decision must be recorded in an Officer Decision Notice”.

Tracking

Executive:	
Scrutiny:	
Council:	

1. BACKGROUND

1.1 Pavement Licences

1.2 The Business and Planning Act 2020 (“the Act”) came into force on 29th June 2020. The Act contains measures intended by the Government to assist businesses and communities to reopen and recover from economic impacts of the coronavirus pandemic. These measures include a streamlined procedure for granting pavement licences.

1.3 A pavement licence is a licence which allows a business to place removable furniture (for example, tables and chairs, heaters) on certain highways (for example, pavements) adjacent to their premises for use by the business to sell and serve food or drink, and for their customers to consume it.

1.4 District authorities are responsible for receiving and processing licence applications. The streamlined procedure in the Act replaces the Council’s current processes for dealing with such applications.

1.5 Application Process

1.6 An application for a licence must be made electronically and include a fee set by the Council.

1.7 The streamlined process provides for a seven-day consultation period starting the day after an application is received. During the consultation period, the business must display a notice outside the premises, and the Council must publish the application and invite representations on it.

1.8 The Council must make a decision on the application within seven days after the end of the consultation period. If it fails to do so, the application is deemed to be granted as made.

1.9 Determination Criteria for Applications

1.10 The Council must take into account any representations which it has received during the consultation period when deciding whether to grant an application. It must also consult the highway authority and such other persons as it considers appropriate. The Council must refuse the application if granting it would prevent access to the highway for highway users, as described in the Act.

1.11 An application which is granted or deemed to have been granted will be subject to four categories of condition. These are **mandatory conditions** (whose wording is set out in the act, designed to preserve access for highway users); **bespoke conditions** (tailored by the Council to the particular application but not applicable if the licence is deemed to have been granted); **standard conditions** (those published by the Council, unless inconsistent with any bespoke condition; and **national conditions** (published by the Secretary of State, unless inconsistent with a bespoke condition or standard condition).

1.12 Appeal Rights

1.13 There is no statutory right of appeal against decisions to refuse a licence or place conditions on one. The Council may, if it wishes, introduce an internal review procedure.

2. PROPOSALS

2.1 Proposed Scheme of Delegation

2.2 As the Act is entirely new legislation there is no existing scheme of delegation, so the functions therein need to be appropriately delegated to allow applications to be made, determined and enforced effectively and efficiently.

2.3 Accordingly, Members are asked to add all matters relating to the Act to the terms of reference for the Development Control Committee with onward delegation to Officers as detailed in the recommendations.

2.4 The timescales prescribed under the Act for applications to be processed make it impossible for a committee to determine the applications. Members are therefore asked to further delegate the determination of applications under the Act to the Corporate Director of Economic Development and for this delegation to include setting the duration of the licence and attach such conditions as they consider reasonably necessary and to take any necessary action in relation to the enforcement and revocation of the licence.

2.5 It is recommended that an internal review procedure is put in place, so that any applicant whose licence application is refused or revoked, or is granted subject to conditions with which they disagree, has the chance to make written and/ or oral representations against that decision, and that the Council's established Member appeals process is used for this.

2.6 Council is therefore asked to formally delegate the functions as set out in Table 1 below and that this be incorporated into the Constitution.

Table 1:

Statutory Power	Function	Delegation
ss 1–10 Business and Planning Act 2020	All matters in relation to pavement licences under the Planning and Business Act 2020 which are not otherwise delegated to Officers	Development Control Committee
ss 3, 4, 5 and 6 Business and Planning Act 2020	Determination of applications for pavement licences, to include setting the duration of the licence and attaching such conditions as are considered reasonably	Corporate Director of Economic Development

	<p>necessary; and to take any necessary action in relation to the enforcement and revocation of the licence</p>	
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2.7 Use of Emergency Powers and Delegations

2.8 As this report has set out, the Business and Planning Act 2020 was introduced at short notice which has not allowed for time to put the appropriate delegations in place.

2.9 It is likely that further measures may be brought in at short notice, which may provide additional powers for District Councils, so it is recommended that an additional delegation is made to ensure that any new powers can be exercised in the interim until a full report can be brought before Members of the relevant Committees.

2.10 Council is therefore asked to approve the following delegation to the Town Clerk and Chief Executive:

“power to take any decision on behalf of the Council which can lawfully be delegated to officers, subject to the decision taker, before taking the decision, having taken appropriate steps to consult the Chair of the relevant Committee which would, save for this delegated power, have taken the decision. The decision must be recorded in an Officer Decision Notice”.

2.11 The said delegation will be recorded in Part 2(a) of the Constitution, Responsibility for Local Choice Functions.

3. RISKS

3.1 The requirements of the legislation place restrictions around the options available to the Council and the recommendations in the report enable the most efficient and effective way of dealing with the new requirements in a timely manner.

3.2 Unless a formal delegation of these powers is made, each application will need to be determined by full Council. The timescales prescribed in the Act will not be met and applications will be deemed to be granted

4. CONSULTATION

4.1 The recommendations in this report have been brought about by a change in legislation and, as such, no formal consultation has been carried out.

5. CONCLUSION AND REASONS FOR RECOMMENDATIONS

5.1 It is recommended that Council:

- (i) Delegates responsibility to Development Control Committee for all matters in relation to pavement licences under the Planning and Business Act 2020 which are not otherwise delegated to Officers;
- (ii) Further delegates authority to the Corporate Director of Economic Development to determine applications for pavement licences, to include setting the duration of the licence and attaching such conditions as is considered reasonably necessary; and to take any necessary action in relation to the enforcement and revocation of the licence;
- (iii) Resolves to establish an internal review process, where a licence has been refused or revoked or granted subject to conditions with which the applicant disagrees, using the Council's established Appeals process, giving the applicant the chance to make written and/ or oral representations to one of the Council's Appeals Panels;
- (iv) Further delegates the following decision-making power to the Chief Executive:

"Power to take any decision on behalf of the Council, not otherwise delegated, which can lawfully be delegated to officers, subject to the decision taker, before taking the decision, having taken appropriate steps to consult the Chair of the committee which would, save for this delegated power, have taken the decision. The decision must be recorded in an Officer Decision Notice".

5.2 The reason for making the above recommendations is that it is considered that these enable the most efficient and effective way of dealing with the new requirements in a timely manner.

6. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

6.1 These measures are designed to support business growth to increase economic prospects, by enabling licensed premises to open safely, supporting the local economy. Enabling customers to feel safe while visiting restaurants, cafes, pubs and bars will help improve the quality of our local environment.

Contact Officer: Clare Liddle

Ext: 7305

**Appendices
attached to report: None**

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- **Business and Planning Act 2020**
- **Business and Planning Act Pavement Licences Guidance**

CORPORATE IMPLICATIONS:

LEGAL – this report has been prepared by the Legal Services Manager and, therefore, legal implications are included within the body of the report. The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as amended prescribe that functions under the Business and Planning Act 2020 are not to be the responsibility of the Executive. As such, Executive considered a report on 17 August and resolved to recommend to Council that the scheme of delegation explained within the report is formally approved.

PROPERTY SERVICES - none

FINANCE – there are no financial implications flowing from the proposals.

EQUALITY – this report has no direct equality implications, however, upon receipt of applications, consideration will need to be given to equality issues, for example so that the visually impaired are not impacted by the siting of tables and chairs on the pavement.

INFORMATION GOVERNANCE – none

EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 17 AUGUST 2020

**EX.100/20 **BUSINESS AND PLANNING ACT 2020 AND CONSTITUTIONAL
AMENDMENT RELATING TO DELEGATION OF EMERGING
LEGISLATIVE POWERS**
(Non Key Decision)

(In accordance with Paragraph 15(i) of the Overview and Scrutiny
Procedure Rules, the Mayor had agreed that call-in procedures should not
be applied to this item)

Portfolio Finance, Governance and Resources

Relevant Scrutiny Panel Business and Transformation

Subject Matter

The Deputy Leader reported (GD.38/20) that, as part of the Government's plans to reopen the hospitality and retail sector in the wake of COVID-19, it encouraged businesses to make greater use of outside space. The Business and Planning Act 2020, which came into force on 20 July 2020, had introduced a streamlined application process to allow restaurants, cafes, pubs and bars to place removable furniture such as tables and chairs on the paved highway adjacent to their premises. The measures supported businesses to operate safely and generate income whilst maintaining social distancing measures.

The report set out a proposed scheme of delegation for the decision making powers contained within the Act.

The Deputy Leader explained that the Business and Planning Act 2020 was introduced at short notice and without giving the Council the opportunity to put in place an appropriate scheme of delegation for exercise of the decision making powers. That highlighted the need for interim measures to be in place to enable powers introduced by other new legislation to be exercised until such time as a report could be taken to the appropriate committee. The report set out a proposed delegation to the Town Clerk and Chief Executive following consultation with the Chair of the relevant Committee which would otherwise make the decision.

The Deputy Leader moved, and the Leader seconded, the recommendations set out within the report.

Summary of options rejected that delegated responsibility should not be
recommended to Council

DECISION

- (1) That the Executive recommends to Council that:
1. Responsibility is delegated to Development Control Committee for all matters in relation to pavement licences under the Planning and Business Act 2020 which are not otherwise delegated to Officers;
 2. Authority is further delegated to the Corporate Director of Economic Development to determine applications for pavement licences, to include setting the duration of the licence and attaching such conditions as is considered reasonably necessary; and to take any necessary action in relation to the enforcement and revocation of the licence;
 3. An internal review process is established where a licence has been refused or revoked or granted subject to conditions with which the applicant disagrees, using the Council's established Appeals process, giving the applicant the chance to make written and/or oral representations to one of the Council's Appeals Panels;
 4. Further delegate the following decision-making power to the Town Clerk and Chief Executive:

"Power to take any decision on behalf of the Council, not otherwise delegated, which can lawfully be delegated to officers, subject to the decision taker, before taking the decision, having taken appropriate steps to consult the Chair of the committee which would, save for this delegated power, have taken the decision. The decision must be recorded in an Officer Decision Notice".
- (2) That the fee for applications for pavement licences made under the Business and Planning Act 2020 be set at £100 (subject to Council approving the regime).

Reasons for Decision

The decision enables the most efficient and effective way of dealing with the new requirements in a timely manner

Report to Council

Agenda
Item:

15

Meeting Date: 8th September 2020
 Portfolio: Finance, Governance and Resources
 Key Decision: Not applicable
 Within Policy and Budget Framework: Yes
 Public / Private: Public

Title: AUDIT COMMITTEE'S ANNUAL REPORT
 Report of: Chair of Audit Committee.
 Report Number: RD28/20

Purpose / Summary:

This report provides a summary of the work undertaken by the Audit Committee during 2019/20.

Recommendations:

It is recommended that the Council note and accept this report.

Tracking

Audit Committee:	30th July 2020
Overview and Scrutiny:	Not applicable
Council:	8th September 2020

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. **BACKGROUND**

In accordance with paragraph 3.3 of the Audit Committee's Rules of Governance - attached to this report for Members' information as **Appendix A** - the Chair of the Audit Committee is required to present an Annual Report on the work of the Audit Committee to the full Council.

2. **PURPOSE OF THE REPORT**

2.1 This report summarises the work carried out by the Audit Committee during 2019/20. It demonstrates to Council and stakeholders the effectiveness of the Committee in maintaining the organisation's internal control environment and governance arrangements.

2.2 The Committee

2.2.1 The Members of the Audit Committee for this municipal year were -

Independent	Conservative	Labour
Cllr Bomford (Chair)	Cllr Bowman (Vice Chair)	Cllr Patrick
Cllr Paton (Sub)	Cllr Finlayson	Cllr Robinson
	Cllr McKerrell	Cllr Tickner
	Cllr Meller (sub)	Cllr Alcroft (Sub)
	Cllr Morton (sub)	Cllr Bradley (Sub)
	Cllr Shepherd (sub)	Cllr Rodgerson (Sub)

2.2.2 This Report covers the meetings of the Audit Committee held on:

8th July 2019

30th July 2019

26th September 2019

18th December 2019

Details of the agenda items covered at each meeting are given at **Appendix B**.

2.2.3 The External and Internal Auditors, the Portfolio Holder for Finance, Governance and Resources, the Corporate Director of Finance and Resources and the Corporate Director of Governance & Regulatory Services are invited to all Committee meetings. The Committee can seek attendance from any officer or Member of the Executive and has exercised this right on several occasions.

2.2.4 At each meeting the Committee receives, for information purposes, the minutes of the Business and Transformation Scrutiny panel.

2.2.5 Training is an essential element for an Audit Committee. The Committee receive annual training and have been updated on statutory accounting requirements and are alert to the possibility of areas in which their knowledge could be extended. The Committee also use the pre-meeting briefing sessions for planned training and the following training has been provided at the meetings in 2019/20:

- Local Code of Corporate Governance / Annual Governance Statement
- Role of External Audit
- Counter Fraud
- Treasury Management
- Audit Plan

2.3 External Audit

2.3.1 The Audit Committee received and approved the external auditor's Annual Audit Plan. It commented on the fee rates and work programme consultation carried out by Grant Thornton based on fees set by Public Sector Audit Appointments Ltd, the independent company set up by the Local Government Association with delegated statutory functions to set audit fees and make arrangements for certain audits.

2.3.2 The Audit Committee also received the Annual Findings Report and monitored actions against the recommendations within this report. A judgement was included in the Annual Governance Report indicating whether the Council has adequate arrangements to secure Value for Money in the use of resources. The Annual Audit Letter summarised the auditor's work for the year and opinion on the Council's financial statements and value for money arrangements.

2.3.3 Finally, the External Auditor also provided the Committee with informative updates on key areas of interest in Local Government which were well received by the Committee and which the Committee referred on to other groups who may find them useful, e.g. Executive or Council.

2.4 Internal Audit

2.4.1 The Committee has overseen the work undertaken by Internal Audit throughout the year, including the delivery of the Annual Audit Plan.

- 2.4.2 Before the start of the year, the Committee approved the Internal Audit Plan which set out the individual audit review areas to be carried out. The Internal Audit Plan focused on a Risk Based approach to establishing which reviews to undertake and where resources should be focussed.
- 2.4.3 The Committee received quarterly update reports from Internal Audit highlighting performance against the plan as well as reports of completed reviews. Each report is supplemented by a verbal update on key areas of success or concern in each completed audit review from the Designated Head of Internal Audit and the Principal Auditor.
- 2.4.4 The Committee also received updates on the progress against Audit recommendations and monitors closely where these are not completed to a satisfactory level.
- 2.4.5 By the 18th December 2019, the Committee had received twelve final reports with the following assurance levels

Assurance Level	Number of Final Reports
Substantial	1
Reasonable	6
Partial	1
n/a	4
Total	12

- 2.4.6 The Committee concentrates its attention to high priority recommendations made in reports. Where a report carries a partial assurance level, the Committee usually receives a verbal update from the relevant Director or Service Manager to outline how the review is being dealt with and how the assurance can be improved. Where a partial assurance is given, the Internal Audit team will perform a formal follow up within six months and report back to the Audit Committee to outline how recommendations have been implemented and whether the assurance level has increased.
- 2.4.7 The Internal Audit team operate under the guidelines laid down by the Public Sector Internal Audit Standards and the Council also has an Audit Charter in place that is brought to the Committee for approval annually.

2.4.8 Internal Audit also provide assurance through an Annual Report that the Council's overall control environment is satisfactory and whether any key weaknesses should be addressed in the Annual Governance Statement. This report was received in July 2019 and highlighted no new areas of concern.

2.5 Accounts

2.5.1 The Committee considered the Council's accounts at its July meetings in both draft and Audited forms and was pleased that the Council's accounts had achieved an earlier closedown in line with the new reporting requirements. The Committee received the Audit Findings report at its meeting on 30 July 2019, where the External Auditors reported their intention to provide an unqualified opinion on the financial statements. Their key message was that the Council produced good quality financial statements that were free from material error and supported by comprehensive working papers.

2.5.2 Each year the Committee receives training from the Financial Services Manager on the key issues in the Statement of Accounts and how to scrutinise and question what is presented. This training session is also complemented throughout the year by regular update reports outlining proposed accounting policies and updates on recommendations made in the previous Audit Findings report.

2.5.3 The External Auditor also reported alongside their Audit Findings that the Council has proper arrangements in place for securing Value for Money.

2.5.4 The Committee received the Annual Audit Letter at its September meeting which confirmed the audit conclusions given for 2018/19.

2.6 Corporate Governance

2.6.1 The Committee is responsible for ensuring the Council meets the requirements of the Code of Corporate Governance and the Good Governance Principles. The CIPFA/SOLACE document 'Delivering Good Governance in Local Government: Framework's core principal is that local government develop and shapes its own approach to governance. The Council has a Local Code of Corporate Governance and Good Governance Principles which the Committee have previously reviewed.

2.7 Treasury Management

2.7.1 The Audit Committee has responsibility for monitoring the Council's arrangements for Treasury Management and received reports for scrutiny on a quarterly basis,

together with consultation on the proposed Treasury Management Strategy Statement.

2.7.2 The Committee take a keen interest in Treasury Management matters and question Officers around the security of the Council's investments and its approach to capital financing. Some members of the Committee attended training on Treasury Management in December 2019 provided by the Principal Accountant to enhance their understanding of this complex area.

2.8 Risk Management Monitoring

2.8.1 The Committee has received regular updates on the risk management process and that the corporate risk register is being looked at on a regular basis. It is not the Committee's duty to determine that risks are being adequately managed, more so that the process of monitoring risks is being adhered to and that regular updates on risk management are given to the Executive and Scrutiny Panels where appropriate.

2.9 Fraud Prevention and Whistleblowing

2.9.1 The promotion of fraud awareness is important to Audit Committee Members who encourage officers in their efforts. Any incidences of fraud are reported to the Committee through the Internal Audit quarterly reports.

3. CONSULTATION

None

4. CONCLUSION AND RECOMMENDATION

4.1 Audit Committees are a key component of an authority's governance framework. The purpose of an audit committee is to provide independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance process. By overseeing internal and external audit, it makes an important contribution to ensuring that effective assurance arrangements are in place.

4.2 The Audit Committee's annual report (together with the Audit Committee Minutes which are reported to Council throughout the year) provides the Council with information to show how the Audit Committee has fulfilled its role during the year and provides independent assurance to the Council on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance process.

4.3 It is recommended that the Council note and accept this report.

5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

5.1 The Audit Committee ensures that an effective governance framework is in place to underpin the delivery of Carlisle City's Priorities.

Contact Officer: Alison Taylor Ext: 7290

**Appendix A Rules of Governance
Appendix B Audit Committee Agendas
attached to report:**

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS:

Legal – The administration of the Council and its financial transactions must be subject to some form of check and accountability. In addition to political accountability through elected members and central government, and judicial review through the courts, there is accountability and control through the audit system. Internal audit controls are governed mostly by the non-statutory codes of practice developed by the profession. External audit controls are subject to a much greater body of law and, while always important, became more extensive in recent years. This Report forms part of our Governance procedure to provide reassurance that the Council operates properly and that there are checks in place to ensure maintain and improve that position.

Finance – It is best practice for the Chair of the Audit Committee to prepare an Annual Report outlining the work undertaken by the Audit Committee during the year.

Equality – None

Information Governance – There are no information governance implications with this report

Property Services - None

RULES OF GOVERNANCE

1. **STATEMENT OF PURPOSE**

- 1.1 The purpose of an Audit Committee is to provide independent assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment, and to oversee the financial reporting process.

2. **TERMS OF REFERENCE**

2.1 **Audit Activity**

To consider the Designated Head of Internal Audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over the Council's corporate governance arrangements.

To consider summaries of specific internal audit reports as requested.

To consider reports dealing with the management and performance of the providers of internal audit services.

To consider a report from internal audit on agreed recommendations not implemented within a reasonable timescale.

To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.

To consider specific reports as agreed with the external auditor.

To comment on the scope and depth of external audit work and to ensure it gives value for money.

To liaise with Public Sector Audit Appointments Ltd over the appointment of the Council's external auditor.

To commission work from internal and external audit.

2.2 **Regulatory Framework**

To maintain an overview of the Council's Constitution in respect of Contract Procedure Rules, Financial Regulations and relevant Codes of Conduct.

To review any issue referred to it by the Town Clerk and Chief Executive or a Chief Officer, or any Council body.

To monitor the effective development and operation of risk management and corporate governance in the Council.

To monitor Council policies on "Raising Concerns at Work" and the anti-fraud and anti-corruption strategy and the Council's complaints process.

To oversee the production of and approve the authority's Annual Governance Statement.

To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.

To consider the Council's compliance with its own and other relevant published standards and controls.

2.3 **Accounts**

To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

To approve the Annual Statement of Accounts, income and expenditure and balance sheet. To consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.

To approve the Letter of Representation

3. **ACCOUNTABILITY**

3.1 The Audit Committee shall be a stand-alone Committee of the Council. All Audit Committee members shall act in the interests of the Council and not on behalf of any political party, constituency, ward, or interest group.

3.2 The Chair of the Audit Committee shall be appointed by the Committee. The Chair and the Committee shall ensure that relevant issues are promptly brought to the attention of the Executive, Overview and Scrutiny Panels and Regulatory Committees or the full Council.

3.3 The Chair of the Audit Committee shall present an Annual Report on the work of the Audit Committee to the full Council.

4. **AUTHORITY AND ACCESS**

4.1 The Audit Committee has a right to request relevant information from appropriate or relevant Members and Officers of the Council.

4.2 The Audit Committee shall not be able to transact the powers, functions and duties reserved to the full Council, the Executive, Overview and Scrutiny Panels and other Regulatory Committees.

4.3 The Audit Committee shall have access to in-house financial, legal and any other professional advice necessary to carry out its functions.

4.4 The Chair of the Audit Committee and the external and internal auditor shall meet as necessary and the Council's Designated Head of Internal Audit shall provide necessary services and support and assistance to the Audit Committee.

4.5 Any Member, Officer or member of the public who has any concern covered by the Terms of Reference of the Audit Committee may raise the matter with the Chair of the Committee who shall obtain, if necessary, relevant advice from the Council's Monitoring Officer or the Section 151, Corporate Director of Finance and Resources before taking any action with regard to the same.

5. MEMBERSHIP

- 5.1 Audit Committee members shall be appointed by the Council and consist of 7 members in accordance with the rules governing political balance. No member of the Executive and no chair of the Overview and Scrutiny Panels shall be eligible to be a member of the Audit Committee.
- 3.1 The Audit Committee shall be provided with administrative support by the Governance & Regulatory Services Directorate and reports/decisions of the Audit Committee shall be recorded and published on CMIS in the usual way. Financial Services shall provide technical support to the Committee when required. As the decisions of the Audit Committee shall not be of an executive nature, the decisions shall not be the subject of a request for call-in. If any Member is concerned about any decision of the Audit Committee, s/he should raise the matter with the Chair of the Audit Committee, the Monitoring Officer and/or the Section 151 Finance Officer and/or ask an oral question of the Chair of the Audit Committee at the Council meeting in accordance with the relevant Council Procedure Rules.

6. ATTENDANCE

- 6.1 The Audit Committee shall meet on a regular basis as provided for in paragraph 7 below. Officers and others may attend all or part of the meeting at the invitation of the Committee. Attendees may include:
- The Leader or Deputy Leader
 - The Portfolio Holder for Finance
 - Portfolio Holders
 - Town Clerk and Chief Executive
 - Corporate Director of Finance and Resources (Section 151)
 - Corporate Director of Governance and Regulatory Services (Monitoring Officer)
 - Designated Head of Internal Audit
 - Other Chief Officers and Managers, as required
- 6.2 Subject to the relevant meeting complying with the Access to Information paragraphs for the exclusion of members of the public, the Audit Committee shall at least annually meet:
- (i) in private, with the external and internal auditors together; and/or
 - (ii) in private, with the external auditor.

7. MEETINGS

- 7.1 The Audit Committee shall meet at least four times a year in accordance with the schedule of meetings agreed by the Council. The External Auditor or the Designated Head of Internal Audit may request a meeting if they consider it necessary and other special meetings may be called in accordance with the Council's Procedure Rules.
- 7.2 The members of the Audit Committee shall commit to receiving appropriate training and development necessary to fulfil their roles.

8. QUORUM

- 8.1 The quorum for any meeting shall be one quarter of the elected members of the Committee, subject to there being not less than two elected members present at any time.

9. WORK PROFILE OF THE AUDIT COMMITTEE

9.1 In furtherance of the Terms of Reference and not otherwise, the Audit Committee is likely to receive and advise upon the following areas of work:

- Whether there is an appropriate culture of risk management and related control throughout the Council;
- the Annual Governance Statement;
- the annual Statement of Accounts, including changes in and compliance with accounting policies and practices, major judgemental areas and significant adjustments resulting from the audit;
- significant changes required to Financial Procedure Rules and the Contracts Procedure Rules.
- the framework and processes for risk assessment, analysis and management within the Council;
- the effective co-ordination between internal and external audit;
- the budget needed to resource effective internal and external audit and other responsibilities of the Audit Committee; and
- generally, on how the Audit Committee could add value to the work and operation of the Council.

9.2 External Audit and Inspection Agencies

- To note the fees and terms of engagement of the external auditor.
- To review the planned programme of work with the external auditor.
- To consider the annual statutory audit and to advise the Executive on any response to any audit management letters, reports and investigations, including Value for Money studies and other inspection reports.
- To review whether agreed external or internal audit or inspection recommendations have been implemented by the Executive as timetabled.
- To discuss with the external auditor any problems, reservations or issues arising from the interim or final audit or other investigations.
- To review the external auditor's independence and objectivity and annually appraise the Executive on the effectiveness and value for money of the external audit service.

9.3 Corporate Governance Framework

- To review and advise the Executive on the embedding and maintenance of an effective system of corporate governance including internal control and risk management.

- To give an assurance to the Council that there is a sufficient and systematic review of the corporate governance, internal control and risk management arrangements within the Council.
- To review the Annual Governance Statement and make appropriate recommendations to the Council, the Executive, the Overview and Scrutiny Panels and Regulatory Committees.
- To ensure that any significant weaknesses identified are remedied.
- To commission, if necessary, any relevant investigations into matters of particular concern relating to internal control.
- To ensure that the impact of any alleged or fraudulent activity on the Council's framework of internal control is reviewed and, where necessary, to recommend changes to strengthen the control framework.
- To receive reports relating to those aspects of whistle blowing or alleged or actual fraudulent activity which relate to the Terms of Reference of the Audit Committee.

9.4 Internal Audit

To review and make recommendations to the Executive regarding:

- The effectiveness of internal audit;
- the internal audit function to ensure it is adequately resourced;
- the internal audit strategy, annual plan and to monitor delivery of the plan;
- any internal audit protocols and policies;
- significant audit findings, together with the response from managers to these reports;
- any difficulties encountered by internal audit including any restrictions on the scope of activities or access to required information;
- agreed internal audit recommendations to ensure they are implemented by management as timetabled; and
- the annual report from the Designated Head of Internal Audit.

9.5 Other

- To consider and make recommendations to the Executive on:
- the selection and terms of appointment of other appropriate advisors and consultants;
- governance issues relating to the operation of the Audit Committee, and
- the proportionality, independence, and appropriateness of any of the Council's policies relating to any audit or governance matters;
- such other matters of an audit, financial or governance nature as fall within the terms of reference of the Committee or as may be referred by the Council.

Audit Committee Agenda's

8th July 2019

- A1. Minutes of Business & Transformation Scrutiny Panel
- A2. Audit Fee Letter 2019/20
- A3. Annual Governance Statement 2018/19
- A4. Statement of Accounts 2018/19
- A5. Treasury Management Outturn 2018/19
- A6. Internal Audit Technical Update
- A7. Internal Audit Progress Final 2018/19
- A8. Internal Audit Annual Report 2018/19
- A9. Internal Audit Progress Quarter 1 – 2019/20
- A10. Corporate Risk Management

30th July 2019

- A1. External Audit Findings Report for Carlisle City Council 2018/19
- A2. Statement of Accounts 2018/19
- A3. Letter of Representation 2018/19

26th September 2019

- A1. Minutes of Business and Transformation Scrutiny Panel
- A2. External Audit Progress Report and Sector Update
- A3. Annual Audit Letter 2018/19
- A4. Internal Audit Progress Q2 – 2019/20
- A5. Treasury Management – April to June 2019/20
- A6. Effectiveness Review of The Audit Committee

18th December 2019

- A1. Minutes of Business and Transformation Scrutiny Panel
- A2. External Audit Progress Report and Sector Update
- A3. Final Accounts Process 2019/20
- A4. Internal Audit Progress Quarter 3 – 2019/20
- A5. Draft Treasury Management Strategy Statement, Investment Strategy and Minimum Revenue Provision Strategy 2020/21
- A6. Treasury Management Quarter 2 2019 and Forecasts for 2020/21 to 2024/25

EXCERPT FROM THE MINUTES OF THE AUDIT COMMITTEE HELD ON 30 JULY 2020

AUC.11/20 AUDIT COMMITTEE'S ANNUAL REPORT

The former Chair submitted report RD.17/20 summarising the work undertaken by the Audit Committee during 2019/20. Also included was the Committee's Rules of Governance.

Audit Committees were a key component of an authority's governance framework. The purpose of an audit committee was to provide independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance process. By overseeing internal and external audit, it made an important contribution to ensuring that effective assurance arrangements were in place.

The Audit Committee's annual report (together with the Audit Committee Minutes which were reported to Council throughout the year) provided the Council with information to show how the Audit Committee had fulfilled its role during the year and provided independent assurance to the Council on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance process.

RESOLVED – That the Annual Report of the Audit Committee, which would be submitted to the City Council on 8 September 2020, be noted and accepted.

Report to Council

Agenda
Item:

16

Meeting Date: 8 September 2020
Portfolio: Cross-cutting
Key Decision: Not applicable
Policy and Budget Framework: Not applicable
Public / Private: Public

Title: OPERATION OF THE PROVISIONS RELATING TO CALL-IN AND URGENCY
Report of: Corporate Director of Governance and Regulatory Services
Report Number: GD.42/20

Purpose / Summary:

To report on the operation of call-in and urgency since the previous report to Council on 14 July 2020.

Recommendations:

That the position be noted.

Tracking

Executive:	N/A
Scrutiny:	N/A
Council:	8 September 2020

1. BACKGROUND

This report has been prepared in accordance with Rule 15(i) of the Overview and Scrutiny Procedure Rules which deals with the procedure in respect of occasions where decisions taken by the Executive are urgent, and where the call-in procedure should not apply. In such instances the Chairman of the Council (i.e. the Mayor) or in her absence the Deputy Chairman of the Council must agree that the decision proposed is reasonable in the circumstances and should be treated as a matter of urgency.

The record of the decision and the Decision Notice need to state that the decision is urgent and not subject to call-in. Decisions, which have been taken under the urgency provisions, must be reported to the next available meeting of the Council together with the reasons for urgency.

2. OPERATION OF THE PROVISIONS RELATING TO CALL IN AND URGENCY

- (i) The Executive, at their meeting held on 20 July 2020, gave consideration to a report of the Deputy Chief Executive (CS.18/20) regarding the provision of COVID related support for GLL. An early final decision on support would assist the Council's leisure management contractor to plan for the rest of July and August 2020. A delay to the decision making would prejudice the Council's interests.

The Mayor therefore agreed that the above decision was urgent and, for the reasons set out, that the call-in process should not be applied to the decision.

- (ii) Furthermore, the Executive, at their meeting on 17 August 2020, considered the following reports which were referred to Council. These items are to be considered by the Council on 8 September 2020. If a call-in were to be received on any of the items, the call-in procedure would overlap the City Council meeting.

All Members will have received copies of the reports and minutes with the Summons for the Council meeting and will have the opportunity to consider the items at the Council meeting on 8 September 2020:

- (a) Medium Term Financial Plan 2021/22 to 2025/26**
- (b) Capital Investment Strategy 2021/22 to 2025/26**
- (c) Asset Management Plan 2021 to 2026**
- (d) Carlisle Southern Link Road Agreements – Financial Implications**
- (e) Business and Planning Act 2020 and Constitutional Amendment relating to Delegation of Emerging Legislative Powers**

Items (a), (b) and (c) were considered by the Business and Transformation Scrutiny Panel on 23 July 2020.

It was considered that any delay caused by a call-in would prejudice the Council's interests in delaying approval of the matters. The Mayor therefore agreed that the above decisions were urgent and, for the reasons set out above, that the call-in process should not be applied to the decisions.

- (iii) Leader's Decision (LD.05/20) – Carlisle Southern Link Road, Housing Infrastructure Fund, Grant Determination Agreement (“GDA”) and Collaboration Agreement:

In order to secure government funding for the Carlisle Southern Link Road, it was necessary for the decision to enter into the Agreements to be taken no later than 31 July 2020. The Mayor therefore agreed that the decision was urgent and that the call-in process should not be applied to the decision.

- (iv) Portfolio Holder Decision (PF.06/20) – COVID-19 – Discretionary Business Grant:

In order to comply with Government guidance on the administration of the Local Authority Small Business Discretionary Grant, there was an urgent need to have the policy in place alongside the Council's process for the administration of grant applications. This Guidance was still changing up until 26 May 2020. In order to meet the Government's requirement to deliver this scheme in June 2020, the policy had to be displayed on our website by no later than Monday 1 June 2020. The Council required to open its application process on the same day and be in a position to make grant payments before the end of June 2020. It was therefore not possible to take the policy through the usual internal processes for approval and adoption. Any delay caused by the call-in process would prejudice the Council's interests.

Accordingly, the Mayor agreed that the decision was urgent and that the call-in process should not be applied to the decision.

3. PROCEDURES PRIOR TO PRIVATE MEETINGS

Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 prescribes that the intention to hold a meeting in private must be published at least 28 clear days prior to that meeting.

Where the date by which a meeting must be held makes compliance with the regulation impracticable, the Chairman of the relevant Scrutiny Panel or the Chairman of the Council may agree that the meeting is urgent and cannot reasonably be deferred.

The Executive, on 20 July 2020, considered urgent private reports concerning:

- Outcome of Old Fire Station Tender: a delay to the decision making would impact the Council's ability to re-open the venue as the current agreement ended before the next Executive meeting scheduled for 17 August 2020. Since compliance with Regulation 5 was impracticable the Chair of the Business and Transformation Scrutiny Panel had agreed that the decision was urgent, could not reasonably be deferred and that the matter could be dealt with on 20 July 2020.

- GLL COVID Support: a delay to the decision making would impact the Council's ability to re-open Leisure Provision before the next Executive meeting scheduled for 17 August 2020. Compliance with Regulation 5 was therefore impracticable and the Chair of the Health and Wellbeing Scrutiny Panel had agreed that the decision was urgent, could not reasonably be deferred and could be dealt with on 20 July 2020.

4. CONCLUSION AND REASONS FOR RECOMMENDATIONS

4.1 That the position be noted.

Contact Officer: Morag Durham

Ext: 7036

Appendices attached to report: None

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- Carlisle City Council's Constitution
<https://www.carlisle.gov.uk/Council/Council-and-Democracy/Constitution>
- The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

CORPORATE IMPLICATIONS:

LEGAL – Report is by the Corporate Director of Governance and Regulatory Services and legal comments are included

PROPERTY SERVICES – Not applicable

FINANCE – Not applicable

EQUALITY – Not applicable

INFORMATION GOVERNANCE – Not applicable