

04 October 2016 at 7.00 pm

Conference Room, Argyle Road, Sevenoaks  
Despatched: 26.09.16



# Housing & Health Advisory Committee

## Membership:

Chairman, Cllr. Lowe; Vice Chairman, Cllr. Parkin  
Cllrs. Mrs. Bosley, Dr. Canet, Eyre, Gaywood, Halford, Horwood, Parson, Pearsall,  
Scott and Ms. Tennessee

## Agenda

	Pages	Contact
Apologies for Absence		
1. <b>Minutes</b> To agree the Minutes of the meeting of the Committee held on 14 June 2016, as a correct record.	(Pages 1 - 4)	
2. <b>Declarations of Interest</b> Any interests not already registered		
3. <b>Actions from Previous Meetings (if any)</b>		
4. <b>Update from Portfolio Holder</b>	(Pages 5 - 8)	
5. <b>Sports Development across the District</b>	(Pages 9 - 12)	
6. <b>Referrals from Cabinet or the Audit Committee</b>		
a) <b>Scrutiny Committee report on Leisure Value for Money across the District</b>	(Pages 13 - 30)	
7. <b>Budget 2017/18: Service Dashboards and Service Change Impact Assessments (SCIAS)</b>	(Pages 31 - 56)	Adrian Rowbotham Tel: 01732 227153
8. <b>Local Housing Allowance</b>	(Pages 57 - 80)	Gavin Missons Tel: 01732 227332
9. <b>Community Sponsorship Programme - Syrian Vulnerable Persons Relocation Scheme</b>	(Pages 81 - 86)	Hayley Brooks Tel: 01732 227272

- |                                                                                                                                                     |                   |                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------------------------------|
| 10. <b>To note minutes of the Health Liaison Board</b><br>To note the minutes of the meeting of the Health Liaison Board held on 27 September 2016. | To follow         |                                    |
| 11. <b>Public Health (Preventative Services) Devolution</b>                                                                                         | (Pages 87 - 128)  | Lesley Bowles<br>Tel: 01732 227335 |
| 12. <b>Work Plan</b>                                                                                                                                | (Pages 129 - 130) |                                    |

#### EXEMPT INFORMATION

##### Consideration of Exempt Information

Recommendation: That, under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting when considering Appendices B, D, E and F of agenda item 6 (a) above, on the grounds that likely disclosure of exempt information is involved as defined by Schedule 12A, paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)).

6.(a) Appendices B, D, E and F (Pages 133 - 146)

If you wish to obtain further factual information on any of the agenda items listed above, please contact the named officer prior to the day of the meeting.

Should you need this agenda or any of the reports in a different format, or have any other queries concerning this agenda or the meeting please contact Democratic Services on 01732 227000 or [democratic.services@sevenoaks.gov.uk](mailto:democratic.services@sevenoaks.gov.uk).

**HOUSING & HEALTH ADVISORY COMMITTEE**

Minutes of the meeting held on 14 June 2016 commencing at 7.00 pm

Present: Cllr. Lowe (Chairman)

Cllr. Parkin (Vice Chairman)

Cllrs. Mrs. Bosley, Gaywood, Horwood and Pearsall

Apologies for absence were received from Cllrs. Dr. Canet, Eyre, Halford, Parson, Scott and Ms. Tennessee

Cllr. McGregor was also present.

1. Appointment of Chairman

Resolved: That Cllr. Lowe be appointed as Chairman of the Committee for the ensuing municipal year.

(Cllr. Lowe in the Chair)

2. Appointment of Vice Chairman

Resolved: That Cllr. Parkin be appointed as Vice-Chairman of the Committee for the ensuing municipal year.

3. Minutes

Resolved: That the Minutes of the meeting held on 22 March 2016 be approved and signed by the Chairman as a correct record.

4. Declarations of Interest

No additional declarations of interest were made.

5. Actions from Previous Meetings

There were none.

6. Update from Portfolio Holder

The Portfolio Holder's update was noted.

## Agenda Item 1

### Housing & Health Advisory Committee - 14 June 2016

#### 7. Referrals from Cabinet or the Audit Committee

There were none.

#### 8. Role of the KCC Health Overview & Scrutiny Committee (HOSC)

Cllr. Brookbank was unfortunately unable to attend and had submitted his apologies. This item was therefore not taken.

#### 9. Swanley as a Dementia Friendly Town

Cllr. Searles was unable to attend and had submitted his apologies, this item was therefore not taken.

In Cllr Searles absence however, the Head of Housing and Health gave a [presentation](#) on Dementia Friendly Communities.

She also tabled a '[Shop safe, stay safe](#)' leaflet a [scheme](#) that businesses were being encouraged to join after a successful pilot in Dartford and Gravesham. Vulnerable residents who signed up provided details of a family member, friend or carer to contact in the event of an emergency and were given a keyring with a unique code that should they need help, shop workers in those shops displaying a Shop Safe, Stay Safe sign could call the Council with the unique code and who would call the emergency contact. Leaflets would be supplied in Members' pigeon holes.

#### 10. The West Kent Health Integration Update

The Chief Officer Communities and Business gave a [presentation](#) on potential devolution of public health preventative services. The Council was part of a West Kent cluster group which consisted of Kent County Council (KCC), Tunbridge Wells (TWBC) and Tonbridge & Malling Borough Councils (TMBC).

The Sevenoaks District Health Deal had been presented to to the KCC Director of Health. The Chairman reported that this document had been presented to KCC, TWBC and TMBC who had not changed a word, which demonstrated what an excellent document it was and would now form the basis for the West Kent integrated deal.

The Committee demonstrated their appreciation to the Officers for all their hard work in producing it.

The Chief Officer Communities and Business advised that there had been a meeting that day and more work would be ongoing that week. The process felt much more inclusive than previous years. There would be a report to Cabinet in July, but no time for it to come to the Committee first. Members acknowledged and expressed a wish to demonstrate their strong support for this work.

Resolved: That Cabinet be advised that the Committee strongly supported all progress made on the West Kent deal and requested that Cabinet support it.

11. Housing Needs Survey - Progress Report

The Housing Policy Manager presented the report which advised that in recent years, and with the advent of the SHMA, local authorities have typically resorted to the use of secondary data when developing lower level housing strategies, policies and plans to ensure that the District Council's new housing strategy prioritises those most in need of support and assistance, the District Council had agreed to commission a new Housing Needs Study (HNS) - the first of its kind in almost a decade (Housing Market and Needs Assessment, 2006).

The Chairman expressed thanks to the Chief Planning Officer and staff for the s.106 agreements which secured funding gains which would fund the survey.

Resolved: That the report be noted.

12. Interim Housing Strategy Measures

The Housing Policy Manager presented the report for consideration. The Group A action sheet (Maximising Affordable Housing Output) arising from the Members work shop in December 2015 had been supported by the Committee at the last meeting and Group D (Tying in Housing, Health and Leisure) was appended to the report for similar consideration. The remaining groups (B: Making Best Use of the Existing Housing Stock/C: Managing Housing Needs) would be developed further and presented to the next Committee for the same consideration. The plan was to then develop any agreed options and to either introduce as interim measures (in developing planning policy, for instance) or to have prepared and ready for inclusion in the new housing strategy, which was due for completion in early 2017. Any delayed (but previously agreed and prepared options) would be adjusted, where required, to take account of any subsequent developments in national policy and updated evidence, as would be provided through the upcoming HNS. With such a wide and varied range of options, and several having very different considerations and consequences, there would likely be a number of different approaches to the taking forward of approved actions/objectives.

Members considered the Group D recommendations arising from the Members workshop in December and

Resolved: That Officers be supported in further exploring and/or implementing related objectives as agreed by the housing strategy workshop working group D and set out in Appendix A to the report.

13. The Housing and Planning Act 2016

The Housing Policy Manager presented the report which updated Members on the Housing & Planning Act 2016 that had received Royal Assent in May. Briefly running through some of the changes: Members discussed 'starter homes' and what

## Agenda Item 1

### Housing & Health Advisory Committee - 14 June 2016

that meant; Right to buy was being extended to housing associations though there may be rural exceptions; and it would not be compulsory for Housing Associations to get rid of lifetime tenancies.

Resolved: That the report be noted.

#### 14. Health Improvement Annual Report

The Head of Housing and Health presented a report which detailed information of the work delivered on the action plan in 2015/16.

Resolved: That the report be noted.

#### 15. To note minutes of the Health Liaison Board

The minutes of the meeting of the Health Liaison Board held on 2 March 2016, were noted.

Members discussed how difficult it was to achieve the Kent Healthy Business Award and wondered whether there was a way of recognising 'working towards' or even having own awards. Members also discussed the possibility of healthy eating ratings on takeaways or healthy food award.

#### 16. Work Plan

The work plan was noted.

THE MEETING WAS CONCLUDED AT 8.45 PM

CHAIRMAN

**Housing & Health Advisory Committee**

**4 October 2016**

**Portfolio Holders Report**

**Housing**

The Housing Needs survey has now been commissioned by arc4 and they are now researching our housing needs. We have decided to conduct the mobile park homes survey in house. We will have the results by Christmas and then we can merge the HNS with our housing direction of travel and write our housing strategy. We are hoping to launch the housing strategy together with highlights from the survey in the Spring.

On 24 June Lesley Bowles and I met with the CAB to ensure that their services are not overlapping with HERO. It was a very positive meeting and we have found ways that we can complement rather than duplicate the work of both services.

On 7 July I attended the Localis Round Table discussion about housing and planning in Andover.

On 18 July Gavin Missons and I had a very productive meeting with Moat Housing Association. They are very flexible and innovative and share much of our direction of travel.

The council supported 'Starts at Home' day on 1 September - a national campaign that celebrates supported housing. The Leader, Officers, Rockdale Housing Association staff, Sevenoaks Chronicle reporter, BBC Radio Kent journalist and me dressed in an ageing suit to experience what it is like to be frail and elderly the need for supported housing. Rockdale Housing Association kindly hosted that for us.

We also supported national Housing Day on 19 September. Throughout the day West Kent Housing Association and our health team celebrated housing in the community with falls prevention and dementia advice in Swanley. Later on our housing advice team (including HERO), West Kent Housing Association and Moat Housing Association held an open surgery for households with incomes under £35,000 - advising on their housing options.

The Communities and Local Government (CLG) select committee of the House of Commons is looking at homelessness and sponsoring the Homelessness Reduction Bill. We are not convinced that their proposed solutions to tackling homelessness would be beneficial to Sevenoaks and therefore we have fed in our views.

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On 14 September, together with Peter Fleming, Robert Piper, Robin Cooper, Gavin Missons and Hayley Brooks we met with Darren Carter from Cheyne Capital Management to discuss different ways of funding affordable housing in the district.

### Health and Leisure

I attended my first meeting of the District Council's Network (DCN) task force which will be exploring how district councils can implement the King's Fund report on 29 July. The morning session which was also attended by Hayley Brooks and Gavin Missons focussed on the Kings Fund Report. The afternoon session was the Task Force and its main aim is to promote the role that district councils play in the public health agenda and to support district councils as they try to do it.

The Public Sector Executive has published articles I have written about Housing and Health:

- **District Councils are the missing piece of the STP jigsaw**

<http://www.publicsectorexecutive.com/The-ravens-daily-blog/district-councils-are-the-missing-piece-of-the-stp-jigsaw>

- **The Government misses a trick in forgetting the role of councils in tackling childhood obesity**

<http://www.publicsectorexecutive.com/The-ravens-daily-blog/government-misses-a-trick-in-forgetting-council-role-to-tackle-childhood-obesity>

- **Local government must be set free to tackle homelessness**

<http://www.publicsectorexecutive.com/The-ravens-daily-blog/local-government-must-be-set-free-to-tackle-homelessness>

- **District councils seriously underestimated when it comes to mental wellbeing**

<http://www.publicsectorexecutive.com/The-ravens-daily-blog/district-councils-seriously-underestimated-when-it-comes-to-mental-wellbeing>

I attended the SLC Think Tank - Leisure Facility workshop with Robin Cooper on 14 June in Tottenham. I presented the Health & Wellbeing award at the SDC Community Awards on 15 June. I also attended the launch of the Valence School's Workout @ Work scheme that promotes staff walking around the school grounds as many times a week that they can. There are huge benefits to this and is something that I would like to promote more widely amongst employers.

On 21 June Lesley Bowles, Hayley Brook and I met with Porchlight who have been commissioned to provide mental health services in the DGS CCG area (North of our

District). We met with the Shaw Trust on 12 July who deliver mental health services in West Kent (south of our district).

The Health Integration West Kent deal is the most advanced of all the integration deals and special thanks to Pav Ramewal , Lesley Bowles and Hayley Brooks for their hard work in driving it through.

We have managed to strike a deal with our two cottage hospitals (Sevenoaks and Edenbridge) as well as Pembury to provide a referral system allowing patients to begin the Disabled Facility Grants (DFGs) process while in hospital so that they can be discharged sooner. This referral system also allows other SDC services including Private Sector Housing, HERO and the Healthy living team to be involved in providing preventive measures avoiding further hospital admissions. We hope to begin discussions with Dartford, Gravesham and Swanley so we can roll out a similar service in the Darent Valley and Livingstone hospitals.

To continue to help with the independent living agenda we hope to have Handy HERO (handy man service with HERO values) launched before the winter to help reduce slips and trips, taking the pressure off A&E.

On 28 June I met with Paul Carter (Leader of KCC) to discuss the West Kent Health Integration Deal. On 14 July I presented certificates to the Breastfeeding Peer Support mothers at Spring House. On 15 July I attended the Dementia friendly standards workshop at County Hall.

On 29 June I attended the Sevenoaks Local Children's Partnership Group and their Children's Workshop on 20 July.

On 30 June I deputised for the Leader at the South East England Council AGM.

On Monday 1 August the Chairman and I helped promote bike riding at Brands Hatch.

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## SPORT DEVELOPMENT WORK UPDATE

### Housing and Health Advisory Committee - 4 October 2016

Report of Chief Officer Communities & Business

Status: For Information

Key Decision: No

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**Executive Summary:** To provide Members with an update of the externally funded sport development projects in the District.

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**This report supports the Key Aim of** reducing health inequalities and improving health and wellbeing

**Portfolio Holder** Cllr. Michelle Lowe

**Contact Officer** Lesley Bowles, Ext. 7335

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**Recommendation to Housing And Health Advisory Committee:** That the report be noted.

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#### **Reason for recommendation:**

This Council has successfully bid for external funding for sports development projects in the district. This work supports residents to become more active, reduce obesity and social isolation, whilst enabling local people to have better access to new sporting opportunities, particularly in rural areas of the District.

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#### **Introduction and Background**

- 1 In 2012, this Council become a host Council for the London 2012 Paralympic Games. The sports development work in this report has been developed as part of the ongoing legacy work from the 2012 Games. Health services acknowledge that physical activity is a valuable tool to help with the prevention, treatment and management of long term health conditions.
- 2 Some wards in the District suffer from higher than national average unemployment rates, higher levels of poverty and poor health. These are often overlooked, but contribute to very large gaps in health inequalities. Poor transport links add to the challenges of people living in isolated communities accessing sports and recreation facilities. The rural nature of the District means some communities often have little or no access to sporting opportunities. This work aims to take community sports activities

## Agenda Item 5

into communities to address this identified gap, particularly in rural areas of the District.

- 3 One of the priorities in the 2016/2019 Community Plan is to reduce health inequalities and improve health and wellbeing for all. To do this, this Council aims to target, support and deliver activities for adults and families to increase physical activity levels and reduce obesity.
- 4 This Council has been successful in receiving external funding to deliver community sports development projects to help deliver the priorities as set out in point 3 above.

### **Sports Development projects in Sevenoaks District**

- 5 With two year's funding (£60,000) from Sport England's Community Sport Activation Fund, the 'Be Inspired Be Active' project was launched in January 2014. The project aims to increase uptake and participation in sports activities in rural wards of the northern parishes in the District. This project provides regular sports and physical activity sessions to local people who have difficulty accessing sports and leisure facilities, with a particular focus on activities that whole families can access.
- 6 Sportivate - the Council received funding from Kent Sport (£2100) to provide inclusive archery sessions to attract inactive young people from Sevenoaks District to take up Archery as a sport. Additionally, Sportivate funding has been awarded (£1200) to provide mountain biking courses for young people at Riverhill. These will be delivered up to March 2017. We also assisted Milestone School with a successful Sportivate funding bid for £2,017 and continue to work with them to deliver an inclusive archery project.
- 7 Community sports are integrated into other projects to add value and provide additional outcomes. For instance, community sports have been utilised as part of Dunton Green community development project to deliver targeted sporting activities to residents and engage people in outdoor physical activity and recreation.
- 8 Members will be updated at the meeting with a presentation on this work.
- 9 Work continues to identify other funding sources to enable a more co-ordinated approach between health, sport and housing to run joint community projects targeting vulnerable families and older people in the District.
- 10 Going forward, this Council is supporting a number of schools to apply for external funding for sporting activities and continues to identify other funding opportunities to enable more local people to benefit from sporting activities.

## **Key Implications**

### Financial

- 11 There are no financial implications for the Council associated to this report. Officer co-ordination and administration costs are incorporated into external funding bids for this work, this Council has received additional external funding totalling £63,300 to co-ordination and deliver these projects.

### Legal Implications and Risk Assessment Statement.

- 12 There are no legal implications for the Council associated to this report.

### Equality Assessment

- 13 No decision is required as part of this paper and therefore no perceived impact on end users.

### Safeguarding

- 14 Safeguarding arrangements are in place for all projects to protect children, young people and vulnerable adults.

## **Conclusions**

- 14 Members are updated on recent and ongoing sports development work in the District delivered through additional external funding to support project work.

**Background Papers:** None

**Lesley Bowles**  
**Chief Officer Communities & Business**

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## Reference from Cabinet held on 15 September 2016

Relevant minute extract below

### 27. Reference from Scrutiny Committee - Report of the Leisure In-Depth Scrutiny Working Group

Cabinet discussed the reference from Scrutiny Committee and agreed that the report be referred to the Housing and Health Advisory Committee.

Resolved: That the report be referred to the Housing and Health Advisory Committee.

## Reference from Scrutiny Committee held on 5 July 2016 to Cabinet

Relevant minute extract below

### 11. Report of the Leisure In-Depth Scrutiny Working Group

Councillor Ball presented the report of the Leisure In-Depth Scrutiny Working Group that assessed the value for money provided to the Council by Sencio Community Leisure. The report considered the lease arrangements between the Council and Sencio, the support provided by the Council, the financial position of Sencio and recent investments and improvements made by the leisure provider. The Group had considered the performance of Sencio against leisure providers for other Kent local authorities in the context of value for money for the local authority. The report recommended that Cabinet be asked to review the payment of management and asset maintenance fees to Sencio. It also recommended that Cabinet be asked to consider whether it would be more effective for the Council's Health & Housing Team to undertake the outreach aspect of the Sports Development function, previously transferred to Sencio, while retaining part of the management fee. Members confirmed that they had considered the confidential appendices to the report but that they would not discuss that confidential information.

Jane Parish, Chief Executive of Sencio, addressed the Committee and explained that the loss in 2015/16 had been due partly to the closure of the Wildernesse site, while still incurring staffing costs from the relocation and also due to accounts taking staff leave accrual into consideration. In 2015 Sencio had increased the level of maintenance carried out in areas the Council was responsible for under the lease.

Members discussed the level of fees paid by the Council to Sencio since its establishment in 2004. Members noted that the management fee had decreased while the number of customers had increased. However Sencio had shown a loss in the last financial year and members of the Group suggested that more could be done when compared to other local authority operators.

## Agenda Item 6a

Members considered the recent investments and improvements made by Sencio, which included the purchase of 12 power-assisted exercise machines at White Oak Leisure, an updated Front of House system which would help increase online bookings, email renewal letters, website links to external partners (bringing commission to Sencio), an upgrade to the finance and payroll system and continued innovation to customers including “Smash Up” badminton and archery taster sessions. They noted that Sencio had made changes to drive up memberships and maximise income while reducing head office and other costs.

Resolved: That

- a) the conclusions of the Working Group that Sencio did not offer value for money to the Council at this time, be noted, while noting the trend of improvement;
- b) **Cabinet be recommended to**
  - i) review the management and asset management fees paid to Sencio; and
  - ii) consider whether the Council could more effectively carry out the outreach element of the Sports Development function while retaining part of the management fee.

and in its consideration Cabinet be advised that it may wish to take account of the further investment that Sencio had been taking forward.

[Background papers: Report and minutes of Scrutiny Committee - 5 July 2016](#)

## REPORT OF THE LEISURE IN DEPTH SCRUTINY WORKING GROUP

Scrutiny Committee - 5 July 2016

Report of Cllr Brown, on behalf of the Working Group

Status: For Consideration

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**Executive Summary:** The Leisure In Depth Scrutiny Working Group has considered whether Sencio offers value for money and what areas of cost could be reduced. Recommendations are set out below.

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### Recommendations:

That Cabinet considers this report and the conclusions in paragraphs set out below.

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### Introduction and Background

- 1 Sevenoaks Leisure Ltd, trading as Sencio Community Leisure, was set up on 8 January 2004, when the transfer and funding agreements were signed.
- 2 Sencio was transferred the following facilities/functions under 25 year leases:
  - Sevenoaks Leisure Centre
  - White Oak Leisure Centre
  - Edenbridge Leisure Centre
  - Lullingstone Park Golf Course
  - Wilderness Sports Centre (now surrendered by SDC to KCC)
  - Sports development function
- 3 Leisure centre employees were transferred to the new leisure trust under TUPE arrangements.
- 4 Under the terms of the transfer documents, Sencio is responsible for all debts and liabilities of community leisure provision and indemnifies SDC from any liability or debt in connection with assumed contracts and employees.
- 5 In 2014, there were 990,378 uses of the leisure centres and golf course. 223 clubs and societies use the leisure facilities on a regular basis.

### Scope of Leisure In Depth Scrutiny Committee

- 6 We agreed that the core questions that the working group should address were:
  - Does Sencio offer value for money?

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- What areas of cost could be reduced?

### Summary of Work Carried Out

7 The working group has met six times and carried out the works listed below.

8 We reviewed the following documents:

- Sencio Board reports
- Sencio financial strategy
- Sencio head office costs
- Sencio income/expenditure
- Sencio benchmarking
- Sencio usage charts

9 We interviewed the following Sencio personnel:

- Chief Executive
- Chairman of Sencio's Board
- Sales Manager

10 We interviewed three other leisure providers.

### Sencio Lease Arrangements

11 When SDC decided to set up an independent leisure trust in 2003, it decided to grant Sencio 25 year leases of various buildings and land. The leases will be determined in 2029.

12 The tenancies are deemed to be business tenancies and the leases were all contracted out of the Landlord and Tenant Act 1954 so that Sencio has no statutory tenancy right beyond the date the leases expire.

13 Full details of the Lease Arrangements are contained in Confidential Appendix D.

### Sevenoaks District Council Support for Sencio

#### Management Fee

14 An annual contract letter sets out the management fee for any one year. The contract letter sets out contract conditions and performance standards for the following year.

- 15 When Sencio was set up in 2004, the first management fee funding payment was £486,000, covering the period 1 January 2004 to 31 March 2005. From 1 April 2005, funding payments have covered the period April to March.
- 16 Since 2005, the management grant has reduced and the management fee for 2016/17 is £80,950. A spreadsheet showing the reduction in Sencio’s management fee from 2004 to 2016 is set out at Appendix A.
- 17 The management fee covers all three leisure centres, Lullingstone Park Golf Course and the sports development function. Sencio currently does not have a Sports Development Officer in place but uses a sports development approach in the provision of classes and activities.

Advantage Programme

- 18 The Council pays Sencio an annual contribution of £20,000 towards “Advantage”, which is a concessionary scheme that offers reduced rates for leisure activities. There is a small charge of £10 per annum to hold an Advantage card and the scheme is open to Sevenoaks District residents only.

Asset Maintenance

- 19 Sevenoaks District Council owns the three leisure centres in the Sevenoaks District and Lullingstone Park Golf Course. The Council is responsible for the buildings and Sencio for providing leisure services. The Council is responsible for building repairs and replacing failed plant, whilst Sencio is responsible for the ongoing service and maintenance of plant and equipment. The Council’s total budget for maintenance of all three leisure centres and Lullingstone Park Golf Course in 2015/16 was £167,145.

Summary of Council’s 2015 Contributions and Costs in relation to Leisure Services

Sencio Management Fee	£80,950
Sencio Advantage Fee	£20,000
SDC Asset Maintenance Fee	£167,145
SDC Building Insurance	£88,027
<b>Total</b>	<b>£356,122 per annum</b>

**Sencio Financials**

- 20 Sencio’s financial year runs from 1 January to 31 December.
- 21 Results for the last five years are as follows: -
- 2015: An overall loss was made (detailed figures not provided)

## Agenda Item 6a

- 2014: Operating Income of £4,812,308. Costs of £4,684,285. Overall profit of £128,023. The management fee however resulted in net profit overall of £ 223,296
  - 2013: Operating Income of £4,546,728. Costs of £4,613,445. Overall loss of £76,717. The management fee however resulted in net overall profit of £18,556.
- 22 Sencio also made losses in 2012 (detailed figures not provided) and 2011 (a loss of £6178. For 2011, the management fee however resulted in net overall profit of £ 189,095.
- 23 Save for 2014, there appeared to the sub committee to be a pattern over the last five years of operating at a loss, with management fees being used to make up any shortfalls.
- 24 The sub committee noted that between 2005 and 2014 £1,576,677.84 (non inflation adjusted) has been expended on asset management.
- 25 Sencio is constituted as an Industrial and Provident Society under the Industrial & Provident Society Act 1965 to 1978, which means that any profit Sencio makes is reinvested in leisure services.
- 26 Sencio has a three year financial strategy in place to drive the business and help improve income. Sencio's strategy to increase income includes:
- Increasing income through fitness (gyms), including health and fitness courses;
  - Identify investment potentials;
  - Maintain visitor numbers;
  - Upgrade IT systems and the use of social media;
  - Increase the fitness offer at Sevenoaks Leisure Centre to take advantage of latent demand.
- 27 Examples of cost reduction measures taken recently include:
- Sencio is reviewing utilities contracts to see if costs can be reduced;
  - LED lighting in leisure centres will make a saving;
  - Combined heat and power units in leisure centres are making a saving;
  - Savings are being made on procurement and cleaning costs without a drop in standards;
  - Staff count at Sencio's Head Office has been reduced. Sencio's Head Office costs have reduced from £877K in 2012 to £807K in 2014.

28 Sencio has identified additional pressures on staff costs:

- The living wage;
- Although the average headcount has gone down, automatic enrolment in pensions has increased staff costs.

### **Recent Investments and Improvements made by Sencio**

29 Sencio has reported to us the following investments to improve the leisure offer in the District:

- An investment of £57K in 12 power-assisted exercise machines at White Oak Leisure, designed for older people, those recovering from operations and those who are not fit enough to do other sorts of exercise. Sencio has converted the old bar area at White Oak to accommodate the machines. Latent demand for these machines is 2,900 and only a 10% take up will bring profit of £20K per annum.
- A new updated Front of House system has been installed. This system will help with increasing online bookings.
- Automatic renewal letters will go out by email to save postage costs.
- Linking Sencio's website with external partners is bringing Sencio commission.
- A finance and payroll system upgrade has saved Sencio £10K.
- Sencio has diversified the offer to customers. Recent innovations include "Smash Up" badminton for young people and archery tasters for young people.

### **Sencio Sales & Marketing**

30 In order to improve the sale of memberships across Sencio facilities, Sencio recruited a new Sales Manager from the private sector. He joined Sencio in 2013 and has undertaken the following work:

- Mystery shopping at all three leisure centres. He found friendly, helpful staff but no real processes in place to sell memberships.
- Staff at all leisure centres, particularly Front of House staff, were given sales training and the confidence to be able to sell memberships and give advice to sessional customers to offer memberships that will offer better value;
- Sales campaigns and promotions are planned with Sencio's Marketing Manager, keeping messages simple and varying the types of offer.

## Agenda Item 6a

- Operation Boomerang: When customers request cancelling memberships, sales staff are empowered to be able to make further special offers to persuade customers to stay on board.
- Sencio customers maintain memberships for much longer (over 25 months) than the industry norm (16.7 months).
- 7 day trial passes are offered to friends of new members, as this helps members settle in and helps drive new member enquiries.
- Sencio charges the same membership prices and rates at all three leisure centres.

31 The main reasons for customers cancelling memberships are moving away, ill health and time pressures.

### Benchmarking Sencio

32 Officers have undertaken an exercise to benchmark Sencio against other leisure providers for other Kent local authorities. There are a variety of payment arrangements adopted by other Councils:

#### **Those Councils who pay subsidies: -**

- Council A gives a total of £ 588K to a leisure trust for the management of five leisure centres. In addition, Council A pays £50K to the same leisure trust for management of a theatre until September 2016. The leisure trust pays utility costs at each facility for the 5 leisure facilities which are on full repairing leases.
- Council B pays a total of £116,300 in management fee to a leisure trust to manage two facilities. The Council is responsible for all repairs, renewals and insurance and has a capital budget of £384K in place over five years.

#### **Those Councils who do not pay subsidies: -**

- Council C's two leisure facilities are run by a leisure trust. The Council pays **no subsidy** to the leisure trust, but has made capital investments in the buildings, which are leased on a part repair lease. According to the contract, the Council will receive any financial surplus, but the Council is liable for insurance, utility price increases, gym equipment lease costs etc.
- Council D has awarded contract to run a new build leisure centre to a large leisure operator. **The company pays the Council** in order to run the contract and has full commercial and building risk. The Council recharges insurance costs to the operator.

33 A spreadsheet containing details of Council leisure operators are set out in confidential appendix B.

- 34 It should be noted that some Councils pay no subsidy and in fact are paid by the NSFP (no subsidy fee paying) Operator to run its facilities. As noted above, were SDC to engage such an operator that would result in a saving of at least £356,122 per annum.
- 35 In its review of the other facilities and leisure run by such NSFP operators the subcommittee noted there appeared to be no reduction in the quality of the service provider and indeed the commitment to investment into the facilities managed was significant.

One local Council, for example, received an annual payment from their operator (in the amount of £150,000) and the arrangement was 'working very well'. This included a £1.7 million redevelopment of their facilities, paid for over the course of the contract by the Operator. Their full response is contained in confidential Appendix F and meeting notes dated 10<sup>th</sup> December 2015.

### Other Leisure Providers

- 36 Members met three leisure providers to provide a context against which to evaluate Sencio. Notes of meeting with providers are set out in confidential Appendix E.

### Provider A: Subsidy Payment

- 37 Provider A was set up in 2004 on a five year lease to manage a contract with another private provider to run leisure provision in two locations for the local authority.
- 38 In 2009, the contract was not going well and was renegotiated to run to 2019 with Provider A becoming an IPS with charitable status.
- 39 Day to day running of leisure centres is undertaken by Provider A, but background work (eg human resources) is carried out by the private provider.
- 40 Facilities managed are a leisure centre with a 25m pool, gym and 6 court sports hall and a second leisure centre with a 25m pool, gym, workout studio, 4 court sports hall and outdoor paddling pool. A third leisure centre in the Borough is subject to a separate contract with another provider.
- 41 The local authority makes the following payments on an annual basis to Provider A:
- £ 420,000 Annual management fee
  - £ 80,000 Asset maintenance costs
  - £ 110,000 Car park refunds

## Agenda Item 6a

- 42 Once Provider A breaks even in any given year, there is a profit share with the local authority. The local authority will take 75% of profits made and Provider A 25%.
- 43 There is aspiration to rebuild or refurbish the existing leisure centres as part of a strategic vision for the local area and regeneration of the town centre.
- 44 Provider A charges different membership prices for the two leisure centres as the towns have very different demographics. One of the towns is one of the most deprived areas in the county. Basic memberships are £19.95 and £16.95.
- 45 It will be noted that this Provider operated in an area of the Country with significant financial deprivation, which was reflected in the membership price.

### Provider B: No Subsidy Fee Paying

- 46 Provider B, a registered charity and a company limited by guarantee, was set up in 2000 to promote healthy lifestyles and encourage participation in sport and physical activity.
- 47 Provider B has enjoyed continued growth and development with annual surpluses each year. It is driven by increasing participation, increasing customer satisfaction, investment and developing resources. Provider B aims to grow sustainably rather than aggressively.
- 48 Provider B has 23 clients, including London boroughs, District/Borough Councils and one national governing body. The facilities it runs include 83 swimming pools, 31 sports halls and 64 health/fitness centres. They aim to offer private facility standards and mid range prices.
- 49 Provider B has a range of contractual models with local authorities, including 19 traditional leisure management contracts with 3 to 20 year leases and four long term leases of 30 to 50 years. Some contracts entail a subsidy from the partner authority whilst others make payments to partner councils. Contracts are agreed based on council need and the condition of leisure facilities. Each contract agreed will be different.
- 50 For Councils that are paying Provider B to run facilities, Provider B makes changes that will increase income and ultimately eradicate subsidies.
- 51 Case Study - District Council 1:
  - District Council 1 was paying their leisure trust £ 800K to manage 5 facilities.
  - Provider B took over a portfolio of 5 facilities in 2012, on a 10 year contract.
  - Provider B eradicated District Council 1's subsidy from day one.

- Provider B has managed £3 million investment over three sites, funded by District Council 1's prudential borrowing.
- £ 500K redevelopment of a leisure centre to create a brand new gym and studio facilities.
- £ 250K redevelopment of a second leisure centre to improve the gym and studio facilities.
- A brand new leisure centre opened in another town in the District in August 2014.
- Participation overall in the District has gone up 40%.

### 52 Case Study -District Council 2:

- District Council 2 was paying an annual subsidy of £850K for 5 leisure facilities. There was a £ 5 million backlog of maintenance required for these centres.
- Provider B awarded a 50 year full repairing lease for all 5 facilities in June 2015.
- Within first three years of the lease, Provider B will invest £3 million into the facilities to deliver improvements.
- £ 550K redevelopment of a leisure centre planned.
- £ 2 million development of a second leisure centre planned.
- By year 5 of the contract, District Council 2's annual subsidy will completely disappear and Provider B will pay the Council a small rental for the properties.

### 53 Provider B operates a proactive approach to the management of energy and environmental impact. Their environmental management system is accredited to ISO 14001 and they have retained their Carbon Gold Saver Standard. They have extended the scope of their regular internal environmental audits and are undertaking a range of initiatives to deliver improved efficiencies in utility costs:

- Installation of variable speed drives to regulate the speed of fans and pumps. Currently installed in 11 centres and have delivered a cumulative reduction in electricity consumption of 12%.
- Installed a biomass boiler at a leisure centre, in partnership with the City Council. The boiler will deliver approximately a third of the total heat and power demand of the building.

### 54 Provider B's membership prices are tailored to the areas in which a facility operates; it does not impose corporate rates. Membership prices are based

## Agenda Item 6a

on need and affordability, so can vary from area to area and Council to Council.

### Provider C: No Subsidy Fee Paying

- 55 Provider C was established in 1995. It has 26 local authorities and clients and looks after 82 leisure centres.
- 56 Provider C operates facilities to Quest principles (Leisure benchmarking and best practice arrangements). Provider C aims to offer clean, quality facilities, enhance community links, increase participation and strengthen sports development. As part of Provider C's commitment to sustainability, they obtain ISO:14001 environmental management accreditation certification for each centre they operate.
- 57 Provider C has a strong community focus and runs a variety of community programmes out of its leisure centres. 35 leisure centres offer GP referral schemes.
- 58 Provider C offers a variety of contract models for Councils and can run leisure facilities at a zero subsidy position or make payments back to partner councils.
- 59 Provider C manages Design, Build, Operate and Maintain (DBOM) contracts for clients. A subsidiary company to Provider C is a multi-disciplinary project management company offering bespoke services for the sports and leisure sectors. They have worked with local authorities from the earliest leisure facility design stage through to ongoing operation through DBOM, Private Finance Initiative (PFI) and Public-Private Partnership (PPP) contracts: -
- Provider C managed the construction of a new state-of-the-art leisure centre a London Borough, as part of the Council's £33 Million leisure investment programme.
  - A leisure centre in the north of England is a landmark facility procured under PFI to replace an old facility that was demolished in the 1990s. A strict budget was in place for this project and regular design reviews were conducted to monitor the budget versus the specification.
- 60 Case Study -District Council 1:
- Provider C took on a 25 year contract for three leisure facilities under a DBOM contract structure.
  - A leisure centre was built to replace an old centre which had been subject to flooding. The new centre was built alongside the old one to ensure there was no break in service for customers. An innovative design and construction solution was needed to obviate site instability and contamination issues.

- Two further leisure centres underwent significant refurbishment work to modernise and extend the facilities.

61 Provider C's size means that they can keep costs down with purchasing in bulk across multiple facilities.

### Leisure Facility Membership Comparisons

62 A comparison of leisure facility membership prices is set out in Appendix C. Membership prices for a basic single peak membership range from £29.95 through to £85.00. Some operators offer off peak discounts and lower prices for single activity memberships (eg swimming only).

63 Membership prices are generally for a minimum time period (eg 6 months or a year) and operators offer a slightly more expensive rolling option that does not have a minimum time period. Some operators also charge a one-off admin fee for joining.

64 Across the nine operators listed, the average monthly membership fee is £47.76. Sencio's basic membership fee is £38.50 per month.

### Conclusions

65 There are a number of positive aspects to the provision of leisure services by Sencio:

- Sencio's management fee has reduced by 84% between 2004 - 2015, but usage has risen by 4.3%. A table showing the reduction in management fee since 2004 is set out at Appendix A.
- Sencio has made some investments to improve the leisure offer in the District and maximise their income.
- Sencio's Sales Manager has made significant changes to drive up memberships and maximise income.
- Sencio has undertaken some measures to reduce head office and other costs.

66 However, to answer the principal question set out above, on balance and taking into the efforts by Sencio to increase its income and reduce its costs, this sub committee does **not** consider that Sencio offers good value for money.

67 In particular the sub committee notes: -

- The losses incurred by Sencio in four out of the last five years (thus failing to ensure that income significantly outweighed operating costs);

## Agenda Item 6a

- The lack of buying power in relation to utilities and difficulties in implementing other economies of scale due to its small operational size;
- Above all that SDC continues to pay large management and asset maintenance fees while other Councils in Kent enjoyed arrangements which paid them a premium, while still enjoying good levels of service, including the provision of leisure facilities for disadvantaged groups at affordable pricing levels, and renovation of existing facilities.

68 In the short term, the sub committee urges cabinet to review the payment of such fees, including the payment of a management fee.

69 Finally, the Sports Development function was transferred to Sencio in 2004 along with the leisure centres. Delivery of this function includes liaison with community sports groups and delivery of disability and inclusive sports projects. Sencio is delivering part of this function but does not work on an outreach basis to local communities. The Council's Health & Housing Team has been successful in the outreach role in some parts of the District. It is recommended that the Council looks at whether it will be more effective for the Council to undertake this part of the sports development function and retain part of the management fee paid to Sencio.

### Appendices

Appendix A - Leisure management fee comparison

Appendix B (Confidential) - Kent local authorities' leisure facilities operational arrangements

Appendix C - Membership Fee comparison

Appendix D (Confidential) - Lease Break Clauses

Appendix E (Confidential) - Notes of meetings with providers

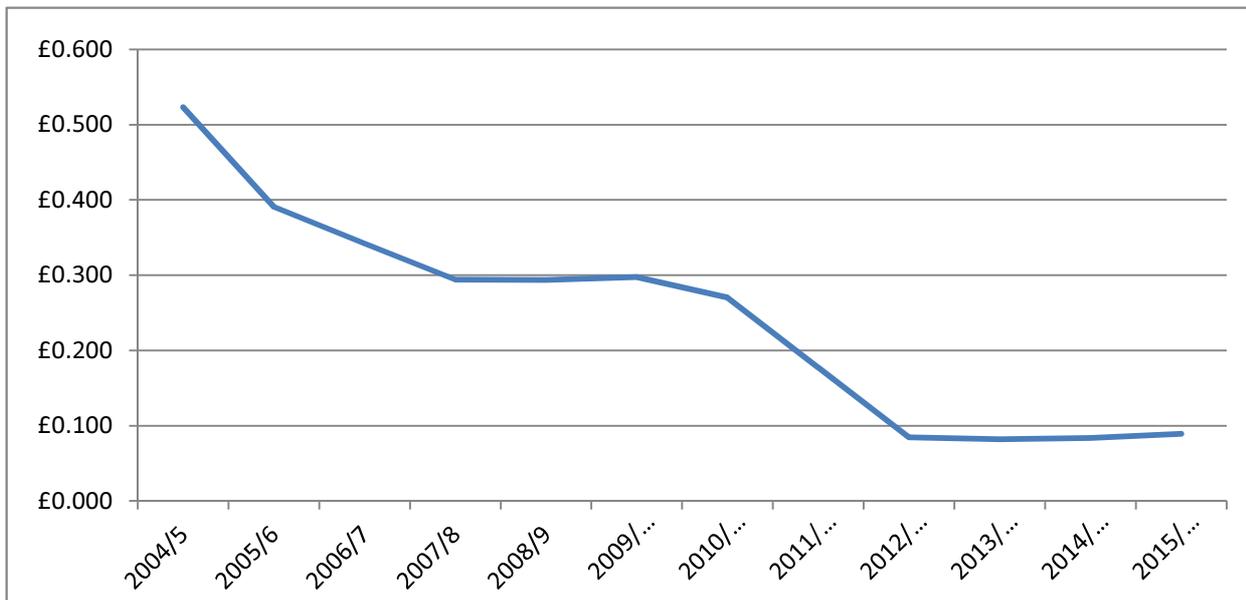
Appendix F (Confidential) - Email from Council re contractual arrangements with provider

**Cllr Cameron Brown**  
**Chairman of the Leisure In-Depth Scrutiny Working Group**

Leisure Management Fee - Usage Figures Comparison

Year	Management Fee	Total Usage	Value for Money Cost per usage
2004/5	£486,000	929,289	£0.523
2005/6	£370,950	948,991	£0.391
2006/7	£320,950	938,295	£0.342
2007/8	£270,950	921,258	£0.294
2008/9	£270,950	922,274	£0.294
2009/10	£265,950	893,777	£0.298
2010/11	£240,950	891,516	£0.270
2011/12	£160,950	906,552	£0.178
2012/13	£80,950	955,169	£0.085
2013/14	£80,950	988,625	£0.082
2014/15	£80,950	969,453	£0.084
2015/16	£80,950	908,015	£0.089

Graph showing Cost per User against Year of Operation



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## Appendix C

### Leisure Centre Membership Comparisons

This information was taken from the website of the providers in question in March 2016

	Singles		Family		Senior	Admin Fee
	Peak	Off Peak	Peak	Off Peak		
Sencio	£38.50	£38.50	N/A	N/A	Seniors have access to Advantage card	N/A
Nizells	£85.00	£64.00				£39.00
Virgin Active (Bromley)	£67.00	£67.00				£30.00
Cygnets Leisure Centre (Northfleet)	£41.95	£41.95	£89.90	£89.90	£34.95	£50.00
TM Active (Tonbridge, Angel Centre and Larkfield Leisure Centre)	£44.00	£44.00	£60.00	£60.00	£35.00	
Tunbridge Wells Sports Centre (Fusion)	£49.00	£49.00	£115.00	£115.00		£35.00
Parkwood Leisure (Crook Log, Sidcup & Erith Leisure Centres)	£44.50	£44.50				£0.00
Maidstone Leisure Centre	£29.95	£19.95				
Swale Leisure	£29.95	£19.95				

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**BUDGET 2017/18: SERVICE DASHBOARDS AND SERVICE CHANGE IMPACT ASSESSMENTS (SCIAS)**

**Housing and Health Advisory Committee - 4 October 2016**

Report of Chief Finance Officer

Status: For Decision

Also considered by: Planning Advisory Committee - 22 September 2016

Policy and Performance Advisory Committee - 6 October 2016

Economic and Community Development Advisory Committee - 11 October 2016

Legal and Democratic Services Advisory Committee - 18 October 2016

Direct and Trading Advisory Committee - 1 November 2016

Finance Advisory Committee - 15 November 2016

Key Decision: No

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**Executive Summary:** This report sets out updates to the 2017/18 budget within the existing framework of the 10-year budget and savings plan. The report presents proposals that have been identified which need to be considered, together with further suggestions made by the Advisory Committees, before finalising the budget for 2017/18.

Informed by the latest information from Government and discussions with Cabinet, it is proposed that the Council continues to set a revenue budget which assumes no funding from Government through the Revenue Support Grant or New Homes Bonus. This will result in the Council continuing to be financially self-sufficient as set out in its Corporate Plan.

To achieve this aim and to ensure a balanced budget position over the next 10 year period, whilst also increasing the Council's ability to be sustainable beyond that time, a savings requirement of £100,000 per annum is currently included.

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**Portfolio Holder** Cllr. Searles

**Contact Officer(s)** Adrian Rowbotham Ext. 7153

Helen Martin Ext. 7483

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### Recommendation to each Advisory Committee:

- (a) Advise Cabinet with views on the growth and savings proposals identified in Appendix D applicable to this Advisory Committee.
- (b) Advise Cabinet with further suggestions for growth and savings applicable to this Advisory Committee.

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**Reason for recommendation:** It is important that the views of the Advisory Committees are taken into account in the budget process to ensure that the Council's resources are used in the most suitable manner.

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### Introduction and Background

- 1 The Council's financial strategy over the past twelve years has worked towards increasing financial sustainability and it has been successful through the use of a number of strategies including:
  - implementing efficiency initiatives;
  - significantly reducing the back office function;
  - improved value for money;
  - maximising external income;
  - the movement of resources away from low priority services; and
  - an emphasis on statutory rather than non-statutory services.
- 2 Over this period the Council has focused on delivering high quality services based on Members' priorities and consultation with residents and stakeholders. In financial terms, the adoption of this strategy has to date allowed the Council to move away from its reliance on general fund reserves.
- 3 Using the data sources available to the Council, this report sets out a budget over the 10-year period but recognises that it is likely that more accurate data will become available in future months and current assumptions may need to be updated.
- 4 In setting its budget for 2011/12 onwards, the Council recognised the need to address both the short-term reduction in Government funding as well as the longer-term need to reduce its reliance on reserves. The outcome was a 10-year budget, together with a four-year savings plan, that ensured the Council's finances were placed on a stable footing but that also allowed for flexibility between budget years.
- 5 With the amount of Revenue Support Grant provided by Government continuing to reduce at a significant rate it is important that the council remains financially self-sufficient by having a balanced economy and a financial strategy that is focused on local solutions. These solutions include:

- continuing to deliver financial savings and service efficiencies;
  - growing the council tax and business rate base; and
  - generating more income.
- 6 The intention of this report is to provide Members of each Advisory Committee an opportunity to give their views on potential growth and savings items that could be included in the updated 10-year budget that will be presented to Council on 21 February 2017.
- 7 The 'Financial Prospects and Budget Strategy 2017/18 and Beyond' report has been presented to Cabinet to start the budget setting process for 2017/18.
- 8 This report presents members with the following documents relating to the budget for 2017/18:
- Service Dashboards relating to this Advisory Committee (Appendix A);
  - 2016/17 Budget by Service relating to this Advisory Committee (Appendix B);
  - Summary of the Council's agreed savings plan and growth items (Appendix C);
  - New growth and savings items proposed relating to this Advisory Committee (Appendix D);
  - Service Change Impact Assessment forms (SCIAs) for the new growth and savings items relating to this Advisory Committee - if applicable (Appendix E);
  - 10-year budget (Appendix F);
  - Budget timetable (Appendix G).

### **Financial Self-Sufficiency**

- 9 The Council's Corporate Plan, introduced in 2013, set out an ambition for the Council to become financially self-sufficient which was achieved in 2016/17. This means that the Council no longer requires direct funding from Government, through Revenue Support Grant or New Homes Bonus, to deliver its services.
- 10 This approach was adopted in response to the financial challenges the Country is faced with in bringing its public spending down to ensure it is able to live within its means. In practice this has seen Government funding to local authorities dramatically reduced since 2010/11 with Sevenoaks District Council expecting to receive no Revenue Support Grant from 2017/8.

## Agenda Item 7

- 11 The decision to become financially self-sufficient is intended to give the Council greater control over its services, reducing the potential for decision making to be influenced by the level of funding provided by government to local authorities.
- 12 The Council's decision to seek to become financially self-sufficient was subject to scrutiny by the Local Government Associations Peer Challenge of the District Council during December 2013. In their closing letter to the Council they concluded that they 'fully support that aspiration and given the existing and anticipated squeeze upon public finances this makes much sense'.
- 13 With the Council expecting to receive no Revenue Support Grant from 2017/18 and New Homes Bonus expected to reduce from 2018/19, this approach remains appropriate. The attached 10-year budget assumes no Revenue Support Grant or New Homes Bonus. Any funding received from these sources will be put into the Financial Plan Reserve which can be used to support the 10-year budget by funding invest to save initiatives and supporting the Property Investment Strategy. One of the aims of the Property Investment Strategy is to achieve returns of 6%; therefore using funding for this purpose will result in additional year on year income that is not impacted by Government decisions.
- 14 Cabinet are keen to remain financially self-sufficient and be ahead of the game. This will allow this Council to move ahead in the knowledge that this council has the financial resources to provide the services that the district's residents want into the future.

### Service Dashboards

- 15 The intention of service dashboards is to provide Members with improved information during the budget setting process to provide context and inform any growth and savings ideas that Members may put forward.
- 16 The Service Dashboards cover a summary of the services provided, objectives, achievements and opportunities, challenges and risks and performance.
- 17 Appendix A contains the Service Dashboards for those services directly relevant to this Advisory Committee and Appendix B contains the budget for those services.

### Savings Plan

- 18 Appendix C to this report sets out a summary of the savings and growth items approved by Council since the 10-year budget strategy was first used in 2011/12, which have allowed the Council to deliver a 10 year balanced budget.
- 19 The savings plan requires a total of £6 million to be saved between 2011/12 and 2017/18 which is an average saving of nearly £900,000 per annum. In

the thirteen years from 2005/06, over £10m of savings will then have been made.

- 20 The 10-year budget attached shows a net saving or additional income requirement of £100,000 per annum to deliver a long term sustainable budget.

### **Proposed Growth and Savings Items**

- 21 Growth items are items that are in addition to non-service issues and risks, such as grant settlements, impacts of economic change and other pressures highlighted in the 'Financial Prospects and Budget Strategy 2017/18 and Beyond' report considered by Cabinet on 15 September 2016.
- 22 A number of growth and savings items will be proposed at the seven Advisory Committees with the aim of achieving the £100,000 mentioned above. The £100,000 does not necessarily have to all be achieved in 2017/18 but the impact is required to be £1m (i.e. £100,000 x 10 years) over the 10-year budget period.
- 23 A list of the proposed growth and savings items relating to this Advisory Committee are listed in Appendix D.
- 24 Service Change Impact Assessments (SCIAs) contain further details for all proposed growth and savings items. SCIAs applicable to this Advisory Committee can be found in Appendix E.

### **Financial Summary**

- 25 The assumptions currently included take into account the latest information available but a number of assumptions may change before the final budget meeting in February 2017.
- 26 The 10-year budget attached at Appendix E includes the changes that were included in the 'Financial Prospects and Budget Strategy 2017/18 and Beyond' report and an additional small change regarding savings previously agreed.

### **Role of the Advisory Committees**

- 27 Members' budget training sessions were held on 14 and 20 September 2016.
- 28 Views of the Advisory Committees on the growth and savings items proposed together with any additional suggestions will be considered by Cabinet at its meeting on 1 December 2016.
- 29 To assist the Advisory Committees in making additional suggestions, Members will be asked for their thoughts on the following points and will be requested to write their comments on post-it notes and put on the relevant board:
- Growth ideas for services within the terms of reference of this Advisory Committee.

## Agenda Item 7

- Savings ideas for services within the terms of reference of this Advisory Committee.

30 Officers will summarise the answers before the Committee decides on suggestions to be recommended to Cabinet.

### Process and Timetable

31 This report is the second stage of the budget process as shown in the Budget Timetable (Appendix G).

32 It is possible that Advisory Committees may have to re-address service budgets in January if significant changes have taken place leading to a large and unmanageable deficit.

### Key Implications

#### Financial

All financial implications are covered elsewhere in this report.

#### Legal Implications and Risk Assessment Statement.

There are no legal implications.

For the effective management of our resources and in order to achieve a sustainable budget it is essential that all service cost changes and risks are identified and considered.

Challenges and risks are included in the Service Dashboards and each Service Change Impact Assessment (SCIA) includes the likely impacts including a risk analysis.

Financial risks will be reviewed again when the Cabinet publishes its proposals for the annual budget.

#### Equality Assessment

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.

Individual equality impact assessments have been completed for all Service Change Impact Assessments (SCIAs) to ensure the decision making process is fair and transparent.

## Conclusions

The Strategic Financial and Business Planning process has ensured that the Council follows a logical and well considered process and approach in dealing with the many difficult financial challenges which it has faced. The 10-year budget has further improved this process and helped to ensure that the Council is well placed in dealing with more immediate and longer-term financial challenges.

By becoming financially self-sufficient at an early stage, this Council has become much more in control of its own destiny as the Property Investment Strategy should provide a much more stable income stream than the reducing direct government funding streams.

The attached 10-year budget shows that this Council can continue to be financially stable going into the future with a level of assurance that any council would aspire to.

This budget process will once again be a major financial challenge for a Council that already provides value for money services to a high standard. In making any budget proposals, Members will need to consider the impact on service quality and staff well-being, to ensure that these proposals lead to an achievable 10-year budget that supports the Council's aspirations for customer-focused services.

Members' consideration and scrutiny of the relevant services is an essential and key element in the business and financial planning process. If the net total of growth and savings proposals identified by the Advisory Committees and approved by Cabinet does not reach the £100,000 savings target, additional savings will be required that may result in service changes, to ensure a balanced budget position.

## Appendices

Appendix A - Service Dashboards relating to this Advisory Committee.

Appendix B - 2016/17 Budget by Service relating to this Advisory Committee.

Appendix C - Summary of the Council's agreed savings plan and growth items.

Appendix D - New growth and savings items proposed relating to this Advisory Committee.

Appendix E - Service Change Impact Assessment forms (SCIAs) for the new growth and savings items relating to this Advisory Committee (if applicable).

Appendix F - 10-year budget.

Appendix G - Budget timetable.

## Agenda Item 7

**Background Papers:**

[Report to Council 16 February 2016 - Budget and Council Tax Setting 2016/17](#)

[Report to Cabinet 15 September 2016 - Financial Prospects and Budget Strategy 2017/18 and Beyond](#)

**Adrian Rowbotham  
Chief Finance Officer**

## Advisory Committee responsibilities

Housing advice & homelessness, housing needs, empty homes, disabled facilities grants, health and leisure

### Objectives

- Providing housing advice seeking to prevent homelessness, empowering residents through the HERO scheme and supporting those who become homeless
- Meeting the Community Plan objective to promote a healthy environment where people have healthy lifestyles, equal access to services and where health inequalities are reduced.
- Providing value for money by ensuring leisure facilities are well used and customer satisfaction is high

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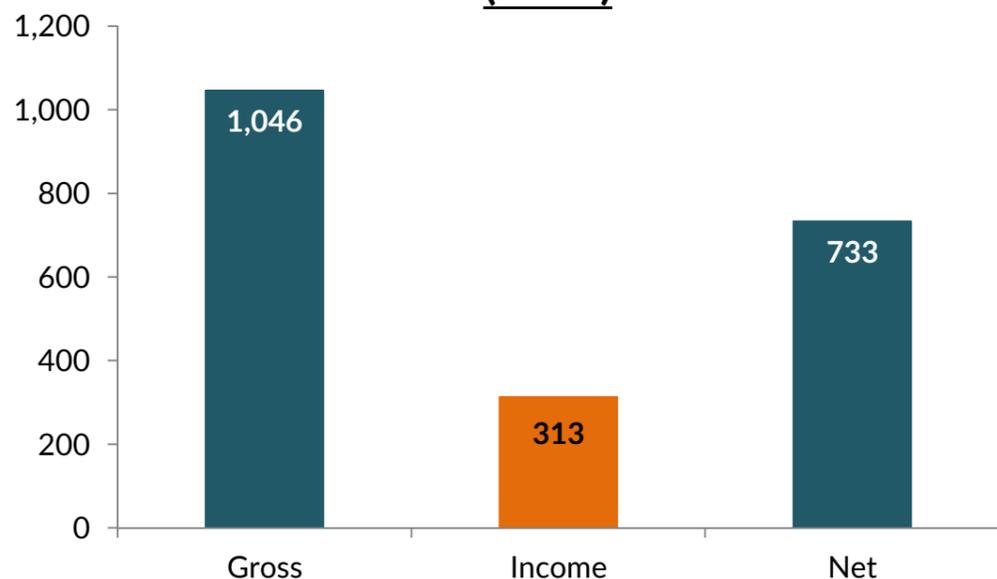
### Achievements & Opportunities

- Leisure user numbers above target and exceeding 900,000 visits a year, above the national average
- Negotiates with KCC, TMBC & TWBC regarding a new integrated approach based on District Council health hub
- Excess weight in adults has decreased – significantly better than England average compared with previous year when it was slightly worse than the England average
- Disabled facilities grants process bought back in house, generating financial savings for the Council
- Highly successful HERO service has plans to extend the brand to HandyHERO
- Only accredited properties are used for the Private Sector lettings scheme

### Challenges & Risks

- Need to find creative solutions to the Council's ageing leisure facilities
- Leisure strategy to be formulated to reassess local leisure needs
- To reduce health inequalities, particularly in the most deprived parts of the District
- To deliver an innovative Health Improvement Model based on District health hubs
- Tackling homelessness is becoming more challenging because of national trends. The challenge is to find innovative approaches to keep homelessness low in the District
- Government changes to reduce and cap rents and amend the right to buy making business models difficult for Housing Associations

**Housing & Health and Leisure Budget (£000)**



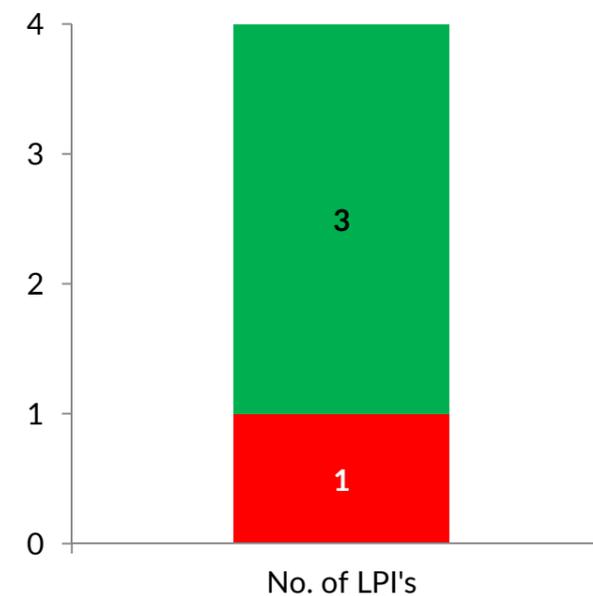
### Service contribution

- Statutory service
- Income generating
- Working in partnership

### Corporate priorities

- Self sufficiency ✗
- Safe district ✗
- Green Belt ✗
- Value for Money ✓
- Collect rubbish effectively ✗
- Local Economy ✓

**Performance**



## Advisory Committee responsibilities

Housing strategy & policy, energy efficiency and fuel poverty

### Objectives

- To develop and deliver the Councils strategy for the delivery of housing across the District that meets the needs of residents now and in the future
- Reducing fuel poverty and improving energy efficiency of housing stock through grants and retro-fit projects
- To work with housing providers and the Government to secure funding and to build affordable and specialist housing to meet local need
- To create new products, schemes and initiatives to support the delivery of the Council's housing strategy
- To develop housing interventions that support health outcomes

### Achievements & Opportunities

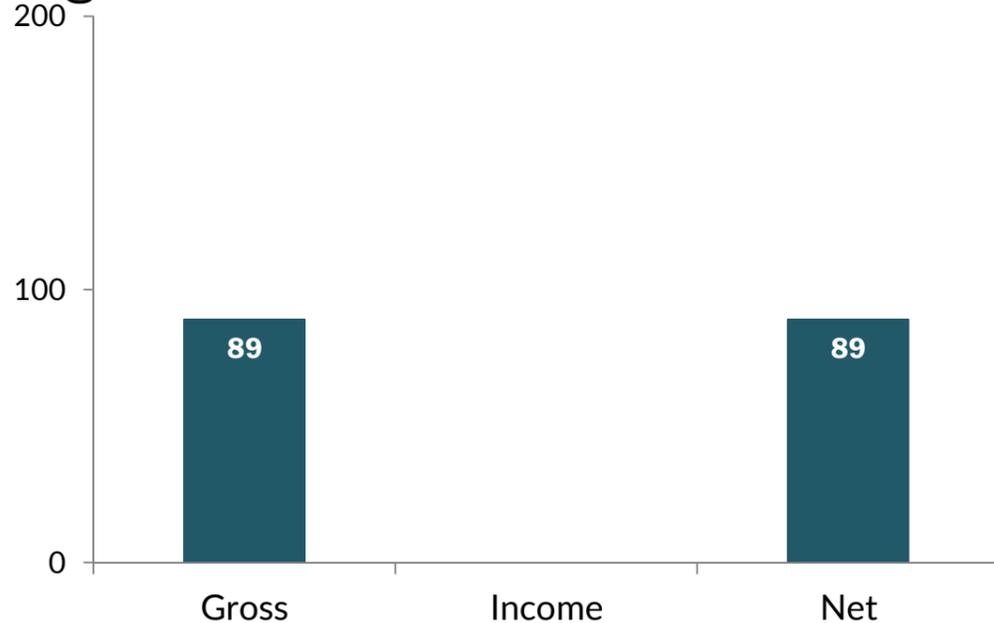
- The innovative Switch & Save scheme has helped residents reduce their energy bills by more than £42k
- Delivery of the Warmer Streets Campaign to improve energy efficiency of housing stock was completed. This also enabled the employment of staff and the funding for improvement works to a parish hall and The Stag Theatre.
- Enabled 121 new affordable homes across the Sevenoaks District in 2015/16
- Secured funding to carry out a housing needs study, which once completed will ensure the Council is better able to focus its resources

### Challenges & Risks

- Reduced funding from the Government and the Homes and Communities Agency could impact on the ability to deliver housing objectives
- Removal of S106 funding contributions on sites with 1 to 4 units
- Housing association four year rent reduction programme
- Devolved powers to housing associations - working to different priorities
- Freeze on local housing allowance rates

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Housing Policy Budget (£000)



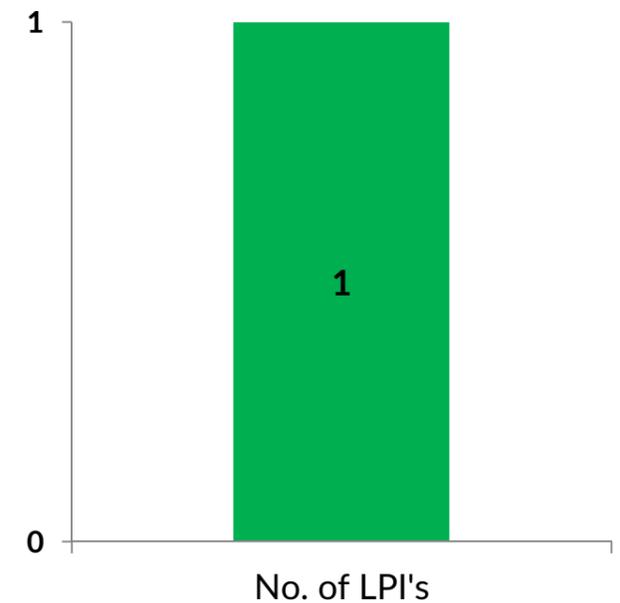
### Service contribution

- Statutory service
- Income generating
- Working in partnership

### Corporate priorities

- Self sufficiency ✗
- Safe district ✓
- Green Belt ✗
- Value for Money ✓
- Collect rubbish effectively ✗
- Local Economy ✓

Performance



## Advisory Committee responsibilities

Private Sector Housing, including disabled facilities grants (DFG's), gypsy and traveller sites, unauthorised encampments, licencing mobile homes and energy efficiency

### Objectives

- Working to improve housing conditions through grants, enforcement and working with local landlords and housing providers
- Providing advice on gypsy traveller encampments and managing the Council owned site
- To maximise spend of the Disabled Facilities Grant allocation and continue integration with the NHS
- To promote initiatives to improve energy efficiency and reduce fuel poverty
- To protect the safety of people living on licenced mobile home sites

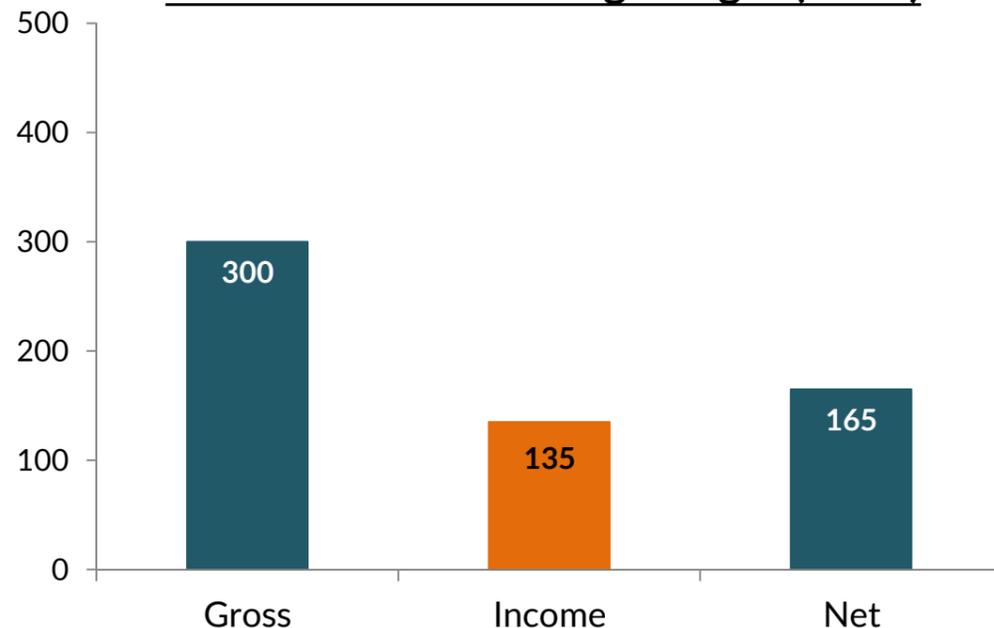
### Achievements & Opportunities

- Spent the whole allocation of Disabled Facilities Grant funding in 2015/16
- 100% occupancy of Romani Way with no arrears for 2015/16
- Resolving complex cases of vulnerable people residing in unsanitary and unsafe properties
- Improvements in addressing unauthorised encampments through better intelligence sharing between the District and Town & Parish Council and better availability of advice
- Increase in DFG grant allocation allows the Private Sector Housing team to be increasingly effective in supporting the health of residents, with improved preventative services and reducing delayed hospital discharge problems through the opportunity for a Handyperson scheme

### Challenges & Risks

- Potential extension of mandatory licensing of houses in multiple occupation and related reforms
- New initiatives increasing demand for DFG's placing pressure on current resources
- No capital funding for energy efficiency measures impacting on our ability to reduce fuel poverty
- Building and maintaining relationships with external partners to improve effective delivery of our objectives
- Ensuring unauthorised encampments are ended efficiently.
- Developing an in house maintenance team to provide a Handyperson scheme with potential to grow to support larger projects associated with the DFG process

Private Sector Housing Budget (£000)



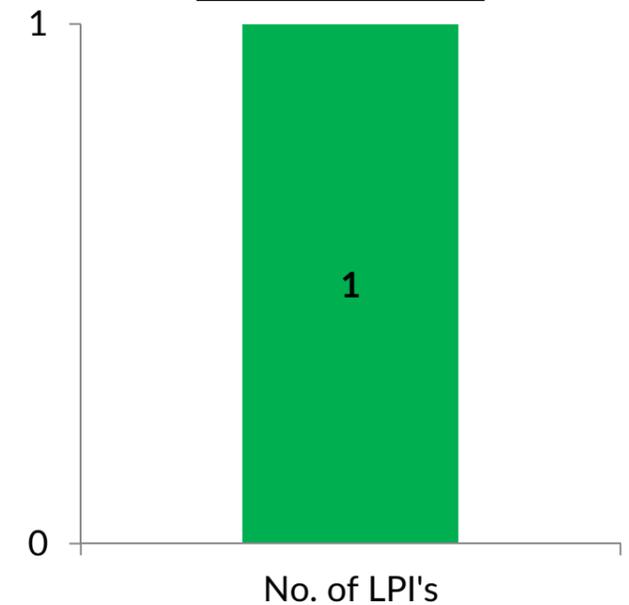
### Service contribution

- Statutory service
- Income generating
- Working in partnership

### Corporate priorities

- Self sufficiency ✗
- Value for Money ✓
- Safe district ✓
- Collect rubbish effectively ✗
- Green Belt ✗
- Local Economy ✓

Performance



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**Housing and Health Advisory Committee: 2016/17 Budget by Service**

<b>Revenue</b>		<b>2016/17 Expenditure</b>	<b>2016/17 Income</b>	<b>2016/17 Net</b>
<b>Chief Officer</b>	<b>Description</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Communities and Business	All Weather Pitch	0	(5)	(5)
Communities and Business	Choosing Health WK PCT*	85	(85)	0
Communities and Business	Community Sports Activation Fund*	25	(25)	0
Communities and Business	Health Improvements	35	0	35
Communities and Business	Leisure Contract	250	(20)	230
Communities and Business	Leisure Development	20	0	20
Communities and Business	Partnership - Home Office (Communities against Drugs)	32	(32)	0
Communities and Business	Administrative Expenses - Housing	18	0	18
Env & Op Svs	DFG Admin	0	(20)	(20)
Env & Op Svs	Energy Efficiency	34	9	43
Env & Op Svs	Gypsy Sites	34	(65)	(31)
Communities and Business	HERO*	69	(69)	0
Communities and Business	Homeless	119	(27)	92
Communities and Business	Homelessness Funding*	32	(32)	0
Com & Bus / Plg	Housing	450	(18)	432
Communities and Business	Housing Initiatives	6	0	6
Communities and Business	Leader Programme	10	0	10
Planning Services	Needs and Stock Surveys	0	0	0
Env & Op Svs	Private Sector Housing	226	(41)	185
		<b>1,445</b>	<b>(430)</b>	<b>1,015</b>
	* = externally funded			

<b>Capital</b>		<b>2016/17 Expenditure</b>
<b>Chief Officer</b>	<b>Description</b>	<b>£'000</b>
Housing	Improvement Grants	534
		<b>534</b>

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Summary of the Council's Agreed Savings and Growth Items

Appendix C

SCIA		Description	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	Later Years £000	Total £000
Year	No.										
<b>Direct and Trading Advisory Committee</b>											
2016/17	8	Playgrounds: Reduction in asset maintenance (reversal of temporary saving item)								7	
2016/17	9	Public Conveniences: Reduction in asset maintenance (reversal of temporary saving item)								8	
<b>Economic and Community Development Advisory Committee</b>											
2014/15	2	Economic Development & Property Team - SCIA originally called 'Broadband and business growth' (reversal of temporary growth item)								(30)	
<b>Finance Advisory Committee</b>											
2011/12	62,63	Staff terms and conditions - savings agreed by Council 18/10/11							(162)	(674)	
2015/16	10	External Audit fee reduction (reversal of temporary saving item)								30	
<b>Housing and Health Advisory Committee</b>											
No savings or growth agreed from 2017/18 onwards											
<b>Legal and Democratic Services Advisory Committee</b>											
No savings or growth agreed from 2017/18 onwards											
<b>Planning Advisory Committee</b>											
No savings or growth agreed from 2017/18 onwards											
<b>Policy and Performance Advisory Committee</b>											
2016/17	1	Ec. Dev. & Property: Staffing levels made permanent							28	30	
<b>Total Savings</b>			<b>(2,984)</b>	<b>(841)</b>	<b>(314)</b>	<b>(479)</b>	<b>(533)</b>	<b>(721)</b>	<b>(162)</b>	<b>(599)</b>	<b>(6,633)</b>
<b>Total Growth</b>			<b>371</b>	<b>45</b>	<b>50</b>	<b>327</b>	<b>177</b>	<b>309</b>	<b>28</b>	<b>(30)</b>	<b>1,277</b>
<b>Net Savings</b>			<b>(2,613)</b>	<b>(796)</b>	<b>(264)</b>	<b>(152)</b>	<b>(356)</b>	<b>(412)</b>	<b>(134)</b>	<b>(629)</b>	<b>(5,356)</b>

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## New Growth and Savings Proposals: Housing and Health Advisory Committee

SCIA		Description	Year	Ongoing	2017/18	10-year Budget
Year	No.				Impact	Impact
					£000	£000
<b>Growth</b>						
2017/18	6	HERO service	2017/18	yes	35	350
<b>Sub Total</b>					<b>35</b>	<b>350</b>
<b>Savings</b>						
2017/18	7	Sencio management fee	2017/18	yes	(44)	(440)
<b>Sub Total</b>					<b>(44)</b>	<b>(440)</b>
<b>Net Savings Total</b>					<b>(9)</b>	<b>(90)</b>

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SCIA 06 (17/18)

<b>Chief Officer:</b>	Lesley Bowles	<b>Service:</b>	Housing & Health
<b>Activity</b>	Housing	<b>No. of Staff:</b>	2 fte

<b>Activity Budget Change</b>	<b>Year: 2017/18  Growth £000</b>	<b>Later Years Comments (ongoing, one-off, etc.)</b>
HERO service	35	ongoing

**Reasons for and explanation of proposed change in service**

Currently, there are two HERO Officers and the budget required to fund their salary costs is £70,000 per annum including travelling expenses. None of this is currently funded from SDC core budgets.

The HERO service was originally funded through external Trailblazer funding from Government. Subsequently it has been funded from securing alternative sources of external funding. This has included from funding schemes which are no longer available to the Council, such as KCC Second Homes funding and some funding from partners under Service Level Agreements.

Total external income for 2016/17 was £35,000 and it is anticipated that external funding of the following amounts will continue to be available:  
£20,000 Dartford Borough Council;  
£6,000 Kent County Council; and  
£9,000 West Kent Housing.

These funding agreements enable the council to provide services dedicated to the clients of those three funders at locations specified by them, usually their own offices.

This funding does not, however, cover the salary costs for the service provided in house to our own residents.

The core budget provision of £35k per annum will enable the service to the council's own residents to continue.

**Key Stakeholders Affected**

HERO clients include vulnerable residents facing crisis relating to debt, homelessness, poverty, mental health and ill health, who, without the HERO service are likely to become homeless. Without the HERO service, the council is likely to face increased demand from these customers for housing assistance under the Housing Act 1998 as amended by the Homelessness Act 2002, under which the council has a duty to provide housing.

**Likely impacts and implications of the change in service (include Risk Analysis)**

The requested growth item would enable the HERO service to continue to provide assistance for our own residents. Without it, the service will be restricted to that provided for other agencies which are prepared to pay for it.

**Risk to Service Objectives (High / Medium / Low)**

High

2016/17 Budget	£'000	Performance Indicators		
		Code & Description	Actual	Target
Operational Cost	69	Total number of homelessness acceptances	19	Less than 20
Income	(69)			
Net Cost	0			

**Equality Impacts**

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. The decisions recommended through this proposal directly impact on end users.

Vulnerable persons at risk of homelessness could be more likely to become homeless if the HERO service is not available to them.

SCIA 07 (17/18)

<b>Chief Officer:</b>	Lesley Bowles	<b>Service:</b>	Housing & Health
<b>Activity</b>	Leisure	<b>No. of Staff:</b>	1.1 fte

Activity Budget Change	Year: 2017/18 Growth / (Saving) £000	Later Years Comments (ongoing, one-off, etc.)
Sencio Management Fee	(44)	ongoing

**Reasons for and explanation of proposed change in service**

The original management fee, paid annually to Sencio, in 2004/05 was £486,000. This has reduced over time to £80,950 in 2012/13. The fee has remained at that rate since 2012/13.

A leisure in depth scrutiny review reported its findings to Scrutiny Committee on 5 July and it was resolved that:

- a) The conclusions of the Scrutiny Working Group that Sencio did not offer value for money to the Council at this time, be noted, while noting the trend of improvement; and
- b) Cabinet be recommended to
  - i) Review the fees paid to Sencio; and
  - ii) Consider whether the Council could more effectively carry out the outreach element of the Sports Development function while retaining part of the management fee.

And in its consideration Cabinet be advised that it may wish to take account of the further investment that Sencio had been taking forward.

This recommendation is being considered by the Housing & Health Advisory Committee on 4 October 2016.

In addition to the Management Fee, the Council also pays an annual contribution of £20,000 towards 'Advantage', a concessionary scheme that offers reduced rates for leisure activities.

It is proposed that the reduction is applied to the Management Fee rather than the Advantage contribution.

**Key Stakeholders Affected**

Sencio Community Leisure

**Likely impacts and implications of the change in service (include Risk Analysis)**

Sencio is currently considering other impacts, e.g. from the Living Wage, which is likely to cost an additional £86,000. This does not take account of any pension increase associated with the Living Wage, which could cost a further £44,000.

The outcome of all of these increases could lead to an increase in fees to customers.

**Risk to Service Objectives (High / Medium / Low)**

Low

2016/17 Budget	£'000	Performance Indicators		
Operational Cost	250	Code & Description	Actual	Target
Income	(20)	Percentage of Health Action Plan on target	96%	80%
Net Cost	230			

**Equality Impacts**

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups.

The decision recommended through this paper has the potential to directly impact on end users if the cumulative effect of this change and other impacts necessitate an increase in fees to customers.

Ten Year Budget - Revenue

	Budget 2016/17	Plan 2017/18	Plan 2018/19	Plan 2019/20	Plan 2020/21	Plan 2021/22	Plan 2022/23	Plan 2023/24	Plan 2024/25	Plan 2025/26	Plan 2026/27
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Expenditure</b>											
Net Service Expenditure c/f	14,253	13,689	14,249	14,489	14,638	15,178	15,536	15,886	16,243	16,605	16,972
Inflation	569	494	611	435	627	443	450	457	462	467	471
Superannuation Fund deficit: actuarial increase	(721)	300	0	0	200	0	0	0	0	0	0
Net savings (approved in previous years)	(13)	(162)	(271)	(216)	(187)	15	0	0	0	0	0
<b>New growth</b>	<b>88</b>	<b>28</b>	<b>0</b>	<b>30</b>	<b>0</b>						
<b>New savings/Income</b>	<b>(487)</b>	<b>(100)</b>									
<b>Net Service Expenditure b/f</b>	<b>13,689</b>	<b>14,249</b>	<b>14,489</b>	<b>14,638</b>	<b>15,178</b>	<b>15,536</b>	<b>15,886</b>	<b>16,243</b>	<b>16,605</b>	<b>16,972</b>	<b>17,343</b>
<b>Financing Sources</b>											
Government Support											
: Revenue Support Grant	0	0	0	0	0	0	0	0	0	0	0
New Homes Bonus	0	0	0	0	0	0	0	0	0	0	0
Council Tax	(9,672)	(9,982)	(10,300)	(10,627)	(10,963)	(11,309)	(11,663)	(12,028)	(12,402)	(12,786)	(13,181)
Locally Retained Business Rates	(1,951)	(1,989)	(2,048)	(2,113)	(2,155)	(2,198)	(2,242)	(2,287)	(2,333)	(2,380)	(2,428)
Collection Fund Surplus	(333)	0	0	0	0	0	0	0	0	0	0
Interest Receipts	(250)	(130)	(130)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)
Property Investment Strategy Income	(500)	(500)	(1,132)	(1,276)	(1,276)	(1,276)	(1,276)	(1,376)	(1,376)	(1,376)	(1,576)
Contributions to/(from) Reserves	100	(353)	(353)	(353)	(353)	(353)	(179)	(179)	(635)	148	148
<b>Total Financing</b>	<b>(12,606)</b>	<b>(12,954)</b>	<b>(13,963)</b>	<b>(14,619)</b>	<b>(14,997)</b>	<b>(15,386)</b>	<b>(15,610)</b>	<b>(16,120)</b>	<b>(16,996)</b>	<b>(16,644)</b>	<b>(17,287)</b>
<b>Budget Gap (surplus)/deficit</b>	<b>1,083</b>	<b>1,295</b>	<b>526</b>	<b>19</b>	<b>181</b>	<b>150</b>	<b>276</b>	<b>123</b>	<b>(391)</b>	<b>328</b>	<b>56</b>
<b>Contribution to/(from) Stabilisation Reserve</b>	<b>(1,083)</b>	<b>(1,295)</b>	<b>(526)</b>	<b>(19)</b>	<b>(181)</b>	<b>(150)</b>	<b>(276)</b>	<b>(123)</b>	<b>391</b>	<b>(328)</b>	<b>(56)</b>
<b>Unfunded Budget Gap (surplus)/deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Assumptions	
Revenue Support Grant:	nil all years
Locally Retained Business Rates:	2% all years
Council Tax:	2% all years
Interest Receipts:	£130,000 in 17/18 - 18/19, £250,000 in later years
Property Inv. Strategy:	£500,000 from 16/17, £700,000 from 18/19, £800,000 23/24 onwards. Sennocke and Bradbourne development income included from 2018/19.
Pay award:	1% in 16/17 - 19/20, 2% in later years
Other costs:	2.25% in all years
Income:	2.5% in all years

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2017/18 Budget Setting Timetable

	Date	Committee
<b>Stage 1</b>		
Financial Prospects and Budget Strategy 2017/18 and Beyond	6 September	Finance AC
	15 September	Cabinet
↓		
<b>Stage 2</b>		
Review of Service Dashboards and Service Change Impact Assessments (SCIAs)	22 September	Planning AC
	4 October	Housing & Health AC
	6 October	Policy & Performance AC
	11 October	Economic & Comm. Dev. AC
	18 October	Legal & Dem. Svs AC
	1 November	Direct & Trading AC
	15 November	Finance AC
↓		
<b>Stage 3</b>		
Budget Update (incl. Service Change Impact Assessments (SCIAs), feedback from Advisory Committees)	1 December	Cabinet
↓		
<b>Stage 4</b>		
Budget Update (incl. Government Settlement information)	12 January	Cabinet
↓		
<b>Stage 5</b>		
<i>Budget Update and further review of Service Change Impact Assessments (if required)</i>	<i>January - February</i>	<i>Advisory Committees</i>
↓		
<b>Stage 6</b>		
Budget Setting Meeting (Recommendations to Council)	9 February	Cabinet
↓		
<b>Stage 7</b>		
Budget Setting Meeting (incl. Council Tax setting)	21 February	Council

Note: The Scrutiny Committee may 'call in' items concerning the budget setting process.

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**AFFORDABLE RENT TENURE (PROPOSED ADJUSTMENT)**

**Housing & Health Advisory Committee - 4 October 2016**

Report of Chief Planning Officer

Status: For information

Key Decision: No

---

**This report supports the Key Aim of the District Council's affordable housing development programme and wider housing strategy.**

**Portfolio Holder** Cllr. Michelle Lowe

**Contact Officer** Gavin Missons Ext. 7332

---

**Recommendation to Housing & Health Advisory Committee:** That the report be noted

---

**Reason for recommendation:** To ensure that the District Council continues to be an effective enabler of affordable housing by adapting to emerging national policy.

---

**Introduction and Background**

- 1 The attached appendices were considered at Cabinet on 14 July 2016 and are submitted for information.
- 2 The relevant minute extract is below ( Minute 15)

'The Housing Policy Manager gave a presentation which updated Members on ongoing discussions and ideas and included an additional recommendation to the one contained within the report.

The report recommended that the District Council allow new-build Affordable Rent social housing to be let at up to 80% of Open Market Rent (OMR) from this point forward. That said, the District Council would still support the LHA threshold where viability allowed and develop other models of delivery which would help to maintain Local Housing Allowance (LHA) levels on new-build housing, e.g. cross-subsidy projects and/or institutional investment.

If agreed, the approach would be reviewed when the District Council's upcoming housing needs study was complete and as part of the subsequent development of a new housing strategy. Therefore this was potentially an interim measure. The Housing Policy Team will continue to explore new

## Agenda Item 8

delivery models and this will likely result in a move towards more cross-subsidy and institutional development projects. The recommended change in approach would enable current models to continue to work and would be critical to enabling continued provision in the interim period and until such time as alternative models become the norm.

Further to the presentation, Members welcomed the idea of more tailored cross-subsidy models to take into account particular areas with differing complexities.

### Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) an amendment to the rent setting objectives by allowing all new-build Affordable Rented housing to be set at a rate of up to 80% of Open Market Rent values, be approved; and
- b) opportunities for onsite private rental units in lieu of affordable housing be discussed positively, subject to viability considerations and identified need.'

### **Key Implications**

#### Financial

None directly arising from this report.

#### Legal Implications and Risk Assessment Statement.

None directly arising from this report.

#### Equality Assessment

None directly arising from this report.

### **Appendices**

Appendix A - report to Cabinet on 14 July 2016

Appendix B - Presentation given at Cabinet on 14 July 2016

### **Background Papers:**

[Cabinet agenda and minutes 14 July 2016](#)

**Richard Morris**  
Chief Planning Officer

**AFFORDABLE RENT TENURE (PROPOSED ADJUSTMENT)**

Cabinet - 14 July 2016

Report of Chief Planning Officer

Status: For Decision

Key Decision: Yes

---

**This report supports the Key Aim of the District Council's affordable housing development programme and wider housing strategy.**

Portfolio Holder Cllr. Michelle Lowe

Contact Officer Gavin Missons Ext. 7332

---

**Recommendation to Cabinet:** That Members approve an amendment to the rent setting objectives by allowing all new-build Affordable Rented (AR) housing to be set at a rate of up to 80% of Open Market Rent (OMR) values.

---

**Reason for recommendation:** To ensure that the District Council continues to be an effective enabler of affordable housing by adapting to emerging national policy.

---

**Introduction and Background**

- 1 Back in 2012, the Affordable Rent (AR) tenure was introduced to enable Housing Associations (HA) to charge higher rents with a view to becoming self-sufficient and to supplement reduced public subsidy. This new model allowed HAs to charge up to 80% of OMR, whereas the Social Rent (SR) model had been traditionally set at around 60% of OMR.
- 2 Although Local Authorities (LA) were mindful of the change in approach and fully understanding of its purpose, the majority view of Kent LAs was that they should seek to ensure that HAs charged rent at up to 80% OMR (as per Government advice), but to hold to a threshold of the relevant LHA (given the lack of clear Government advice). In doing so, LAs could still ensure a protection net for those tenants fully reliant on Housing Benefit (HB), i.e. those residents could claim 100% HB and not have to fund any shortfall themselves.
- 3 This approach allowed for the AR tenure whilst still corresponding with LA objectives whereby the housing would remain affordable for those most in need. This was all set out in the Kent Tenancy Strategy and the District Council's own subsequent Tenancy Strategy 2012 (which included the LHA

## Agenda Item 8

threshold rule). HAs were consulted on this policy and there was no objection to the LHA rule.

- 4 With AR, all housing-related service charges must be included within the AR charge itself. This is completely different to SR where rent and service charges are charged separately. A proportion of the additional revenue generated by AR can be lost to service costs, therefore. With an increasing number of flatted developments in the District and those increasingly being of an executive type (Ryewood and The Pembroke, for instance), service charges can be that much greater. This then leaves a lower net rent available to the HA to service its respective debt. All of this, of course, has a consequent negative effect on any HA development viability appraisals.

### Recent policy/legislation

- 5 Having now gained Royal Assent, the Welfare Reform and Work Act 2016 has introduced a statutory 1% rent reduction on social housing rents. This is to tie in with a freeze on Local Housing Allowance (LHA) rates from this year and through to 2020. With HA business plans previously assuming rent increases (typically CPI+1%), rather than a (now) year on year reduction, HAs are left facing an unforeseen and combined reduction of around 14% in revenue through that period (and potentially beyond 2020). Therefore, revenue generated by any new-build housing must be maximised, more than ever, to: 1) counteract the removal of all grant funding for AR housing, and 2) maximise income to offset the effects of the 1% rent reduction.

### Likely effects of recommended action

- 6 Assuming a delivery rate of 50 x new AR homes per year in the District over the next decade, an additional 500 x AR properties would be added to the District's social housing stock. By 2026, we would expect there to be 7,650 units of social housing and around 7,000 of those would be SR tenure. The AR housing numbers would therefore amount to around 7% of the total social stock.
- 7 With an average of 341 relets per annum and 7% of AR properties being charged at 80% OMR, this would amount to just 24 x AR (80% OMR) vacancies arising in 2026 - so a very small number and particularly when set against total social lettings for the year. Considering the 10-year projection and its effects at the end of that period, it would take several decades for any real impact to be seen and far too long in the future to be concerned about any tipping of the balance.
- 8 In fact, this additional tenure option (that being AR 80% OMR) would enable the District Council and its partner HAs to target those in low-paid employment and/or not fully benefit-dependent and, in doing so, better support economic development and other strategy associated with protecting the local essential workforce. This would therefore create an alternative product for a different and key client group (and one largely

limited with its options), so it could be seen as good strategy for the long-term future.

#### **HA feedback**

- 9 The District Council's key HA partners would welcome this amendment as it gives flexibility to secure funding for new-build projects. Their current expectation is that they will look to secure deals that cap the rents to the lower of either LHA or 80% OMR, but this could change as funding and income is further restricted.

#### **Tenure conversions**

- 10 Partner HAs are also now able to convert a proportion existing housing tenancies at the point of vacancy, e.g. SR to AR or SR to shared-ownership - the former generating additional revenue through to the long-term and the latter creating an immediate capital sum by unlocking some equity in the property. This, again, was introduced as a means to create additional funding to support reduced grant. There have been very few conversions in the District to date, however, which is a positive in terms of related housing strategy.
- 11 This position could potentially change as things become more of a struggle for HAs, however, and so the Housing Policy Team will monitor the situation and report back to the Housing and Health Advisory Committee (HHAC) if conversion rates do start to become a concern. For the time being, it is proposed that the relaxation of the LHA threshold only applies to new-build properties, therefore, this being key to creating viable projects.

#### **Summary of recommended approach**

- 12 With the above in mind and to ensure that the District Council continues to be an effective enabler of affordable housing into the future, it is recommended that the District Council allows new-build AR social housing to be let at up to 80% OMR from this point forward. That said, the District Council could still support the LHA threshold where viability allowed and develop other models of delivery which would help to maintain LHA levels on new-build housing, e.g. cross-subsidy projects and/or institutional investment.
- 13 If agreed by Cabinet, this approach would be reviewed when the District Council's upcoming housing needs study is complete and as part of the subsequent development of a new housing strategy. This approach would be a potentially interim measure, therefore.

#### **Other Options Considered and/or Rejected**

- 14 If the District Council were to retain the current LHA capping rule, it would likely see far fewer active HA partners pursuing development opportunities in the future and the affordable housing programme could potentially grind to a halt, or at least become minimal in its delivery. The recommended

## Agenda Item 8

change in approach would help to safeguard the District Council's affordable housing programme by giving its partner HAs the scope to increase revenue and, as a result, maintain development programmes here in the Sevenoaks District by charging up to 80% of OMR.

- 15 The Housing Policy Team will continue to explore new delivery models and this will likely result in a move towards more cross-subsidy and institutional development projects. The recommended change in approach will enable current models to continue to work and will be critical to enabling continued provision in the interim period and until such time as alternative models become the norm.

### **Key Implications**

#### Financial

No impact on District Council resources.

#### Legal Implications and Risk Assessment Statement.

The above recommended approach accords with all related legal and policy issues. If the District Council were to stick with LHA capping, it would risk future development and, potentially, the whole affordable rented housing development programme.

#### Equality Assessment

This approach could potentially cut out a very small number of relets to those fully reliant on welfare benefits, but the added benefits of being able to deliver additional housing far outweighs any negative impact.

#### Sustainability Checklist

No negative impacts.

#### **Background Papers:**

Kent Tenancy Strategy 2012

SDC Tenancy Strategy 2012

**Richard Morris**  
**Chief Planning Officer**

# ENABLING OF AFFORDABLE HOUSING

## - ISSUES AND OPTIONS -

Gavin Missons, Housing Policy Manager

# Affordable housing

*‘Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market’.*

To also include the new Starter Homes product.



# Housing associations

- Under no obligation to build in this District and can achieve much more elsewhere
- Each developing HA has a unique set of financial appraisal assumptions
- Very different results - some can make a scheme work whereas others can't (Ryewood being a topical example)

# Housing associations (2)

- Funding is often ring-fenced (for example, RCGF for S/O only)
- Rent reductions and zero grant for rented - HAs will be re-evaluating their whole approach in the coming years
- Right-to-Buy (2) - facing the situation where homes will be lost and difficult to replace
- Need to create an environment where HAs are supported and encouraged to deliver projects as the sector goes through significant change

# Preferred partners

- Very few active HAs operating in the District, but we do have a small group of committed and high-performing HAs
- Relationship - accommodating to their needs and historical loyalty etc
- Flexible approach - attracting others, such as Hanover Housing

# The challenge for Housing Policy



- To maximise affordable housing (of all types) against a back-drop where this District is not particularly attractive for HAs
- To be creative and as flexible as possible and to evolve our approach to the enabling of affordable housing
- To maintain (and potentially build on) our preferred partner list

# Affordable rent at 80% OMR

- Capital grant from Central Government significantly reduced over recent years and nothing for AR going forward
- HCA instead allowed HAs to charge rents at up to 80% OMR
- Shift in Government policy towards home ownership
- Additional rental income can be used to fund borrowing on affordable units

# Affordable rent at 80% OMR (2)

- HCA now requires an exemption for any housing not at 80% OMR
- If there aren't the people available to take up the allocation of 80% OMR units, HAs will need to drop back down to LHA levels
- ARs include any service charges, so not always as expensive as you might think
- AR no longer a product (2016-21 programme)

# Comparison costs



1-bed apartment:

AREA	CAPPED RENT (LHA)	80% OMV	PRIVATE RENT
Sevenoaks	135.36	175.38	219.23
Swanley	124.36	137.93	166.67
Edenbridge	135.36	137.54	171.92

3-bed house:

AREA	CAPPED RENT (LHA)	80% OMV	PRIVATE RENT
Sevenoaks	223.19	276.92	346.18
Swanley	174.43	221.54	276.92
Edenbridge	223.19	235.38	294.92

# Different housing markets

- Potential for new housing strategy to have individual plans for the towns and rural areas
- Potentially meet local need with different mixes of affordable housing types, e.g. more rented in one area and more shared-ownership and/or supported in another

# General approach going forward



- Enabling role will be much more complex - so many variables
- Can't have a standard set of rules applied across the board (hence proposed sub-area approach)
- Already have flexible planning and housing policies
- Need to relax the rules to evolve as effective enablers of affordable housing
- Continue to explore alternative cross-subsidy models

# More specifically

- Consider additional cross-subsidy - fewer rented units and more S/O, for instance
- Potential opportunities for on-site private rental units in lieu of affordable housing subject to viability considerations and identified need.
- Allow ARs (or successor tenancy) at 80% OMR - though still to work to LHA cap, where we can (as per report)
- Further explore private institutional investment models and pilot new housing type models, e.g. Starter Micro-units

# Results

- Continue to deal with projects on a case-by-case basis, but better equipped with an extended range of options and approaches
- An even closer/linked planning and housing approach
- HAs enabled to significantly increase their offers and deliver housing
- Reduced pressure further down the rental chain
- Meet the needs of intermediate groups

## Results (2)

- Fewer economically-active households out-migrating to areas with cheaper housing
- Less pressure on low-end PRS - less consequent pressure on SR and AR stock
- SR relets will be the key continuing supply for the lowest income households in need
- A strengthened planning and housing strategy to enable the delivery of affordable housing

Household income

£80,000

Qualifies for Starter Homes - no other intervention

Excluded from SDHR and AR at 80% OMR but qualifies for shared-ownership, Starter Homes and, potentially, the proposed HA-led private rented option - so a relatively good set of options

£45,000

Excluded from the SDHR, but qualifies for shared-ownership, could access limited Starter Homes, and potential AR 80% OMR cohort to target - though, would need an adjustment to the SDHR to allow for a separate threshold or direct marketing

£33,500

Qualifies for SDHR and potential to undertake more active targeting for lower-end shared-ownership (particularly resale option), and potentially Starter Homes - subject to relevant financial appraisals

- Flexible housing solutions to meet individual needs
- A move away from the traditional SR/PR/HO model

# Recommendations

- 1) As per agenda item (5) report; and
- 2) *‘To agree to discuss positively opportunities for on-site private rental units in lieu of affordable housing subject to viability considerations and identified need’.*

**END**

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**COMMUNITY SPONSORSHIP PROGRAMME - SYRIAN VULNERABLE PERSONS  
RELOCATION SCHEME (SVPRS)**

**Housing and Health Advisory Committee - 4 October 2016**

Report of Chief Officer Communities & Business

Status: For Decision

Also considered by: Cabinet - 13 October 2016

Key Decision: Yes

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**Executive Summary:** This report updates Members on the current position regarding the Syrian Vulnerable Persons Relocation Scheme and considers further actions in relation to the Community Sponsorship Programme.

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**This report supports the Key Aim of safe and caring communities and healthy environment**

**Portfolio Holder** Cllr. Michelle Lowe

**Contact Officer(s)** Hayley Brooks, Ext 7272

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**Recommendation to Housing & Health Advisory Committee:**

For consideration and to note the content of this report.

**Recommendation to Cabinet:**

To approve that Officers work on and implement a process to consider applications from potential Community Sponsors so that the Council can assess whether it should consent the approval of the applicant to operate as a community sponsor in this District.

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**Reason for recommendation:**

This Council has been asked to pledge support to resettle identified families as part of the Kent Syrian Vulnerable Persons Relocation Scheme, if affordable and suitable private sector housing accommodation and support services are available.

This Council may be asked by local charities, who apply to resettle families as part of the Community Sponsorship Programme, to give consent to approve their application to operate as a community sponsor in this District.

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### Introduction and Background

- 1 In response to the current crisis in Syria, the Government set up the Syrian Vulnerable Persons Relocation Scheme (SVPRS) in February 2014. This scheme involves taking identified vulnerable refugees straight from the Middle East and resettling them in the UK. The refugees are given five years Humanitarian Leave to Remain and as such are able to work and claim benefits and other public funds from day one.
- 2 On 7 September 2015, the Prime Minister announced that SVPRS will be expanded so that 20,000 people will be assisted under the scheme by the end of the Parliament in 2020. Local authorities are key to the delivery of this offer. The scheme is currently voluntary and dependent on local authorities agreeing to take part.
- 3 Details of this scheme, and the Council's current position, are summarised below in paragraphs 20 to 24 below.

### Community Sponsorship Programme

- 4 In addition to the SVPRS, in July 2016, a further scheme, the Community Sponsorship Programme, was launched by the Home Secretary. This scheme enables local registered charities or Community Interest Companies (the Sponsor) to apply directly to support the resettlement of refugees as part of the SVPRS.
- 5 The Sponsor must have written evidence from the local authority in which they wish to place a resettled family, which supports the approval of their application. In two-tier areas, consent must be sought from both the County and District Councils. The application is then considered by the Home Office.
- 6 The Sponsor must be able to demonstrate that they have suitable and sustainable accommodation for a resettled family, and that it will be available for a resettled family to use for a minimum of two years.
- 7 If the Sponsor does not have accommodation immediately available but is able to demonstrate that they will be able to obtain appropriate accommodation in time, the Home Office may approve the application on condition that suitable accommodation is secured.
- 8 If the cost of the accommodation exceeds Local Housing Allowance rates, the sponsor must demonstrate how they will meet the additional cost..
- 9 The local authority might object based on:
  - a) insufficient capacity to accommodate a family in the proposed housing area (e.g. lack of school places);
  - b) concerns about community tensions in the proposed housing area;

- c) where they have reason to believe that the community organisation is not suitable to undertake the resettlement of vulnerable adults and children; or
- d) another appropriate reason.
- 10 As a community sponsor, the community organisation will need to demonstrate sufficient resources (financial, housing and personnel) and a detailed Plan, backed by relevant experience of supporting communities, to resettle families over at least a one year period. They will be responsible for the families from arrive in the UK including:
- meeting the family at the airport;
  - providing a warm welcome and cultural orientation;
  - providing housing (lasting at least two years);
  - supporting access to medical and social services;
  - English language tuition; and
  - support towards employment and self-sufficiency.
- 11 If the Sponsor is unable to sustain the support over the required period of the Agreement in place, the local authority may be required to take on the support to continue the family resettlement.
- 12 Unlike the main SVPRS, the Sponsor does not receive the tariff given to local authorities as set out in the following paragraphs. The sponsor must have proven self-funded finances in place (at least £9k per family) before an agreement is approved.

### **Syrian Vulnerable Persons Relocation Scheme in Kent**

- 13 The original national SVPRS scheme continues and is based on the needs of individuals and prioritises those who cannot be supported effectively in their region of origin, including: women and girls at risk; survivors of violence and/or torture; refugees with medical needs or disabilities. Individuals accepted onto the scheme are able to bring their immediate family with them. Once cases have been assessed and referred from the UNHCR, the Home Office checks that the individual meets the eligibility criteria, carries out medical and thorough security checks and arranges the necessary visas.
- 14 Kent County Council is co-ordinating the Kent SWPRS across the County with local partners and the Home Office. Details of Identified families are sent to KCC who then pass the details onto the district and borough councils who are participating in the scheme. The details of the families include: the family make up; age and specific needs; including a full medical health assessment report. If accepted the local authority (both district and county in two-tier areas) will need to arrange housing, school places and any additional support that is required.

## Agenda Item 9

- 15 Kent County Council, working with district and borough councils, provides a support package delivered by local community, faith and voluntary sector organisations who have agreed to provide support services, once families are matched to a local area.

### District Pledges So Far

- 16 To date 43 people have been resettled in Kent (10 families). Once pledges have been confirmed, District Council Housing Teams begin looking for suitable properties. Once these have been secured they contact KCC who then inform the Home Office. Appropriate families are then referred via KCC for consideration (Phase 1).

District/Borough	Latest position
ASHFORD	250 people (approx 50 families) over the 5 years; currently have 6 families. Resettlement support is provided by ABC staff.
CANTERBURY	10 families over the 5 years.
DARTFORD	Wish to take one at a time and will be reviewed after each family.
DOVER	12 families over the 5 years; two properties found; one family arrived early July; soon to receive another. Resettlement support is being provided by Migrant Help.
GRAVESHAM	5 families over the 5 years.
MAIDSTONE	Plan to take 6 single men or women over the 5 years, but may take a large family instead.
SEVENOAKS	To be confirmed.
SHEPWAY	10 families over the 5 years.
SWALE	10 families over the 5 years (2 per year).
THANET	8 families over the 5 years.
TONBRIDGE & MALLING	10 families over the 5 years; 1 family arrived in April. Resettlement support provided by Rethink
TUNBRIDGE WELLS	10 families over the 5 years; 2 families arrived in December; soon to receive another. Resettlement support provided by Rethink

- 17 To date, this Council has not pledged to resettle any families due to the lack of affordable private sector properties in this District. This Council has

offered our HERO service to other Kent districts to help resettle families in their areas.

- 18 This Council is experiencing an increasing demand from our customers for housing assistance as part of our duty under the Housing Act 1996, as amended by the Homelessness Act 2002. We operate a number of incentive schemes to encourage private landlords to work with us to house people on lower incomes. Despite this, there is a lack of landlord engagement as part of our Private Sector Lettings Scheme. This is mainly due to the affordability gap between allocated Housing Benefit at Local Housing Allowance rates and high rental prices in the District. The lack of private rented properties and affordable housing in the District means that the current demand for housing for people on low income outweighs the properties available to this Council.
- 19 The scheme has just moved into Phase 2, whereby the Strategic Migration Partnerships are allocated a number of cases at regular intervals for planned charter flights, with the first charter flight arriving in the South East on 7 September 2016 and a second at the end of October.

#### **Local Authority funding for the scheme**

- 20 Under Home Office requirements, local authorities (including district and borough councils) that take families must provide resettlement support for at least one year; support in place is set out in the 'Statement of Requirements'. This involves assisting families to resettle into the UK, helping them to access all the appropriate services and starting the process of fully integrating them into their communities.

The following funding is available to local authorities for one year following the arrival of the family:

Adults:	£8,520
Children 5-18:	£8,520 plus £4,500 for education
Children 3-4:	£8,520 plus £2,250 for education
Children under 3:	£8,520

- 21 Year's two to five funding will also be available: Year 2 - £5,000 per person, Year 3 - £3,700 per person, Year 4 - £2,300 per person, Year 5 - £1,000 per person. There will also be support for education and health in years 2-5, which will be funded separately from the local authority tariff.
- 22 It is important to note that the above figures do not include the Housing Benefit and other DWP benefits (which will be paid in the usual way) or the medical care costs (which will be paid direct to the CCGs - £2,600 per person). Extra funding may be available in exceptional cases.

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### Key Implications

#### Resource (non financial)

- 23 This Council would be required to provide written consent to any Community Sponsors within the District who applies to resettle families.
- 24 If this Council pledges to support the resettlement of families in this District, Officer and partner resources would be required to meet the support and housing requirements.

#### Financial

- 25 a) SVPRS: Currently, the Council has made no commitment to take part in the main scheme. The offer to provide HERO advice would be made in return for payment for the service. If this Council were in the future to participate in the Kent SVPRS, the Council would receive the local authority tariff to cover costs for supporting the resettlement of families, as set out in paragraphs 20 to 21 above.
- 26 b) The Community Sponsorship Programme: If an approved Community Sponsor fails their responsibilities, additional financial costs may apply to the Council to continue to support resettled families. Other resources, for example Housing and other staff time would be necessary to process applications for the scheme to assess whether the Council is able to support an application and to work with Government departments and the County Council in the processing of the application.

#### Legal Implications and Risk Assessment Statement.

- 27 These would need to be assessed as part of the detailed planning to take any recommended actions forward as part of this work.
- 28 Legal implications would be considered as part of any assessment for written consent by this Council to support a charity as part of the Community Sponsorship Programme.

### Conclusions

- 14 Members are asked to approve the work of Officers to implement a process to consider applications from potential community sponsors, as part of the Syrian Vulnerable Persons Relocation Scheme. This will enable this Council to assess whether it should consent the approval of the applicant to operate as a community sponsor in this District.

**Background** [Home Office - Full Community Sponsorship Guidance](#)  
**Papers:**

**Lesley Bowles**  
**Chief Officer Communities & Business**

**PUBLIC HEALTH (PREVENTATIVE SERVICES) DEVOLUTION**

**Housing & Health Advisory Committee - 4 October 2016**

Report of Chief Officer Communities & Business

Status: For consideration

Also considered by: Cabinet - 10 November 2016

Key Decision: Yes

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**Executive Summary:** This report gives details of the proposed devolution arrangement for Public Health and Health Improvement in partnership with Kent County Council, Tonbridge & Malling and Tunbridge Wells Borough Councils

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**This report supports the Key Aim of a healthy environment and reducing the health inequalities gap.**

**Portfolio Holder** Cllr. Michelle Lowe

**Contact Officer** Lesley Bowles, Ext 7430

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**Recommendation to Housing & Health Advisory Committee:**

- (a) To consider the proposed arrangements;
- (b) To recommend to Cabinet that the principles of the West Kent Public Health Preventative Services devolution model and the Partnership Agreement are approved.

**Recommendation to Cabinet:**

- a) To approve the principles of the West Kent Public Health Preventative Services devolution model;
- b) To approve the Partnership Agreement, as set out in the Annex to this report.

It is anticipated that, by the time this report is considered by Cabinet, the West Kent Integration Board will have set out their proposed governance arrangements.

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**Reason for recommendation:** This will enable the Council to act in the best interests of its residents in the provision of local health improvement activity.

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# Agenda Item 11

## Introduction and Background

- 1 The West Kent Board was set up in response to the Government's devolution agenda. It is made up of the leaders of the four Councils, Kent, Sevenoaks, Tonbridge & Malling and Tunbridge Wells. Meetings are also attended by the three Chief Executives and two Officers from the County Council.
- 2 The Board aims to retain the individual sovereignty of the four councils, save money by taking out waste and duplication and develop structures that enable services to be co-commissioned, delegated or devolved.
- 3 The Board is currently operating in shadow format and has set up a range of working groups focussing on different issues where it is thought that better integrated working between the two tiers of government could have local benefits. Priority was given to opportunities where there was consensus across the four authorities, the risks were low and benefits high. One of the groups was set up to focus on arrangements for public health (preventative services).
- 4 The Board has approved in principle the proposed model and Partnership Agreement and is considering further the governance arrangements for this and other workstreams.

## The proposed model and Partnership Agreement

- 5 The proposed model and Partnership Agreement are set out in the Annex to this report.

## Key Implications

### Financial

- 6 There is no commitment to any additional funding on the part of the District Council as part of this partnership arrangement. There is a commitment to ensure that some identified funding streams identified in the Annex, eg Disabled Facilities Grants, grants to voluntary organisations, youth funding, are used not only to achieve their own objectives but also work harder and smarter in order to address health improvement objectives also. More detail is set out in the Annex to this report.
- 7 Legal Implications and Risk Assessment Statement. These arrangements rely on working in partnership. Currently the West Kent Integration Board works on a partnership basis and a group of Officers is working on the governance arrangements. Kent County Council has the statutory responsibility for health. Any procurement that takes place will be a joint decision but the arrangements will be the responsibility of the County Council.

### Equality Assessment

This is addressed in the Annex to this report.

**Conclusions**

The proposed partnership arrangements provide an opportunity to improve on the current public health (preventative services) model as the current funding comes to a close. The new arrangement offers increased influence by the District Council in terms of the local provision, along with KCC funding to enable our activity. It is a model which supports and enhances the Sevenoaks District (now West Kent) Health Deal.

**Appendices**

Annex consisting of the report and appendices presented to the 20<sup>th</sup> September 2016 meeting of the West Kent Integration Board

**Background Papers:**

As set out in the Annex to this report.

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**Lesley Bowles**

**Chief Officer Communities & Business**

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**ANNEX**

**WEST KENT INTEGRATION BOARD - 20TH SEPTEMBER 2016**

Report of                      Dr Pav Ramewal

Status:                        For Decision

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Recommendation to West Kent Integration Board

- i)      **To approve the principles of the West Kent Public Health Preventative Services devolution model set out in paragraphs 12 to 23 below;**
- ii)     **To approve the Partnership Agreement between Kent County Council, Tonbridge and Malling and Tunbridge Wells Borough Councils and Sevenoaks District Council to work together to deliver the West Kent Public Health Preventative Services devolution model over the three years 2017/18 to 2019/20;**
- iii)    **To set up a Health Improvement Partnership Board made of Health Portfolio Holders and Officers of each Council plus the KCC Director of Public Health to oversee delivery of budgets, outcomes and principles and report back to the West Kent Integration Board on a regular basis.**

The Partnership Agreement:

- (a)    Is attached at Appendix A (below)
- (b)    Is subject to ratification by the four councils;
- (c)    sets out a joint delivery model;
- (d)    is based on the principles of the West Kent Public Health Preventative Services devolution model set out below;

**Introduction and Background**

- 1      Kent County Council has a statutory duty to deliver the Public Health function, in partnership with others, to improve the health and wellbeing of Kent residents and reduce health inequalities. All Councils have a duty to plan for the health and wellbeing of the residents they serve. District and

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Borough Councils have a role to play in delivering health protection, health improvement and key services to address the wider determinants of health.

- 2 The 2015 King's Fund report 'The District Council Contribution to Public Health: a time of challenge and opportunity' looked at the opportunities for District and County Councils to work together holistically to deliver the public health agenda. The report demonstrates that 'district councils are in a good position to influence many factors of good health through their key functions' and describes a 'radical upgrade in prevention'.
- 3 Earlier this year, the three districts and boroughs developed a West Kent Health Deal, setting out a vision for the three Councils' roles in health going forward. This is attached at Appendix B.
- 4 The County Council's new countywide preventative service strategy is to offer seamless support to individuals who need to make change, to help motivate change, make the change and then maintain the change. Their aim is to do this through a service based around the individual and this approach is supported by the district and borough councils.
- 5 The County Council's public health team propose to start the procurement process in Autumn 2016. A report to the County Council's Adult Social Care and Health Cabinet Committee on 12<sup>th</sup> July 2016 sought endorsement of re-commissioning and the competitive tendering of a new model.
- 6 The report said '*There is clear scope for partners (including health commissioners and district /borough councils) to work in partnership to drive better integration of services that contribute to improving Public Health outcomes. This transformation and re-commissioning will support this work to improve the health of Kent residents and reduce health inequalities.*'
- 7 '**Work with Districts:** District Councils play a significant role in delivering core public health outcomes and understand local communities' needs. Work is being developed across the County and there is a specific programme of work in West Kent to re-model our approach with stronger working and better utilisation of resource across the County Council and 3 District Councils. This closer collaborative working will make better use of the diminishing preventative resources collectively and inform the development of the model more widely across the County.'

### West Kent Integration Board

- 8 The Board was set up in response to the Government's devolution agenda. It is made up of the Leaders of the four Councils, Kent, Sevenoaks, Tonbridge & Malling and Tunbridge Wells, together with Chief Executives from the three district/borough councils and senior Officers from the County Council.
- 9 This proposal supports the Board's aims to retain the individual sovereignty of the four councils, save money by taking out waste and duplication and

develop structures that enable services to be co-commissioned, delegated or devolved.

- 10 It is proposed that a Partnership Board, reporting to the West Kent Integration Board should be set up including Portfolio Holders and Officers from each of the four councils to oversee delivery of budgets, outcomes and principles and report back to the West Kent Integration Board on a regular basis.
- 11 The Partnership Board should also include the County Council's Director of Public Health

### **Proposed West Kent Health Improvement Model**

#### **SUMMARY OF APPROACH**

- 12 In response to the West Kent Integration Board's intention to work together on Public Health (Preventative Services) an Officer Working Group was set up. Through the group the following approach has been developed:
  - a) Transparency of spend - with all parties sharing the detail of £2m current spend (£1m KCC, £1m district spend) and developing a 3 stage model to structure more efficient and effective delivery. The 3 stages that the collaboration will focus on, are :
    - Motivate change
    - Make/support change
    - Maintain change
  - b) The development of the "district deal", pioneered by Cllr Lowe in Sevenoaks District council, which outlines how districts can more systematically integrate health into all their work including through all of their policies and their wider service provision.
  - c) An intelligence led approach ensuring that there is a focus in the districts on those communities in which there are the highest health inequalities. This will mean a more local approach, focusing the resource in particular wards where there are high rates, or local intelligence that suggests high prevalence of core health issues e.g. smoking/mental health issues/high levels of alcohol or drug misuse or higher levels of obesity.
  - d) A co-commissioning approach:  
A county procurement for a new adult health improvement service was delayed for 6 months to give time for this work to be developed and approved. Part of the focus of the work in West Kent has been to reshape the connection between this procurement and the devolution new model. This has resulted in a bespoke model for the 3

## Agenda Item 11

districts/boroughs which will mean that the districts/boroughs provide the function of accepting referrals and assessing the need. This function will then signpost the person to the most appropriate service.

The advantage of this approach is that it will ensure a more holistic assessment of need, particularly picking up where there are connected issues with health such as debt, unemployment or housing related issues. This is a potentially hugely exciting model offering the opportunity to integrate all sorts of assessment functions over time and to support a shared intelligence approach to directing resource which supports people to change.

The model also means that people may not need to go to the adult health improvement service, but instead could directly access leisure provision or other district provision and enjoy a more sustainable level of support.

### PRINCIPLES

- 13 The proposed West Kent Health Improvement Model is informed by the King's Fund report and the West Kent Health Deal. The model provides for the four councils to manage their collective resources in a way that not only generates best value for money and delivers against outcomes but also provides a platform for further integrated working that delivers longer-term health solutions.
- 14 The West Kent Integration Board, made up of the four councils, should be the decision-making body for the County Council's health preventative services budget in West Kent through a co-commissioning process. The Board should agree the budget, outcomes and principles, set out in a Partnership Agreement.
- 15 District and Borough Council resources that currently have the potential to have a positive impact on local health and wellbeing should, wherever possible, be used in a way that complements the agreed outcomes, consistent with the West Kent Health Deal approach. These resources are set out in Appendix C.
- 16 A Health Improvement Partnership Board, made up of Health Portfolio Holders from each of the councils with supporting Officers from each Council, should be established to oversee the delivery arrangements.
- 17 The Board will work to ensure that maximum value for money and effectiveness is provided. Where it is jointly agreed, through a co-commissioning process, that a service should be externally procured, all four councils will play an equal role in the specification and evaluation processes.
- 18 The Board will work to see if further efficiencies can be made over the next 3 to 5 years.
- 19 The agreed health outcomes should relate to the health priorities of all four councils and may change over time as local needs change.

- 20 District and Borough Councils will, through a local hub model, play a full role in the co-ordination and delivery of the local public health (preventative services) provision, ensuring that services address local needs and are co-ordinated with other local delivery;
- 21 It is envisaged that there should be one single referral point for the three Districts that feeds into a Local Hub for each district or borough. This may not be a physical hub but enables a holistic assessment of individual needs and considers the wider determinants of health such as debt, housing and community provision. Co-location of locally procured services within the District and Borough Council offices will enable the integration of this new assessment function and make for efficiencies in delivery and better outcomes for the customer.
- 22 District, Borough and County Councils should work together to bring the necessary range of skills and experience together to bear on the delivery of the Partnership Agreement.
- 23 It is recognised that delivery models may change over time but it is likely that Partnership Agreements will last for a minimum of three years in line with the commissioning timescales. The delivery model should provide for arrangements to be responsive to changing needs

#### **FINANCIALS 2017/18 TO 2019/20**

- 24 Currently, KCC spends just under £1 million on the identified outcomes each year on public health preventative services in the area covered by the three West Kent district/boroughs. It is recognised that this budget is reducing.
- 25 This sum in 2016/17 included **£397,653** which is currently passed to District Councils to undertake work on healthy lifestyles. There have been some additional monies that have been granted to districts and boroughs to deliver services for workplace health and winter warmth that are currently under review and may be included in the final arrangement.
- 26 KCC currently also procures services such as smoking cessation, health trainers, campaigns and postural stability from other providers.
- 27 The current funding agreement for the procured Adult Lifestyle service will end in March 2017.
- 28 Through working together in 2016/17, savings of 7.5% have already been made.
- 29 The KCC sum available for the Public Health Preventative Services devolution model as set out in this report is £1,000,000 for 2017/18. There is uncertainty concerning the Government's ring-fencing of this budget from March 2018 and therefore all arrangements including contracts may need to be negotiated in subsequent years.

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- 30 Work already undertaken by KCC Commissioning Officers and Officers in West Kent through a co-commissioning process has identified that, over the three year period, it could be most beneficial and cost effective to procure the most specialist parts of the Integrated Health Service from an external provider. This is likely to include targeted interventions and 1:1 consultations in response to triage referrals and targeted campaigns and will cost c£400,000 in the first year.
- 31 The remaining funding will be apportioned by the Partnership Board to deliver the functions of the partnership Hubs and will be spent on direct delivery by the Hubs.
- 32 If the procured provider is successfully delivering on outcomes using the most-needed specialist skills, the Partnership Board could agree to apportion up to £100,000 of this funding to the procured provider on a menu basis. This will ensure maximum flexibility and value against local needs.
- 33 The funding available from District Council budgets for the same period will be approaching £1million in the first year for Council activity that could have a positive impact on health. It will be considerably more, in excess of £3million, including Disabled Facilities Grants.

### Value for Money

- 34 Value for Money will be provided through:
  - a) A saving of 7.5% already made in the KCC public health (preventative services) budget with no corresponding reduction in outcomes.
  - b) The three West Kent districts/boroughs also spend at least £1million per year in total on activity that can have a positive impact on health. This includes, for example, Disabled Facilities Grants, grants to voluntary organisations, health promotion through local publicity and campaigns, debt advice, community safety schemes aimed at the vulnerable or those with dementia, domestic abuse and other small projects. Budgets for these services are determined annually by the district/borough councils. It is proposed that these budgets continue to fund such community activity but that a focus on health improvement is prioritised alongside the priorities of the individual schemes in order to help deliver the agreed health outcomes. These budgets may reduce over time but should continue at least at a level that match funds the County Council public health preventative services budget for West Kent. The new integrated arrangements offer scope to enhance this work to ensure that maximum benefit and value for money is obtained, to make the funding work harder and smarter and ensure linkages with the three local Health Hubs.
  - c) Additional activity is undertaken, as set out in the West Kent Health Deal, focussed on health improvements.
- 35 By adopting the proposed model the overall contribution to public health preventative services can be reduced over time whilst at the same time

significantly increasing the impact of the funding. Appendix D sets out the additional services that will be provided.

#### Legal Implications and Risk Assessment Statement.

- 36 These arrangements rely on working in partnership and on each Council supporting the principles set out above and signing the Partnership Agreement on a three-yearly basis. There will be some negotiations to be developed where the model is changing for example where TUPE may apply. Currently the West Kent Integration Board works on a partnership basis and a group of Officers are working on the governance arrangements. Kent County Council has the statutory responsibility for health. Any procurement that takes place will be a joint decision but the practical arrangements will be taken forward by the County Council's Public Health commissioning team.

#### Equality Assessment

- 37 Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to (i) eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010, (ii) advance equality of opportunity between people from different groups, and (iii) foster good relations between people from different groups. The decisions recommended through this paper directly impact on end users. The impact has been analysed and does not vary between groups of people. The results of this analysis are set out immediately below.
- 38 The proposed devolution arrangements will provide improvements on existing services that target health inequalities that will offer more opportunities for residents to access services. Where age restrictions apply to certain activities offered, residents can be signposted to alternative services. Some restrictions may apply to those who are pregnant. In these cases, medical advice would be sought and alternative services found. Events and activities are open to all and where restrictions apply, due to the nature of the services provided, we will direct people to alternative services to meet their needs.

#### Safeguarding Children and Vulnerable Adults

- 39 This activity will conform to Safeguarding arrangements. Any procurement that is undertaken will be subject to the usual requirement for the provider to demonstrate that their safeguarding arrangements are fit for purpose.

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### Conclusions

- 40 The proposed partnership arrangements provide an opportunity to improve on the current public health (preventative services) model whilst reducing the total financial contribution over time.

### Appendices

Appendix A - Partnership Agreement (below)

Appendix B - West Kent Health Deal

Appendix C - District and Borough Council resources to be focussed on health improvement activity

Appendix D - Additional services to be provided

### Background Papers:

District Councils Network - King's Fund Report

<http://districtcouncils.info/the-district-council-contribution-to-public-health-a-time-of-challenge-and-opportunity/>

Kent County Council Cabinet Advisory Committee report 12<sup>th</sup> July 2016 ItemC2

<https://democracy.kent.gov.uk/documents/g6290/Public%20reports%20pack%2012th-Jul-2016%2010.00%20Adult%20Social%20Care%20and%20Health%20Cabinet%20Committee.pdf?T=10>

### Pav Ramewal

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**APPENDIX A**

**WEST KENT HEALTH IMPROVEMENT MODEL**

**PARTNERSHIP AGREEMENT 2017/18 TO 2019/20**

- 1 The report to the West Kent Integration Board on 20<sup>th</sup> September 2016 sets out the following:
- 2 The Approach to and Principles of the Partnership Agreement - paragraphs 12-23
- 3 The Funding for the Agreement - Paragraphs 24-33
- 4 Targets will be set by the Health Improvement Partnership Board for the following agreed priorities:
  - Healthy weight and people’s physical activity
  - Reduced smoking prevalence
  - Reduced substance misuse
  - Improved Mental health
  - Improved Sexual health
  - Ageing well
  - Staying safe
- 5 Delivery will be achieved through a health Hub model. The Health Hubs will:

i.	Be located in each district/borough and be the focus of co-ordinated health assessment in the community, providing a single point of contact for referrals
ii.	Manage referrals and signposting to local opportunities and services;
iii.	Understand local need, gaps and resources, working with local organisations and communities to address those needs;
iv.	Co-ordinate local promotion through community events, communicating health messages, using In Shape
v.	Set up local opportunities such as health walks, sports development and community activity;

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vi.	Boost capacity through training and community networks;
vii.	Improve use of local community provision;
viii.	Address the wider determinants of health through Council policy;
ix.	Use core services to influence the wider determinants of health, e.g. through housing, planning, environmental health, community safety and others;
x.	Use existing core and externally funded programmes to have an impact on the agreed health outcomes. For example, training front line officers to recognise when signposting to health services is appropriate, targeting sports development activity towards areas of highest health inequality, ensuring that community safety activity makes appropriate drugs and alcohol referrals, ensuring that our grants to voluntary organisations support those working to improve health;
xi.	Participating in an Officers' Executive Group to plan and co-ordinate activity and jointly manage the co-commissioning cycle with the County Council using the Analyse, Plan, Do, Review model.
xii.	Where specialist services are procured, ensuring that they are part of the health hub and are linked in to community and GP services
xiii.	Work with the Officers' Executive Group to plan and delivery innovative approaches to preventative services.
xiv.	Deliver best value
xv.	Report outcomes to the Partnership Board

- 6 This Agreement covers the area included within the District of Sevenoaks and the Boroughs of Tonbridge & Malling and Tunbridge Wells.



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T&M logo

T'wells logo

## APPENDIX B

# West Kent

## District Health Deal

# West Kent Districts Health Deal

## 1. Introduction

District and Borough Councils are in a unique position to help the County Council's Public Health team to deliver the health agenda. We are close enough to our communities to understand how they work and how best to reach and support them. We are also close enough to community groups, other commissioned services and a whole range of agencies to provide a co-ordinated community network to deliver health holistically. We have the health improvement, community development and project management skills necessary to bring about and monitor change and the communication tools to make sure that we reach our communities in appropriate ways. We work in close partnership with the County Council, the Clinical Commissioning Groups and Health & Wellbeing Boards.

District and Borough Councils have a range of statutory duties that are essential to health and wellbeing. Because of their work in areas such as Housing, Planning, Environmental Health, Leisure and Recreation, Community Safety, Licensing and Economic Development, they are able to bring to the table vital components of a local population health offer with measurable return on investment that demonstrates benefits to health. Details of all the current services delivered by this Council, how they address the wider determinants of health and link to key health themes outlined by Public Health are set out in the table at Appendix A.

The West Kent District and Borough Councils are able to go beyond their standard core services and offer enhancements and added value that can really address the wider determinants of health. Some examples of this work that is already taking place and which could be enhanced through the West Kent District Health Deal can be found in Section 3.

We believe that by using our statutory tools and powers together as one strategy, complemented by various health programmes we can start making real in roads into the health issues of the area. We would like to work as a full and equal partner with the County Council and CCGs in a seamless manner - pooling our tools and resources to make a real difference to the health of our residents.

There are many more examples of how the shared priority of County, District and CCG to improve the health and wellbeing of residents can be delivered going forward through a co-ordinated partnership agreement between Kent County Council, Sevenoaks District Council, and Tonbridge & Malling and Tunbridge Wells Borough Councils.

## The District/Borough Offer

The recent Kings Fund report looks at the opportunities for District and County Councils, working together holistically, to deliver the public health agenda. It states *'District Councils are in a good position to influence many factors of good health through their key functions'*. It describes a *'radical upgrade in prevention'* which is also detailed within the NHS Five Year Forward View.

*As set out in The King's Fund report*, in West Kent we understand the opportunity for all of our services to be enhanced by County and District functions working in closer partnership to deliver:

### The King's Fund - County and District shared priorities:

- Ensure our actions have a positive effect on public health;
- Ensure we are cost-effective and work together to demonstrate a positive return on investment;
- Take on a more enabling role in improving the health and wellbeing of our communities, and
- Deliver innovative services.

The West Kent Districts and Boroughs already have in place the community and partner infrastructure to influence others and work with communities, the voluntary sector and local GPs to impact positively on areas as identified in *The King's Fund Report* and *Public Health England's 'Healthy People, Healthy Places'* report:

### PHE 'Healthy People, Healthy Places':

- Regulatory - Healthy Food, Alcohol Control and Infection Control;
- Active and Safe Travel;
- Good Jobs and Stay in Work;
- Warmer and Safer Homes;
- Access to Green Space and Leisure;
- Preventative Health and Wellbeing;
- Spatial Environment Planning.

In West Kent we can contribute to the overarching Public Health Outcomes Framework indicators as well as contributing to the wider health determinants and health improvement indicators set by Public Health England. Some of the key indicators that are currently under-performing for Kent compared to the England average that we can assist with relate to:

### Public Health Outcome Framework Indicators:

- Emergency Admissions to Hospitals
- Smoking prevalence
- Excess Weight in Adults
- Percentage of physically active and inactive adults
- Percentage of eligible population offered a NHS Health Check
- Injuries due to falls in people aged 65 and over
- First time entrants to the Youth Justice System
- Domestic abuse
- Sickness absence
- Statutory homelessness
- Social isolation percentage of adult carers who have as much social contact as they would like
- Utilisation of outdoor space for exercise/health conditions
- Suicide rates

In West Kent we already have key priorities to *improve the health and wellbeing of residents* and *reduce health inequalities*. We have an excellent track record of working in partnership with KCC and other partners to deliver these priorities as set out in our *Health Inequalities Action Plans*. Our local priorities have also been identified as priorities by local people taking part in community consultations.

### West Kent's Key Health Priorities:

- Tackling the rise in obesity;
- Supporting mental wellbeing;
- Ageing well, supporting older people and those with dementia
- Staying safe

The shared priorities set out in this West Kent Health Deal can be delivered through enhancement of our existing core functions. We believe that we can

demonstrate the *lifestyle, social, environmental and economic* impact that this will have on the wider health agenda and which will *improve health longer term*.

## 2. The Opportunities

There are many examples of District and Borough Councils playing a greater role in delivering health. Examples include not only activities to deliver targeted and universal health improvement services to reduce the risk of people becoming ill, but also to address the *wider determinants of health to achieve much longer term impact* and thereby *reducing the cost to public health and NHS services*.

The West Kent Councils understand the need to invest in prevention now in order to generate considerable savings for health commissioners in the future. We are already committed to working with the County Council to make best use of our core services to improve health. In many cases these could be enhanced to deliver greater impact on health and wellbeing. Some examples of where this could be further enhanced through the District Health Deal include:

- In *Housing*, Sevenoaks District Council offers a holistic approach to wellbeing through its HERO programme. It encourages retraining for employment and debt reduction to avoid eviction and improve quality of life. At the same time, the project advises on affordable warmth to reduce fuel poverty. Using a *surgey approach, our advisers provide 1:1 support* in outreach settings.

There are opportunities to enhance our housing offer using new schemes to provide more appropriate sized housing through down sizing, combating overcrowding and insulated homes and energy efficiency to keep people healthier by providing warm and safe homes. These schemes can be targeted at those in greatest need.

- *Planning* can encourage active travel through the provision of green space and cycle lanes, it can also ensure an adequate supply of affordable and appropriate housing and access to green space. Accessing green spaces is increasingly recognised to be as important to mental health as physical health.
- *Planning and Licensing policy* can restrict access to unhealthy food outlets and impose restrictions on traffic whilst positively impacting the local economy by creating new local business and job opportunities.
- Whilst there is no statutory duty to provide *leisure facilities*, the three West Kent councils are mindful of the health benefits of this that not only addresses physical inactivity and reduces sedentary behaviour but provides community facilities which positively impact on mental wellbeing and community

cohesion. Access to leisure services provides *up to £23 in value for every £1 invested*<sup>1</sup>.

- District Councils have no core function to address *dementia friendly* principles. However the three West Kent councils support a dementia friendly approach. Initiatives that have already taken place include a stakeholder consultation to find out how services can better serve people affected by dementia and as a direct result training has been provided for over 200 staff and Members as dementia friends. Physical changes to council offices have served to support people, not only with dementia, but also other impairments so that people can more easily access services. We are also instrumental in supporting the new memory cafes and engaging with partners through DF Forums. A number of positive changes have been made within communities to help people to access local services to gain the necessary support to enable people to live well with dementia.

We are only able to do this *because the investment made by KCC Public Health in our healthy lifestyles work* has given us the capability to undertake this work.

### 3. The Evidence - Current Return on Investment

*The West Kent District and Borough Councils have a proven track record of delivering externally funded interventions and partnership working.* Since 2007, health improvement services have been delivered by the councils, commissioned by KCC Public Health (and previously by West Kent PCT). In addition to delivering the commissioned services, we have utilised the specialist Officer resource to add value and contribute to the health agenda, even though these are not directly requested within the SLA. Some of these include:

- Dementia friendly communities projects
- PPG and GP targeted events for patients
- Health MOT events in libraries
- Co-ordinating the Teenage Pregnancy Local Implementation Group
- Providing health improvement information at town and parish Council events
- Awareness raising articles in Council magazines and promotional materials
- Assisting the Children Centre Steering Group to identify and deliver health priorities
- Working with groups of people with disabilities to deliver inclusive sporting activities.

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<sup>1</sup> The Kings Fund - The District Councils Contribution to Public Health, 2015

We have monitored and evaluated the outcomes of these programmes to demonstrate initial and ongoing changes in levels of physical activity, weight loss, positive mental wellbeing and reduction in social isolation. In just one of the district council areas, outcomes include:

- An extra 77,738 minutes of exercise are done each week as a result of Why Weight in one year. *This equates to over 4 million minutes of additional exercise per year.* It is estimated that that every £1 invested could save £2.55 through treating physical inactivity-related illnesses<sup>2</sup>.
- An extra 697 portions of fruit and 730 portions of vegetables are consumed by participants every two days. That works out at an *extra 260,427 five-a-day portions per year.*
- Those who attended Why Weight reduced their intake of fried food, high fat dairy and unhealthy snacks by 641 portions every two days. *This works out as 116,982 fewer portions per year.*
- Our health walks have contributed an extra 6,928 hours of exercise per annum. It is estimated that for *every £1 invested in Health Walks, £8 of benefits are generated for society*<sup>3</sup>. KCC funding invests £500 per annum to pay for health walks, so an *estimated ROI of £8,000 per year over six years.*
- We have used the NICE ‘Return on Investment tool summary for Physical Activity’ to assess the exercise element of our Adult Weight Management Programmes. In one district alone, over a five year period we have worked with over 1.4% of the population. In the short term (first 2 years), compared to the baseline (i.e. no service provision), *with an investment of approximately £96,000, these programmes generated benefits valued at a total of approximately £1.3m. This investment resulted* in a gain of 71, 72, 73 and 80 QALYs over 2 years, 5 years, 10 years and lifetime respectively, equating to a *return of £14.77, £14.91, £15.35 and £17.22 for each pound spent* on implementing the package, if both healthcare cost savings and the value of health gains are considered.

In housing, the quality of someone’s home has a substantial impact on health; a warm, dry and secure home is associated with better health.<sup>4</sup> *Poor housing conditions have a detrimental impact on health, costing the NHS at least £600 million per year.*<sup>5</sup> Figures calculated by using the Housing Health<sup>6</sup> and Safety Rating System Costs Calculator<sup>7</sup> suggest that:

<sup>2</sup> The Kings Fund (2015)

<sup>3</sup> Glasgow Health Walks – SROI Analysis Summary Report (July 2013)

<sup>4</sup> Houses of Parliament Briefing: Housing and Health (2011)

<sup>5</sup> Nicol, S. et al., Quantifying the cost of poor housing, BRE press (2010)

- Every £1 spent adapting 100,000 homes where a serious fall is likely to otherwise occur could *save the NHS £69.37 over 10 years*. The estimated ROI for Home Adaptations Programmes yielding a saving of around £7.50 per every £1 invested<sup>8</sup>.
- Every £1 spent improving 100,000 homes where residents are otherwise likely to require treatment due to issues of excess cold could *save the NHS £34.19 over 10 years*.
- Every £1 spent dealing with overcrowding in 100,000 homes that is otherwise likely to lead to health problems could *save the NHS £6.71 over 10 years*.
- National evaluation of handyperson services reported that the benefits *outweigh the costs by around 13 per cent*, with social care costs being the biggest costs avoided. The report described these services as delivering *‘a relatively high volume of preventive activity at a relatively low cost’*<sup>9</sup>.

#### 4. Future Return on Investment

We are now in an excellent position to demonstrate and deliver greater return on investments through sustained lifestyle and behaviour changes in the longer term as well as *addressing ‘the cause of the cause’* through delivering truly preventative health programmes as part of our key services.

Housing is an important area where small investments can bring significant returns. The quickest wins relating to health and housing can be from *improvements to excess cold, reducing falls and improving housing standards*. There is good evidence of the positive health impact of home improvement programmes demonstrating that *improving the standard of homes pays back quickly*. The West Kent District and Borough Councils deliver a range of home improvement programmes in-house including the *HERO service, home adaptations and winter warmth*, all of which could be enhanced through the West Kent Health Deal.

By working in partnership with CCGs and KCC, we are not only looking directly at lifestyle changes and reducing risk-taking behaviour, but also at the impacts other key factors such as *social, environmental and economic* can have.

Within a partnership agreement we can demonstrate a long term ROI and cost-efficiency saving by having a positive *impact on people’s housing, access to*

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<sup>6</sup> Inside Housing (2010)

<sup>7</sup> Chartered Institute of Environmental Health and Buildings Research Establishment (2008)

<sup>8</sup> Wales Rapid Response Adaptations Programme (Institute of Public Care 2011)

<sup>9</sup> Croucher et al 2012, p 3

*green space, active travel, financial security, back into work and business support.*

## 5. The West Kent Health Deal

The District and Borough Councils have the ability to deliver targeted and universal services co-ordinated and delivered by the Councils and through a range of key local partners. This will ensure they are only reaching those in greatest need but are *providing a true preventative role in sustaining longer term health improvement* through promotion, campaigns, awareness raising and events.

There are further opportunities to enhance our services to help assess health and wellbeing needs of the individuals to ensure that we are taking a truly holistic approach to the needs of the individual.

Kent Public Health has expressed a need to redesign current commissioned services based on *'drivers for change'*. We understand that these drivers are shared at both county and district level and can positively impact on improved access to services and reducing risk factors of ill health. Some of these shared drivers for change include the need to:

### Shared 'Drivers for Change':

- Tackle health inequalities ;
- Address a growing, ageing and diversifying population;
- Prevent escalation of care needs;
- Deliver equal access to services for all.

## The West Kent Deal - a Ten Point Enhancement Plan

The following *Ten Point Enhancement Plan* shows some of the ways in which we can enhance our current work to have a great holistic approach to the health agenda and form part of a new Partnership Agreement:

1. *Co-ordination and delivery* of a targeted, *person-centred health improvement model*. Co-ordination and delivery of targeted and universal programmes with local partners to target those in greatest need and to prevent population ill health. This includes triage, motivational interviewing, health checks, physical activity and other interventions that address a range of priority outcomes - delivered to meet local needs.
2. *Policy review* - A review of our key service policies such as housing, planning and licensing to factor in guidance for 'designing in good health'. This could include conditions applied to licensed premises, health impact assessments on planning applications and restrictions on applications that may have a negative impact on health, such as fast food outlets.
3. Using our expert *communications and campaign tools* to get important health messages to people who live and work in West Kent as well as to our partner organisations, voluntary groups and communities who are all essential to a holistic approach to health and well-being.
4. *HERO Advice & Support Service* - Build on the existing service which supports the most vulnerable individuals and families with housing and debt advice, to incorporate health and wellbeing assessments and signposting into the Local Health Hub, as detailed in point 2.
5. *GP partnership* - To continue the excellent work with local GPs and Patient Participation Groups. This relationship has taken many years to build. It is now in place and working well across West Kent. We can deliver referral interventions relating to physical activity, social prescribing, streamlined Phase 4 rehab for cardiac and other long term conditions, weight management programmes and targeted health promotion events for identified patients.
6. An assessment of the *wider determinants of health affecting small areas of our District*, perhaps based on GP surgery catchment areas, putting in place appropriate prevention and related Council services, looking at housing needs, promoting energy efficiency, debt advice, active lifestyles and leisure opportunities, community safety and other initiatives in order to reduce identified health inequalities to ensure that those areas are healthy places.

7. Using our contacts with businesses to ensure that people who work in the District have access to *healthy workplaces* and opportunities to access active lifestyles and health advice and information.
8. Promoting the *use of green spaces, active travel and cycling*. Ensuring best use of green spaces in built up areas and access to the countryside, through area-based mapping.
9. *Making Every Contact Count* - working with and training front line staff and key partners including Fire Service, Kent Police housing associations and voluntary organisations such as CAB, Age UK, Carers First, West Kent Mind and many more. This would include a central referral process to assess all risks, health, social and housing needs to make sure 'Every Contact Counts'. This would have an impact on reducing hospital admissions by providing preventative measures to support people to remain independent and in their own homes, whilst living and ageing well.
10. Accessing *other sources of external funding* such as Sport England, National Lottery, Awards for All, Sportivate etc. that will complement other preventative health work and target specific areas in West Kent to deliver interventions based on need. There has already been considerable success in attracting other external funding to add value to existing work to deliver community based interventions particularly in deprived or rurally isolated communities.

The West Kent Districts and Boroughs are the best-placed partners to deliver the Ten Point Enhancement Plan. We have:

- Trusted relationships with GPs and PPGs with existing referral pathways in place and working;
- Ability to build on statutory provision to address the wider determinants of health
- Tried and tested health improvement, community development and project management skills in place
- Close partnership working with town & parish Councils, the voluntary and community sector;
- Excellent communications tools aimed at every sector of our community;
- Excellent working relationship with social housing providers, private landlords and land owners;
- Understanding of our communities and their needs from extensive community consultations.

Further details regarding these new opportunities are given in Table 1 below.

**Delivering the ‘Ten Point Enhancement Plan’**

As part of a West Kent District Health Deal we propose to use all our tools to run alongside various commissioned and universal health improvement services to achieve shared health objectives that are both achievable and measurable. The details of the Ten Point Enhancement Plan are detailed below:

**Table 1**

SERVICE ENHANCEMENT	DESCRIPTION	CONTRIBUTION TO PUBLIC HEALTH AGENDA
<ul style="list-style-type: none"> <li>Enhanced ‘HERO’ Advice and Support Service</li> </ul>	<p>Provide health and wellbeing assessments to vulnerable adults and families with signposting to Adult Health Improvement Services. One holistic professional advice service with health and housing.</p>	<ul style="list-style-type: none"> <li>– Good Jobs and Stay in Work</li> <li>– Warmer and Safer Homes</li> <li>– Preventative Health and Wellbeing</li> <li>– Spatial Environment Planning</li> <li>– Supporting older people</li> <li>– Support mental health</li> <li>– Homelessness</li> <li>– Social isolation for carers</li> <li>– Smoking</li> </ul>
<ul style="list-style-type: none"> <li>Co-ordinated local hub model</li> </ul>	<p>Co-ordination and delivery of targeted and universal programmes with local partners to target those in greatest need and to prevent population ill health.</p>	<ul style="list-style-type: none"> <li>– Access to Green Space and Leisure</li> <li>– Preventative Health and Wellbeing</li> <li>– % of NHS Health Checks</li> <li>– Reducing health inequalities</li> <li>– Improving health and wellbeing of residents</li> <li>– % pf physically inactive</li> <li>– Adult excess weight</li> <li>– Injuries due to falls</li> <li>– Support ageing well</li> </ul>
<ul style="list-style-type: none"> <li>Policy Review and Training</li> </ul>	<p>Review of our key service policies such as housing, planning and licensing to factor in guidance for ‘designing in good health’. Training of frontline workers including benefits, licensing, planning, leisure centres in health awareness.</p>	<ul style="list-style-type: none"> <li>– Good Jobs and Stay in Work</li> <li>– Warmer and Safer Homes</li> <li>– Preventative Health and Wellbeing</li> <li>– Spatial Environment Planning</li> <li>– Supporting older people</li> <li>– Support mental health</li> <li>– Homelessness</li> <li>– Social isolation for carers</li> </ul>

SERVICE ENHANCEMENT	DESCRIPTION	CONTRIBUTION TO PUBLIC HEALTH AGENDA
<ul style="list-style-type: none"> <li>• Communications and campaign tools                             <ul style="list-style-type: none"> <li>– In- Shape Magazine to all households and businesses</li> <li>– Website and social media</li> <li>– Access to parish and partner newsletters</li> </ul> </li> </ul>	<p>Targeted health messages to those in greatest need with local partners. To raise awareness and educate residents on reducing risk factors and supporting national health campaigns.</p>	<ul style="list-style-type: none"> <li>– Access to Green Space and Leisure</li> <li>– Preventative Health and Wellbeing</li> <li>– % of NHS Health Checks</li> <li>– Reducing health inequalities</li> <li>– Improving health and wellbeing of residents</li> <li>– % pf physically inactive</li> <li>– Adult excess weight</li> <li>– Injuries due to falls</li> <li>– Support ageing well</li> </ul>
<ul style="list-style-type: none"> <li>• GP Partnership</li> </ul>	<p>To deliver referral interventions relating to physical activity, social prescribing, streamlined Phase 4 rehab for cardiac and other long term conditions, weight management programmes and targeted health promotion events.</p>	<ul style="list-style-type: none"> <li>– Access to Green Space and Leisure</li> <li>– Preventative Health and Wellbeing</li> <li>– % of NHS Health Checks</li> <li>– Reducing health inequalities</li> <li>– Improving health and wellbeing of residents</li> <li>– % pf physically inactive</li> <li>– Adult excess weight</li> <li>– Injuries due to falls</li> <li>– Support ageing well</li> </ul>
<ul style="list-style-type: none"> <li>• Targeted assessments of health determinants and delivery of risk factor education and awareness programmes</li> </ul>	<p>Based on GP surgery catchment areas, putting in place appropriate prevention and related Council services to reduce identified health inequalities. Targeting pockets of deprivation. Working with GPs, Practice Managers, nurses, PPGs and the voluntary sector.</p>	<ul style="list-style-type: none"> <li>– Preventative Health and Wellbeing</li> <li>– Reducing health inequalities</li> <li>– Improving health and wellbeing of residents</li> <li>– % of physically inactive</li> <li>– Adult excess weight</li> <li>– Injuries due to falls</li> <li>– Support ageing well</li> </ul>
<ul style="list-style-type: none"> <li>• Healthy workplaces</li> </ul>	<p>Working with businesses to access healthy workplace initiatives</p>	<ul style="list-style-type: none"> <li>– Active and Safe Travel</li> <li>– Good Jobs and Stay in Work</li> <li>– Warmer and Safer Homes</li> <li>– Access to Green Space and Leisure</li> </ul>

SERVICE ENHANCEMENT	DESCRIPTION	CONTRIBUTION TO PUBLIC HEALTH AGENDA
		<ul style="list-style-type: none"> <li>- Spatial Environment Planning</li> <li>- Preventative health and wellbeing</li> <li>- Supporting mental wellbeing</li> <li>- Reducing obesity</li> <li>- % of physically inactive</li> </ul>
<ul style="list-style-type: none"> <li>• Natural Ways to Wellbeing</li> </ul>	<p>Promotion of the use of green and open spaces through targeted interventions including walking, cycling and active travel</p>	<ul style="list-style-type: none"> <li>- Active and Safe Travel</li> <li>- Access to Green Space and Leisure</li> <li>- Spatial Environment Planning</li> <li>- Preventative health and wellbeing</li> <li>- Supporting mental wellbeing</li> <li>- Reducing obesity</li> <li>- % pf physically inactive</li> </ul>
<ul style="list-style-type: none"> <li>• Every Contact Counts</li> </ul>	<p>Work with GPs, HERO and voluntary sector to assess independent living needs of vulnerable and older people</p>	<ul style="list-style-type: none"> <li>- Preventative Health and Wellbeing</li> <li>- Reducing health inequalities</li> <li>- Improving health and wellbeing of residents</li> <li>- Injuries due to falls</li> <li>- Support ageing well</li> </ul>
<ul style="list-style-type: none"> <li>• Sourcing other External Funding</li> </ul>	<p>Accessing other sources of external funding to complement preventative health work. Delivery of targeted interventions based on needs</p>	<ul style="list-style-type: none"> <li>- Preventative Health and Wellbeing</li> <li>- Reducing health inequalities</li> <li>- Improving health and wellbeing of residents</li> <li>- Support ageing well</li> <li>- Access to Green Space and Leisure</li> <li>- Supporting mental wellbeing</li> <li>- Reducing obesity</li> <li>- % of physically inactive</li> </ul>

## 6. Conclusion and Summary

The three West Kent district and borough councils work closely with the County Council, Clinical Commissioning Groups and Health and Wellbeing Boards. We would like to *be a full and equal partner with Kent County Council* and the CCGs in contributing to the preventative health agenda that will keep people to become fitter and healthier whilst remaining independent in their own homes. A West Kent Health Deal delivered through a signed Partnership Agreement would help the health service and Social Care Services *met their current and future budgetary challenges*.

In times when budgets are reducing, there is greater need for budgets to work harder and smarter and in a more co-ordinated way. The West Kent Health Deal would help to deliver long term and sustainable services through a partnership arrangement leading to reduced health inequalities, improving long term health and wellbeing of residents and contributing to financial efficiencies of future health services. Part of the Ten Point Enhancement Plan is to look for additional funding elsewhere to continue and build on the work.



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<b>2016/17</b>	<b>SDC</b>	<b>T&amp;MBC</b>
Voluntary Sector Infra-structure & grants	£130,000	£123,800
Campaigns, Information and Advice – West Kent	£8,000	
Youth Projects	£18,000	£8,000
Community Development	£38,000	£15,000
Housing Assistance	£45,000	£90,000
Targeted Sport & Leisure	£50,000	£5,000
Rapid discharge scheme	£25,000	£25,000
Active travel		
Domestic Abuse	£16,000	£12,200
<b>TOTAL</b>	<b>£330,000</b>	<b>£279,000</b>
DFGs	£889,000	£280,000
<b>TOTAL ADDING IN DFGs</b>	<b>£1,219,000</b>	<b>£559,000</b>



# APPENDIX C

<b>TWBC</b>		<b>TOTAL</b>
£200,000		<b>£453,800</b>
		<b>£8,000</b>
£48,000		<b>£74,000</b>
£28,000		<b>£81,000</b>
		<b>£135,000</b>
£10,000		<b>£65,000</b>
£25,000		<b>£75,000</b>
		<b>£6,000</b>
£18,000		<b>£46,200</b>
<b>£329,000</b>		<b>£944,000</b>
£564,000		<b>£1,733,000</b>
<b>£893,000</b>		<b>£3,621,000</b>

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Appendix D - comparison of existing and new models

<p><u>Existing Model - Kent Public Health budget funded</u></p>	<p><u>Existing Model - District &amp; Borough Council spend on community activity but not focused on health improvement</u></p>	<p><u>New Model provides for</u></p> <ul style="list-style-type: none"> <li>• Reduced KCC spend</li> <li>• District and Borough spend on community activity to focus on health outcomes</li> <li>• District Deal additional activity</li> </ul>
<p>£1m</p>	<p>£1m</p>	
<ul style="list-style-type: none"> <li>• Campaigns</li> <li>• Health Trainers</li> <li>• Healthy Lifestyles work</li> <li>• Postural stability</li> <li>• Stop smoking</li> <li>• Voluntary Sector</li> <li>• Infrastructure</li> <li>• Workplace health</li> </ul>	<p>Community activity relating to:</p> <ul style="list-style-type: none"> <li>• Community Development</li> <li>• Housing assistance</li> <li>• Youth projects</li> <li>• Subsidised sport and leisure</li> <li>• Domestic abuse</li> <li>• Voluntary sector</li> </ul>	<ul style="list-style-type: none"> <li>• Health hub model delivering customer focused health improvement model</li> <li>• Community Development_with health focus</li> <li>• Enhanced housing assistance</li> <li>• Youth projects with health focus</li> <li>• Subsidised sport and leisure aimed at reducing health inequality</li> <li>• Domestic abuse support services</li> <li>• Voluntary sector grants with health objectives included in guidelines to maximise impact on health</li> <li>• Policies influencing health to deal with the wider</li> </ul>

<ul style="list-style-type: none"><li>• Winter Warmth</li></ul>	<ul style="list-style-type: none"><li>• DFGs (part)</li></ul>	<p>determinants of health</p> <ul style="list-style-type: none"><li>• Targeted local campaigns</li><li>• WK GP, health and acute Partnerships</li><li>• Enhanced HERO &amp; health services focused on those who are at risk of homelessness, unemployed or unable to manage debt</li><li>• Local area mapping</li><li>• Active travel, walking and cycling initiatives</li><li>• 'Natural Ways to Wellbeing' and access to green spaces</li><li>• MECC frontline workers</li><li>• Access to other external funding</li><li>• WK Integrated health improvement service</li><li>• Aging Well home interventions</li><li>• Staying Safe community safety</li><li>• Planning healthier environments</li><li>• Healthy town messages</li><li>• Mental health awareness</li></ul>
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		<ul style="list-style-type: none"><li>• Dementia friendly communities</li><li>• Facilitation of health partnerships</li><li>• Economic Development to address unemployment, skills &amp; training</li><li>• Housing support initiatives</li><li>• Private Sector &amp; housing standards assessments for those with health problems</li><li>• Warmer Streets</li><li>• Food safety &amp; healthy eating</li><li>• Smoke Free</li><li>• Work with alcohol &amp; fast food outlets</li><li>• Use of DFGs to facilitate hospital discharge without delays</li></ul>
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**Housing and Health Advisory Committee Work Plan 2015/16 (as at 30.06.16)**

4 October 2016	29 November 2016	28 February 2017	Summer 2017
<p>Budget: Service Reviews and Service Change Impact Assessments (SCIAS)</p> <p>Health Liaison Board update</p> <p>Scrutiny Committee Report on Leisure value for money across the district</p> <p>Housing &amp; Planning Bill Update</p> <p>Housing Needs Survey update</p> <p>Local Housing Allowance</p> <p>Housing Needs Working Groups (groups B&amp;C)</p>	<p>Health Liaison Board update</p> <p>Housing allocation policy</p> <p>West Kent Housing and Homelessness Strategy</p> <p>How planning policy fits in with health (brainstorming)</p> <p>3 health objectives (brainstorming)</p> <p>Energy efficiency progress report</p> <p>Out-of-hospital care system</p>	<p>Leisure strategy</p> <p>Housing needs survey (final report)</p> <p>PSH stock condition survey</p> <p>Health Liaison Board update</p>	<p>Health Liaison Board update</p>

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