

**Public**  
**Key Decision - No**

## **HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Progress on Issues Arising from the 2018/19 Annual Governance Statement

**Meeting/Date:** Corporate Governance Committee – 22 January 2020

**Executive Portfolio:** Councillor J A Gray – Executive Councillor for Resources

**Report by:** Corporate Director (People) on behalf of the Senior Leadership Team

**Wards affected:** All Wards

---

### **Executive Summary:**

Traditionally the Annual Governance Statement (AGS) contains an appraisal of risks and issues for which the Council itself is wholly responsible. In a climate of increasing partnership and public service reform, both the Executive Leader and Managing Director felt that this approach did not address the risks that are of greatest potential impact to the authority and the achievement of its objectives.

The 2018/19 AGS, built on the work started in 2017/18 and reflected a more strategic outlook by considering matters that could severely impair the Council's financial position and, therefore, its ability to function or identify new opportunities, whilst at the same time have direct impacts on our local communities. Consequently, the AGS contained five themes that will be required to be addressed across both 2018/19 and the forthcoming financial years.

1. Housing affordability
2. Morbidity/Growing number of years of ill health
3. Wider economic environment
4. Skills level and wider educational attainment
5. Partner agency operational pressures

Progress across the five themes has been mixed. A significant amount of work has been spent on housing affordability and addressing the causes of homelessness.

The five themes have been represented in the 2019/20 AGS although, supplemented by the addition of an additional risk around Environmental pressures and sustainability challenges faced by the local authority, they may be adapted in future to reflect current and forthcoming pressures.

Details of the action taken against each theme is set out in the attached report.

**Recommendation:**

It is recommended that the Committee note and take into account the progress that has been made in introducing the key improvement areas arising from the 2018/19 AGS when undertaking their 2018/19 governance review.

## **1. PURPOSE OF THE REPORT**

- 1.1 This report informs the Committee of the progress that has been to date in introducing the five key improvement areas that were contained in the 2018/19 Annual Governance Statement (AGS).

## **2. WHY IS THIS REPORT NECESSARY?**

- 2.1 The Committee need to be assured that sufficient action has been taken to deal with the five theme areas.
1. Housing affordability - *Leading to homelessness and constraining growth.*
  2. Morbidity/Growing number of years of ill health - *Impacting on people's ability to be self-reliant and generating additional cost through support needs.*
  3. Wider economic environment – *impact of Commercial Investment Strategy/Business rates receipts and level of need from residents.*
  4. Skills level and wider educational attainment - *as a means by which residents are able to attract profitable work and in attracting employers to the area.*
  5. Partner agency operational pressures - *financial challenges of partners impacting on demand for our services or reducing existing support.*
- 2.2 An extract from the 2018/19 AGS that sets out in detail the five themes and issues to be considered is included at Appendix 1.

## **3. ANALYSIS**

- 3.1 When the five theme areas were first discussed by the Committee in March 2018, the Managing Director explained that central to the identification of the governance issues were the financial pressures likely to be exerted onto the Medium-Term Financial Strategy (MTFS). Subsequent events that have taken place elsewhere, notably the financial difficulties at Northamptonshire County Council, leading to its dissolution; and East Sussex Council, which is now focussing on delivering statutory services only, local financial challenges of the County Council and local Clinical Commissioning Group (CCG) together with national initiatives such as the fair funding review suggest that addressing the MTFS pressures was the correct approach to take. These challenges and the veracity of them was presented to Members by Aileen Murphie, Director for Local Government Value for Money at the National Audit Office, in September 2018.
- 3.2 Agreeing to address outward looking themes was a challenge for Senior Managers as the AGS had previously only required them to be concerned with dealing with (inward facing) issues that they could directly

address and control. Each theme is wide ranging and will be delivered only if a strategic and collaborative approach is taken. In this first year, the importance of building relationships and influence with partner colleagues cannot be underestimated. It is anticipated that the five themes will remain (albeit with slight amendments) for a number of years with outcomes building year on year.

3.3 The current position against each of the themes is summarised below.

**1. Housing affordability**

***Leading to homelessness and constraining growth.***

- a) The Council's Housing Strategy was reviewed and updated in 2019/20 so that it reflected the legislative requirements of the Homelessness Reduction Act 2017 that came into force during 2018. The Strategy encompasses all four of the action points (see appendix 1) listed in the 2017/18 AGS. The Council's Homelessness Strategy is also in the process of being updated and is due to go to O&S (Customers & Partnerships) and Cabinet in February 2020.
- b) Outcomes from the 2018/19 Housing Strategy action plan were discussed by the O&S Panel 2018. Further progress against key actions is reported to Cabinet through the Corporate Performance Report on a quarterly basis. Highlights include the 405 successful homelessness preventions during 2018/19 and 272 homelessness preventions in the first half of 2019/20.
- c) An early prevention pilot has been underway since April 2018. The pilot aims to identify at an early stage those who due to life circumstances are at increased risk of future homelessness. A substantial amount of work has been undertaken to develop a number of pathways (e.g. referrals to Citizens Advice for debt management advice or EDGE for assistance with applying for jobs) to support and assist residents. This work continues to develop in partnership with the County Council and the wider public sector network. HDC are playing an active role within the Think Communities initiative, which is bringing all partners together to address statutory needs more holistically. Digital solutions have been developed and are live in the community making it easier for residents to access preventative services when they need them and prevent poor outcomes such as homelessness. The early signs are that this more targeted intervention is having positive results, but it is too soon to formally evaluate impact.
- d) Innovative use of Discretionary Housing Payments (DHP) to assist those who may be at risk of homelessness, to intervene and prevent a poor outcome continuing. This use has included, support for tenants to move where their current property is unaffordable, for example, someone living in social housing and in rent arrears due to having their housing benefit payments reduced due to living in a property that has a spare bedroom (and classed as being under-

occupied) have had their rent arrears paid and been moved to a smaller property. This both frees up a property whilst reducing the possibility of future financial problems for the tenant.

- e) The Council continues to support the multi-agency group alongside local residents in the Huntingdon North ward to identify those who are vulnerable and may become homeless. The group is supporting a number of community groups (e.g. grub-hub) with the intention that residents can develop and take responsibility for these initiatives themselves.
- f) The Council is working closely with developers and housing association partners, with 180 new affordable homes being delivered in the first half of 2019/20, with an annual target of 394 properties from the anticipated pipeline programme. The steady supply of affordable rented homes in particular has contributed to successfully housing households under the threat of homelessness, as well as allowing us to assist those households that are already homeless and in temporary accommodation into more settled homes. This has helped contribute to a reduction in the number of households in temporary accommodation from 164 in July to 115 at the end of December 2019. Although not the only means of prevention, it has contributed to achieving 272 homelessness preventions in the first half of 2019/20.
- g) The Council is working closely with housing providers to bring on stream additional short-term accommodation, so as to minimise our use of inappropriate and expensive forms of temporary accommodation such as bed & breakfast and nightly paid properties. An additional scheme delivering 21 extra units of short-term accommodation is in the pipeline with Chorus Homes, expected to deliver in mid-2020.
- h) Median house prices and housing affordability ratios remain a key challenge for the area, with salary to media house price ratio hovering around 7 times salary. However, the average for the East of England is over 8, and we continue to pursue solutions in terms of developer commitments, and the use of our own resources to bring online further affordable housing.

**2. Morbidity/Growing number of years of ill health**  
***Impacting on people's ability to be self-reliant and generating additional cost through support needs.***

- a) HDC is committed to the further development of Hinchingsbrooke Country Park (HCP) and is currently pursuing final agreement to securing a long lease before commencing the delivery of the approved business case for development of the site. which will also allow it to become free from subsidy. A business case for additional investment in Paxton Pits is also being prepared. An Open Spaces Strategy is scheduled for development and will provide a sound evidence base for future activity in the parks, and grounds space.

Central to this is community engagement and understanding and seeking to build strong community commitment to open spaces.

- b) Through the Active Lifestyles team, a range of exercise initiatives and classes have been introduced for older people and those requiring additional support to exercise. Using national tools to calculate the impact of sessions delivered, these show savings of £970,000 to the Heath Service and over £2million in savings to the wider public purse. In 2019/20, over 50 partners/organisations have been directly involved in the work delivered.
- c) In 2019/20 year to date the Active Lifestyles team organised and delivered more than 2,500 physical activity or sport sessions attracting more than 43,000 attendances across 38 wards/parishes. One notable success in 2017/18 was the introduction of a 'Care Home offer' leading which continues with exercise sessions delivered in partnership with local Residential and Care Home Providers. The team contributed to a public health led county wide strategic group tackling falls among older adults and have delivered classes to 1,150 people over the course of this municipal year.
- d) HDC have actively engaged with the Northern Alliance, and the individual Primary Care Networks (PCN) within Huntingdonshire, which form part of the integrated communities initiative, recognising and seeking to address the wider determinants of health such as housing, education and finance, which the Council can support and contribute to by ensuring better signposting and earlier intervention. As part of this work, HDC have launched a Health Portal, which uses existing HDC technology, but enables health users to access the information they need regardless of the organisation that delivers it. Enabling us to hear earlier and solve more quickly health issues related to housing, debt or employment before they reach crisis, and to link people in with social and community services that can support them. All PCN have expressed commitment to using this platform across Huntingdonshire.
- e) The Council has established a Health Task and Finish panel, which has taken evidence from a number of experts, and is in the process of developing a range of proposals for how communities, Parish Councils, the District Council and others can work together to support health outcomes. Visits to a number of Parishes have identified best practice that the Panel is seeking to distil and support the replication of elsewhere.
- f) Section 106 agreements continue to be negotiated with developers towards the provision of recreational spaces and their future up-keep. Developers appear to be requiring that the Council show that there is a demonstrable demand for play provision in schemes before committing to S106 agreements.
- g) External funding for the Countywide 'Let's Get Moving' initiative extended until June 2020. Let's Get Moving Cambridgeshire aims

to improve the health of the Cambridgeshire population, specifically by increasing levels of physical activity. This is done by promoting existing opportunities, developing new opportunities, and supporting individuals that require support to achieve their goals.

- h) Urban & Civic, at the Council's behest, successfully applied to become a member of the NHS Healthy Towns Network. In developing the new communities at Alconbury Weald and Wintringham St Neots, Urban & Civic will incorporate healthy living initiatives for the benefit of future residents.

### **3. Wider economic environment**

***Impact of Commercial Investment Strategy/Business rates receipts and level of need from residents.***

- a) A Local Industry Strategy for Cambridgeshire has been developed and delivered with the active involvement of the Council. The Strategy helped to inform the shape and direction of the refreshed Economic Development Team who are tasked with actively growing the local economic and supporting the key economic clusters identified by the Strategy, through both support, activity and investment.
- b) A 'Better Business for All' pilot is underway which has been developed via funding from the Ministry of Housing, Communities and Local Government (MHCLG). The pilot is a means by which the Council can engage with the local businesses and deliver the support they need to grow.
- c) St Neots Masterplan, the Council has played an active role in leading the St Neots Masterplan in collaboration with the Combined Authority and other key stakeholders. Plans have been developed and are being pursued to further drive the economic success of the town. This work directly contributed to the Council's successful Future High Streets Fund programme, gaining funding for the development of a business case for St Neots High Street, which is currently nearing completion.
- d) The Council is actively developing plans for the 'Masterplan' development of major sites across Huntingdon and St Ives. Central to this work is responding to the changing realities that high streets face and ensuring that the investment means they are well placed to evolve and respond to the expectations of a modern high street, shaped by different expectations and consumer behaviours. Budget is allocated to the development of these significant investments.
- e) Property acquisitions continue to be made within the District under the Commercial Investment Strategy. These ensure stability for the businesses which operate within them, and importantly ensure that the Council is actively supporting the economic drive of the district.

- f) A feasibility study is underway to consider whether businesses in St Neots should be given the opportunity to vote for their own Business Improvement District (BID).
- g) Working with a number of partners the Council continues to support the St Neots Smart Town initiative. Identifying opportunities to use data and emerging technologies to address transport and connectivity challenges it will help provide information that will influence the behaviours of residents and businesses.
- h) The Council is represented on the 'Connecting Cambridgeshire' (CoCam) Board which is in the process of investing approx. £25m in improving the digital infrastructure (superfast broadband, full fibre, public access wi-fi and 5G mobile coverage) across Cambridgeshire and which is a key factor for economic investment decisions by businesses. The key performance indicator targets set by CoCam are all currently being achieved. As part of this programme enhanced broadband services will be provided to a number of parishes, and free Wi-Fi into our 4 market towns, to support economic growth and digital connectivity.
- i) The Council's role out of a new flexible 'pay for what you use' parking system, has seen users enabled for the first time to pay on departure, and through all modern payment techniques. With the intent of visitors being able to change plans and stay for longer than originally planned, as they make use of our town's entertainment and facilities.

**4. Skills level and wider educational attainment - *as a means by which residents are able to attract profitable work and in attracting employers to the area.***

- a) The Council continues to positively engage with apprenticeships and developing and upskilling our staff. Making a long-term contribution to the economic prospects of overwhelmingly local residents.
- b) The Edge programme continues to support residents and develop pathways into employment for them. Work is underway to document all training opportunities locally and to match customer groups to these, helping to support those residents who are either not work ready, or who would benefit from training and development to enable them to access higher skill, or better rewarded roles.
- c) The Council is working closely with the Department for Work and Pension to develop proposals to provide work placements at the Council for those who are out of work. The first 3 of these placements are now up and running in our Operations service. The initiative is intended to provide relevant work experience, and a workplace reference to those involved, boosting their employment prospects, whilst the Council benefits from their contribution whilst with us.



- d) Strong partnership working continues with the IMET centre (Innovation, Manufacturing, Engineering, Technology), links have been strengthened with Cambridge Regional College to explore how we can better support the development of a broader skills offer locally. In addition, scheme designed to stimulate and encourage ambition amongst young people and being delivered through links between the college and local schools. Discussion with IMET are taking place to develop further proposals for how the skills and economic aspirations of the Council can be supported through joint work to maximise the benefits of having a cutting-edge technology centre within the district.
- e) The Council was represented at the third annual EDGE school careers fair at Wood Green in December 2018 and also supported its organisation.
- f) The Council has adopted a Social Value policy in relation to procurement, designed to encourage wider social contributions as part of our procurement activity. Seeking to support a range of positive outcomes as a by-product of our procurement activity.

**5. Partner agency operational pressures - *financial challenges of partners impacting on demand for our services or reducing existing support.***

- a) Strong engagement with all partners around their future budget plans and seeking to minimise unintended partner impacts of decisions continued to take place. There was engagement with Cambridgeshire County Council about their proposed 2019/20 budget and the likely impact service cuts would have upon the District. The County Council understand that the Council is willing to work collaboratively both with themselves and other agencies to consider alternative ways of working.
- b) There are a number of examples where decisions by partners has directly impacted on the financial position of HDC. Nowhere in the public sector landscape is the financial challenge greater than with Health, who are forecasting a large in year Budget overspend. As identified elsewhere in this document, our work with health has identified the cost of A&E presentations within Huntingdonshire at over £32 million a year, and we are actively identifying approaches to address this, rather than remove support services, with often unintended consequences for partners.
- c) In conjunction with other agencies, the Council is involved in looking to reduce the costs of responding to incidents of crime in the Huntingdon North ward which is estimated to cost the agencies £8m/annum to deal with. This forms a key aspect of the Oxmoor project, with the Good Place workstream led by Police Area Commander Rogerson.

d) Shared data and insights team, much work has taken place over recent times around sharing resource to enable a common view of all interactions with customers across statutory partners and to remove duplication of contact and deliver more timely interventions. HDC are actively contributing to this work, which has the potential to lead to the redesign of high cost services.

3.4 Task and Finish activity within both Overview and Scrutiny Panels (O&S) continues following the presentations from the two Corporate Directors in June 2018 that outlined the five themes in the AGS and opportunities for including elements of these in their future work programme. Both Panels agreed to include two themes in their work programme – Leisure and Health for O&S (Customers and Partnerships) and Housing and Skills for O&S (Performance and Growth). Scoping documents for the reviews have been prepared.

#### **4. KEY IMPACTS / RISKS**

4.1 If sufficient and timely action is not taken, this may lead to:

- adverse comments being reported by the external auditor in the Value for Money opinion;
- poor governance procedures remaining in place which may affect the delivery of the Council's objectives and its long term financial stability.

4.2 In delivering a number of the Corporate Plan actions and the AGS themes the Council needs to be mindful of the parallel and complimentary role of the CA and Business Board. It is recognised that there will be occasions when the Council needs to either work in partnership/collaboration with the CA/Business Board, or independently of it (whilst remaining aware of the CA initiatives) when it is felt that it deliver the best outcomes for the District.

#### **5. WHAT ACTIONS WILL BE TAKEN?**

5.1 Action has already been taken as set out above. Further updates on the progress that has been taken to address the five themes will be reported to the Committee in July 2020 when the 2019/20 AGS is considered.

#### **6. LINK TO THE CORPORATE PLAN**

6.1 The five AGS themes have clear and direct links to the 2018/22 Corporate Plan vision and aspirations that have been set for both People and Place.

##### **People**

- Support people to improve their health and well-being.
- Develop a flexible and skilled local workforce.
- Develop stronger and more resilient communities to enable people to help themselves.

## **Place**

- Create, protect and enhance our safe and clean built and green environment.
- Accelerate business growth and investment.
- Support development of infrastructure to enable growth.
- Improve the supply of new and affordable housing, jobs and community facilities to meet current and future needs.

6.2 Good corporate governance structures underpin everything that the Council does. Effective delivery of the Corporate Plan requires sound procedures and processes to be in place. These seek to ensure that decision making complies with laws, regulations and proper governance practices.

## **7. REASONS FOR THE RECOMMENDED DECISIONS**

7.1 The Committee require assurance that the areas for improvement identified during the 2018/19 annual governance review process are being addressed.

## **8. LIST OF APPENDICES INCLUDED**

Appendix 1 - Extract from 2018/19 AGS.

## **9. BACKGROUND PAPERS**

Annual Governance Statement 2018/19

## **CONTACT OFFICER**

Name/Job Title: Oliver Morley, Corporate Director (People)  
Tel No: (01480) 388103  
Email: [Oliver.Morley@huntingdonshire.gov.uk](mailto:Oliver.Morley@huntingdonshire.gov.uk)

## 2018/19 ANNUAL GOVERNANCE STATEMENT - THEMES

## Themes

**Housing Affordability**

Leading to homelessness and constraining economic growth.

This issue is one which impacts on the Council's ability to deliver the Corporate Plan primarily through the escalating financial consequences of homelessness. Furthermore, it also has a bearing on the mobility of the local labour market, on inward investment and business growth opportunities. For the Council as an employer it also hampers our ability to recruit and retain suitably experienced and qualified staff.

2017/18 actions		2018/19 actions
✓	Develop a more detailed understanding of the underlying causes of homelessness.	--
--	Complete a formal review of homelessness within the District to inform the development of an updated Homelessness Strategy.	✓
✓	Implementing new ways of working to intervene early with those individuals whose circumstances mean that they are vulnerable to homelessness.	--
--	Develop and introduce pathways with other agencies to enable earlier interventions for those individuals whose circumstances mean that they are vulnerable to homelessness.	✓
✓	Developing new delivery options to secure affordable homes within the District, using Council assets to provide alternatives to the market delivery homes where necessary.	✓
✓	Work with the Cambridgeshire & Peterborough Combined Authority (CA) to develop local Community Land Trusts to bring forward genuinely affordable and local solutions.	--
	Secured delivery and handover of increased numbers of affordable homes as part of ongoing housing development.	✓

## **Morbidity/Growing number of years of ill health**

*Impacting on people' ability to be self-reliant and generating additional cost through support needs.*

---

Increasing pressures are being felt by many parts of the public service system, primarily through the growing demand on support costs, a rise in complex individual cases which cuts across many service providers, through such things as disabled facilities grants and personal care costs. This is not something that any single agency has total responsibility for, and it requires joint working to deliver effective solutions focussing on wellbeing and life choices as well as housing, open spaces, transport infrastructure and the design of place.

### **2017/18 actions**

- ✓ Use our leisure services to encourage healthier lifestyles through engaging people of all ages in activities to improve health.
- ✓ Pilot new ways of working within localities with local communities and other agencies to deliver tailored solutions to issues within defined communities.
- ✓ Create plans to encourage cycling and walking and ensure that designs of new housing areas encourage active lifestyles.
- Pilot new ways of working within localities with local communities to deliver improved infrastructure that promotes cycling and walking
- Development of a 'Healthy Open Spaces Strategy' to optimise the provision and use of the Council's green open spaces, parks and play areas to encourage healthier lifestyles through engaging people of all ages in activities to improve health.

### **2018/19 actions**

- ✓
- ✓
- 
- ✓
- ✓

## **Wider economic environment**

*Impact of Commercial Investment Strategy/Business rates receipts and level of need from residents.*

---

The Council's financial robustness is closely linked with the success of the overall local economy, driven in large part to a prosperous commercial sector. This supports the delivery of one of our key Corporate Plan strategic priorities – delivering sustainable growth across the District. The Council is making tactical investments in the property market and is determined to support the conditions for economic success to support a vibrant economy and positive community outcomes. Ultimately external

economic factors do directly impact on the Council's financial plans and forecasts for new homes bonus, council tax and business rates incomes, and the level of demand for our services. We take our role on supporting the conditions for stable growth very seriously.

2017/18 actions		2018/19 actions
✓	Use the Council's Commercial Investment Strategy to support the local economy.	✓
✓	Maintain and enhance the Council's existing commercial estate to provide value accommodation for local businesses.	✓
✓	Work with local Business Improvement District (BID) teams and the CA to further stimulate economic growth within the District to ensure a pipeline of new and high value jobs in the major growth sectors.	--
✓	Refocus our economic development activity to support new and emerging sectors in our economy, to create the environment within which new business can thrive.	✓
--	Following the development of the Masterplan for St Neots, develop Prospectuses for Growth for St Ives, Huntingdon and Ramsey to focus on transformational interventions that can make the most of opportunities unique to each town and its community, creating new jobs, improving productivity and raising aspirations in and around each town'	✓
--	Delivery of the Council's Parking Strategy to increase dwell in the town centres and support local retailers.	✓
--	Development of a Markets Strategy with our local partners in those towns, to maintain vibrant markets within our valued market towns.	✓

### **Skills level and educational attainment**

*As a means by which residents are able to gain profitable work and to assist in attracting employers to the area.*

---

It is important that all young people are able to fulfil their potential and become active citizens with meaningful and valuable work.

Furthermore, the workforce within the area needs to be supported to continue to gain meaningful work and to meet the demands for new skills in the labour market. In turn this will also contribute to the area's reputation for attracting inward investment and so grow and thrive. Finally, skilled and flexible workforces who possess digital skills will allow the Council to transform its current delivery models and offer new methods of service delivery.

**2017/18 actions**

**2018/19 actions**

- |   |   |    |
|---|---|----|
| ✓ | Fully develop and deliver a digital vision for Huntingdonshire, ensuring that we support the establishment of the basic infrastructure of superfast broadband and 5G mobile coverage through our own estates and the planning system. | ✓  |
| ✓ | Support apprenticeships, directly as an employer, but also through our supply chain and through promotion with local businesses.  | -- |
| ✓ | Continue to engage with schools through local careers fairs and EDGE, but also through fostering direct links between employers and educational institutions.   | ✓  |
| ✓ | [2018/19] Build upon the [2017/18: <i>Develop a</i> ] brand for Huntingdonshire to establish a reputation which will draw in investment and create an environment in which industries of the future can thrive                        | ✓  |

**Partner agency operational pressures**

*Financial challenges of partners impacting on demand for our services or reducing existing support.*

---

There is evidence to suggest that as parts of the public sector reduce their input into communities, that the demand transfers to other agencies. In Huntingdonshire whilst partners work well together there continues to be the challenge of controlling additional demand and the corresponding budget pressures that it brings. Elsewhere financial pressures in one sector, have had significant financial and capacity impacts on the authority.

**2017/18 actions**

**2018/19 actions**

- |    |   |   |
|----|---|---|
| ✓  | Share budget planning activity with other public agencies to guard against unintended consequences of financial decisions.                                  | ✓ |
| ✓  | Continue to engage with near neighbours, particularly the County Council and health services to understand how best we can complement each other's activity | ✓ |
| -- | working closely with partners to understand the triggers  | ✓ |

and impacts of decisions on partners, and seek to proactively prevent costly crises, and deliver better outcomes.

- Use evidence to understand changes in the local environment and develop new ways of working which ensure that public services become more agile in responding to changing circumstances.

