

Climate Emergency and Sustainability Policy Development and Scrutiny Panel

Date: Wednesday, 22nd January, 2025

Time: 10.00 am

Venue: Council Chamber - Guildhall, Bath

Councillors: Andy Wait, Grant Johnson, Alex Beaumont, Anna Box, Jess David, John Leach, Deborah Collins, Saskia Heijltjes and June Player



Michaela Gay

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NOTES:

1. **Inspection of Papers:** Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

Paper copies are available for inspection at the Guildhall - Bath.

2. **Details of decisions taken at this meeting** can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

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**Climate Emergency and Sustainability Policy Development and Scrutiny Panel -
Wednesday, 22nd January, 2025**

at 10.00 am in the Council Chamber - Guildhall, Bath

A G E N D A

1. WELCOME AND INTRODUCTIONS
2. EMERGENCY EVACUATION PROCEDURE

The Chair will draw attention to the emergency evacuation procedure as set out under Note 6.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS
4. DECLARATIONS OF INTEREST

At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:

- (a) The agenda item number in which they have an interest to declare.
- (b) The nature of their interest.
- (c) Whether their interest is **a disclosable pecuniary interest** or **an other interest**,
(as defined in Part 4.4 Appendix B of the Code of Conduct and Rules for Registration of Interests)

Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN
6. ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

At the time of publication no notifications had been received.

7. MINUTES (Pages 7 - 14)
8. CABINET MEMBER UPDATE

The Cabinet Member will update the Panel on any relevant issues. Panel members may ask questions on the update provided.
9. HOUSING PLAN UPDATE (Pages 15 - 88)
10. AEQUUS BUSINESS PLAN REFRESH (Pages 89 - 156)

11. BUDGET REPORT (Pages 157 - 168)
12. PANEL WORKPLAN (Pages 169 - 172)

This report presents the latest workplan for the Panel. Any suggestions for further items or amendments to the current programme will be logged and scheduled in consultation with the Panel's Chair and supporting senior officers.

The Committee Administrator for this meeting is Michaela Gay who can be contacted on 01225 394411.

BATH AND NORTH EAST SOMERSET

**MINUTES OF CLIMATE EMERGENCY AND SUSTAINABILITY POLICY DEVELOPMENT
AND SCRUTINY PANEL MEETING**

Thursday, 14th November, 2024

Present:- **Councillors** Andy Wait, Grant Johnson, Alex Beaumont, Anna Box, Jess David, John Leach, Deborah Collins, June Player and Joanna Wright (in place of Saskia Heijltjes)

98 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

99 EMERGENCY EVACUATION PROCEDURE

The Chair drew attention to the emergency evacuation procedure.

100 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies from Councillor Saskia Heijltjes who was substituted by Councillor Joanna Wright.

101 DECLARATIONS OF INTEREST

Councillor Johnson declared an (other/non-pecuniary) interest regarding item 9 due to his work area.

Councillor Leach declared an (other/non-pecuniary) interest in item 8 as a resident of Sydney Road.

102 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

There was none.

**103 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE STATEMENTS,
PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING**

Councillor Saskia Heijltjes made a statement regarding Vision Zero. The statement is attached to these minutes.

104 MINUTES

The Panel confirmed the minutes of the previous meeting as a true record and they were duly signed by the Chair.

105 CABINET MEMBER UPDATE

The Cabinet Member for Climate Emergency and Sustainable Travel, Councillor Sarah Warren gave an update that covered the following (the full statement is attached to these minutes):

Climate & Engagement

- Climate and nature conversations across the Bath and North East Somerset area.
- The launch event for Climate Hub BANES in the Old Ticket Office of Bath Bus Station – the Hub will open to the public on Monday 18th November.

Energy

- Green Open Homes
- Retrofit West
- Net Zero Council

Nature

- The West of England Local Nature Recovery Strategy launched on the 7th November.
- BNG Pathfinder Project
- Landscape City Project
- Somer Valley Rediscovered. Nextdoor Nature project and Active Way project
- The Chew Valley Reconnected Partnership
- The WaterSpace program

Green Infrastructure

- Green infrastructure delivery partnership programs – Somer Valley Rediscovered, Bathscape and Chew Valley Reconnected
- Green infrastructure mapping tools
- Providing evidence to support new and revised Local Plan policy
- GI training program

Additional Info - Energy

- Green Heritage Homes project
- Mission Net Zero
- Heat from mines

Panel member questions:

Councillor Johnson asked about the true figure in terms of carbon reduction. The Cabinet Member stated that she would check and provide the answer.

Councillor David asked if the Cabinet Member would support a site visit to the Charlcombe biodiversity site. The Cabinet Member agreed.

Councillor Leach asked if there were any other areas in local planning policy that can drive us forward in terms of biodiversity. The Cabinet Member stated that we are looking to raise our target on biodiversity net gain from 10% to 20% and to update the policy and bring in more rigor on sustainable drainage systems.

Councillor Box asked how biodiversity net gain funding is being used to support community groups. The Cabinet Member stated that we look at developments onsite or close by, we are also hoping we can use the funding elsewhere.

Councillor Box asked if the West of England could be brought in in terms of regional planning. The Cabinet Member stated that yes, there is space for the Mayor (West of England/WECA) to step in the special strategy area.

Councillor Collins asked how officers are working with community groups in terms of retrofitting (groups such as Go Green Widcombe). The Cabinet Member stated that support from groups such as Go Green Widcombe is appreciated and officers work with them. Councillor Wright stated that there is no written document for this, so it is difficult for residents to access.

Councillor Wright asked about social prescribing. The Cabinet Member stated she would circulate an update on this. She explained that it is an area led jointly with public health and that she could bring a full update to a future meeting of the Panel. Councillor Wait confirmed that he is in contact with the Chair of the Panel (Children, Adult Health and Wellbeing PDS Panel) that covers this area.

Councillor Wait stated that he is a River Advocate and the area is extremely complicated. He asked if the Water Space Project extends to a wider area. The Cabinet Member stated that a lot of work is being done and she will get a full update from the officer and circulate.

The Cabinet Member for Highways, Councillor Manda Rigby gave an update that covered the following (the full statement is attached to these minutes):

- **General update**
 - **Local Active Travel & Safety Programme**
 - **City Centre Security**
 - **Highway Maintenance**
 - **Parking**
 - **Liveable Neighbourhoods programme delivery**
 - **Future Timeline**
 - **Lansdown ETRO (experimental traffic regulation order)**
 - **Sydney Road ETRO**

- **Safe Systems**
 - Winter Maintenance Program.
- Forward plan of work for next period
 - Traffic Management, Network Management, Road Safety
 - Highway Maintenance Program
 - Parking
 - Livable Neighborhoods Program
 - Park and Ride

Panel member questions:

Councillor Wright spoke about the pavements in Lambridge and the criteria for improvements. She asked what data the Council has on walking routes in BANES. The Cabinet Member stated that she would find out and circulate the information.

In response to a question from Councillor Collins, the Cabinet Member explained that the Western Gateway Structure is a regional body that sits above WECA (West of England Combined Authority). She is Chair of the Transport section.

Councillor Box stated that she had had positive feedback regarding the drainage in her area which had improved flooding issues. She asked what will be done to continue consideration of rural areas. The Cabinet Member explained that the scoring for prioritization is authority wide, all areas are equally as important.

Councillor Beaumont asked if a cycling officer would meet with him to walk around the area in Keynsham. The Cabinet Member agreed.

Councillor Leach asked about LED street lights and how often we replace them. The Cabinet Member explained that there is 20 year replacement cycle, she acknowledged the point about the rapid development in standards.

Councillor David asked what the best way is to report issues with road markings. She also asked if road markings updates could be tied in with new street layouts. The Cabinet Member explained that 'Fix My Street' app is a good way to report or an email to the team. In terms of tying this in with the TRO process, she stated that this is not always the case but work is being done to achieve this. Councillor Player stated that pavements and roads in Westmoreland ward can get overlooked if they are not on a bus route. She explained that it is not just pot holes in terms of damage but gravel and dips as well. She asked if the Cabinet Member would walk around the ward. The Cabinet Member stated that it would be more appropriate for officers to walk around but explained that the work has to be on the prioritization matrix.

Councillor Johnson stated that, during the resurfacing work in Paulton, the drains were covered and it took some time to rectify. He also mentioned the solar lighting

project at the memorial park and asked what the Council costs are with regarding to improving bus stops. He reminded the Panel that the Mayor did ask about taking over the bus stops. The Cabinet Member stated that it was not the case that handing things over to WECA means more money will be spent.

The Chair thanked the Cabinet Members.

106 WASTE UPDATE

The Panel viewed a presentation from the Cabinet Member for Neighbourhood Services, Councillor Tim Ball and Waste Services officers which covered the following:

- Keynsham Recycling Hub – Waste and Recycling Update
- Fleet
- Fleet transition plan
- Climate emergency highlights
- Current key workstreams
- Waste reforms – legislation changes
- Bath Recycling Centre (maps)
- Bath Recycling Centre Update
- Bath Recycling Centre – example of a similar construction
- Bath Recycling Centre – next steps

Panel members raised the following points and asked the following questions:

Councillor Johnson commented that there are no waste statistics in the report and no idea of the tonnage going to landfill. He stated that it would also be useful to know the numbers on recycling rates and also on vehicles/EV (electric vehicles). The officer stated that she could circulate full details.

Councillor Johnson asked about behavioural initiatives regarding the existing fleet eg. Driving styles/anti idling etc. The Cabinet Member stated that the aim is to have the fleet electrified by 2027. Some diesel trucks will be retained to ensure continuation of service.

Councillor Player stated that she had viewed the application online but it was difficult to access. She asked why the Fullers Earth works site was not suitable and also why is the proposed new site so near to the Keynsham facility. The officer explained that there is a statement on this with the planning application. The Cabinet Member stated that the site mentioned above was not suitable due to excess traffic. The proposed new site will have a booking system so traffic will not be queuing so there will be no more traffic than there is now. Councillor Player asked if this response could be sent to her.

Councillor David asked what the Council can do to reduce the amount of waste in black bin bags. The officer stated that food waste is a key target, she will send a full

written response. The Cabinet Member stated that there will be a trial of recycling bags and a push to make sure all resident properties have a food waste recycling option.

Councillor Box stated that food waste recycling is not high in her area and asked about the scope for providing waste bags. The officer explained that in the new contract, any containers/bags can be used. In response to a question from Councillor Collins, the officer explained that bags (compostable or otherwise) are pulled out anyway, the liners go to energy from waste.

Councillor Wright stated that recycling is a two way process, residents want to take part. Community visits to waste sites helps. She asked what engagement there had been with the Environment Agency to date. The officer explained that the Environment Agency response is on the website, the Council is working with them and this is separate from the planning application.

Councillor Johnson asked when clothes recycling will be available again. The officer explained that they are looking at a new provider for this service. The officer also agreed to let the Panel know the figure on the regulations.

Councillor Player asked if 3 staff would be adequate for all of the responsibilities such as administration, gull control and helping people with access. The officer stated that she would get a written statement to members.

Councillor David asked about planning in terms of 16 homes being given approval in her ward which would mean bins on the pavement. The officer confirmed that the departments works closely with highways.

Councillor Wright asked about plans for recycling material such as batteries/computer monitors etc. The officer stated that these items are taken at Welton and Pixash Lane.

Councillor Player asked how the Council ensures that residents are recycling as much as they can and in the right way. The officer stated that they can give a further detailed response. She explained that there are two waste education officers covering the district. The Cabinet Member added that there is a door knocking scheme.

Councillor Wait stated that Bristol (City Council) and others are moving to monthly black bag collections. Do we have plans for this? The Cabinet Member stated that there were no plans here.

Councillor Box asked if the Cabinet Member will put the department forward for any awards as they are outstanding. The Cabinet Member stated that this was a good idea.

The Chair thanked the Cabinet Member and officers.

107 PANEL WORKPLAN

The Panel noted the future workplan and also noted further suggested items below:

- Housing Plan Update
- Biodiversity Net Gain
- Progress on renewables – Council Estate
- Water quality/river system
- Annual Homelessness Update
- Movement Strategy
- School Streets
- Vision Zero

The meeting ended at 12.00 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

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Bath & North East Somerset Council		
MEETING:	Climate Emergency & Sustainability Policy Development & Scrutiny Panel	
MEETING DATE:	22nd January 2025	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3591
TITLE:	Bath and North East Somerset Housing Plan 2025-2030	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
1. Bath and North East Somerset Housing Plan 2025- 2030		
2. Domestic Abuse Accommodation Strategy		

1 THE ISSUE

- 1.1 To provide focus and visibility across all housing related work being undertaken by the council, and to increase delivery of affordable housing, a Housing Plan for Bath and North East Somerset has been developed. The draft Housing Plan for 2025-2030 outlines the council's commitment to providing affordable, safe, suitable, and high-quality homes for residents. It also aligns and supports the broader goals of the Corporate Strategy, Economic Strategy, and Health & Wellbeing Strategies.
- 1.2 Sitting below the Housing Plan are a plethora of additional strategies and plans. An example of such a plan is the draft statutory Domestic Abuse Accommodation Plan, and which is attached at Appendix 2.

2 RECOMMENDATION

The Panel is asked to:

- 2.1 Note and provide feedback in respect of the contents of the draft B&NES Housing Plan and the accompanying draft Domestic Abuse Accommodation Plan.

3 THE REPORT

- 3.1 The attached draft Housing Plan for 2025-2030 outlines the council's commitment to ensuring residents have access to affordable, safe, suitable, and high-quality homes. This plan supports the broader ambitions detailed in the Corporate Strategy, Economic Strategy, and Health & Wellbeing Strategies.
- 3.2 The council's housing responsibilities are wide-ranging, encompassing not only the development of new homes to meet local needs but also ensuring that existing homes are safe and meet residents' needs. Additionally, the council allocates social housing, provides housing advice, and works to prevent homelessness.
- 3.3 The Housing Plan identifies five key themes which support the above responsibilities and outlines the actions the council will take using a five-pillar approach. Each pillar has a clearly defined objective supported by a series of necessary actions to meet that objective. The five pillars are: releasing land for housing, B&NES Homes & Affordable Housing; affordability across the housing market; housing support, and housing suitability.
- 3.4 The Housing Plan is divided into several sections:
- (1) **Foreword:** An introduction to the plan, signed by Cllr Kevin Guy and Will Godfrey.
 - (2) **Housing Plan & Local Context:** This section provides an overview of the plan and the local housing situation, highlighting relevant and interesting local housing facts such as tenure splits, housing affordability issues, demand data, and information on housing conditions.
 - (3) **Pillars:** This section introduces the five key themes and the actions the council will take to achieve these, using a 5 Pillar approach. Each pillar has its own section within the plan, providing context along with defined objectives, actions, and detailed next steps necessary to meet those objectives.
 - (4) **Delivery & Implementation:** This final section explains how the plan will be implemented, including details of external partnerships and the establishment of a new internal Housing Steering Group, which will report to the B&NES Place Group as needed. An Officer Housing Group will be set up to ensure ongoing focus on delivery of the individual Action Plans.
- 3.5 Throughout the plan, we have aimed to highlight key topics, best practices, and achievements, notably around B&NES Homes, Net Zero Commitments, Damp & Mould, and Houses in Multiple Occupation.

Release land for Housing

Objective: Release land to deliver homes sustainably, at pace, to respond to need

Action:

1. Intervene to address market failures in the type, mix and availability of housing
2. Ensure a pipeline of available land for homes prioritising council assets appropriate for housing delivery
3. Deliver strategically providing high quality and sustainable housing fit for future generations

B&NES Homes & Affordable Housing

Objective: Working to unlock and deliver affordable housing

Action:

1. Scale up B&NES Homes ensuring programme meets the needs of local residents
2. Work with RPs, Aequus, and other partners to maximise the delivery of affordable homes
3. Ensure the new Local Plan policy framework supports delivery & economic need
4. Provide and enable specialist supported housing products to address needs in Adult and Children's Services

Affordability Across the Housing Market

Objective: Develop a housing offer that is accessible and attractive to all

Action:

1. Work with anchor organisations to release housing land to support the economy
2. Diversify tenure and type of housing to support economically active households
3. Locate housing in areas of economic demand reducing in-out commuting pressure
4. Continue to bring empty properties back into use to expand housing offer
5. Using influence with Government to shape national policy

Housing Support

Objective: Reduce homelessness & ensure supported housing meets local needs

Action:

1. Refresh and enhance Homelessness & Rough Sleeping Strategy
2. Reduce use of expensive and inappropriate temporary accommodation
3. Ensure appropriate accommodation for those with long-term care needs
4. Ensure housing and support contracts are strategic and relevant

Housing Suitability

Objective: Ensure residents have access to housing that is safe, warm & accessible

Action:

1. Tackle fuel poverty for the most vulnerable households
2. Promote affordable warmth and healthy housing across B&NES
3. Maintain & develop an effective enforcement role
4. Develop comprehensive home adaptations and equipment service which responds to community needs

4 STATUTORY CONSIDERATIONS

4.1 The Housing Plan includes reference to the delivery and management of housing, which is supported by the following:

- Local Authorities (Land) Act 1963 which allows Councils to develop land for the benefit or improvement of their area.
- Local Government Act 2000 (section 2) which allows Councils to act to promote or improve the economic, social or environmental wellbeing of their area.
- Localism Act 2011 (sections 1) which provides the local authority's general power of competence.
- Housing Act 1985 (Part IV) and Housing Act 1996 (Part V) which sets out how Council tenancies operate.
- The Council is registered with the Regulator of Social Housing as a Local Authority Registered Provider of Social Housing.

4.2 A Housing Plan is not required by statute, however many of the plans feeding into the Housing Plan are required under statute, for example, Homelessness Strategy; Domestic Abuse Accommodation Strategy; Homeseach Policy etc.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

5.1 The plan is designed to be delivered within the existing revenue framework. However, it should be noted that in relation to the delivery of Affordable Housing it typically requires significant subsidy. This can be in the form of free land and/or additional financial subsidy. As such any capital scheme will be subject to individual business case and sign-off through existing corporate governance procedures.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

6.2 The following key risks have been identified:

Risk Area	Comment & Mitigation
Capacity – Insufficient staff capacity to deliver Housing Plan ambitions.	Currently reviewing structure within existing financial framework to ensure capacity.
Financial – current approach to the housing delivery element of plan is financially unsustainable as programme scales.	The focus on smaller and challenging sites, day 1 annuity cover, and social rent makes schemes financially challenging. Consider focusing on simpler sites and more financially efficient delivery models.
Regulatory/Legal – Evolving Government policy changes presenting opportunities and risks.	Housing targets, Right to Buy and Renter reform present opportunities. Changes are in the right direction, although time will be needed to better understand implications.

7 EQUALITIES

- 7.1 A formal EIA on the Housing Plan is currently being drafted. However, ensuring residents have access to affordable, safe, suitable, and high-quality homes is crucial for promoting equality. Having such homes significantly enhances equality. Nationally, poorer quality and unsuitable housing is disproportionately occupied by residents from minority ethnic groups, particularly Black households; low-income individuals, including carers and those with disabilities; and single parents.

8 CLIMATE CHANGE

- 8.1 The plan addresses the suitability of existing housing through affordable warmth initiatives and ensures that B&NES Homes developments are constructed to high energy efficiency standards. This includes adherence to AEBC standards for new builds, while refurbishments will be carried out to the highest practicable standards. This commitment ensures that both new and existing housing stock contribute to meeting our climate emergency goals by reducing energy consumption and promoting sustainability.

9 OTHER OPTIONS CONSIDERED

- 9.1 None

10 CONSULTATION

- 10.1 There has been extensive consultation on the development of the Housing Plan, including:

- (1) Informal Cabinet
- (2) Sustainable Places Board
- (3) Health & Wellbeing Board Members

Contact person	Graham Sabourn Tel: 01225 477 949
Background papers	None
Please contact the report author if you need to access this report in an alternative format	

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Bath & North East Somerset Council **Housing Plan 2025 to 2030**

Contents

Foreword	3
Housing Plan and Local Context	4
Our Ambition	15
Delivery & implementation	41
Housing Steering Group	42
References	43



Foreword

We are pleased to introduce Bath and North East Somerset Council's Housing Plan for 2025-2030. This important document aligns closely with the ambitions outlined in our Corporate Strategy and responds to the 2023 Economic Strategy, specifically in relation to ensuring that B&NES residents have access to affordable and high-quality housing.

As a council, we take our housing responsibilities and duties very seriously. These responsibilities are wide-ranging and include not only ensuring that new homes are developed to meet local needs but also that existing homes are safe and meet residents' requirements. We also have responsibility for allocating social housing, providing housing advice, and working to prevent homelessness.

The election of a new Government in July 2024 has resulted in changes to the housing landscape. These changes include the reintroduction of mandatory housing targets for all local authorities and an ambition to increase housing supply by building more affordable homes, including social housing, to address high demand and low supply.

The new Government is focused on improving tenants' rights, including removing no-fault evictions, extending [Awaab's Law](#) and the Decent Homes Standard to the private rental sector. Additionally there are commitments to make homes more energy efficient, as part of the Government's broader environmental goals.

Cllr Kevin Guy and Will Godfrey
[SIGNED]

For B&NES, with limited development land and a large private rented sector, these changes will present a challenge. However, we are pleased that the government understands the importance of addressing the housing crisis. While the full extent of government policy changes will continue to emerge in the coming months, we believe we are well-placed to respond as the government shapes housing policy. Much of what we already know aligns with our own clearly stated ambitions for housing, which include:

- Delivering the right homes in the right places
- Building and enabling more social housing and truly affordable homes
- Continuing to improve the quality of rented housing
- Ensuring that new homes meet the highest environmental standards

Achieving our housing ambitions will not be easy, but this Housing Plan is our first step towards providing more and better-quality homes for our residents, thereby supporting economic growth and prosperity for everyone who lives and works in Bath & North East Somerset.



Housing Plan and Local Context

Introduction To Housing Plan

Welcome to Bath & North East Somerset Council's 5-year Housing Plan for 2025 to 2030. This crucial document outlines our commitment to ensuring that residents of Bath & North East Somerset (B&NES) have access to affordable, safe, and high-quality homes. By achieving this, we aim to help residents thrive supporting the council's overarching goal of enhancing people's lives.

The following section provides context and details the housing challenges we face in the district, such as affordability issues, a high proportion of private rental stock, and a relatively low amount of social rented housing compared to other districts.

We then explain how this plan fits with, and indeed supports, other corporate priorities, including the Corporate Strategy, the Economic Strategy and the Health & Wellbeing Strategy.

The Housing Plan identifies five key themes and outlines the actions the council will take in relation to each, using a 5 Pillar approach. Each pillar has a clearly defined objective, supported by a series of necessary actions to meet that objective.

Finally, the Housing Plan concludes with our strategy for driving these actions forward. This includes ongoing external engagement with key partners, such as the Future Ambitions Partnership, and the establishment of a new corporate Housing Group, which will report to an enhanced Sustainable Places Board.

Overview Of Local Housing Position

Bath & North East Somerset faces several housing-related challenges. It is one of the least affordable places to live in the UK, with house prices around 13.4 times the annual earnings. Recently, Bath was ranked the third least affordable city in the UK. This unaffordability creates significant issues, including a high number of households on the social housing waiting list, the highest number of households in temporary accommodation in 20 years, and negative pressure on economic growth.

The housing stock in the area is older than the national average, resulting in lower home energy efficiency, higher heating costs, and poorer housing conditions.

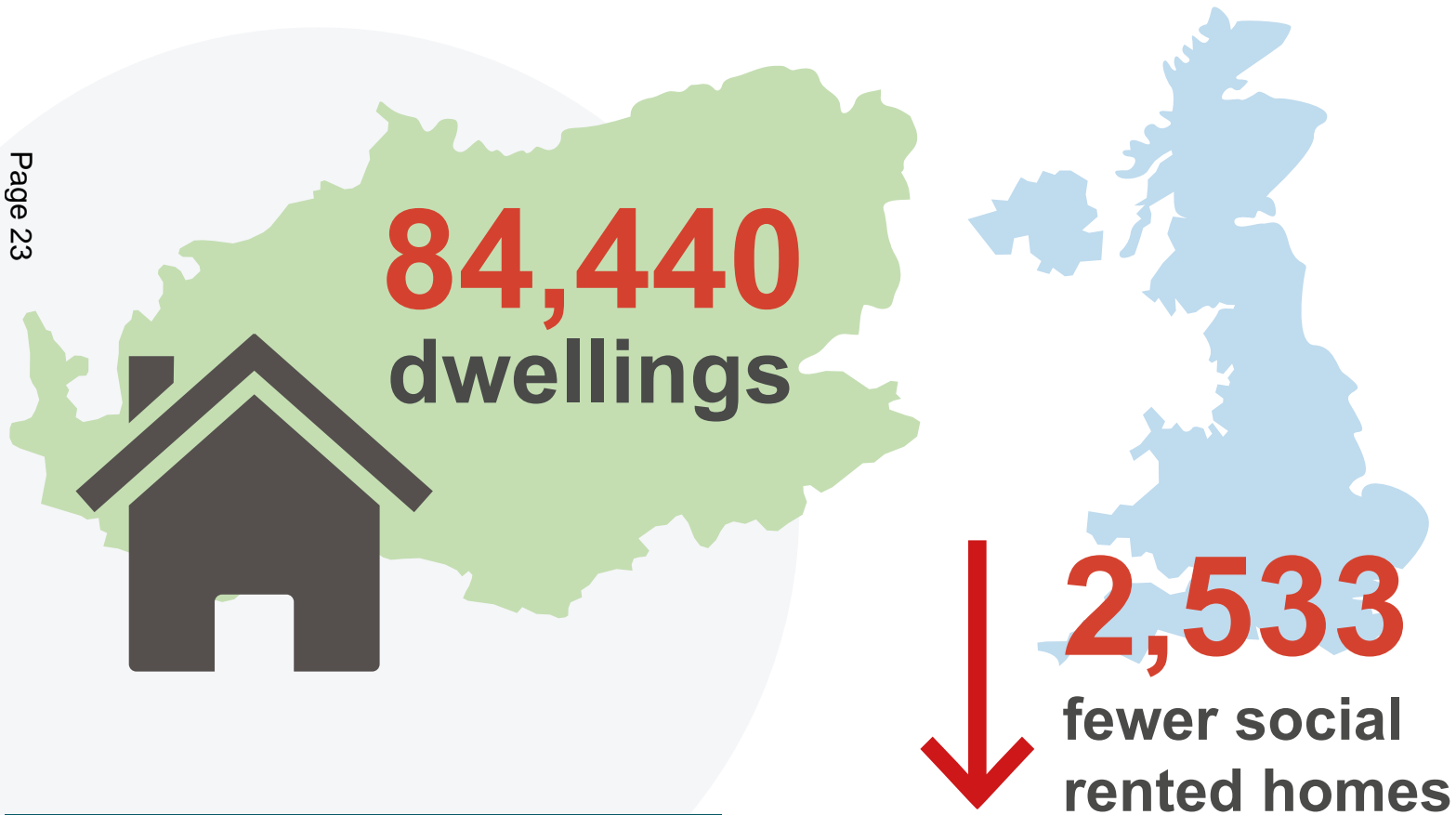
The population in B&NES is increasing. From 2011 to 2021, the percentage population increase was greater than in the rest of the region or England. A significant rise in the proportion of older residents is predicted over the next few years as the "bulge" of 30–60-year-old households ages. Therefore, maintaining independent living at home is a key housing priority.

The Bath and North East Somerset Local Housing Needs Assessment Report (January 2024 Draft) identified the need for an additional 1,678 specialist older person housing units in the district over the next 20 years.

Households and Tenure

- There are 84,440 dwellings in the district.
- Levels of private renting have fallen in recent years but are still high and account for 24% of the total stock.
- Owner occupiers make up 62% of stock and social rented housing the remaining 14%.
- In B&NES social housing stock is lower than the national average of 17%, which is around 2,533 fewer social rented homes than equivalent sized authorities.
- In B&NES, the official rough sleeper count has averaged around 14 for the last 12 months. Whilst this is low compared to historic figures, it is still relatively high for the population size

Page 23



24%
rent privately

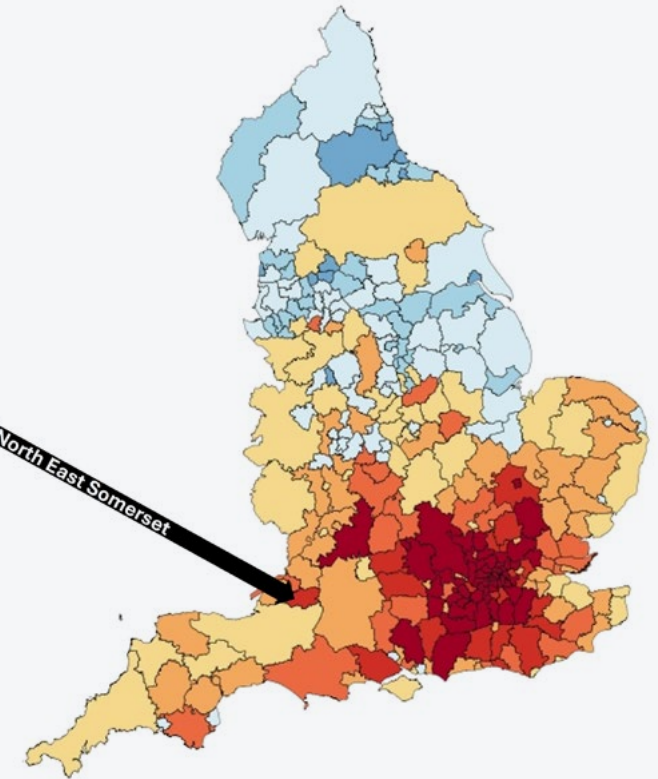
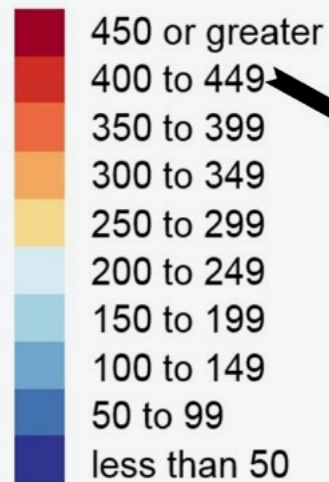
62%
owner occupied

14%
social rented

Housing Affordability

- In Bath & North East Somerset, gross annual pay (residence-based) is higher than England & the Region (£38,512, vs £35,955 and £32,790 respectively⁽ⁱ⁾) but this is not enough to offset high house prices.
- House prices are significantly higher in B&NES than in the South West and England (average price paid in August 2024 was £439,000⁽ⁱⁱ⁾ vs £320,774 and £309,572 respectively⁽ⁱⁱⁱ⁾). Average property prices in the city are higher still at £585,612^(iv).
- The ratio of house prices to earnings (residence-based) in B&NES continues to be higher than the Region and England at 13.4, 10.9 and 8.4 respectively. Whilst these ratios have improved slightly over the last year, large numbers of residents are still priced out of home ownership. For example:
 - ✗ 74.41% of all first-time buyers cannot afford a typical terraced house^(v).
 - ✗ 53.81% of all first-time buyers cannot afford a typical 2-bed flat.

Average prices £,000



Ref Average House Price Data in England (v)

Social Housing in B&NES

There are 31 Registered Providers, also known as Housing Associations, operating in B&NES, managing 11,935 social housing homes, comprising 9,317 and 2,611 general needs and older people/supported housing accommodation respectively.

There has been a net increase of 935 social housing homes over the last 10 years^(vi).

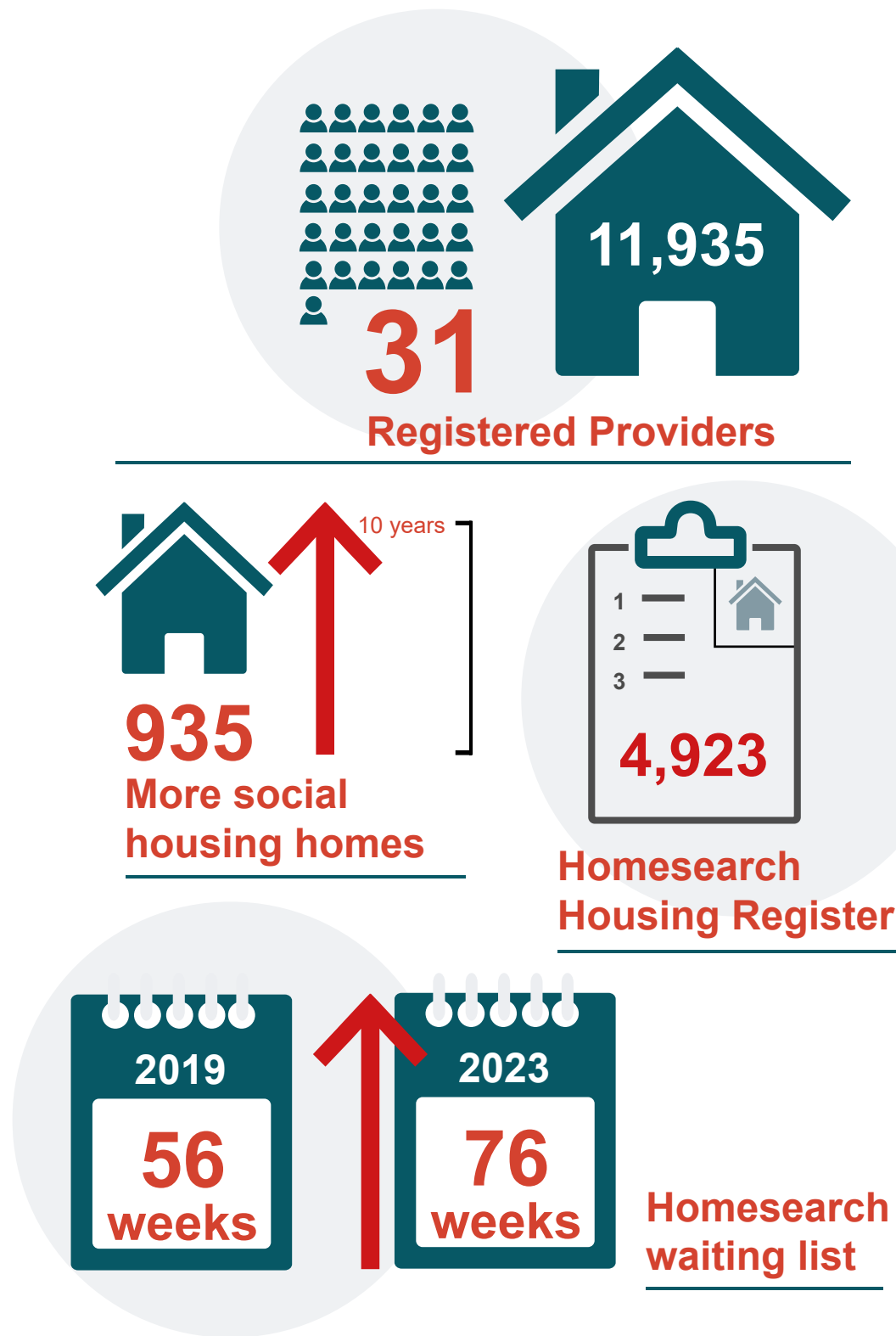
At the end of 2023 there were 1,008 households with an urgent or high priority need for housing in Bath & North East Somerset. Overall, a total of 4,923 households were registered on the Homesearch waiting list competing for around 500 to 600 vacancies annually.

Whilst most households on the register require 1 bedroom accommodation, there are particular challenges around securing larger accommodation. For example, there are 371 households on the register requiring 4+ bedroom accommodation yet in the last 3 years only 16 such homes have become available.

Waiting times for social housing

The average waiting time of those housed has been increasing over recent years, particularly for households in high and non-priority groups.

Using figures for those who were housed showed that in 2019, those with High Priority could expect to be housed in 56 weeks; by 2023 this had risen to 76 weeks. In 2019, those classed as in non-priority need could expect to be housed in 171 weeks, but by 2024, this had risen to 231 weeks.



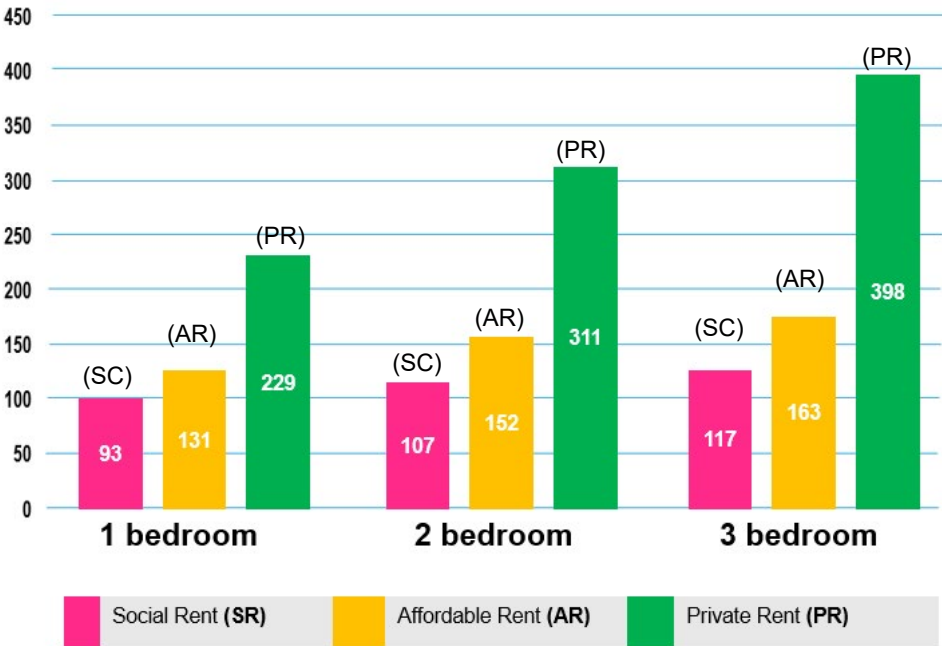
Why is social housing so important?

Social housing is the most affordable type of housing and provides good quality affordable housing for those residents who are unable to compete on the open market. Building more social homes would provide greater housing options for local residents whilst supporting the local economy.

The average cost of renting social housing

The chart below shows the difference in average rent for different tenancy types. In B&NES social housing rents are typically around 35 to 45% of the cost of private rents.

B&NES Average Weekly Rents (£)

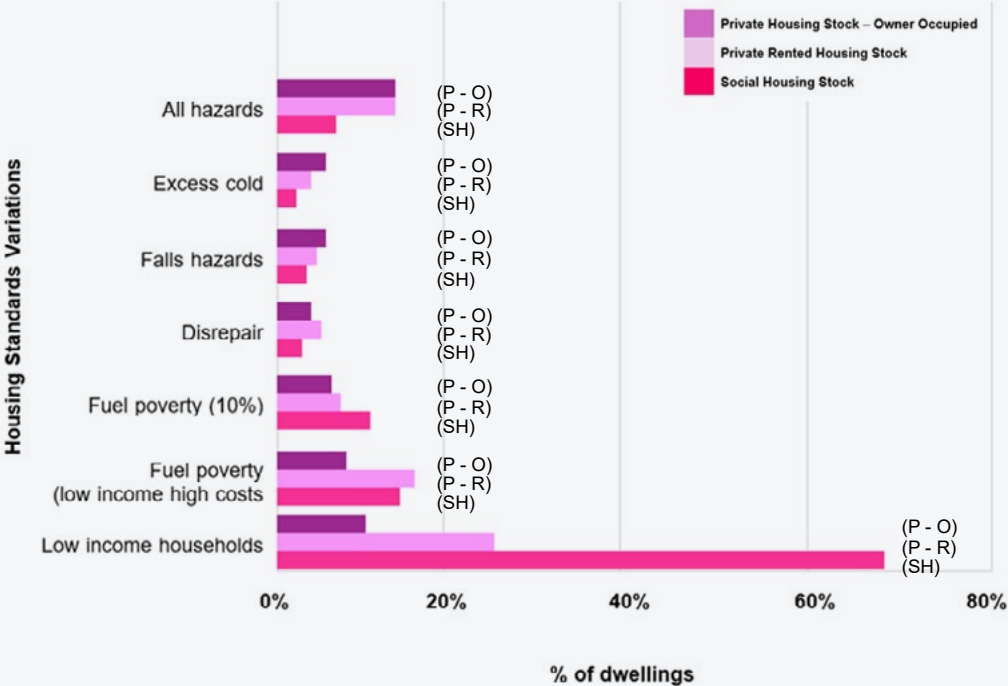


Housing Conditions

- The B&NES House Condition Survey shows that the overall performance of the housing stock in Bath & North East Somerset is mixed, compared to the [English Housing Survey](#) and South West regional average.

Housing Standard Variable	B&NES	EHS England	South West
Fuel Poverty	5%	8%	8%
Fuel Poverty (low-income/high cost)	9%	10%	9%
Low-income households	21%	25%	22%
Stock disrepair	3%	3%	3%
All Hazards	11%	10%	11%
Excess Cold	5%	3%	5%

- The Condition Survey confirms that the housing stock in the district is typically worse than the national average, with 11% of B&NES’s stock having a Category 1 hazard present, compared to 10% in England. Excess cold is generally the biggest single contributor to overall rate of hazards and drives the profile of all hazards across the district.
- The poorest conditions are found in private rented (non-HMO) and owner-occupied properties, particularly in rural locations, whilst the best conditions can be found in the social sector and private rented (HMOs).
- Whilst a higher proportion of low-income households reside in social housing the greatest proportion of residents in fuel poverty reside in the private rented sector.



Taking definitive action: Improving HMOs

In 2013 the council introduced an Additional Houses in Multiple Occupation (HMO) licensing scheme for smaller HMOs within the city. Along with the mandatory licensing scheme for larger HMO these schemes have contributed to the improvement of conditions in the 3,000 HMOs included in both schemes.

The 2023 House Condition Survey has now identified HMOs as typically in better condition than owner-occupied and other private rented properties in the district.

Future Housing Need

The draft Local Housing Needs Assessment (LHNA) seeks to identify housing need in B&NES over the twenty-year period 2022 to 2042. This identified a need for 11,035. Of these 4,976 need to be affordable homes comprising 1,949, 819 and 2,208 social rent, affordable rent, and affordable home ownership products respectively.

However, under the recently announced housing targets, the Government has proposed that the district should be providing almost 30,000 homes, more than double the previous requirement.

Based on past trends and current estimates LHNA analysis has concluded that 1,984 households in Bath & North East Somerset are currently living in unsuitable housing and are unable to afford their own housing.

Under the Local Plan, developments of new homes must comply with accessibility standards to make a proportion of the homes suitable for elderly people or those with disabilities. This, together with our expanded adaptation and community equipment service will help ensure that in future more B&NES residents will be appropriately housed.



Case Study - Argyle Works



Artist's Impression of Argyle Works, Bath

The Argyle Works site on the Lower Bristol Road, formerly a Highways Maintenance Depot, will be developed to provide affordable, energy efficient apartments to help meet the demand for low-cost homes in the area. The properties will be delivered in partnership with Aequus Construction Limited (ACL) the council's wholly owned development company and will include three one-bedroom apartments and five two-bedroom duplexes.

40% of the homes on the development will be prioritised for Care Experienced Young People. The development is the next step in the council's own affordable housing programme, which directly delivers council housing by developing existing council properties and surplus land.

Housing for Older People

In B&NES, our ageing population is a looming challenge, both in relation to future adult support needs and the provision of appropriate, sustainable homes. The number of people in B&NES aged 65+ is expected to grow by 15% by 2028, however as people are living longer, many are also working longer and so the traditional approach to older persons' housing may not be the most appropriate solution. Older people have a wide range of different housing needs, ranging from suitable and appropriately located market housing through to residential institutions. We need to plan for a diverse range of housing and accommodation options suited to older people, including specialist/supported accommodation and mainstream housing.

Homes for Young People

Ensuring we have the right homes in the right places is especially relevant when housing young people, specifically those who need additional support. Being housed close to family networks, where there is access to the right level of support is important for the wellbeing of the young person being housed. Providing suitable accommodation is another important factor that can directly impact on the wellbeing of the young person.

For the council, there are significant financial pressures in relation to the accommodation that it provides to under-18s in residential care and also over-18s where we have insufficient supported accommodation. Placing young people out of area due to lack of suitable homes in B&NES is creating budget challenges that will continue to increase if we fail to develop the right type of homes in B&NES. More importantly, out of area placements are not the best solution for young people.

Taking Action

Resolving the challenges facing young people in need of appropriate housing and also the financial burden this places on the council, requires action. The council has a large Corporate Estate, and this presents an opportunity for to establish a prioritisation process that would allow early identification of assets that could be utilised to develop the best housing solutions for young people.

Care Experienced Young People (16 to 25)

Council data shows that there are currently 66 high risk care leavers who need supported housing. This group can face real challenges in finding suitable accommodation and the right level of support to help them as they move out of care. A lack of suitable accommodation often leads to care leavers being forced to live in unsuitable conditions, sofa surf or sleep rough. The lack of appropriate housing coupled with young people's practical and emotional readiness to live independently all impact on care leavers' future outcomes.

Unaccompanied Young People

A lack of support and a limited supply of appropriate accommodation is a problem faced by young unaccompanied people, often asylum seekers, who find it difficult to establish themselves in an area without a proper support network around them. There are currently 26 Unaccompanied Young People in B&NES and although the Home Office provides some funding to the council, it very rarely covers the expensive market available accommodation, leading to a high financial burden for the council.

Delivering to meet specific need

The council estimates that by 2030 there will be an undersupply of around 100 specialist supported housing units. Delivering our own supported housing to meet specific needs allows us to address high spend on expensive out of district supported housing placements and provide better outcomes for clients. An example of the council taking this opportunity is the Englishcombe Supported Housing Scheme.

Case Study - Englishcombe Lane is an example of how the council can ensure that residents have homes that meet their specific needs. The development provides an opportunity to:

- Address the shortage of supported housing provision
- Employ sensitive and considered design which responds to the built and landscape context
- Focus on the needs of the end users
- Support nature recovery and low-carbon living

B&NES Homes commissioned the development at Englishcombe Lane to provide a model community of purpose-built housing for persons living independently in need of care and support with Autism and other disabilities. All units proposed will be available for affordable rent.



How will the plan respond to the challenges?

The council has a range of statutory responsibilities and general powers of competence that enable the council to influence, initiate and intervene in the market to help shape positive local housing outcomes. These are varied but principally include.

Statutory Provision

Homelessness & temporary accommodation; regulation & enforcement of housing conditions; mandatory adaptations and other services etc.

Place Shaping

Data collection, interpretation & sharing; visioning and planning; defining the key issues and challenges; community leadership and local influence etc.

Direct Delivery

Intervening where there is market failure, including committing to scaling up B&NES homes

Having regard to these principles the Housing Plan will respond to the local challenges by:

- Clearly articulating ambitions and high-level objectives for housing in B&NES, focusing the council's necessarily limited resources and effort on these priorities.
- Set the strategic context and direction to inform and shape the council's statutory housing duties.
- Allows the council's partners and residents to have a better understanding of the housing challenges and priorities in the area
- Supporting bids for additional funding through funding bodies such as the Ministry of Housing, Communities and Local Government; Homes England, West of England Combined Authority and Dept of Health & Social Care and Better Care Fund etc.
- Demonstrating the council's direction of travel to developers and registered providers (housing associations), increasing options for working in partnership on schemes which can deliver council owned affordable homes and social housing.



Taking definitive action: B&NES Homes

The council has set an ambitious goal to accelerate its general needs council housing programme over the next 10 years. This initiative is a key priority in our adopted Corporate Strategy, which aims to deliver the right homes in the right places. Our focus is on improving the availability of affordable housing that is accessible to local jobs and services, all in support of our overarching purpose: to improve people's lives.

To support this aim, the council has established B&NES Homes, a Registered Provider, secured Investment Partner status with Homes England and established Aequus a wholly owned housing development company.

The Housing Plan further outlines how we will utilise surplus council land assets, new land acquisition opportunities and partnering arrangements to unlock and deliver these homes to meet local housing needs and priorities.



Our Ambition

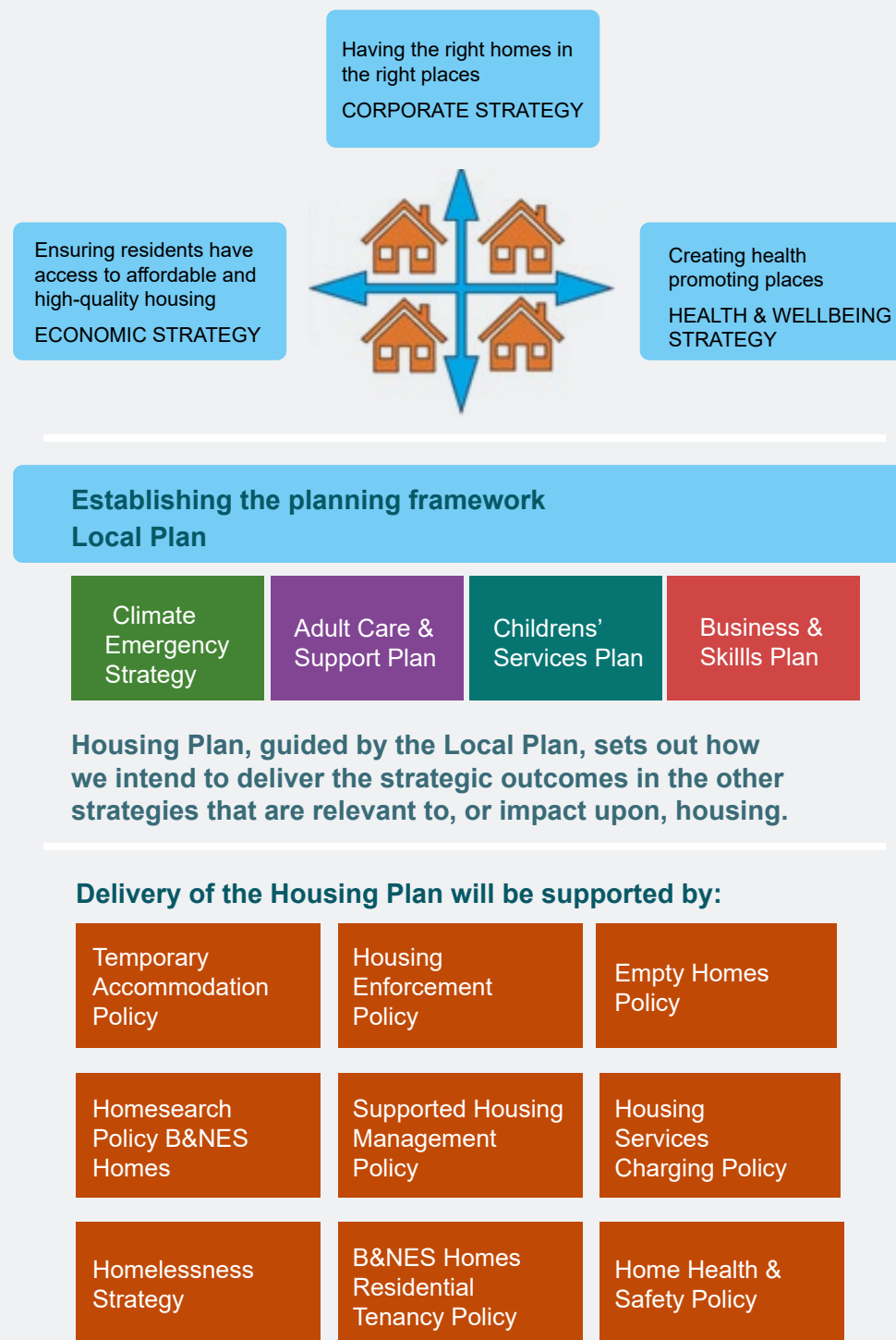
How does the plan fit with other council priorities?

There are numerous council strategies and plans which are linked to housing, and which contain the detailed activities and outcomes necessary to deliver high quality homes and neighbourhoods where people want to live.

The Housing Plan will be underpinned by the parts of other plans and strategies that are relevant to, or impact upon, housing and this will include the objectives of the:

- **Corporate Strategy** – which sets out the council's high-level aims, against which specific projects will be assessed and more detailed plans made.
- **Health & Wellbeing Strategy** – which provides the focus to establish the right foundations for everyone's health and wellbeing over the next few years.
- **Economic Strategy** - sets out the council's approach to local economic development and prioritises meeting the needs of residents and places whilst reducing impacts on the environment.
- **Local Plan** - will establish the planning framework for Bath and North East Somerset and contain a vision, strategy, and policies to guide and manage how the district grows and changes over the next 20 years.
- **Emerging Corporate Asset Management Strategy** – sets the framework for managing the council's property portfolio.

Page 33



Pillars

Determining our next steps:

The Housing Plan identifies 5 key themes and the actions the council will take to achieve these, using a 5 Pillar approach. Each pillar has a clearly defined objective, below which sits a series of actions necessary to meet that objective.



Release land for Housing

Objective: Release land to deliver homes sustainably, at pace, to respond to need

Action:

1. Intervene to address market failures in the type, mix and availability of housing
2. Ensure a pipeline of available land for homes prioritising council assets appropriate for housing delivery
3. Deliver strategically providing high quality and sustainable housing fit for future generations

B&NES Homes & Affordable Housing

Objective: Working to unlock and deliver affordable housing

Action:

1. Scale up B&NES Homes ensuring programme meets the needs of local residents
2. Work with RPs, Aequus, and other partners to maximise the delivery of affordable homes
3. Ensure the new Local Plan policy framework supports delivery & economic need
4. Provide and enable specialist supported housing products to address needs in Adult and Children's Services

Affordability Across the Housing Market

Objective: Develop a housing offer that is accessible and attractive to all

Action:

1. Work with anchor organisations to release housing land to support the economy
2. Diversify tenure and type of housing to support economically active households
3. Locate housing in areas of economic demand reducing in-out commuting pressure
4. Continue to bring empty properties back into use to expand housing offer
5. Using influence with Government to shape national policy

Housing Support

Objective: Reduce homelessness & ensure supported housing meets local needs

Action:

1. Refresh and enhance Homelessness & Rough Sleeping Strategy
2. Reduce use of expensive and inappropriate temporary accommodation
3. Ensure appropriate accommodation for those with long-term care needs
4. Ensure housing and support contracts are strategic and relevant

Housing Suitability

Objective: Ensure residents have access to housing that is safe, warm & accessible

Action:

1. Tackle fuel poverty for the most vulnerable households
2. Promote affordable warmth and healthy housing across B&NES
3. Maintain & develop an effective enforcement role
4. Develop comprehensive home adaptations and equipment service which responds to community needs

Pillar One – Releasing Land For Housing

The council's ambition is to be able to release land to deliver homes that respond to local need.

The council has a unique opportunity to directly address market failures in the type, mix, and availability of housing by repurposing its own assets or through proactive land assembly. This approach will accelerate housing delivery and create the homes that Bath & North East Somerset needs.

How will we achieve this?

To enhance delivery, the council will undertake a strategic review of local authority land and property through a Corporate Landlord Asset Review. Additionally, the council will develop proposals for the direct acquisition of suitable land or properties to influence and expedite housing delivery across the district.

Most council interventions are expected to occur on council-owned land, allowing us to build quickly and without competing with other developers. As a priority, the council will ensure that all new homes support our climate and ecology goals and are resilient to future climate conditions.

The council is already progressing the development of new homes and supported housing on council owned land and assets, including for instance around 500 new homes at Bath Riverside and the Midland Road waste site.

However, the council aims to establish a rolling programme of development. This programme will include a variety of sites, ranging from large sites accommodating 40 to 100 new dwellings to smaller infill sites for 6 to 12 homes, and potentially even fewer in some cases.



Midland Road Development Aerial View

A variety of home types, sizes, and tenures will be built to meet identified housing needs and create mixed, sustainable communities. The greatest challenge is land availability and balancing cost and quality. When considering development, the council will aim to:

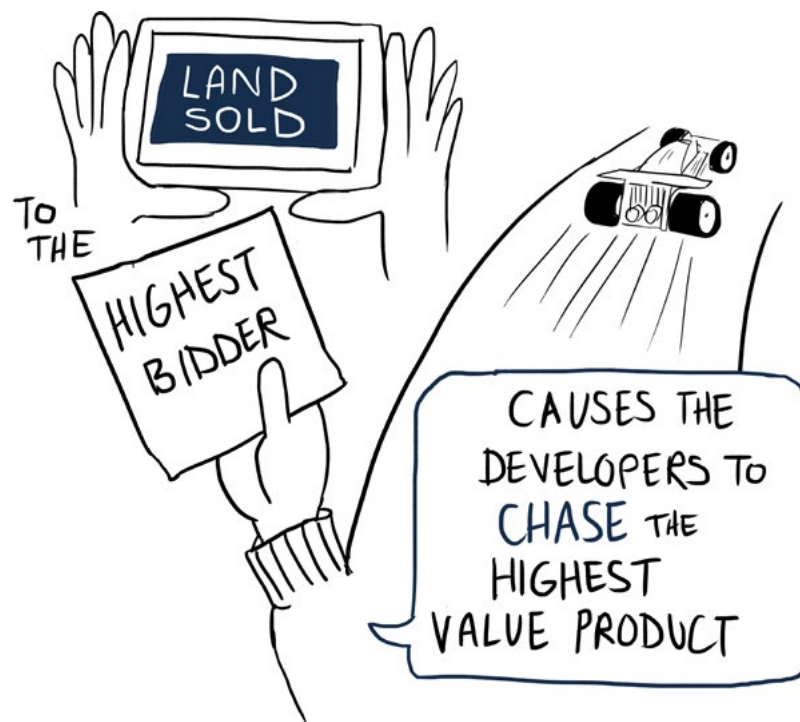
- Address the climate emergency by designing new homes to be as close to net zero carbon as possible and resilient to future climate conditions.
- Build high-quality, healthy, and affordable homes to meet identified needs.
- Create housing that people choose to live in and are proud to call home.
- Ensure value for money and benchmarked build costs.

Page 33
The council will also continue to work directly with anchor organisations or by partnering with developers, including Aequus, and contractors to provide new affordable homes. This will secure a pipeline of available land for homes, delivered via a range of mechanisms.

The council has strong, established links with other Registered Providers (RPs) that significantly contribute to housing supply in the district. It is important that this continues, and it is not the council's intention to compete for sites with other RPs. Instead, the council intends to work alongside partners and anchor organisations, offering a complementary approach to the delivery of affordable homes.

The financial viability of each scheme will be assessed to ensure the cumulative effect of the programme is affordable within the context of the wider business plan. Each project will be evaluated to ensure it aligns with the aims of the Housing Plan, has been risk assessed, and is financially viable, meeting key criteria.

The council has a strong track record of successfully delivering on funding agreements. A range of funding sources are available to support the council's ambitions, including legacy Right to Buy funds, MHCLG/Homes England grants, Section 106 receipts, and loan funding.



Existing or off the shelf acquisitions

Further housing stock can be added via the purchase of existing properties or considering conversion of office to residential to use as council homes. These will be considered where the properties can meet the council's requirements and acquisition is proven to be financially viable. They may be new homes completed by a developer and offered to the council.

Using market intelligence and housing need the council can identify gaps in the market that require greatest intervention, develop a process to identify land led opportunities and assess suitability for development against a checklist bringing forward development where there are gaps in provision.

Land is the key to providing high quality and sustainable housing fit for future generations. With the council's own land driving housing delivery, it can control and influence the place for residents and businesses, creating sustainable well designed and healthy places that deliver economic benefits and community resilience and respond to the climate and biodiversity emergencies.



Housing Plan Pillar 1 - Release Land for Housing Release land to deliver homes sustainably, at pace, to respond to need

Action	Next Steps	Timescale	Ownership
Intervene to address market failures in the type, mix and availability of housing.	Create pipeline of housing delivery using land led opportunities to identify and secure development land.	Short Year 1	Housing/Corporate Estates
	Address market failure and gaps in provision to support socio-demographic in area by identifying products and delivery vehicles to support this.	Underway Years 1 to 2	Housing/Economic Development
	Planning and co-ordination of a range of infrastructure investment to unlock future housing and create communities.	Underway Years 1 to 5	Housing
	Identify and bring forward development where there are gaps in provision, by using council resources and available public funding to establish effective, alternative delivery mechanisms.	Underway Years 1 to 5	Housing/Capital Delivery
Ensure a pipeline of available land for homes prioritising council assets appropriate for housing delivery.	Strategic review of local authority land & property through Corporate Landlord Asset Review	Underway Years 1 to 2	Housing /Corporate Estates
	Develop proposals for direct acquisition of land, with the council taking on a lead role	Underway Years 1 to 5	Housing
	Raise profile and increase the level of investment, using public sector funding routes and private sector innovation in financing to support targeted housing delivery.	Underway Years 1 to 5	Housing
	Work collaboratively with landowners, developers and delivery partners to focus and align resources to achieve more successful housing outcomes.	Short Years 2 to 4	Housing
Deliver strategically providing high quality and sustainable housing fit for future generations.	Explore and enter into partnership/JV vehicles as route to delivery with the aim to introduce a much wider range of alternative housing delivery mechanisms.	Short Year 1	Housing
	Working across the council with a joined-up approach we will align housing delivery to create sustainable, well designed, attractive, and healthy places that deliver economic benefits and community resilience, support clean, inclusive recovery and growth, and respond to the climate and biodiversity emergencies	Medium Years 1 to 5	Housing /Sustainable Communities
	Meeting current policy. Embrace innovation adopt a standard design code for all new homes, building resilience in the council's delivery output. Making homes sustainable to ensure homes are fit for the long-term and contribute to achieving net-zero carbon.	Short Years 1 to 5	Housing/ Sustainable Communities/Capital & Delivery

Pillar Two – B&NES Homes And Affordable Housing

The council's focus in this area will be on working to unlock and deliver affordable housing. The housing development market in B&NES, particularly Bath, has not delivered the housing needed, either in terms of Affordable Housing or more specialist housing.

Affordability

B&NES is a beautiful place to live but it is heavily constrained with limited land for development. The consequence is high house prices.

The latest housing needs assessment indicates that around 80% of new housing growth in the city would need to be Affordable Housing over the next 20 years to meet assessed need.

There are many factors influencing this, though principally a lack of development land. This is why a key aim of this pillar relates to the Local Plan which is the main tool the council has to effect the release of land and control its purpose.

Market Failure

Over recent years, and encouraged by Government policy, the focus of Registered Providers (RPs) has moved to that of larger scale delivery of general needs affordable housing.

This approach is successful in terms of the overall number of affordable homes produced but does result in RPs developing where the opportunity to deliver large sites at pace exists. This is a challenge locally given many of the council's sites are small and/or high value. This has also seen some of the positive work RPs did in the past to meet specialist need significantly decline in recent years.

To address to these key factors, the council will:

- Scale up B&NES Homes as a local registered provider and ensure its delivery programme meets the needs of residents and the economy. This will help address the gaps left by the market failing to deliver homes which meet local need.
- Work with RPs and other partners to support the delivery of affordable housing. B&NES Homes has a significant role but will deliver even better results by working with partners leveraging resources and investment to maximise delivery of affordable housing.
- Ensure the new Local Plan policy framework supports delivery and that housing responds to economic needs.

Scaling Up B&NES Homes

The Council has made a promising start by developing a portfolio of 66 units, comprising supported housing, general needs rented units, and shared-ownership properties. The council aims to significantly scale up the direct delivery of affordable and specialist housing through B&NES Homes, the Council Registered Provider, with a further 48 units either under construction or due to start construction within the next 12-18 months.

To determine the best approach for enhancing delivery and management capabilities, including the potential reopening of a Housing Revenue Account (HRA), the council has commissioned specialist consultants to explore options and implications for scaling up delivery.

The report highlights the importance of developing a robust and viable housing pipeline while incrementally enhancing capacity and capability in housing delivery and management. This approach will mitigate risks and ensure the council selects the most appropriate delivery and operating model. Since the initiation of this programme, the new Government has accelerated several significant policy changes that will also need to be considered and assessed in future decisions.

Therefore, the council is adopting a phased and incremental approach to scaling up B&NES Homes. The table opposite summarises this route map

SHORT (<18 months) Phase 1: Mobilisation

Issue	Action
Asset Strategy (Pipeline)	Build Asset Strategy (Pipeline) Asset review/challenge process to identify Council land suitable for development. Investigate market purchase.
Develop staff capacity/capability	Build staff capacity/professionalism slowly Scale-up staff capacity, particularly around commissioning/development expertise.
Finance/CAPEX Review	Review Financials Assess pipeline capital requirements on updated asset pipeline. Review balance sheet implications and financial options to the Council for delivering the pipeline

MEDIUM (18 months – 2 years) Phase 2: Decisions

Issue	Action
HRA Decision	HRA Decision Based on cost, benefit and risk. Trigger point for implementation unlikely to be before Apr 2028 based on current trajectory.
Housing Management Decision	Housing Management Decision Options include in-house, ALMO; outsourced to RP or specialist management provider.
Operating Model Decision	Operating Model Decision When greater clarity on resources and pipeline then consider best operating model, such as, inhouse; joint ventures, RP company etc.

LONG (2 years +) Phase 3: Scaling

Issue	Action
Implement Options & Scaling	Implementation & Scaling Implement & scaling at this stage.

Including Net Zero Commitments

All B&NES Homes new build homes will meet or exceed the council's Net Zero Planning Policy Requirement.

Each scheme will be appraised to identify opportunities for exemplar activity, such as innovative use of materials or new technology.

Each refurbishment scheme will be appraised to establish the maximum practical energy efficiency improvement with a view to EPC 'C' being the minimum.

On new build schemes we will aim to work with the Building with Nature Standard as well as meeting or exceeding Biodiversity Net Gain requirements.



Working with Partners

The council will develop and leverage Homes England, West of England Combined Authority (WECA) and West of England relationships by:

- Creating a proposition which makes an ask and offer against their stated housing aims.
- Collaborating with WECA to find capacity funding to explore development options.
- Leveraging the Homes England 'place' priority of: 'encourage more local government led delivery of affordable housing.'
- As referenced in more detail in Pillar 3 the council will work with anchor organisations and partners to identify land owned by employers which could be used to provide 'employer linked affordable housing' schemes.

Page 43



Effective Use of Assets

B&NES is fortunate in terms of the scale of its assets, but the council needs to be certain it is using these to best effect. Therefore, the council will:

- Embed a system for identifying council assets which could be used to create housing.
- Create a method of consistently prioritising options for client/tenure
- Create a decision-making process to determine the most appropriate route to market for council land.



Image source:
Aequus

Newbridge Hill is a development of seven 1 and 2 bed apartments in Bath. The former council office building was refurbished by Aequus and provided B&NES Homes with the first socially rented council housing for 30 years. The award winning development is an excellent example of how the council has refurbished an existing council owned building and brought it back into use as social housing.

117 Newbridge Hill

Housing Plan Pillar 2 – B&NES Homes & Affordable Housing Work to unlock and deliver affordable housing

Action	Next Steps	Timescale	Ownership
Scale up B&NES Homes ensuring programme meets the needs of local residents.	Develop and implement asset review system for identifying council assets which can contribute to a single corporate housing pipeline.	Underway Years 1 to 2	Corporate Estate
	Develop and implement robust methodology for prioritising end user group for housing delivered, for example Temporary Accommodation, Specialist Supported or General Needs housing.	Short Years 1 to 2	Housing/Housing Group
	Commission specialist advice on most appropriate delivery at pace and housing management options for B&NES Homes, including HRA implementation.	Underway Year 1	Housing
	Agree and implement B&NES Homes medium term business plan having regard to above specialist advice, including appropriate governance and structure arrangements.	Underway Year 1	Housing/Corporate Finance
Work with RPs and other delivery partners to support the delivery of affordable housing.	Work with RPs to deliver enhanced local housing outcomes; including increasing proportion of larger homes provided and transitioning from policy compliant to 100% affordable tenure on small to medium development sites.	Underway Year 1	Housing
	Work with WECA and partners to exploit OPE and other land opportunities to get land in the hands of developers and RPs to bring forward additional affordable housing.	Underway Year 1	Housing
	Explore opportunities to work with partners to lever in additional infrastructure provision or grant to unlock housing sites.	Short Years 1 to 2	Housing/Corporate Finance
	Explore opportunities where key partner aspirations align with the council's to deliver greater housing outcomes.	Short Years 1 to 2	FAB/Housing
Ensure the new Local Plan policy framework supports delivery & ensures that the provision of housing responds to economic need.	Using a 'lessons learned' approach, adapt or create new policy which responds to market trends, and which seeks to maximise the delivery of affordable housing.	Medium Years 2 to 5	Housing/Local Plan
	Undertake comprehensive viability testing of proposed policies to verify deliverability and minimises the potential loss of affordable housing due to sub-policy compliant schemes.	Medium Years 2 to 3	Housing/Local Plan
Bring empty properties back into use to expand the housing offer	Maintain an effective suite of interventions and incentives for empty property owners.	Underway Years 1 to 5	Housing
Provide and enable specialist supported housing products to address pressures in Adult & Children's	Develop and implement a protocol for joint working between Housing and Adult and Children's Services, including identifying Housing Champions in Adult and Children's Services.	Short Year 1	Housing/Social Care
	Utilise Housing with Care data to better understand existing and predicted need and secure long-term pipeline of Housing with Care schemes to meet the assessed need of 100 specialist homes by 2030.	Medium Years 2 to 5	Housing/Social Care

Pillar Three – Affordability Across The Housing Market

Delivering housing that is affordable and meets our economic need.

Affordable Housing is a specific definition of housing tenure based on need. However, housing affordability is about the rest of the housing market which needs to be affordable to economically active residents and located in the right places.

The market is typically producing high-value, high-density housing in the city and low-value low-density housing in areas like the Somer Valley. This causes an increase in unsustainable commuting.

Whilst the council cannot solve this entirely, its objective is to create the right housing in the right places by deploying the following levers.

Council asset review

Availability and the cost of land impact on affordability of homes and have resulted in viability being cited by developers as a reason for not delivering sufficient affordable housing. The council can start to change this by using its own land and assets as a means of increasing the delivery of homes that are affordable.

A strategic review of the council's corporate estate is currently underway. The Asset Challenge Framework will identify where there are opportunities to develop new homes, reinstate vacant properties or improve the environmental standard of dilapidated homes above shops and bring them back into use.

The strategic review will also be used to establish whether there are potential alignments with partner organisations which can be leveraged, such as situations where partners own adjacent land or buildings in similar need of updating.



Effective intervention: making best use of council assets

Previously a vacant Council office block, the renovated Riverside View development, delivered by the council's housing company, Aequus, provided a total of 95 studio, one and two-bedroom flats. Twenty of the properties were offered to people with a Keynsham address before they went on general sale, and most were very modestly priced.

The development supported the Council's vision of using surplus assets to provide facilities and housing for local communities.

Working with anchor organisations and partners to support housing delivery

The council is working hard to build on relationships with existing and new partners, many of whom form part of the solution to tackling affordability across the housing market. The table below indicates anchor organisations and partners, how they may contribute and what the council's broad strategy could be.

Organisation	How can they contribute to land re-lease?	Strategy/Next Steps
Registered Providers	Limited contributors of land but willing recipients of land which can be freed-up.	Actively engage with Registered Providers, including Homes West Partners.
St John's Foundation	May own surplus buildings which they wish to sell or align for marriage value.	Understand their disposal strategy, discuss options with them.
PHS Trust	Free up land for key worker housing within existing site ownership.	Understand their needs/aspirations and site capacity. Develop operating model whereby the council could partner/develop for them.
Universities	Identify surplus land for on-site provision.	Understand their strategy and identify common goals or mutual interest.
Duchy	Significant landowner with a track record of affordable housing delivery.	Understand their strategy and identify common goals or mutual interest.
Charities/other public bodies	Diocese of Bath & Wells, smaller local groups who may own outdated/dilapidated buildings which they wish to sell.	Gather local intelligence, raise awareness that the council may be interested in acquiring land.
One Public Estate (OPE)	Provides detailed property search and mapping, including land registry titles of all land packages and vacant land.	Embed OPE as part of the council's land acquisition strategy (for appropriate opportunities).
Homes England DPS	Delivery Partner DPS members can bid to develop homes on land owned by Homes England or other public sector bodies.	Ensure the council is registered to bid for appropriate sites.

Providing homes for essential local workers

A key element within the housing needs of Bath & North East Somerset is catering for essential local workers. However, this cannot be delivered at the expense of more vulnerable people on the housing register. This compromise can be achieved by working with anchor organisations and partners to identify land owned by employers which could be used to provide 'employer linked affordable housing'. By creating a comprehensive policy and delivery model it could unlock land for workers which would otherwise not come forward for development.

Shape national policy

The council will aim to influence the Government to help shape national policy, especially in relation to planning policy, amending right to buy, regulating Air BnB type accommodation and availability of funding for affordable housing.

Influencing market activity

Over the last three years developers have not delivered almost 50% (over 400 homes) of the Affordable Housing which should have been delivered due to various lawful approaches, such as viability or exemption claims. This is a significant loss to the district and replacing such a home can cost the taxpayer around £150k per unit in public subsidy.

To reduce this loss, the council will ensure that:

- The Local Plan is robustly viability assessed
- It enhances specialist support to ensure it can challenge viability claims as robustly as possible
- The new Local Plan requires affordable housing contribution from all developments which create 10 or more dwellings (i.e. not just Use Class C3)



Image courtesy of Curo

Bringing empty properties back into use

There has been a year-on-year rise in empty property figures across the Country. Currently in B&NES there are 225 long term empty properties (2yrs empty onwards).

The council's Empty Residential Properties Policy (ERPP) is supporting the council to bring empty properties back into use, bringing 398 properties back into use in the last 3 years. The council is committed to maintaining this trajectory.

The Empty Residential Properties Policy outlines a twin track approach to dealing with empty homes:

1. Offering advice and financial assistance to all empty property owners
2. Cross service enforcement action where appropriate

The ERPP identifies ways different service areas can work together to reduce duplication of effort and save resources, whilst delivering an effective approach to bringing empty homes back into use.

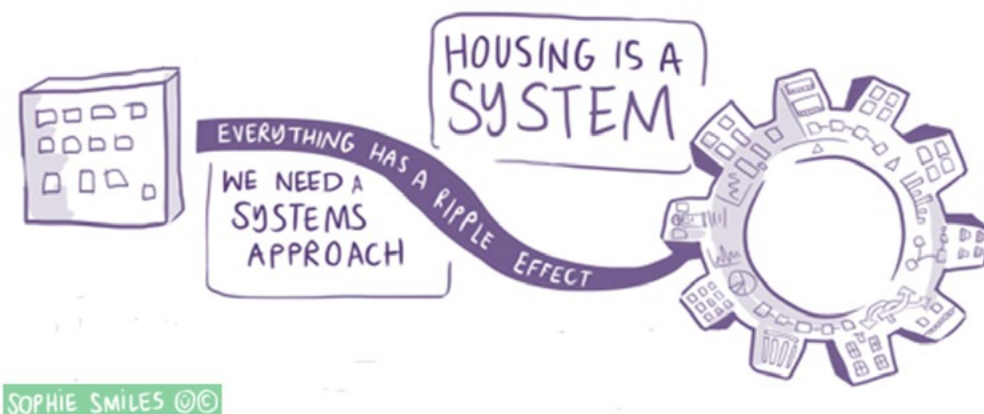
To enhance the ERPP, the council will now be concentrating on developing and embedding procedures for high-level enforcement action on empty homes, including Enforced Sale and Compulsory Purchase Orders. The properties that come forward through these enforcement measures will be fed into the forthcoming asset review process for consideration as social housing.

Empty Properties and B&NES Homes

The aspiration is to compound the benefits of the council's empty property work by viewing them as potential contributors to the B&NES Homes pipeline. Empty properties are diverse in nature and may present a solution to specific areas of market failure.

To facilitate the development of this thinking the council will:

- Catalogue Empty Properties by size and type, which will be shared with B&NES Homes
- Create a process whereby the contents of the catalogue can be assessed for suitability for B&NES Homes
- Create a referral pathway for owners of empty properties who wish to sell their property to B&NES



Housing Plan Pillar 3 – Affordability Across the Housing Market

Develop a housing offer that is accessible and attractive to all

Action	Implementation	Timescale	Ownership
Work with anchor organisations to release housing land to support the economy.	Engage with anchor organisations and other key partners to identify surplus land for lower cost housing identifying common objectives and effective joint delivery models.	Year 1	Housing/FAB
	Working across the council, develop a policy compliant model that supports the release of land from anchor organisations and other key partners to provide lower cost key worker housing.	Year 1 Underway	Housing/ Planning
	Work with WECA to identify additional capacity to support development of OPE opportunities.	Year 1 Underway	Housing/FAB
Diversify tenure and type of housing to support economically active house-holds (including shared housing for young professionals).	Investigate the potential to provide greater influence over new allocations in terms of density, tenure, and bed sizes by use of SPD etc as per BWR Phase 1.	Year 1	Planning
	Ensure that Local Plan includes policies which respond to understanding of local needs in terms of tenure/size and type of housing.	Years 1 to 2	Planning
Locate housing in areas of economic demand reducing in-out commuting pressure	Use land allocations in the local plan to influence appropriate location of housing land to employment.	Years 1 to 2	Planning
	Refresh our understanding of where those areas of economic demand are.	Year 2	EZ Lead
	Somer Valley Enterprise Zone (SVEZ) – investigate the potential to co-locate housing.	Year 3	EZ Lead
Continue to bring empty properties back into use to expand housing offer	Review the suite of interventions and incentives to ensure the recovery of empty homes.	Year 1 Underway	Housing
	Undertake affordable housing suitability assessments on all empty properties and leverage opportunities to work with partners to turn empty properties into social housing.	Years 1 to 5 Underway	Housing
	Elevate the status and work of the empty properties programme throughout the district, including using national networks.	Underway	Housing
Using influence with Government to shape national policy.	Produce an Influence and Engage Strategy to guide the council's interactions with influential partners. Supporting changes to regulation on policy affecting our residents, for example short term lets (e.g. Air BnB etc).	Year 1	Housing

Pillar Four – Housing Support

The council's approach will focus on reducing homelessness and ensuring supported housing meets local needs.

The best way to end homelessness is to prevent it occurring in the first place. Not only does it produce better outcomes, but it is also more cost-effective. Understanding when the risk of homelessness is particularly acute, the routes into services and responding to what data is telling us, can underpin policy to make a real difference for decision-makers and more importantly Bath & North East Somerset communities. When homelessness cannot be prevented, the right housing and support must be in place for those that require it.

Through understanding data and listening to customers, the council knows that the longer someone sleeps rough the greater the impact on their health and wellbeing. The council is clear that placing homeless people in unsuitable temporary accommodation is detrimental to the health and development of children. The council knows that provision of good quality, safe accommodation reduces the impact of domestic abuse on children and families. It is also clear that having access to a stable home, with intensive support, reduces rough sleeping and improves the health outcomes for those with multiple and complex needs. Too often responding at the point of crisis, not only has a higher financial cost and poor outcomes but causes a cycle of repeat homelessness when unsuitable housing placements fail.

Only by services working together to find creative solutions can homelessness be reduced, rough sleeping ended for good, and those experiencing domestic abuse have a safe place to call home.

Next Steps

The action plan set out under housing support will build on progress made and identify the changes needed across the council and its Partners to deliver the council's ambition. It will stand for better temporary accommodation provision, a rapid rehousing pathway and more effective and person-centred support. Overall, it is about delivering what our community deserves.

Refresh and enhance the council's Homelessness & Rough Sleeping Strategy

The Homelessness & Rough Sleeping Strategy expires in 2024. It expresses the council's ambitions for addressing homelessness and rough sleeping, as the issue was viewed in 2019. Much has changed since, with the Covid-19 pandemic presenting new challenges that continue to influence the council's aims and how we work together. The cost-of-living crisis that emerged as Covid receded has added further pressure to households that were previously managing without assistance from the Local Authority or the voluntary sector.

Despite additional accommodation being brought online during the pandemic, rough sleeping remains a significant and highly visible issue for B&NES. The number of homeless households presenting to the council has increased and with it, demand for temporary accommodation has increased to levels that have not been seen before. The council knows that whatever it does in terms of delivering affordable housing, there is not enough for everyone that needs it, so exploring options and choice is a must. A refreshed Strategy, co-developed with the Homelessness Partnership, will set out how, by working in partnership, the council can develop new approaches and solutions and provide the basis for new funding applications.

Future proofing off-the-street housing provision

A significant challenge on the horizon is current off the street provision. The quality of the offer is off-putting and compounds rough sleeping levels as a small but significant number of people refuse to access it, preferring to sleep out. With the lease for the current building expiring in 2026, a new, fit for purpose site is a priority for future provision. In Bath & North East Somerset, we have already moved away from traditional communal night shelters, appreciating the need for dignity and privacy, but when temperatures fall in the Winter often the off-the-street provision is oversubscribed. Not uncommonly, due to high demand for move-on accommodation, the length of stays in off the street accommodation have extended beyond the short term, so improving pathways to longer term accommodation will be a vital part of improving outcomes.

Ensuring housing & support contracts are strategic and relevant

The council has a strong relationship with providers of housing related support and accommodation in B&NES. This has come about by working closely with key partners, listening to their concerns, and involving them in shaping the sector. The council is working with providers to reshape the homelessness pathway, analysing individuals' journeys into and out of services and looking for improvements that will result in a Rapid Rehousing Pathway. The council's aim is to prevent homelessness via timely and appropriate support.

Where it cannot be averted, the council's aim is to foreshorten any period of homelessness by intervention and support. A Rapid Rehousing Pathway will ensure that better, more sustainable outcomes for individuals and families are achieved, and that increased value for money is delivered from services.

The council's housing related support contracts are critical to this work stream. To ensure a range of strategically relevant and effective services, the council is bringing the contract commissioning process back in-house, from HCRG. This started in April 2024 for some key services and will complete by the end of the year. In addition, all support contracts will be reviewed during 2024 to ensure fit within the Rapid Rehousing Pathway and financial envelope.

Providing appropriate accommodation for those with long-term care needs

The cost of delivering social care services has continued to rise due to economic and market factors. In part, and compared to peers, this is due to an over reliance on expensive Registered Care and Nursing Homes and a reduced use of existing mainstream housing options.

By working corporately with partners, the council aims to increase access to mainstream accommodation for more clients whilst also providing specific client led "housing with care" products. This will help to reduce pressures in Adult Social Care.

Housing with care

Housing with care provides people with the opportunity to live in their own purpose-built, self-contained household, while accessing care and meals on-site. This can enable people to live more independently for longer. Care is provided by staff who are available 24 hours.

Current evidence suggests that to meet existing "pent-up" and future demand for housing with care in B&NES will require an additional 100 units of this type by the year 2030.

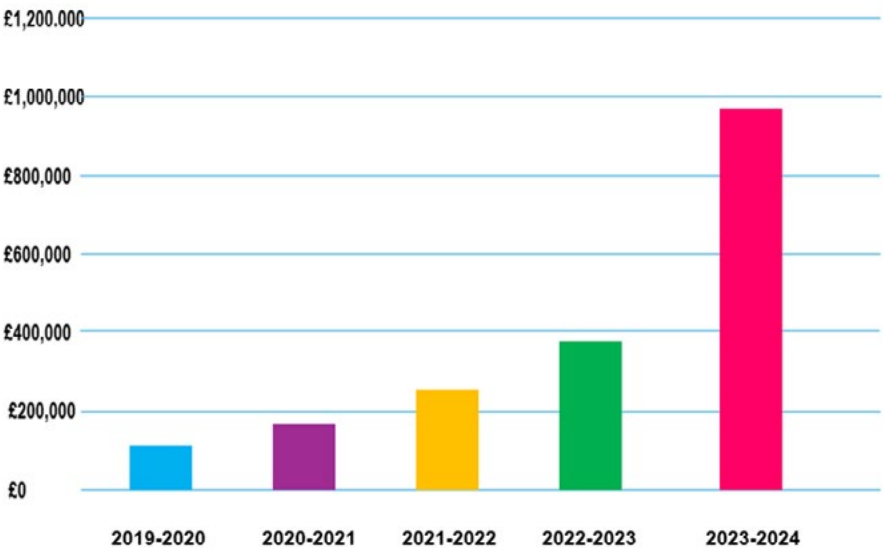
Reduce the use of expensive and inappropriate temporary accommodation

Reducing the use of inappropriate hotel placements, and developing more supportive temporary accommodation, is a key priority for the council. Hotels are an expensive option for meeting the council’s statutory housing duty and can result in families being housed in inappropriate accommodation that may not fully meet their needs, and cause difficulties with family life. Many single people will also find it difficult to sustain a hotel placement, particularly people leaving care and those with multiple and complex needs.

The council will focus on reducing the use of expensive temporary accommodation in a variety of ways, including increasing the provision of its own B&NES Homes temporary accommodation schemes (see inset opposite). The aim is to keep the council’s Temporary Accommodation Action Plan fresh and relevant.

Page 52

B&NES Net Spend on Temporary Accommodation



Effective intervention:

New temporary accommodation

B&NES Homes, in partnership with Aequus has renovated and extended a vacant property to create an eleven-room supported housing scheme providing emergency and temporary accommodation for homeless households.

Theobald House will reduce the use of unsuitable and expensive bed and breakfast accommodation which is often located out of district where it is harder to support clients.

The property is very energy efficient meeting AECB energy efficiency standards. It is provided with PV solar panels and air-source heat pumps.

Housing Plan Pillar 4 – Housing Support

Reduce homelessness & ensure supported housing meets local needs

Action	Next Steps	Timescale	Ownership
Refresh & enhance Homelessness & Rough Sleeper Strategy	Work with B&NES Homelessness Partnership to understand current local need requirements and support transition to a Rapid Rehousing Pathway model.	Year 1	Housing/ Partners
	Expand appropriate and cost-effective move-on housing options for former rough sleepers, including Housing First type schemes.	Years 2 to 5	Housing/ Partners
	Understand future requirements for off the street provision and assist Julian House with the relocation of the existing Manvers Street provision	Years 2 to 5	Housing/ Partners
	Embed a system wide approach of Psychologically Informed Environments (PIE) across homelessness settings to ensure offers of housing are sustainable.	Years 1 to 2	Housing/ Partners
Reduction in use of expensive and inappropriate temporary accommodation	Operate a Prevention First model for housing advice ensuring high quality and accessible housing advice is provided to everyone at the earliest opportunity.	Year 1	Housing/ Partners
	Increase the number of high quality and cost-effective temporary accommodation units directly delivered and managed by the council with a target of 25-30 in total, including units for clients with specialist requirements.	Years 2 to 3	Housing
	Keep the Temporary Accommodation Action plan under review to ensure that the council remains in the lowest quartile for temporary accommodation usage and ensuring that children are only placed in B&B type accommodation in an emergency and in any case not for more than 30 days.	Years 1 to 5	Housing

Action	Next Steps	Timescale	Ownership
Ensure appropriate accommodation for those with long-term care needs	Review the Homesearch Allocations Scheme to ensure it meets Corporate priorities, including that vulnerable Adult & Children services clients are enabled and facilitated into mainstream housing options.	Year 1	Housing/Adult Care
	Secure long-term pipeline of Housing with Care schemes to meet the assessed need of 100 specialist homes by 2030.	Years 2 to 4	Housing/Adult Care
	Embed the positive learning from the ongoing development Learning Disabilities and/or Autism at Englishcombe into working practices.	Years 2 to 3	Housing
	Review all housing support contracts to ensure that they effectively support the council's revised homelessness pathways and fit within council agreed financial envelope.	Year 1	Housing/Partners
Ensure housing & support contracts are strategic and relevant	Transfer and embed first phase of former HCRG Housing Support contracts into Housing Services ensuring effective contract management arrangements.	Year 1	Housing
	Implement a Rapid Rehousing Pathway and streamlined application and assessment processes.	Years 1 to 2	Housing/Partners
	Develop and publish a Domestic Abuse Safe Accommodation Strategy, informed by the recent Needs Assessment, procuring appropriate support contracts.	Year 1	Housing

Pillar Five – Housing Suitability

Ensuring residents have access to housing that is safe, warm, and accessible is the focus of this pillar, and the recent Housing Stock Condition Survey helps set the context for the actions required to achieve the council's objective in relation to Housing Suitability.

The Condition Survey confirms that the housing stock in the district is typically worse than the national average with 11% of stock in Bath & North East Somerset having a Category 1 hazard present, compared to 10% in England. Excess cold is generally the biggest single contributor to overall rate of hazards and drives the profile of all hazards across the district.

The poorest conditions are found in non-Houses in Multiple Occupation (HMO) private rented accommodation and owner-occupied properties, particularly in rural locations, whilst the best conditions can be found in the social sector and private rented HMOs. Improvements in HMO standards can, at least in part, be attributed to HMO licensing, including the council's extended additional licensing scheme which concluded last year.

Excess cold hazards

Excess cold is the biggest single contributor to overall rate of hazards. In owner-occupied properties which contain a hazard, the excess cold hazard is present for half of them. For private rented and social rented stock containing a hazard, an excess cold hazard is present for a quarter of them.

There is some overlap in the profile of excess cold and fuel poverty across the district, however some areas with higher levels of cold hazards do not have corresponding levels of residents on low incomes.

Houses in multiple occupation have lower levels of hazards, than single household rented homes, but higher levels of low income/high-cost fuel poverty.

Maintaining & developing an effective enforcement role

The council's Housing Enforcement Policy will be kept under review, ensuring it balances the needs of tenants, landlords and the requirement to promptly resolve poor housing conditions. This will be informed by, and respond to, the enhanced regulatory powers proposed in the Renters Rights Bill.

The council's former Additional HMO licensing scheme, which covered smaller HMOs, has improved housing conditions in the sector. As such the council will keep the case for further licensing under review.

The number of people living in private rented properties that are hard to heat has fallen following the success of a multiagency project to enforce legal minimum energy efficiency standards. The council plans to undertake similar enforcement and educational projects in the future.

Average Energy Performance Across Sectors as indicated by SAP Score used to determine the property's EPC Band



Tackling fuel poverty for the most vulnerable households

Overall, 12% of B&NES households were estimated to be in fuel poverty in 2023 using the Government's low income and high cost of heating definition and 59% of B&NES homes are within energy performance bands of D or below.

The council will work with partners to develop the council's Energy Efficiency Retrofit Strategy, including developing and expanding targeted assistance for those in greatest need, including both grants and loans detailed in the Decent Homes Policy.

Developing an adaptation and community equipment service which responds to community needs

Preparing for the future is an important part of the Housing Plan. The council's Strategic Needs Assessment identifies a population of bulge of residents currently aged 30 to 60 years old. This is likely to result in an increasing number of residents requiring adaptations or equipment to maintain independent living over the next 30 years.

Part of the council's work in supporting residents to remain independent in their own homes involves bringing together all of its adaptations and community equipment services into a single service. This single multidisciplinary service will be able to support elderly, disabled and otherwise vulnerable residents with range of adaptations, both small and large, and with specialist equipment to enable residents to remain independent in their own homes. This service will also encourage timely hospital discharge in the district.

Retrofit Ambitions

The council will encourage retrofitting measures to existing buildings to improve their energy and water efficiency and their adaptability to climate change. Focus on appropriate domestic scale renewables will be essential, which is why the council supports the retrofitting of these measures. The council's Climate Change ambition is that 65,000 homes will be retrofitted with a range of measures by 2030.

To ensure the workforce has the skills to meet its retrofit ambitions, the council will work closely with the West of England Combined Authority to take advantage of national retrofit funding available. The council will also help to promote qualifications to upskill existing workers.

Damp and mould charter

The council working in partnership with local Registered Providers of housing has developed a Damp and Mould Charter. The aim of this Charter is to establish a set of four principles that landlords will use to inform their approach to damp and mould in their housing stock.

Commitment to these principles will support equity in the outcome for tenants, regardless of the provider they are housed with.

Housing Plan Pillar 5 – Housing Suitability

Ensure residents have access to housing that is safe, warm, and accessible

Action	Implementation	Timescale	Ownership
Tackle fuel poverty for the most vulnerable households	Work with partners including Bath and West Community Energy, We Care, and others to develop affordable warmth grants and assistance packages to improve home energy efficiency for low-income and vulnerable residents.	Underway Years 1 to 5	Housing/Green Transformation
	Work with partners to secure and maximise external grant funding to support fuel poverty actions to tackle fuel poverty for low-income and vulnerable residents.	Underway Years 1 to 5	Housing/Green Transformation
Promote affordable warmth and healthy housing across B&NES	Work with colleagues to develop the council's Energy Efficiency Retrofit Strategy, including developing and expand-ing the low-cost energy loan scheme under the Housing Services Decent Homes Policy.	Underway Year 1	Housing
	Work with Trading Standards and other partners to proactively enforce Minimum Energy Efficiency Standards (MEES) within the private rented sector.	Short Years 1 to 5	Housing
	Use modelling tools to explore scenarios to achieve improved Energy Performance Certificate ratings for each of the B&NES architypes described in the council's Sustainable Construction and Retrofitting Guide.	Medium Year 2	Housing/Green Transformation
	Ensure the council has high quality local data and evidence to support its ambitions to achieve safe and warm private rented homes in B&NES, including to support Government funding applications.	Medium Year 2	Housing

Action	Implementation	Timescale	Ownership
Maintaining & developing an effective enforcement role	Utilise regulatory powers as appropriate to optimise the effectiveness of the council's private sector housing enforcement activities, keeping the case for further licensing under review.	Medium Years 2 to 5	Housing
	Undertake proactive inspection programme of high risk rented homes, including those subject to licensing, whilst providing a reactive service for tenants experiencing substandard housing conditions.	Underway Years 1 to 5	Housing
	Keep the council's Housing Enforcement Policy under review, ensuring it balances the needs of tenants, landlords and the requirement to promptly resolve poor housing conditions.	Underway Years 1 to 5	Housing
	Work with partners to raise awareness of the council's services which tackle poor quality properties and unlawful practices and continue to address issues through negotiation and robust enforcement activities.	Underway Years 1 to 5	Housing
Develop comprehensive home adaptations and equipment service which responds to community needs	Develop comprehensive Adaptations Service to assist elderly, disabled and vulnerable residents to live independently in their own homes, comprising Disabled Facilities Grants, provision of community equipment and minor adaptations.	Short Year 1	Housing
	Review funding arrangements for Adaptations Service considering current demand factors including trends in the cost of the service, population demographics and complexity of health needs.	Short Year 1	Housing/Adult Services
	Investigate provision of an upgraded Community Equipment store that is fit for purpose and designed to meet current and future needs.	Short Year 1	Housing/Projects/ Property
	Respond to people's individual needs as far as practical by listening to residents, health and social care staff and other partners to inform service development and update the Decent Homes Policy.	Underway Years 1 to 5	Housing/Adults & Children's Services

Delivery & implementation

External Engagement

The council holds a significant responsibility for Bath & North East Somerset as a 'place' and continues to collaborate with partners to enhance the area where people live and work, aiming to improve the quality of life for all residents.

One Shared Vision, published in 2021, emerged from a collaboration with various local partners, including businesses, educational institutions, health providers, and charitable organisations, collectively known as the Future Ambition Partnership. This vision sets out an ambition for Bath and North East Somerset to become a Fair, Green, Creative, and Connected place. The goal is to position the region for new investment and wide-ranging returns, ensuring sustained prosperity. The Future Ambition Partnership brings the council and its partners together to oversee the delivery of this vision.

Housing Mission Board

Under the banner of the Future Ambition Partnership, a Housing Summit was held in July 2024 to emphasise the need for innovative thinking and the exploration of new approaches to housing development. Following this, a Housing Mission Board was established to unite participants from across the housing sector, including representatives from local planning authorities, regional authorities, registered providers, housebuilders, and designers.

The inaugural workshop focused on developing a shared ambition and strategic approach to address the housing crisis. Participants actively discussed organisational development and collaborative efforts. Ongoing involvement in the Housing Mission Board will be a positive way of working with partners to develop solutions to some of the challenges that the Housing Plan has highlighted.



Housing Steering Group

The Housing Steering Group will have high-level oversight of delivery and monitoring of the Housing Plan. The Housing Steering Group will include Senior Officers from Adult Social Care and Children's Services, Finance, Public Health, and any other council service that is impacted by or has an impact upon housing issues in Bath & North East Somerset.

Outputs from the group and any required decisions will be fed through the Place Group and above as required.

Housing Officer Group

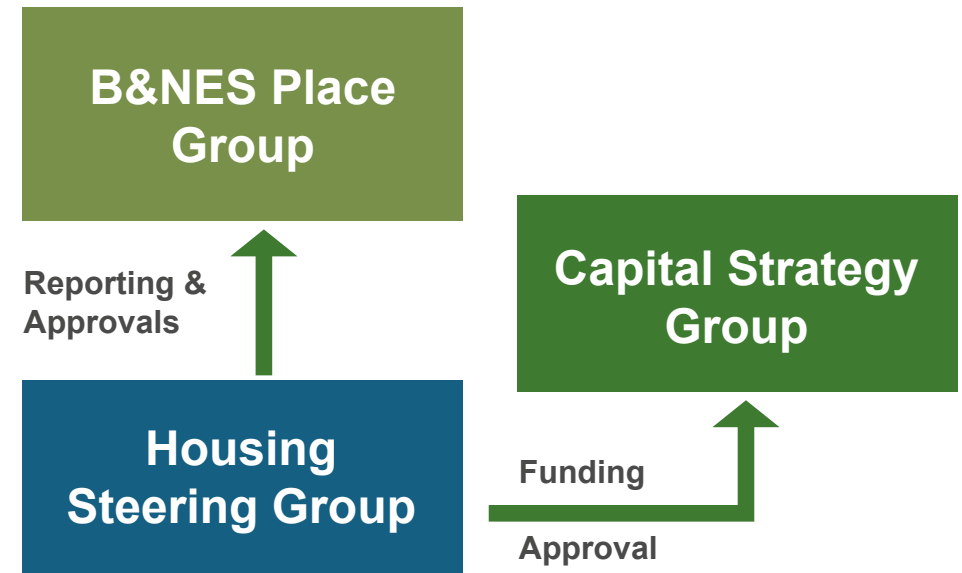
A B&NES Officer Housing Group will be established, to oversee the day-to-day implementation of the Housing Plan and to work collaboratively on issues related to housing delivery and housing management.

Purpose:

- Supporting implementation of the Housing Plan
- Provide advice and assistance in relation B&NES Homes delivery and management programme.
- Shaping future policy development and priorities for housing delivery and management
- Promoting and sharing good practice in strategic housing, housing management and operations

Frequency of Meetings:

- Monthly



References

- i. [ONS Annual Survey of Hours & Earnings Table 8 November 2023](#)
 - ii. [ONS Housing Prices in Bath and North East Somerset: August 2024](#)
 - iii. [HM Land Registry UK House Price Index: August 2024](#)
 - iv. [Rightmove: House Prices in Bath August 2024](#)
 - v. [Hometrack Data \(January 2024\)](#)
 - vi. [House Price Heat Map](#)
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Bath & North East Somerset Council

DVA Safe Accommodation Strategy 2024 to 2029

Page 63

**Bath & North East
Somerset Council**

Improving People's Lives



Contents

Domestic Abuse Safe Accommodation Strategy for Bath and North East Somerset	3
Corporate Strategy Priorities	5
The Legal Context	6
Key statistics on Domestic Abuse in the UK	7
The Prevalence of Domestic Abuse in Bath and North East Somerset	8
Characteristics of Domestic Abuse Victims/Survivors	10
Accommodation-based Support for Victims of Domestic Abuse in Bath and North East Somerset	14
Understanding the Specific Needs of Domestic Abuse Service Users in Bath and North East Somerset	18
Key Findings	20
Additional points	21
Recommendations	22
Action Plan	23
Domestic Violence & Abuse Support	24

Domestic Abuse Safe Accommodation Strategy for Bath and North East Somerset

Introduction

The purpose of this strategy document is to address the critical need for domestic abuse support and safe accommodation within our community. As mandated by Part 4 of the Domestic Abuse Act 2021, our local authority is committed to providing a comprehensive and coordinated response to domestic abuse. This strategy focuses on prevention, early intervention, and robust support for victims, survivors, and their families.

Key Objectives

1.

Prevention:

- Raise awareness and educate the community about domestic abuse.
- Implement preventive measures to stop abuse before it escalates.

2.

Early Intervention:

- Swiftly identify and address domestic abuse cases.
- Provide timely support to prevent further harm.

3.

Support for Victims/Survivors and Families:

- Tailor assistance to meet the diverse needs of individuals affected by abuse.
- Ensure safe accommodation options for those seeking refuge.

Legal Requirement and Proactive Approach:

- The Domestic Abuse Act 2021 requires that our local authority create a DVA safe accommodation strategy every five years.
- Our proactive approach demonstrates our commitment to safeguarding victims and preventing abuse within our community.

Championing Rights and Safety:

- By enacting this strategy, we pledge to champion the rights of all individuals to live free from fear and violence.
- Safe accommodation is a lifeline for victims, providing refuge from abusive situations.

Annual Review

We will review this strategy annually in collaboration with our Domestic Abuse Partnership to ensure its effectiveness and adaptability.



Corporate Strategy Priorities

We have one overriding purpose
– **to improve people’s lives**

This might sound simple, but it brings together everything we do, from cleaning the streets to caring for our older people. It is the foundation for our strategy, and we will ensure that it drives our commitments, spending, and service delivery. We have two core policies – tackling the climate and nature emergency and giving people a bigger say. These will shape everything we do.

To translate our purpose into commitments, we have identified three principles. We want to prepare for the future, deliver for residents and focus on prevention. “We are outcomes-driven, working to provide the right services and solutions for our communities. Our culture is open, owns decisions, and is resilient. We trust each other to act in the best interest of residents, customers, and colleagues”.

Our shared values guide our decisions, behaviours, and relationships at work, our interactions with our residents, our partners, and how we interact with you, a prospective employee.



Domestic Abuse, also known as domestic violence, involves a pattern of controlling, coercive, or abusive behaviour within intimate or family relationships. It can include physical, emotional, psychological, sexual, or financial abuse. The cross-party definition of domestic abuse encompasses both abusive and violent behaviour that aims to control, coerce, or threaten a partner or family member. This definition was enshrined in law, in 2021 and gives us the first legal definition of domestic abuse.

The Legal Context

In the United Kingdom, the legal context surrounding domestic abuse safe accommodation is governed by various laws and regulations aimed at protecting and supporting individuals affected by domestic abuse. The Domestic Abuse Act 2021, which came into force in April 2021, introduces important legal provisions related to domestic abuse, including the provision of safe accommodation for survivors. Under this Act, local authorities have a duty to provide support and accommodation for individuals affected by domestic abuse, ensuring that safe and secure housing options are available to survivors and their children.

The Act also emphasises the importance of cooperation between local authorities, housing providers, and support services to ensure that survivors have access to suitable accommodation and necessary support. In addition to the Domestic Abuse Act, there are other legal

frameworks, such as housing and welfare laws, that play a role in ensuring that individuals affected by domestic abuse have access to safe accommodation. For instance, housing legislation may provide mechanisms for accessing emergency housing, priority need status, and other forms of support for survivors fleeing domestic abuse. Furthermore, local authorities are expected to adhere to statutory guidance and best practices in providing safe accommodation for survivors of domestic abuse. This may include following guidelines set forth by the Ministry of Housing, Communities and Local Government, as well as complying with relevant housing and homelessness legislation. Overall, the legal context surrounding domestic abuse safe accommodation in the UK is underpinned by a framework that prioritises the safety, well-being, and housing needs of individuals affected by domestic abuse, with the aim of providing them with the necessary support and protection to escape abusive situations.

Key statistics on Domestic Abuse in the UK

- The Crime Survey for England and Wales (CSEW) estimated that 5.0% of adults (6.9% women and 3.0% men) aged 16 years and over experienced domestic abuse in the year ending March 2022. This equates to an estimated 2.4 million adults (1.7 million women and 699,000 men) (ons.gov.uk).
- Approximately 1 in 5 adults experience Domestic Abuse during their lifetime. This equates to 1 in 4 women and 1 in 6-7 men (ncdv.org.uk).
- The police recorded 1,500,369 domestic abuse-related incidents and crimes in England and Wales in the year ending March 2022 (ncdv.org.uk).
- The number of police recorded domestic abuse-related crimes in England and Wales increased by 7.7% compared to the previous year (ons.gov.uk).
- The Crown Prosecution Service (CPS) domestic abuse-related charging rate in England and Wales increased for the first time in four years to 72.7% in the year ending March 2022 but remains below the year ending March 2018 (75.9%) (ons.gov.uk).
- The National Domestic Abuse Helpline delivered 50,791 support sessions through phone call or live chat in the year ending March 2022 (ons.gov.uk).



The Prevalence of Domestic Abuse in Bath and North East Somerset

In Bath & North East Somerset (B&NES), the prevalence of domestic abuse is a significant concern, with statistics and data indicating the following:

1.

Population and Prevalence:

- Total population in B&NES in 2021 193,400.
- Estimated prevalence of domestic abuse among individuals aged 16 or over: approximately 27,870 individuals have experienced domestic abuse over their lifetime.
- On an annual basis, around 8,400 individuals experience domestic abuse (both familial and intimate partner violence).

Page 67

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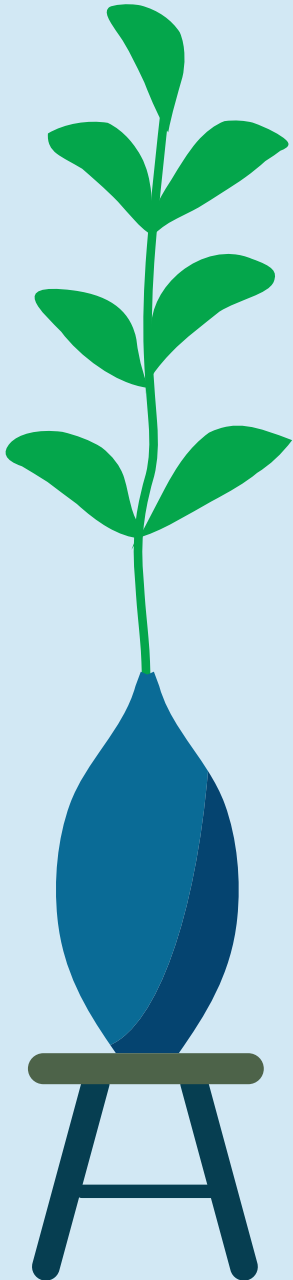
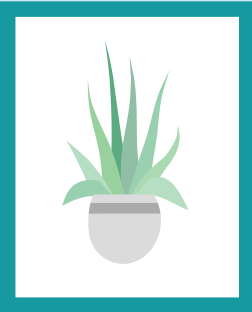
Age Demographics:

- B&NES has a higher-than-average older population (24% compared with 22% nationally).
- Approximately 1,520 adults over the age of 60 experience domestic abuse each year.
- Older adults may face barriers in seeking help and support due to mobility and health-related considerations.

3.

Disability Demographics:

- Approximately 39,150 disabled adults in B&NES, with 4,510 experiencing domestic abuse every year (54% of the victim population).
- Mobility and accessibility considerations need to be considered in providing safe accommodation.



4.

Children and Young People:

- Around 2,740 individuals aged over 16 experience domestic abuse each year.
- 16–24-year-olds are more likely to experience domestic abuse, requiring specific considerations for this age group.

5.

Types of Violence:

- Domestic incidents are the most common forms of violence in B&NES.
- Offenders are predominantly ex-intimate or current male partners, under 34 years of age, with mental health, alcohol, and substance misuse issues.

6.

Children Exposed to Domestic Abuse:

- Presence of a substantial cohort of children at risk due to intergenerational effects of domestic abuse.
- In 2015, the police recorded 42 under 18-year-olds as witnesses of domestic abuse.

7.

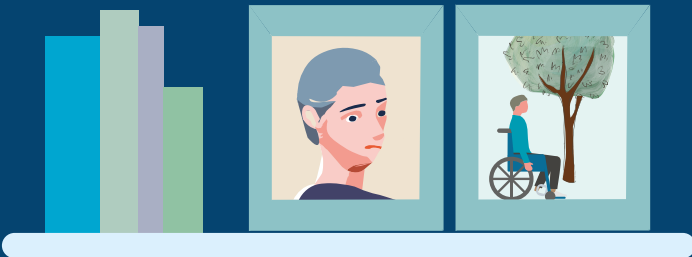
Reported Cases and Trends:

- Half of domestic violence incidents believed to take place on the street.
- Trend shows a strong association between levels of domestic violence and levels of socio-economic disadvantage.
- Majority of domestic violence victims are female, aged between 21 and 50, with disability being a known risk factor.



Characteristics of Domestic Abuse Victims/Survivors

In Bath & North East Somerset (B&NES), domestic abuse victims/survivors exhibit various characteristics and demographics:



1. Gender:

- Domestic violence victims (survivors) are predominantly female.
- More women are killed as a result of domestic abuse than men.

2. Age:

- Victims/survivors of domestic abuse come from a wide age range, with considerations for older adults (over 60) and younger individuals (16-24 years old).

3. Disability:

- There is a significant number of disabled adults in B&NES who experience domestic abuse, with mobility and accessibility considerations being important factors.

4.

Children and Young People:

- Children exposed to domestic abuse are part of a substantial cohort at risk.
- A notable number of children are either witnessing domestic abuse or living in households experiencing domestic violence.

5.

Offenders:

- Perpetrators/offenders of domestic violence are predominantly ex-intimate or current male partners, often under 34 years of age, with a high incidence of mental health, alcohol, and substance misuse issues.

6.

Characteristics:

- Domestic violence incidents often involve controlling behaviours, stalking, harassment, and other forms of abuse.
- Domestic abuse victims/survivors may face barriers to access safe and long-term accommodation.

These characteristics of domestic abuse victims/survivors in B&NES

provide insight into the diverse demographics and challenges faced by individuals impacted by domestic violence in the region. They inform the need for tailored support services and interventions to address the specific needs of different groups affected by domestic abuse.

Bath and North East Somerset (BANES) has adopted a comprehensive and multifaceted approach to **addressing domestic abuse** within its community. Let’s explore the various initiatives and strategies that contribute to creating a safer environment for victims:

1.

Safe Accommodation Needs Assessment:

- BANES conducts a thorough Safe Accommodation Needs Assessment to identify the housing requirements of domestic abuse victims. This assessment considers factors such as family size, accessibility needs, and emotional well-being.
- The goal is to tailor housing solutions, whether it’s emergency shelter, transitional housing, or permanent accommodation, to meet the unique needs of survivors.

2.

Domestic Abuse Partnership Group:

- Is legally required under the 2021 Act to provide leadership and strategic direction on domestic abuse.
- This collaborative group brings together professionals, community leaders, and survivors.
- **Behavioural Transformation:** The group actively promotes behavioural change by challenging harmful attitudes and fostering empathy. Awareness campaigns, workshops, and educational programs play a crucial role.
- **Victim-Centric Support:**
 - **Perpetrator Intervention:** Swift action is taken against abusers to remove them from the victim’s environment.
 - **Financial and Legal Guidance:** Homeownership can be weaponised as a form of extended abuse. BANES provides tailored advice to homeowners, empowering them to protect their rights.



3.

The Safe Accommodation Strategy:

- **Refuge and Safe Accommodation:** The strategy aims to emphasise safe havens where victims and their children find respite, emotional support, and counselling.
- **Assessing Demand:** Rigorous assessments ensure efficient allocation of resources.
- **Strategic Provision:** The strategy aims to cover crisis intervention and long-term housing solutions.
- **Monitoring and Evaluation:** Regular reviews assess effectiveness, ensuring continuous improvement.

4.

Wider Vulnerabilities and Therapeutic Needs:

- BANES takes a holistic approach, linking domestic abuse with wider vulnerabilities such as child sexual exploitation, substance misuse, and mental health.
- **Children’s Well-Being:** Immediate safety and long-term therapeutic needs of children living in or visiting households with domestic abuse are addressed.

In summary, BANES’s commitment extends beyond policy documents— it’s woven into the fabric of the community. By prioritising victim support, behaviour change, and safe accommodation, BANES stands as a beacon of hope for survivors.

Remember, these efforts represent real lives transformed and futures rebuilt. Let’s continue championing a world where safety, empathy, and resilience prevail. For more information, you can explore the [B&NES Domestic Violence & Abuse services](#)

Accommodation-based Support for Victims of Domestic Abuse in Bath and North East Somerset

The Accommodation-based Support for Victims of Domestic Abuse in Bath and North East Somerset includes various types of safe accommodation, such as sanctuary schemes and refuge accommodation. The provision of safe accommodation is crucial in meeting the needs of victims and survivors of domestic abuse. Refuge provisions in Bath and North East Somerset include:

1.

Julian House

- Type(s) of accommodation: An 8-bed shared refuge

2.

Renew Refuge

- Type(s) of accommodation: A 2-bedroomed dispersed shared flat

3.

Serena Rosa Project

- Type(s) of accommodation: A shared 2-bedroomed house, 3 self-contained dispersed flats
- User needs: Accommodation and practical and emotional support for those fleeing domestic abuse
- Accept pets: In the 2-bedroomed shared flat only
- Upper age limit for boy children: 14



Refuge Provisions:

- The overall population of Bath and North East Somerset is expected to increase to nearly 200,000 by 2024, indicating a need for a total of 20 refuge places.
- The current commissioned provision saw a 273% increase in referrals for refuge places in the latest reporting year.
- There are 14 commissioned spaces in Julian House, with 83% of referrals to refuge being declined.
- Out of area referrals for refuge provision show that more than a third of referrals come from victims outside of Bath and North East Somerset, with most coming from within the Avon and Somerset force area, particularly from Bristol and Wiltshire.
- The tenure of victim/survivors prior to being referred into refuge provision varies, with the majority living with friends or family, in social housing, or as private renters.



It is recommended to accelerate the implementation of the Sanctuary scheme and to explore opportunities for larger dispersed options for larger families. Additionally, the Partnership will consider demographic factors and decide whether to increase the availability of provision to meet the growing demand.

The data indicates that there is a significant demand for safe accommodation in Bath and North East Somerset. The report highlights that while the provision of refuge units meets the recommended level by the Council of Europe, there is still a high rate of referrals to refuge being declined, with 83% of referrals being declined. This suggests that there is a gap between the demand for safe accommodation and the available spaces, indicating a need for increased targeted provision to meet the needs of victims and survivors.

Furthermore, the data reveals that there are specific needs and preferences expressed by service users in Bath and North East Somerset. The most common

factors identified as important to victims were a confidential service, evening availability, text support, and flexible service. Additionally, the survey found that the most common support need expressed by victims was related to mental health, with 78% stating that they needed support in this area. This highlights the importance of providing holistic support that addresses not only the physical safety of victims but also their mental and emotional well-being.

The needs assessment also emphasises the need for cross-border collaboration to ensure fair and equitable access to support in safe accommodation for victims of domestic abuse who may



need to leave their local area to secure safety. This suggests that a coordinated approach is necessary to address the needs of victims who may be seeking refuge from outside the local authority area.

In addition, the Domestic Abuse Act 2021 places a new duty on local authorities to provide support to victims of domestic abuse and their children in refuges and other safe accommodation. This includes the requirement to appoint a multi-agency Domestic Abuse Local Partnership Board, assess the need for domestic abuse support, prepare and publish this strategy for the provision of support, and monitor and evaluate the effectiveness of the strategy. However, the

Act does not contain provisions specifically for women with insecure legal status, indicating a gap in the support system for this group.

Overall, the data highlights the importance of addressing the specific needs and preferences of victims and survivors, increasing the provision of safe accommodation to meet the demand, and implementing a coordinated and holistic approach to support victims of domestic abuse in Bath and North East Somerset. It is essential for local partnership boards to establish links with providers and ensure an appropriate response to victims of domestic abuse, considering the specific needs and preferences expressed by service users.



Understanding the Specific Needs of Domestic Abuse Service Users in Bath and North East Somerset

The needs assessment document shed light on the unique requirements and preferences of service users in the Bath and North East Somerset area concerning domestic abuse support and safe accommodation. Let's delve into the key findings:

1. Confidentiality and Evening and Weekend Availability:

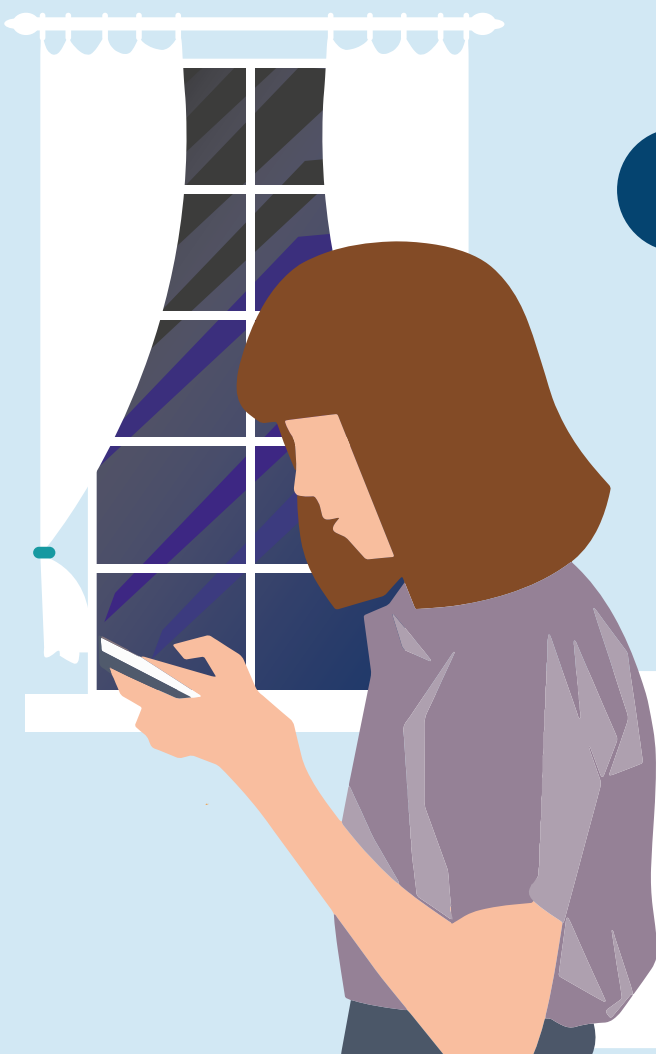
- Service users consistently prioritise confidentiality. They seek a safe space where they can share their experiences without fear of exposure.
- Evening availability is crucial. Many incidents of domestic abuse occur during nighttime hours, and having support services accessible during these times is essential.

2. Text Support and Flexibility:

- The online survey conducted among victims and survivors highlighted the importance of text-based support. Some individuals may find it easier to communicate via text messages rather than phone calls.
- Flexibility in service delivery is valued. Service users appreciate options that adapt to their unique circumstances, such as work schedules, childcare responsibilities, or health conditions.

3. Specific Support Needs:

- **Mental Health Support:** A significant percentage of respondents expressed the need for mental health-related assistance. Domestic abuse takes a toll on emotional well-being, and tailored mental health services are crucial.
- **Physical Safety at Home:** Victims often face threats within their own homes. Ensuring their physical safety is paramount. This includes strategies to prevent further harm and secure their living environment.



4.

Gaps in Legislation and Services:

- The Domestic Abuse Act 2021 has made significant strides, but gaps remain. Notably:
 - **Insecure Legal Status:** Women with insecure legal status face additional challenges. The act should address their specific needs.
 - **Stalker Register:** The absence of a register for stalkers hinders effective prevention and protection.

5.

Local Refuge Provision Configuration:

- The needs assessment delves into local refuge provision:
 - **Accommodation Types:** Understanding the types of safe accommodation available (e.g., emergency shelters, transitional housing) is crucial.
 - **Capacity:** Assessing the number of available refuge places ensures adequate support for victims.
 - **User-Centric Approach:** Tailoring services to user needs—whether it's single individuals, families, or specific demographics—is essential.

In summary, the needs assessment provides a roadmap for improving domestic abuse support in Bath and North East Somerset. By implementing targeted strategies, we can better serve victims and survivors, ensuring their safety, well-being, and empowerment.

Key Findings

1.

Demand Surge: The past year saw a 273% surge in referrals to the existing commissioned services, highlighting a critical rise in the demand for refuge spaces during 2021-22.

2.

Population Growth Impact: With Bath & North East Somerset’s population projected to reach nearly 200,000 by 2024, it’s estimated that at least 20 refuge spots will be necessary to meet the Council of Europe’s guidelines.

3.

Large Family Accommodation: There’s a noticeable shortage of refuge options for families with four or more children, underscoring the urgency to develop larger, more dispersed accommodation solutions.

4.

Sanctuary Scheme Benefits: Sanctuary schemes have proven to keep families together in their homes, minimising disruption and offering a cost-effective solution. A push for faster implementation of these schemes is advised.

5.

Housing Partnerships: It’s advised to forge stronger connections with Registered Social Landlords to expand housing choices for those recovering from domestic abuse.

6.

Cross-Border Support: The legal obligation to provide support in safe accommodation highlights the necessity for cross-border cooperation to guarantee consistent and fair support for domestic abuse victims seeking safety outside their local areas.

7.

Hostel Accreditation: The current local hostel services lack formal accreditation, which is a benchmark for national best practices, indicating a need for such accreditation to be established.

8.

Research on Re-housing and Rough Sleepers: Further investigation is needed to comprehend the scope of perpetrator re-housing and to identify effective strategies to address the needs of female rough sleepers with a history of domestic abuse.

Additional points

1.

Capacity Planning: Given the substantial increase in refuge space requests, future commissioning must account for this heightened demand.

2.

Addressing Complex Needs: The present services fall short in catering to the complex requirements of victim-survivors, especially those from LGBTQ, BAME, and disabled communities. A more inclusive engagement strategy is recommended.

3.

Data on Protection Orders: The absence of localised data on Domestic Violence Protection Notices and Orders represents a significant gap. Collaborative efforts with law enforcement to gather this data are essential.

4.

Equality in Refuge Access: Currently, only a pair of refuge spaces cater to male victims. It’s crucial to monitor contracts to improve this and ensure the success of JH’s equality plan. Specific support pathways for disabled survivors and other protected groups like LGBTQ individuals should be a priority in the next accommodation strategy, with cross-border collaboration being a key factor in its development.

Recommendations

1.

Collaborative Response: BANES domestic abuse commissioners ought to collaborate with local housing services to ensure victims receive suitable support.
2.

Inclusive Engagement: Commissioners need to enhance involvement with groups having protected characteristics, adopting a ‘by and for’ strategy to cater to the complex requirements of victim-survivors, especially those from LGBTQ, BAME, and disabled communities.
3.

Data Collection: The local partnership is encouraged to join forces with the police to gather more granular data on Domestic Violence Protection Notices and Orders.
4.

Male Victim Accommodation: Commissioners must oversee that housing for male victims meets standards of equality and accessibility.
5.

Accessible Refuge: Future refuges should be universally accessible and provide specific pathways for disabled individuals.
6.

Specialized Support: The development of specialized accommodation or support for distinct protected characteristic groups, such as LGBTQ+, should be explored through cross-border collaboration.
7.

Demand-Driven Commissioning: Upcoming commissioning processes should reflect the growing demand for refuge spaces and demographic changes to enhance service availability.
8.

Family-Friendly Spaces: Investigate the potential for more extensive dispersed housing solutions for larger families to overcome the scarcity of spaces for households with four or more children.
9.

Sanctuary Scheme Acceleration: Hasten the Sanctuary scheme’s rollout to deliver swift assistance to victims.
10.

Homeowner Support: Guarantee that homeowners can readily obtain customised financial and legal counsel to tackle prolonged abuse/control and related legal matters.
11.

Whole Housing Approach: Execute the Whole Housing Approach to domestic abuse and vigorously pursue DAHA accreditation among local housing entities.
12.

Equitable Support Access: Evaluate cross-border collaboration to provide equitable support access in safe accommodation for domestic abuse victims seeking safety outside their local region.
13.

Hostel Accreditation: Secure formal accreditation for hostel services in alignment with national best practices.
14.

Perpetrator Re-housing Research: Conduct additional studies to comprehend the extent of perpetrator re-housing and the requirements of marginalized groups, like female rough sleepers with a history of domestic abuse.

Action Plan

Objectives:

- To conduct a thorough review and expansion of the referral system and commissioned services.
- To assess and expand inclusive housing options for individuals with disabilities and larger families.
- To analyse the long-term effects of Domestic Violence Protection Notices/Orders and enhance support for survivors.

Action Plan Overview:

1. **Sanctuary Scheme Development:** Establish a task force to design and execute a Sanctuary Scheme.

2. **Multi-Agency Support Integration:** Draft a collaborative protocol among key services.

3. **Early Help and Prevention:** Launch an early help and prevention.

4. **Recovery and Resettlement Support:** Develop a resettlement support framework to aid recovery post-refuge.

5. **Impact of Homelessness Consideration:** Complete research on domestic abuse-induced homelessness.

6. **Lived Experience Inclusion:** Form a survivor advisory board to guide policy.

7. Budget and Funding:

A detailed budget will be prepared, outlining the financial requirements for each action item. Funding sources will include government grants, community partnerships, and private donations.

Conclusion:

The proposed action plan provides a structured and strategic approach to improving domestic abuse support services. By implementing these initiatives, we aim to create a more responsive, inclusive, and effective support system for survivors.

Domestic Violence & Abuse Support

Reporting Domestic Violence - If you or your children are in immediate danger, always call 999 and ask for the Police.

If you are not in immediate danger, then please contact any of the following as they are waiting to help you:

Avon and Somerset Police:

Telephone 101 (24 hours)

Report a problem online

24-Hour National Domestic Violence Freephone Helpline Telephone 0808 2000 247. A partnership between Women's Aid and Refuge - The purpose of the joint Helpline service is to give women, children and their supporters the confidential support and information they need at the time that they need it. Our main aim is to keep women and children safe.

Lighthouse Victim and Witness Care: Services provided for victims and witnesses by a team of staff from the police and victim support organisations, working together to guide, advise and support victims and witnesses. **Telephone 101 (or in an emergency call 999).**

Southside: Telephone 01225 331243 Independent Domestic Violence Service (IDVA) offers expert support to both men and women (9am - 5pm Monday to Friday).

VOICES: Telephone 01225 984189 or 07523 506239 VOICES - is a Bath based charity founded by women who have experienced Domestic Abuse, which provides peer support and recovery programmes for women who are experiencing or have experienced domestic abuse. Open 9am - 5pm Monday - Friday. Email: info@voicescharity.org or go to the Website: www.voicescharity.org

SARSAS: SARSAS is a specialist support service for people in Bath and North East Somerset, Bristol, North Somerset, Somerset, or South Gloucestershire, who have experienced any form of sexual violence, at any point in their lives. Please use this link to access support.

Forced Marriage: Contact the Forced Marriage Unit (FMU) if you're trying to stop a forced marriage or you need help leaving a marriage you've been forced into. fmufco.gov.uk **Telephone: 020 7008 0151 From overseas: +44 (0)20 7008 0151** Monday to Friday, 9am to 5pm.

Out of hours: 020 7008 1500 (ask for the Global Response Centre) Find out about call charges.

Department of Work and Pensions (DWP): Help is available from the Department for Work and Pensions for people who are victims of domestic violence and abuse.

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Bath and North East Somerset Housing Plan 2025-2030

Presentation to Climate Emergency & Sustainability
PDS Panel

16th January 2025

Page 77

Bath & North East
Somerset Council

Improving People's Lives



Background: The Council's Ambitions for Housing

Many of the Council's high-level ambitions rely on achieving effective housing-related outcomes, including...

- The right homes in the right places (Corporate Strategy)
- Support for vulnerable adults and children (Corporate Strategy)
- Delivering for children & adults (Corporate Strategy)
- Healthy Lives & Places (Corporate Strategy)
- Creating Health Promoting Homes (Health & Wellbeing Strategy)
- Improve private rented accommodation (Health & Wellbeing Strategy)
- Improve take up of low carbon affordable warmth support for private housing (Health & Wellbeing Strategy)
- Develop a housing offer that is accessible & affordable to all (Economic Strategy)
- Work with partners to unlock affordable housing (Economic Strategy)
- Deliver high quality and sustainable housing (Economic Strategy)



Key Focus Areas: 5 Pillar Approach

Focus areas of the plan are shown using 5 pillars:

1. Releasing land for housing
2. B&NES Homes & affordable housing
3. Affordability across the housing market
4. Housing support
5. Housing suitability

Each pillar has a clearly defined objective, below which sits a series of actions necessary to meet that objective.

Ensuring Residents have access to affordable & high-quality Homes

Release land for Housing	B&NES Homes & Affordable Housing	Affordability Across the Housing Market	Housing Support	Housing Suitability
<p>Objective: Release land to deliver homes sustainably, at pace, to respond to need</p> <p>Action:</p> <ol style="list-style-type: none">1. Intervene to address market failures in the type, mix and availability of housing2. Ensure a pipeline of available land for homes prioritising council assets appropriate for housing delivery3. Deliver strategically providing high quality and sustainable housing fit for future generations	<p>Objective: Working to unlock and deliver affordable housing</p> <p>Action:</p> <ol style="list-style-type: none">1. Scale up B&NES Homes ensuring programme meets the needs of local residents2. Work with RPs, Aequus, and other partners to maximise the delivery of affordable homes3. Ensure the new Local Plan policy framework supports delivery & economic need4. Provide and enable specialist supported housing products to address needs in Adult and Children's Services	<p>Objective: Develop a housing offer that is accessible and attractive to all</p> <p>Action:</p> <ol style="list-style-type: none">1. Work with anchor organisations to release housing land to support the economy2. Diversify tenure & type of housing to support economically active households3. Locate housing in areas of economic demand reducing in-out commuting pressure4. Continue to bring empty properties back into use to expand housing offer5. Using influence with Government to shape national policy	<p>Objective: Reduce homelessness & ensure supported housing meets local needs</p> <p>Action:</p> <ol style="list-style-type: none">1. Refresh and enhance Homelessness & Rough Sleeping Strategy2. Reduce use of expensive and inappropriate temporary accommodation3. Ensure appropriate accommodation for those with long-term care needs4. Ensure housing and support contracts are strategic and relevant	<p>Objective: Ensure residents have access to housing that is safe, warm & accessible</p> <p>Action:</p> <ol style="list-style-type: none">1. Tackle fuel poverty for the most vulnerable households2. Promote affordable warmth and healthy housing across B&NES3. Maintain & develop an effective enforcement role4. Develop comprehensive home adaptations and equipment service which responds to community needs

Release land for Housing

Objective: Release land to deliver homes sustainably, at pace, to respond to need

Action:

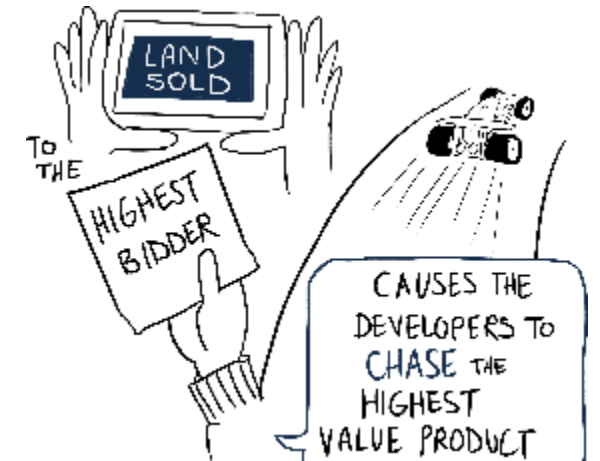
1. Intervene to address market failures in the type, mix and availability of housing
2. Ensure a pipeline of available land for homes prioritising council assets appropriate for housing delivery
3. Deliver strategically providing high quality and sustainable housing fit for future generations

Page 80

Pillar 1: Releasing Land for Housing

Land supply is a key constraint in B&NES, so we need to focus on:

- Identifying & securing sites (land or existing assets) to develop new homes
- Completing the strategic asset review – what do we already own, what could we utilise for housing
- Leveraging existing relationships with partners/anchor organisations to release land
- Understanding financial requirements and risks involved
- Considering off the shelf acquisitions to increase our housing stock



B&NES Homes & Affordable Housing

Objective: Working to unlock and deliver affordable housing

Action:

1. Scale up B&NES Homes ensuring programme meets the needs of local residents
2. Work with RPs, Aequus, and other partners to maximise the delivery of affordable homes
3. Ensure the new Local Plan policy framework supports delivery & economic need
4. Provide and enable specialist supported housing products to address needs in Adult and Children's Services

Page 81

Pillar 2: B&NES Homes & Affordable Housing

B&NES Homes has a growing portfolio of supported, general needs and shared ownership homes, however continuing at our current pace won't deliver the required increase in affordable housing that we want.

- We need to scale up capacity and capability to increase delivery scale and pace on our own land
- Develop partnerships that can bring efficiencies of scale and skills to support delivery
- We need to continue to enable affordable housing via developers
- The Local Plan needs to secure land for housing that responds to economic needs



Sladesbrook development, part of B&NES Homes' portfolio

Affordability Across the Housing Market

Objective: Develop a housing offer that is accessible and attractive to all

Action:

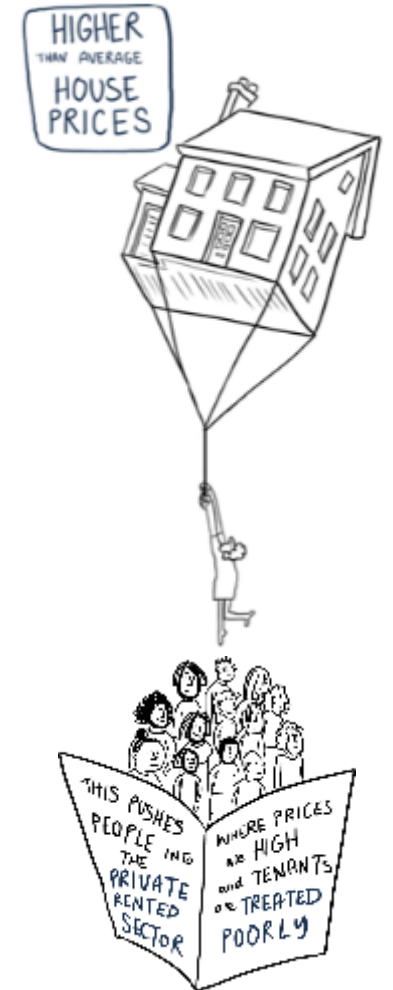
1. Work with anchor organisations to release housing land to support the economy
2. Diversify tenure and type of housing to support economically active households
3. Locate housing in areas of economic demand reducing in-out commuting pressure
4. Continue to bring empty properties back into use to expand housing offer
5. Using influence with Government to shape national policy



Pillar 3: Affordability Across the Housing Market

Focus in this area is not about Affordable Housing as such but instead is about delivering homes that are affordable and meet our economic needs. We will:

- Work with Aequus, Future Ambitions Board, WECA and other partners to facilitate the development of housing schemes that are affordable.
- Leverage the local plan to facilitate the release of suitable land, ensuring that our enabling activities are fully resourced.
- Take firm action on empty properties including the use of CPOs, and where feasible, utilise as affordable housing.
- Work with the Future Ambition Board, WECA and other partners to lobby Government to support and facilitate the delivery of lower-cost housing.



Housing Support

Objective: Reduce homelessness & ensure supported housing meets local needs

Action:

1. Refresh and enhance Homelessness & Rough Sleeping Strategy
2. Reduce use of expensive and inappropriate temporary accommodation
3. Ensure appropriate accommodation for those with long-term care needs
4. Ensure housing and support contracts are strategic and relevant

Page 83

Pillar 4: Housing Support

Reducing homelessness and ensuring supported housing meets local needs will be our focus, so we will:

- Reduce use of inappropriate and expensive temporary accommodation by developing our in-house capacity with schemes like Theobald House
- Work closely with Adult & Children's Services to develop homes that meet specific need and reduce the use of expensive and inappropriate out of area placements, for example Englishcombe Lane
- Work with the Homelessness Partnership to refresh the Homelessness & Rough Sleeping Strategy
- Continue to embed former HCRG Housing Support contracts into Housing Services ensuring effective contract management arrangements.



Theobald House, designed to Passivhaus standard.



Englishcombe Lane, 16 units of specialist LD accommodation.

Housing Suitability

Objective: Ensure residents have access to housing that is safe, warm & accessible

Action:

1. Tackle fuel poverty for the most vulnerable households
2. Promote affordable warmth and healthy housing across B&NES
3. Maintain & develop an effective enforcement role
4. Develop comprehensive home adaptations and equipment service which responds to community needs

Pillar 5: Housing Suitability

We can help to improve people's lives by working to ensure residents have homes that are safe, warm, and accessible. The Plan sets out how we will:

- Keep Enforcement Policy under review, ensuring it balances the needs of tenants, landlords and the requirement to promptly resolve poor housing conditions.
- Work with partners to develop the council's Energy Efficiency Retrofit Strategy, including targeted assistance for those in greatest need.
- Continue to promote the Damp & Mould Charter which has established four principles that landlords will use to inform their approach to damp and mould in their housing stock.
- Ensure our Home Adaptations & Equipment service supports residents to return to or remain in their own homes



What does the Housing Plan do?

- Clearly articulates ambitions and high-level objectives for housing in B&NES, focusing the council's resources and effort on these priorities.
- Sets out the strategic context and direction to inform and shape the council's statutory housing duties.
- Assists the council's partners and residents to have a better understanding of the housing challenges and priorities in the area.

Support bids for additional funding through funding bodies such as the Ministry of Housing, Communities and Local Government; Homes England, West of England Combined Authority and Dept of Health & Social Care and Better Care Fund etc.

- Demonstrate the council's direction of travel to developers and registered providers (housing associations), potentially increasing options for working in partnership on schemes which can deliver council owned affordable homes and social housing.

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Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	Climate Emergency and Sustainability Policy Development and Scrutiny Panel	
MEETING/ DECISION DATE:	22nd January 2025	EXECUTIVE FORWARD PLAN REFERENCE:
		E
TITLE:	Aequus Strategic Business Plan 2024-30	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – Aequus Strategic Business Plan 2024 - 2030		

1 THE ISSUE

1.1 Aequus is a wholly owned group of companies of Bath & North East Somerset Council and were established in 2016 to develop market sale and private rented housing through the use of surplus Council property assets and land. The Council is the sole Shareholder of the wholly owned company. This report provides an update on the

2 RECOMMENDATION

The Panel is asked to:

2.1 Note and provide comment on the updated Aequus Strategic Business Plan 2024-2030

3 REPORT CONTEXT

3.1 The Aequus Business Plan for 2024-2027, was initially approved by the Shareholder in March 2024, which included a commitment to review the plan by November 2024. The updates to the Business Plan needed to address a number of areas identified by the Shareholder for further consideration including:

- To capture the longer-term opportunity for the company to grow and deliver growth in the financial returns to the council
- To explore wider public sector partnership opportunities
- To better reflect the role of Aequus in supporting the delivery of the Council's Affordable Housing Programme.

3.2 The Business Plan has now been revised to align more clearly with the B&NES Homes Plan, and the broader B&NES Corporate Strategy. The updated Strategic Business Plan now addresses:

- The potential to maximise opportunities
- The development of wider public sector partnership working
- A review of the company objectives
- The balance between social value outcomes and development viability
- The enhancement of Shareholder returns

3.3 Aequus has successfully delivered a range of award-winning developments which has ensured the Company has met its financial performance targets over the last business plan period to deliver financial returns to the Shareholder, Bath & North East Somerset Council.

3.4 The Company will continue to support the Council in its corporate capacity to deliver affordable homes, with a mandate to deliver a minimum policy compliant affordable housing outcome (typically 30%) on every site it delivers.

3.5 The Council has prioritised the delivery of '*the right homes in the right places*' through the adoption of its Corporate Plan identifying housing as one of the nine key priorities to support its one overarching purpose of ***Improving People's Lives***

3.6 The adopted Economic Strategy has evidenced clear economic challenges associated with the current housing market, particularly the affordability and availability of homes for local economically active people. B&NES is now one of the least affordable places to live in the UK which affects our resident's ability to live close to where they work. There are multiple factors affecting the supply of homes that are affordable, but the Council has set clear priorities around addressing market failures to supply more affordable homes with a particular emphasis on delivering Council owned social housing. Aequus is one tool the Council has to enable this alongside its regeneration and direct delivery of social housing activity.

3.7 To support the delivery of the adopted Economic Strategy, the Council is preparing a set of action plans that set out the Council activity over the next 3-5 years. A Housing Delivery plan is being prepared that defined the actions the Council will take to achieve the outcomes identified within both its Corporate Plan and Economic Strategy. The plan will include the contribution Aequus will make alongside the other actions of the Council that scale up delivery of social housing.

3.8 The Shareholder appointed independent Board, uses this Business Plan to oversee the Company, the Board only need to come back for the Shareholder to seek approvals where the actions are not covered by the Business Plan or for certain important key decisions set out in the Shareholder Agreement.

3.9 The Business Plan provides the basis of ensuring a sustainable company to deliver the Shareholder objectives. This includes providing for appropriate skills and resources to maximise future opportunities as they arise.

4 STATUTORY CONSIDERATIONS

- 4.1** Aequus is a wholly owned B&NES group of companies, established by the Executive in accordance with the powers set out under S1 of the Localism Act 2011 (the general power of competence). The Council approved a Transfer Agreement with Aequus in January 2020 which provides the basis for the transfer of surplus land and development sites from the Council to the Company, to support the delivery of the Shareholder objectives and subject to Shareholder approval of development.
- 4.2** The Council approved the current Shareholder Reserved Matters on 24th March 2022.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1** The Financial Forecast section of the Aequus Business Plan sets out the Company's financial assumptions and projections, including delivery against the Council's Medium Term Financial plan target of £1M of revenue returns each year, rising to £1.5M from 2026/27 and £2m from 2029/30.
- 5.2** The Resource Management section of the Aequus Business Plan sets out the resourcing arrangements of the company. All staff are directly employed by Aequus Developments Ltd and all such related costs are met directly by the company.

6 RISK MANAGEMENT

- 6.1** A detailed risk assessment of the business plan has been undertaken by the company. The main risks to the Shareholder relates to the availability of land to deliver the business plan objectives, supply chain resilience, construction cost inflation and sales values. Risk management measures have been identified to mitigate this to acceptable risk tolerances through the diversification of land supply from the Council Corporate Estate asset review and partnership working. Market forces are managed through strengthening strategic supply chain relationships and continued prudence in cost and sales values on individual site by site business cases.

7 EQUALITIES

- 7.1** As a business planning decision, equalities impact of the actions flowing from this plan will be subject to equality impact assessments at each business case approval point. This decision has no adverse impact upon individuals with protected characteristics.

8 CLIMATE CHANGE

- 8.1** The Company is committed to supporting its Shareholder tackle the climate and ecological emergencies as set out in the Business Plan in our short, medium and long-term objectives:
- **Short term (the next 1 to 3 years):** all our new developments will be built to achieve EPC A energy efficiency ratings.
 - **Medium term (next 3 to 5 years):**
 - We will create sustainable developments that support the councils core policies of tackling the climate and ecological emergencies
 - We will target “zero” energy bills for at least 10 years working with energy suppliers.

- **Long term (next 5 years +):**
 - We will deliver carbon neutral developments.

9 CONSULTATION

9.1 Consultation has taken place with the Statutory Officers and Cabinet Members including the Council's Investment Forum and Shareholder Advisory Board in November 2024.

Contact person	Simon Martin, Director Capital & Housing
Background papers	Aequus Strategic Business Plan 2024-2030
Please contact the report author if you need to access this report in an alternative format	



Aequus Group

Strategic Business Plan

2024-2030



Contents

I. Executive Summary and Introduction

- Foreword from the Chair
- Introduction **3**
- Our Vision and Mission
- Strategic Aims

II. Business Model

- Product and Services
- Alignment with our Local Authority Partners
- Objectives
- Culture **6**
- Resource Management
- Social Value
- Governance
- Risk Management

III. Market and Political Analysis

- National Context
- Local Context **19**
- Sales and Marketing Approach

IV. Company Analysis

- SWOT Analysis **29**
- Pipeline Assessment

V. Financial Forecast

- Financial Overview
- Key Dependencies
- Aequus Construction Ltd and Aequus Developments Ltd **36**
- Overhead
- Strategic Financial Plan
- Cash Management and Capital Requirements
- Shareholder Returns



Executive Summary and Introduction

Foreword from the Chair
Introduction
Our Vision and Mission
Strategic Aims

Explore More



Foreword from the Chair

I am pleased to introduce this new Strategic Business Plan for the Aequus Group of companies, setting out how we will support delivery of the Shareholders priorities, delivering the right homes in the right places whilst providing financial returns to help protect and improve frontline services.

Since taking on the role of Chair in May 2024, I have focused on building on the success of Aequus to ensure the business is positioned to maximise our potential to deliver exemplar new homes for local communities.

In doing this we are recognising the specific strengths and opportunities of the business in particular:

- Delivering homes that meet National Space Standards
- Delivering and increasing where possible, compliance levels of affordable housing
- Leading the way in energy efficiency by building to EPC A standards
- Enabling strong public sector partnerships through our Teckal Status.
- Supporting the development of vibrant communities, meeting local needs
- Delivering profits back to our partners to support frontline services

As a housing developer, land supply is crucial to enable the delivery of our exemplar new homes, and we recognise that we need to work with all public sector partners to identify a pipeline of sites to support the aspirations for the business to grow. I have therefore prioritised strengthening our existing public sector partnerships whilst engaging with a range of potential new partners including housing associations, health, Homes England, The West of England Combined Authority and other neighbouring local authorities.

Aequus has already successfully delivered a range of award-winning housing projects providing market and affordable homes for our local communities over the past six years. Throughout this period, the company has consistently achieved profitability, delivering financial returns to its Shareholder and partners. Alongside these achievements, Aequus has also generated a significant range of social value benefits, which are outlined in this business plan. In the plan we detail how we will measure and enhance these contributions to align with the Shareholder's priorities.

Our new Vision, Mission and Objectives seek to clarify the role of the company and provide for the increasing Shareholder aspirations over the short, medium and long term. The new objectives will provide a challenge to the company and will be achieved with the support of the Shareholder bringing forward sufficient development sites, together with our continued focus on existing and new public sector partnerships.

In developing this strategic plan, the board and the management team are setting out how Aequus will make a real contribution to meet the housing needs in our area and have looked to stretch the company's resources so that we maximise our opportunities.



Sally Higham

Chair, Aequus Group



Introduction

This business plan covers the 3 financial years from 2024/25 to 2026/27, in addition, key areas have been extended to 2029/2030 in order to provide visibility on the organisations ambition, growth potential and future financial returns to the shareholder.

The Aequus Group provides a range of diverse housing solutions working in partnership with our local authority partners and going forwards, focusing on our potential to support wider public sector partners to deliver innovative housing solutions for their surplus land.

Aequus is an exemplar housing developer, delivering high quality housing, to meet national space standards and achieve very high level of energy efficiency. We recognise the importance of delivering the right homes in the right place to ensure the homes we build help to develop vibrant communities.

In this business plan we set out how our pipeline of projects will be delivered over the next three to five years and the financial and wider social value benefits these housing developments will bring. We will need the support of our public sector partners to deliver these ambitious plans, particularly our Shareholder and council partners.

If we are successful, we can deliver in excess of 1,000 quality, new homes and provide sustainable financial returns that will help our partners deliver valuable frontline services to our communities.

Executive Summary

Vision

To create high quality homes that support vibrant communities and improve people's lives.

Mission

To work collaboratively with our council and wider public sector partners to build high quality, energy efficient homes that offer a mix of social, affordable and open market sale housing that leaves a lasting positive impact and helps fund frontline services.

Strategic Aims

As a B&NES Council owned Company, our strategic aims and objectives are designed to align and support the B&NES Council in delivery of their Corporate Strategy 2023-2027.

- To support our Shareholder's one overriding purpose "to improve people's lives".
- To increase the housing stock for both the tenants and home-owner's market to meet the local need.
- To support our local authority partners to tackle their climate and ecological emergency policies.
- To operate in a creative and innovative manner that works commercially.
- Demonstrate best practice for property development.
- To assist B&NES Council in its delivery of social housing supporting its Corporate Strategy priorities for affordable housing, accessible to local jobs and services.
- To act as a responsible Landlord to our tenants, ensuring our properties are maintained to a good standard.

This business plan demonstrates how we are seeking to deliver against the various strategic aims and objectives whilst, understanding the delicate balance required to achieve the desired outcomes at multiple levels.

On each project we will explore all options to ensure we reach the optimum position considering the social and economic benefits to the communities in which we are working and for our partners.



Business Model

Product and Services

Alignment with our Local Authority Partners

Objectives

Culture

Resource Management

Social Value

Governance

Risk Management

[Explore More](#)



Products and Services

Aequus Construction Limited (ACL)

Through ACL we will provide development management services to our Local Authority and public sector partners that consist of:

- Early engagement and asset review
- Site viability and option appraisal
- Design management and planning progression
- Cost and value engineering control
- Business case preparation
- Construction phase delivery
- Sales and marketing (on mixed tenure schemes)
- Negotiate with affordable housing providers if not our Local Authority partner

Projects can include conversion of existing buildings or new build construction. We remain flexible on the size and scale of the projects we will undertake but will generally range from 10 units to 300 units.

As a Teckal compliant company, controlled by our Shareholder, we are able to work flexibly and quickly with public sector partners to bring forward the range of planning and development services we provide.



Geographical Coverage

Over the last few years, we have forged partnerships with North Somerset and South Gloucestershire councils. During this business plan period we will look to expand our service offering to neighbouring council areas and public sector partners such as the two Integrated Care Boards of Bath and Northeast Somerset, Swindon and Wiltshire ICB and Bristol, North Somerset and South Gloucestershire ICB.

Mixed Tenure Development

Where it has been proven through our option appraisal that the scheme will benefit from including open market sales we will, on top of managing the development and construction activity carry out the sales and marketing services.

Under this model our partner will receive a land payment, and the land is transferred to ACL which enables onward sale of completed homes to either the affordable provider or private purchaser. Under the terms of the agreement with our partner we will commit to a profit share and overage agreement.

100% Affordable Schemes

For schemes that are 100% affordable our service is very similar but excludes the open market sales and marketing stage.

Our model allows for our services to be commissioned up to the point where the project obtains a planning consent and then we contract on a sales and overage provision for the land transfer.

Land acquisition and development

Our primary focus for land acquisition and development will be through our public sector partners across the area we operate. This enables us to focus on both the financial and social value outcomes we deliver rather than competing in the market place for land where the land value alone is the determining factor.

We will focus on delivering the schemes which meet the housing needs and outcomes set out by our partners, ensuring land is transferred at best value compliant levels supported by an independent valuation.

Development will commence immediately once a contractor is appointed, and all planning pre-commencement conditions have been met. We will not land bank sites leaving them undeveloped with housing needs remaining unmet.

Whilst we will explore opportunities for market site acquisitions, these will be focused on landowners that have a real interest in the housing and social values outcomes we can deliver to help build thriving and sustainable local communities.

Contracting Partnerships

As a local authority-controlled company, we are fully compliant with public procurement rules and regulations. Working to maximise the opportunities this can present, we are developing a range of contracting partnerships to deliver our developments to meet our specific requirements whilst achieving value for money.

Our contracting partners are selected to deliver based on the range of housing outcomes we are delivering – these range from small renovations of listed buildings, large and small brownfield sites, to greenfield developments. We also recognise the specific delivery strengths of the contractors we work with be that for conversion of existing buildings to new build housing and apartments.

Further details of our approach to procurement and contracting are set out in the resources section of this business plan.

Residential Landlord

Aequus Developments Ltd (ADL)

ADL is a property asset investment and rental business. It provides rental homes for the community in partnership with B&NES Council. The ADL property portfolio consists of 26 private rental properties and 20 properties, including an HMO, purchased through the Local Authority Housing Fund (LAHF) to provide homes for refugees. Once the scheme has come to an end, the properties will be used for affordable housing. Looking forward, ADL will look to take opportunities as they arise to grow the rental property portfolio.

Registered Provider

Aequus is not currently a Registered Provider for the purposes of holding and operating affordable housing. Subject to the future requirements and objectives of the Shareholder, we will explore the opportunities that this may provide alongside the work we will be doing on future changes to the company governance structure.

There are potentially many benefits to Aequus becoming a Registered Service Provider, which include:

- Developing public and partner trust in the services the company provide
- Demonstrating the company's commitment to meet national standards for quality and compliance
- Providing opportunities for growth and development
- Access to a range of grant and investor funding streams
- Potential to streamline and improve efficiency of financial and operational activities
- Providing opportunities to influence within the sector
- Oversight and support from the regulator

Set against this will a range of challenges to ensure this would be the right direction for the company. We will need to understand how this fits with the future plans of B&NES Homes, which is already a Registered Provider and, how the Shareholder will hold and operate its general needs affordable housing in the future. This option will only be progressed with the support of the Shareholder.

Any proposals for Aequus to become a Registered Provider would be subject to formal Shareholder decision making and approval and, a clear business case demonstrating that the financial, governance and skills/resourcing requirements can be met.



Alignment with our Local Authority Partners

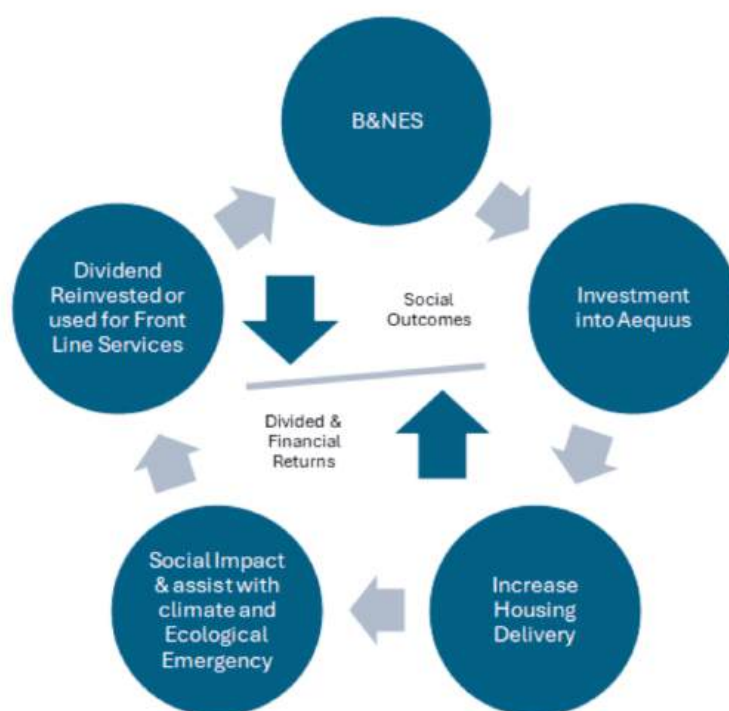
We have developed our key objectives to align with those of the Shareholder:

Overriding Purpose to:	'Improve Peoples Live'
Core Policies of:	'Tackling the climate and ecological emergencies'
Principal commitments to:	'Prepare for the future', deliver for local residents' and to 'focus on prevention'

Our purpose is to support our Local Authority partners in the delivery of their aspirations and this is reflected in our key objectives.

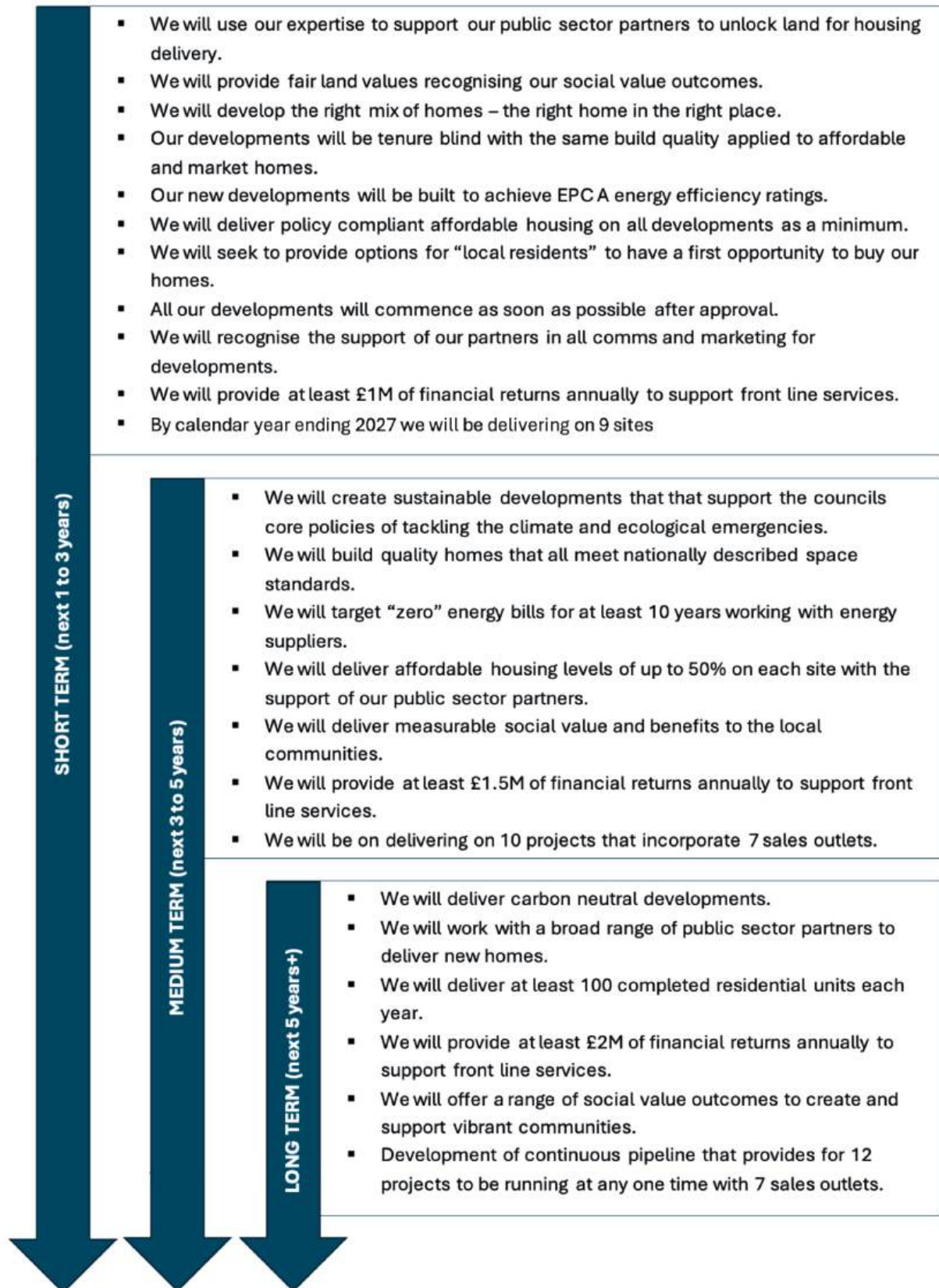
The Council's investment in Aequus enables us to develop our pipeline, add value and to deliver social and financial returns along with increasing the supply of much needed affordable housing in the region

The social outcomes and financial returns are a balance and dependent upon the blend of projects being undertaken and the investment made.



Key Objectives

“What Good Looks Like”



These objectives, particularly relating to public sector partners or market acquired sites, may be varied on a case by case basis to deliver to specific briefs provided by partners or alternatively to deliver in accordance with an extant planning approval.

Culture and Values

The organisation has a positive culture that will need to be nurtured as the business develops and grows. Culture is heavily influenced by the leadership team, and we must all ensure we live and breathe the desired behaviours so that these are repeated by our colleagues.

To align our business with our shareholder and partners it is important that not only our aims and objectives support each other but also our culture and behaviours.

Leadership	<ul style="list-style-type: none"> • Reflect the behaviours that are expected by others
Collaborative	<ul style="list-style-type: none"> • Work openly with our shareholder, wider stakeholders and supply chain partners
Respectful	<ul style="list-style-type: none"> • Be considerate to others needs, one team approach • Understand and support our partners objectives
Challenge	<ul style="list-style-type: none"> • Setting clear attainable objectives with defined roles • Is there another way that brings benefits
Supportive	<ul style="list-style-type: none"> • Provide clear guidance and resource • Appreciate the work done by others and recognise it
Agile and Flexible	<ul style="list-style-type: none"> • Creative and innovative when looking at opportunities
Transparent	<ul style="list-style-type: none"> • To be open and honest in everything we do • Share concerns / issues early so they can be addressed
Trust	<ul style="list-style-type: none"> • Avoid the 'blame culture', this will support behaviours that undermine our culture
Accountability	<ul style="list-style-type: none"> • Take ownership • Compliance with process and governance



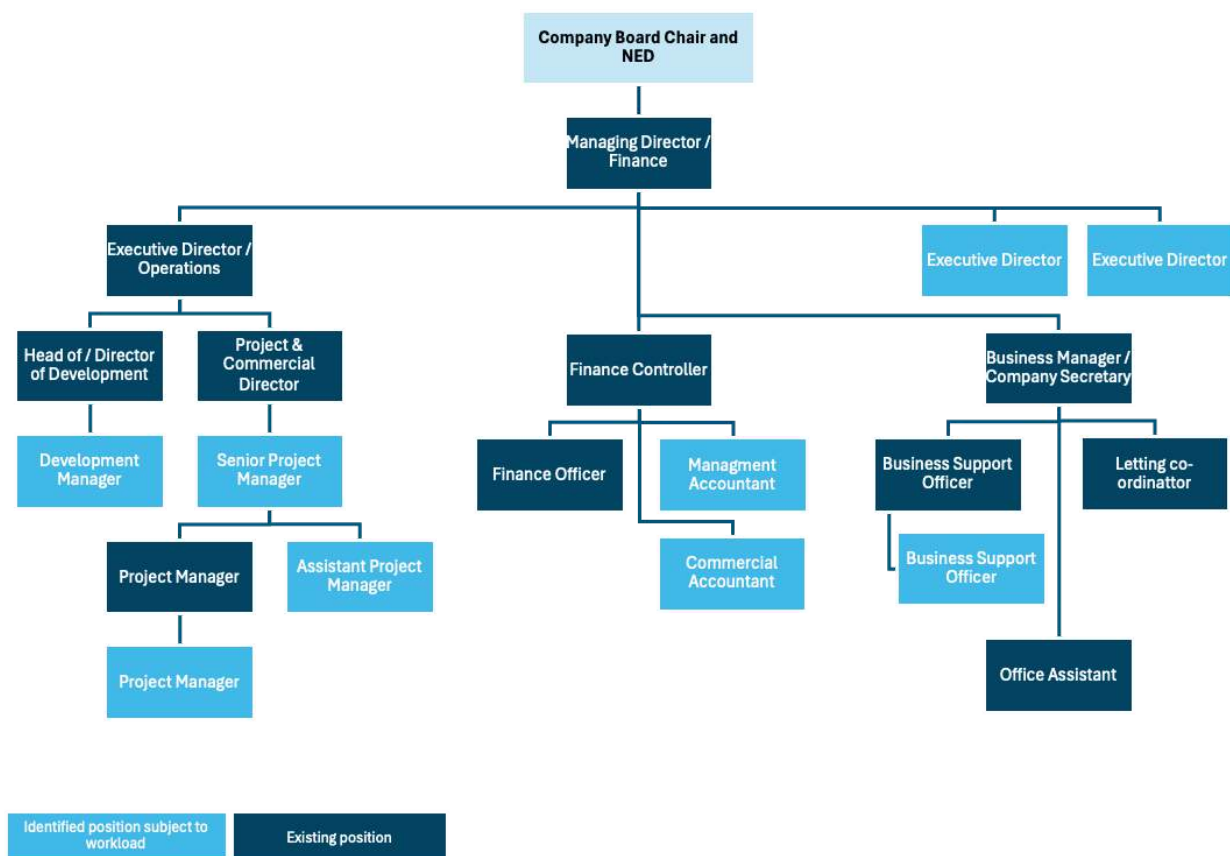
Resource Management

Aequus has a relatively lean management structure with its inhouse resource focused on key requirements of project management, finance and corporate governance. We operate an outsource strategy to deliver other services which enable us to have a great deal of flexibility and manage peaks in workload effectively.

As part of business planning forecast, we have reviewed the resource required to effectively manage and grow the business and these are highlighted in the structure chart below.

The two Executive Director positions have been identified due to the increase in activity in years beyond this business planning period. The roles and their responsibilities will be defined as the business develops but are likely to cover sales, finance and commercial activities.

Other roles identified are very much activity dependant and will enable us to adequately manage the business from a project management, business and finance perspective. Project Management resource will be allocated to the scheme while finance will be an operational overhead.



Social Value

As a responsible business, social value forms a key part of everything we do. Our core business, providing high quality, energy efficient market and affordable homes to meet local needs, creates intrinsic social value and we want to do more to capture, report and enhance these important benefits.

To do this, we are keen to ensure that we work in partnership with others to maximise impact and leverage the social value outcomes we can deliver both directly and through our partners and supply chains.

Social value relates specifically to the wider non-financial impacts of programmes, organisations and projects, especially on the wellbeing of individuals and communities and of the environment.

In the simplest terms, we are looking to deliver greater improvement to the economy, society and the environment in neighbourhoods where we deliver new homes and, where we own and manage rental homes. We will do this in a way that supports the priorities of our Shareholder and the overriding purpose to **improve people's lives**.

Our Social Value Commitments

Preparing for the Future

- Providing the right homes in the right places
- Building quality homes with 10-year warranties
- Delivering energy efficient, low carbon homes.
- Enhancing ecology and Biodiversity Net Gain.

Delivering for Local Residents

- Providing sustainable financial returns to support frontline services.
- Homes to meet local need.
- Providing opportunities for local residents to buy first.
- Not land banking to ensure homes are delivered at pace
- Supporting local businesses through our Think Local supplier approach
- Developing local skills with apprenticeship and employment opportunities

Focusing on Prevention

- Delivering a diverse range and mix of affordable homes
- Ensuring homes are tenure blind to build diverse communities
- Meeting national space standards
- Tackling energy poverty with low energy homes

Measurement and Reporting

We will measure and report the social value that is generated through our activities, and this will include the tracking of social value created by Aequus, including commitments made by our suppliers, measuring the difference we are making to our neighbourhoods across the agreed commitments.

Due to the complexity of capturing social value, there is not one methodology which will demonstrate the range of outcomes delivered, so we will use a combination of tools such as:

- Using a web-based portal for calculating a social return on investment to determine a financial impact
- Providing detailed case studies – examples already include Riverside View – Keynsham, 117 Newbridge Hill – Bath and, Manor Gardens – Frenchay.
- Quantifiable outputs e.g. number of affordable homes delivered, energy performance of home achieved, reductions in energy bills, level of carbon emissions saved etc.

Key outcomes will be shared through our regular performance reporting to the Shareholder and promoted on an ongoing basis through our existing communication channels.

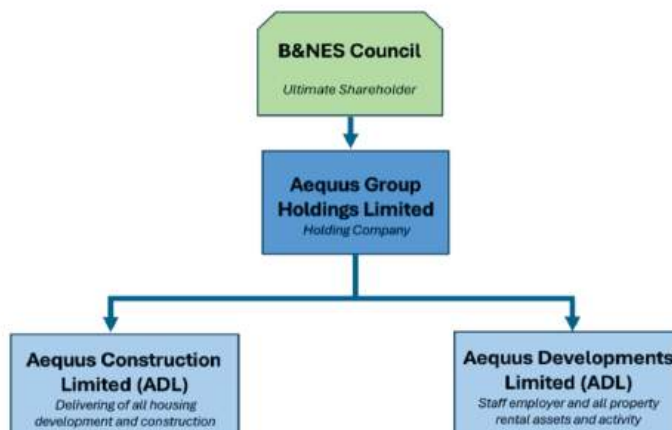


Governance

The governance of Aequus Group is overseen by the Shareholder (B&NES Council) and its appointed Board of Directors which currently consists of 2 Executive Directors, a Non-Executive Chair and 5 Non-Executive Directors.

We recently conducted a Skills & Experience Audit of our current Non-Executive Directors to inform our future recruitment needs. The audit highlighted that our board is well-equipped with expertise in:- housing, planning, environmental sustainability, property regeneration, and customer care.

When we are recruiting Non-Executive Directors, we will be focusing on candidates with experience in the areas of need identified, at present this includes finance, community investment, and audit & risk management.



There are various governance arrangements in place to enable the Shareholder and its representatives, to effectively monitor Aequus' performance against its business plan and objectives, while also addressing key policy and procedural matters that support the company's efficient operation.

Shareholder

The Shareholder holds ultimate decision-making authority over the company's strategic direction, exercising this through key shareholder reserved matters and approval of our Business Plan.

Board of Directors

The Board acts on behalf of the Shareholder, providing oversight of Aequus' management to ensure alignment with the company's objectives and business plan.

Scrutiny

Independent and internal scrutiny mechanisms include:

Internal Audits

to assess the efficiency of internal controls.

External audits

to provide independent financial reviews.

Regular reporting

to B&NES Scrutiny and Corporate Audit committees.

Together, these governance structures allow for consistent monitoring, informed decision-making, and adherence to Aequus' business objectives and policies.

Local Authority Partnership Governance

During 2024, B&NES Council obtained further legal advice to ensure that the contractual arrangements to allow Aequus Group to work with other local authorities and public sector partners, comply with the Local Authorities (Goods and Services) Act 1970. This advice is key to support the future growth and partnership working aspirations of the company and the Shareholder.

The contractual arrangements between B&NES Council, Aequus, and neighbouring local authorities represent a significant opportunity to optimise resources, deliver high-quality housing services, and ensure compliance with legal requirements. Through clear contracts, robust SLAs, and a collaborative approach, this structure will enable Aequus to assist neighbouring councils in delivering much-needed housing and development projects, while ensuring that B&NES remains compliant with the Goods and Services Act 1970.

Arrangements with local authority partners is delivered in three stages, with stages one and two concerning consultancy/planning services, while stage three concerns the sale of the land. The partner arrangements will only be required for stages one and two.

Review of current Governance arrangements

During the latter of 2024, Aequus in collaboration with its Shareholder will be working with Legal Advisors to review the current governance structure to enhance the company's ability to promote and deliver future development project opportunities effectively. This encompasses a wide range of improvements, from streamlining decision-making processes, supporting external investment and funding, and to establish more tax efficient structures. As part of a long-term strategy we will review the potential for the organisation to become registered as a social landlord as set out in the business model.

Key areas of focus include setting up a tax-efficient LLP for B&NES projects, streamlining decision-making, and reviewing the Shareholder's reserved matters. We will also be looking at how we can acquire sites from public sector partners and exploring both Teckal and non-Teckal setups for greater flexibility.

Risk Management

Strategic Business Risk

In 2023, our Risk Management Strategy was approved to support the Board and employees in achieving the goals outlined in the Business Plan. This strategy promotes a proactive approach to risk identification and management, ensuring the business minimises potential adverse impacts while maximising opportunities.

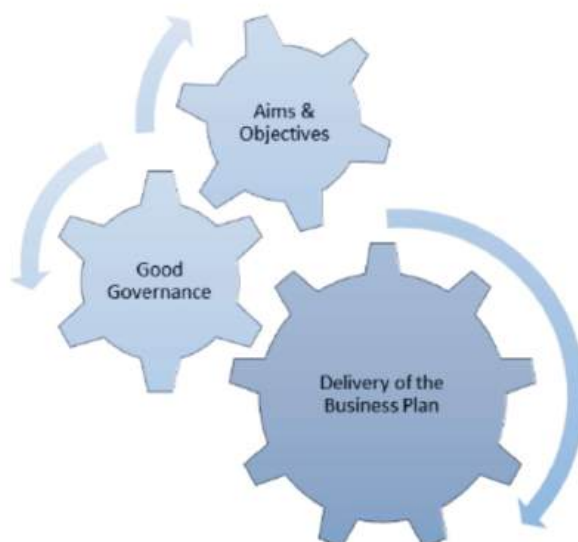
Risk management is a fundamental part of Aequus' operations, with a commitment to embedding effective practices under the oversight of the Audit Committee which is led by an Independent Chair. This is achieved by integrating risk management into existing processes, ensuring it remains proportionate and aligned with overall business objectives.

Aequus has established a thorough system for monitoring and reviewing risks, with actions aligned to the adopted process.

- Project risks will be managed through individual project risk registers and regular monthly meetings, with updates provided in the Monthly Progress and Status Meeting Reports and the Monthly Director Reports. New or evolving Programme or Project risks will also be communicated to the Board and/or Audit Committee.
- Aequus Group Risk Register – the corporate risk register, managed by the Managing Director, is presented quarterly to the Board and Audit Committee.
- The Company's Internal Audit function will evaluate risk management processes and the internal control frameworks, reporting every six months to the Audit Committee.

Top Three Identified Business Risks

- **Delay in conversion of pipeline projects** – the range of the pipeline across our council partners offers a degree of diversification to this risk whilst recognising the majority of projects currently remain in the planning process and are yet to be fully secured.
- **Rise in interest rate** – the current high level of interest rates presents a viability risk to projects although rates have peaked, and future rate moves are expected to be downwards. We will seek to utilise fixed interest rate funding going forwards to provide cost certainty.
- **Fluctuations in open market sales demand** – uncertainty around interest rates and the wider UK economy have impacted on market sales demand. Buyers are being more selective and taking longer to make decisions but there is demand for the right products in the right places. The easing of interest rates are likely to see improvements in demand which should align with the companies projected market housing delivery plans.





Market and Political Analysis

National Context

Local Context

Sales and Marketing Approach

[Explore More](#)



Market Analysis – New Build Homes

National Context

The UK housing market in 2024-25 is expected to be shaped by a mix of economic, policy, and social factors. Higher interest rates could temper demand, but a persistent supply shortage and strong regional markets is likely to continue to support some price growth. Regional disparities will remain significant, with different areas experiencing varying levels of activity and price changes. As always, government policy and global economic conditions will be key variables to watch.

The UK's affordable housing sector in 2024 is at a critical juncture. While the demand for affordable homes continues to grow, numerous challenges, including funding, land availability, and construction costs, hinder progress. The government's ability to deliver on its promises will be crucial, as will the involvement of the private sector and the adoption of innovative building methods. Addressing these challenges is essential to ensure that affordable housing is accessible to all who need it, particularly in regions where the crisis is most acute.

Government Policies

National Planning Policy Framework (NPPF)

Reintroduction of mandatory housing targets to fulfil Labour pledge of delivering 1.5million new homes per year in England over the next five years.

Green Belt boundary review

Local Authorities will be asked to review green-belt boundaries. New boundaries will aim to prioritise brownfield land and 'grey belt' land, which lies within green belt boundaries but consists of 'poor-quality land, car parks and wastelands'.

Regulation and Taxes

Changes in stamp duty, capital gains tax, and regulations on landlords could also influence market dynamics. A more regulated buy-to-let market might reduce investor activity, affecting rental supply.

Affordable Housing Targets

The UK government has set ambitious targets to increase the supply of affordable housing. However, meeting these targets has been challenging due to funding constraints and planning delays. In 2024, the success of these targets will depend on the effective implementation of new policies and financial commitments.

Help to Buy and First-Time Buyer Incentives

The winding down of the Help to Buy scheme may shift focus towards other affordable housing initiatives, such as Shared Ownership and First Homes. These programmes aim to help lower-income households purchase their homes but have faced criticism over their accessibility and effectiveness.

Social Housing

Investment in social housing remains a priority, with the government aiming to address the significant shortfall in social housing stock. However, delivery has been slower than needed, with local authorities and housing associations struggling to meet demand as they divert budgets to tackle substantive issues on their existing housing stock.

Local Context

Bath and North East Somerset Council (B&NES)

The housing market in B&NES in 2024 is characterised by high demand, limited supply, and significant affordability challenges. Bath remains a highly sought-after location, leading to elevated property prices and rental costs, while surrounding areas are becoming more popular as alternatives.

**Bath & North East
Somerset Council**

Improving People's Lives

B&NES Council's efforts to increase affordable housing are ongoing but face significant hurdles. The region's unique blend of urban and rural settings creates distinct market dynamics, with sustainability and heritage preservation playing crucial roles in shaping housing policies and developments.

Government and Council Policies

- **Planning Policies:** B&NES Council has been navigating the challenge of balancing the need for more housing with the preservation of the area's unique character and environment. Strict planning regulations in Bath, particularly concerning its heritage sites, complicate the approval of new housing projects.
- **Affordable Housing Targets:** B&NES Council has set targets for affordable housing, but meeting these targets has been difficult due to high land and construction costs. There is an ongoing effort to work with developers to include affordable housing in new projects, but delivery has been slow.
- **Sustainability Goals:** B&NES Council has a strong focus on sustainability, which influences housing policy. New developments are expected to meet high environmental standards, which can sometimes increase costs and slow down the approval process.

Identified Need: The overall need for housing in B&NES is for 717 new homes per annum, potentially rising to 1,466 per annum, or 29,300 over the next twenty-years in the proposed new National Planning Policy Framework (NPPF) Targets.



South Gloucestershire Council (SGC)

South Gloucestershire's housing market in 2024 is characterised by strong demand driven by its strategic location near Bristol, ongoing developments, and good transport links. However, this demand is tempered by challenges such as limited land availability, rising construction costs, and an affordability crisis that makes it difficult for many residents to access housing.



The local council's efforts to manage growth, improve infrastructure, and increase the supply of affordable housing will be crucial in shaping the future of the housing market in South Gloucestershire.

Government Policies and Local Initiatives

- **Planning Policies:** South Gloucestershire Council has been working to manage the growth of the area through strategic planning policies that aim to balance the need for more housing with the preservation of the environment and existing communities. The West of England Joint Spatial Plan has been influential in guiding development in the region.
- **Affordable Housing Targets:** SGC has set targets for affordable housing as part of new developments. However, like many areas, South Gloucestershire has struggled to meet these targets fully, due to financial constraints and resistance from some developers.
- **Greenbelt and Planning Restrictions:** A significant portion of South Gloucestershire is designated as greenbelt land, which restricts where new housing can be built. Balancing development needs with the preservation of these green spaces remains a key challenge for the local authorities.
- **Infrastructure Development:** As housing development increases, so too does the pressure on local infrastructure, including roads, schools, and healthcare services. The council is focused on ensuring that new developments are accompanied by necessary infrastructure improvements, though funding and coordination remain challenges.

Identified Need: Currently 1,317 new homes per annum are required in South Gloucestershire to meet identified need, which is proposed to increase to 1,717 homes per annum under the new NPPF targets.



North Somerset Council (NSC)

North Somerset's housing market in 2024 has strong demand driven by its proximity to Bristol, good transport links, and the appeal of its coastal and rural areas. While ongoing developments are helping to meet some of the demand, affordability remains a significant challenge, with house prices and rents rising steadily.



The council's efforts to manage growth, improve infrastructure, and increase the supply of affordable housing will be critical in shaping the future of the housing market in North Somerset. Balancing development with the preservation of the area's quality of life and environment will be key to ensuring sustainable growth in the region.

Government Policies and Local Initiatives

- **Planning Policies:** North Somerset Council is actively managing housing growth through strategic planning. The council aims to balance the need for new housing with the protection of green spaces and the character of existing communities. This includes managing the impact of new developments on infrastructure and local services.
- **Affordable Housing Targets:** The Council has set targets for affordable housing as part of its broader housing strategy. However, like many regions, achieving these targets is challenging due to high land costs and the need to negotiate with developers.
- **Land Availability:** While there is more land available for development in North Somerset compared to more densely populated areas like Bristol, there are still constraints, particularly in protected or greenbelt areas. This limits the pace at which new homes can be built.
- **Infrastructure Investment:** There is a focus on ensuring that new housing developments are supported by adequate infrastructure, including transport, schools, and healthcare services. The council is also working on improving transport links to Bristol and other major employment centres, which is crucial for supporting future housing growth.

Identified Need: The council has a current housing target of 1,324 homes per annum although this increases to 1,587 per annum under the proposed NPPF targets.



Market Analysis – Rental Portfolio

Tenants are increasingly inclined to remain in their current homes and are generally more receptive to reasonable rent increases, as this is often a more affordable option than moving to a new property.

However, there is a growing trend of non-commitment from tenants, with some withdrawing from viewings or opting for other opportunities, even after paying holding deposits. This has led to a higher volume of viewings required to secure tenants.

The rental market has softened, with fewer prospective tenants actively searching. Prospective tenants are becoming more cautious and tightening their budgets compared to earlier in the year. Like many areas across the UK, Bath & North East Somerset is experiencing a shortage of affordable housing, which poses challenges for renters, particularly those on lower incomes. Despite these market shifts, rental income continues to rise due to year-on-year increases in rental values.

The Renters' Rights Bill

As of October 2024, the Renters' Reform Bill in the UK is moving forward under the Labour government and is expected to become law by mid-2025. The bill introduces several significant changes aimed at protecting renters' rights while imposing new obligations on landlords:

01

Abolition of Section 21 "no-fault" evictions

Meaning Landlords will no longer be able to evict tenants without providing a reason, giving renters more security.

02

New grounds for possession

Landlords can still regain possession of properties if they intend to sell, redevelop, or move in a family member, among other reasons. However, stricter notice periods and requirements will apply.

03

Tenancy reforms

All tenancies will become periodic, meaning they will continue on a rolling monthly basis, giving tenants more flexibility to leave with two months' notice.

04

Rent increases

Rent hikes will be limited to once a year, and tenants will have the right to challenge unfair rent increases.

05

Additional protections

The "Decent Homes Standard" will be applied to ensure rental properties meet minimum living standards, and Awaab's Law will extend to the private sector, allowing tenants to address unsafe conditions.

06

Landlord obligations

A landlord database will be created to monitor compliance, and landlords will be required to register, further increasing accountability.

We are confident that we already operate in line with the expectations of a Responsible Landlord, and we recognise that many of the upcoming changes will further formalise our existing practices. The new bill aims to balance the relationship between tenants and landlords, though it may result in higher rental costs as landlords adjust to the new regulations. As a Responsible Landlord, we will collaborate closely with our managing agent to ensure full compliance with these changes while maintaining our commitment to providing quality, affordable housing.

Sales and Marketing Approach

We will focus on a targeted approach that leverages our ability to work efficiently with public sector partners. Our sales approach will recognise the quality of our product and our approach to sustainability, efficiency and building communities. Utilising digital media, we will ensure we can effectively reach potential partners and buyers, aiming to create lasting relationships that drives both a sustainable land supply and strong market sales.

Value Proposition

As a Teckal compliant company, Aequus is able to work efficiently and effectively with public sector partners. This not only saves time and resources, but also enables delivery to commence quickly. We have a tried and tested approach to bringing sites forward through the planning process with a template Sales and Overage Agreement to ensure sites are delivered to agreed outputs and profits shared between partners.

The company has a number of unique selling points that sets it apart from other market led housebuilders including:

- Deliver high quality homes as standard, which are tenure blind.
- Ensuring all our developments deliver policy compliant levels of affordable housing.
- Providing homes that meet national space standards
- Delivering homes that are energy efficient and achieve EPC A ratings

Brand Positioning

We will continue to develop a strong brand identity that reflects our mission, values, and social value commitments. This will be done through face-to-face meetings with our partners, together with the continued growth of our on-line profile including enhancement of our social media presence on platforms such as LinkedIn and Facebook, with plans to explore the use of Instagram and other potential platforms.



Networking and Partnerships

Developing and expanding our network of partners is key to the success and sustainability of the business. We will seek to strengthen and expand these partnerships through our sales and marketing activities across the following areas:

Key Local Authority Partners

Strengthening our current local authority partnerships to support and enhance our pipeline of sites.

**Bath & North East
Somerset Council**

Improving People's Lives



Wider Public Sector Partnerships and Collaborations

Developing new relationships with partners across the public sector, including:

- local NHS organisations including the RUH, the Integrated Care Boards and NHS Property Services
- registered social providers including Curo and Alliance Homes,
- local Universities and Colleges
- Homes England,
- West of England Combined Authority

Real Estate Agents

Building relationships with real estate agents for market sales support, referrals land opportunities, market intelligence and collaboration.

Local businesses

Engaging and supporting local businesses (e.g. development contractors, architects, consultants, interior designers, building materials suppliers etc.).

Sales and Marketing Content

Our sales and marketing approach will utilise a range of media and channels, to ensure we can effectively engage with our partners and customers.

The use of digital platforms and content will provide a core focus for promoting the key products, services, milestones and achievements of the business. This will include the use of our website www.aequusdevelopments.co.uk and our social media channels including, news releases, bespoke posts, PR opportunities, project milestone achievements, photo opportunities and potentially written and video blogs.



Recently, we were shortlisted in three categories for the Bath Property Awards and four categories for the Bristol Property Awards. We will be attending the ceremonies to further promote our brand and, and hopefully secure wins in some categories.

For each development, we create a case study showcasing the key successes and demonstrate alignment with our business plan objectives both on terms of financial and the social value outcomes. The case studies are a great way to visually demonstrate what we have achieved and the outcomes we have delivered.

To ensure the effectiveness of our sales and marketing approach, we will collect partner and customer feedback through surveys and direct interactions including follow-up communications after housing sales. This feedback will provide valuable insights into partner and customer satisfaction, preferences, and areas for improvement.

In parallel, we will track key performance metrics such as lead conversion rates, website traffic, and engagement on social media platforms, both directly and through sales agents.

We can assess the effectiveness of our marketing campaigns and sales strategies. This approach will allow us to continually refine our approach to ensure we are meeting partner and customer expectations to drive the growth of the business.



Case Study Examples



117 Newbridge Hill, Bath

The Victorian building, formerly used as council offices has been converted into seven 1 and 2-bed apartments as one of the first developments in B&NES Council House Building Programme. These refurbished apartments are the first new socially rented properties built for Bath & North East Somerset Council in nearly three decades.

The refurbishment of the building features improved sustainability measures including replacement windows, additional insulation, low energy lighting and A-rated boilers. All of which lower the building's carbon footprint and creates a healthy indoor environment for residents.





Over 800 applications, with priority given to NHS staff.

aequsdevelopments.co.uk **Bath & North East Somerset Council** **BATH PROPERTY AWARDS 2022**

117 Newbridge Hill Case Study



MANOR GARDENS, FRENCHAY

Located on Melnaine Drive, this site was held as undeveloped land however following public consultation by South Gloucestershire Council (SGC), it was released for residential use.

Aequus have delivered this development in partnership with SGC as part of the Council's ongoing strategy to improve local communities by delivering quality, sustainable homes through a plan-led approach.



The development is made up of 30 homes which comprises of 10 three and four bed private sale homes and 11 affordable one, two and three bedroom homes. All homes are tenure blind.

By incorporating sustainable design elements and sourcing locally, the development reduces emissions and energy bills by 70% while supporting the local economy.

LOW ENERGY OUTCOMES

Renewable Energy Integration
The installation of solar panels and air source heatpumps across all homes across the site of low energy energy sources contributing to lower carbon emissions and reducing reliance on non-renewable energy.

Energy-Efficient Design
The homes incorporate a fabric first approach with highly insulated envelopes, high levels of airtightness, and triple glazing, which significantly reduces heat loss and energy consumption. The sustainable materials are enhanced by reducing the surface water discharge through the use of permeable paving and an attenuation tank.

Mechanical Ventilation with Heat Recovery (MVHR)
The inclusion of MVHR systems in each home enhances energy efficiency by recycling heat within the property, further lowering energy usage and maintaining indoor air quality.

Positive Sales in Challenging Economic Times
The development launched in July 2024, with strong initial interest demonstrating the first reservation on the same day and 10 homes occupied shortly after. To date we currently have 10 homes available for purchase.

aequsdevelopments.co.uk

Manor Gardens Hill Case Study

For more information please contact: enquiries@aequsconstruction.co.uk

AEQUUS

Aequus Group is owned by Bath & North East Somerset Council. The Group's companies were set up to develop, own and manage property for open market and rental. All profits are used to support the Council to fund front-line public services.

- Developer of the Year 2019, Bath Property Awards
- Riverside View development on list for LABC Warranty Bricks Award 2019
- Finalist for Developer and Residential Development of the Year 2020, Bath Property Awards
- LABC Warranty Site Manager Award
- The Transformation Award 2020, Bristol Property Awards

BATH PROPERTY AWARDS 2019 **BRISTOL PROPERTY AWARDS** **BATH PROPERTY AWARDS 2020** **LABC** **THE BRICKS** **ACHIEVEMENT AWARDS 2020** **WINNER 2020**

Case Study: Riverside View Keynsham

The 1960's Riverside building was formerly used by Bath & North East Somerset Council as office space. Having stood empty for three years Aequus redeveloped Riverside View building into modern, sustainable living space. The proposals supported the Council's vision of using its surplus property base to provide facilities and housing for communities. The redevelopment was ambitious and challenging due to the layout and materials of the existing structure built in 1960.

Delivery

B&NES Council approved the development and in 2018, Aequus took possession and began transforming the building into 95 contemporary apartments. AHR were commissioned as the design architect for the scheme. Sustainability measures including composite double-glazed windows with cost-saving, low energy LED lighting were incorporated into the design. Contractors were appointed to strip the building of all fixtures, fittings and finishes including the controlled removal and safe disposal of many asbestos-containing materials.

Kier Construction was commissioned in 2019 to undertake Phase 1 of the works. This comprised constructing the layouts for the apartments; creating balcony spaces and terraces; bringing new services into the building; installing floor-to-ceiling windows; insulating the exterior of the building; cladding and rendering. Upon completion of Phase 1, Rydon Construction was appointed to undertake the fit-out works to the apartments including erecting internal partitions; drylining; mechanical and electrical fixes; kitchen installations; decoration and final finishes to floors, walls and bathrooms. Aequus adopted a "Think Local" approach to the procurement strategy for Riverside View. Supporting local businesses, this included website designers; sales agents and site staff PPE alongside "healthy lifestyle" offers for homeowners such as discounted gym memberships. At the same time as work began on Riverside View in Keynsham, the neighbouring Leisure Centre was upgraded. As both buildings were within the same envelope, this meant a high level of co-operation from all was needed to complete both projects on time.

98.7% of the building material stripped was recycled





Riverside View Case Study



Company Analysis

SWOT Analysis

Pipeline Assessment

[Explore More](#)



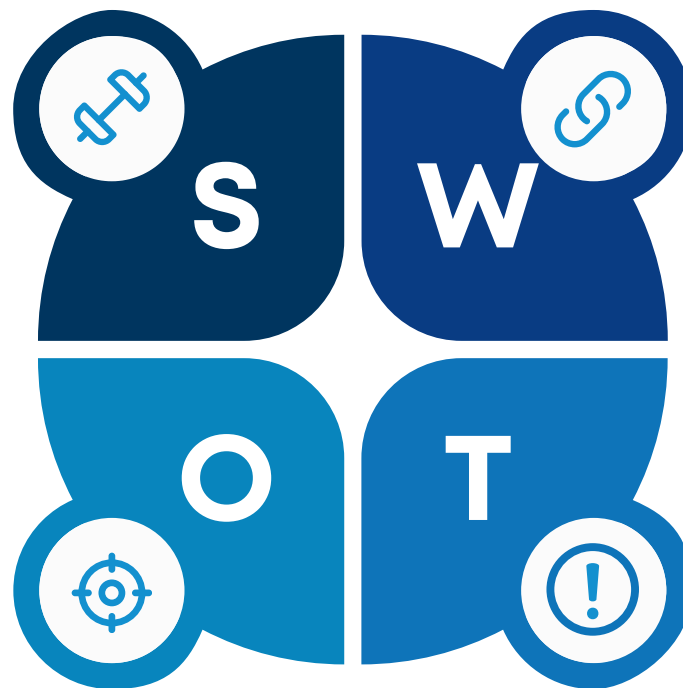
Company Analysis

Strengths

- Quality of completed schemes
- Sustainable quality developer
- Financial position and credit strength when contracting with partners and supply chain
- Responsible asset holding landlord
- Supportive Board
- Cash position
- Teckal Company

Weaknesses

- Opportunity identification from Council Partners
- Process and sign off timescales
- Systems, process and resource alignment with growth potential
- Brand and business model awareness



Opportunities

- Pipeline conversion
- New Council Partnerships
- Alternative delivery model
- Public sector land availability
- Government housing policy and targets
- Increased social value outcomes leading to greater LA support

Threats

- Delays to pipeline
- Funding preconstruction and feasibility activity
- Market conditions
- Continued high interest rates
- Supply chain availability
- Changes to Council administration

Strengths

The quality of our product that underpins our sustainability and social objectives of delivering developments with low energy homes and higher levels of affordability are demonstrated by the schemes that we have completed and are reflected in our pipeline of opportunities being progressed.

Our Teckal public sector owned company structure coupled with our cash position and the strength of our credit rating provides a unique position for the company to operate across council boundaries and with other public sector partners. This position in conjunction with our company culture provides confidence when we are contracting with our supply chain partners and enables us to obtain best value.

Weaknesses

The strength of our pipeline is heavily influenced by the availability of land from our Council partners. To enable a consistent delivery of the dividend it is important that we work closely with our partners to smooth out any volatility.

Streamlining systems and process that allow early scheme identification with clarity of scope and purpose will provide a stable framework for forward workload management and confidence in our financial performance and growth aspirations.

Opportunity

The business has a tremendous pipeline of development opportunities, and a key focus is to convert these schemes into secured projects. There are a mix of sizes and scales within the pipeline and, a number of the larger schemes, if converted, will provide a stable platform for the business to move forward, grow and provide the confidence to deliver consistent returns for our partners.

As part of the business plan strategy, we are looking to support the pipeline with new council and public sector partners and exploring alternative delivery models such as a limited liability partnership.

Recently announced Government policy and the clear message to deliver more homes provides the political will and when coupled with our objectives of delivering higher than policy compliant affordable homes should place the business in a good position with our partners.

Threats

The identification of threats that face the business and ways in which we can mitigate or address them entirely is an important element of risk management.

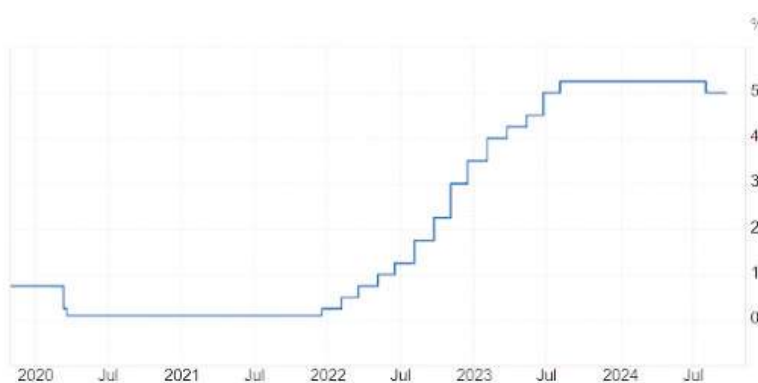
The pipeline we have identified is in excess of 1,000 homes and therefore strong, however, delays or alternative disposal solutions adopted by our Council partners are the single greatest threat to the business.

Through the business planning process, we have already moderated our forecast by assessing the risk and likelihood of projects progressing to the delivery stage. Through our integrated working strategy recently introduced with the councils, we are looking to align our processes and achieve a greater level of understand on development opportunities.

Although currently a hurdle to bringing schemes forward, we are exploring ways in which we can fund preconstruction activity and accelerate delivery. The business has invested in a revolving fund to enable early feasibility to be undertaken, this will then provide confidence when looking to move projects forward with our partners.

Having benefitted from a long period of low interest rates the more recent steady increases have adversely affected the business. Rates appear to have stabilised and market sentiment is that a further rate cut are expected however, it would be prudent for the business to protect itself against any future increases.

The cost of borrowing through higher interest rates impact on the viability of schemes and therefore their delivery, it also has an adverse effect on our rental property portfolio held within Aequus Developments Limited. The business is exploring options by which this risk can be limited by fixing the cost of borrowing.



Reference: Bank of England Base Rate

Project Pipeline Assessment

Aequus Construction Ltd

The business is well positioned with potential projects coming through that equate to over 1,000 homes with 38% of these being of an affordable tenure. Schemes are at various stages of the development, planning and procurement process, so we have therefore allocated them into three distinct categories that inform the business plan.

Category Definition		
Secured	Probable	Pipeline
The Final Business Case has been approved and the scheme is either on site or is at the mobilisation stage	We have undertaken the Initial Business Case, and this has been approved. The scheme is progressing through the planning process with the aim of developing a Full Business Case for approval	Projects have been identified and are progressing towards the Initial Business Case proposal or there is a level of uncertainty regarding the ultimate delivery strategy and viability

This categorisation of our pipeline coupled with the scenario planning that has been undertaken, enables a more informed process to be undertaken when developing the forecasts contained within the business plan. The current secured position for forward workload at 4% is below expectation and the focus of the business is to progress projects that are currently in the probable classification.

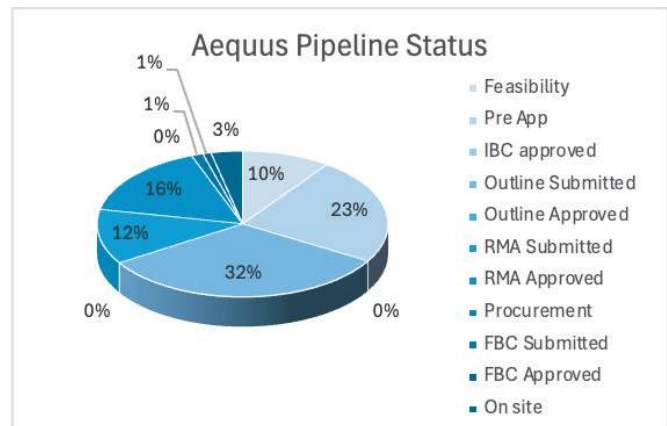
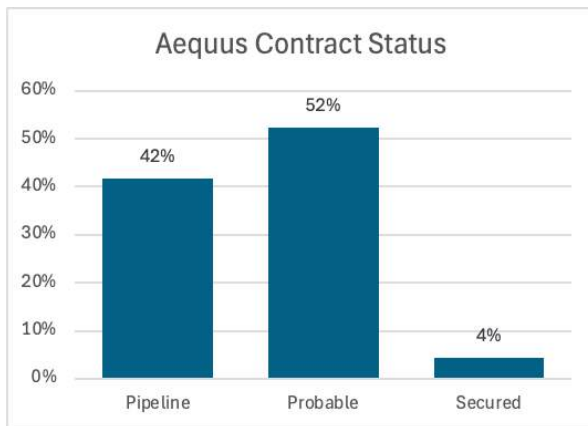
586 units which equates to 54% of our pipeline have been allocated as probable, these include the following projects:

Probable Developments in Forecast				
Project	Partner	Affordable Units	Sales Units	Total
Danes Lane	B&NES	10		10
Cotterel Court	B&NES	5		5
Milsom Street (2)	B&NES	9		9
Midland Road	B&NES	44	131	175
Bath Quays North	B&NES		96	96
Charborough Road	SG	12	22	34
Dolphin Square & Walliscote Place	NS	145		145
Castlewood	NS	33	79	112
Total		258	328	586
		44%	56%	

Pipeline Analysis

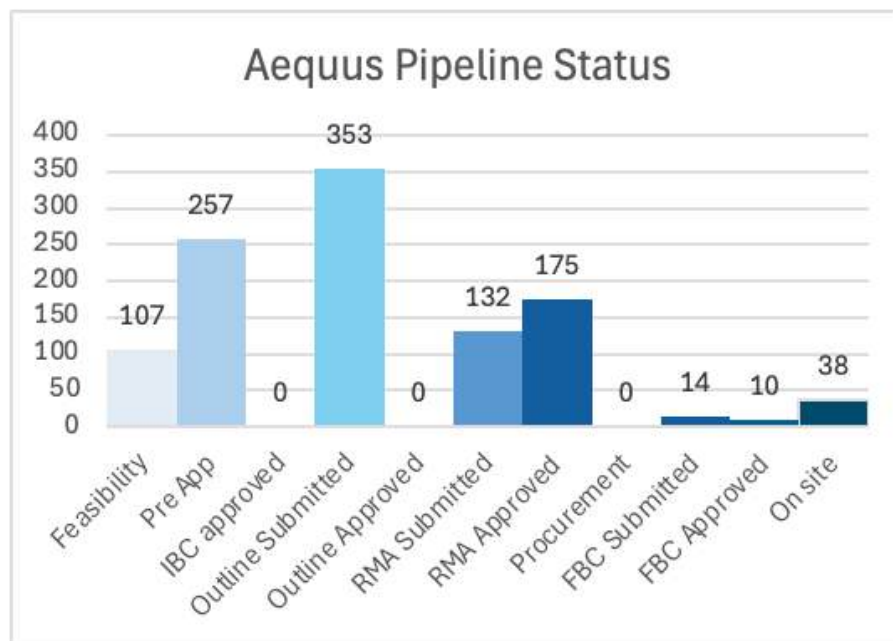
The Aequus total pipeline breakdown by category and development stage is:

- Secured – 38 units, 4%
- Probable – 586 units, 54%
- Pipeline – 460 units, 42%



Development stage progression:

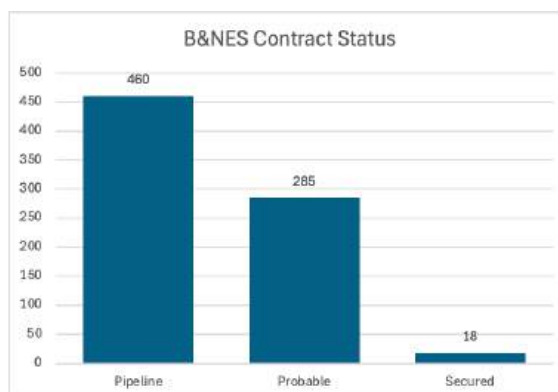
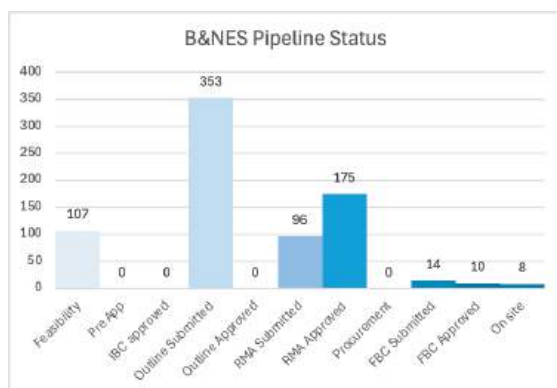
- On site – 38 units, 4%
- Full Business Case Submitted – 24 units, 2%
- Reserved Matters Planning (RMA) application approved – 175 units, 16%
- RMA Submitted (or ready) – 130 units, 12%
- Outline planning application submitted - 353 units, 33%
- Pre-application - 257 units, 23%
- Feasibility - 109 units, 10%



Pipeline Analysis by partner

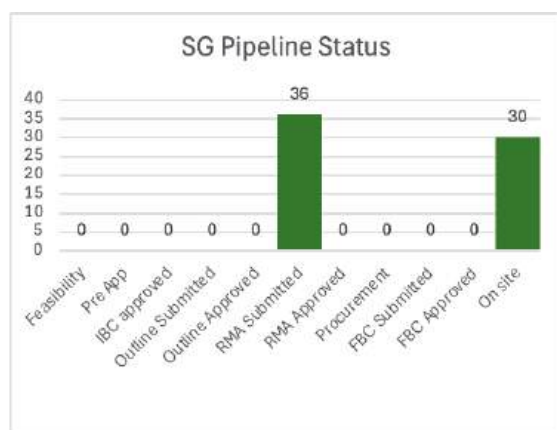
Bath and North East Somerset Council

- Secured – 8 units, 1%
- Probable – 295 units, 39%
- Pipeline – 460 units, 60%



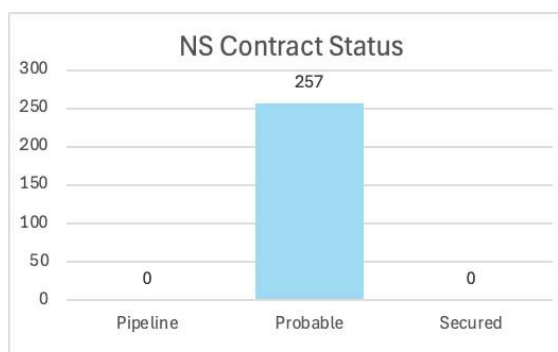
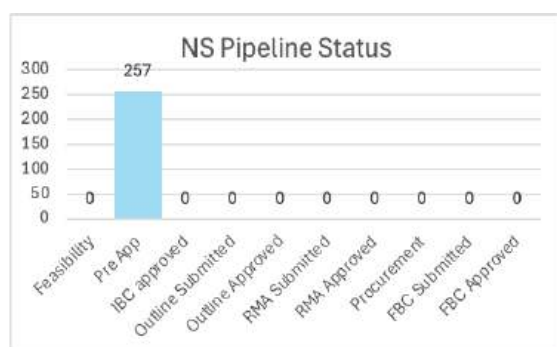
South Gloucestershire Council

- Secured – 30 units, 47%
- Probable – 34 units, 53%
- Pipeline – 0 units, 0%



North Somerset Council

- Secured – 0 units, 0%
- Probable – 257 units, 100%
- Pipeline – 0 units, 0%



Aequus Developments Ltd (ADL)

Aequus are dedicated to providing high-quality, reasonably priced rental homes in B&NES that align with the Council's vision of **'right home, right place.'**

ADL is the Council's residential asset holding company, providing both market and, more recently, affordable properties for rental.

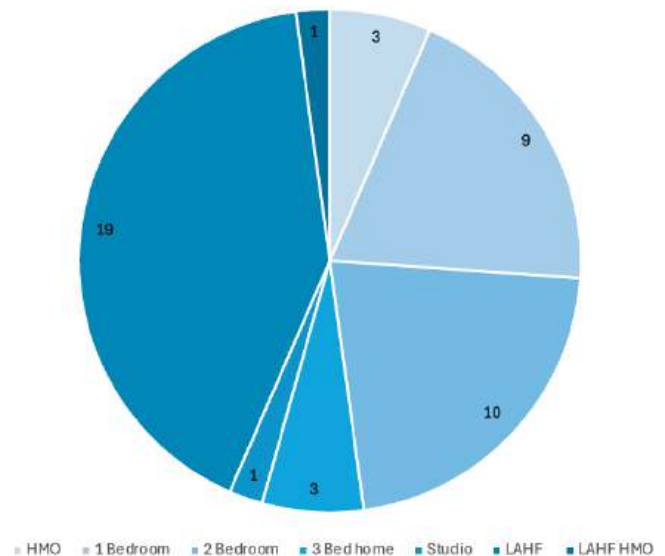
Within ADL we currently own and manage 46 homes, consisting of 64 tenancies of which 23 tenancies are allocated to the Local Authoring Housing Fund (LAHF).

We have been supporting B&NES Council with the LAHF property acquisitions. In Round 1, we purchased 20 properties, and we are now working on Round 3, which involves the purchase of 4 additional properties. This programme is aimed at providing housing for families who have arrived in the UK through the Ukrainian and Afghan resettlement and relocation schemes. The programme provides for rents to be fixed to the Local Housing Allowance rates approved by B&NES Council and ensures they remain truly affordable.

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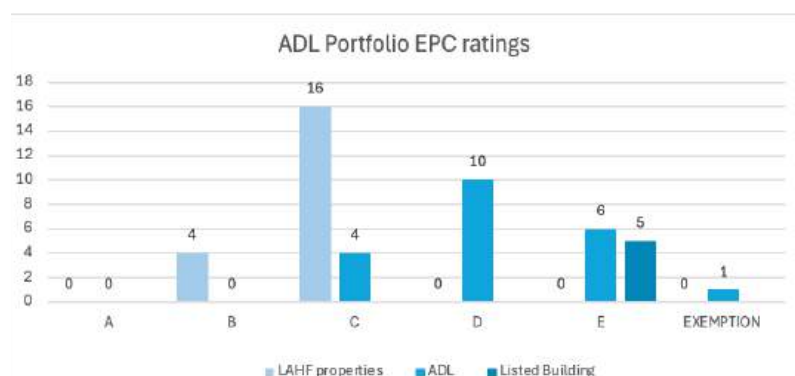
Our property portfolio includes a diverse range of housing types, such as one- and two-bedroom flats, HMO buildings for young professionals, and family homes.

ADL Property Analysis



Energy Performance

We are dedicated to improving property standards by ensuring compliance with new regulations while enhancing energy efficiency. Our efforts will help reduce tenants' energy costs and increase the long-term value and sustainability of our properties.



We are dedicated to improving property standards by ensuring compliance with new regulations while enhancing energy efficiency. Our efforts will help reduce tenants' energy costs and increase the long-term value and sustainability of our properties.

By 2030, we will ensure all our properties are an EPC C wherever feasible. This means we are committed to improving the rating of 22 properties by 2030 and will be working with our managing agent to put a strategy in place to deliver this.



Financial Forecast

Financial Overview

Key Dependencies

Aequus Construction Ltd and Aequus Developments Ltd

Overhead

Strategic Financial Plan

Cash Management and Capital Requirements

Shareholder Returns

Explore More



Financial Forecast

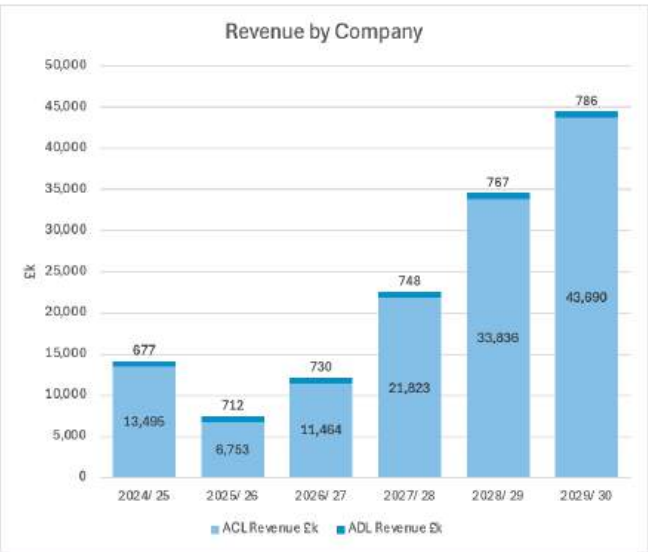
Overview

This business plan covers the period 2024 to 2027 however, we have extended key sections such as the objectives and financial forecast out to 2030 to demonstrate the trajectory of the business, it's ambition and the possible returns to our shareholder.

Revenue Growth

A drop in revenue from 2024/25 to 2025/26 reflects the lack of secured work identified within the pipeline section. It is anticipated however, subject to key projects progressing, revenue will steadily increase, and as mixed tenure schemes mature this will accelerate.

From a low point in 2025/26 it is forecast that the business revenues will increase to achieve around £44m in 2029/30 which equates to an average increase of 55% year on year.



Aequus Revenue Growth		2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
Revenue £M		14.2	7.5	12.2	22.6	34.6	44.5
Year on year % Increase in Revenue			-47%	63%	85%	53%	29%

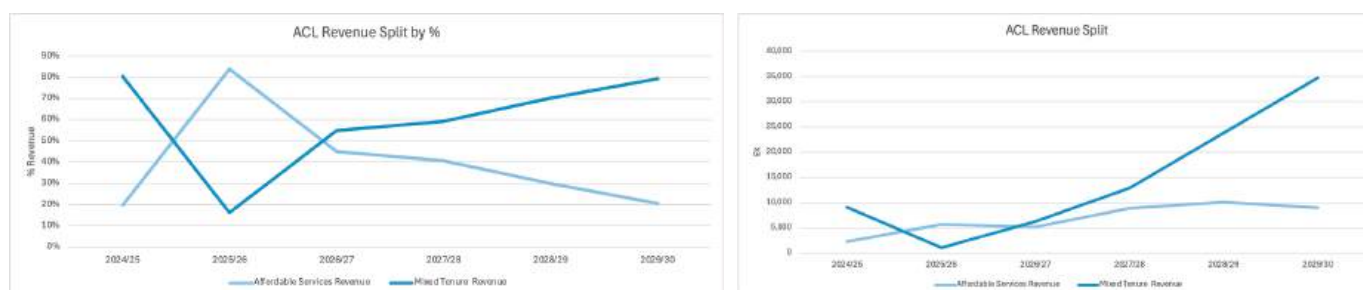
Revenues within ADL increase marginally tracking inflation forecasts and we remain open to opportunities to expand our property portfolio should the correct set of circumstances present themselves.

Revenue Analysis by Workstream

Revenues for the business are heavily influenced by activity within ACL and the portfolio mix between 100% affordable schemes and mixed tenure projects.

In the short-term, activity is dominated by our affordable delivery programme, this is gradually reversed as our longer-term mixed tenure schemes progress through the development and planning stages. Our mixed tenure developments are generally of a larger scale and benefit from a higher GDV so have a disproportionate impact on revenues.

Ideally our revenues will be balanced 70/30 in favour of mixed tenure as this provides the platform to deliver affordable homes at scale and the required financial return to the shareholder. The vast majority of our profit is provided through mixed tenure schemes as we only allocate a nominal overhead recovery to projects that are 100% affordable.

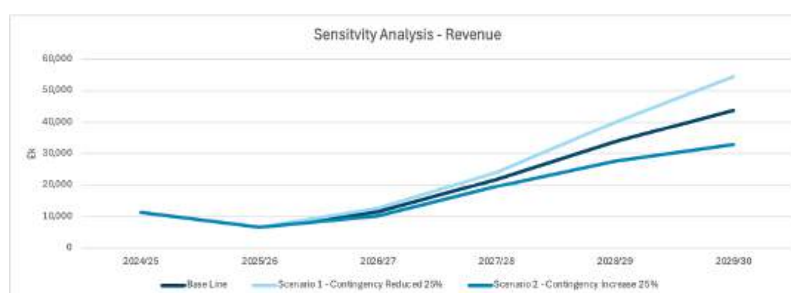


Sensitivity and Scenario Planning

The ACL forecast has been developed from the pipeline which has subsequently been moderated by assessing the risk and or likelihood of project conversion.

This moderation has been expressed as volume contingency and is factored into the forecast from FY 2026/27 until the end of the business plan period.

Volume contingency for 2026/27 is £5m, as larger schemes which are less progressed come through in future years this contingency increases to £9m for 2027/28 then £25m and £43m for the last two financial years.



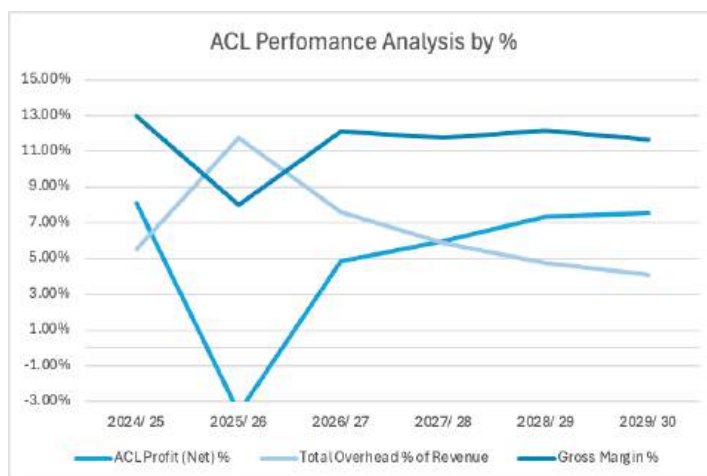
The sensitivity analysis undertaken provides for two scenarios, one with a greater number of projects being converted (Scenario 1 Contingency Reduced) and a second where fewer projects are secured (Scenario 2 Contingency Increased). Both have used a factor of 25%.

The options table provides the output to the scenario planning and demonstrates the impact and benefits.

Scenario Options Option Table	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Revenue Forecast	11,313	6,753	11,464	21,823	33,836	43,690
Scenario 1 - Contingency Reduced 25%	11,313	6,753	12,714	24,073	40,086	54,440
Scenario 2 - Contingency Increase 25%	11,313	6,753	10,214	19,573	27,586	32,940
Gross Margin Forecast	1,704	541	1,386	2,569	4,112	5,085
Scenario 1 - Contingency Reduced 25%	1,704	541	1,549	2,862	4,924	6,483
Scenario 2 - Contingency Increase 25%	1,704	541	1,224	2,277	3,299	3,688

Overhead

Control of our overhead cost is of paramount importance; however, it needs to be reflective of the activity the business is managing. Providing the right level of leadership, financial management and governance is essential to ensure we deliver the desired outcomes and continue to build a sustainable business.



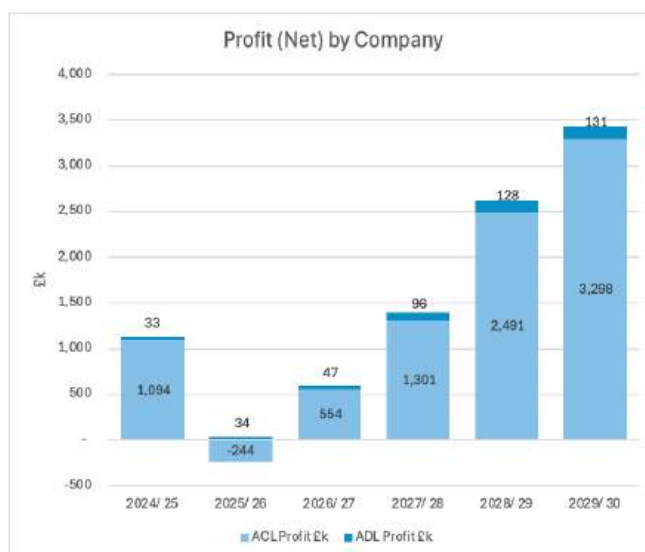
Aequus Overhead decrease	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
Revenue £k	14,172	7,465	12,194	22,571	34,603	44,476
Total Overhead	783	877	927	1,329	1,653	1,821
Total Overhead % of Revenue	5.5%	11.7%	7.6%	5.9%	4.8%	4.1%

Due to the downturn in revenues in 2024/25 the overhead percentage increases from its current level, this however is reversed in following years. As revenues build over future years there is an operational requirement to increase resource within the overhead although economies of scale will be driven by the business and demonstrated by a year-on-year reduction in the percentage apportionment.

Profit Growth

Margins associated with our mixed tenure schemes attract a higher return than that of our affordable housing projects, rightly reflecting the nature and risk profile.

As revenue volumes increase with new mixed tenure developments being converted there is a positive impact on the net margin position. Our 100% affordable schemes will have a natural scale and therefore potentially limit the growth of this workstream which we believe to be in the region of £10M per annum.



Finance Key Dependencies and Project Timing

The business plan forecast has been compiled after careful evaluation of development opportunities that are either secured or sit within our pipeline. For the forecast to be delivered there are numerous elements that need to be concluded however, there are a few key projects that are vital, and the following assumptions have been made:

Bath Quays North for B&NES

Planning and full business case sign off by Q4 2025 enabling a start on site Q2 2026

Midland Road for B&NES

Full business case sign off Q3 2025 allowing demolition to proceed, and full site works by Q3 2026

Charborough Road for South Gloucestershire

Planning consent to be achieved in Q1 2025 allowing a full business case to be delivered and a start on site in Q4 2025

Milsom Street for B&NES – Final approval

Final approval Q4 2024 with start on site Q2 2025

Dolphin Square, Weston-Super-Mare for NS

Commitment to expenditure of funded enabling works in 2025/26

Stall street, Bath for B&NES

Approval to proceed enabling completion of units in 2026/27

ACL Profit Forecast

A small loss is indicated for 2025/26 due to key pipeline projects being delayed into delivery. This position is reversed in future years with a steady year on year increase forecast resulting in a net profit for 2029/30 of £3.3m.

ACL Profit (Net) %	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
ACL Revenue £k	13,495	6,753	11,464	21,823	33,836	43,690
ACL Profit £k	1,094	- 244	554	1,301	2,491	3,298
Profit % of Turnover	8.11%	-3.61%	4.84%	5.96%	7.36%	7.55%

ACL Key Risks

The major risk for ACL is the delay in the conversion of pipeline opportunities or schemes being removed from the programme in their entirety.

The UK residential market can be volatile and is heavily influenced by changes to lending rates. any increase in interest rates has a further impact on the business as it increases borrowing costs affecting viability.

ADL Key Risk

High Interest rates are ADL's largest risk with commercial interest rates for the private rental properties currently at 6.65% having a substantial impact on ADL's profit margin.

Recent economic data on inflation and economist sentiment predict interest rates will begin to ease over the next few months, going forward ADL will look to agree and fix the interest rate with B&NES at an optimum level to mitigate this risk and provide greater certainty on ADL profit.

With regards the Local Authority Housing Initiative a fixed interest rate of 5% has been agreed with B&NES for the commercial loans to purchase the properties from the market. ADL loan financial interest is returned to B&NES to meet the target return.

ADL Private Rental Interest Rate Sensitivity Analysis

We have carried out sensitivity analysis to understand the impact on the ADL profit subject to interest rate fluctuations. The current interest rate is 6.65%, if interest rates were to:

- Increase 0.5% this would reduce ADL profit margin by a further £20k
- Reduce by 0.5% year on year to 4.65% in 2029/30 this would result in profits rising from £48k 26/27 to £235K in 2029/30.

Overheads

The business plan forecast has been developed by undertaking a detailed process of review. All the projects within our pipeline have been analysed around key areas of delivery being, the likelihood and timing of commencement, cash flow and profit profile and management resource required. The output from this process has then informed the overhead position.

There are steps in the overhead where new positions are required to take account of the increasing workload as the business grows, office and running costs have been increased generally in line with inflation although an allowance has been made for an increase in office space to accommodate the additional resource.

Through the period of the strategic plan and beyond revenues steadily increase, this predominantly due to a greater level of private sales being delivered as larger schemes progress. This revenue increase enables us to drive economies through the business and is reflected in the year-on-year percentage reduction in overhead culminating in an overhead of 4.1% for 2029/30

Aequus Overhead decrease	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
Revenue £k	14,172	7,465	12,194	22,571	34,603	44,476
Total Overhead	783	877	927	1,329	1,653	1,821
Total Overhead % of Revenue	5.5%	11.7%	7.6%	5.9%	4.8%	4.1%

Aequus Strategic Financial Plan

Oct-24



	Year 2025/26	Year 2026/27	Year 2027/28	Year 2028/29	Year 2029/30
ACL	Actual / Forecast	Actual / Forecast	Actual / Forecast	Actual / Forecast	Actual / Forecast
Units					
Open Market sales	2	5	22	92	177
Revenue					
Affordable Services	5,663	5,164	8,900	10,100	9,000
Mixed Tenure	1,090	6,300	12,923	23,736	34,690
Revenue Total	6,753	11,464	21,823	33,836	43,690
Gross Margin					
Affordable Services	388	373	840	960	807
Mixed Tenure	153	1,014	1,729	3,152	4,278
Gross Margin Total	541	1,386	2,569	4,112	5,085
Gross Margin %	8.00%	12.09%	11.77%	12.15%	11.64%
ACL Overhead	784	832	1,268	1,620	1,787
Overhead % of Revenue	11.61%	7.26%	5.81%	4.79%	4.09%
Net Margin	-244	554	1,301	2,491	3,298
Net Margin %	-3.61%	4.84%	5.96%	7.36%	7.55%

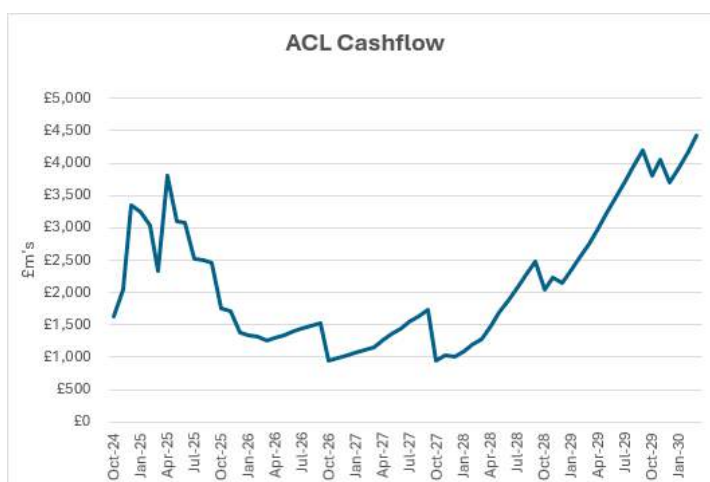
ADL	Actual / Forecast	Actual / Forecast	Actual / Forecast	Actual / Forecast	Actual / Forecast
Revenue	712	730	748	767	786
Cost of Sales	585	588	591	606	621
Gross margin	127	142	157	161	165
Overhead	92	95	61	33	34
Net Margin	34	47	96	128	131
Net Margin %	4.84%	6.39%	12.88%	16.71%	16.70%

Aequus	Actual / Forecast	Actual / Forecast	Actual / Forecast	Actual / Forecast	Actual / Forecast
Revenue					
ACL	6,753	11,464	21,823	33,836	43,690
ADL	712	730	748	767	786
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Gross Margin %	8.94%	12.53%	12.08%	12.35%	11.80%
Overhead					
ACL	784	832	1,268	1,620	1,787
ADL	92	95	61	33	34
Overhead Total	877	927	1,329	1,653	1,821
Overhead %	11.74%	7.60%	5.89%	4.78%	4.09%
Profit before Tax	-209	601	1,397	2,620	3,429
Overhead %	-2.80%	4.93%	6.19%	7.57%	7.71%

Cash Management

We are mindful of the effective use of our cash and the pressures that may be placed on ACL from market conditions, economic factors and the speed of the pipeline materialising and being delivered.

The current cashflow below assumes that the strategic plan is delivered and that the forecasted dividends are paid to meet the Council Returns. We will be reviewing the cashflow on a regular basis and reflecting the delivery of the pipeline and any slippage or developments not being delivered may result in the dividends not being paid.



Council - Capital Programme Loan requirements for development projects.

The project delivery and future capital funding requirement has been calculated inline with the strategic plan and pipeline. We will be working with the individual Councils and the relevant internal governance process to request the capital development loan funding required for delivery. A fixed commercial interest rate will be paid to the relevant Council for the development loan funding. The capital funding requirements have been calculated for the full potential of the pipeline and have not been moderated as the forecast.

Capital Funding	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
B&NES	2,000	2,250	10,000	36,000	23,000	7,000
South Glos			3,000	2,000		
North Somerset			5,000	7,000	4,000	
Total - Funding	2,000	2,250	18,000	45,000	27,000	7,000

Shareholder Returns

Shareholder revenue returns are a combination of interest from loans provided by B&NES Council for property purchases and development loan funding along with a company dividend paid from ACL or ADL via the Aequus Group Holding company.

Shareholder revenue return is currently targeting £1m, rising to £1.5m from 26/27 and £2m from 29/30 however this is dependent on the pipeline materialising and the strategic planning being delivered.

Revenue Return to the Council	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
ADL Interest £k	380	365	364	363	363	363
ACL Interest (estimated) £k	0	0	250	500	500	500
Dividend £k	620	635	886	637	637	1,137
Total Revenue Return £k	1,000	1,000	1,500	1,500	1,500	2,000

An aerial photograph of a residential development. The central focus is a cluster of modern, two-story houses built from light-colored stone or brick. Each house has a dark grey, gabled roof with several solar panels installed. The houses are arranged in a row, with some having small, enclosed backyards or patios. To the right of the development is a paved road with several cars parked and driving. In the background, there are older, more traditional houses and more trees. The overall scene is a mix of modern and traditional architecture in a suburban setting.

Aequus Group Strategic Business Plan

✉ enquiries@aequsdevelopments.co.uk

📍 Cambridge House, Henry Street, Bath, BA1 1BT

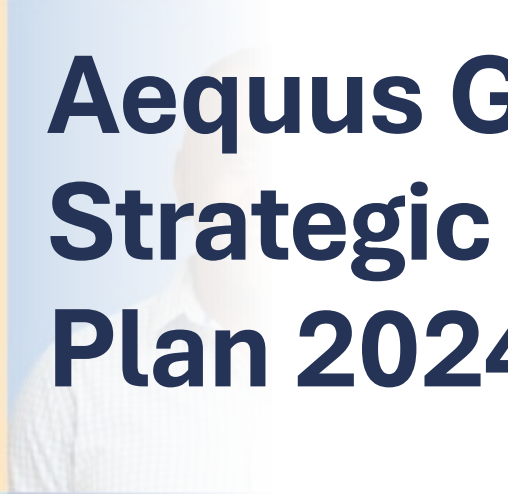
🌐 www.aequusdevelopments.co.uk



A E Q U U S



Page 135



Aequus Group Strategic Business Plan 2024-30



Aequus Group Strategic Business Plan - 2024-30

VISION

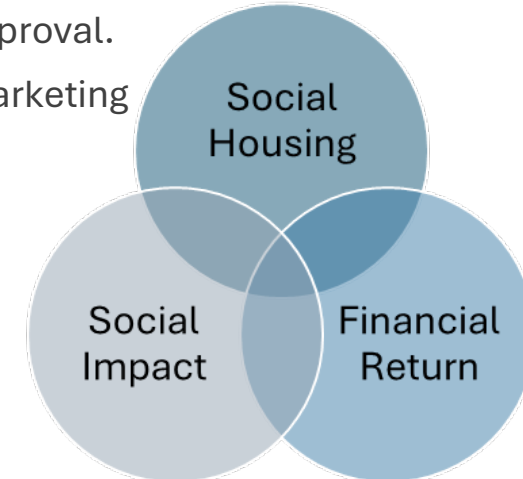
To create high quality homes that support vibrant communities and improve people's lives.

MISSION

To work collaboratively with our council and wider public sector partners to build high quality, energy efficient homes that offer a mix of social, affordable and open market sale housing that leaves a lasting positive impact and helps fund frontline services.

SHORT TERM OBJECTIVES

- We will use our expertise to support our public sector partners to unlock land for development
- We will provide fair land values recognising our social value outcomes
- We will develop the right mix of homes – the right home in the right place
- Our developments will be tenure blind
- Our new developments will be built to achieve EPC A energy efficiency ratings
- We will deliver policy compliant affordable housing on all developments as a minimum.
- We will seek to provide options for “local residents” to have a first opportunity to buy
- All our developments will commence as soon as possible after approval.
- We will recognise the support of our partners in all comms and marketing
- We will provide at least £1M of financial returns annually to support front line services.
- By year ending 2027 we will be delivering on 9 sites



Aequus Group Strategic Business Plan - 2024-30

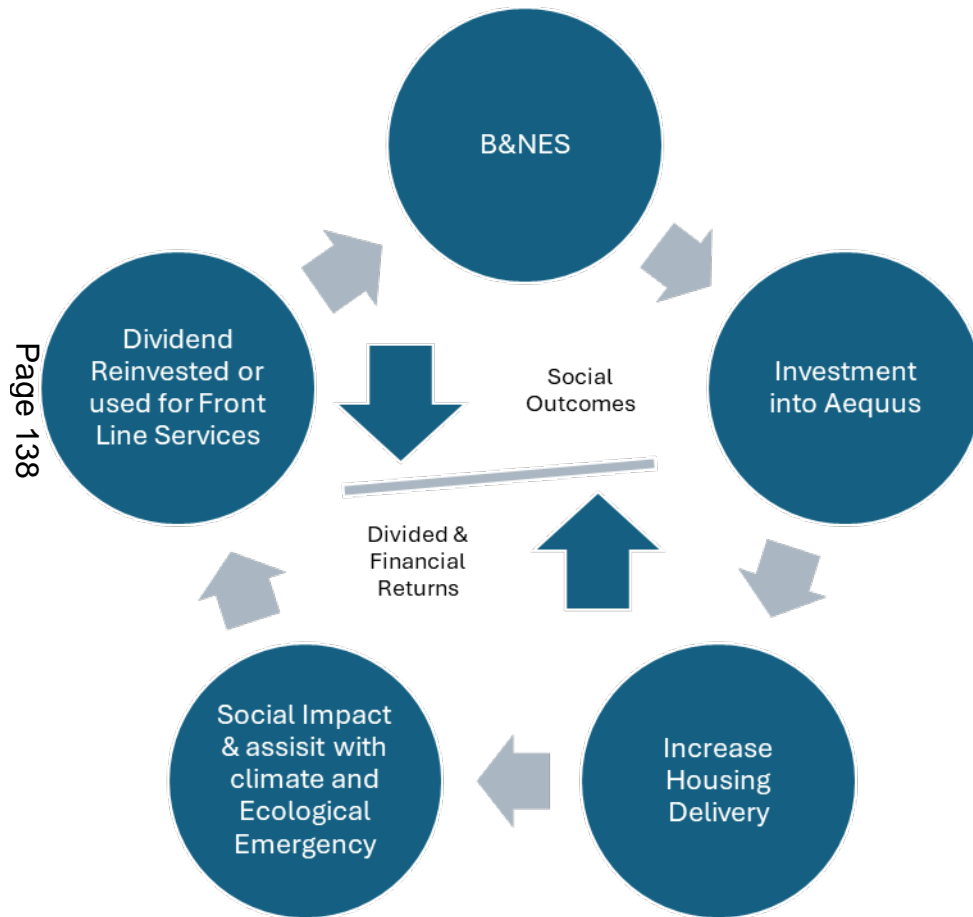
MEDIUM TERM OBJECTIVES

- We will create sustainable developments that support the councils core policies of tackling the climate and ecological emergencies.
- We will build quality homes that all meet nationally described space standards.
- We will target “zero” energy bills for at least 10 years working with energy suppliers.
- We will deliver affordable housing levels of up to 50% on each site
- We will deliver measurable social value and benefits to the local communities.
- We will provide at least £1.5M of financial returns annually to support front line services.
- We will be on delivering on 10 projects that incorporate 7 sales outlets.

LONG TERM OBJECTIVES

- We will deliver carbon neutral developments.
- We will work with a broad range of public sector partners to deliver new homes.
- We will deliver at least 100 completed residential units each year.
- We will provide at least £2M of financial returns annually to support front line services.
- We will offer a range of social value outcomes to create and support vibrant communities.
- Development of continuous pipeline that provides for 12 projects to be running at any one time with 7 sales outlets.

Aequus Group Strategic Business Plan - 2024-30



Our purpose

To support our Local Authority partners in the delivery of their aspirations and this is reflected in our key objectives.

The Council's investment in Aequus enables us to:

- Develop our pipeline
- Add value
- Deliver social and financial returns
- Increase the supply of much needed affordable housing in the region

The social outcomes and financial returns are a balance and dependent upon the blend of projects being undertaken and the investment made.

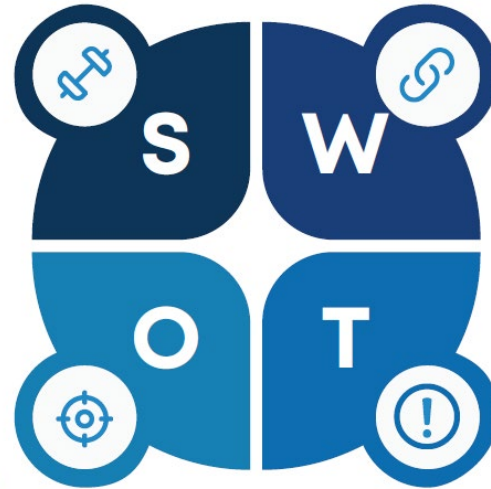


Company Analysis

Aequus Group Strategic Business Plan - 2024-30

Strengths

- Quality of completed schemes
- Sustainable quality developer
- Financial position and credit strength when contracting with partners and supply chain
- Responsible asset holding landlord
- Supportive Board
- Cash position
- Teckal Company



Weaknesses

- Opportunity identification from Council Partners
- Process and sign off timescales
- Systems, process and resource alignment with growth potential
- Brand and business model awareness

Opportunities

- Pipeline conversion
- New Council Partnerships
- Alternative delivery model
- Public sector land availability
- Government housing policy and targets
- Increased social value outcomes leading to greater LA support

Threats

- Delays to pipeline
- Funding preconstruction and feasibility activity
- Market conditions
- Continued high interest rates
- Supply chain availability
- Changes to Council administration

Aequus Group Strategic Business Plan - 2024-30

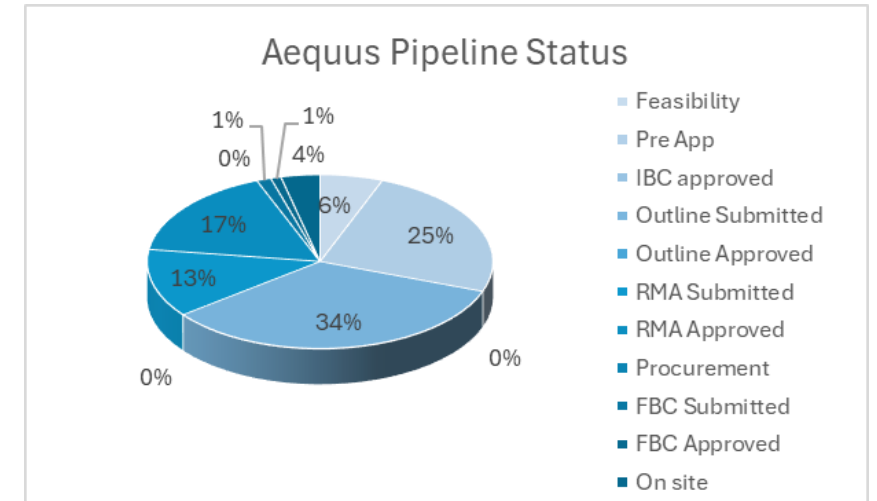
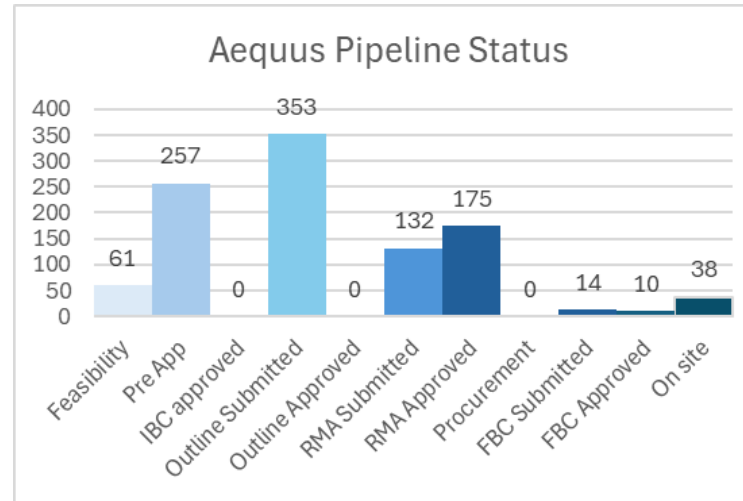
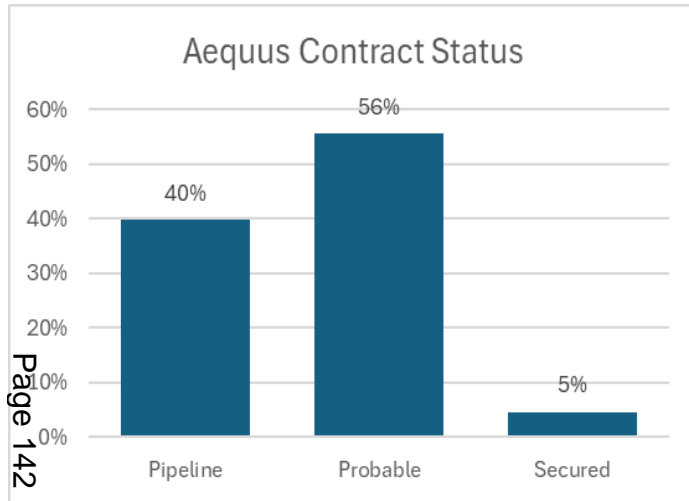
Aequus Construction Ltd – Pipeline Analysis

- Over 1,000 units in the pipeline
- 38% affordable homes overall
- Pipeline categorised into 3 definitions and 11 stages of development
- Informs the financial forecast
- Scenario planning

Category Definition			
Description	Secured	Probable	Pipeline
Final Business Case (FBC) Approved	✓		
On Site or mobilisation			
Initial Business Case (IBC) has been approved		✓	
Progressing through planning			
Projects identified and progressing to IBC			

Probable Projects				
Project	Partner	Affordable Units	Sales Units	Total
Cottrell Court	B&NES	5		5
Milsom Street (2)	B&NES	9		9
Midland Road	B&NES	44	131	175
Bath Quays North	B&NES		96	96
Charborough Road	SG	13	23	36
Dolphin Square	NS	126		126
Walliscote Place	NS	19		19
Castlewood, Clevedon	NS	33	79	112
Total		259	329	588
		45%	55%	

Aequus Group Strategic Business Plan - 2024-30



The Aequus total pipeline breakdown by contract status:

- Secured – 48 units, 5%
- Probable – 578 units, 56%
- Pipeline – 414 units, 40%

By development stage:

- On site – 38 units, 4%
- Full Business Case approved – 10, 1%
- Full Business Case Submitted – 14 units, 1%
- Reserved Matters Planning (RMA) application approved – 175 units, 17%
- RMA Submitted (or ready) – 132 units, 13%
- Outline planning application submitted - 353 units, 34%
- Pre-application - 257 units, 25%
- Feasibility - 61 units, 6%

Aequus Group Strategic Business Plan - 2024-30

Aequus Developments Ltd Property Analysis

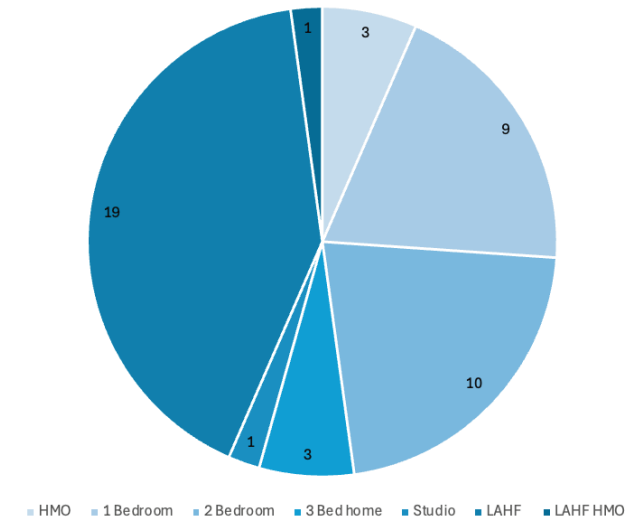
Aequus are dedicated to providing high-quality, reasonably priced rental homes in B&NES that align with the Council's vision of **'right home, right place.'** We own and manage:

- 46 properties
- 64 tenancies - 23 of which are allocated to LAHF

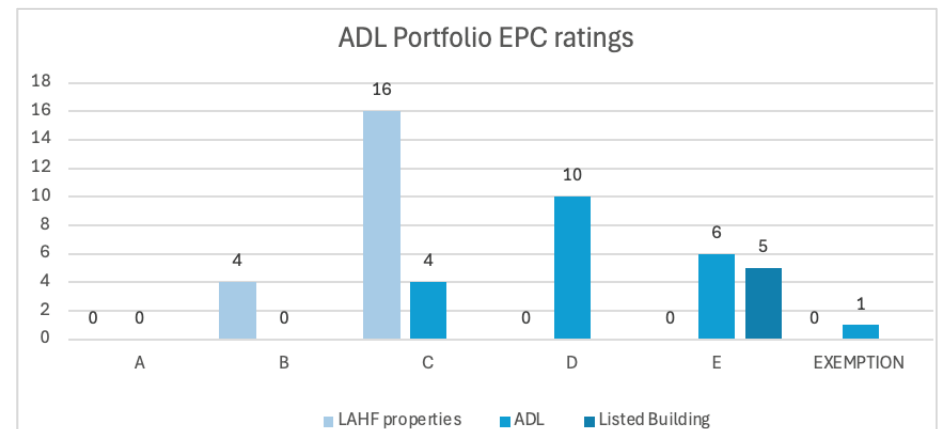
Energy Rating

- We are dedicated to improving property standards by ensuring compliance with new regulations
- Enhancing energy efficiency
- Reduce tenants' energy costs
- Increase the long-term value and sustainability of our properties
- By 2030, we will ensure all our properties are an EPC C wherever feasible

ADL Property Analysis



ADL Portfolio EPC ratings



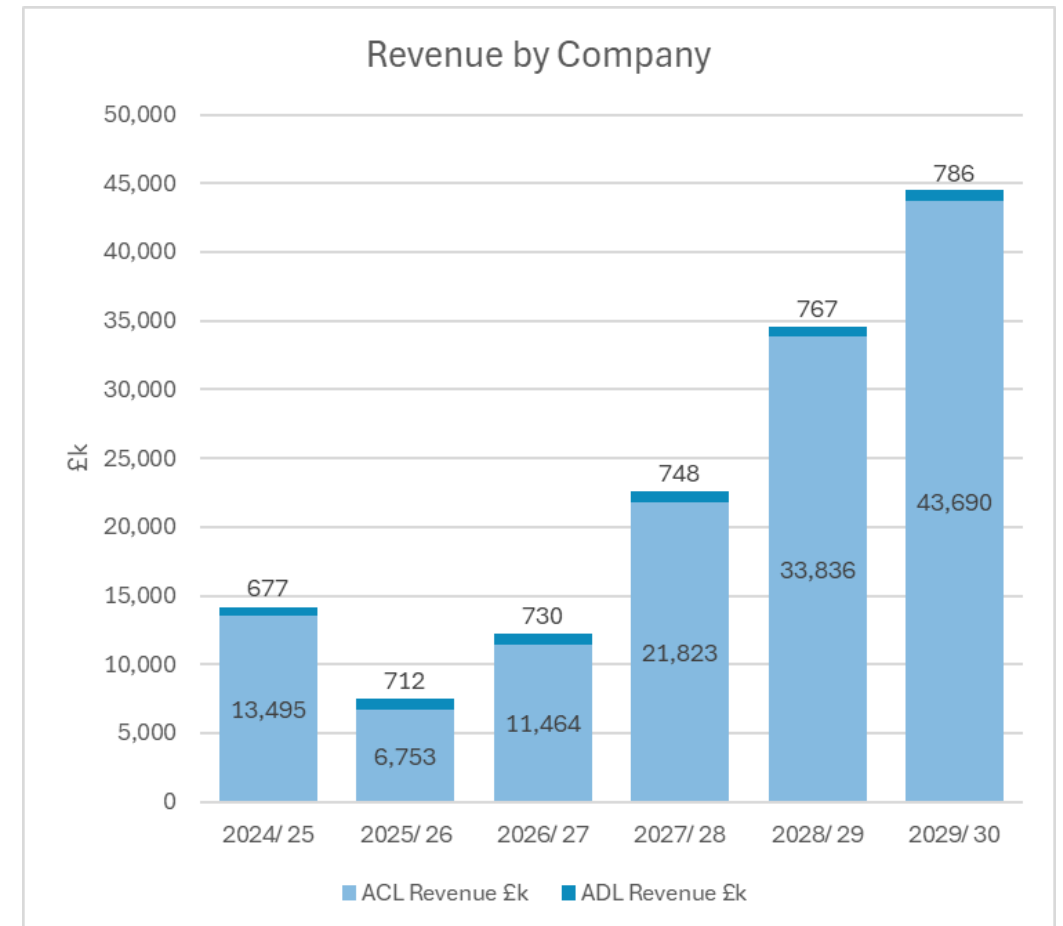


Financial Forecast

Aequus Group Strategic Business Plan - 2024-30

Financial Overview

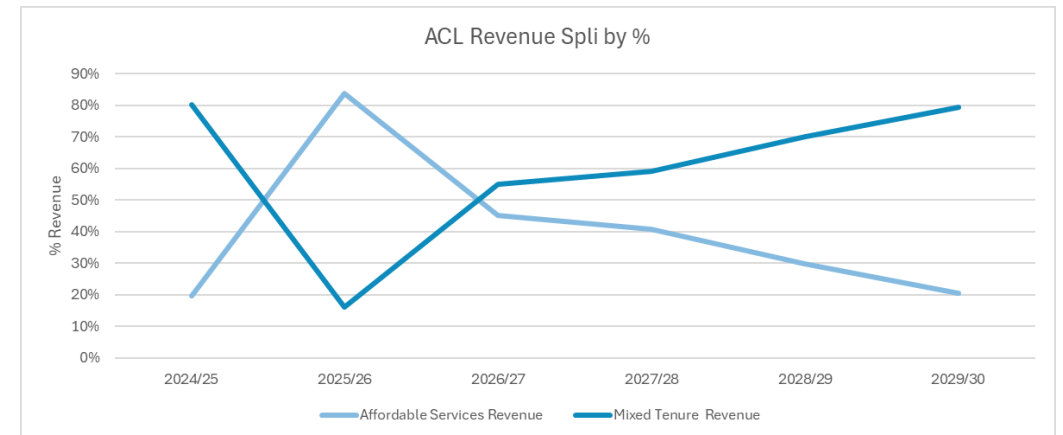
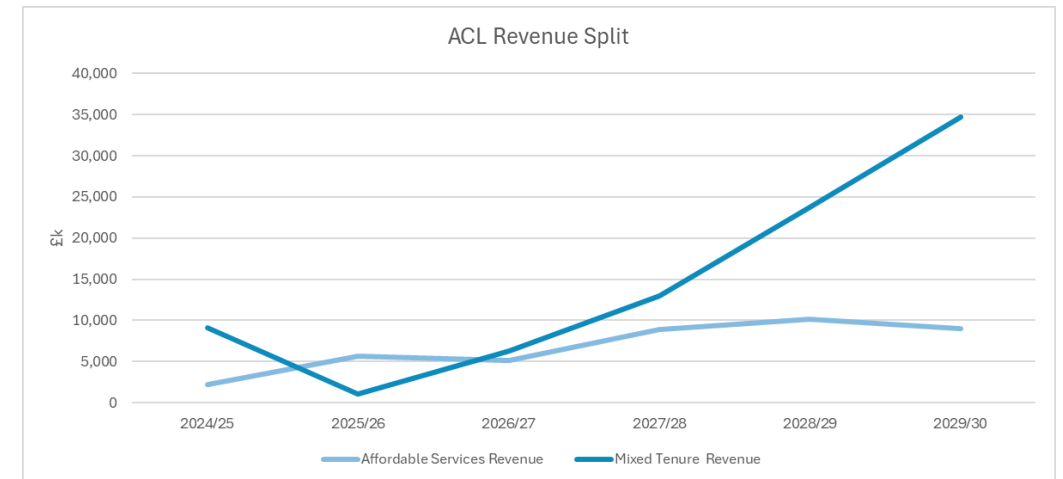
- This business plan covers the period 2024 to 2027 however, we have extended key sections such as the objectives and financial forecast out to 2030 to demonstrate the trajectory of the business, it's ambition and the possible returns to our shareholder
- Group revenues are heavily influenced by ACL
- Drop in revenues 2024/25 reflects lack of secured work
- As key projects progress there is a steady increase
- Mixed tenure schemes accelerate growth potential but take longer to mature
- 55% (average) year on year increase
- ADL revenues increase marginally tracking inflation
- We remain open to opportunities to expand the ADL portfolio



Aequus Group Strategic Business Plan - 2024-30

Revenue Analysis by Workstream

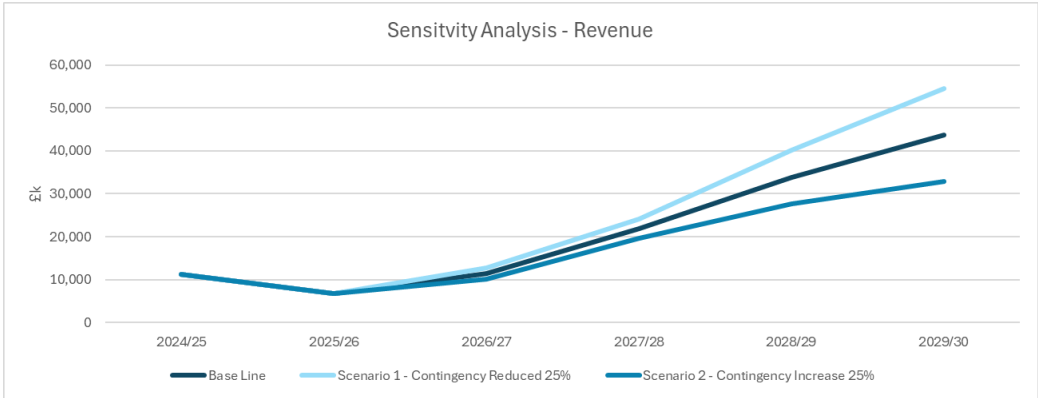
- Group revenues are heavily influenced by ACL and the portfolio mix between 100% affordable and mixed tenure schemes
- Short term activity is dominated by our affordable delivery programme
- This is gradually reversed as long-term mixed tenure schemes progress
- Our mixed tenure schemes are generally a larger scale and benefit from a higher GDV and therefore have a disproportionate impact on revenues
- Ideally 70/30 balance in favour of mixed tenure revenue
- Provides the platform to:
 - Deliver affordable homes at scale
 - Deliver financial returns to the shareholder
 - Support our overhead as nominal recovery from affordable projects



Aequus Group Strategic Business Plan - 2024-30

Sensitivity and Scenario Planning

- The ACL forecast has been developed from the pipeline which has subsequently been moderated by assessing the risk and or likelihood of project conversion
- This moderation has been expressed as volume contingency
- Factored into the forecast from FY 2026/27 until the end of the business plan period
- Volume contingency
 - 2026/27 - £5m
 - 2027/28 - £9m
 - 2028/29 - £25m
 - 2029/30 - £43m
- Two scenarios have been undertaken
 - Scenario ,1 Contingency reduced by 25% (more projects secured)
 - Scenario 2, Contingency Increased by 25 % (less projects secured)

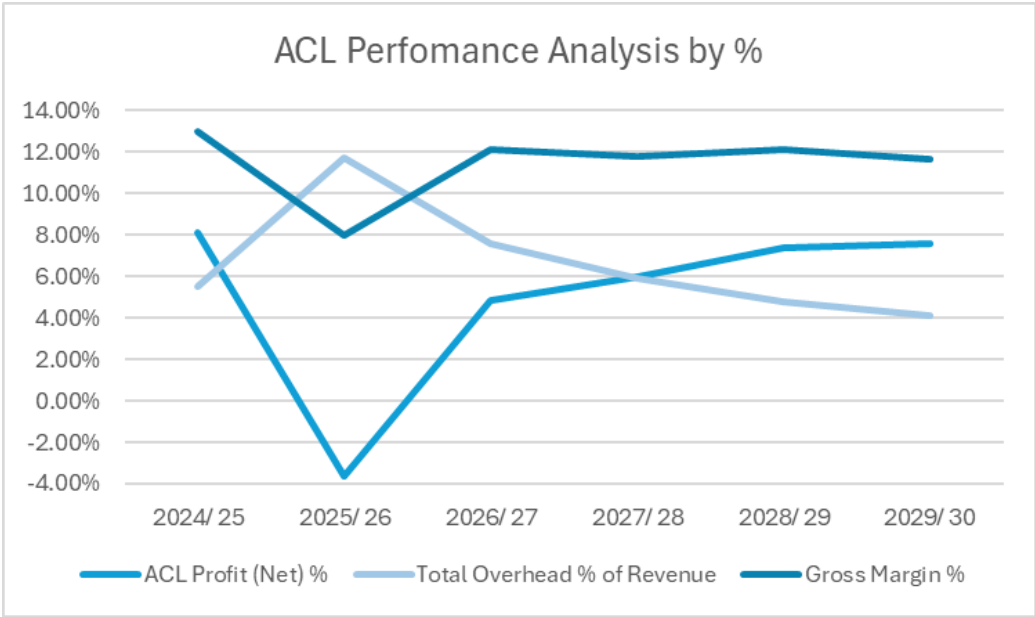


Scenario Options Option Table	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Revenue Forecast	11,313	6,753	11,464	21,823	33,836	43,690
Scenario 1 - Contingency Reduced 25%	11,313	6,753	12,714	24,073	40,086	54,440
Scenario 2 - Contingency Increase 25%	11,313	6,753	10,214	19,573	27,586	32,940
Gross Margin Forecast	1,704	541	1,386	2,569	4,112	5,085
Scenario 1 - Contingency Reduced 25%	1,704	541	1,549	2,862	4,924	6,483
Scenario 2 - Contingency Increase 25%	1,704	541	1,224	2,277	3,299	3,688

Aequus Group Strategic Business Plan - 2024-30

Overhead

- Control of our overhead cost is of paramount importance
- Needs to be reflective of the activity the business is managing
- Provide the right levels of:
 - Leadership
 - Financial management
 - Governance
- 2024/25 overhead percentage increases as revenues reduce
- As revenue builds overhead percentage reduces producing economies of scale
- Year-on-year reduction to 4.1%



Aequus Overhead decrease	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
Revenue £k	14,172	7,465	12,194	22,571	34,603	44,476
Total Overhead	783	877	927	1,329	1,653	1,821
Total Overhead % of Revenue	5.5%	11.7%	7.6%	5.9%	4.8%	4.1%

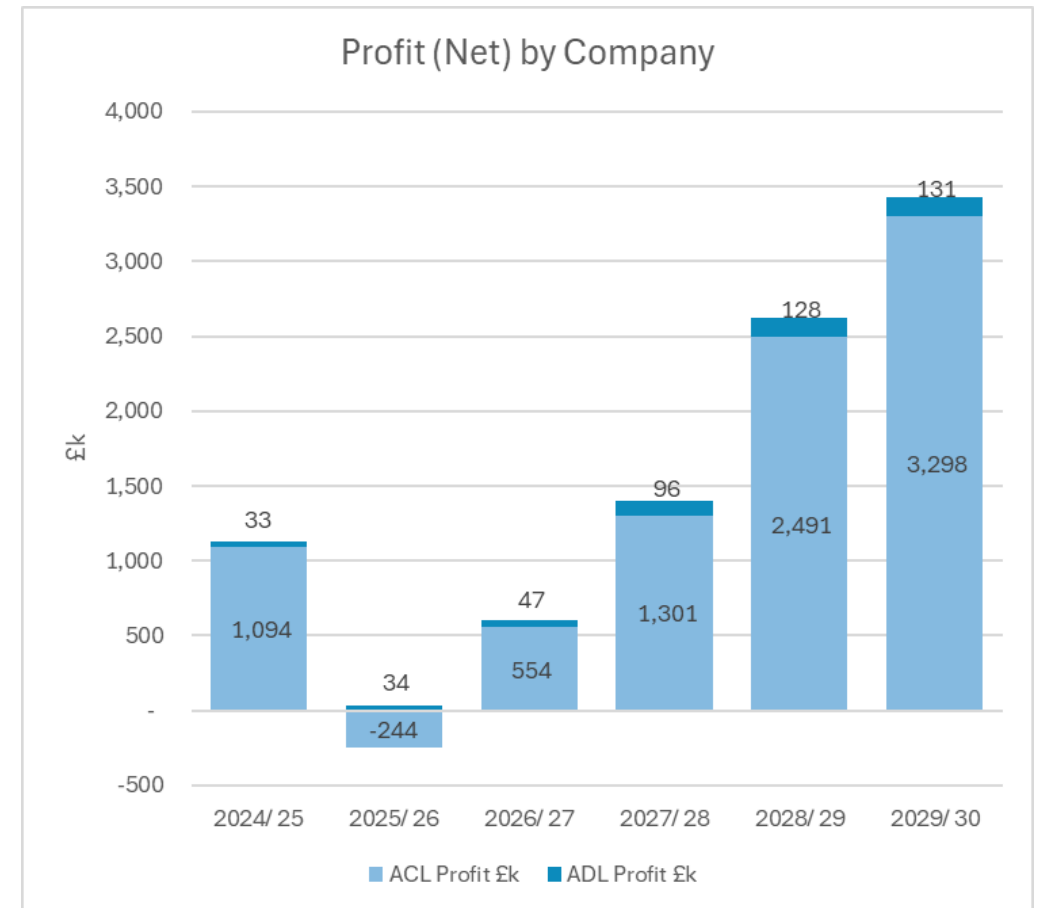
Aequus Group Strategic Business Plan - 2024-30

Profit Growth

- Margins associated with our mixed tenure schemes attract a higher return than that of our affordable projects
- Reflecting the nature of the risk profile
- Volumes increase with new mixed tenure developments
- Positive impact on the net margin position
- Affordable schemes will have a natural scale and therefore limit the growth of this workstream

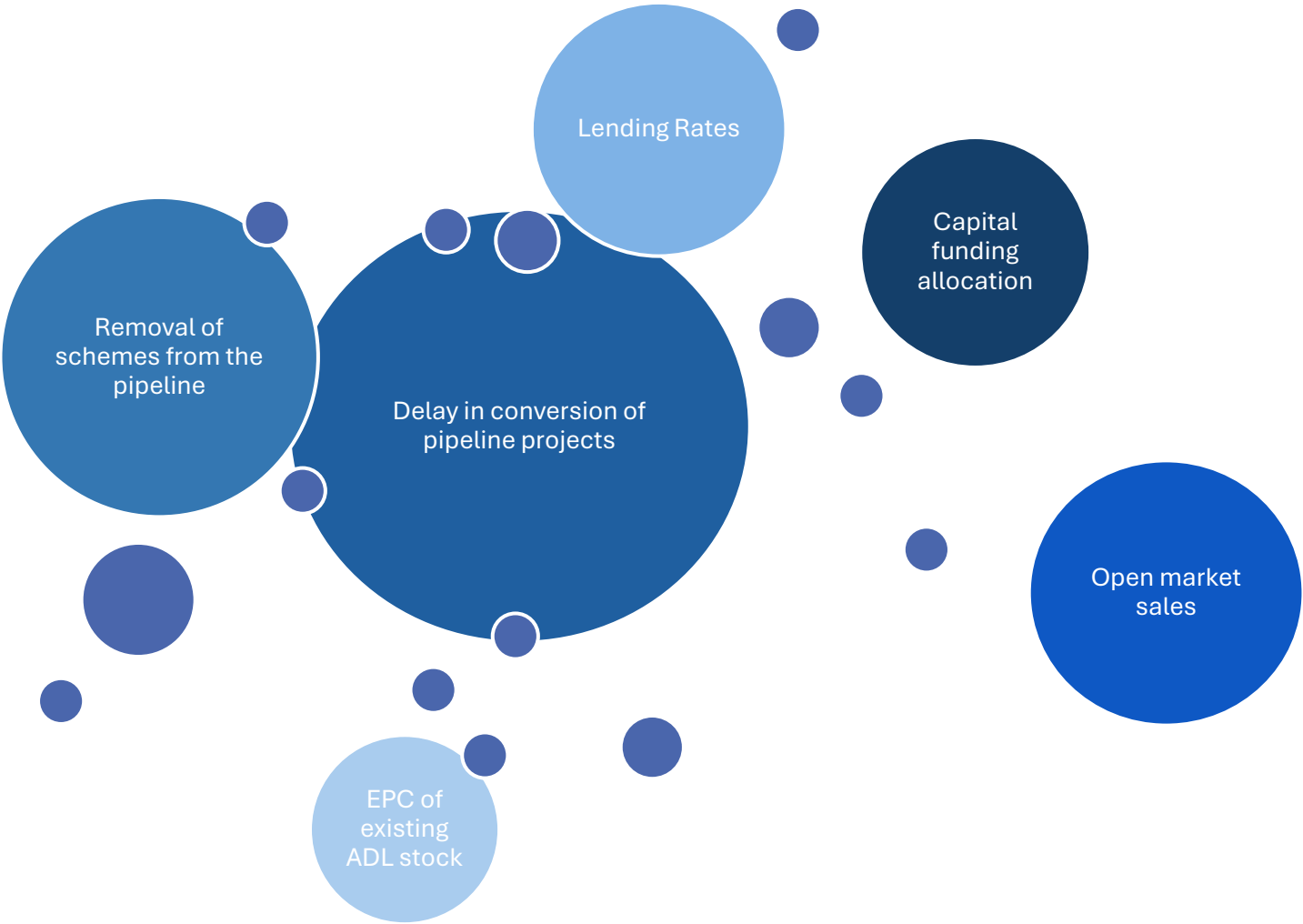
Key Dependencies

- Bath Quays North – FBC sign off Q4 2025 SoS Q2 2026
- Midland Rd – FBC sign off Q3 2025 SoS Q3 2026
- Charborough Rd – Planning Q1 2025 FBC & SoS Q4 2025
- Milsom Street – Final approval Q4 2024 & SoS Q2 2025
- Dolphin Sq – Commitment to expend enabling works 2025/26
- Stall Street – Approval to proceed enabling units in 2026/27



Aequus Group Strategic Business Plan - 2024-30

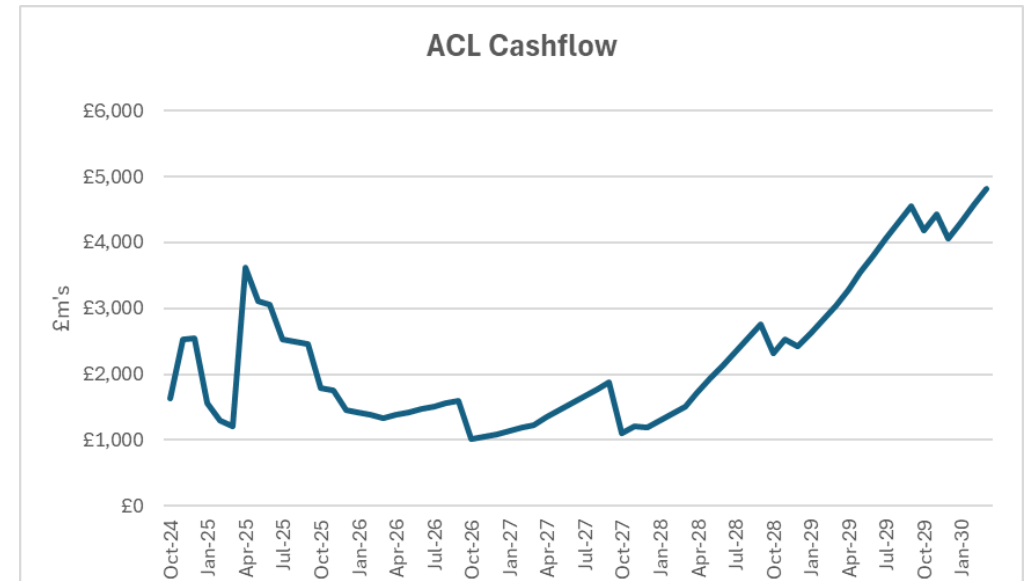
Key Risks



Aequus Group Strategic Business Plan - 2024-30

Cash Management

- We are mindful of the effective use of our cash
- The cashflow assumes:
 - Strategic plan is delivered
 - Dividends are paid to meet Council Returns



Capital Programme Loan Requirements

- Capital funding requirements are in line with the strategic plan and pipeline
- Moving to a fixed commercial interest rate that will be paid to the relevant Council for development loan funding
- Capital funding requirements have been calculated for the full potential of the pipeline and have not been moderated as the forecast

Capital Funding	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
B&NES	2,000	2,250	10,000	36,000	23,000	7,000
South Glos			3,000	2,000		
North Somerset			5,000	7,000	4,000	
Total - Funding	2,000	2,250	18,000	45,000	27,000	7,000

Aequus Group Strategic Business Plan - 2024-30

Strategic Forecast Summary

Aequus	Year 2025/26 Actual / Forecast	Year 2026/27 Actual / Forecast	Year 2027/28 Actual / Forecast	Year 2028/29 Actual / Forecast	Year 2029/30 Actual / Forecast
Revenue					
ACL	6,753	11,464	21,823	33,836	43,690
ADL	712	730	748	767	786
Revenue Total	7,465	12,194	22,571	34,603	44,476
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Aequus Group Strategic Business Plan - 2024-30

Shareholder Returns

Revenue Return to the Council	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29	2029/ 30
ADL Interest £k	380	365	364	363	363	363
ACL Interest (estimated) £k	0	0	250	500	500	500
Dividend £k	620	635	886	637	637	1,137
Total Revenue Return £k	1,000	1,000	1,500	1,500	1,500	2,000



Questions?

Bath & North East Somerset Council

MEETING:	Climate Emergency and Sustainability Scrutiny Panel
DATE:	16 January 2025
TITLE:	2025/26 Budget and Financial Outlook – Draft proposals
WARD:	All
AN OPEN PUBLIC ITEM	
<p>List of attachments to this report:</p> <p>Annex 1: 2025/26 – 2027/28 Draft Savings & Income Proposals</p> <p>Annex 2: 2025/26 – 2027/28 Draft Funding Requirements</p>	

1 THE ISSUE

- 1.1 This report will present the draft revenue budgets together with proposals for increases in Council Tax and the Adult Social Care Precept for 2025/26.

2 RECOMMENDATION

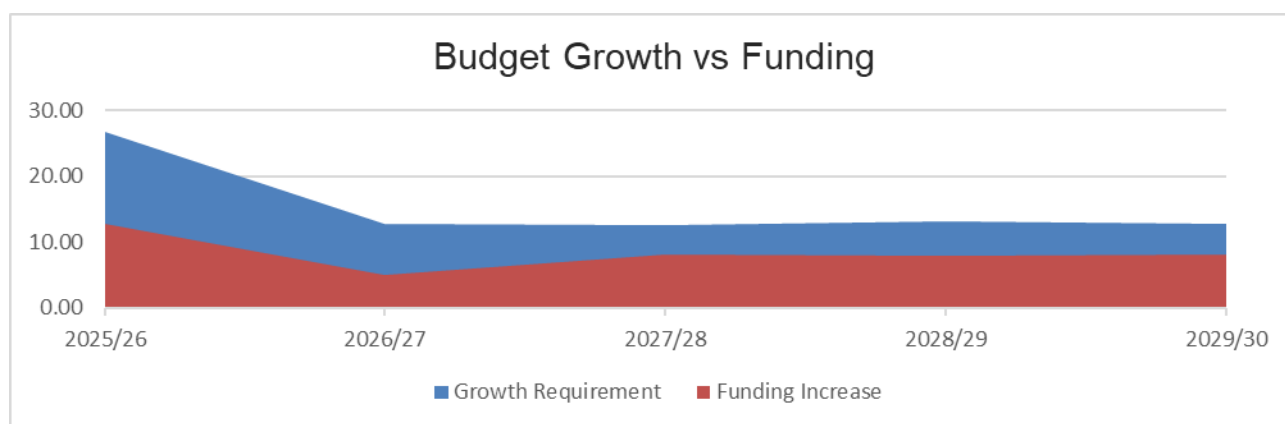
The Panel is asked to;

- 2.1 Note and discuss the proposals that impact the Council's 2025/26 revenue budget.

3 THE REPORT

- 3.1 The Council's 2025/26 Budget and Council tax proposal will be considered by Cabinet on 13th February 2025 and presented to Council on 25th February 2025. This report includes the draft proposals that are relevant to the Climate Emergency and Sustainability Scrutiny (CES) panel, the scrutiny of these plans will provide assurance on the completion of the Council's 2025/26 budget plans.
- 3.2 The draft budget funding and savings requirement over the next five years is as follows:

Budget Planning	Future years assumptions £m					Total
	2025/26	2026/27	2027/28	2028/29	2029/30	
Growth Requirement	26.78	12.81	12.52	13.19	12.81	78.11
Funding Increase	12.77	5.08	8.12	7.87	8.13	41.97
Annual Funding gap	14.01	7.73	4.40	5.31	4.68	36.14
Savings Proposals	14.01	2.34	0.85	0.10	0.10	17.41
Remaining Funding Gap	0.00	5.39	3.55	5.21	4.58	18.73



Indicative Budget Forecast

The budget detail, assumptions, and the future forecast is shown in the table below::

Budget Planning	Future years assumptions £m				
	2025/26	2026/27	2027/28	2028/29	2029/30
Budget Requirement (Previous Year)	135.85	148.63	153.71	161.83	169.70
Budget Adjustments	5.51	0.00	0.00	0.00	0.00
Pay & Pension	5.80	3.37	3.31	3.39	3.48
Demographic Growth	5.78	3.56	3.69	3.81	3.87
Contract Inflation	5.15	2.82	2.78	2.82	2.86
New Homes Bonus Pressure	(0.52)	0.00	0.00	0.00	0.00
Capital Financing	1.93	1.29	1.57	1.57	1.00
Settlement grant funding	(1.96)	0.00	0.00	0.00	0.00
Budget pressure / rebasing	5.09	1.77	1.16	1.59	1.61
Funding Requirement Sub Total	26.78	12.81	12.52	13.19	12.81
Draft Budget Before Savings	162.64	161.44	166.22	175.01	182.51
Proposed Savings Plans	(14.01)	(2.34)	(0.85)	(0.10)	(0.10)
Estimated Savings Required	(0.00)	(5.39)	(3.55)	(5.21)	(4.58)
Savings Requirement Sub Total	(14.01)	(7.73)	(4.40)	(5.31)	(4.68)
Budget Requirement	148.63	153.71	161.83	169.70	177.83
Funding of Budget Requirement					
Council Tax	129.63	135.76	142.58	149.76	157.17
Business rates retention*	26.42	18.55	19.24	19.94	20.65
Reserve transfers From	0.00	0.00	0.00	0.00	0.00
Reserve transfers (To)	(7.42)	(0.60)	0.00	0.00	0.00
Funding of Budget Requirement Total	148.63	153.71	161.83	169.70	177.83

The forecast includes the following cost pressures and assumptions:

- **Pay Inflation** – Estimated 4.00% in 2025/26 and 3% thereafter.
- **Council tax** – General assumed at 2.99% in 2025/26 and 1.99% in future years and Adult Social Care precept 2% in 2025/26 and future years.
- **Pension Costs** – Have been revised in line with the current revaluation no increase up to 2026/27.

- **Demographic Growth** – Additional demand from new placement and market pressures in Adult & Children Social Care.
- **Interest Rates** - Interest rate reductions to follow movement in Bank of England base rate currently 4.75% for treasury management cash investments. The Council will fix budget interest rates following the provisional settlement.
- **Inflation** – CPI projections modelled on current rates of 2%, with up to 5% provision for Social Care.
- **Budget Pressures / Rebasing** – 2025/26 budget rebasing takes into account current pressures identified in Q2 monitoring where emerging pressures cannot be directly mitigated.
- **Capital Spending** – an allowance has been made to fund previously agreed provisional schemes requiring borrowing.
- **Borrowing** – longer term borrowing costs have been factored into the MTFS however the authority will continue to optimise the use of cash balances subject to market conditions and the overriding need to meet cash outflows.
- **Reserves** – The Council's earmarked reserves have been reviewed with new allocations made for the implementation of the Being our Best programme and transformation and system improvement projects.

3.3 Savings and Income Generation

To deliver a balanced budget in 2025/26 savings and income generation plans total £14.01m, with income and savings to find of £7.73m in 2026/27. The Council has a good track record of delivering proposed savings. In relation to the Cabinet Portfolios being scrutinised by the CES Panel there are savings to find and income generation proposals totalling £2.6m.

The proposals for savings and income generation for this panel's attention are outlined in Annex 1.

The material areas of income generation or savings are:

- Increased income rebasing across Highways and Parking Services, implementation of emissions-based charges and one-off removal of the Parking Reinvestment Reserve (£1.27m)
- Updated income forecast for the Park and Ride (£0.2m)
- Income growth projected from recycling (£0.45m)
- Increase garden waste fees from £57 to £70 per year to cover the increasing collection costs of running the service, so that subscribers contribute more to the cost of the service (£0.35m)

3.4 Budget funding requirements

Budget growth and additional pressures across all portfolios of £26.78m have been added to ensure that the budget remains robust and to add additional budget funding to areas that require rebasing. This does not mean that savings cannot be found from these areas in future once savings opportunities are identified, but this ensures that spend and budget are aligned especially in high demand areas. In relation to the Cabinet Portfolios being scrutinised by the CES Panel there is budget growth from demand and inflationary pressures, and new funding requests, totalling £3.3m.

Growth and pressures to bring to this panel's attention are outlined in Annex 2.

The material items requiring additional funding on top of annual budget adjustments are listed below:

- Adjustments to budgets to make sure sickness and holiday cover within waste and fleet services are adequately funded (£0.76m)
- Rebasing of revenue budget following the first year of operating the new waste facility at Pixash Lane, Keynsham (£0.23m)

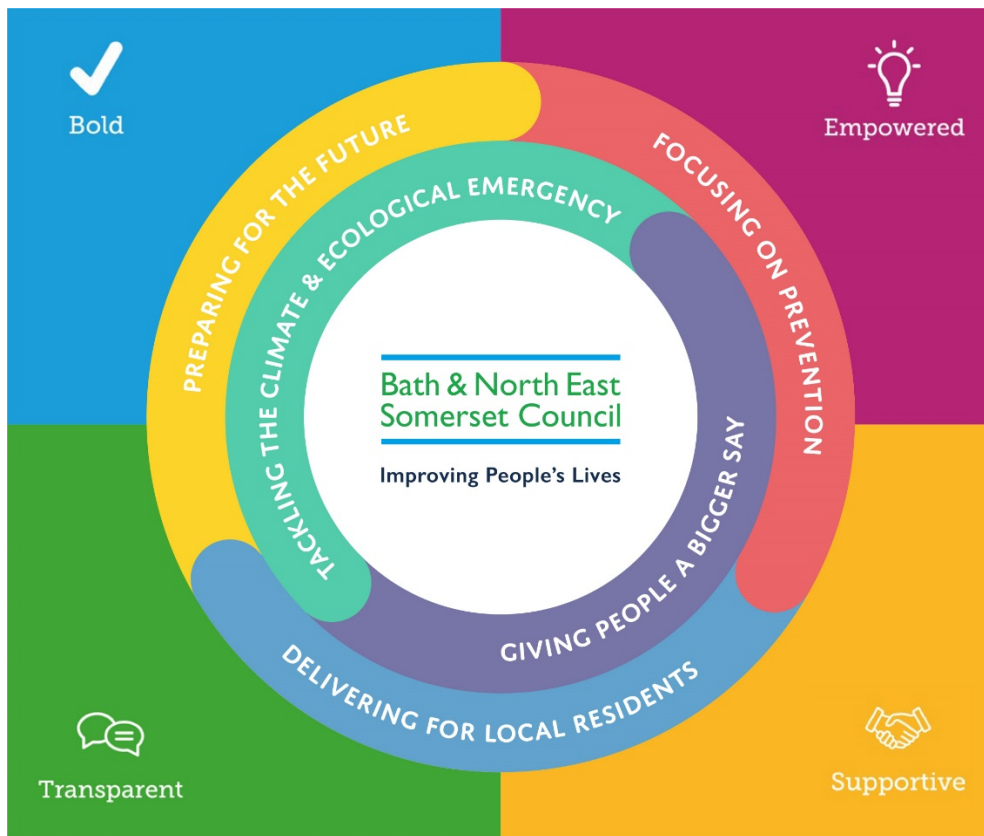
When developing these proposals, the budget setting principles below have been followed:

Budget Setting Principles

- New policy or service demand funding requirements need to be evidenced with robust and realistic estimates for future years.
- For additional budget funding, un-avoidable growth only – other growth will require a defined funding source / saving.
- New savings will need to be material and over £50k per item, savings below this value will not be accepted (no use of one-off service reserves).
- The focus needs to be on high value strategic areas of change enabled by Business Change delivering multiyear savings.
- Stop doing will need to demonstrate how risk is appropriately managed.
- Savings with reputational / political implications need early engagement with Cabinet portfolio holders, with early, proportionate equality impact assessments completed.
- Savings proposals will need to have a budget profile in line with delivery plans that span multiple years.
- Delivery cost and timescale for implementation needs to be fully understood and captured in the budget proposal.

3.5 Corporate Strategy and Council priority areas

The Budget Proposal sets out the financial framework for allocating resources across the Council. How this is achieved will require close alignment to the Council's Corporate Strategy as set out in the diagram below:



<https://beta.bathnes.gov.uk/document-and-policy-library/corporate-strategy-2023-2027>

Alignment to the strategy creates the “golden thread” which drives what we do ensuring that setting budgets and managing our people - our most valuable resource - are guided by the council’s priorities. It also means that our commitments are realistic and achievable.

Prioritising and allocating resources

To address longer-term financial planning and ensure corporate priorities shape our financial planning, for the 2026/27 and future years’ budgets we are developing a more strategic approach built around:

- Identification of key scenarios, particularly in the light of central government fiscal policy and approach to local government funding
- Agreeing key priorities which will support delivery of our Corporate Strategy, in the light of the resources available to the council over the medium term
- Establishing a longer-term approach to budget planning, including investing in prevention to address budget pressures and reduce costs
- Introducing a new operating model which delivers the council’s purpose through innovation in our ways of working

Within the budget proposals funding has been allocated a Portfolio level to take forward the following initiatives that will contribute to the delivery of the Corporate Strategy:

- Continued funding for climate and nature action to deliver against the Council's Climate and Nature Action Plans. An additional £45k is invested at this Budget to allow work to develop renewable energy schemes to continue;
- The delivery of the Council's ambitious Housing Plan to tackle the lack of affordable housing in the district, with funding reprofiled to reflect the updated projections for housing delivery;
- The successful delivery of transport schemes designed to deliver the Council's Journey to Net Zero transport strategy, including ongoing investment in the design of new walking, wheeling and cycling routes to support capital bids. The Council also sees maintained improvement in the recovery of the Park and Ride service following the impacts of the Covid pandemic.

4 STATUTORY CONSIDERATIONS

- 4.1 The preparation of the Council's budget proposals meet the relevant statutory requirements including Section 25 of the Local Government Act 2003 that requires each local authority, when setting its annual General Fund budget and level of Council Tax, to take account of a report from its Section 151 Officer on the robustness of estimates and adequacy of reserves.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 These are contained throughout the attached report and appendices.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations will be undertaken, in compliance with the Council's decision-making risk management guidance and included in the final budget papers.

7 CLIMATE CHANGE

- 7.1 Addressing Climate Emergency is one of the two core policies within the new Corporate Strategy. The budget has recognised this priority through providing ongoing revenue funding for the delivery of priorities identified in the Climate and Nature Action Plans.

8 OTHER OPTIONS CONSIDERED

- 8.1 None

9 CONSULTATION

- 9.1 The Cabinet Member for Resources has been consulted on the drafting of this report as well as the Chief Executive, Section 151 Officer and Monitoring Officer.

Contact person	Sophie Broadfield, Executive Director of Sustainable Communities
Background papers	2025/26 Medium Term Financial Strategy https://democracy.bathnes.gov.uk/documents/s83690/E3564%20-%20Appendix%201%20-

	<p>%20Medium%20Term%20Financial%20Strategy%202025-26.pdf</p> <p>2024/25 Quarter 2 Revenue and Capital Budget Monitoring https://democracy.bathnes.gov.uk/documents/s84582/E3577%20-%20Revenue%20and%20Capital%20Budget%20Monitoring%20Cash%20Limits%20and%20Virements%20-%20April%202024%20to%20September%20202.pdf</p> <p>2025/26 Budget Consultation https://www.bathnes.gov.uk/budget-consultation-2025-2026</p>
<p>Please contact the report author if you need to access this report in an alternative format</p>	

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Annex 1: 2025/26 - 2027/28 Draft Savings and Income Generation Proposals

2025/26 - 2027/28 Savings and Income Generation Proposals								
Savings Proposal Title	Description	2025/26 £'000	2026/27 £'000	2027/28 £'000	Impacts to Service Delivery	Portfolio Holder / Director	Current Net Exp Budget / (Income Budget) £000	Category
Portfolio: Highways								
Parking Services - income rebasing	Increased income rebasing across Highways and Parking Services	(560)			Minor impacts to manage changes to prices and deal with feedback from customers	Clr Manda Rigby / Chris Major	(15,469)	Revised Budget Proposal
Parking Charges Review	Income generated from the implementation of a parking review and emissions-based pay and display	(334)	(140)		Consultations were undertaken during 2024/25 and amended schemes have been included within operational traffic regulation orders (TROs). This was previously included as a £374k additional income, and has reduced to £334k as a result of the amendments.	Clr Manda Rigby / Chris Major	(8,875)	Revised Budget Proposal
Parking Permit Charges Review	Income generated from a review of the baseline charge for on street parking permits, including emissions-based resident parking permits	(172)			Charge is set within the Council's on street Traffic Regulation Orders; therefore, a public consultation will be undertaken. Outcome of consultations may impact upon the nature and the number of the proposal to be implemented.	Clr Manda Rigby / Chris Major	(8,875)	New Budget Proposal
Parking Reinvestment Fund	Budget saving by not spending the Reinvestment Fund in Parking Services (one-off 2025/26 only).	(210)	210		No significant impact; however, non-essential maintenance and improvements of Parking assets, such as car parks, as well as developments which improve operational efficiency or customer experience may take longer to be identified, developed and implemented, subject to resource availability.	Clr Manda Rigby / Chris Major	210	New Budget Proposal
Park and Ride	Updated income forecast for the Park and Ride	(200)	100	100	None - additional net income only.	Clr Manda Rigby / Sophie Broadfield	(473)	New Budget Proposal
Fees and Charges	Inflationary increases in discretionary fees across the portfolio.	(13)	(14)	(14)	None - additional net income only.	Clr Manda Rigby / Various	N/A	Revised Budget Proposal
Highways Total		(1,489)	156	86				
Portfolio: Neighbourhood Services								
Recycling Income	Income growth projected for 25-26 due to market prices and optical sorting at new facility.	(450)			Maintain advantageous contract prices, and use optical sorting at new facility to maximise materials value and help offset depot service operating costs.	Clr Tim Ball / Chris Major	19,867	New Budget Proposal
Green waste fees and charges uplift	Increase garden waste fees from £57 to £70 per year to cover the increasing collection costs of running the service, so that subscribers contribute more to the cost of the service.	(350)			Delivered by annual billing process for subscriber service.	Clr Tim Ball / Chris Major	19,867	New Budget Proposal
Income from new fees and charges for businesses	Introduction of new chargeable services for commercial customers in our fleet workshop and charge developers for waste & recycling containers to be provided for each new build property.	(77)			Increased range of services will be available to commercial fleet customers, and the initial provision of waste & recycling containers will be charged to developers of new housing	Clr Tim Ball / Chris Major	19,867	Existing Budget Proposal
Registrars	Increased income forecast for the service	(45)			None - additional net income only.	Clr Tim Ball / Chris Kinsella	(883)	Existing Budget Proposal
Fees and Charges	Inflationary increases in discretionary fees across the portfolio.	(62)	(64)	(65)	None - additional net income only.	Clr Tim Ball / Various	N/A	Revised Budget Proposal
Neighbourhood Services Total		(984)	(64)	(65)				
Portfolio: Built Environment and Sustainable Development								
Housing	Housing - reprofile work on Housing delivery - (25/26 one off saving)	(75)	75		Reprofiled timeline for delivery	Clr Matt McCabe / Simon Martin	1,541	New Budget Proposal
Housing	Budget for capital delivery of housing programme to match pipeline (25/26 one-off saving)	(75)	75		Reprofiled timeline for delivery	Clr Matt McCabe / Simon Martin	1,541	New Budget Proposal
Fees and Charges	Inflationary increases in charges for Building Control and some other small areas of discretionary charges	(20)	(20)	(20)	None - additional net income only.	Clr Matt McCabe / Various	N/A	Revised Budget Proposal
Built Environment and Sustainable Development Total		(170)	130	(20)				
OVERALL SAVINGS AND INCOME GENERATION PROPOSALS		(2,643)	222	1				

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Annex 2: 2025/26 - 2027/28 Draft Funding Requirements

2025/26 - 2027/28 Funding Proposals						
Funding Title	Description of Funding Requirement	Portfolio Holder / Director	2025/26 Funding £000	2026/27 Funding £000	2027/28 Funding £000	Category
Portfolio: Climate Emergency and Sustainable Travel						
Revenue budget for Renewable Energy Post (previously recharged to capital projects)	This post supports development of renewable energy projects. This work has previously been recharged to individual capital projects. The nature of forward project pipeline, in Feasibility & Development stage, means that current work cannot be fully capitalised and revenue funding is required to sustain this programme of work.	Cllr Sarah Warren / Sophie Broadfield	45			New Budget Proposal
Contractual Inflation	Annual increases in contract costs within the portfolio.	Cllr Sarah Warren / Various	1	1	1	Revised Budget Proposal
Pay Inflation	Salary inflation estimated at 4% in 25/26, 3% in 26/27, 3% in 27/28, and allowing for annual staff pay increments.	Cllr Sarah Warren / Various	39	29	29	Revised Budget Proposal
Climate Emergency and Sustainable Travel Total			85	30	30	
Portfolio: Highways						
HGV Charging Reversal	Removal of the proposed income line from implementation of a Euro 6 HGV charge in line with the wider CAZ charges, after public consultation.	Cllr Manda Rigby / Chris Major	100	10		New Budget Proposal
Impacts of infrastructure investment	On-going maintenance costs associated with increased asset base (CRSTS, Street Lighting)	Cllr Manda Rigby / Chris Major	22	34	88	New Budget Proposal
Business Rate Revaluation and Inflation Increases	Business Rate Revaluation and Inflation Increase on Corporate Properties (including car parks).	Cllr Manda Rigby / Chris Major	92			Existing Budget Proposal
Contractual Inflation	Annual increases in contract costs within the portfolio.	Cllr Manda Rigby / Chris Major	155	158	160	Revised Budget Proposal
Pay Inflation	Salary inflation estimated at 4% in 25/26, 3% in 26/27, 3% in 27/28, and allowing for annual staff pay increments.	Cllr Manda Rigby / Chris Major	191	145	142	Revised Budget Proposal
Technical adjustment relating to 2023/24 Savings Item - Reversal of One-Off Clean Air Zone (CAZ) Financial Assistance Scheme Income	Income from Financial Assistance Scheme use by other Authorities and review of CAZ fee.	Cllr Manda Rigby / Chris Major	24			
Highways Total			584	347	390	
Portfolio: Neighbourhood Services						
Waste Staffing Costs	Adjusting base budgets to make sure sickness and holiday cover within waste and fleet services and adequately funded.	Cllr Tim Ball / Chris Major	756	55		New Budget Proposal
Waste Running Costs	Rebasing of revenue budget following the first year of operating the new waste facility at Pixash Lane, Keynsham.	Cllr Tim Ball / Chris Major	225	17		New Budget Proposal
Borrowing Costs	Inflationary increases associated with vehicle replacement	Cllr Tim Ball / Chris Major	177	188		New Budget Proposal
Business Rate Revaluation and Inflation Increases	Business Rate Revaluation and Inflation Increase on Corporate Properties.	Cllr Tim Ball / Various	26			Existing Budget Proposal
Contractual Inflation	Annual increases in contract costs within the portfolio.	Cllr Tim Ball / Various	387	305	230	Revised Budget Proposal
Pay Inflation	Salary inflation estimated at 4% in 25/26, 3% in 26/27, 3% in 27/28, and allowing for annual staff pay increments.	Cllr Tim Ball / Various	793	604	591	Revised Budget Proposal
Neighbourhood Services Total			2,364	1,169	821	
Portfolio: Built Environment and Sustainable Development						
Land Charges His Majesty's Land Registry (HMLR) Project	Statutory HMLR take over of LLC1 part of land charge search as part of national scheme.	Cllr Matt McCabe / Chris Major	125			Existing Budget Proposal
Contractual Inflation	Annual increases in contract costs within the portfolio.	Cllr Matt McCabe / Various	2	2	2	Revised Budget Proposal
Pay Inflation	Salary inflation estimated at 4% in 25/26, 3% in 26/27, 3% in 27/28, and allowing for annual staff pay increments.	Cllr Matt McCabe / Various	147	112	110	Revised Budget Proposal
Built Environment and Sustainable Development Total			274	114	112	
OVERALL FUNDING PROPOSALS			3,307	1,660	1,353	

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CLIMATE EMERGENCY AND SUSTAINABILITY

This Forward Plan lists all the items coming to the Panel over the next few months.

Inevitably, some of the published information may change; Government guidance recognises that the plan is a best assessment, at the time of publication, of anticipated decision making. The online Forward Plan is updated regularly and can be seen on the Council's website at:

<http://democracy.bathnes.gov.uk/mgPlansHome.aspx?bcr=1>

The Forward Plan demonstrates the Council's commitment to openness and participation in decision making. It assists the Panel in planning their input to policy formulation and development, and in reviewing the work of the Cabinet.

Should you wish to make representations, please contact the report author or, Democratic Services (). A formal agenda will be issued 5 clear working days before the meeting.

Agenda papers can be inspected on the Council's website.

Ref Date	Decision Maker/s	Title	Report Author Contact	Director Lead
22ND JANUARY 2025				
	Climate Emergency and Sustainability Policy Development and Scrutiny Panel	Aequus Business Plan Refresh		Simon Martin
16 Jan 2025	Climate Emergency and Sustainability Policy Development and Scrutiny Panel	Housing Plan Update	Graham Sabourn Tel: 01225 477949	Director of Sustainable Communities
16 Jan 2025	Climate Emergency and Sustainability Policy Development and Scrutiny Panel	Budget Proposals - subject to consultation	Gary Adams Tel: 01225 477107	Executive Director - Resources (S151)
27TH MARCH 2025				
27 Mar 2025	Climate Emergency and Sustainability Policy Development and Scrutiny Panel	Climate Adaption Report	Jackie Clayton	Executive Director - Sustainable Communities

Ref Date	Decision Maker/s	Title	Report Author Contact	Director Lead
22ND MAY 2025				
3RD JULY 2025				
25TH SEPTEMBER 2025				
27TH NOVEMBER 2025				
The Forward Plan is administered by DEMOCRATIC SERVICES: Democratic_Services@bathnes.gov.uk				

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