

Please ask for: Matt Berry

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30 January, 2019

Dear Councillor,

CABINET

4:00 PM ON THURSDAY, 7 FEBRUARY, 2019

ESPERANCE ROOM, CIVIC CENTRE, CANNOCK

You are invited to attend this meeting for consideration of the matters itemised in the following Agenda.

Yours sincerely,



T. McGovern,
Managing Director

To: Councillors:

G. Adamson	Leader of the Council
G. Alcott	Deputy Leader of the Council and Economic Development and Planning Portfolio Leader
J.T. Kraujalis	Corporate Improvement Portfolio Leader
C. Bennett	Crime and Partnerships Portfolio Leader
Mrs. C. Mitchell	Culture and Sport Portfolio Leader
J.P.T.L. Preece	Environment Portfolio Leader
Mrs. C.E. Martin	Health and Wellbeing Portfolio Leader
A.R. Pearson	Housing Portfolio Leader
Mrs. D.M. Todd	Town Centre Regeneration Portfolio Leader

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AGENDA

PART 1

1. **Apologies**
2. **Declarations of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members**

To declare any personal, pecuniary or disclosable pecuniary interests in accordance with the Code of Conduct and any possible contraventions under Section 106 of the Local Government Finance Act 1992.
3. **Updates from Portfolio Leaders**

To receive and consider oral updates (if any), from the Leader of the Council, the Deputy Leader, and Portfolio Leaders.
4. **Minutes**

To approve the Minutes of the meeting held on 13 December, 2018 (enclosed).
5. **Forward Plan**

Forward Plan of Decisions to be taken by the Cabinet: February to April 2019 (Item 5.1 – 5.3).
6. **General Fund Budget and Capital Programme 2018-19 to 2021-22**

Report of the Head of Finance (Item 6.1 – 6.79).
7. **Housing Revenue Account Budgets 2018-19 to 2021-22**

Joint Report of the Head of Finance and the Head of Housing & Partnerships (Item 7.1 – 7.9).
8. **Housing Revenue Account Capital Programmes 2018-19 to 2022-23**

Joint Report of the Head of Finance and the Head of Housing & Partnerships (Item 8.1 – 8.8).
9. **Treasury Management Strategy, Minimum Revenue Provision Policy, Annual Investment Strategy and Capital Strategy 2019/20**

Report of the Head of Finance (Item 9.1 – 9.64).
10. **Church Street Conservation Area; Talbot Street/Lichfield Street Conservation Area; and Trent & Mersey Canal Conservation Area in Rugeley: Appraisals and Management Plan Supplementary Planning Documents**

Report of the Head of Economic Prosperity (Item 10.1 – 10.30).
11. **Local Plan Review Issues and Options Consultation**

Report of the Head of Economic Prosperity (Item 11.1 – 11.146).

12. Review of the Provision and Delivery of Disabled Facilities Grant Works to Council Owned Dwellings

Report of the Head of Housing and Partnerships (Item 12.1 – 12.19).

13. Exclusion of the Public

The Leader to move:

That the public be excluded from the remainder of the meeting because of the likely disclosure of exempt information as defined in Paragraphs 2, 3 and 5, Part 1, Schedule 12A of the Local Government Act 1972 (as amended).

A G E N D A

PART 2

14. Debt Recovery

Not for Publication Report of the Head of Finance (Item 14.1 – 14.12).

This Report is confidential due to the inclusion of information which is likely to reveal the identity of an individual, and information relating to the financial or business affairs of any particular person (including the Council).

No representations have been received in respect of this matter.

15. Settlement of Contractual Dispute

Not for Publication Report of the Head of Environment and Healthy Lifestyles (Item 15.1 – 15.31).

This Report is confidential due to the inclusion of information relating to the financial or business affairs of any person (including the Council), and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

No representations have been received in respect of this matter.

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CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
CABINET

HELD ON THURSDAY 13 DECEMBER 2018 AT 4:00 P.M.

IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK

PART 1

PRESENT: Councillors:

Adamson, G.	Leader of the Council
Alcott, G.	Deputy Leader of the Council and Economic Development and Planning Portfolio Leader
Mitchell, Mrs. C.	Culture and Sport Portfolio Leader
Preece, J.P.T.L.	Environment Portfolio Leader
Martin, Mrs. C.E.	Health and Wellbeing Portfolio Leader
Pearson, A.R.	Housing Portfolio Leader
Todd, Mrs. D.M.	Town Centre Regeneration Portfolio Leader

76. Apologies

Apologies had been submitted by Councillors C. Bennett, Crime and Partnerships Portfolio Leader, and J.T. Kraujalis, Corporate Improvement Portfolio Leader. The Managing Director had also submitted apologies.

77. Declarations of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members

No other Declarations of Interest were made in addition to those already confirmed by Members in the Register of Members' Interests.

78. Updates from Portfolio Leaders

Economic Development and Planning

Institute of Economic Development (IED) Annual Awards 2018

The Portfolio Leader advised that Cannock Chase Council's support for the McArthurGlen Designer Outlet in Cannock project has been recognised as runner up at the prestigious Institute of Economic Development (IED) Annual Awards 2018.

The Council's Economic Development Team was shortlisted for the IED's awards for the McArthurGlen project. The awards ceremony took place at BMA House in London on 6 December, 2018, and the Council was named as runner up behind Maidstone Borough Council.

The IED awards measure against four categories: economic impact; most

innovative strategy; best implementation; and most sustainable outcome.

The project was put forward for the implementation category. The submission demonstrated that the McArthurGlen project will deliver significant economic benefit to the District, strengthening the local supply chain, raising skills levels, increasing wages and reducing unemployment, for which a strategic and collaborative approach was needed.

79. Minutes of Cabinet Meeting of 8 November, 2018

RESOLVED:

That the Minutes of the meeting held on 8 November, 2018, be approved as a correct record and signed.

80. Forward Plan

The Forward Plan of Decisions for the period December 2018 to February 2019 (Item 5.1 – 5.3 of the Official Minutes of the Council) was considered.

RESOLVED:

That the Forward Plan of Decisions for the period December 2018 to February 2019 be noted.

81. Recommendations from Scrutiny Committees

- (i) Consideration was given to the recommendation detailed under section 6.(i) of the meeting agenda, from the Promoting Prosperity Scrutiny Committee made at its meeting held on 23 October, 2018 in respect of the 'Outcome of Working Group to Review the Policy for the Commercial Use of the Highway (Minute No. 13).

RESOLVED:

That, having carefully considered the recommendations of the Scrutiny Committee Working Group, Cabinet wished to balance the needs of businesses with the needs of those who suffered from mobility or visual impairment issues and to create fairness. Accordingly, Cabinet agreed that:

- (i) Officers should review the current fee structure and to look at expanding the application of the Policy to cover the whole District.
- (ii) Officers should investigate whether the enforcement of highways obstructions covered by the policy could be delegated from the County Council to the District Council, in order that matters are simplified.
- (ii) Consideration was given to the recommendation detailed under section 6.(ii) of the meeting agenda, from the Promoting Prosperity Scrutiny Committee made at its meeting held on 21 November, 2018 in respect of the 'Briefing Note: Working Group to Review the Vulnerable Persons Decorating and Grass Cutting Scheme Eligibility Criteria (Draft Minute No. 17)'.
The Housing Portfolio Leader advised that the reference in Amendment (A) to "...all tenants..." should read "...all eligible tenants...". Additionally, it was proposed that the reference in Amendment (C) to "...where a tenant refuses the date offered to them..." should read "...where a tenant refuses two dates offered to them..."

RESOLVED:

That the following amendments to the Internal Decorating Scheme be approved:

- (A) To reduce the offer to 1 room being decorated once every 5 years, thereby enabling all eligible tenants to be included on the list. Consideration could be given to reducing the 5-year period once the waiting list had been reduced and the backlog cleared.
- (B) That tenants should have a clear rent account for 3 to 6 months to be able to be included on the list. Additionally, no other sundry debtor payments, owing to Housing, should be outstanding.
- (C) That where a tenant refuses two dates offered to them they should go on a reserve list for cancellation, unless the reasons for refusal were for a medical reason or due to bereavement.
- (D) That the scheme be reviewed after 2 years.

82. Quarter 2 Performance Report 2018/19

Consideration was given to the Report of the Head of Governance and Corporate Services (Item 7.1 – 7.28 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The performance information related to the Priority Delivery Plans as detailed in Appendices 1 to 4 of the report be noted.
- (B) The actions that had been flagged as requiring amendment to the timescale, scope or timeline be noted.

Reasons for Decisions

Information for performance actions and indicators for quarter 2 2018/19 was included for relevant items in Appendices 1 to 4 of the report. The overall rankings for each portfolio area were detailed in section 5 of the report, indicating that 64.3% of actions/projects had been delivered, or were on target to be achieved.

83. Adoption of Statement of Community Involvement

Consideration was given to the Report of the Head of Economic Prosperity (Item 8.1 – 8.37 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The updated Statement of Community Involvement, attached as Appendix 2 to the report, be adopted.
- (B) Authority be granted to the Head of Economic Prosperity, in consultation with the Economic Development and Planning Portfolio Leader, to make any non-substantive changes considered necessary to the Statement of Community Involvement.

Reasons for Decisions

The Planning and Compulsory Purchase Act 2004 (as amended) required the Council to produce a Statement of Community Involvement (SCI), which set out how the Council intended to achieve continuous community involvement in the preparation of plans and decision making for planning applications. The current SCI was adopted by Cabinet in March 2014.

Local Planning Authorities must review their SCI every five years from the adoption date. Recent changes set out in the Neighbourhood Planning Act 2017 that amended the requirements of the Planning and Compulsory Purchase Act 2004 in relation to the preparation of an SCI (and given effect through the Neighbourhood Planning Act 2017 (Commencement No. 3) Regulations 2018) also necessitated an SCI update.

The SCI had been updated, as appropriate, in the light of representations received during the six-week consultation period as set out in Appendix 1 of the report.

84. Cannock Railway Station

Consideration was given to the Report of the Head of Economic Prosperity (Item 9.1 – 9.8 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The allocation of £231,000 be approved toward a total cost of £400,000 to allow for the development of the Outline Business Case for the upgrade / improvement of Cannock Railway Station.
- (B) The contribution of £129,000 toward the cost of the Outline Business Case from the Joint Investment Fund (agreed with Staffordshire County Council) be noted.
- (C) The joint contribution of £40,000 toward the cost of the Outline Business Case from the West Midlands Rail Executive and West Midlands Trains be noted.
- (D) The Head of Economic Prosperity be authorised, in consultation with the Economic Development and Planning Portfolio Leader, to work in partnership with West Midlands Rail Executive, Network Rail, West Midlands Trains and Staffordshire County Council to develop the Outline Business Case and design for a transformed Railway Station at its existing location.
- (E) The Head of Economic Prosperity should bring a further report to Cabinet on the completion of the Outline Business Case setting out the next steps, including detail of the preferred design option, proposed implementation model and funding strategy.

Reasons for Decisions

The report sought authorisation for the Council to provide funding towards the cost of developing an Outline Business Case to secure a transformational upgrade of Cannock Railway Station.

The Chase Line was currently benefitting from investment in an electrification

scheme, and West Midlands Trains had announced investment in new electric trains to improve the frequency and speed of services along the Chase Line. The service improvements would include extensions of the half-hourly service beyond Birmingham New Street to Birmingham International (Airport/NEC) and an hourly direct service to London Euston. The improvements would deliver significant economic benefits to the District as well as encouraging further use of rail services and reducing congestion on the District's road network.

Furthermore, phase 1 of the McArthurGlen Designer Outlet Village (MGDOV) in Cannock was due to open in 2020, creating 80 high quality retail units, over 1,000 new jobs and attracting 3 million visitors per year to the District. The MGDOV was in close proximity to Cannock Railway Station and it was forecast that a significant number of visitors to the Outlet Village would travel by train.

Cannock Railway Station currently offered a very basic level of facilities to passengers, and presented an unattractive gateway into the District. The station was in need of upgrade and investment to provide a modern and inviting facility for rail passengers and visitors to the area, and to complement the exciting new Designer Outlet Village development when it opened. A fit for purpose station had the potential to make travelling by train to and from Cannock a more attractive experience and help to position the District for further investment in the future.

The 'Chase Line Station Alliance' had commissioned initial design and master-planning work for the station and this work was completed in March 2018. The work presented a number of proposed improvements to the station and included conceptual plans and costings. Work was subsequently required to develop the Outline Business Case for a scheme that could achieve the transformational upgrade to the station that the Council and its partners wished to see come forward. The Council was working closely with a range of partners to progress the scheme including; West Midlands Rail Executive, Network Rail, West Midlands Trains and Staffordshire County Council.

85. Refurbishment and Improvement of Council Owned Car Parks

Consideration was given to the Report of the Head of Environment and Healthy Lifestyles (Item 10.1 – 10.4 of the Official Minutes of the Council).

RESOLVED:

That permission to spend £200,000 be approved in order to undertake the car park improvements scheme as set out in Appendix 1 of the report, with £55,000 to be met from the Capital Programme 2017-18 to 2020-21 and £145,000 to be met from Revenue funding.

Reasons for Decision

The Council currently owned / managed a mixture of 35 pay & display and free car parks across the District.

All car parks were routinely inspected on a regular basis. A number of them required capital investment to bring them to a satisfactory standard in regard to their operation, aesthetic condition, and health & safety requirements. The existing car parks had not previously had significant works of this nature undertaken.

Following a series of detailed inspections in 2017/18, an estimated programme

of planned works was drawn up over the next five and ten years (2018-23 and 2024-28, respectively), taking into account need, resources available and other development works.

The works detailed in Appendix 1 to the report were considered the most urgent and therefore appeared in year one of the phased five-year programme (2018-23). Included in this programme was additional capital provision necessary to support the extension of the car park at 5's Sports Pavilion, Bradbury Lane, Hednesford (as previously agreed by Council on 11 April, 2018).

Council on 7 February, 2018, established a capital programme budget of £492,000 for car park improvements 2017-18 to 2020-21, and permission to spend £200,000 in relation to the procurement of the phased car park refurbishment programme as set out in Appendix 1 of the report, was sought. Based on the type of expenditure, £55,000 would be capital and £145,000 revenue.

86. Replacement of Specialist Grounds Maintenance Machinery and Vehicles

Consideration was given to the Report of the Head of Environment and Healthy Lifestyles (Item 11.1 – 11.5 of the Official Minutes of the Council).

RESOLVED:

That permission to spend £418,000 be approved in order to purchase replacement grounds maintenance machinery and vehicles provided for in the Capital Programme 2017-18 to 2020-21 as set out in Appendix 1 of the report.

Reasons for Decision

It was necessary to procure replacement machinery and vehicles to deliver the Council's Grounds Maintenance / Countryside / Cleansing services.

The existing machinery and vehicle asset list had been assessed and 15 items were identified as reaching the end of their useful life and so needed to be replaced, ideally before the start of the next grass-cutting season. Given that the lead in time for such items of specialist grounds maintenance machinery was typically around 16 weeks, it was necessary to commence the procurement process promptly in order to expedite delivery for the early part of 2019.

The purchase of this specialist machinery would ensure an uninterrupted service; reduce maintenance time; and help lower the impact of the fleet on the environment.

The purchase of the vehicles proposed was not considered to be affected by the current Environmental Services Review, and although it was too early to assess fully the implications of any reduction in service and machinery requirements resulting from the County Council's Medium Term Financial Strategy, the vehicles purchased, particularly the ride-on mowers, could be adapted to cater for any service changes. The cost of this would be met from existing revenue budgets.

A purchasing option had been considered and it was therefore proposed to purchase the 15 items early in 2019 through a Framework Agreement (ESPO) and the Crown Commercial Services.

Council had already established a capital programme budget in the 2018-19 financial year, and permission to spend in relation to the purchase of the 15

items of machinery was sought.

87. Exclusion of the Public

RESOLVED:

That the public be excluded from the remainder of the meeting because of the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended).

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
CABINET

HELD ON THURSDAY 13 DECEMBER 2018 AT 4:00 P.M.

IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK

PART 2

88. 20/24 Anson Street, Rugeley

Consideration was given to the Not for Publication Report of the Head of Economic Prosperity (Item 13.1 –13.7 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) An open-market disposal of the freehold interest in 20/24 Anson Street, Rugeley, be authorised, on terms and conditions to be agreed by the Head of Economic Prosperity.
- (B) Authority be delegated to the Head of Economic Prosperity to instruct agents to market the above property for sale and to take all other actions required to implement the decision.
- (C) Council, at its meeting to be held on 23 January, 2019, be recommended to allocate £85,000 into the capital programme to fund the necessary works, subject to planning permission, to create office accommodation and interview rooms within Rugeley Market Hall to enable the relocation of the existing Local Taxation and Benefits Service and Housing Options from 20/24 Anson Street, Rugeley.

Reason for Decisions

The location of the property on the edge of Rugeley town centre was such that there was likely to be considerable demand for the premises, which had potential for a number of alternative uses. A sale of 20/24 Anson Street should generate a substantial capital receipt, the level of which would be determined by market demand.

89. Compulsory Purchase Order – 34 Hampton Street, Cannock

Consideration was given to the Not for Publication Report of the Head of Environment and Healthy Lifestyles (Item 14.1 – 14.6 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The Head of Environment and Healthy Lifestyles be authorised to take all necessary steps to secure the making, confirmation and implementation of

a Compulsory Purchase Order under section 17 of the Housing Act 1985, in respect of 34 Hampton Street, Cannock, WS11 0AS, as shown at the plan attached at Appendix 1 to the report.

- (B) The Head of Environment and Healthy Lifestyles be authorised to acquire the land either by agreement or compulsorily.
- (C) The offer of the property to the Council's Housing department in the first instance be approved. In the event that the cost of the purchase and refurbishment could not be met by the Housing department, a further report be brought back to Cabinet.

Reasons for Decisions

Empty properties could fall into disrepair and attract pests, graffiti and litter, and become a target for anti-social behaviour, vandalism, squatting and arson, as had been the case with this particular property.

Many people in Cannock Chase District needed homes, and there were approximately 896 applicants on the Council's housing register, 108 of which were looking for three-bedroomed accommodation. During 2017/18 there were 60 three-bedroomed houses let by the Council, roughly averaging 24 expressions of interest per property.

New house building rates were still low, so reusing empty homes provided one of the few other sources of housing.

Other options to bring the dwelling back into beneficial use had been explored and discounted as unsuccessful or inappropriate in the particular circumstances of the property.

90. Debt Recovery

Consideration was given to the Not for Publication Report of the Head of Finance (Item 15.1 – 15.17 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The amounts detailed in Appendices 1 and 2 of the report be written off.
- (B) The actions of the Head of Finance in writing off irrecoverable debts below £1,000 be noted.

Reasons for Decisions

Appendix 1 to the report set out a list of 11 cases of Council Tax arrears over £1,000 that could not be collected for the reasons stated therein. The total sum of arrears amounted to £24,368.14.

Appendix 2 to the report set out a list of 17 cases of Non-Domestic Rates arrears over £1,000 that could not be collected for the reasons stated therein. The total amount of arrears amounted to £222,381.38.

The meeting closed at 4.30 p.m.



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FORWARD PLAN OF DECISIONS TO BE TAKEN BY THE CABINET: FEBRUARY – APRIL 2019

For Cannock Chase Council, a key decision is as an Executive decision that is likely to:

- Result in the Council incurring expenditure or making savings at or above a threshold of 0.5% of the gross turnover of the Council.
- Affect communities living or working in two or more Council Wards.

Further information about key decisions and the Forward Plan can be found in Sections 10 and 28 of the Council's Constitution.

Representations in respect of any of matters detailed below should be sent in writing to the contact officer indicated alongside each item c/o Democratic Services, Cannock Chase Council, Civic Centre, PO Box 28, Beecroft Road, Cannock, Staffordshire, WS11 1BG or via email at membersservices@cannockchasedc.gov.uk

Copies of non-confidential items will be published on the Council's website 5 clear working days prior to the relevant meeting date.

Item	Contact Officer / Cabinet Member	Date of Cabinet	Key Decision	Confidential Item	Reasons for Confidentiality	Representation Received
General Fund Budget and Capital Programme 2018/19 to 2021/22	Head of Finance / Leader of the Council	07/02/19	No	No		
Housing Revenue Account Budget 2018/19 to 2021/22	Head Finance and Head of Housing & Partnerships / Housing Portfolio Leader	07/02/19	No	No		
Housing Revenue Account Capital Programme 2018/19 to 2022/23	Head Finance and Head of Housing & Partnerships / Housing Portfolio Leader	07/02/19	No	No		
Treasury Management Strategy, Minimum Revenue Provision Policy, Annual Investment Strategy and Capital Strategy 2019/20	Head of Finance / Leader of the Council	07/02/19	No	No		

Item	Contact Officer / Cabinet Member	Date of Cabinet	Key Decision	Confidential Item	Reasons for Confidentiality	Representation Received
Church Street Conservation Area; Talbot Street/Lichfield Street Conservation Area; and Trent & Mersey Canal Conservation Area in Rugeley: Appraisals and Management Plan Supplementary Planning Documents	Head of Economic Prosperity / Economic Development and Planning Portfolio Leader	07/02/19	Yes	No		
Local Plan Review Issues and Options Consultation	Head of Economic Prosperity / Economic Development and Planning Portfolio Leader	07/02/19	Yes	No		
Review of the Provision and Delivery of Disabled Facilities Grant Works to Council Owned Dwellings	Head of Housing and Partnerships / Housing Portfolio Leader	07/02/19	Yes	No		
Debt Recovery	Head of Finance / Health and Wellbeing Portfolio Leader	07/02/19	No	Yes	The report contains information which is likely to reveal the identity of an individual, and information relating to the financial or business affairs of any particular person (including the Council).	
Settlement of Contract Dispute	Head of Environment and Healthy Lifestyles / Environment Portfolio Leader	07/02/19	Yes	Yes	The report contains information relating to the financial or business affairs of any particular person (including the Council), and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.	
Quarter 3 Performance Report 2018/19	Head of Governance and Corporate Services / Corporate Improvement Portfolio Leader	14/03/19	No	No		

Item	Contact Officer / Cabinet Member	Date of Cabinet	Key Decision	Confidential Item	Reasons for Confidentiality	Representation Received
Priority Delivery Plans 2019-20	Head of Governance and Corporate Services / Corporate Improvement Portfolio Leader	14/03/19	No	No		
Urban Forestry Strategy 2019-2024	Head of Environment and Healthy Lifestyles / Environment Portfolio Leader	14/03/19	Yes	No		
Tenancy Fraud Policy	Head of Housing & Partnerships / Housing Portfolio Leader	14/03/19	Yes	No		
Tourism Review & Update	Head of Economic Prosperity / Economic Development and Planning Portfolio Leader	14/03/19	Yes	No		
Trent and Mersey Canal Towpath S106 Expenditure	Head of Economic Prosperity / Economic Development and Planning Portfolio Leader	14/03/19	No	No		
Transfer of S106 Funding to the Lichfield & Hatherton Canal Restoration Trust	Head of Economic Prosperity / Economic Development and Planning Portfolio Leader	14/03/19	No	No		
Cannock Town Centre	Head of Economic Prosperity / Town Centre Regeneration Portfolio Leader	14/03/19	Yes	Yes	The report contains information relating to the financial or business affairs of any particular person (including the Council).	
Hawks Green Depot Review	Head of Housing and Partnerships / Housing Portfolio Leader	18/04/19	No	No		

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Report of:	Head of Finance
Contact Officer:	Bob Kean
Telephone No:	01543 464 334
Portfolio Leader:	Leader of the Council
Key Decision:	No
Report Track:	Cabinet: 07/02/19 Council: 20/02/19

CABINET
7 FEBRUARY 2019
GENERAL FUND BUDGET AND CAPITAL PROGRAMME 2018-19 TO 2021-22

1 Purpose of Report

- 1.1 To consider the current position of the General Fund Revenue Budget for 2018-19 to 2021-22 and the updated Capital Programme 2018-19 to 2021-22.

2 Recommendation(s)

- 2.1 That the following be recommended to Council as part of the formal budget setting process:-
- (a) the level of net spending for the General Fund Revenue Budget for 2019-20 be set at £13.072 million; with indicative net spending for 2020-21 and 2021-22 of £13.301 million and £13.230 million respectively;
 - (b) the detailed portfolio budgets as set out in **Appendix 2**;
 - (c) the forecast outturn net budget of £12.258 million be approved;
 - (d) the use of Government Grants in 2019-20 of £1.580 million;
 - (e) To note that although indicative figures exist for the use of Governments Grants for 2020-21 and 2021 -22 they cannot be accurately determined at this stage with each element of Government funding being subject to review;
 - (f) the working balances be set at £0.704 million; £1.061 million and £1.006 million for 2019-20 to 2021-22 respectively;
 - (g) that a Council Tax of £217.09 be recommended to the Council for 2019-20; with indicative increases of 1.95% to the level of Council Tax for 2020-21 and 2021-22;
 - (h) the Council's Tax base be set at 28,874.46.

- (i) the revised capital programme, including new schemes, as set out in **Appendices 3 and 4.**
- (j) That Council notes that the authority is part of the “Staffordshire and Stoke- on- Trent Business Rates Pool “with the “Greater Birmingham and Solihull Pool “dissolved following successful pilot applications for 2019-20.

3 Key Issues and Reasons for Recommendations

Key Issues

- 3.1 The report sets out a draft standstill budget for 2019-20 as well as indicative budgets for 2020-21 and 2021-22 and associated issues and also includes current indications of the impact that this will have on Council Tax. It also sets out the updated capital programme, and it sets out the capital resources available to the authority to finance the capital programme.

Reasons for Recommendations

- 3.2 The Council is required to set a balanced budget for 2019-20 set in the context of a sustainable medium term financial plan. Detailed figures are only available for 2019-20 nevertheless the level of Working Balances maintained by the Council will enable a Balanced Budget to be set for the duration of the Financial Plan.

4 Relationship to Corporate Priorities

- 4.1 The revenue budget and capital programme reflect the Council’s priorities.

5 Report Detail

- 5.1 As a precursor to the consideration of the overall General Fund Revenue Budget, Cabinet approved the General Fund Financial Plan for the period 2018-19 to 2021-22 on 8 November 2018.

- 5.2 The General Fund Revenue Budget for the period 2019-20 to 2021-22 has now been compiled following the principles agreed in the Financial Plan.

- 5.3 The detailed Portfolio Budgets together with Variation Statements as compared with the Budget Approved by Council last year are attached as **Appendix 2** to the report. The following paragraphs highlight the background to the compilation of the Revenue Budget.

5.4 Budget issues

Inflation

- 5.4.1 Portfolio Budgets have been updated to reflect the current rate of Inflation in relation to CPI for 2018-19 and this therefore represents an additional ongoing cost. No changes have been made to CPI forecasts for 2019-20 to 2021-22 and these have been assumed to remain at 2%. The provision for pay awards

has been increased to 2% for 2020-21 and 2021-22, reflecting a continuation of the existing 2 year agreement and the prevailing level of CPI. No other material changes have been made to the inflation assumptions.

Spending pressures

- 5.4.2 The detailed budgets have been refreshed to reflect the outturn for 2017-18 and latest spending patterns.
- 5.4.3 In determining the 2021-22 budget additional provision has been made for Employer Contributions to increase by a further 2% as a result of the next triennial Actuarial Valuation of the Pension Fund; the Management Fee profile for the Leisure Management Contract and additional costs of demographic growth.
- 5.4.4 The Base Budget also reflects the additional costs arising from the Revised Development Scheme and Local Plan Review. The cost of the review is estimated to increase to £300,000, as compared to an original estimate of £250,000. The additional cost is to be funded from the Budget Support Reserve. Ongoing provision of £50,000 per annum as part of a rolling programme has been included in the 2021-22 budget, to reflect revised national guidelines for the Local Plan.
- 5.4.5 Additional cost pressures have arisen in relation to the residual cost of the Social Alarms service following its transfer to Redditch Borough Council, however the impact has been reduced, as with other changes in service delivery, by a restructure of the residual service. In addition the cost of the Waste Collection service reflects the higher than anticipated increase in properties and in particular, the reaching of the trigger point for cost increases, combined with the increased net cost of Dry Recycling.
- 5.4.6 The Council has also reviewed its Health & Safety / Maintenance compliance requirements for its assets and this has necessitated the reinstatement of a Property Services manager (deleted as part of a restructure arising from the Financial Recovery Plan). The draft budget also reflects the security arrangements and mothballing costs in relation to the town centre Multi Storey Car Park following its transfer from St Modwen.
- 5.4.7 Provision exists for the adoption of the Modern Slavery Charter and the revision in the Non Constituent Member Fee to the West Midlands Combined Authority with a proposed fee of £35,000 (currently £25,000) from 2020-21.
- 5.4.8 The budget for Floral Decorations has been increased by £15,000 to reflect the prevailing additional net cost of this service. The increase relates to 2019-20 only, pending a review of highways grass cutting requirements by the County Council.
- 5.4.9 Provision has also been made for the mainstreaming of additional support for the skills agenda. Funding for the support officer from GBSLEP ceases in 2019-20 with the additional cost of £17,000 being offset by funding £10,000 earmarked to develop the Skills and Innovation Hub.

Main streams of income

- 5.4.10 Income from fees and charges is mainly in line with the overall budget although the Council continues to face income pressures in relation to its Markets. Cannock Market Fees are down by a further £12,000 and Rugeley Market Rents by £10,000.
- 5.4.11 Provisional funding allocations for Housing Benefit Administration Subsidy and Local Council Tax Support were received on the 18 December 2018. The subsidy allocation sees a reduction of £0.042 million (10%) as compared to the 2018-19 allocation and is broadly in line with the Financial Plan/Budget assumptions.
- 5.4.12 The continuation of the Efficiency element of the grant reduction, but more importantly, the progressive reduction to Universal Credits in the Admin Subsidy will require the service to downsize as part of (or in advance of) the 2021-22 budget process
- 5.4.13 The 2019-20, and subsequent years, budgets reflect the reduced income from recycling credits. This forms part of the County Councils Medium Term Financial Strategy with reductions being phased in over a four year period

5.5 Monitoring of the 2018-19 Revenue Budget

- 5.5.1 The Budget for 2018-19 is monitored each month against the profiled budget. The position based on the December figures, reflecting the downturn in income and updated for known changes in the forecast outturn is set out in the following table:

Table 1: Budget Monitoring re 2018-19 as at 31 December 2018					
	Approved Budget	Profiled Budget	Actual to date	Variance	Forecast Outturn
	£000	£000	£000	£000	£000
Portfolio Budgets	11,419	10,935	11,226	291	11,781
Investment income	(158)	(120)	(163)	(43)	(158)
Technical Adjs.	392	-	-	-	392
Net Spending	11,653	10,815	11,063	248	12,015

- 5.5.2 The monitoring statement includes a projection to the financial year-end of the forecast outturn position. It is currently expected that there will be an overall net increase of £362,000 on Portfolio Budgets,

5.6 Local Government Finance Settlement 2019-20

- 5.6.1 The Provisional Local Government Finance Settlement for 2019-20 was received by the Council on 13 December 2018. The Provisional Settlement represents the final year of a four year settlement covering the period 2016-17 to 2019-20. No details are available from 2020-21 onwards with Local Government funding expected to be subject to considerable change arising from the planned implementation of Fair Funding and a revised 75% Business Rates Retention Scheme in that year.

5.6.2 The funding assumptions as contained within the draft Budget therefore purely reflect the extrapolations as contained in the Financial Plan and are discussed in more detail in Section 5.9 Financing of the Budget from 2020-21.

5.6.3 Provision existed within the Financial Plan as approved by Cabinet in November for Core Government Support reflecting the indicative allocations as contained in the 2016-17 to 2019-20 four year settlement. The 2019-20 figures had however been adjusted by £0.054 million to reflect the abatement of Negative Revenue Support Grant as proposed in the Technical Consultation on the 2019-20 Budget.

5.6.4 This proposal has now been reaffirmed as part of the Provisional Local Government Finance Settlement and hence no changes are required to the Revenue Support Grant as included in the Financing element of the Budget.

5.7 New Homes Bonus.

5.7.1 Provisional allocations for the New Homes Bonus Grant for 2019-20 were also announced by the Ministry of Housing, Communities and Local Government on the 13 December 2018.

5.7.2 No changes have been made to the scheme itself for 2019-20 with the determination of the number of properties not eligible for grant (deadweight) remaining the same. The previous Technical Consultation on the 2019-20 Settlement had stated that as part of the annual review of NHB “the deadweight is likely to increase for 2019-20 and details will be published as part of the Provisional Settlement”. This increase had been reflected in Financial Plan figures.

5.7.3 The provisional allocations therefore show an increase in funding resources of £0.136 million for New Homes Bonus for 2019-20 , due to the changes in deadweight not being implemented (£0.066m); affordable housing delivery being higher than anticipated (£0.040m) and the funding stream per unit for net new properties increasing by 5% compared to the 2% budgeted.

5.7.4 The New Homes Bonus grant is, in 2019-20, a four year rolling programme, having been reduced in 2018-19 from the initial six year payment regime. The cumulative level of grant for the 3 years legacy payments to 2018-19 amounts to £0.827 million and will now increase by a further £0.610 million in 2019-20, to total £1.437 million.

5.8 Business Rates Retention Scheme

5.8.1 2019-20 is the last year of the current 50% Business Rates Retention Scheme with a 75% scheme due for implementation in 2020-21. The funding regime incentivises Councils to promote economic growth in their area as they are entitled to retain a share of business rates growth above its baseline.

5.8.2 In determining the amount of overall Government funding allocated to the Council a baseline figure for 2019-20 of £2.995 million has been set which is used in determining the amount of Business Rates to be retained by the Council. The Baseline is updated each year to reflect inflation.

- 5.8.3 The provision for inflation was amended last year to reflect CPI rather than RPI however the impact of the changes is financially neutral for 2019-20 with the compensating grants (Section 31) being provided by the Government.

Small Business Rates Relief

- 5.8.4 A Section 31 grant was implemented for 2017-18 in relation to changes to Small Business Rates Relief (SBRR) Thresholds and the doubling of SBRR relief arising from the Chancellors 2016 Budget. Provision has been made in the budget for such compensation however the methodology for determining compensation has been further amended in October of this year to reflect the required compensation for the supplementary yield loss.

Appeals Provision

- 5.8.5 Appeals received to date against the 2017 Revaluation are limited in number however this is potentially as a result of the new Check, Challenge, Appeal system whereby due to a more robust system a time lag is likely to exist before appeals materialize. Nevertheless it is now felt that the provision should be reduced to 1.0p as compared to the full provision following a revaluation of 2.1p provision.

Growth generated

- 5.8.6 The draft budget for 2019-20 assumes that the Council will receive additional funding of £1.642 million from the Business Rates Retention Scheme in respect of "growth" compared with the Government's baseline.

Business Rates Pilot 2019-20

- 5.8.7 The Council together with the other ten authorities in Staffordshire unsuccessfully applied to be a Business Rates Pilot in 2018-19. A bid was resubmitted for 2019-20 as part of a piloting a 75% scheme with the Office of the Police and Crime Commissioner being included. The Provisional Settlement stated that the Staffordshire & Stoke-on-Trent 2019-20 application was successful.
- 5.8.8 A pilot involves certain government grants being financed directly from business rates rather than a separate grant allocation. The two proposed grants for the Staffordshire and Stoke – on -Trent Pilot are Revenue Support Grant (RSG) and Rural Services Grant. However this authority is no longer in receipt of either grant, therefore no adjustment is required.
- 5.8.9 All pilots are deemed to be fiscally neutral in terms of core funding, with the 2013-14 baselines being utilised and transferred in grants being offset in the adjustment to arrive at core funding. A pilot however benefits by retaining 75% of any new growth as a windfall if the actual amount of business rates generated to date is in excess of the Baseline.
- 5.8.10 The windfall equates to the tier share of the 25% additional business rates retained. Under the 50% scheme the government receive 50% of any growth however under a 75% scheme (pilot) only 25% is paid to the Government.

- 5.8.11 In accordance with the Memorandum of Understanding for the Staffordshire & Stoke-on-Trent Pilot Districts /Boroughs will receive 40% of this windfall, subject to each authority being guaranteed a minimum £0.2 million. After taking into account the requirements of the Fire Authority and Police Commissioner it is estimated that Cannock Chase Council will benefit by between £0.5 and £0.6 million. However this one-off windfall is dependant upon the actual business rates generated in 2019-20 and will be influenced by Appeals and the level of exemptions or void properties that occur in the year.
- 5.8.12 This windfall as stated earlier is a one off, not only reflecting the duration of the pilot but also the fact that existing growth would be subject to a Reset from 2020-21 (as detailed below in the “Proposed Changes to Existing Regime from 2020-21”.

Redistribution of Business Rates Levy

- 5.8.13 As part of the operation of the business rates retention system, some authorities pay a levy on the growth in their business rates. This levy is designed to meet the cost of safety net payments for those authorities that have seen a decline in their income below 92.5% of their individual baseline funding level in a single financial
- 5.8.14 In previous years, if it appeared that the levy on high-earning authorities would be insufficient to fund the safety net, an additional amount was top-sliced from Revenue Support Grant. However, there is a surplus of £195m in the 2018-19 levy account.
- 5.8.15 The Government intends to distribute the majority of the surplus, £180m, to all local authorities on the basis of the 2013-14 settlement funding assessment – the sum of each authority’s Revenue Support Grant and Baseline Funding Level allocations.
- 5.8.16 The allocation to this authority is £0.046 million.

5.9 Proposed Changes to existing Regimes from 2020-21

Business Rates/Core Funding

- 5.9.1 2020-21 will see the introduction of 75% Business Rates Retention with core funding determined as part of the Fair Funding Review. Both schemes are still in design stage and MHCLG, at the same time as the 2019-20 Provisional Local Government Settlement published two further consultations, entitled “Review of local authorities’ relative needs and resources” and “Business Rates Reform “ . Further consultations are due during 2019-20 however it is likely to be the Autumn of 2019 before any indicative figures are available from the Government in relation to Core Funding and Business Rates Baselines from 2020-21.
- 5.9.2 The Fair Funding Review represents a re-assessment of core funding provided to local authorities to address concerns “that the current formula used is unfair, out of date and overly complex”. The review is intended to identify an up to date

assessment of relative needs and relative resources to determine new baseline funding allocations for councils.

- 5.9.3 In relation to Relative Needs the Government is minded to deploy a per capita Foundation Formula for upper and lower tier authorities, alongside seven service – specific funding formulas. With the exception of Flood Defence and Coastal Protection (Districts) and Legacy Capital Finance (All authorities) all the other five funding formulas relate to upper Tier /County Councils. In addition to the basic formula, Area cost adjustments taking into account accessibility and remoteness of each authority, together with their relative ability to raise resources will also be utilised in determining core funding requirements,
- 5.9.4 Details of the weightings of funding between services is still awaited nevertheless it is evident this review will undoubtedly see a movement in resources towards Adult Social Care & Children’s and Young Peoples services that will impact upon the Core Funding Baseline and the Business Rates Retained by the County Council and the District.
- 5.9.5 The new funding regime will see local government retaining 75% of Business Rates however the tier split between Counties and Districts is yet to be determined. The establishment of new core funding levels and Business Rates Baselines will also involve a Reset of growth achieved to date.
- 5.9.6 The forecast growth above baseline for this Council for 2019-20 amounts to £5.87 million and in accordance with a 50% scheme £2.93 million is retained within Staffordshire. Cannock Chase Council retains £1.642 million (or 28% of overall growth) and the balance is distributed to the County Council and Fire and Rescue Service (based upon tier splits) with a balance being allocated to the Business Rates Pool. Although Pilot Status exists for 2019-20 this does not impact on the Reset position with the outputs from the 50% scheme, rather than the pilot, being used to determine resets and any transitional funding requirements.
- 5.9.7 The Reset is effectively about how much of this £1.642 million growth generated between resets (in this case 2013-14 to 2019-20) is retained by the local authority and how much is redistributed in the sector. Three potential options exist in relation to the basis of the reset, notably No Reset (All growth retained); Full Reset (No growth retained) or Partial Reset (Proportion of growth retained) with the growth not retained being redistributed across the local government sector.
- 5.9.8 The latest consultation documents indicate that a phased reset is favoured by Government. Under a phased reset: authorities retain each year’s growth (or loss) in rates for a set number of years and thereafter that growth (or loss) is redistributed. This scheme is similar to the New Homes Bonus rolling programme although the number of years growth would be retained is yet to be determined. The illustrative model in the consultation document uses a five year timeframe and under this timeframe each year, a new year’s growth is added to the amount retained by the authority up to a maximum of five years’ worth of growth. In the sixth year, the first year’s growth is redistributed amongst all local authorities according to Baseline Funding Levels. Thereafter, each year sees the current year’s growth added to the amount retained and an

historic year's growth redistributed. Under this option it would not matter when growth came 'on stream' as all growth would count

- 5.9.9 A partial/ proportional reset is still being considered by Government and forms part of the Consultation. Under this option Business Rates Baselines and Baseline Funding Levels are held constant for a set number of years and at a reset a percentage of the growth achieved over the previous period is redistributed, with the remaining percentage retained by individual local authorities. This percentage of this option is yet to be determined and the Government is seeking views on this as part of the consultation questions
- 5.9.10 It is not expected that authorities experiencing decline in their rates would retain this entering a new reset period. Whereas the retention of some growth into a new reset period smooths 'cliff edges' and supports longer term planning, equally, regardless of timing.
- 5.9.11 As stated earlier it is considered that the determination of how Resets will be applied will have a material impact on this authority, with over £1.6 million of growth currently retained. In addition 2020-21 will see the opening of Mill Green Designer Outlet Village with gross rates estimated to be in the region of £3.3 million and how long the additional net growth of £1-1.2 million can be retained by this Council is key to its Financial Planning. In addition the design of the other key elements of a Business Rates Retention Scheme including the Levy on new growth ; Safety Net levels; treatment of Appeals and Valuation Changes; determination of Central and Local Rating lists and the benefits of Pooling will all influence the actual business rates retained by this council.

New Homes Bonus

- 5.9.12 The Technical Consultation on the Local Government Settlement indicated that the government also intended to amend the New Homes Bonus Scheme post 2019-20. The consultation stated that the scheme would be amended to be more effective in incentivizing housing growth with as an example using the Housing Delivery Test results to reward delivery or incentivizing plans that meet or exceed local housing need.
- 5.9.13 The Council awaits consultation on the changes and in particular how the payments of the current four year entitlement to NHB generated in a particular year (legacy payments) are to be dealt with.

6. General Fund Revenue Draft Budget 2019-20 to 2021-22

- 6.1 The table below sets out the Council's current draft General Fund Revenue Budget position for 2019-20 and indicative budgets for 2020-21 and 2021-22.
- 6.2 As stated previously Government Funding for 2020-21 cannot be determined at this stage with figures representing this council's interpretation of the new funding regime.

Table 3: General Fund Draft Budget 2019-20 to 2021-22			
	Budget 2019-20	Budget 2020-21	Budget 2021-22
	£000	£000	£000
Net Expenditure			
Portfolio budgets	12,234	12,656	12,988
Investment interest	(177)	(198)	(177)
Technical items	1,015	843	419
Net Spending	13,072	13,301	13,230
Less: Government Grants			
Levy Account Surplus	(46)		
NNDR Multiplier	(97)	(97)	(97)
New Homes Bonus	(1,437)	(1,353)	(1,095)
Budget Requirement	11,492	11,851	12,038
Financing			
Collection Fund surplus	(100)		
Business Rates	(5,225)	(4,777)	(5,367)
Revenue Support Grant			
Council Tax Income	(6,269)	(6,471)	(6,682)
Total Financing	(11,594)	(11,248)	(12,049)
Transfer to Working Balances	(102)		(11)
Transfer from Working Balances		603	

6.3 The material changes occurring since the Financial Plan can be summarised as follows:-

Table 4: Revenue Budget Surplus/Deficit Reconciliation			
	Budget 2019-20	Budget 2020-21	Budget 2021-22
	£000	£000	£000
Financial Plan Original	437	744	105
Social alarms residual savings	(47)	(47)	(48)
Floral Decorations	15		
Combined authority	-	10	10
Dry Recycling	77	78	80
MSCP Security/mothballing	51		
Markets Income	29	29	32
Utilities	21	15	15
Waste Contingency	(100)	(100)	(100)
LDF Rolling Programme			50
Other	58	49	32
Capital Financing Charges		(39)	(39)
Levy account Surplus	(46)		
New Homes Bonus (net of reserve trsf)	(36)	(62)	(62)
Business Rates Pilot (net of reserve trf)	(500)		
SBRR supplementary grant	(46)	(47)	(47)
Other Financing	(15)	(27)	(39)
Revised Surplus	(102)	603	(11)

- 6.4 The budget for 2019-20 shows Total Financing exceeds the Budget Requirement by £0.102 million and represents a Contribution to Working Balances in that year.
- 6.5 A deficit now exists in 2020-21 reflecting revised phasing of projected business rates growth. Although a small surplus exists in 2021-22 this is subject to the caveats that exist in relation to the funding levels for New Homes Bonus and Business Rates Retention.
- 6.6 It should be noted that the position outlined above for 2019-20 is draft, reflecting a provisional settlement, and could marginally change between now and the Council Tax being set by Council in late February. Costs relating to capital charges and the allocation of departmental and support services recharges have been disregarded as they do not affect the level of expenditure to be met from Council Tax.

7. Council Tax Base and Collection Fund

- 7.1 The final part of the consideration of the Budget is the Council Tax base. This is the number of properties in the district expressed in terms of Band D equivalents. The amount of money that the Council can raise per £1 charge for a Band D equivalent property can be established from the tax base.
- 7.2 The Council's gross tax base for budget purposes will see an increase of 1.7% in 2019-20 reflecting new properties being built in the district, and a reduction in the cost of the Local Council Tax Reduction Scheme.
- 7.3 The Council's Tax Base is now calculated on the following basis:

Council Tax base for budget setting purposes	32,320.79	
Less: impact of Local Council Tax Reduction Scheme	<table border="1"><tr><td>(3,446.33)</td></tr></table>	(3,446.33)
(3,446.33)		
	28,874.46	

- 7.4 Details of the tax base, broken down over parishes are set out in **Appendix 8**.
- 7.5 The Council's Collection Fund has been reviewed as part of the budget process and is expected to break even in 2019-20 with the 2017-18 surplus being applied in 2019-20.

8. Council Tax 2018-19

- 8.1 In determining the level of Council Tax for 2019-20 Cabinet will need to take into account the medium term financial position and the Council Tax Referendum Thresholds.
- 8.2 The Localism Act 2011 contains provisions to veto excessive Council Tax increases by means of a referendum. The Council Tax Referendum threshold principles for 2018-19 were amended as part of the 2018-19 Provisional Settlement to reflect the prevailing level of inflation. This 3 percent threshold for a referendum is repeated for 2019-20.
- 8.3 Authorities planning to set excessive council tax increases would be required to draw up shadow budgets with both budgets being approved as part of the

budget process and a referendum held in May. If the rise in Council Tax is rejected the shadow budget would be adopted immediately and refunds made to residents in accordance with a predetermined timetable.

- 8.4 The Financial Plan as considered by Cabinet in November was based upon the 1.95% increase as assumed as part of the 2018-19 budget. A 1% increase amounts to £61,000 per annum.
- 8.5 In light of the above considerations Cabinet are proposing that the Band D Council Tax for 2019-20 will increase to £217.09 as proposed last year.
- 8.6 The final level of Council Tax levied will be determined by Council on 20 February 2019. The figures set out in this report may require minor amendment if any further information emerges before then.
- 8.7 The total Council Tax for the District will reflect the spending decision made by the County Council, the Office of the Police and Crime Commissioner and the Fire Authority. In addition, in certain areas, parish council precepts are also added to the overall bill.

9. Reserves and Balances

- 9.1 Reserves and Balances comprise General Reserves, the Working Balance and Earmarked Reserves. The general strategy for using unallocated reserves is that they are used to meet shortfalls in the net budget during the year. This is particularly important in the current economic circumstances when sources of income, at both national and local level, are particularly volatile.
- 9.2 In accordance with the recommendations contained in the report the level of Working Balances as at 31 March each year is as follows:

Table 5: Level of Working Balances				
	31/03/19	31/03/20	31/03/21	31/03/22
	£000	£000	£000	£000
Balance B/fwd.	3,136	2,868	2,970	2,367
Applied in Year	(268)	102	(603)	11
Balance C/fwd.	2,868	2,970	2,367	2,378
Minimum	(1,000)	(1,000)	(1,061)	(1,006)
Surplus to Support Budget	1,868	1,970	1,306	1,372

- 9.3 The Council's General Fund working balance currently stands at £3.136 million and was expected to increase by £0.121 million during 2018-19. The latest forecast indicates a transfer from Working Balances of £0.268 million with a Working Balance of £2.868 million forecast as at 31 March 2019. The prudent level of Working Balance for 2019-20 is recommended to be £0.704 million as set out in **Appendix 1**, but rising to just over £1.006 million in 2021-22. In light of the great deal of uncertainty that exists thereafter in relation to the proposed changes to the Governments Funding Regime for local government and in particular Business Rates and New Homes Bonus it is envisaged that only £1.372 million is available to support the budget from 2019-20 onwards

- 9.4 The Council holds a number of earmarked reserves for specific purposes. In light of the challenges facing the Council last year a comprehensive review of all reserves was undertaken. Reserves continue to be reviewed on an annual basis and any, which are identified to be no longer required, are incorporated within the Budget Support working balance.
- 9.5 A summary of earmarked reserves incorporating their planned use over the next four years is detailed below with a more detailed analysis of Other General reserves attached at **Appendix 6**.

Table 6: General Fund Reserves				
	31/03/19	31/03/20	31/03/21	31/03/22
	£'000	£'000	£'000	£'000
Revenue				
Building Maintenance Reserve	-28	-8	-	-
Bond	226	248	270	280
Budget Support	866	1,154	1,785	1,975
Contingency	373	373	373	373
Corporate	358	233	227	221
Partner	89	92	94	97
Ring-fenced	72	72	57	53
Service Grant	69	69	69	69
Rollovers	98	98	98	98
Shared Services	416	416	416	416
Pension Reserve	-	-	-	-
Other	1,459	1,478	1,470	1,471
Donations	6	6	6	6
Grants	498	590	521	457
Section 106	2,209	2,117	2,050	2,033
Sub-Total	6,711	6,938	7,436	7,459
Capital				
Capital	752	752	752	752
RCCO	999	183	92	1
Sub-Total	1,751	935	844	753
Grand Total	8,462	7,873	8,280	8,302

- 9.6 **Appendix 7** sets out the required report on the robustness of the budget estimates and the adequacy of the Council's reserves

10. Medium Term Outlook

- 10.1 There is currently great uncertainty over how a Government will fund Councils into the future via Business Rates and New Homes Bonus. The Business Rates Scheme in particular carries the greatest uncertainty with a 75% Retention Scheme to be designed; Fair Funding taken into account and a Reset of baselines all due. In light of the uncertainty as reflected in various sections of this report it is difficult to identify the true overall position going forward.

10.2 The forecast small deficit in 2021-22, based upon prudent assumptions re the new funding regime, together with the level of Working Balances to support the budget will enable the Council to adjust to its new funding resource level over the next three years.

11. Capital Programme 2018-19 to 2021-22

11.1 On 7 February 2018, Council approved a capital programme to 2020-21. This programme has been updated to include approved changes, re-profiled to reflect current spend estimates reflecting slippage in schemes and more up to date information on costs. The updated programme is attached at **Appendix 3** with anticipated expenditure and resources as reflected by the Capital Budget included at **Appendix 4**.

11.2 In addition to the above the programme now includes the rolling programme of expenditure requirements for the new programme year 2021-22 together with a breakdown of replacement vehicles and equipment over the various services.

11.3 The programme includes the major scheme for additional cemetery provision together with a number of Section 106 schemes. Limited project capacity within the authority has hindered the implementation of the latter and the advancement of new schemes. Provision has therefore been made in the revenue budget for a project / development officer, to be funded from existing reserves, to support their delivery.

11.4 Programmed expenditure, requiring a permission to spend report, now includes £0.174 million for a Toilet Block at Hednesford Park. The scheme, subject to HLF approval is to be funded from a reallocation of existing HLF grant funding and Section 106 receipts

Table 7: Uncommitted Capital Resources		
	General Fund	Section 106
	£000	£000
Capital resources brought forward at 1 April 2018	6,572	1,346
Capital Receipts	8,364	
Section 106		70
Capital Grants	3,517	
Joint Investment Fund	243	
Revenue contribution to Capital Outlay	0	
Use of Reserves	84	
Draft Capital Programme 2018-19 to 2021-22	(14,818)	(511)
Transfer part of RCCO reserve to revenue	(818)	
Debt repayment (loan transferred to HRA)	(2,375)	
Set A side	(204)	
Remaining resources at 31 March 2022	565	905

11.6 The resources position currently identifies a surplus of £0.565 million of General Fund resources. However it should be noted that this position includes capital receipts forecast from the sale of residual property of £0.625 million which are yet to be received. This balance also includes restricted grants of £0.257 million.

12 Implications**12.1 Financial**

The potential loss of income in relation to New Homes Bonus; the Fair Funding Review combined with the reset of business rates growth represents key risks which will undoubtedly impact on the Council's ability to deliver services in the future. The impact can be reduced (or increased) dependant upon the actual schemes introduced as a result of the New Financial Regime and the growth opportunities / risks associated with the Business Rates Retention scheme.

12.2 Legal

The legal implications are set out throughout the report including the statutory requirement for the Council to set a balanced budget.

12.3 Human Resources

Details of implications or "None".

12.4 Section 17 (Crime Prevention)

Details of implications or "None".

12.5 Human Rights Act

Details of implications or "None".

12.6 Data Protection

Details of implications or "None".

12.7 Risk Management

Risk management issues have been covered in the report detail.

12.8 Equality & Diversity

Details of implications or "None".

12.9 Best Value

In preparing a balanced budget for consultation Cabinet will need to ensure that due regard is made to Equality and Diversity implications as well as financial considerations. The standstill budget will reflect the Council's current Equality and Diversity policy whereas changes to service provision will need to be addressed as part of the Delivering Change process.

13 Appendices to the Report

- Appendix 1: Risks considered in determining the Working Balance
- Appendix 2: Detailed Portfolio Budgets and Variation Statements
- Appendix 3: Capital Programme 2018-19 to 2021-22
- Appendix 4: General Fund and Section 106 Capital Budgets
2018-19 to 2021-22
- Appendix 5: Business Rates Retention – Retained Income
- Appendix 6: Other General Fund Earmarked Reserves
- Appendix 7: Robustness of the Budget Estimates and the Adequacy of the
Council's Reserves
- Appendix 8: Council Tax Base – Parishes

Previous Consideration

Financial Plan 2018-19 to 2021-22

Cabinet

8 November, 2018

Background Papers

None.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
Resources								
Business Rates Baseline (Revenue Support Grant)	Medium	N/A	+0.300	+0.600		+0.150	+0.300	The Provisional Settlement has been received for 2019-20 and is in line with the details as contained in the 4 year settlement re 2016-17 to 2019-20. A new funding regime comes into place from 2020-21 based upon a Fair Funding Assessment. It is likely that the new regime will result in a rebalancing of support to local authorities with social care responsibilities. Although RSG ceases in 20-21 the government still has the power to reduce the Business Rates Baseline via negative RSG. A 10% reduction in core funding amounts to £0.300 million.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
Resources								
75% Business Rates	Med	N/A	+0.700	+0.700			+0.250	A new 75% Business Rates Retention Scheme is to be introduced in 2020-21. The design of a 75% scheme will be subject to detailed consultation and hence at this stage its implications cannot be determined. In reviewing the work undertaken nationally in designing a scheme the following key issues have been identified for this Authority : Core Funding/Fair Funding Baseline ;Tier Splits; Transitional Funding and Resets. The latter provides the greatest threat with at present a 5 year rolling programme similar to New Homes Bonus being favoured. Existing growth will therefore be eliminated on a 5 year cycle unless replaced by new growth, Existing growth amounts to £1.4 million and a reduction of £0.7 million is included in the budget .If the existing growth is greater than 5 years old a full reset will occur.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
- Volatility in Business Rates	Med/ Low		+0.358	+0.852		+0.358		The Council will be exposed to volatility or reduction in its business rates due to the failure or temporary closure of a key industry , delay in the implementation of new schemes ; the impact of Appeals against Rateable Values and increased void periods . Government proposals for the new system attempt to mitigate the impact of appeals and a new Safety Net or guarantee of core funding of 95% (as compared to the current 92.5% guarantee) is proposed. The provisional Baseline for 2019-20 amounts to £2.995m with a resultant safety net requirement of £2.845m (reflecting our pilot status) in 2019-20.Current projections indicate actual Business Rates will be £1.642 m above the baseline and hence in addition to Safety Net requirements. Provision exists for additional Growth from Mill Green in 20-21 with a full year effect in 21-22 which is an additional risk in terms of potential delay in the project.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
Council Tax Base	Med		+/- 0.063	+/- 0.063		+/- 0.015	+/- 0.015	The Council Tax base for 2019-20 is based upon a cut off point each year and although figures are up to date at November 2018 they will vary as properties become occupied /unoccupied etc. and the impact of new properties coming in line during the next financial year. The major risk relates to whether the forecast increase in Council Tax base can be achieved. The budget assumes a 1.25 % increase in 2020-21 and 2021-22. A 1% variation amounts to approximately £62,700.
Council Tax	Low	0.270						Council Tax increases will be subject to a referendum if considered excessive by the Government. Current assumptions are within the referendum criteria

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
New Homes Bonus	Low		+1.291	+1.136 -0.200		+0.200	+/- 0.200	The government have stated for a number of years that they intend to review the current scheme,(reiterated as part of 2019-20 Technical Consultatio). however details are still awaited. The Budget at this stage post 2019-20 reflects the continuation of the scheme in 2020-21 and would resort to legacy payments only thereafter if an housing delivery target is established. The continuation of the current scheme could also see a change re the deadweight baseline currently 0.4% per annum. The Government have indicated that they will retain the option of making adj's to the baseline in future years in the event of a significant increase in housing growth. A. 0.1% change in deadweight equates to £0.046m.
	Med		+0.046	+0.092		+0.023	+0.026	

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
<u>Realism of standstill budget</u>								The budget is based upon realistic estimates with the strategy assuming all budgets will be controlled within agreed levels. However, a number of budgets are not within the control of the Council or involve a risk element.
Staff Turnover	Low	+0.350	+0.360	+0.370		+0.035	+0.035	The budget contains annual savings of approximately £0.350m due to staff turnover. The current economic climate restricts the opportunities for external migration however corporate budgetary control exists to ensure that the employee budget is contained within the overall budget.
Provision for Bad Debts	Med	+0.100	+0.100	+0.100	+0.050	+0.050	+0.050	The introduction of the Council Tax Reduction scheme resulted in an increase in the amount some people previously in receipt of council tax benefit are required to pay to the Council. It is unknown how much of this additional debt will be collectable and so the level of bad debts for the Council may increase.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
<u>Realism of standstill budget</u>								
Actuarial Valuation	Med		+0.096	+0.096		+0.048	+0.048	The Actuarial Valuation of the Pension Fund covers the period 207-18 to 2019-20. A new valuation will apply for 2020-21 and a continuation of the current stabilisation increases of 2% per annum is reflected in the draft budget. A 1% variation amounts to £0.096 million
<u>Customer & Client Receipts</u>								
Car Park Income	Med	+0.090	+0.110	+0.110	+0.020	+0.027	+0.027	Car park income for 2017-18 was some £0.022 lower than the budget and current figures indicate that there may be a shortfall of £0.010 million for 2018-19. . Provision does however exist for additional net income of £0.110 from the Civic Centre pay and display car park and demand for use for all car parks could impact on income.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
Planning Fees	Med/High	+/- 0.055	+/- 0.160	+/- 0.160	+ 0.027	+/- 0.080	+/- 0.080	Planning fees income continues to show a downturn with the base budget showing ongoing reductions of £126,000 as compared to five years ago. In particular any downturn in major applications will impact on planning fee income. The Council have elected to increase planning fees by 20% with the additional income to be invested in the planning department. Any downturn in applications will therefore be further enhanced by the additional investment incurred.
Recycling Credits	N/A							The review of Green Waste Recycling Credits has been concluded and a phased 4 year reduction included in the Draft Budget. However the full implementation of the change will result in a deficit on the scheme between gate fees and credits which may require a change in service at the next break clause.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
<u>Inflation</u>	Low							Annual inflation of 2% for prices and 2% for pay and 2% income have been included within the standstill budget.
Pay Awards	Low /Med		+0.200	+0.300		+0.050	+0.150	A 2 year pay detail is currently in place through 2018-19 and 2019-20. . A 1% variation amounts to £100,000 net of recharges. Provision of 2% has been budgeted for 2020/21 onwards at this stage.
Interest Rates	Med	- 0.018	- 0.090	- 0.090		-0.030	-0.030	The amount earned depends on the prevailing interest rates and the level of cash balances held.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		19-20 £m	20-21 £m	21-22 £m	19-20 £m	20-21 £m	21-22 £m	
Rates	Low		+0.024	+0.036				Variations to the budget will arise if the NNDR multiplier increases are in excess of the Council inflation assumption. Recent Government announcements suggest that increases will be lower than the September inflation levels.
Energy	Low/ Med							Energy prices are subject to volatility and although a time lag exists between changes in wholesale food and energy costs and actual charges, the budget reflects the latest contracts for energy supply.
General Contingency					+0.200	+0.150	+0.150	Future year's budgets reflect the ongoing aggregate implications of assumptions that have a high risk identified unless separately identified. Provision will however be required for unforeseen events
Maximum					0.297	1.156	1.301	
Minimum					0.297	0.966	0.711	
Average					0.297	1.061	1.006	
Audit Commission					0.704	0.732	0.728	

Corporate Improvement

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Legal Services				
Third Party Payments	237,550	245,770	254,080	263,080
Total Expenditure	237,550	245,770	254,080	263,080
Income	(155,920)	(162,180)	(168,730)	(175,480)
Total Income	(155,920)	(162,180)	(168,730)	(175,480)
Legal Services Net Expenditure	81,630	83,590	85,350	87,600
2 Technology				
Supplies & Services	46,420	47,250	47,940	48,510
Third Party Payments	707,770	725,620	740,950	756,520
Total Expenditure	754,190	772,870	788,890	805,030
Income	(167,970)	(175,440)	(182,500)	(189,810)
Total Income	(167,970)	(175,440)	(182,500)	(189,810)
Technology Net Expenditure	586,220	597,430	606,390	615,220
3 Governance				
Employee Expenses	96,780	104,890	104,590	107,850
Transport Related Expenditure	1,040	1,050	1,060	1,070
Supplies & Services	30,720	31,020	31,320	31,630
Total Expenditure	128,540	136,960	136,970	140,550
Income	(30,000)	(30,290)	(30,700)	(31,100)
Total Income	(30,000)	(30,290)	(30,700)	(31,100)
Governance Net Expenditure	98,540	106,670	106,270	109,450
4 Human Resources				
Third Party Payments	227,980	237,890	245,870	255,890
Total Expenditure	227,980	237,890	245,870	255,890
Income	(132,330)	(137,640)	(143,200)	(148,920)
Total Income	(132,330)	(137,640)	(143,200)	(148,920)
Human Resources Net Expenditure	95,650	100,250	102,670	106,970
5 Customer Services				
Employee Expenses	229,100	236,250	244,770	253,350
Premises Related Expenditure	1,650	-	-	-
Supplies & Services	81,610	83,960	84,740	85,600
Total Expenditure	312,360	320,210	329,510	338,950
Income	(85,000)	(88,410)	(91,970)	(95,650)
Total Income	(85,000)	(88,410)	(91,970)	(95,650)
Customer Services Net Expenditure	227,360	231,800	237,540	243,300
6 Corporate Services				
Employee Expenses	115,140	122,060	124,820	129,100
Supplies & Services	83,630	87,400	78,090	78,860
Total Expenditure	198,770	209,460	202,910	207,960
Income	(33,100)	(38,060)	(39,180)	(40,430)
Total Income	(33,100)	(38,060)	(39,180)	(40,430)
Corporate Services Net Expenditure	165,670	171,400	163,730	167,530

Corporate Improvement

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
7 Communications				
Employee Expenses	169,400	240,130	248,150	256,310
Transport Related Expenditure	2,130	3,110	3,130	3,140
Supplies & Services	38,940	37,510	37,850	38,160
Total Expenditure	210,470	280,750	289,130	297,610
Income	(24,740)	(23,720)	(23,880)	(24,040)
Total Income	(24,740)	(23,720)	(23,880)	(24,040)
Communications Net Expenditure	185,730	257,030	265,250	273,570
8 Policy & Performance				
Employee Expenses	174,190	103,100	108,190	113,360
Transport Related Expenditure	1,260	310	320	320
Supplies & Services	5,030	11,130	11,230	11,330
Total Expenditure	180,480	114,540	119,740	125,010
Policy & Performance Net Expenditure	180,480	114,540	119,740	125,010
9 Land Charges				
Employee Expenses	28,780	29,870	30,860	31,870
Supplies & Services	39,100	41,220	41,080	41,500
Total Expenditure	67,880	71,090	71,940	73,370
Income	(92,580)	(71,090)	(71,940)	(73,370)
Total Income	(92,580)	(71,090)	(71,940)	(73,370)
Land Charges Net Expenditure	(24,700)	-	-	-
10 Audit				
Employee Expenses	190,800	203,330	211,890	221,380
Transport Related Expenditure	1,890	1,340	1,360	1,370
Supplies & Services	36,550	36,730	37,100	37,480
Total Expenditure	229,240	241,400	250,350	260,230
Income	(107,780)	(111,660)	(115,000)	(118,050)
Total Income	(107,780)	(111,660)	(115,000)	(118,050)
Audit Net Expenditure	121,460	129,740	135,350	142,180
11 Risk				
Employee Expenses	164,920	146,810	153,580	160,180
Transport Related Expenditure	3,540	4,140	4,170	4,210
Supplies & Services	612,880	632,270	635,210	639,980
Total Expenditure	781,340	783,220	792,960	804,370
Income	(664,040)	(681,330)	(700,190)	(722,490)
Total Income	(664,040)	(681,330)	(700,190)	(722,490)
Risk Net Expenditure	117,300	101,890	92,770	81,880

Corporate Improvement

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
12 Resilience				
Employee Expenses	43,960	46,610	47,970	49,390
Premises Related Expenditure	140	140	140	140
Supplies & Services	34,770	35,160	35,550	35,890
Total Expenditure	78,870	81,910	83,660	85,420
Income	(49,490)	(50,710)	(51,980)	(53,110)
Total Income	(49,490)	(50,710)	(51,980)	(53,110)
Resilience Net Expenditure	29,380	31,200	31,680	32,310
13 Social Alarms				
Employee Expenses	262,640	88,110	93,110	98,160
Transport Related Expenditure	1,740	1,050	1,060	1,070
Supplies & Services	40,340	4,050	4,090	4,140
Third Party Payments	66,820	49,950	50,950	51,970
Total Expenditure	371,540	143,160	149,210	155,340
Income	(254,300)	(97,010)	(101,750)	(104,840)
Total Income	(254,300)	(97,010)	(101,750)	(104,840)
Social Alarms Net Expenditure	117,240	46,150	47,460	50,500
Corporate Improvement Net Expenditure	1,981,960	1,971,690	1,994,200	2,035,520

Corporate Improvement PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	1,509	- 188	1,321	1,549	- 181	1,368	26	27	1,421
Premises Related Costs	2	- 2	-	2	- 2	-	-	-	-
Transport Related Costs	13	- 2	11	14	- 3	11	-	-	11
Supplies and Services	1,103	- 55	1,048	1,110	- 66	1,044	10	- 1	1,053
Third Party Payments	1,209	50	1,259	1,232	60	1,292	25	11	1,328
Total Expenditure	3,836	- 197	3,639	3,907	- 192	3,715	61	37	3,813
Income	- 1,897	230	- 1,667	- 1,940	219	- 1,721	- 57	1	- 1,777
Net Expenditure	1,939	33	1,972	1,967	27	1,994	4	38	2,036

Corporate Improvement Portfolio**Proposed Real Terms / Efficiency Variations****2019/20 Change**

	£'000	£'000
<u>Real Term Variations</u>		
Reduced Insurance Premiums		-16
Information Governance (shared service)		
Employees	15	
Supplies	5	
Income	-20	0
Social alarms service (transfer to Redditch)		
Employees	-159	
Supplies	-63	
Third Party	50	
Income	250	78
Staffing variations (reductions following social alarms transfer)		-47
Modern slavery		5
CRM - additional licence costs		8
Additional postages cost		10
minor variations		-5
		<u>33</u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Pay award		14
Reduced Insurance Premiums		-16
Information Governance (shared service)		
Employees	15	
Supplies	5	
Income	-20	0
Social alarms service (transfer to Redditch)		
Employees	-163	
Supplies	-64	
Third Party	60	
Income	250	83
Staffing variations (reductions following social alarms transfer)		-47
Modern slavery		2
CRM - additional licence costs		8
Increased HRA recharge		-11
minor variations		-6
		<u>27</u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		26
Shared service payments to SBC		10
minor variations		2
		<u>38</u>

Crime & Partnerships

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Partnerships				
Employee Expenses	166,650	177,020	185,700	193,110
Premises Related Expenditure	18,920	17,780	17,930	18,290
Transport Related Expenditure	2,350	2,370	2,390	2,420
Supplies & Services	157,770	8,160	8,250	8,340
Total Expenditure	345,690	205,330	214,270	222,160
Income	(149,690)	-	-	-
Total Income	(149,690)	-	-	-
Partnerships Net Expenditure	196,000	205,330	214,270	222,160
2 CCTV				
Employee Expenses	122,280	131,210	135,880	140,650
Premises Related Expenditure	7,030	-	-	-
Supplies & Services	94,550	86,400	87,260	88,130
Total Expenditure	223,860	217,610	223,140	228,780
Income	(55,120)	(49,140)	(50,240)	(51,370)
Total Income	(55,120)	(49,140)	(50,240)	(51,370)
CCTV Net Expenditure	168,740	168,470	172,900	177,410
Crime & Partnerships Net Expenditure	364,740	373,800	387,170	399,570

Crime & Partnerships PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	304	4	308	312	10	322	6	6	334
Premises Related Costs	19	- 1	18	19	- 1	18	-	-	18
Transport Related Costs	2	-	2	2	-	2	-	-	2
Supplies and Services	95	-	95	96	- 1	95	1	1	97
Total Expenditure	420	3	423	429	8	437	7	7	451
Income	- 49	-	- 49	- 50	-	- 50	- 1	-	- 51
Net Expenditure	371	3	374	379	8	387	6	7	400

Crime & Partnerships Portfolio

Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Staffing variations		6
minor variations		-3
		<u>3</u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Staffing variations		7
minor variations		1
		<u>8</u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		5
minor variations		2
		<u>7</u>

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Culture and Sport

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Parks & Open Spaces				
Employee Expenses	483,820	462,970	475,880	465,870
Premises Related Expenditure	395,870	406,840	420,920	434,880
Transport Related Expenditure	16,150	17,860	18,170	18,540
Supplies & Services	173,170	188,900	177,330	168,320
Third Party Payments	142,760	176,210	181,180	186,240
Total Expenditure	1,211,770	1,252,780	1,273,480	1,273,850
Income	(174,960)	(153,080)	(155,250)	(139,620)
Total Income	(174,960)	(153,080)	(155,250)	(139,620)
Parks & Open Spaces Net Expenditure	1,036,810	1,099,700	1,118,230	1,134,230
2 Stadium				
Employee Expenses	18,190	40,990	41,810	42,540
Premises Related Expenditure	30,470	30,480	30,490	30,500
Supplies & Services	38,720	38,720	38,720	38,720
Total Expenditure	87,380	110,190	111,020	111,760
Stadium Net Expenditure	87,380	110,190	111,020	111,760
3 Cemeteries				
Employee Expenses	100,200	104,910	108,880	112,900
Premises Related Expenditure	49,790	52,130	53,230	54,330
Transport Related Expenditure	5,220	5,340	5,460	5,580
Supplies & Services	21,200	18,990	19,190	19,450
Total Expenditure	176,410	181,370	186,760	192,260
Income	(175,970)	(174,940)	(178,470)	(181,970)
Total Income	(175,970)	(174,940)	(178,470)	(181,970)
Cemeteries Net Expenditure	440	6,430	8,290	10,290
4 Contract Monitoring				
Employee Expenses	184,170	236,830	243,260	249,830
Premises Related Expenditure	10,690	10,800	10,910	11,020
Transport Related Expenditure	9,520	9,720	9,920	10,090
Supplies & Services	3,190	3,220	3,240	3,260
Total Expenditure	207,570	260,570	267,330	274,200
Income	(42,980)	(90,310)	(92,110)	(93,970)
Total Income	(42,980)	(90,310)	(92,110)	(93,970)
Contract Monitoring Net Expenditure	164,590	170,260	175,220	180,230
5 Leisure Management Contract				
Premises Related Expenditure	172,050	175,490	179,010	182,590
Supplies & Services	1,727,700	1,740,010	1,779,140	1,764,060
Total Expenditure	1,899,750	1,915,500	1,958,150	1,946,650
Income	(171,930)	(175,370)	(178,860)	(182,420)
Total Income	(171,930)	(175,370)	(178,860)	(182,420)
Leisure Management Contract Net Expenditure	1,727,820	1,740,130	1,779,290	1,764,230

Culture and Sport

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
6 Leisure, Planning & Marketing				
Employee Expenses	95,250	98,350	101,540	104,780
Transport Related Expenditure	1,110	1,120	1,130	1,140
Supplies & Services	27,560	7,730	7,850	7,940
Total Expenditure	123,920	107,200	110,520	113,860
Income	(38,480)	(18,710)	(18,710)	(18,710)
Total Income	(38,480)	(18,710)	(18,710)	(18,710)
Leisure, Planning & Marketing Net Expenditure	85,440	88,490	91,810	95,150
7 Allotments				
Premises Related Expenditure	2,500	2,560	2,600	2,640
Total Expenditure	2,500	2,560	2,600	2,640
Income	(4,640)	(4,640)	(4,640)	(4,640)
Total Income	(4,640)	(4,640)	(4,640)	(4,640)
Allotments Net Expenditure	(2,140)	(2,080)	(2,040)	(2,000)
Culture and Sport Net Expenditure	3,100,340	3,213,120	3,281,820	3,293,890

Culture & Sport PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	689	255	944	706	265	971	17	- 12	976
Premises Related Costs	951	- 273	678	973	- 276	697	12	7	716
Transport Related Costs	20	14	34	20	15	35	-	-	35
Supplies and Services	1,898	100	1,998	1,939	87	2,026	37	- 61	2,002
Third Party Payments	150	26	176	154	27	181	-	5	186
Total Expenditure	3,708	122	3,830	3,792	118	3,910	66	- 61	3,915
Income	- 577	- 40	- 617	- 587	- 41	- 628	- 9	16	- 621
Net Expenditure	3,131	82	3,213	3,205	77	3,282	57	- 45	3,294

Culture & Sport Portfolio

Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Parks in house team		
Employees	210	
Premises	-283	
Transport	14	
Supplies	59	0
Leisure management contract inflation		26
Floral decorations		15
Increased recharges due to sweeper revenue cost		
Streetcleansing	25	25
Contract monitoring (project support funded frm reserves)		
Employees	46	
Income	-46	0
Additional cemeteries rates and utilities		3
Reduced cemeteries income		7
minor variations		6
		<u>82</u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Pay award		5
Parks in house team		
Employees	215	
Premises	-289	
Transport	15	
Supplies	59	0
Contract monitoring (project support funded frm reserves)		
Employees	46	
Income	-46	0
Leisure management contract inflation		26
Increased recharges due to sweeper revenue cost		
Streetcleansing	25	25
Increased grounds recharge		11
Reduced cemeteries income		5
minor variations		5
		<u>77</u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		10
Increased recharges following pay award		
Streetcleansing	5	
Grounds	<u>6</u>	11
Reduced Leisure Management contract payment		-50
Heritage Lottery Fund (HLF)		
Employees	-22	
Supplies	-11	
Income	<u>16</u>	-17
minor variations		1
		<u><u>-45</u></u>

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Economic Development and Planning

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Economic Development				
Employee Expenses	175,400	195,910	178,360	179,730
Transport Related Expenditure	2,610	2,660	2,710	2,740
Supplies & Services	112,040	419,710	19,870	20,050
Total Expenditure	290,050	618,280	200,940	202,520
Income	(125,670)	(429,490)	(5,380)	-
Total Income	(125,670)	(429,490)	(5,380)	-
Economic Development Net Expenditure	164,380	188,790	195,560	202,520
2 Management & Support				
Employee Expenses	357,450	410,120	424,760	438,500
Transport Related Expenditure	10,390	10,490	10,590	10,690
Supplies & Services	106,120	169,020	64,250	144,480
Total Expenditure	473,960	589,630	499,600	593,670
Income	(94,300)	(192,990)	(90,280)	(121,440)
Total Income	(94,300)	(192,990)	(90,280)	(121,440)
Management & Support Net Expenditure	379,660	396,640	409,320	472,230
3 Development Control				
Employee Expenses	283,970	254,790	266,450	277,750
Transport Related Expenditure	5,770	5,830	5,890	5,950
Supplies & Services	88,120	88,470	88,810	89,150
Total Expenditure	377,860	349,090	361,150	372,850
Income	(377,390)	(369,100)	(373,610)	(374,140)
Total Income	(377,390)	(369,100)	(373,610)	(374,140)
Development Control Net Expenditure	470	(20,010)	(12,460)	(1,290)
4 Building Control				
Employee Expenses	473,660	542,810	562,130	581,910
Transport Related Expenditure	26,720	27,040	27,360	27,640
Supplies & Services	68,610	66,210	66,810	67,480
Total Expenditure	568,990	636,060	656,300	677,030
Income	(486,770)	(517,220)	(531,310)	(545,720)
Total Income	(486,770)	(517,220)	(531,310)	(545,720)
Building Control Net Expenditure	82,220	118,840	124,990	131,310
5 Industrial Sites				
Premises Related Expenditure	6,790	6,980	7,090	7,200
Capital Financing Costs	1,610	1,610	1,610	1,610
Total Expenditure	8,400	8,590	8,700	8,810
Income	(117,000)	(122,000)	(122,000)	(122,000)
Total Income	(117,000)	(122,000)	(122,000)	(122,000)
Industrial Sites Net Expenditure	(108,600)	(113,410)	(113,300)	(113,190)

Economic Development and Planning

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
6 Public Buildings				
Employee Expenses	207,640	221,820	230,170	237,340
Premises Related Expenditure	822,060	517,250	525,840	534,460
Transport Related Expenditure	3,310	3,370	3,400	3,430
Supplies & Services	50,520	48,070	48,530	48,840
Total Expenditure	1,083,530	790,510	807,940	824,070
Income	(619,610)	(329,110)	(333,400)	(340,950)
Total Income	(619,610)	(329,110)	(333,400)	(340,950)
Public Buildings Net Expenditure	463,920	461,400	474,540	483,120
7 Civic Ballroom				
Premises Related Expenditure	600	610	620	630
Total Expenditure	600	610	620	630
Income	(9,300)	(13,700)	(13,700)	(13,980)
Total Income	(9,300)	(13,700)	(13,700)	(13,980)
Civic Ballroom Net Expenditure	(8,700)	(13,090)	(13,080)	(13,350)
8 Caretakers and Cleaners				
Employee Expenses	218,490	242,960	253,330	265,150
Premises Related Expenditure	13,570	12,760	12,760	12,890
Transport Related Expenditure	2,710	2,160	2,160	2,210
Supplies & Services	5,490	3,990	3,990	4,020
Total Expenditure	240,260	261,870	272,240	284,270
Income	(5,510)	-	-	-
Total Income	(5,510)	-	-	-
Caretakers and Cleaners Net Expenditure	234,750	261,870	272,240	284,270
Economic Development and Planning Net Expenditure	1,208,100	1,281,030	1,337,810	1,445,620

Economic Development PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	1,728	140	1,868	1,776	139	1,915	35	30	1,980
Premises Related Costs	558	- 20	538	567	- 21	546	9	-	555
Transport Related Costs	52	- 1	51	53	- 1	52	1	-	53
Supplies and Services	229	566	795	190	102	292	2	80	374
Third Party Payments	16	- 16	-	16	- 16	-	-	-	-
Capital Financing	2	-	2	2	-	2	-	-	2
Total Expenditure	<u>2,585</u>	<u>669</u>	<u>3,254</u>	<u>2,604</u>	<u>203</u>	<u>2,807</u>	<u>47</u>	<u>110</u>	<u>2,964</u>
Income	- 1,372	- 601	- 1,973	- 1,349	- 120	- 1,469	- 22	- 27	- 1,518
Net Expenditure	<u>1,213</u>	<u>68</u>	<u>1,281</u>	<u>1,255</u>	<u>83</u>	<u>1,338</u>	<u>25</u>	<u>83</u>	<u>1,446</u>

Economic Development Portfolio

Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Town Centre partnership post funded from S106		
Employees	29	
Income	-29	0
Development Control additional post funded from grant		
Employees	21	
Income	-21	0
Assumed sale of Anson street		
Premises	-25	
Supplies	-5	
Income	33	3
Property services restructure		47
Increased income from Industrial sites		-5
Community Infrastructure Levy post funded from receipts		
Employees	35	
Contribution from Reserves	-35	0
Economic Development officer full time		17
Station feasibility study		
Supplies	400	
Income	-400	0
Local Plan Review rephasing		
Expenditure	100	
Contribution from Reserves	-100	0
Ringfenced 20% increase in planning fees		
Expenditure	55	
Contribution from Reserves	-55	0
minor variations		6
		<u>68</u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Pay award		17
Town Centre partnership post funded from S106		
Employees	5	
Income	-5	0
Development Control additional post funded from grant		
Employees	25	
Income	-25	0
Assumed sale of Anson street		
Premises	-25	
Supplies	-5	
Income	33	3
Property services restructure		47
Increased income from Industrial sites		-5
Community Infrastructure Levy post funded from receipts		
Employees	37	
Contribution from Reserves	-37	0
Economic Development officer full time		17
Local Plan Review rephasing		
Expenditure	35	
Contribution from Reserves	-35	0
Ringfenced 20% increase in planning fees		
Expenditure	55	
Contribution from Reserves	-55	0
minor variations		4
		<u>83</u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Staffing variations (including increments)		8
Town Centre partnership post funded from S106		
Employees	-5	
Income	5	0
Local Plan Review rephasing and additional funding		
Expenditure	80	
Contribution from Reserves	-30	50
Increase in Superannuation		28
minor variations		-3
		<u>83</u>

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Environment

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Waste & Recycling				
Employee Expenses	232,220	239,010	251,610	264,430
Premises Related Expenditure	2,810	2,840	2,870	2,900
Transport Related Expenditure	5,570	5,690	5,810	5,900
Supplies & Services	76,110	82,410	83,000	83,830
Third Party Payments	2,388,310	2,467,470	2,547,710	2,630,140
Total Expenditure	2,705,020	2,797,420	2,891,000	2,987,200
Income	(1,075,220)	(1,042,440)	(1,010,640)	(979,880)
Total Income	(1,075,220)	(1,042,440)	(1,010,640)	(979,880)
Waste & Recycling Net Expenditure	1,629,800	1,754,980	1,880,360	2,007,320
2 Regulatory Services				
Employee Expenses	415,170	418,740	434,900	451,720
Premises Related Expenditure	980	1,000	1,020	1,040
Transport Related Expenditure	16,430	16,600	16,770	16,940
Supplies & Services	43,350	43,920	44,380	44,830
Third Party Payments	43,100	43,100	43,100	43,970
Total Expenditure	519,030	523,360	540,170	558,500
Income	(27,680)	(25,510)	(25,960)	(26,490)
Total Income	(27,680)	(25,510)	(25,960)	(26,490)
Regulatory Services Net Expenditure	491,350	497,850	514,210	532,010
3 Cleansing Services				
Premises Related Expenditure	5,690	5,750	5,810	5,870
Supplies & Services	5,370	5,430	5,480	5,530
Third Party Payments	330,540	407,970	419,470	431,190
Total Expenditure	341,600	419,150	430,760	442,590
Cleansing Services Net Expenditure	341,600	419,150	430,760	442,590
4 Drainage Services				
Premises Related Expenditure	8,360	8,440	8,520	8,610
Total Expenditure	8,360	8,440	8,520	8,610
Drainage Services Net Expenditure	8,360	8,440	8,520	8,610
5 Street Cleansing				
Employee Expenses	450,230	458,950	475,320	492,000
Premises Related Expenditure	3,190	3,250	3,320	3,390
Transport Related Expenditure	139,890	155,060	156,340	157,650
Supplies & Services	25,560	35,820	36,080	36,340
Total Expenditure	618,870	653,080	671,060	689,380
Income	(525,870)	(653,080)	(671,060)	(689,380)
Total Income	(525,870)	(653,080)	(671,060)	(689,380)
Street Cleansing Net Expenditure	93,000	-	-	-

Environment

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
6 Countryside Management				
Employee Expenses	166,020	170,370	177,720	160,270
Premises Related Expenditure	9,220	8,080	8,220	8,360
Transport Related Expenditure	12,000	12,250	12,510	12,770
Supplies & Services	54,330	54,630	42,290	29,950
Total Expenditure	241,570	245,330	240,740	211,350
Income	(62,290)	(63,720)	(52,960)	(17,360)
Total Income	(62,290)	(63,720)	(52,960)	(17,360)
Countryside Management Net Expenditure	179,280	181,610	187,780	193,990
7 Grounds Maintenance				
Employee Expenses	607,110	649,910	673,830	697,680
Premises Related Expenditure	34,740	19,010	19,310	19,620
Transport Related Expenditure	62,710	61,230	62,420	63,620
Supplies & Services	161,790	151,620	153,140	154,680
Total Expenditure	866,350	881,770	908,700	935,600
Income	(870,650)	(881,770)	(908,700)	(935,600)
Total Income	(870,650)	(881,770)	(908,700)	(935,600)
Grounds Maintenance Net Expenditure	(4,300)	-	-	-
8 Conservation Areas				
Employee Expenses	145,000	149,940	155,070	160,250
Transport Related Expenditure	4,880	4,990	5,040	5,090
Supplies & Services	2,130	2,150	2,170	2,190
Total Expenditure	152,010	157,080	162,280	167,530
Conservation Areas Net Expenditure	152,010	157,080	162,280	167,530
9 Public Clocks				
Premises Related Expenditure	4,690	4,950	5,080	5,200
Total Expenditure	4,690	4,950	5,080	5,200
Public Clocks Net Expenditure	4,690	4,950	5,080	5,200
10 Off Street Parking				
Premises Related Expenditure	261,150	470,290	330,460	336,680
Transport Related Expenditure	10	10	10	10
Supplies & Services	114,440	137,630	139,760	144,100
Third Party Payments	15,210	28,780	29,310	29,850
Total Expenditure	390,810	636,710	499,540	510,640
Income	(750,210)	(1,089,550)	(944,760)	(944,900)
Total Income	(750,210)	(1,089,550)	(944,760)	(944,900)
Off Street Parking Net Expenditure	(359,400)	(452,840)	(445,220)	(434,260)

Environment

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
11 Hawks Green Depot				
Employee Expenses	6,050	6,170	6,290	6,420
Premises Related Expenditure	96,940	93,710	95,420	97,220
Supplies & Services	25,490	16,080	16,260	16,430
Total Expenditure	128,480	115,960	117,970	120,070
Income	(141,420)	(137,190)	(142,710)	(148,400)
Total Income	(141,420)	(137,190)	(142,710)	(148,400)
Hawks Green Depot Net Expenditure	(12,940)	(21,230)	(24,740)	(28,330)
12 Bus Shelters				
Premises Related Expenditure	31,760	32,340	32,940	33,570
Total Expenditure	31,760	32,340	32,940	33,570
Income	(38,380)	(39,290)	(40,260)	(41,070)
Total Income	(38,380)	(39,290)	(40,260)	(41,070)
Bus Shelters Net Expenditure	(6,620)	(6,950)	(7,320)	(7,500)
13 Private Sector Housing				
Employee Expenses	224,000	230,700	238,180	245,750
Transport Related Expenditure	11,070	11,210	11,360	11,480
Supplies & Services	9,970	10,450	10,660	10,770
Total Expenditure	245,040	252,360	260,200	268,000
Income	(42,590)	(43,530)	(44,100)	(44,980)
Total Income	(42,590)	(43,530)	(44,100)	(44,980)
Private Sector Housing Net Expenditure	202,450	208,830	216,100	223,020
14 Vehicles				
Employee Expenses	123,030	128,210	132,470	136,950
Premises Related Expenditure	1,000	1,060	1,070	1,080
Transport Related Expenditure	38,790	38,920	39,030	39,470
Supplies & Services	10,980	10,980	11,090	11,200
Total Expenditure	173,800	179,170	183,660	188,700
Income	(206,870)	(210,750)	(211,800)	(216,220)
Total Income	(206,870)	(210,750)	(211,800)	(216,220)
Vehicles Net Expenditure	(33,070)	(31,580)	(28,140)	(27,520)
Environment Net Expenditure	2,686,210	2,720,290	2,899,670	3,082,660

Environment PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	2,429	23	2,452	2,499	47	2,546	47	23	2,616
Premises Related Costs	454	139	593	464	- 8	456	8	-	464
Transport Related Costs	215	91	306	219	90	309	5	- 1	313
Supplies and Services	526	- 1	525	532	- 14	518	5	- 9	514
Third Party Payments	2,718	219	2,937	2,783	247	3,030	54	41	3,125
Total Expenditure	6,342	471	6,813	6,497	362	6,859	119	54	7,032
Income	- 3,940	- 153	- 4,093	- 4,002	43	- 3,959	- 65	74	- 3,950
Net Expenditure	2,402	318	2,720	2,495	405	2,900	54	128	3,082

Environment Portfolio
Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Countryside management post funded from reserves		
Employees	25	
Income	<u>-25</u>	0
Waste		
Recycling campaign	-10	
Abavus licence cost	9	
Contract costs additional properties	87	
Green gate fees	-8	
Kerbside gate fees	74	
Income from recycled materials	10	
Recycling credits	<u>74</u>	236
Streetcleansing sweeper hire transferred to revenue		
Transport	91	
Third Party	65	
Income	-93	63
Car Park resurfacing transferred from capital		
Premises	145	
Income	<u>-145</u>	0
Hospital Car Park (budget reallocation)		
Premises	54	
Supplies	21	
Third Party	10	
Income	<u>-85</u>	0
Reduced income budgets		
Countryside management stewardship income	10	
Car park rent income	4	
Bus Shelters	<u>9</u>	23
minor variations		-4
		<u>318</u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Pay award		23
Countryside management post funded from reserves		
Employees	27	
Income	<u>-27</u>	0
Waste		
Recycling campaign	-10	
Abavus licence cost	9	
Contract costs additional properties	105	
Green gate fees	-7	
Kerbside gate fees	78	
Income from recycled materials	10	
Recycling credits	<u>126</u>	311
Streetcleansing sweeper hire transferred to revenue		
Transport	91	
Third Party	67	
Income	<u>-97</u>	61
Reduced income budgets		
Countryside management stewardship income	10	
Car park rent income	4	
Bus Shelters	<u>9</u>	23
Review of Street Cleansing recharge following pay award		
Third Party	4	
Income	<u>-6</u>	-2
Hospital Car Park (budget reallocation)		
Premises	54	
Supplies	21	
Third Party	10	
Income	<u>-85</u>	0
Part of Stewardship grant falling out		
Supplies	-13	
Income	<u>13</u>	0
Reduced utility costs		-5
Increased Grounds Maintenance recharge following pay award		-4
minor variations		<u>-2</u>
		<u>405</u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		46
Countryside management post funded from reserves falling out		
Employees	-23	
Income	<u>23</u>	0
Waste		
Contract costs additional properties	32	
Recycling credits	<u>50</u>	82
Stewardship grant finishing		
Supplies	-13	
Income	<u>13</u>	0
Street cleansing recharge		
Supplies	4	
Income	<u>-7</u>	-3
Increased Grounds maintenance recharge		-6
minor variations		9
		<u>128</u>

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Health and Wellbeing

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Benefits Payments				
Transfer Payments	23,024,620	21,870,230	22,403,180	20,566,120
Total Expenditure	23,024,620	21,870,230	22,403,180	20,566,120
Income	(23,105,940)	(21,951,550)	(22,484,500)	(20,647,440)
Total Income	(23,105,940)	(21,951,550)	(22,484,500)	(20,647,440)
Benefits Payments Net Expenditure	(81,320)	(81,320)	(81,320)	(81,320)
2 Food Safety				
Employee Expenses	308,170	325,880	336,990	348,290
Transport Related Expenditure	9,840	9,940	10,040	10,140
Supplies & Services	35,220	32,760	33,100	33,440
Total Expenditure	353,230	368,580	380,130	391,870
Income	(2,750)	-	-	-
Total Income	(2,750)	-	-	-
Food Safety Net Expenditure	350,480	368,580	380,130	391,870
3 Management & Administration				
Employee Expenses	53,300	52,980	55,340	57,720
Transport Related Expenditure	130	130	130	130
Supplies & Services	840	850	860	870
Total Expenditure	54,270	53,960	56,330	58,720
Management & Administration Net Expenditure	54,270	53,960	56,330	58,720
4 Mortuary				
Employee Expenses	40,680	42,400	43,710	45,080
Premises Related Expenditure	18,870	19,250	19,610	19,950
Supplies & Services	20,070	20,230	20,400	20,580
Total Expenditure	79,620	81,880	83,720	85,610
Income	(93,480)	(93,480)	(93,480)	(93,480)
Total Income	(93,480)	(93,480)	(93,480)	(93,480)
Mortuary Net Expenditure	(13,860)	(11,600)	(9,760)	(7,870)
5 Taxation				
Employee Expenses	2,441,010	2,366,970	2,348,540	2,435,800
Transport Related Expenditure	25,380	22,720	22,950	23,180
Supplies & Services	588,780	491,760	496,560	467,170
Total Expenditure	3,055,170	2,881,450	2,868,050	2,926,150
Income	(2,461,020)	(2,267,760)	(2,207,490)	(2,224,110)
Total Income	(2,461,020)	(2,267,760)	(2,207,490)	(2,224,110)
Taxation Net Expenditure	594,150	613,690	660,560	702,040

Health and Wellbeing

	Outturn 2018-2019	Budget 2019-2020	Budget 2020-2021	Budget 2021-2022
	£	£	£	£
6 Licensing				
Employee Expenses	154,510	159,420	164,940	170,520
Transport Related Expenditure	4,530	4,580	4,630	4,680
Supplies & Services	36,130	36,500	36,750	37,120
Total Expenditure	195,170	200,500	206,320	212,320
Income	(262,990)	(267,100)	(270,650)	(275,950)
Total Income	(262,990)	(267,100)	(270,650)	(275,950)
Licensing Net Expenditure	(67,820)	(66,600)	(64,330)	(63,630)
Health and Wellbeing Net Expenditure	835,900	876,710	941,610	999,810

Health & Wellbeing PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	3,107	- 159	2,948	3,188	- 238	2,950	57	51	3,058
Premises Related Costs	19	-	19	20	- 1	19	-	1	20
Transport Related Costs	41	- 4	37	41	- 3	38	-	-	38
Supplies and Services	596	- 14	582	602	- 14	588	7	- 36	559
Transfer Payments	24,300	- 2,430	21,870	24,892	- 2,489	22,403	-	- 1,837	20,566
Total Expenditure	28,063	- 2,607	25,456	28,743	- 2,745	25,998	64	- 1,821	24,241
Income	- 27,198	2,619	- 24,579	- 27,829	2,773	- 25,056	- 39	1,854	- 23,241
Net Expenditure	865	12	877	914	28	942	25	33	1,000

Health & Wellbeing Portfolio

Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Local Taxation grant funding		
Employees	102	
Income	-102	0
Welfare benefits service transferred back to SCC		
Employees	-262	
Transport	-3	
Supplies	-28	
Income	293	0
Local Taxation telephone licence costs (part funded by SBC)		
Supplies	14	
Income	-6	8
Change in benefit payments (estimated impact of Universal Credit)		
Expenditure	- 2,430	
Income	2,430	0
Reduced licensing income		4
		<u>12</u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Pay award		30
Welfare benefits service transferred back to SCC		
Employees	-265	
Transport	-3	
Supplies	-28	
Income	296	0
Change in benefit payments (estimated impact of Universal Credit)		
Expenditure	- 2,489	
Income	2,489	0
Local Taxation telephone licence costs (part funded by SBC)		
Supplies	14	
Income	-6	8
Reduced licensing income		4
Increased shared services contributions for Taxation		-9
minor variations		-5
		<u>28</u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		46
Increments		5
Change in benefit payments (estimated impact of Universal Credit)		
Expenditure	- 1,837	
Income	<u>1,837</u>	0
Taxation (impact of reduced grants)		
Expenditure	- 36	
Income	<u>18</u>	-18
		<u><u>33</u></u>

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Housing General Fund

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Circular 8/95				
Supplies & Services	35,550	35,520	35,520	35,520
Total Expenditure	35,550	35,520	35,520	35,520
Circular 8/95 Net Expenditure	35,550	35,520	35,520	35,520
2 Housing Services				
Employee Expenses	438,890	438,810	424,810	433,920
Premises Related Expenditure	4,220	1,150	1,170	1,190
Transport Related Expenditure	2,520	2,540	2,560	2,580
Supplies & Services	113,840	266,550	92,960	93,740
Third Party Payments	27,500	14,500	14,500	14,790
Total Expenditure	586,970	723,550	536,000	546,220
Income	(249,130)	(363,200)	(164,720)	(165,000)
Total Income	(249,130)	(363,200)	(164,720)	(165,000)
Housing Services Net Expenditure	337,840	360,350	371,280	381,220
Housing General Fund Net Expenditure	373,390	395,870	406,800	416,740

Housing General Fund PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	373	66	439	383	42	425	8	1	434
Premises Related Costs	2	- 1	1	2	- 1	1	-	-	1
Transport Related Costs	2	1	3	3	-	3	-	-	3
Supplies and Services	128	174	302	129	-	129	1	- 1	129
Third Party	14	-	14	14	-	14	-	1	15
Total Expenditure	519	240	759	531	41	572	9	1	582
Income	- 122	- 241	- 363	- 125	- 40	- 165	- 4	4	- 165
Net Expenditure	397	- 1	396	406	1	407	5	5	417

Housing General Fund Portfolio

Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Homelessness additional post funded by reserves		
Employees	66	
Income	-66	0
	<hr/>	
Homelessness additional grant funding		
Supplies	174	
Income	-174	0
	<hr/>	
minor variations		-1
		<hr/> <hr/> -1

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Pay award		3
Homelessness additional post funded by reserves		
Employees	39	
Income	-39	0
	<hr/>	
minor variations		-2
		<hr/> <hr/> 1

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		6
minor variations		-1
		<hr/> <hr/> 5

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Leader of the Council

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Democratic Services				
Employee Expenses	177,500	177,760	184,150	190,610
Transport Related Expenditure	3,770	3,810	3,850	3,890
Supplies & Services	379,740	387,190	394,660	402,280
Total Expenditure	561,010	568,760	582,660	596,780
Income	(5,400)	-	-	-
Total Income	(5,400)	-	-	-
Democratic Services Net Expenditure	555,610	568,760	582,660	596,780
2 Elections				
Employee Expenses	153,580	165,910	169,680	118,770
Premises Related Expenditure	6,500	4,590	4,690	-
Transport Related Expenditure	250	250	250	150
Supplies & Services	108,480	100,920	101,800	54,020
Total Expenditure	268,810	271,670	276,420	172,940
Income	(18,010)	(1,150)	(1,170)	(1,190)
Total Income	(18,010)	(1,150)	(1,170)	(1,190)
Elections Net Expenditure	250,800	270,520	275,250	171,750
3 Executive Management & Support				
Employee Expenses	282,050	231,400	239,410	247,570
Transport Related Expenditure	2,490	2,540	2,590	2,620
Supplies & Services	93,250	63,810	74,430	75,190
Total Expenditure	377,790	297,750	316,430	325,380
Income	(79,840)	-	-	-
Total Income	(79,840)	-	-	-
Executive Management & Support Net Expenditure	297,950	297,750	316,430	325,380
4 e-Government				
Supplies & Services	20,110	20,310	20,510	20,720
Total Expenditure	20,110	20,310	20,510	20,720
e-Government Net Expenditure	20,110	20,310	20,510	20,720
5 Grants & Contributions				
Supplies & Services	167,730	166,240	157,610	152,510
Total Expenditure	167,730	166,240	157,610	152,510
Grants & Contributions Net Expenditure	167,730	166,240	157,610	152,510
6 Finance				
Employee Expenses	907,970	930,570	964,320	997,660
Transport Related Expenditure	3,460	3,520	3,560	3,600
Supplies & Services	123,590	124,790	126,050	127,310
Total Expenditure	1,035,020	1,058,880	1,093,930	1,128,570
Income	(760,070)	(790,750)	(818,820)	(847,030)
Total Income	(760,070)	(790,750)	(818,820)	(847,030)
Finance Net Expenditure	274,950	268,130	275,110	281,540

Leader of the Council

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
7 Corporate Management				
Supplies & Services	85,380	102,520	103,370	104,400
Total Expenditure	85,380	102,520	103,370	104,400
Income	(36,270)	(37,730)	(39,250)	(40,820)
Total Income	(36,270)	(37,730)	(39,250)	(40,820)
Corporate Management Net Expenditure	49,110	64,790	64,120	63,580
8 Non Distributed Costs				
Employee Expenses	311,500	318,290	324,980	331,480
Total Expenditure	311,500	318,290	324,980	331,480
Income	(40,000)	(40,000)	(40,000)	(40,800)
Total Income	(40,000)	(40,000)	(40,000)	(40,800)
Non Distributed Costs Net Expenditure	271,500	278,290	284,980	290,680
9 Excluded Items				
Employee Expenses	40,000	45,500	45,500	45,500
Total Expenditure	40,000	45,500	45,500	45,500
Income	(682,770)	(711,590)	(740,270)	(769,880)
Total Income	(682,770)	(711,590)	(740,270)	(769,880)
Excluded Items Net Expenditure	(642,770)	(666,090)	(694,770)	(724,380)
Leader of the Council Net Expenditure	1,244,990	1,268,700	1,281,900	1,178,560

Leader of the Council PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	1,840	29	1,869	1,887	41	1,928	35	- 31	1,932
Premises Related Costs	5	-	5	5	-	5	-	- 5	-
Transport Related Costs	10	-	10	10	-	10	-	-	10
Supplies and Services	1,028	- 62	966	1,035	- 57	978	15	- 56	937
Total Expenditure	2,883	- 33	2,850	2,937	- 16	2,921	50	- 92	2,879
Income	- 1,581	-	- 1,581	- 1,625	- 14	- 1,639	- 53	- 8	- 1,700
Net Expenditure	1,302	- 33	1,269	1,312	- 30	1,282	- 3	- 100	1,179

Leader of the Council Portfolio

Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Reduced pension act increase payments		-16
Excluded Items - CPI etc allocation		
Employees	50	
Supplies	-85	-35
Corporate management		
Asset Valuation	11	
Bank Charges	6	17
Combined authorities additional cost		3
Grants reduced payment Support Staffordshire		-10
Members allowances		9
minor variations		-1
		<u>-33</u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Pay Award		13
Reduced pension act increase payments		-16
Excluded Items - CPI etc allocation		
Employees	50	
Supplies	-85	-35
Corporate management		
Asset Valuation	11	
Bank Charges	6	17
Members allowances		9
Grants reduced CAB contribution following transfer to Civic centre		-10
Combined authorities additional cost		13
Grants reduced payment Support Staffordshire		-10
Increased shared service contributions		-4
minor variations		-7
		<u>-30</u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		25
Increments		2
District Elections		
Employees	-56	
Premises	-5	
Supplies	-48	-109
Grants reduced CAB contribution following transfer to Civic centre		-10
Increased shared services contributions		-7
minor variations		-1
		<u>-100</u>

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Town Centre Regeneration

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
1 Markets				
Employee Expenses	125,570	136,150	142,180	148,630
Premises Related Expenditure	147,680	185,690	151,170	153,990
Transport Related Expenditure	2,890	2,920	2,950	2,980
Supplies & Services	76,370	86,090	68,770	69,460
Total Expenditure	352,510	410,850	365,070	375,060
Income	(347,130)	(355,130)	(319,720)	(320,420)
Total Income	(347,130)	(355,130)	(319,720)	(320,420)
Markets Net Expenditure	5,380	55,720	45,350	54,640
2 Town Centre Management				
Premises Related Expenditure	254,650	259,570	264,590	269,710
Supplies & Services	210	210	210	210
Total Expenditure	254,860	259,780	264,800	269,920
Income	(170,170)	(178,360)	(178,570)	(182,120)
Total Income	(170,170)	(178,360)	(178,570)	(182,120)
Town Centre Management Net Expenditure	84,690	81,420	86,230	87,800
3 Miscellaneous Properties				
Premises Related Expenditure	6,530	6,650	6,760	6,890
Supplies & Services	510	520	530	540
Total Expenditure	7,040	7,170	7,290	7,430
Income	(14,110)	(11,130)	(14,150)	(14,430)
Total Income	(14,110)	(11,130)	(14,150)	(14,430)
Miscellaneous Properties Net Expenditure	(7,070)	(3,960)	(6,860)	(7,000)
Town Centre Regeneration Net Expenditure	83,000	133,180	124,720	135,440

Town Centre Regeneration PortfolioVariation Statement 2019/2020 to 2021/2022

	2019/20 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	140	- 4	136	143	- 1	142	3	4	149
Premises Related Costs	402	50	452	410	13	423	8	- 1	430
Transport Related Costs	3	-	3	3	-	3	-	-	3
Supplies and Services	69	18	87	70	- 1	69	1	-	70
Total Expenditure	614	64	678	626	11	637	12	3	652
Income	- 544	- 1	- 545	- 508	- 4	- 512	- 5	-	- 517
Net Expenditure	70	63	133	118	7	125	7	3	135

Town Centre Regeneration Portfolio

Proposed Real Terms / Efficiency Variations

2019/20 Change

	£'000	£'000
<u>Real Term Variations</u>		
Additional rates and utility costs		16
Reduced markets income		
Cannock Market Hall	16	
Cannock Market Shops	4	
Rugeley Market Hall	<u>10</u>	30
Multi Storey car park additional costs		
Premises	33	
Supplies (security)	<u>18</u>	51
Additional rental income from Cannock market shops new units		-42
Town Centre Management reduced rent income		8
		<u><u>63</u></u>

2020/21 Change

	£'000	£'000
<u>Real Term Variations</u>		
Additional rates and utility costs		12
Reduced markets income		
Cannock Market Hall	16	
Cannock Market Shops	4	
Rugeley Market Hall	<u>10</u>	30
Additional rental income from Cannock market shops new units		-42
Town Centre Management reduced rent income		8
minor variations		-1
		<u><u>7</u></u>

2020/21 to 2021/22 Change

	£'000	£'000
<u>Real Term Variations</u>		
Increase in Superannuation		2
minor variations		1
		<u><u>3</u></u>

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Appendix 3

Capital Programme 2018-19 to 2021-22			
	Total Programme	General Fund	Section 106
	£	£	£
HOUSING GF			
Private Sector Housing	27	27	-
Disabled Facility Grants	3,357	3,357	-
Total Housing General Fund	3,384	3,384	0
ENVIRONMENT			
Home Security Grants	56	56	
Wheelie Bin Replacement	530	530	
Replacement Vehicles - Cleansing	130	130	
Replacement Vehicles - Grounds	350	350	
Replacement Vehicles - Countryside	117	117	
Car Park Improvements	292	292	
Total Environment	1,475	1,475	0
CRIME & PARTNERSHIPS			
CCTV	55	55	
Total Crime & Partnerships	55	55	0
CULTURE AND SPORT			
Additional Cemetery Provision	1,311	1,311	
Stile Cop Cemetery	3	3	
Stile Cop Cemetery Modular build	60	60	
Hednesford Park Improvements	183	164	19
Hednesford Signal Box	25	25	
Stadium Development	506	506	
Relocation Arthur Street Play Area (s106)	3		3
Multi Use Games Area, Laburnum Avenue (s106)	121		121
Refurbishment Heath Hayes Park/Pitch	115		115
Ravenhill Park	146	146	
Additional Car Park 5's Pavillion	100	100	
Replacement Vehicles - Cemeteries	51	51	
Wolseley Road Improvements	20		20
Cannock Park Replacement Equipment	14		14
Total Culture and Sport	2,658	2,366	292
ECONOMIC REGENERATION AND PLANNING			
Economic Development & Physical Assets	191	191	-
Engineering Training Facility	500	500	
District Investment	5,745	5,745	
Let's Grow Grants	48	48	
Broadwalk Laburnum Avenue	19	19	
Total Economic Regeneration and Planning	6,503	6,503	0
TOWN CENTRE REGENERATION			
Cannock Town Centre (Market Shops)	441	441	
Anson Street	85	85	
Rugeley Pedestrian/Cycle Linkage (s106)	219	0	219
Total Town Centre Regeneration	745	526	219
CORPORATE IMPROVEMENT			
Civic Centre Car Park	443	443	-
Vehicle Workshop	66	66	-
Total Corporate Improvement	509	509	-
TOTAL CAPITAL PROGRAMME	15,329	14,818	511

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Appendix 4

General Fund and Section 106 Capital Budgets 2018-19 to 2021-22				
	2018-19	2019-20	2020-21	2021-22
	£'000	£'000	£'000	£'000
HOUSING GF				
Private Sector Housing		27		
Disabled Facility Grants	958	815	792	792
Total Housing General Fund	958	842	792	792
ENVIRONMENT				
Home Security Grants	10	28	18	
Wheelie Bin Replacement	51	129	90	90
Replacement Vehicles - Cleansing	40	75		
Replacement Vehicles - Grounds	104	265		
Replacement Vehicles - Countryside		79		
Car Park Improvements				
Total Environment	205	576	108	90
CRIME & PARTNERSHIPS				
CCTV		55		
Total Crime & Partnerships	0	55	0	0
CULTURE AND SPORT				
Additional Cemetery Provision		984		
Stile Cop Cemetery		3		
Stile Cop Cemetery Modular build	60			
Hednesford Park Improvements	9	0		
Hednesford Signal Box	3	22		
Stadium Development	307	149		
Relocation Arthur Street Play Area (s106)				
Multi Use Games Area, Laburnum Avenue (s106)				
Refurbishment Heath Hayes Park/Pitch				
Ravenhill Park	143	3		
Additional Car Park 5's Pavillion	100			
Replacement Vehicles - Cemeteries				
Wolseley Road Improvements		20		
Cannock Park Replacement Equipment	14			
Total Culture and Sport	636	1,181	0	0
ECONOMIC REGENERATION AND PLANNING				
Economic Development & Physical Assets		191		
Engineering Training Facility	500			
District Investment				
Let's Grow Grants		48		
Broadwalk Laburnum Avenue	19			
Total Economic Regeneration and Planning	519	239	0	0
TOWN CENTRE REGENERATION				
Cannock Town Centre (Market Shops)	441			
Anson Street	85			
Rugeley Pedestrian/Cycle Linkage (s106)		219		
Total Town Centre Regeneration	526	219	0	0
CORPORATE IMPROVEMENT				
Civic Centre Car Park	443			
Vehicle Workshop	66			
Total Corporate Improvement	509	0	0	0
TOTAL CAPITAL PROGRAMME	3,353	3,112	900	882

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APPENDIX 5**Business Rates Retention – Retained Income**

		2019-20		2020-21	2021-22
		50% £m	Pilot £m	75% £m	75% £m
<u>A. Business Rates Collection Fund</u>		41.792	41.792	44.178	47.012
Gross Rates					
Less	<u>Reliefs etc.</u>				
	Mandatory Relief	(5.395)	(5.395)	(5.503)	(5.613)
	Discretionary Relief	(0.140)	(0.140)	(0.143)	(0.145)
	Exemptions	(1.696)	(1.696)	(0.859)	(1.222)
	Cost of Collection	(0.135)	(0.135)	(0.138)	(0.140)
	Losses on Collection	(1.124)	(1.124)	(1.174)	(0.996)
Business Rates Collectable		33.482	33.482	36.361	38.896
Less	<u>Amount due to</u>				
	Government	(16.741)	(8.370)	(9.090)	(9.724)
	County	(3.013)	(11.384)	(12.363)	(13.225)
	Fire	(0.335)	(0.335)	(0.364)	(0.388)
Net Business Rates attributable to CCDC		13.393	13.393	14.544	15.559

<u>B. General Fund Determination of Retained Business Rates</u>					
Net Business Rates attributable to CCDC		13.393	13.393	14.544	15.559
Less	Tariff	(9.309)	(9.309)	(9.495)	(9.685)
	Reset			(0.705)	(0.705)
	Core Funding	(2.995)	(2.995)	(3.054)	(3.116)
	Growth	1.089	1.089	1.290	2.053
Plus	New Burdens funding subject to Levy	0.046	0.046	0.047	0.047
	Small Business Rates Relief	1.211	1.211	1.235	1.260
Amount subject to S&SOT Levy		2.346	2.346	2.572	3.360
	Levy	(1.173)	(1.173)	(0.643)	(0.840)
Business Rates Growth		1.173	1.173	1.929	2.520
Business Rates Pool Distribution		0.469	0.469	(0.463)	(0.605)
Retained Business Rates					
	Core Funding	2.995	2.995	3.054	3.116
	Growth	1.173	1.173	1.466	1.915
	Business Rates Pool Distribution	0.469	0.469	0.257	0.336
	Windfall		0.587		
Total Retained		4.637	5.224	4.777	5.367

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Appendix 6

OTHER GENERAL FUND EARMARKED RESERVES				
	01/04/2018	01/04/2019	01/04/2020	01/04/2021
	£'000	£'000	£'000	£'000
Development Control Equalisation				
Reserve to mitigate impact of volatility in Planning Fees	101	101	101	101
Environmental Improvements				
Reserve to assist improvements to the environmental infrastructure	94	94	94	94
Economic Development LEP				
Balance of monies relating to support provided to GB&S LEP	23	23	23	23
Project Development Reserve (LEP)				
Rolling fund to develop business cases re LEP investment bids	100	100	100	100
Apprenticeship Reserve				
Reserve to contribute to the employment costs of Council Apprenticeship Programme	61	61	61	61
Civic Duties and Hospitality				
Reserve to meet additional one off costs relating to Civic Duties	12	12	12	12
Benefits Equalisation				
Reserve to mitigate impact of volatility in Housing Benefit Grant/ Admin Subsidy	185	185	185	185
Planning Income 20% Income				
Ring fenced reserve for planning purposes	59	93	122	151
Other	824	809	772	744
Total	1,459	1,478	1,470	1,471

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Appendix 7**Report of the Chief Finance Officer on the Robustness of the Budget Estimates and the Adequacy of the Council's Reserves****Introduction**

Section 25 of the Local Government Act 2003 places a duty on the Chief Financial Officer (Head of Finance) to make a report to the Council on the robustness of budget estimates and the adequacy of the Council's reserves. The Council must have regard to this report when making its decisions about budgets and council tax for the forthcoming year. This is because the Council is setting the council tax before the commencement of the year and cannot increase it during the year. An understanding of the risks of increased expenditure during the year in terms of likelihood and impact is therefore important.

Robustness of Budget Estimates

The Council's budget estimates for 2019-20 to 2021-22 have been prepared by appropriately qualified and experienced staff in consultation with service managers. Budgets have been discussed and fully managed by the Leadership Team. The budgets are considered to accurately reflect likely expenditure in 2019-20, being based on historic information, experience of expenditure in previous years and latest projections where appropriate. The indicative budgets for 2020-21 and 2021-22 are similarly based upon the best information available at this moment in time.

A full risk assessment of the Council's Budget 2019-20 has been carried out - APPENDIX 1).

Provision for Pay Award Inflation has been made in accordance with the 2 year offer made offer made by the National Employers, who negotiate pay on behalf of 350 local authorities in England. The impact of the National Living Wage has been incorporated into the Allowance has also been made for staff incremental progression. Sufficient provision has been built in for current employer pension contributions, in line with the most recent actuarial valuation. Different vacancy rates have been assumed for Council services based on past experience.

Inflation on contractor costs has been allowed based on the projected retail / consumer prices index increases and on energy budgets based on anticipated tariff increases.

Inflation has been provided on fees and charges, but excluding Car Parks and Allotments. Given the demand led nature of some of the more significant income budgets, such as for parking, development control and land charges, prudent but realistic assumptions have been made about estimated income. The current economic climate is expected to continue to have a significant impact on fees and charges generally during 2019-20. Major sources of income will continue to be closely monitored throughout the year with a view to protecting overall income to the Council as far as possible.

Investment income of £177,000 has been included within 2019-20 budgets. This has been based on current projections of bank rate increasing to 1% during 2019-20 from its current rate of 0.75%. Investment income also includes the saving arising from the prepayment of the fixed cash lump sum element of the 2019-20 Employers Superannuation Contribution. Prudent assumptions about cash flow have been made and the advice of the Council's treasury management consultants has been taken into account in determining the average rate of return.

No specific contingency budget is provided in 2019-20 as it is considered that the Council's overall revenue balances are sufficient to act as an overall contingency (see below). However, robust budget monitoring arrangements are in place and will continue throughout the year. These arrangements also include Business Rates Monitoring and New Homes Bonus forecasts. In addition to budget monitoring by officers, all Cabinet members will receive a monthly update and there will be quarterly reports to the Cabinet and relevant Scrutiny Committees.

Significant expenditure and income budgets will be monitored closely during the year. Any projected variances will be addressed in a timely manner.

The Council has a Risk Management Strategy and has identified its key corporate risks. Significant financial risks will be managed appropriately. In addition, some financial risks will be mitigated by the Council's insurance arrangements.

I can therefore confirm that the budget estimates as presented are robust.

Adequacy of the Council's Reserves

The Chartered Institute of Public Finance and Accountancy (CIPFA) has issued guidance on local authority reserves and balances. It sets out three main purposes for which reserves are held:-

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- A contingency to cushion the impact of unexpected events or emergencies;
- A means of building up funds to meet known or predicted liabilities, known as earmarked reserves.

The Council held General Fund revenue balances of £3.136 million at 31 March 2018. In addition to this, earmarked revenue reserves amounting to £6.3million were also held as at 31 March 2018.

The Council also has a planned four year capital programme which is financially sustainable based on current capital resources and a prudent assessment of future capital resources. The financial strategy includes the use of unallocated reserves and a Revenue Contribution to Capital Outlay to supplement capital resources and mitigate any borrowing requirement; nevertheless Prudential Borrowing to finance the Council's capital programme will be used where there is a robust business case.

The Council has set a policy of a minimum level of 5.5% of net expenditure or the amount calculated by the risk analysis. The Budget for 2019-20 has been constructed on the basis that there will be a level of general reserves at 31 March 2018 in excess of the £0.704 million risk analysis requirement.

I can therefore confirm that the Council's reserves are adequate.

Bob Kean
Head of Finance
January 2019

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Appendix 8Council Tax Base 2019-20

Parish	Band D Equivalents
Brereton and Ravenhill	1,958.46
Bridgtown	572.00
Brindley Heath	241.49
Cannock Wood	393.25
Heath Hayes and Wimblebury	4,024.51
Hednesford	5,260.95
Norton Canes	2,191.37
Rugeley	5,262.51
Unparished	8,968.22
Other	1.70
	28,874.46

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Report of:	Head of Finance
Contact Officer:	Bob Kean
Telephone No:	01543 464 334
Portfolio Leader:	Leader of the Council
Key Decision:	No
Report Track:	Cabinet: 07/02/19 Council: 20/02/19

CABINET
7 FEBRUARY 2019
GENERAL FUND BUDGET AND CAPITAL PROGRAMME 2018-19 TO 2021-22
ADDENDUM: RE EMPTY HOMES PREMIUM

1 Purpose of Report

- 1.1 To review the premium for long term empty properties.

2 Recommendation(s)

- 2.1 That the following be recommended to Council as part of the formal budget setting process:-
- (a) that the premium for long term empty properties be increased to 100% from April 2019
- (b) that a detailed report on the impact of this change is submitted as part of the 2020-21 budget process enabling Cabinet to determine whether further increases in the premium are to be adopted.

3 Key Issues and Reasons for Recommendations

Key Issues

- 3.1 The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act received royal assent on the 1st November 2018. The act enables the empty homes premium to be increased progressively over the next three years.

Reasons for Recommendations

- 3.2 The current Council Tax Base includes 92 properties that are subject to the levy. The purpose of the increase is to address the rising level of unoccupied properties.

- 3.3 The current Council Tax Base calculation includes provision for the 50% premium however no account has been made in the Tax Base for the increase to 100% since the change is intended to bring empty properties back into use.

4 Relationship to Corporate Priorities

- 4.1 The revenue budget and capital programme reflect the Council's priorities.

5 Report Detail

- 5.1 In determining the Council's Budget a key element relates to the Council's Tax Base. This is the number of properties in the district expressed in terms of Band D equivalents. The amount of money that the Council can raise per £1 charge for a Band D equivalent property can be established from the tax base.
- 5.2 No changes are proposed to the value of the Council's Tax Base as contained in paragraph 7.3 of the General Fund Budget Report. However it is recommended that the long term empty properties premium is increased to 100% from April 2019 in order to attempt to bring such properties back into use.
- 5.3 In accordance with the Local Government Act 2012 the Council currently has levied a premium of 50% on long term empty properties. Long term empty properties relate to properties which have been unoccupied and unfurnished for longer than two years.
- 5.4 A period of occupation of over six weeks qualifies as a break in the empty period, 'resetting the clock' for the purposes of the empty homes premium. Whereas empty homes premium cannot apply to homes that are empty due to the occupant living in armed forces accommodation for job-related purposes, or to annexes being used as part of a main property.
- 5.5 In order to address the increasing gap between demand and supply for properties and the rising level of unoccupied properties the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act received royal assent on the 1st November 2018.
- 5.6 The Act enables local authorities to
- charge a premium of 100% from 1 April 2019;
 - from 1 April 2020 increase the premium to 200% for properties that have been vacant for five years or more;
 - set a premium of 300% from 2021/22 for properties that have been vacant for ten years or more.
- 5.7 At present 92 properties are subject to the Empty Homes Premium and Cabinet is recommended to increase the premium to 100% for 2019-20.
- 5.8 It is proposed that a detailed report on the impact of this change is submitted as part of the 2020-21 budget process enabling Cabinet to determine whether further increases in the premium are to be adopted.

- 5.9 The current Council Tax Base calculation includes provision for the 50% premium however no account has been made in the Tax Base for the increase to 100% since the change is intended to bring empty properties back into use.

6. Implications

6.1 Financial

There are no direct financial implications arising from the report with the financial implications detailed in paragraph 5.9.

6.2 Legal

The legal implications are set out throughout the report including the statutory requirement for the Council to set a balanced budget.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None.

6.7 Risk Management

None.

6.8 Equality & Diversity

None.

6.9 Best Value

None

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Report of:	Head of Finance and Head of Housing and Partnerships
Contact Officer:	Bob Kean Nirmal Samrai
Telephone No:	01543 464334 01543 464210
Portfolio Leader:	Housing
Key Decision:	No
Report Track:	Cabinet: 07/02/19 Council: 20/02/19

**CABINET
7 FEBRUARY 2019
HOUSING REVENUE ACCOUNT BUDGETS 2018-19 TO 2021-22**

1 Purpose of Report

- 1.1 To review the 2018-19 Housing Revenue Account Budget
- 1.2 To refresh the Housing Revenue Account budgets for the period 2019-20 to 2020-21 and introduce the 2021-22 Draft Budget.
- 1.3 To determine the proposed three year Housing Revenue Account Budget for consideration by Council on 20 February 2019.

2 Recommendations

- 2.1 That the revised position with regard to estimated income and expenditure in respect of the 2018-19 Housing Revenue Account Budget and Housing Revenue Account budgets for the period 2019-20 to 2021-22 as summarised in Appendix 1 be noted.
- 2.2 That Council on 20 February 2019 be recommended to:-
 - (i) Determine a minimum level of working balances of £1.594 million for 2019-20 and indicative working balances of £1.627 million and £1.663 million for 2020-21 and 2021-22 respectively.
 - (ii) To note the further 1% reduction in rents in 2019-20 in accordance with the Governments Social Rent Policy
 - (iii) Approve the HRA Revenue Budgets for 2019-20, 2020-21 and 2021-22 (and note the estimated outturn for 2018-19) as summarised in Appendix 1 of the report.

3 Key Issues and Reasons for Recommendation

Key Issues

- 3.1 This report considers the proposed three-year HRA budgets for 2019-20, 2020-21 and 2021-22, which have been formulated within the framework provided by the Approved Housing Revenue Account Business Plan.
- 3.2 A review of the 2018-19 HRA budget, together with base HRA budgets for the period 2019-20 to 2021-22 are attached as Appendix 1. The budgets have been formulated in accordance with the assumptions set out in the HRA Business Plan, with projected levels of income and expenditure as summarised below.

Table 1: HRA Summary Budget 2019-20 to 2021-22			
	<u>2019-20</u> £000's	<u>2020-21</u> £000's	<u>2021-22</u> £000's
Income	(19,895)	(20,006)	(20,496)
Expenditure	15,937	16,266	16,633
Revenue Contribution to Capital Outlay	3,895	3,707	3,827
Working Balances Change	63	33	37

- 3.3 Rent income continues to reflect an annual rent reduction of 1% per annum for 2019-20 reflecting the national rent policy as determined by the Government's 2015 Summer Budget. A revised rent policy for social landlords beyond 2020 was agreed by then then Department for Communities and Local Government (DCLG) on 4 October 2017 whereby "increases to social housing rents will be limited to the Consumer Price Index (CPI) plus 1% for 5 years from 2020".
- 3.4 In preparing the 2018-19 to 2020-21 budget details of the High Value Assets Levy, and in particular the threshold that determined the forced sale of such properties, were still awaited. In accordance with the 2018 Housing Green Paper - "A New Deal for Social Housing" such plans have now been abandoned
- 3.5 In considering the HRA Revenue Account, consideration needs to be given to the HRA Capital Programme and the level of Working Balances. A key consideration of the Capital Programme is the Revenue Contribution to Capital Outlay (RCCO) and Depreciation Charge. Any change in the latter being compensated by an increase or decrease in RCCO. In accordance with the Approved Business Plan ,the RCCO, also represents the net surplus on the Revenue Account after determining the level of Working Balances.
- 3.6 In view of the risks associated with the management of the HRA under self-financing, minimum working balances of 10% of net operating expenditure have been assumed throughout the three-year budget period.

Reason for Recommendations

- 3.7 That Cabinet are required to propose a budget in relation to the HRA for submission to Council on the 20 February.

4 Relationship to Corporate Priorities

- 4.1 The proposed HRA budgets would contribute to the following strategic objectives, which form part of the Housing Portfolio section within the 2019-20 “More and Better Housing” Priority Delivery Plan, i.e.
- (i) Increase the supply of affordable housing.
 - (ii) Improving the Council’s social housing stock.

4 Report Detail

- 5.1 Cabinet on 10 December 2015 approved a revised Housing Revenue Account Business Plan for the continued implementation of the devolved HRA “self financing system”. The revised plan covered the period 2015-16 to 2020-21 and reflected the 1% reduction in rents for 4 years with effect from April 2016, covering the period 2016-17 to 2019-20.
- 5.2 In approving the 2017-18 budget it was agreed that, following details of the Government’s Vacant High Value Payment being published and its impact determined, a revised HRA Business Plan and revised 5 year projection would be produced. Details of the Vacant High Value threshold were still awaited at the time of 2018-19 budget and only a refresh of the existing plan was undertaken.
- 5.3 Cabinet at its meeting on the 8 November 2018 received a report in relation to the Housing Green Paper “A New Deal for Social Housing”. The report outlined the proposals contained in the Ministry of Housing, Communities and Local Government in relation to social housing and amongst other measures stated that
- “The Government does not intend to require Councils to implement the Higher Value Assets Levy and forced sale of higher value Council housing proposed under the Housing and Planning Act 2016 and has promised to repeal the relevant legislation when Parliamentary time allows.”*
- 5.4 The Approved HRA Business Plan therefore remains valid in the short term and has been used to provide the financial framework within which detailed HRA budgets for the three-year period 2019-20 to 2021-22 have been formulated.
- 5.5 A new 30 Year Plan is to be prepared after taking into account :
- The Governments Future Rent policy
 - Stock Condition Survey
 - New Build Strategy (including the removal of the borrowing cap on the HRA)

- 5.6 The proposed budgets reflect ongoing effects of the anticipated outturn in respect of the 2018-19 HRA budget (which is reviewed as part of this report) and other changes in income and expenditure which are projected as a result of the detailed budget formulation work.

The Housing Revenue Account Budget 2018-19

- 5.7 A review of the 2018-19 Budget is presented as part of Appendix 1.
- 5.8 The budget has been refreshed to reflect the latest stock numbers with changes made to Dwellings Rent, Garage Rents and Repairs Budgets.
- 5.9 A detailed review of employee budgets has also been undertaken with the latest budgets reflecting the staff turnover experienced in recent years. Suppliers and Services budgets have also been refreshed to reflect latest spending patterns. Recharges from the General Fund also show an ongoing reduction following service delivery for Social Alarms now being provided by Redditch B.C. In light of the implementation of Universal Credit it is also felt prudent to increase both the additional support and administration costs within Service Improvement budget and ,at this stage in its implementation, the provision for bad debts .
- 5.10 Capital Financing charges reflect a Depreciation Charge rather than a Major Repairs Allowance. Depreciation and Revenue Contribution to Capital Outlay (RCCO) charges represent key financing elements of the Capital Programme. In addition the charges for the medium term, as agreed as part of the 2018-19 budget no longer make provision for the voluntary Minimum Revenue Provision (Repayment of Debt) during the period with a subsequent increase in RCCO of £1.56 million.
- 5.11 Estimated expenditure for 2018-19 is now forecast to be £19.923 million and Income £19.715 million with a forecast release from working balances of £0.208 million. The estimated outturn represents an improvement /additional net Revenue Contribution to Capital Outlay of £1.597 million, inclusive of the £1.56 million MRP reduction, as compared to the Original Budget

Housing Revenue Account Budgets 2019-20 to 2021-22

- 5.12 The Approved 30 year HRA Business Plan has been used as the basis for preparing the HRA budgets for the period 2019-20 to 2021-22 which are attached as Appendix 1.
- 5.13 The budgets reflect a continuation of current policies and the maintenance of existing service provision throughout the budget period.
- 5.14 The Budget does however reflect the creation of a Developer Officer in relation to the Housing Investment Fund at a cost of approximately £0.040 million per annum. In addition to the £12 million approved as part of the 2018-19 budget the lifting of the HRA borrowing cap will potentially create an ongoing new social housing programme. The Development Officer will develop and co-ordinate opportunities for the provision of new affordable housing within the District. Longer term the Development Officer will be responsible for helping to prepare

and deliver a phased programme of Council house development and expansion and rationalisation of the Councils Housing Stock

- 5.15 No material changes have been made in relation to inflation and cost pressures, with the exception of pay awards. The provision for pay awards has been increased to 2% for 2020-21 and 2021-22, reflecting a continuation of the existing 2 year agreement and the prevailing level of CPI. The additional cost including recharges from the General Fund amount to £0.042 million in 2019-20 rising to £0.085 million thereafter
- 5.16 Other assumptions are in line with the indicative budgets set last year with the provision for the 2% per annum increase in employer contributions to the Staffordshire Pension Fund being extended to 2021-22 pending actual determination as part of the 2019 Actuarial Revaluation.
- 5.17 Rent income continues to reflect an annual rent reduction of 1% per annum reflecting the revised national rent policy as determined by the Government's 2015 Summer Budget whereby a 1% per annum reduction applies for the period 2016-17 through to 2019-20. The Housing White Paper, Fixing our broken housing market (February 2017), included a commitment to develop a rent policy for social landlords beyond 2020. On 4 October 2017, DCLG announced that "increases to social housing rents will be limited to the Consumer Price Index (CPI) plus 1% for 5 years from 2020". This has now been reflected in budgets from 2020-21 onwards.
- 5.18 A comparison of the latest Revenue Contribution to Capital Outlay (which effectively represents the net income of the HRA account) from the Indicative Budgets set last year to the Draft Budget is reflected in Table overleaf.

Table 2: Reconciliation of RCCO – Indicative to Draft Budget			
	2019-20	2020-21	2021-22
	£000	£000	£000
Indicative Budget	2,218	2,452	2,452
Draft Budget	3,895	3,707	3,827
Variance	1,677	1,255	1,375
Of Which			
Depreciation /MRA Adj	1,318	1,271	1,203
Additional Resources	359	(16)	172

- 5.19 The budget has been refreshed to reflect the latest stock numbers with changes made to Dwellings Rent, Garage Rents and Repairs Budgets. 2019-20 represents a 53 week year for rents whereas Rent income will increase by £0. 571 million in 2020-21 following the removal of the 1% reduction and return to CPI +1%. The increase also reflects the reduction in the void allowance by 1% (from 2%) following the abandonment of the Levy on Vacant High Value properties. Although void allowances in 2017-18 were running at 0.8% future years budgets w.e.f 2019-20 had maintained the initial 30 Year Business Plan prudent level of 2% pending the determination of the impact of the proposed Levy.

- 5.20 Capital Financing Charges have been amended to reflect the profile of expenditure as contained in the Draft Capital Programme and the refresh of available resources with savings occurring in 2019-20 and 2020-21. The charges for the medium term, as agreed as part of the 2018-19 budget, no longer make provision for the voluntary Minimum Revenue Provision (Repayment of Debt) during the period.

Proposed Housing Revenue Account Budgets 2019-20 to 2021-22

- 5.21 Proposed Housing Revenue Account Budgets for the period 2019-20 to 2021-22 are attached as Appendix 1.

Effect on Working Balances

- 5.22 The effect of the proposed budgets on the estimated level of working balances is shown as part of Appendix 1. As previously stated a minimum working balance of 10% of net operating expenditure has therefore also been assumed throughout the three-year budget period.

6 Implications

6.1 Financial

The financial implications have been referred to throughout the report.

6.2 Legal

None

6.3 Human Resources

The estimated budgets include provision for employees.

6.4 Section 17 (Crime Prevention)

Actions to combat anti-social behaviour on the council's estates funded through the proposed budgets would have positive implications for crime prevention.

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

Self-financing increases the risks associated with the management of the HRA and a detailed risk analysis forms part of the 30 Year Business Plan.

The risks relate to income as well as expenditure and any change in Government policy will impact upon the balances available to support the Capital

Programme. The risk has however been reduced by the decision not to implement the Vacant High Value Housing Payments as originally proposed in the Housing and Planning Act 2016.

A number of actions are undertaken to further mitigate risks associated with the management of the HRA which include:-

- (i) The adoption of a prudent approach to budgeting, particularly rent income
- (ii) The maintenance of an adequate level of working balances, comprising a minimum of 10% of net operating expenditure.
- (iii) The adoption of a more realistic approach in assessing staff turnover in determining employee budgets.
- (iv) Housing Revenue Account Business Plan projections together with associated sensitivity analysis.
- (v) Firm budgetary control through regular monitoring of actual and forecast income and expenditure.
- (vi) The implementation of an annual Internal Audit Plan and scrutiny from the External Auditor.

6.8 Equality & Diversity

The draft budget reflects a continuation of current policies and the maintenance of existing service provision throughout the budget period.

6.9 Best Value

None.

7 Appendices to the Report

Appendix 1: HRA Budgets 2018-19 to 2021-22

Previous Consideration

Interim Review of Housing Revenue Business Plan	Cabinet	10 December, 2015
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Background Papers

None.

ITEM NO. 7.

Appendix 1

	Original Budget	Approved Budget	Variance	Budget	Budget	Budget
	2018-19			2019-20	2020-21	2021-22
Income	£	£	£	£	£	£
Dwelling Rent	(19,334,000)	(19,307,670)	26,330	(19,487,000)	(19,593,000)	(20,079,000)
Non Dwelling Rent	(374,110)	(355,140)	18,970	(359,140)	(364,140)	(368,140)
Interest	(1,500)	(1,500)	-	(1,500)	(1,520)	(1,540)
Other	(11,770)	(11,770)	-	(11,890)	(12,010)	(12,130)
General Fund Contribution	(35,550)	(38,360)	(2,810)	(35,520)	(35,520)	(35,520)
Total Income	(19,756,930)	(19,714,440)	42,490	(19,895,050)	(20,006,190)	(20,496,330)
Expenditure						
Repairs and Maintenance	4,642,590	4,638,090	(4,500)	4,752,300	4,858,470	4,982,220
Bad Debts Provision		75,000	75,000	100,000	100,000	100,000
Supervision & Management			-			
– General	3,457,730	3,380,100	(77,630)	705,950	3,828,270	3,956,490
– Special	924,740	914,770	(9,970)	918,540	951,250	984,230
Total Management	4,382,470	4,294,870	(87,600)	4,624,490	4,779,520	4,940,720
Capital Financing	7,681,870	6,298,790	(1,383,080)	6,460,610	6,528,240	6,609,650
RCCO	3,019,740	4,616,160	1,596,420	3,894,590	3,707,080	3,827,100
Total Expenditure	19,726,670	19,923,240	196,570	19,831,990	19,973,310	20,459,690
Working Balance transfer	30,260	(208,470)	(238,730)	63,060	32,880	36,640

Appendix 1 Cont.

	2018-19			2019-20	2020-21	2021-22
Working Balance	Original Budget	Revised Budget	Variance	Budget	Budget	Budget
	£	£	£	£	£	£
B/fwd.	(1,640,430)	(1,739,150)	(98,720)	(1,530,680)	(1,593,740)	(1,626,620)
In year	(30,260)	208,470	238,730	(63,060)	(32,880)	(36,640)
C/fwd.	(1,670,690)	(1,530,680)	140,010	(1,593,740)	(1,626,620)	(1,663,260)
Minimum	1,670,690	1,530,680		1,593,740	1,626,620	1,663,260

Report of:	Head of Finance and Head of Housing and Partnerships
Contact Officer:	Bob Kean Nirmal Samrai
Telephone No:	01543 464334 01543 464210
Portfolio Leader:	Housing
Key Decision:	No
Report Track:	Cabinet: 07/02/19 Council: 20/02/19

**CABINET
7 FEBRUARY 2019
HOUSING REVENUE ACCOUNT CAPITAL PROGRAMMES 2018-19 TO 2022-23**

1 Purpose of Report

- 1.1 To review the 2018-19 HRA Capital Programme.
- 1.2 To refresh the Housing Revenue Account Capital Programme budgets for the period 2018-19 to 2022-23.
- 1.3 To present an updated four year Housing Revenue Account Capital Programme for consideration by Council on 20 February 2019.

2 Recommendations

- 2.1 That the estimated availability of Housing Revenue Account capital resources for the period 2018-19 to 2022-23 (as set out in Appendix 1) be noted.
- 2.2 That Council, on 20 February 2019, is recommended to approve the four year Housing Revenue Account Capital Programme for the period 2019-20 to 2022-23 (as set out in Appendix 2).

3 Key Issues and Reasons for Recommendation

Key Issues

- 3.1 This report considers the draft proposed four year HRA Capital Programme for the period 2019-20 to 2022-23, together with the forecast outturn for 2018-19, compiled within the financial framework provided by the Approved HRA Business Plan.

- 3.2 Details of the estimated availability of HRA capital resources during the five year period are set out in Appendix 1, whilst a five year HRA Capital Programme is set out in Appendix 2.
- 3.3 The Capital Programme is an interim programme awaiting the determination of an Housing Investment Strategy. The programme, as approved in 2018-19, includes an allocation of £12million for new social housing. This has been enhanced by the transfer of £0.929 million of resources from the General Fund Capital programme in relation to Affordable Housing provision.
- 3.4 A Strategy, based upon an options appraisal, to increase social housing based upon the housing needs of the district and land availability is currently being developed. In addition to the 5 year Investment fund for social housing the Strategy will reflect the opportunities arising from the removal of the borrowing cap for the HRA.

Reasons for recommendation

- 3.5 That Cabinet are required to propose a budget in relation to the HRA Capital Programme for submission to Council on the 20 February.

4 Relationship to Corporate Priorities

- 4.1 The proposed HRA budgets would contribute to the following strategic objectives, which form part of the Housing Portfolio section within the 2018-19 "More and Better Housing" Priority Delivery Plan, i.e.
- (i) Increase the supply of affordable housing.
 - (ii) Improving the Council's social housing stock.

5 Report Detail

- 5.1 Cabinet on 10 December 2015 approved a revised Housing Revenue Account Business Plan for the continued implementation of the devolved HRA "self financing system " that covered the five year period 2015-16 to 2019-20.
- 5.2 A new 30 year business plan was held in abeyance pending the details of the High Value Payment Levy being published and its impact determined. However a medium term (5 year) capital programme was approved as part of the 2018-19 budget enabling an Interim Investment Strategy to be put in place. The Strategy enabled a £12 million Investment Fund for the delivery of new social housing to be created based upon a prudent Balanced Revenue Budget. In particular the provision for void levels had been maintained at 2% to mitigate the potential revenue impact of the High Value Payment levy.
- 5.3 The recommendations as contained in the initial 30 Year Business Plan report above provided a Balanced Budget to 2019-20 and provided the financial framework to present Cabinet with capital programme budgets for the period 2018-19 to 2022-23.

- 5.4 As detailed in the HRA Revenue Budget Report the High Value Levy proposal has been abandoned and hence a new 30 year Business Plan is required that takes into account:
- The Governments Future Rent policy
 - An updated Stock Condition Survey
 - New Build Strategy (including the removal of the borrowing cap on the HRA).
- 5.5 The new build strategy had been limited by a cap on borrowing as determined by debt arising from the 2012 Self Financing Settlement, as amended by supported borrowing permissions from the Government. However the Government removed this cap on the 29 October 2018 via “The Limits on Indebtedness (Revocation) Determination 2018 “.Borrowing is however restricted in accordance with the Prudential Code for Capital Finance whereby borrowing needs to be prudent, affordable and sustainable.
- 5.6 The development of a new 30 Year Business will determine the scope for new social housing in addition to the £12.9 million investment fund.
- 5.7 This report therefore provides only a refresh of the existing five year HRA Capital Programme as approved by Council on 7 February 2018.

Estimated Availability of HRA Capital Resources

- 5.8 Details of the estimated availability of HRA capital resources for the period 2018-19 to 2022-23 are set out in Appendix 1. These are in accordance with the assumptions in the Business Plan with subsequent adjustments to reflect:-
- (i) The anticipated outturn in respect of the 2018-19 HRA Capital Programme;
 - (ii) Amendments to the revenue contribution to capital outlay following the detailed budget formulation work in respect of the Housing Revenue Account.
- 5.9 No material changes arise in relation to the 2018-19 capital programme, subject to certain expenditure slipping into 2019-20 and increased demand for Disabled Facility Grants. The 2018-19 budget includes additional resources of for DFG’s amounting to £0.150 million with a total additional allocation of £0.832 million over the remaining 4 years of the programme.

Whereas the 2019-20 programme seeks an additional £0.319 million as compared to the original five year programme.

- 5.10 The HRA Revenue Budget, included elsewhere on the Agenda, includes the following Revenue Contributions to Capital Outlay during the three year programme period, with figures extrapolated to 2022-23:-

<u>2018-19</u> <u>£'000</u>	<u>2019-20</u> <u>£'000</u>	<u>2020-21</u> <u>£'000</u>	<u>2021-22</u> <u>£'000</u>	<u>2022-23</u> <u>£'000</u>
4,616	3,895	3,707	3,827	3,390

5.11 The increase in Revenue Contribution to Capital Outlay and other minor variations results in Available Capital resources as at 31 March 2023 amounting to £0.872 million an increase of £0.432 million as compared to the Interim Business Plan.

HRA Capital Programme 2018-19 to 2022-23

5.12 A proposed HRA Capital Programme for 2019-20 to 2022-23, together with the forecast outturn for 2018-19 is set out in Appendix 2. This is in accordance with the capital expenditure programme within the revised Business Plan with subsequent adjustments to account for the anticipated outturn in respect of, the 2018-19 HRA Capital Programme.

5.13 The proposed programme will deliver:-

- (i) The continuation of the following planned maintenance programmes:-
 - * External and Environmental Works
 - * Kitchen and bathroom replacement.
 - * Electrical upgrading.
 - * Central heating upgrading.
 - * Window refurbishment and double glazing programme
- (ii) The provision of Council houses.

5.14 Details of the dwelling outputs (in terms of completions) which will result from the implementation of the proposed HRA Capital Programme are set out below. Details for 2021-22 and 2022-23 will be provided following the outcome of the stock Condition Survey to be undertaken in 2018-19:-

Table 1: Number of completions 2018-19 to 2020-21				
	<u>Number of Dwellings</u>			
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>Total</u>
External and Environmental Works	725	700	890	2,315
Kitchen Replacement	45	90	90	225
Bathroom Replacement	120	75	90	285
Central Heating Improvements	400	470	400	1,270
Electrical Upgrades	500	500	500	1,500
Window Refurbishment and Double Glazing	20			20
Provision of additional Council Dwellings	28			28
Fire Assessments	50	50	50	150

6 Implications**6.1 Financial**

The financial implications have been referred to throughout the report.

6.2 Legal

None.

6.3 Human Resources

None.

6.4 Section 17 (Crime Prevention)

The proposed four year HRA Capital Programme 2019-20 to 2022-23 includes a number of schemes to reduce anti-social behaviour, including environmental and fencing improvements as part of the proposed External and Environmental Works Programme.

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

There are a number of risks associated with the inadequate management of the HRA Capital Programme. These risks are minimised by the Council's agreed Capital Expenditure Control Procedures which includes a requirement for regular monitoring including quarterly reports to Cabinet.

6.8 Equality & Diversity

The revised HRA Business Plan has been subject to an Equality Impact Assessment (EIA). As the proposed HRA Capital Programme for the period 2019-20 to 2022-23 has been formulated in accordance with the revised Business Plan, the Business Plan EIA also applies to the proposed four year Capital Programme.

The outcome of the Business Plan EIA is that it would have a positive impact for certain of the protected characteristics with no identified negative implications.

6.9 Best Value

None

7 Appendices to the Report

Appendix 1: Estimated Housing Revenue Capital Resources 2018-19 to 2022-23

Appendix 2: Housing Revenue Account Capital Programme 2018-19 to 2022-23

Previous Consideration

Interim Housing Revenue Account Business Plan Review Cabinet 10 December, 2015

Background Papers

None.

ESTIMATED AVAILABILITY OF HOUSING REVENUE ACCOUNT CAPITAL RESOURCES 2018-19 TO 2022-23

<u>Resource</u>	<u>2018-19</u> £000's	<u>2019-20</u> £000's	<u>2020-21</u> £000's	<u>2021-22</u> £000's	<u>2022-23</u> £000's	<u>Capital Programme</u>
Resources Brought Forward	3,449	5,533	9,163	10,484	12,254	13,801
Borrowing	1,015	3,022				
RTB Sales (Allowable Attributable Debt)	390	390	390	390	390	
Section 106 monies						
Capital Receipts Other	180	193	156	178	144	
Revenue Contributions to Capital Outlay	4,616	3,895	3,707	3,827	3,390	
Major Repairs Allowance	3,071	3,178	3,241	3,309	3,429	
GBS LEP	315	105				
Transfer from Reserves:	91					
Affordable Housing Grant	88	32				
Total New Resources	9,766	10,815	7,494	7,704	7,353	0
Total Capital Resources	13,215	16,348	16,657	18,188	19,607	13,801
<u>Less Proposed Expenditure</u>	7,682	7,185	6,173	5,934	5,806	12,929
Agreed resources carried forward	5,533	9,163	10,484	12,254	13,801	872

ITEM NO. 8.

APPENDIX 2**HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME**
2018-19 TO 2022-23

<u>Scheme</u>	<u>Estimated Expenditure</u>					<u>Cap Prog</u>
	<u>18-19</u> <u>£000's</u>	<u>19-20</u> <u>£000's</u>	<u>20-21</u> <u>£000's</u>	<u>21-22</u> <u>£000's</u>	<u>22-23</u> <u>£000's</u>	
Demolition of Garages	89	20	20	20	20	
Moss Road	411					
Development of Former Garage Sites	1,240	371				
Disabled Facilities Works	539	715	650	550	550	
Right to Compensation (Tenants Improvements)	0	5	5	5	5	
Replacement of Kitchens	458	718	709	719	728	
Replacement of Bathrooms	574	386	450	456	462	
Replacement of Central Heating	1,335	1,671	1,451	1,407	1,359	
Void Properties	344	355	365	376	387	
External and Environmental Works	1,711	1,664	1,664	1,452	1,480	
Provision of Double Glazing	50					
Replacement of Social Alarms	40	51				
Upgrading of Electrical Systems	597	575	581	586	593	
Asbestos Testing and Removal	86	89	91	94	97	
Provision of Proposed Kerbs	9					
Resurfacing of Driveways		211				
Replacement of Housing Service Vehicles	194	236	67	147		
Contingency for unforeseen works	0	113	115	117	120	
Fire assessments	5	5	5	5	5	
Future Enhancements						
New Build						12,929
TOTAL:	7,682	7,185	6,173	5,934	5,806	12,929

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Report of:	Head of Finance
Contact Officer:	Bob Kean
Telephone No:	01543 464 334
Portfolio Leader:	Leader of the Council
Key Decision:	No
Report Track:	Cabinet: 07/02/19 Council: 20/02/19

CABINET
7 FEBRUARY 2019
**TREASURY MANAGEMENT STRATEGY, MINIMUM REVENUE PROVISION
POLICY, ANNUAL INVESTMENT STRATEGY AND CAPITAL STRATEGY
2019/20**

1 Purpose of Report

1.1 This report is presented to obtain the Council's approval to:-

- Prudential and Treasury indicators - setting of indicators to ensure that the capital investment plans of the Council are affordable, prudent and sustainable;
- The Minimum Revenue Provision (MRP) Policy;
- Treasury Management Strategy Statement for 2019/20 - to set treasury limits for 2019/20 to 2021/22 and to provide a background to the latest economic forecasts of interest rates;
- Annual Investment Strategy 2019/20 - to set out the strategy of investment of surplus funds.
- Capital Strategy 2018/22

2 Recommendation(s)

2.1 To approve:-

- (a) The Prudential and Treasury indicators;
- (b) The MRP Policy Statement;
- (c) The Treasury Management Policy;
- (d) The Annual Investment Strategy for 2019/20;
- (e) The Capital Strategy 2018/22.

- 2.2 To note that indicators may change in accordance with the final recommendations from Cabinet to Council in relation to both the General Fund/ Housing Revenue Account Revenue Budgets and Capital Programmes.

3 Key Issues and Reasons for Recommendations

Key Issues

- 3.1 The Treasury Management Function essentially consists of :
- In the short term ensuring that the cash flow of a Balanced Revenue Budget is adequately planned with surplus monies invested in accordance with the risk appetite of the Council.
 - In the long term funding the capital plans of the authority and in particular managing the debt of the Council and any new borrowing requirement.
- 3.2 The Governance arrangements are detailed in the various policies and strategies as detailed in the report together with the setting of Indicators in accordance with the Capital Financing Prudential Code.
- 3.3 **Capital Strategy** – The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019-20, all local authorities to prepare an additional report, a capital strategy report, which will provide the following:
- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
 - an overview of how the associated risk is managed
 - the implications for future financial sustainability
- 3.4 The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

Reasons for Recommendations

- 3.5 The Council is required to approve its treasury management ,investment and capital strategies to ensure that cash flow is adequately planned and that surplus monies are invested appropriately.

4 Relationship to Corporate Priorities

- 4.1 Treasury management and investment activity link in with all of the Council's priorities and their spending plans.

5 Report Detail**Background**

- 5.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 5.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 5.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 5.4 CIPFA defines treasury management as:
- “The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”*
- 5.5 Revised reporting is required for the 2019/20 reporting cycle due to revisions of the Ministry Housing Communities and Local Government (MHCLG) Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes include the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011. The Capital Strategy is attached at appendix 6.
- 5.6 This authority has not engaged in any commercial investments and has no non-treasury investments.

Reporting Requirements

- 5.7 **Capital Strategy** - The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019-20, all local authorities to prepare an additional report, a capital strategy report, which will provide the following:
- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
 - an overview of how the associated risk is managed
 - the implications for future financial sustainability
- 5.8 The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.
- 5.9 **Treasury Management reporting** - The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals:-
- 5.10 **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report covers:-
- the capital plans (including prudential indicators);
 - a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
 - the Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators; and
 - an Investment Strategy (the parameters on how investments are to be managed).
- 5.11 **A mid year treasury management report** - This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy is meeting the strategy or whether any policies require revision.
- 5.12 **An annual treasury report** - This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.
- 5.13 **Scrutiny** - The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit and Governance Committee.
- 5.14 The Council has adopted the following reporting arrangements in accordance with the requirements of the CIPFA Code of Practice:-

Area of Responsibility	Council/Committee	Frequency
Treasury Management Strategy/ Annual Investment Strategy/ MRP policy	Full council	Annually in January/ February each year
Treasury Management Strategy/ Annual Investment Strategy/ MRP policy/Monitoring of Prudential Indicators	Full council	Mid-year
Treasury Management Strategy/ Annual Investment Strategy/ MRP policy – updates or revisions at other times	Full council	As required
Annual Treasury Outturn Report	Audit & Governance Committee and Council	Annually by 30 September after the end of the year
Scrutiny of Treasury Management Strategy	Cabinet	Annually in December before the start of the year

Treasury Management Strategy for 2019/20

5.15 The strategy for 2019/20 covers two main areas:-

Capital issues

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

5.16 These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, MHCLG MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

Training

- 5.17 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Training has been undertaken by members of the Audit and Governance Committee and further training will be arranged as required.
- 5.18 The training needs of treasury management officers are periodically reviewed.

Treasury Management Consultants

- 5.19 The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors.
- 5.20 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

The Capital Prudential Indicators 2019/20 - 2021/22

- 5.21 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital expenditure

- 5.22 This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts, which include a review of current schemes, but to note these may change as part of the finalisation of the Budget.

Capital expenditure	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2018/22 Programme £'000
Corporate Improvement	7	509				
Environment	113	205	576	108	90	496
Culture and Sport	1,237	636	1,181			841
Economic Development	102	519	239			5,745
Housing	913	958	842	792	792	
Health & Wellbeing						
Town Centre Regeneration	39	526	219			
Leader of the Council						
Crime & Partnerships	149		55			
Non-HRA	2,560	3,353	3,112	900	882	7,082
Non-HRA programme estimate			466	3,744	2,872	(7,082)
HRA	10,039	7,682	7,185	6,173	5,934	18,735
HRA programme estimate				3,000	3,000	(6,000)
Total	12,599	11,035	10,763	13,817	12,688	12,735

- 5.23 Other long term liabilities. The financing need excludes other long term liabilities, such leasing arrangements which already include borrowing instruments.
- 5.24 The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Capital expenditure	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2018/22 Programme £'000
Total Spend	12,599	11,035	10,763	13,817	12,688	12,735
Financed by:						
Capital Receipts	1,329	2,329	1,626	4,846	3,530	678
Capital grants/ contributions	3,011	1,837	1,733	1,081	792	0
Major Repairs	3,512	3,954	3,178	3,241	3,309	3,429
Revenue	4,747	1,900	1,204	4,649	5,057	8,628
Total Financing	12,599	10,020	7,741	13,817	12,688	12,735
Net financing need for the year		1,015	3,022			

5.25 The capital financing of the programme will similarly be reviewed as part of the Budget process and any change will be separately identified in the indicator reported to Council.

The Council's borrowing need (the Capital Financing Requirement)

5.26 The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so it's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

5.27 The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life and so charges the economic consumption of capital assets as they are used.

5.28 The CFR includes any other long term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes.

5.29 The Council is asked to approve the following CFR projections, subject to any changes arising from the budget process:-

	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
Capital Financing Requirement					
CFR – non housing	14,971	10,949	9,594	9,119	8,650
CFR - housing	81,509	82,515	85,529	85,520	85,511
Total CFR	96,480	93,464	95,123	94,639	94,161
Movement in CFR		(3,016)	1,659	(484)	(478)

* Adjusted following Voluntary MRP reversed

Movement in CFR represented by					
Net financing need for the year		1,015	3,022		
LAMS receipt		(2,000)			
Repayment of Borrowing		(1,500)	(875)	0	0
Less MRP and other financing movements		(531)	(488)	(484)	(478)
Movement in CFR		(3,016)	1,659	(484)	(478)

Core funds and expected investment balances

5.30 The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources £m	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
Earmarked Fund balances / reserves					
General Fund	9,786	8,462	7,873	8,280	8,302
General Fund working balance	3,136	2,868	2,970	2,367	2,378
HRA	2,074	4,808	8,378	7,520	6,377
HRA working balance	1,739	1,531	1,594	1,627	1,663
Sub Total	16,735	17,669	20,815	19,794	18,720
Capital receipts					
GF	2,471	3,164	6,315	3,307	345
HRA	593	737	881	144	143
Sub Total	3,064	3,901	7,196	3,451	488
Provisions	2,266	2,266	2,266	185	185
Major Repairs Reserve	883	0	0	0	0
Other - grants receipts in advance	602	602	602	602	602
Total core funds	23,550	24,438	30,879	24,032	19,995
Working Cashflow requirement	(2,139)	5,000	5,000	5,000	5,000
Under/over borrowing	13,770	9,692	10,921	10,660	10,410
Expected investments	11,919	9,746	14,958	8,372	4,585

*Working cashflow requirement shown are estimated year-end; these may be higher mid-year.

Minimum revenue provision (MRP) policy statement

- 5.31 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP).
- 5.32 MHCLG Regulations have been issued which require the full Council to approve an MRP Statement in advance of each year. A variety of options are provided to

councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:-

- 5.33 The Council implemented the new Minimum Revenue Provision (MRP) guidance in 2008/09, and will assess MRP for 2009/10 onwards in accordance with the recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.
- 5.34 Under powers delegated to the Section 151 Officer, the Council's annual MRP provision for expenditure incurred after 1 April 2008 and before 31 March 2017 will be based on the uniform rate of 4% of the Capital Financing Requirement. The Council's annual MRP provision for expenditure incurred on or after 1 April 2017 will be based on the asset life method i.e. the provision will be calculated with reference to the estimated life of the assets acquired, in accordance with the regulations.
- 5.35 MRP will be applicable from the year following that in which the asset is brought into operation.
- 5.36 Repayments included in annual PFI or finance leases are applied as MRP.
- 5.37 The Council are satisfied that the policy for calculating MRP set out in this policy statement will result in the Council continuing to make prudent provision for the repayment of debt, over a period that is on average reasonably commensurate with that over which the expenditure provides benefit.
- 5.38 The Section 151 Officer will, where it is prudent to do so, use discretion to review the overall financing of the Capital Programme and the opportunities afforded by the regulations, to maximise the benefit to the Council whilst ensuring the Council meets its duty to charge a prudent provision.
- 5.39 **MRP Overpayments** - A change introduced by the revised MHCLG MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. The Council has previously not made any MRP overpayments.

Affordability prudential indicators

- 5.40 The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Ratio of financing costs to net revenue stream

- 5.41 This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Non HRA	5.9%	4.4%	3.8%	3.2%	3.3%
HRA	16.62%*	16.72%	16.85%	16.78%	16.48%

* Adjusted following Voluntary MRP reversed

HRA ratios

	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
HRA debt £'000	81,605	82,880	83,527	83,527	83,527
HRA revenues £'000	19,507	19,308	19,487	19,593	20,079
Ratio of debt to revenues %	4.2	4.3	4.3	4.3	4.2
Number of HRA dwellings	5,151	5,155	5,143	5,117	5,091
Debt per dwelling £	15.84	16.08	16.24	16.32	16.41

Borrowing

- 5.42 The capital expenditure plans provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury/prudential indicators, the current and projected debt positions and the annual investment strategy.

Current portfolio position

- 5.43 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

	2017/18 Actual £'000	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
External Debt					
PWLB debt at 1 April	81,605	81,605	82,880	83,527	83,527
Expected change in Debt		1,275	647		
Other long-term liabilities (OLTL)	1,105	1,105	892	675	452
Expected change in OLTL		(213)	(217)	(223)	(228)
Actual gross debt at 31 March	82,710	83,772	84,202	83,979	83,751
The Capital Financing Requirement	96,480	93,464	95,123	94,639	94,161
Under / (over) borrowing	13,770	9,692	10,921	10,660	10,410

- 5.44 Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2019/20 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.
- 5.45 The Head of Finance reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals contained in the Financial Plan for 2018/19 to 2021/22.

Treasury Indicators: limits to borrowing activity

- 5.46 **The operational boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
Debt	96,993	95,637	95,163	94,694
Other long term liabilities	892	675	452	224
Total	97,885	96,312	95,615	94,918

5.47 The authorised limit for external debt. A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.

2. The Council is asked to approve the following authorised limit.

Authorised limit	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
Debt	108,493	107,137	106,663	106,194
Other long term liabilities	892	675	452	224
Total	109,385	107,812	107,115	106,418

5.48 Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit is currently:

HRA debt limit £m	2018/19 Estimate £'000	2019/20 Estimate £'000	2020/21 Estimate £'000	2021/22 Estimate £'000
HRA Debt cap*	86,044	86,044	86,044	86,044
HRA CFR	82,515	85,529	85,520	85,511
HRA headroom	3,529	515	524	533

* **Abolition of HRA debt cap.** In October 2018, Prime Minister Theresa May announced a policy change of abolition of the HRA debt cap. The Chancellor announced in the Budget that the applicable date was 29.10.18.

Prospects for interest rates

5.49 The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives our central view.

Link Asset Services Interest Rate View													
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%

5.50 The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth became increasingly strong during 2018 until slowing significantly during the last quarter. At their November quarterly Inflation Report meeting, the MPC left Bank Rate unchanged, but expressed some concern at the Chancellor’s fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. On a major assumption that Parliament and the EU agree a Brexit deal in the first quarter of 2019, then the next increase in Bank Rate is forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

5.51 The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. However, over about the last 25 years, we have been through a period of falling bond yields as inflation subsided to, and then stabilised at, much lower levels than before, and supported by central banks implementing substantial quantitative easing purchases of government and other debt after the financial crash of 2008. Quantitative easing, conversely, also caused a rise in equity values as investors searched for higher returns and purchased riskier assets. In 2016, we saw the start of a reversal of this trend with a sharp rise in bond yields after the US Presidential election in November 2016, with yields then rising further as a result of the big increase in the US government deficit aimed at stimulating even stronger economic growth. That policy change also created concerns around a significant rise in inflationary pressures in an economy which was already running at remarkably low levels of unemployment. Unsurprisingly, the Fed has continued on its series of robust responses to combat its perception of rising inflationary pressures by repeatedly increasing the Fed rate to reach 2.25 – 2.50% in December 2018. It has also continued its policy of not fully reinvesting proceeds from bonds that it holds as a result of quantitative easing, when they mature. We therefore saw US 10 year bond Treasury yields rise above 3.2% during October 2018 and also investors causing a sharp fall in equity prices as they sold out of holding riskier assets.

5.52 However, by early January 2019, US 10 year bond yields had fallen back considerably on fears that the Fed was being too aggressive in raising interest rates and was going to cause a recession. Equity prices have been very volatile on alternating good and bad news during this period.

- 5.53 From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crises, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.
- 5.54 Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

Investment and borrowing rates

- Investment returns are likely to remain low during 2019/20 but to be on a gently rising trend over the next few years.
- Borrowing interest rates have been volatile so far in 2018/19 and have increased modestly since the summer. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt;
- There will remain a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

Borrowing strategy

- 5.55 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.
- 5.56 Against this background and the risks within the economic forecast, caution will be adopted with the 2019/20 treasury operations. The Head of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- 5.57 Any decisions will be reported to members appropriately at the next available opportunity.

Treasury management limits on activity

- 5.58 There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest

rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance.

The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

5.59 The Council is asked to approve the following treasury indicators and limits:

£m	2019/20	2020/21	2021/22
Interest rate exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	75%	75%	75%
Maturity structure of fixed interest rate borrowing 2019/20			
		Lower	Upper
Under 12 months		0%	100%
12 months to 2 years		0%	100%
2 years to 5 years		0%	100%
5 years to 10 years		0%	100%
10 years and above		0%	100%
Maturity structure of variable interest rate borrowing 2019/20			
		Lower	Upper
Under 12 months		0%	75%
12 months to 2 years		0%	75%
2 years to 5 years		0%	75%
5 years to 10 years		0%	75%
10 years and above		0%	75%

Policy on borrowing in advance of need

5.60 The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

- 5.61 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Debt rescheduling

- 5.62 As short-term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).
- 5.63 The reasons for any rescheduling to take place will include:
- the generation of cash savings and / or discounted cash flow savings;
 - helping to fulfil the treasury strategy;
 - enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).
- 5.64 Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.
- 5.65 All rescheduling will be reported to members, at the earliest meeting following its action.

Municipal Bond Agency

- 5.66 It is possible that the Municipal Bond Agency will be offering loans to local authorities in the future. The Agency hopes that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). This Authority may make use of this new source of borrowing as and when appropriate.

Annual Investment Strategy

Investment Policy

- 5.67 The Council's investment policy has regard to the following: -
- MHCLG's Guidance on Local Government Investments ("the Guidance")
 - CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
 - CIPFA Treasury Management Guidance Notes 2018
- 5.68 The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return).
- 5.69 The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- 5.70 In accordance with the above guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.
- 5.71 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
- 5.72 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 5.73 This authority has defined the list of types of investment instruments that the treasury management team are authorised to use, as per appendix 2.
- Specified investments are those with a high level of credit quality and subject to a maturity limit of one year.
 - Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- 5.74 **Non-specified investments limit.** The Council has determined that it will limit the maximum total exposure to non-specified investments as being 50% of the total investment portfolio.
- 5.75 **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in the appendix 2.
- 5.76 **Transaction limits** are set for each type of investment in appendix 2.
- 5.77 This authority will set a limit for the amount of its investments which are invested for longer than 365 days.
- 5.78 Investments will only be placed with counterparties from countries with a specified minimum sovereign rating.
- 5.79 This authority has engaged external consultants, to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.
- 5.80 All investments will be denominated in sterling.

- 5.81 As a result of the change in accounting standards for 2018/19 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (The Ministry of Housing, Communities and Local Government [MHCLG], are currently conducting a consultation for a temporary override to allow English local authorities time to adjust their portfolio of investments. Members will be updated when the result of this consultation is known.)
- 5.82 However, this authority will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance. Regular monitoring of investment performance will be carried out during the year.

Creditworthiness policy

- 5.83 The Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:-

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

- 5.84 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:-

- Yellow 5 years
- Dark pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

- 5.85 The Link creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

- 5.86 Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of short term rating F1 and a long term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- 5.87 All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of our creditworthiness service.
- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
 - in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 5.88 Sole reliance will not be placed on the use of this external service. In addition the Council will also use market data and market information, information on any external support for banks to help support its decision making process.
- 5.89 The Council has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in appendix 3. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

UK banks – ring fencing

- 5.90 The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), are required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as "ring-fencing". Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.
- 5.91 Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and "riskier" activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity's core activities are not adversely affected by the acts or omissions of other members of its group.
- 5.92 While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those

with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

Investment Strategy

5.93 **Inhouse funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

5.94 **Investment returns expectations.** Bank Rate is forecast to increase steadily but slowly over the next few years to reach 2.00% by quarter 1 2022. Bank Rate forecasts for financial year ends (March) are:

- 2018/19 0.75%
- 2019/20 1.25%
- 2020/21 1.50%
- 2021/22 2.00%

5.95 The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

2018/19	0.75%
2019/20	1.00%
2020/21	1.50%
2021/22	1.75%
2022/23	1.75%
2023/24	2.00%
Later years	2.50%

5.96 The overall balance of risks to economic growth in the UK is probably neutral. The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

5.97 **Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

Maximum principal sums invested > 364 days			
	2019/20	2020/21	2021/22
Principal sums invested > 365 days	£10m	£10m	£10m

5.98 For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.

Investment risk benchmarking

5.99 This Council will use an investment benchmark to assess the investment performance of its investment portfolio of 7 day, 1, 3, 6 or 12 month LIBID un compounded.

End of year investment report

5.100 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

6 Implications

6.1 Financial

Details of implications or “None”.

6.2 Legal

Details of implications or “None”.

6.3 Human Resources

Details of implications or “None”.

6.4 Section 17 (Crime Prevention)

Details of implications or “None”.

6.5 Human Rights Act

Details of implications or “None”.

6.6 Data Protection

Details of implications or “None”.

6.7 Risk Management

Details of implications or “None”.

6.8 Equality & Diversity

Details of implications or “None”.

6.9 Best Value

Details of implications or “None”.

7 Appendices to the Report

Appendix 1: Economic Background

Appendix 2: Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

Appendix 3: Approved Countries for Investment

Appendix 4: Treasury Management Scheme of Delegation

Appendix 5: The Treasury Management Role of the Section 151 Officer

Appendix 6: Capital Strategy.

Previous Consideration

None.

Background Papers

Available in Financial Services

ECONOMIC BACKGROUND

GLOBAL OUTLOOK. World growth has been doing reasonably well, aided by strong growth in the US. However, US growth is likely to fall back in 2019 and, together with weakening economic activity in China and the eurozone, overall world growth is likely to weaken.

Inflation has been weak during 2018 but, at long last, unemployment falling to remarkably low levels in the US and UK has led to a marked acceleration of wage inflation. The US Fed has therefore increased rates nine times and the Bank of England twice. However, the ECB is unlikely to start raising rates until late in 2019 at the earliest.

KEY RISKS - central bank monetary policy measures

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as quantitative easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

The key issue now is that that period of stimulating economic recovery and warding off the threat of deflation, is coming towards its close. A new period is well advanced in the US, and started more recently in the UK, of reversing those measures i.e. by raising central rates and, (for the US), reducing central banks' holdings of government and other debt.

These measures are now required in order to stop the trend of a reduction in spare capacity in the economy and of unemployment falling to such low levels, that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this also encouraged investors into a search for yield and into investing in riskier assets such as equities. Consequently, prices in both bond and equity markets rose to historically high valuation levels simultaneously.

This meant that both asset categories were exposed to the risk of a sharp downward correction and we have indeed, seen a sharp fall in equity values in the last quarter of 2018. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery, by taking too rapid and too strong action, or, conversely, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.** At the time of writing, (early January 2019), financial markets are very concerned that the Fed is being too aggressive with its policy for raising interest rates and was likely to cause a recession in the US economy.

The world economy also needs to adjust to a sharp change in **liquidity creation** over the last five years where the US has moved from boosting liquidity by QE purchases, to reducing its holdings of debt, (currently about \$50bn per month). In addition, the European Central Bank ended its QE purchases in December 2018.

UK. The flow of positive economic statistics since the end of the first quarter of 2018 has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2 and by a strong performance in quarter 3 of +0.6%. However, growth in quarter 4 is expected to weaken significantly.

At their November quarterly Inflation Report meeting, the MPC repeated their well-worn phrase that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years time, but declined to give a medium term forecast. However, with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth, they warned they could also raise Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor could potentially provide fiscal stimulus to support economic growth, though at the cost of increasing the budget deficit above currently projected levels.

It is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Getting parliamentary approval for a Brexit agreement on both sides of the Channel will take well into spring 2019. However, in view of the hawkish stance of the MPC at their November meeting, the next increase in Bank Rate is now forecast to be in May 2019, (on the assumption that a Brexit deal is agreed by both the UK and the EU). The following increases are then forecast to be in February and November 2020 before ending up at 2.0% in February 2022.

Inflation. The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.3% in November. In the November Bank of England quarterly Inflation Report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate. This inflation forecast is likely to be amended upwards due to the Bank's report being produced prior to the Chancellor's announcement of a significant fiscal stimulus in the Budget; this is likely to add 0.3% to GDP growth at a time when there is little spare capacity left in the economy, particularly of labour.

As for the **labour market** figures in October, unemployment at 4.1% was marginally above a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 3.3%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates less CPI inflation), earnings are currently growing by about 1.0%, the highest level since 2009. This increase in household spending power

is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC was right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy.

In the **political arena**, there is a risk that the current Conservative minority government may be unable to muster a majority in the Commons over Brexit. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to reaching an orderly Brexit in March 2019. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary and fiscal policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

USA. President Trump's massive easing of fiscal policy is fuelling a, (temporary), boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2%, (annualised rate), in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. The strong growth in employment numbers and the reduction in the unemployment rate to 3.9%, near to a recent 49 year low, has fed through to an upturn in wage inflation which hit 3.2% in November, However, CPI inflation overall fell to 2.2% in November and looks to be on a falling trend to drop below the Fed's target of 2% during 2019. The Fed has continued on its series of increases in interest rates with another 0.25% increase in December to between 2.25% and 2.50%, this being the fifth increase in 2018 and the ninth in this cycle. However, they did also reduce their forecast for further increases from three to two. This latest increase compounded investor fears that the Fed is over doing the rate and level of increases in rates and that it is going to cause a US recession as a result. There is also much evidence in previous monetary policy cycles, of the Fed's series of increases doing exactly that. Consequently, we have seen stock markets around the world plunging under the weight of fears around the Fed's actions, the trade war between the US and China, an expectation that world growth will slow, Brexit etc.

The tariff war between the US and China has been generating a lot of heat during 2018, but it is not expected that the current level of actual action would have much in the way of a significant effect on US or world growth. However, there is a risk of escalation if an agreement is not reached soon between the US and China.

Eurozone. Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this was probably just a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of nearly 2% for 2018, the horizon is less clear than it seemed just a short while ago. Having halved its quantitative easing purchases of debt in October 2018 to €15bn per month, the European Central Bank ended all further purchases in December 2018. The ECB is forecasting inflation to be a little below its 2% top limit through the next three years so it may find it difficult to warrant a start on raising rates by the end of 2019 if the growth rate of the EU economy is on a weakening trend.

China. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit

systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

Japan - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that loose monetary policy will endure for some years yet to try to stimulate growth and modest inflation.

Emerging countries. Argentina and Turkey are currently experiencing major headwinds

and are facing challenges in external financing requirements well in excess of their reserves of foreign exchange. However, these countries are small in terms of the overall world economy, (around 1% each), so the fallout from the expected recessions in these countries will be minimal.

INTEREST RATE FORECASTS

The interest rate forecasts provided by Link Asset Services in paragraph 3.2 are predicated on an assumption of an agreement being reached on Brexit between the UK and the EU. In the event of an orderly non-agreement exit, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall. If there was a disorderly Brexit, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably neutral.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for ten years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.

- **Bank of England monetary policy** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **eurozone sovereign debt crisis**, possibly in **Italy**, due to its high level of government debt, low rate of economic growth and vulnerable banking system, and due to the election in March of a government which has made a lot of anti-austerity noise. The EU rejected the initial proposed Italian budget and demanded cuts in government spending which the Italian government initially refused. However, a fudge was subsequently agreed, but only by *delaying* the planned increases in expenditure to a later year. This can have therefore only been kicked down the road to a later time. The rating agencies have started on downgrading Italian debt to one notch above junk level. If Italian debt were to fall below investment grade, many investors would be unable to hold it. Unsurprisingly, investors are becoming increasingly concerned by the words and actions of the Italian government and consequently, Italian bond yields have risen – at a time when the government faces having to refinance large amounts of debt maturing in 2019.
- Weak capitalisation of some **European banks**. Italian banks are particularly vulnerable; one factor is that they hold a high level of Italian government debt - debt which is falling in value. This is therefore undermining their capital ratios and raises the question of whether they will need to raise fresh capital to plug the gap.
- **German minority government**. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD is reviewing whether it can continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018, (a new party leader has now been elected). However, this makes little practical difference as she is still expected to aim to continue for now as the Chancellor. However, there are five more state elections coming up in 2019 and EU parliamentary elections in May/June; these could result in a further loss of electoral support for both the CDU and SPD which could also undermine her leadership.
- **Other minority eurozone governments**. Spain, Portugal, Ireland, the Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile. Sweden is also struggling to form a government due to the anti-immigration party holding the balance of power, and which no other party is willing to form a coalition with. The Belgian coalition collapsed in December 2018 but a minority caretaker government has been appointed until the May EU wide general elections.
- **Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU while **Italy**, in 2018, also elected a strongly anti-

immigration government. Elections to the EU parliament are due in May/June 2019.

- Further increases in interest rates in the US could spark a **sudden flight of investment funds** from more risky assets e.g. shares, into bonds yielding a much improved yield. Throughout the last quarter of 2018, we saw sharp falls in equity markets interspersed with occasional partial rallies. Emerging countries which have borrowed heavily in dollar denominated debt, could be particularly exposed to this risk of an investor flight to safe havens e.g. UK gilts.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is now rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.
- **Geopolitical risks**, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- **Brexit** – if both sides were to agree a compromise that removed all threats of economic and political disruption.
- **The Fed causing a sudden shock in financial markets** through misjudging the pace and strength of increases in its Fed Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

Brexit timetable and process

- March 2017 – UK government notified the European Council of its intention to leave under the Treaty on European Union Article 50 on 29 March 2019.
- 25.11.18 – EU27 leaders endorsed the withdrawal agreement;

- Dec 2018 – vote in the UK Parliament on the agreement was postponed;
- 21.12.18-08.01.19 – UK parliamentary recess;
- 14.01.19 – vote in Parliament on a ‘no deal’ scenario;
- 29.03.19 – second vote (?) in UK parliament if first vote rejects the deal;
- By 29.03.19 – if the UK Parliament approves a deal, then ratification by the EU Parliament requires a simple majority;
- By 29.03.19 – if the UK and EU parliaments agree the deal, the EU Council needs to approve the deal; 20 countries representing 65% of the EU population must agree;
- 29.03.19 – UK leaves the EU, (or asks the EU for agreement to an extension of the Article 50 period if the UK Parliament rejects the deal and no deal departure?);
- 29.03.19 – if an agreement is reached with the EU on the terms of Brexit, then this will be followed by a proposed **transitional period ending around December 2020.**
- UK continues as a full EU member until March 2019 with access to the single market and tariff free trade between the EU and UK. Different sectors of the UK economy may leave the single market and tariff free trade at different times during the transitional period.
- The UK and EU would attempt to negotiate, among other agreements, a bi-lateral trade agreement over that period.
- The UK would aim for a negotiated agreed withdrawal from the EU, although the UK could also exit without any such agreements in the event of a breakdown of negotiations.
- If the UK exits without an agreed deal with the EU, World Trade Organisation rules and tariffs could apply to trade between the UK and EU - but this is not certain.
- On full exit from the EU: the UK parliament would repeal the 1972 European Communities Act.

ITEM NO. 9.

TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum ‘high’ quality criteria where applicable.

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. A maximum of 50% will be held in aggregate in non-specified investments.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:-

	Minimum credit criteria / colour band	Max % of total investments/ £ limit per institution	Max. maturity period
DMADF – UK Government	N/A	100%	6 months
UK Government gilts	UK sovereign rating	£6 million	12 months
UK Government Treasury bills	UK sovereign rating	£6 million	12 months
Bonds issued by multilateral development banks	AAA (or state your criteria if different)	£6 million	6 months
Money Market Funds CNAV	AAA	100%	Liquid
Money Market Funds LNAV	AAA	100%	Liquid
Money Market Funds VNAV	AAA	100%	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	100%	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	100%	Liquid

Local authorities	N/A	100%	12 months
Term deposits with housing associations	Blue Orange Red Green No Colour	£6 million	12 months 12 months 6 months 100 days Not for use
Term deposits with banks and building societies	Blue Orange Red Green No Colour	£6 million	12 months 12 months 6 months 100 days Not for use
CDs or corporate bonds with banks and building societies	Blue Orange Red Green No Colour	£6 million	12 months 12 months 6 months 100 days Not for use
Gilt funds	UK sovereign rating	£6 million	12 months

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

APPROVED COUNTRIES FOR INVESTMENT

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France
- Hong Kong
- U.K.

AA-

- Belgium
- Qatar

ITEM NO. 9.

TREASURY MANAGEMENT SCHEME OF DELEGATION

Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

Committees/Council

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

Body/person(s) with responsibility for scrutiny

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

ITEM NO. 9.

THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) Officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a capital strategy to include capital expenditure, capital financing, and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all investments and is in accordance with the risk appetite of the authority.

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Capital Strategy

2018 – 2022

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CAPITAL STRATEGY 2018-2022

1. Introduction

- 1.1 The updated Prudential Code and Treasury Management Code of Practice (both issued in December 2017) include new requirements in relation to the setting of a Capital Strategy that covers specific subject areas. In line with the Prudential Code, the aim of this Capital Strategy is to demonstrate how Cannock Chase District Council will make capital expenditure and investment decisions in line with service objectives and properly take account of stewardship, value for money, prudence, sustainability and affordability.
- 1.2 For the purposes of this strategy unless where indicated the requirements relate to the General Fund capital investment, the Housing Revenue Account is dealt with in section 2.
- 1.3 The Capital Strategy in relation to General Fund is determined from consideration of the Medium Term Financial Plan of the Council. This is a four year rolling programme plan that considers Revenue; Capital and Reserves of the Council and determines a Budget Strategy for that period.
- 1.4 The Capital Strategy in relation to the Housing Revenue Account is determined by the 30 year business plan which sets out both the overall resources available together with the capital spend required to be delivered each year to meet the minimum standards in relation to the dwellings held.
- 1.5 Decisions in relation to the Capital Programme forms part of an overarching budget strategy whereby revenue and capital items are assessed against each other and evaluated against the Corporate Plan Objectives.
- 1.6 The Capital Strategy sets out the long term context in which capital expenditure and investment decisions are made as part of this overarching process and establishes that the Council gives due consideration to risk, reward, and impact on the achievement of priority outcomes.
- 1.7 This Capital Strategy Statement sets out the broad principles to be applied by the Council when considering capital investment. It provides the context for how the Council's Capital Programme seeks to support the realisation of the Council's corporate business objectives. It also provides part of the strategic context for the Council's Asset Management Plan.
- 1.8 The Capital Programme represents significant investment in the acquisition or improvement of long term assets such as land, buildings, infrastructure, plant & equipment and information technology for the purposes of delivering the objectives and priorities set out in the Corporate Plan, including Promoting Prosperity and Community Wellbeing.
- 1.9 The size of the Capital Programme is therefore dependent upon the Corporate Plan and the capital and revenue resources available. The Council currently has a reasonably large programme due to one off receipts in relation to the sale

and development of a specific site. Going forwards however there are no uncommitted resources. Reducing revenue resources and scarce capital resources has meant that prudence, sustainability and affordability are the key determinants of the Budget Strategy.

- 1.10 The delivery of Legislative/Statutory requirements represents a key part of the capital programme and specific grant funding is a key resource to the Council and funds this Council's Disabled Facilities Programme. External funding in the form of grants and contributions for other non legislative initiatives are also sought. However these are targeted at schemes as derived from the Corporate Plan rather than their availability.
- 1.11 The proposed four-year Capital Programme for 2018/19 –2021/22 set out in the budget report is summarised in Table 1 below.

Table 1 Capital Programme					
	2018/19	2019/20	2020/21	2021/22	2018/22
	£000	£000	£000	£000	Prog £000
Corporate Improvement	509	-	-	-	-
Environment	205	576	108	90	496
Culture and Sport	636	1,181	-	-	841
Economic Development & Regulatory Services	519	239	-	-	5,745
Housing General Fund	958	842	792	792	-
Town Centre Regeneration	526	219	-	-	-
Crime & Partnerships	-	55	-	-	-
Total	3,353	3,112	900	882	7,082

- 1.12 The updated programme reflects slippage and new schemes which now form part of the 2019/20 budget process as detailed in the budget report. Table 2 provides an update in relation to the capital resources to fund this programme.

Table 2: Estimates Resources and Expenditure 2018-19 to 2021-22			
	General	Section 106	Total
	£'000	£'000	£'000
Capital resources b/fwd. 1 April 2018	6,572	1,346	7,918
Capital Grants	3,517	0	3,517
Capital Receipts	8,364	0	8,364
Section 106	0	70	70
Reserves	84	0	84
Joint Investment Fund	243	0	243
Draft Capital Programme 2018-19 to 2021-22	(14,818)	(511)	(15,329)
Transfer part of RCCO reserve to revenue	(818)	0	(818)
Debt repayment (loan transferred to HRA)	(2,375)	0	(2,375)
Set A side	(204)	0	(204)
Remaining resources at 31 March 2022	565	905	1,470

- 1.11 The Council must continue to plan its capital resources efficiently and effectively over the medium to long term, both to support the corporate objectives and service user's needs and also to maintain a sustainable financial base.
- 1.12 The capital strategy forms part of a suite of strategies in relation to Debt, Borrowing and Investments culminating in the Annual Treasury Management Strategy approved by Council each year.

2. Housing Revenue Account (HRA)

- 2.1 The HRA is a separate ring fenced account. The revenue and capital framework itself is governed by the 30 year business plan which is required to be in place as part of the developed HRA "self financing system". It sets out the overarching spend profiles for both revenue and capital.
- 2.2 The capital funding for the HRA comes from the following sources:
- Right to buy sales (£15,000 Allowance per property sold)
 - Section 106 monies
 - Other Capital receipt disposals
 - Revenue Contribution to Capital Outlay (RCCO)
 - Depreciation (yearly charge)
 - Grants
 - Borrowing
- 2.3 The allocation of the resources to key areas of spend is prioritised as follows;
- 30 year business plan
 - Health and safety requirements
 - Stock condition survey
 - Key demand areas
- 2.4 The proposed four year plan is summarised in table 3 below
- 2.5 The updated programme reflects slippage and new schemes which now form part of the 2019/20 budget process as detailed in the budget report of the 7/2/19 Appendix 2. Appendix 1 of this report provides an update in relation to the capital resources to fund this programme.
- 2.6 Previously the HRA was governed by a credit ceiling which meant that it could only borrow to a certain level. However this ceiling has now been removed to encourage Council's to build more social housing. However, the Council already has an allowance of £12.6m within the current capital programme to build more council housing which was agreed as part of the 2018/19 Capital Programme. For future borrowing a business case would need to be laid out identifying the need and the potential financing of the borrowing as this would need to primarily come from rental income generated from the dwellings.

3. Strategic Objectives

- 3.1 Capital Investment is guided and prioritised by the Council's key objectives as set out in its Corporate Plan. These objectives must be taken into account in determining appropriate capital investment and asset disposal programmes.
- 3.2 The Councils has two key priorities within the Corporate Plan being, Promoting Prosperity and Community Wellbeing. These priorities interlink and reinforce each other to improve the opportunities, wellbeing and quality of life of our communities. Over the next five years the Council will focus on the following strategic objectives in relation to each of the priorities:

Promoting Prosperity

- Establishing McArthurGlen Designer Outlet Cannock as a major visitor attraction and maximising the benefits it will bring to the District
- Increasing housing choice
- Creating a positive environment in which businesses in the District can thrive.
- Increasing the skill levels of residents and the amount of higher skilled jobs in the District
- Creating strong and diverse town centres to attract additional customers and visitors
- Increasing access to employment opportunities
- Commencing regeneration of the Rugeley Power Station site

Community Wellbeing

- Opportunities for healthy and active lifestyles
- Sustaining safe and secure communities
- Supporting vulnerable people
- Promoting attractive and healthy environments

4. Corporate Planning Framework

- 4.1 The current financial strategy gives the following guidelines
- Existing service provision to be maintained (as a minimum)
 - To deliver asset management requirements
 - Additional Capital resources to be generated to invest in the District
 - Focus on income generation and invest to save initiatives
 - Revenue and capital resources allocated in accordance with service priorities and customer needs, discharge of legislative requirements and achievement of corporate objectives

- 4.2 In addition to the above decisions on the use of capital resources are guided by the policy context as set out in the Asset Management Plan and the Corporate Plan.
- 4.3 This Council will consider the funding of capital investment on a corporate basis. Approved capital investment schemes will only be funded by capital receipts, grants and contributions, the application of revenue funds and borrowing. Other forms of funding such as leasing or working in partnership will be considered , if such an option demonstrably represents the most affordable option to the Council and/or is necessary to secure specialist skills and expertise required to deliver a project otherwise not readily available to the Council.
- 4.4 The Council does not have a bespoke commercial strategy as such and any such scheme is evaluated as described above. The Council seeks to make best use of its own assets by maximising its lettings whereas the acquisition of commercial or residential properties is based upon its Business Case and affordability.
- 4.5 In the context of capital spending the authority is guided by the accounting standards with regard to capitalisation and also operates a deminimus threshold of £20,000.

5. Prioritisation of Capital Scheme Proposals

- 5.1 New capital scheme proposals are primarily driven through the budget process. The budget process requires revenue and capital options to be considered, assessed and evaluated against each other.
- 5.2 Consideration of growth bids is based upon firm business cases and is prioritised as follows:
- A statutory requirement or compliance with an existing legal obligation
 - Health and safety requirements to meet mandatory obligations
 - Invest to save proposals which will result in a net revenue budget saving (via reduced expenditure or increased income) and with anticipated financial payback in a reasonable time period or, Schemes that enable the authority to meet its objectives and are affordable.
 - Schemes that are fully and securely externally funded.
- 5.3 The process consists of two stages - An outline Business Case is initially produced by managers as an indicative proposal. These are then reviewed by Leadership team and then Cabinet using the criteria set out in 4.2 above. A Detailed Delivery Business Case is then developed for schemes approved at stage one of the process.
- 5.4 Schemes are classed as Maintenance of Assets; Acquisition of Assets; Invest to Save and Development/Enhancement of Service Provision. The bids are assessed against their contribution to corporate objectives and funding sources and categorised as Essential, Highly Desirable or Desirable.

- 5.5 Capital schemes subject to stage 1 approval then go onto the next stage to include a detailed plan via a completed bid form. The second stage bid form requires more detail of the capital project, detailing timescales, milestones and a Gantt chart which assists in the monitoring of the scheme throughout the project life. Key departments (other than the lead department) that are involved in delivering are identified and confirmation provided, that staff resources are available and can be committed to delivering the proposed project. The bid form also clearly identifies any external dependencies the project has that could impact on the Council achieving its original project and timescales
- 5.6 A re-assessment of delivery and funding and the overall level of resources available is undertaken before the scheme is included in the Draft Capital Programme for consultation.
- 5.7 A copy of the Bid forms are attached as appendix A and B

6. Assessment of Revenue Implications of Capital Investment

- 6.1 In the interests of properly evaluating the affordability of a project, the revenue implications of capital bids are also included on the bid form in order to:
- Evaluate the overall financial business case of the capital project (revenue and capital cost/savings aspects),
 - Enable corporate, joined-up, forward financial and service planning.
- 6.2 The Business Case form also requires the revenue implications of each scheme to be identified and profiled.
- 6.3 Regardless, of how the scheme is proposed to be financed, Capital financing charges based upon borrowing/ or loss of investment interest (whichever is the higher at that time) are applied to ensure the opportunity cost of the scheme is taken into account for all schemes.
- 6.4 In addition where the assets are used for generating rental income, whether for investment purposes or economic development, the risks to the income stream should be reflected. The risks of this type of investment include potential vacant periods, decline in market rents, non-payment by tenants or users, etc. These should be evaluated as part of the business case by including a factor for bad debt or vacancy periods, and risks relating to the project should be carefully considered and fully disclosed to decision makers.

7. Performance Measurement and Monitoring

- 7.1 Evaluation of projects against business objectives, target service outcomes and relevant performance indicators takes place at three stages – prior to implementation, during implementation and on completion.

- 7.2 The longer a project takes to come to fruition, the greater the risk is that the financial cost of the project will have increased, both due to the additional staff time spent on the project and the inflationary impact on the costs involved in bringing the asset into operation. Likewise, there is degree of correlation between the length of time a project spends in the feasibility and development stage and an increased risk of project failure or abandonment. Should a project fail for any reason, the regulations require all capital costs to be returned to revenue, which may create significant pressures, depending on the level of spend at that point
- 7.3 Hence the Capital Programme process includes :
- A two stage process for bids
 - A Permission to spend report showing the actual delivery timetable
 - Ongoing Performance Monitoring
 - Post implementation review.
- 7.4 The Business Case/Capital Bid Proforma includes all aspects of the scheme from contribution to Objectives; Community Benefits; Performance Management; working with key departments/Partners; Dependencies : risks and finances.
- 7.5 Subject to approval the Bid Proforma becomes the Project Management Performance Template and flows through to completion and post implementation review.
- 7.6 Prior to commencement of the scheme a Permission to Spend report is submitted to Cabinet to ensure the scheme delivers in accordance with the original objectives and to confirm delivery timescales.
- 7.7 As a general requirement, the progress in delivering capital schemes on time, within budget and against target service outcomes will be monitored as follows:
- Budgets – on a monthly basis reported to budget managers, Leadership team and Cabinet.
 - Timescales and outcomes – these are produced by budget managers on a quarterly basis and identify progress and projected timescales so the programme may be adjusted where necessary. Reports are submitted to Leadership Team as part of Managing the Business performance reporting and Cabinet together with the corrective action as appropriate
- 7.8 Schemes that are not committed within three years of approval are deleted from the capital programme and will require a new bid if appropriate.

7.9 Post implementation reviews of Capital Projects are undertaken to evaluate against the original submission whereas the Project Management process identifies Lessons learnt on an ongoing basis.

8. Long Term Capital Expenditure Plans

8.1 The Council faces a number of challenges going forward, one of which is the depletion of capital funds available. This affects both capital expenditure and also, both directly and indirectly, revenue net expenditure. The maintenance and replacement of income generating infrastructure / plant and equipment is essential, whereas interest earned on capital investments as resources are depleted will have a negative revenue impact. . Whilst the effect on revenue expenditure has been reduced due to the expectation of low interest rates for some considerable period this position remains a challenge in considering the Council's capital funding needs.

8.2 The Council's capital expenditure can be considered to comprise a combination of recurrent activities, annual and periodic, and those which are of an individual nature.

8.3 Based on the current capital programme the annual recurrent activity relates to two items namely :

- Waste Contract – replacement wheeled bins £0.090 million
- Disabled Facilities Grants £0.792 million

8.4 Based on indicative figures this suggests that at least £0.090 million needs to be made available annually to support such initiatives. This is apart from any new capital projects the Council considers necessary to support its strategic objectives.

8.5 The periodic activities in the main relate to the replacement of vehicles. plant and equipment.

8.6 Individual one off schemes are subject to the capital bidding process. Funding requirements cannot be identified in advance as such since other than requirements arising from the Asset Management plan each business case is likely to be unique and investment schemes by their nature opportunistic.

8.7 The Council therefore needs robust plans to meet its funding needs for future capital expenditure in the longer term. If it were to be funded by borrowing it would increase revenue costs as a result of the interest charge for the borrowing and the Minimum Revenue Provision made in accordance with the regulations made under the Local Government Act 2003. In the absence of other sources of capital this essentially means that capital costs would be funded from revenue resources over time. Borrowing must therefore be affordable.

- 8.8 The Council will therefore pursue an active strategy of seeking:
- a) Income generating investments. It is justified to use the Council's financial resources for these provided they generate in real terms greater net income than that which would be earned by retaining monies in bank deposits, where liquidity of the funds is not necessary. Each such investment meeting that criterion would increase the overall revenue resources available to the Council.
 - b) Partnerships with developers where this maximises income and achievement of policy objectives as compared to the Council developing or investing alone. Such partnerships may relate to individual sites or schemes, or be more strategic and long term in nature.
 - c) Generation of income from sales of any valuable assets that are not being used to deliver operational services or are not delivering best value.
- 8.9 Once a project has been delivered successfully the cash expended is then bound in the asset. In the case of assets that are for service delivery and do not generate a rental income stream, the money invested in the asset is only recovered if and when the asset is sold at a future date. This carries inherent financial risks in that the asset may have decreased in value, depending on market conditions, or may not have increased in value sufficiently to mitigate the effects of inflation. This is justified on the basis of the service delivery in question, since the purpose of such investments is not the financial return. However such costs need to be taken into account for income generating Investments.

9 Capital Finance

- 9.1 As outlined above, decisions on capital investment are made in the context of limited revenue and capital resources. The Council is reliant on capital receipts and grants/contributions from third parties to fund its capital programme. Other potential funding options include prudential borrowing and direct revenue funding, although these are subject to the constraints outlined above.

Capital Receipts

- 9.2 Capital receipts are derived from the sale of the Council's assets, and may also include income from the principal element of finance leases where the Council is the lessor.
- 9.3 In most cases the Council is able to retain 100% of the capital receipt income from these asset sales, which is then available to support new capital expenditure.

Government Grants

- 9.4 The conditions attached to Government grants vary with each individual grant. Some may fund the full cost of a capital project, while others require the local authority to identify alternative funding for a proportion of the project costs. These grants, such as the Disabled Facilities Grant funding, are usually focussed towards Government priorities.

Third Party Grants and Contributions (including planning obligations / S106 income and Community Infrastructure Levy)

- 9.5 Conditions attached to third party contributions also tend to vary depending on the grant and the awarding third party. Examples include planning obligations, section 106 agreements or unilateral undertakings, contributions from local bodies (such as parish councils), contributions from national bodies (such as Sport England; Football Foundation Trust) and funding from the Heritage Lottery etc..
- 9.6 For both Government grants and third party grants and contributions it is important that the grant conditions are adhered to in order to manage the risk of being required to repay the grant or contribution.
- 9.7 The allocation of Community Infrastructure Levy (CIL) funds to infrastructure projects consists of two distinct stages
- Determination of resources available
 - Bidding and allocation process
- 9.8 The process however needs to ensure that the allocation of resources maximises the impact of the use of such resources and is prioritised in line with the strategic objectives of the Council and its partners from a strategic medium to long term view rather than an annual first come first serve basis.
- 9.9 The process therefore needs to be tailored to the medium term three year rolling programme allocation process of the Council whereby a capital programme is approved for the next financial year and two subsequent years and reflects the resources available over that period.
- 9.10 The determination of resources will then need to reflect the level of resources available over that three year period and when resources will be able to finance the project. Financing will not be provided in advance of CIL funds being received.
- 9.11 The Key principles of the scheme are considered to be :
- CIL funds will be allocated based upon prioritising the schemes included on the Regulation 123 list to reflect the strategic objectives of the Council and its partners

- The allocation will attempt to maximise the impact of the CIL resources after taking into the outcomes of the schemes; the business case and match funding
- The process will involve initially a three year window with bids thereafter relating to the rolling new year of the rolling programme. In year bids following approval of the three year programme will not be accepted unless it can be demonstrated that unforeseen circumstances beyond the control of the bidder have materialised .
- The process will not commence until sufficient resources are considered to be available within the three year period to enable the above objectives to be achieved.
- To aid this process the Regulation 123 list will be refreshed on an annual basis to identify the potential schemes falling due in the 3 -5 year period and the current shortfall requiring potential CIL allocations.
- Approval of any scheme will be at the risk of the bidder. The Council will not incur /reimburse any CIL related scheme expenditure until sufficient resources have been received. (Risks in this instance include the developer defaulting on the instalment schedule etc.)

Capital and Revenue Reserves

- 9.7 As part of its Medium Term Financial Strategy, the Council has set aside various reserves in order to make funding available for its capital programme. These include, among others, the RCCO (revenue contribution to capital outlay) and the Capital Receipts Reserve.

Revenue Contributions

- 9.8 Due to ongoing pressures on the revenue budget, direct revenue funding for capital is traditionally a minimal source of funding for capital projects. However, the current capital programme shown in table 2 shows £xxxxm of Direct Revenue Funding for capital covering the period 2018/19 to 2021/22.

External Borrowing (sometimes referred to as Prudential Borrowing)

- 9.9 Councils may borrow money from external sources such as the Public Works Loan Board (PWLB), other local authorities, etc. to fund capital expenditure under the provisions of the Local Government Act 2003, provided that it is prudent, affordable and sustainable to do so. The Council must set prudential indicators each year, which include parameters for borrowing, including the upper limits for the value, nature and maturity of the debt incurred.
- 9.10 As mentioned above, there is a revenue cost attached to external borrowing relating to both the interest charges payable and the statutory prudent revenue provision required under the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended).

- 9.11 The Council has in the past identified prudential borrowing requirements however the increase in other resources maintained by the Council has enabled this requirement to be completely offset or repaid.

Other

- 9.12 Other appropriate funding sources will be considered as they arise.
- 9.13 Sometimes it is possible to deliver a desired capital project by working with an external partner. While this is not a direct source of funding to the council, it is a potential means of delivering key capital projects for the authority.

10 Capital Funding Strategy

- 10.1 The Council's capital funding strategy is normally to allocate funding streams in the order outlined below, although the Council may make changes to this strategy if it is deemed necessary in order to deliver priority outcomes. In all cases any time limited funding will be applied before funding that has no time limits on its use.
- Time limited funding – funding that must be used within a specified time period will usually be applied first, assuming that there is expenditure that it can be legitimately be applied to. This is subject to any requirements for match funding.
 - Ring fenced funding – Funding linked to a particular scheme or type of scheme will be allocated in full to the relevant capital project. One example is Government funding for Disabled Facilities Grants.
 - Other external funding – Funding from external bodies is applied first unless the conditions attached require it to be match funded from the Council's own resources, in which case the two funding streams will be applied in tandem.
 - Capital receipts (including those held in the capital receipts reserve) – This is currently the main funding source for the capital programme. Due to low interest rates since the economic crisis of 2008, use of capital receipts comes at a relatively low cost of financing, and this situation is expected to continue throughout the medium term.
 - Direct Revenue Funding – This may come from revenue reserves or from contributions from revenue budgets.
 - Borrowing – This as compared to other funding streams does come at a cost. Whereas other funding has an indirect cost in the loss of investment income on the funds being applied borrowing, entails both a requirement to pay interest on the loan and repay the borrowing. Due to the higher costs associated with external borrowing (statutory minimum revenue provision and interest), this form of capital funding sits low in the priority list. As a last resort borrowing may be considered where no other suitable funding source is available and a valid business case exists. . Ideally the full ongoing costs of funding the interest and MRP costs of borrowing should be fully covered by income or cashable savings generated by the asset purchased.

Where this is not the case members must be aware of the long term commitment that the decision to borrow places on the revenue budget and have confidence that the service delivery potential of the capital investment merits the associated revenue growth. These costs must be affordable in the context of the Medium Term Financial Plan.

11 Governance Arrangements

Annual Capital Programme Approval

- 11.1 Governance arrangements for the Capital Programme are set out in Part 4 Rules of Procedure but more specifically in Part 4 Section 32 Financial Regulations paragraph 4.1 to 4.9 of the Councils Constitution.) A flow chart of the approval process is attached as Appendix C.
- 11.2 Bids (Business Cases) for new schemes for the following year's three year capital programme are invited alongside revisions to existing schemes during the summer each year. The nature and profile of the expenditure and funding plans are identified at this stage. The consideration of requirements for the next three years enables priorities to be determined for both revenue and capital items after taking into account available resources.
- 11.3 The Capital Programme is considered by Cabinet in January each year and updated and approved by Council in February each year as part of the Medium Term Financial Plan.
- 11.4 Additional projects may be added, or amendments to existing schemes may be made, to the Capital Programme during the financial year on an exception basis with approval of Council. This may be by means of a budget update report or a specific report seeking approval for one or more new projects or changes to/deletion of existing projects.
- 11.5 Should it be necessary, provisions for urgent decisions set out in the Constitution may be used to amend the Capital Programme.

Decision Making

- 11.6 When making decisions in respect of capital expenditure the Council will take account of stewardship of public funds, value for money, prudence, affordability, and sustainability.

Monitoring Arrangements

- 11.7 Monitoring arrangements for the Capital Programme are set out as part of the Performance Management Regime described earlier.
- 11.8 It is the duty of every Manager to monitor and regulate the financial performance of their area of responsibility during the currency of each estimate period .

- 11.9 The capital and revenue monitoring position will be reported to budget managers, Leadership team and Cabinet each month.

Risk Management

- 11.10 All large capital projects are managed under the council's Project Management regime, which incorporates risk identification and risk management.
- 11.11 For all capital projects, project managers update financial forecasts on a quarterly basis identifying any areas subject to risk of overspend, underspend, or slippage.
- 11.12 There is also a degree of funding risk in the Capital Programme, where reliant on grant funding claims. Should claims not be completed or targets not met in accordance with planned objectives, this risk would need to be mitigated, for example by reducing, or reviewing the planned expenditure.

12 Overview of Asset Management Planning

- 12.1 The Corporate Asset Management Plan sets out three main priorities, which are:
- To review and where appropriate rationalise the portfolio the Council holds, both freehold and leasehold, so as to maximise receipts and minimise property costs.
 - Ensure that those assets that are retained for service delivery are well maintained, suitable, accessible, safe and fit for purpose.
 - To use the property portfolio to assist with the regeneration and economic development of the District and to support health and well being outcomes.
- 12.2 These themes and the strategic priorities influence the way the Council involves property at a strategic level as well as day-to-day property management activities.

- 12.3 As at 1 April 2018 the Councils General Fund assets had a total value of approximately £60.147 million as follows:

Fixed Assets				31.03.18	31.03.17
				£	£
Property, Plant and Equipment					
Other Land & Buildings			54,563,978.19	51,425,010.03	
Community Assets			319,055.00	319,055.00	
Vehicles, Plant & Equipment			496,515.22	560,371.21	
Assets under construction			1,654,448.09	360,668.10	
Leased Vehicles			1,106,339.02	-	
			58,140,335.52	52,665,104.34	
Investment Properties					
Investment Properties			1,675,000.00	1,675,000.00	
Intangible Assets					
Intangibles			35,239.67	44,049.67	
Heritage Assets					
Heritage Assets			296,358.00	296,358.00	
Total Fixed Assets				60,146,933.19	54,680,512.01

- 12.4 The Council has a relatively small portfolio of public buildings and is unlikely to generate significant resources from disposal. However, property, land and buildings are reviewed on an ongoing basis which will:-

- Identify opportunities to rationalise properties/land
- Look at ways of reducing costs
- Maximise efficient use of buildings/land
- Identify future requirements
- Justify why surplus/property land is held
- Challenge the holding of investment property land

The Public Building's Manager and the relevant Head of Service will review all building assets. This review will examine issues of sufficiency and suitability and will utilise consultative exercises in relation to those criteria.

Disposal of small parcels of land is delegated to the Legal section but any major disposals would be initially considered by the Leadership Team, for approval, and subsequently to the appropriate Cabinet Member.

13 Commercial Activity

- 13.1 The Council does not currently have any specific areas of commercial activity. It does however have a number of properties which it holds for other business objectives which it leases out and receives a rental income for. In particular the Council seeks to make the most effective and efficient use of its Civic Centre with a number of public sector partners letting floor area on a number of floors.
- 13.2 The Council is not averse to investing into commercial activities but these would need to be on the basis of a sound invest to save business case after considering the key aspects of affordability, sustainability risk and investment returns generated.

Outline Stage 1 Capital Bid Proforma

Budget Bid Title:

Service Area:

Lead Officer:

Total Bid:

External Funding Contribution: YES / NO

Brief Project Description

Contribution to Corporate Objectives

Please outline how the proposal supports strategic priorities and describe how it contributes towards the themes of the Corporate Plan. Delete as appropriate the priorities that are addressed:-

Promoting Prosperity	YES / NO
Community Wellbeing	YES / NO

Lead Officer Comments

Financial Summary

	2019/20	2020/21	2021/22 onwards	Estimated Total Cost
Project costs (provide details of key areas of spend)	£	£	£	£
External Funding Sources: Grants & contributions				
Project costs (net of external funding)	£	£	£	£

Ongoing revenue costs (if applicable)

Other financial issues

For externally funded projects – please provide details of the funding sources and whether or not the funding is guaranteed.

For Capital Schemes – please provide details of ongoing revenue costs.

For invest to save schemes – details of the future revenue streams and the payback period

Head of Service Approval / Comments

Stage 2 Capital Bid proforma

Deadline for submission: - *****

Introduction

The Council continues to face a challenging financial situation over the next four years and resources will continue to be tight. However, the Cabinet has indicated that it will give careful consideration to budget bids, particularly “invest to save” projects where spending now can generate additional income in the future or can reduce future revenue costs.

Process

Budget bids for additional service initiatives/improvements that may be **revenue or capital** in nature must be set out in the attached business case pro-forma and returned electronically to Alison Kendall (alisonkendall@cannockchasedc.gov.uk) by no later than *********, if they are to be considered for inclusion in the 2018/19 Budget or the Capital Programme 2018/19 to 2020/21.

Bids will initially be categorised as “Essential”, “Highly Desirably” and “Desirable if resources allow”. Where bids can be justified on an “invest to save” basis, the higher its relative ranking is likely to be.

Bids will also of course be assessed to establish how well they contribute to the Council’s priorities.

Please be concise, but remember that it is important that the business case provides enough detail for the Cabinet to be able to assess the proposal’s impact on the community and the potential to pay for itself in financial terms.

The bids will require sign off by all departments prior to submission as detailed below.

Attachments – Checklist

Detailed Timetable / Milestones
Gantt Chart of projects requirement identified from stage 1

Bid Cleared by

Department	Officer	Date
Finance	_____	_____
Human Resources	_____	_____
Legal	_____	_____
Property Services	_____	_____

Budget Bid Title:

Service Area:

Lead Officer:

Brief Project Description:

TOTAL BID:

CAPITAL

REVENUE

1. CONTRIBUTION TO THE COUNCIL'S PRIORITIES

Please outline how the proposal supports strategic priorities and describe how it contributes towards the themes of the Corporate Plan. Tick below the priorities that are addressed:-

<input type="checkbox"/>	Promoting Prosperity (1)	Lead Officer comments:
<input type="checkbox"/>	Community Wellbeing (2)	

Strategic Objectives

- 1 Establishing McArthurGlen Designer Outlet Cannock as a major visitor attraction and maximising the benefits it will bring to the District
- 2 Increasing housing choice
- 3 Creating a positive environment in which businesses in the District can thrive.
- 4 Increasing the skill levels of residents and the amount of higher skilled jobs in the District
- 5 Creating strong and diverse town centres to attract additional customers and visitors
- 6 Increasing access to employment opportunities
- 7 Commencing regeneration of the Rugeley Power Station site

2. COMMUNITY BENEFIT

Will the proposal contribute towards community need which has been identified and evidenced?

Lead Officer Comments:

3. PERFORMANCE MANAGEMENT

- (a) Please provide a timetable and project milestones, describing how the milestones will be monitored, managed and reported .
- (b) highlight proposals for controlling the factors that could cause delay or cost overrun.
- (c) Provide details of how the impact of the project will be measured in terms of improved service delivery or use of assets.

Lead Officer Comments.

4. WORKING WITH OTHER KEY COUNCIL DEPARTMENTS

- (a). please describe the extent to which key departments will be required to contribute to the project and meeting proposed timescales (for example property services)

Lead Officer comments

- (4b). KEY DEPARTMENTS IDENTIFIED** – if key departments are identified in section 4a above, the said department to please complete 4b clarifying if they have recourses to contribute to the project as proposed above and to meet timescales set out.

Key Department Lead Officer comments

5. WORKING WITH PARTNERS

Please describe the extent to which partners will be involved in the project and the percentage of the gross project cost that will be funded by partners. Please include details of exit strategy if applicable.

Lead Officer comments

6. DEPENDENCIES/ EXTERNALITIES

Please describe the extent to which the project is dependent on a partner or externality to meet the proposed scheme timescales. (For example the County Council or land being available?) What will be the impact if such dependencies are delayed?

Lead Officer comments

7. LEGAL ISSUES

Please identify the legal implications of taking and not taking the proposed course of action.

Lead Officer comments

8. FINANCIAL ISSUES

Please identify: -

- Project costs / savings (incl. cost of feasibility studies);
- any external financial contributions towards the project;
- the phasing of expenditure for capital projects;
- the total cost of project.

FINANCIAL SUMMARY

	2018/19	2019/20	2020/21 onwards	Estimated Total Cost
Project costs (provide details of key areas of spend)	£	£	£	£
External Funding Sources: Grants & contributions				
Project costs (net of external funding)	£	£	£	£

Ongoing revenue costs (if applicable)

Other financial issues

For externally funded projects – please provide details of the funding sources and whether or not the funding is guaranteed.

For Capital Schemes – please provide details of ongoing revenue costs.

For invest to save schemes – details of the future revenue streams and the payback period.

Lead Officer comments:

9. RISK ASSESSMENT

Please identify the key risks for the scheme.

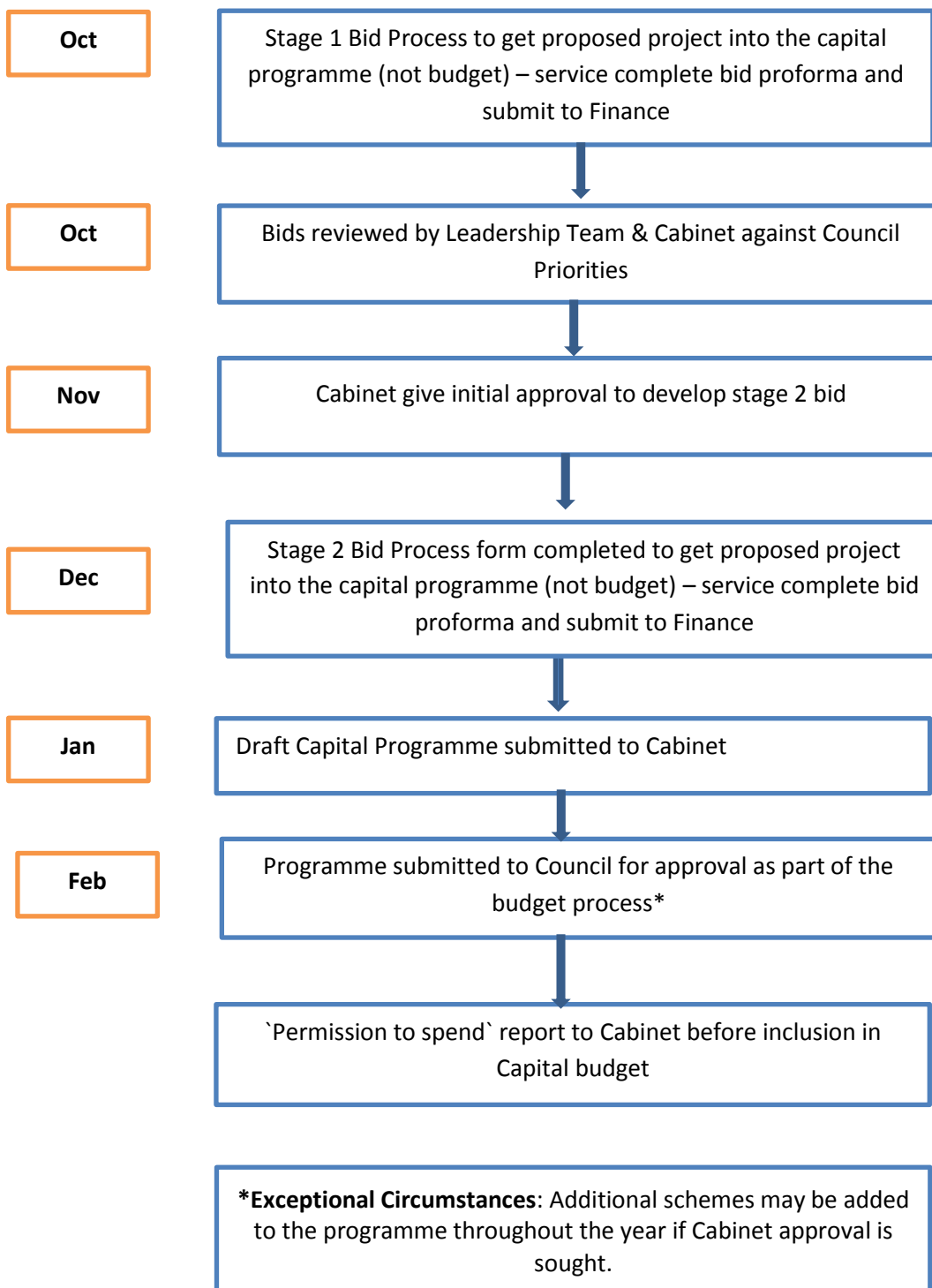
Description of Risk

10. HEAD OF SERVICE ENDORSEMENT

Head of Service comments:

Please return to Alison Kendall alisonkendall@cannockchasedc.gov.uk by no later than
*****.

Capital Approval Process flow chart



Report of:	Head of Economic Prosperity
Contact Officer:	Angela Grove
Telephone No:	01543 464517
Portfolio Leader:	Economic Development & Planning
Key Decision:	Yes
Report Track:	Cabinet: 07/02/19

CABINET
7 FEBRUARY 2019
CHURCH STREET CONSERVATION AREA, TALBOT STREET/LICHFIELD STREET CONSERVATION AREA AND TRENT AND MERSEY CANAL CONSERVATION AREA IN RUGELEY:
APPRAISALS AND MANAGEMENT PLAN SUPPLEMENTARY PLANNING DOCUMENTS

1 Purpose of Report

- 1.1 The purpose of this report is to give consideration to the consultation responses received on a number of Draft Conservation Area Appraisal updates and Draft Management Plan Supplementary Planning Documents (SPD's) for Rugeley – for Church Street, Conservation Area, Talbot Street/Lichfield Street Conservation Area and the Trent and Mersey Canal Conservation Area – recommend amendments in response to the consultation and approve the amended Appraisal and Management Plan SPD's for adoption.

2 Recommendations

That:

- 2.1 The proposed amendments to the draft Appraisal and Management Plan SPD for Church Street, Rugeley Conservation Area contained in Appendix 2 be approved.
- 2.2 The proposed amendments to the draft Appraisal and Management Plan SPD for Talbot Street/Lichfield Street, Rugeley Conservation Area contained in Appendix 4 be approved.
- 2.3 The proposed amendments to the Draft Appraisal and Management Plan SPD for the Trent and Mersey Canal Conservation Area contained in Appendix 6 be approved.

- 2.4 Authority for any further minor amendments to the above documents be delegated to the Head of Economic Prosperity in consultation with the Economic Development and Planning Portfolio Leader.
- 2.5 The Appraisals and Management Plans, as amended, be adopted, the latter as Supplementary Planning Documents.
- 2.6 Cabinet authorise the proposed boundary extension to the Trent and Mersey Canal Conservation Area shown in Appendix 7 (Plan 8).

3 Key Issues and Reasons for Recommendation

Key Issues

- 3.1 Each Conservation Area in the District is supported by two policy documents – an Appraisal seeking to provide a clear definition of the special architectural or historic interest that warranted its designation as a Conservation Area and a Management Plan SPD following on from the Appraisal setting out in more detail the means by which the preservation and enhancement of the character and appearance of that Conservation Area might be pursued.
- 3.2 Members may recall that a series of such documents covering each of the District's eight Conservation Areas have been adopted in recent years. Whilst the Appraisal coverage in the District is already complete, some of the early documents now require updating, so these Draft Appraisals for Church Street, Talbot Street/Lichfield Street and the Trent and Mersey Canal Conservation Areas form updates of earlier work. None of these Conservation Areas previously had Management Plans prepared, so these Draft Management Plan documents complete the District's coverage.

Reasons for Recommendation

- 3.3 Members may also recall that the draft Appraisals and Management Plan SPD's for Church Street, Talbot Street/Lichfield Street and the Trent and Mersey Canal were considered by Cabinet on 4th October 2018 when it was resolved that the Draft documents be approved for consultation and that the consultation responses be reported to a future meeting to allow for the finalisation and adoption of the documents as part of the evidence base for the Local Plan.
- 3.4 Consultees expressed their support for the documents and their objectives, suggesting a number of minor alterations and courses of action. Appendices 1, 3 and 5 set out the main issues raised during consultation relating to each pair of documents and Appendices 2, 4 and 6 the proposed amendments to the text.

4 Relationship to Corporate Priorities

- 4.1 This report supports the Council's Corporate Priorities as follows:

- (i) **Promoting Prosperity:** in seeking to preserve or enhance the Conservation Areas the documents support an environment that is attractive and encourages growth and economic regeneration.
- (ii) **Improving Community Wellbeing:** in seeking to preserve or enhance the Conservation Areas the documents support an improved living environment for the local community and awareness of local history with consequent benefits for community wellbeing particularly mental health, promoting attractive and healthy environments for people to live in and visit.

5 Report Detail

- 5.1 Section 69 of the Planning (Listed Buildings and Conservation Areas) Act 1990 places a duty on the Local Authority to designate Conservation Areas where appropriate. Section 71 requires the Local Authority to formulate and publish proposals for the preservation and enhancement of those Areas. Preparation of Appraisals and Management Plans are a recognised means of Local Authorities meeting their duties under the Act. They also provide a strengthened Local Plan evidence base and help to demonstrate effective delivery. The Historic England Advice Note 1 sets out more detailed guidance on the designation of Conservation Areas and their appraisal and management, noting that an Appraisal can be reviewed regularly as part of the management of a Conservation Area and can be developed into a Management Plan.
- 5.2 Appraisals are the first stage in the process and Management Plans are the next stage, putting forward specific proposals relevant to that particular Conservation Area. The Management Plans will be formally adopted as Supplementary Planning Documents and used to guide future development and change in the Area.
- 5.3 **Church Street Conservation Area** was designated in 1992 and covers one of the older, mainly residential areas around the town centre of Rugeley. Its townscape is defined by its linear street pattern focussed on Church Street, fronted by a variety of historic properties of both individual and group interest and including four listed buildings. An Appraisal of 'what matters and why' including the historic development of the Area and its positive and negative features, making recommendations for management to reinforce the positive and eliminate the negative, was adopted at Cabinet in 2006. The new Appraisal seeks to update this document including references to national and local planning policy changes, recent new development and changes of use in the Area, but makes use of much of the information previously contained within.
- 5.4 **Talbot Street/Lichfield Street Conservation Area** was designated in 2002 and covers another of the historic residential suburbs around Rugeley town centre, including a number of community buildings (historic former schools, churches, public houses and a cinema) around a 'planned' street layout. An Appraisal was adopted at Cabinet in 2005, and the new Appraisal seeks to update this document in a similar way to Church Street above.
- 5.5 **The Trent and Mersey Canal Conservation Area** throughout Staffordshire was designated in 1988 by Staffordshire County Council in conjunction with the

Districts in view of its outstanding industrial archaeological importance, both nationally and locally. On its completion in 1777, the Canal was the greatest civil engineering project yet carried out in England. Many features of great historic interest survive along the Canal throughout the county including locks and bridges, warehouses, wharves and basins. Within Cannock Chase District the Conservation Area covers the Canal and towpath, extending out to include several historic canal side structures with a relationship to the Canal including the warehouse at Mill Lane, cottages at The Mossley and Brewery Cottages along Armitage Road. Listed buildings within the Conservation Area include Brindley Bank Pumping Station, St Augustine's Church and Old Chancel, the railway viaduct and the arched canal bridge no. 64. An Appraisal was adopted at Cabinet in 2012. The new Appraisal seeks to update this document in a similar way to Church Street and Talbot Street/Lichfield Street above.

5.6 Draft Management Plan SPD's for each of the above Areas seek to set out the means by which preservation and enhancement of the special character of each Area might be pursued. These follow on from the Council's adopted generic 'Conservation Areas Management Plan' 2014 which sets out a package of measures applicable to all of the District's Conservation Areas, including development control powers, enforcement and encouragement to repair and raise standards. The individual Management Plans seek to encourage debate on how the issues might be addressed in each Area.

5.7 Recommendations for Management include:

- the importance of retention and enhancement of buildings, boundaries and characteristic features making a positive contribution to the Area, through encouraging building owners to use traditional materials/designs for repairs eg the importance of the care and maintenance of historic garden walling
- requiring new development proposals to reflect existing building heights, materials colour and texture and encourage sensitive gap filling to reinforce strong frontages
- potential for enhancement through measures such as encouragement to accommodate modern infrastructure (eg solar panels and roof lights) in a considered and unobtrusive way, mitigating visual impacts where necessary, and new tree planting to replace existing mature specimens as they age
- working with the County Highways Authority to adopt the least visually intrusive traffic management measures.

5.8 There is no intention or power to compel, or to prevent change, merely to encourage change to happen in ways which maintain the visual quality and special interest of the Area over time. The main opportunities for enhancement are through the development management process and to make building owners aware of historic significance and encourage them to consider proposed alterations carefully. Indeed the documents make reference to a number of good new developments within the Conservation Areas as good examples to follow. The advice is contained in a Supplementary Planning Document in order to add weight to the more general heritage policies contained in the Local Plan.

- 5.9 **The Trent and Mersey Canal Conservation Area Appraisal and Management Plan also propose a boundary extension to this Conservation Area** which was originally suggested by the Inland Waterways Association during consultation on the previous Appraisal in 2012 and was previously highlighted in the Brereton and Ravenhill Parish Plan 2006. The Council's response then was to defer consideration of the matter until preparation of the Management Plan to allow proper consultation to take place on the suggested boundary extension. The location of the proposal is the former Talbot canal basin, now filled in and forming an area of public open space covered by woodland at the junction of Armitage Road and Thompson Road and owned by Cannock Chase Council. In view of its historical links with the Canal as set out in the Appraisal it would fulfil the criteria of a surviving canalside feature with a relationship to the canal and would be an appropriate extension. No change in the existing use or appearance of the land is proposed, simply the boundary of the designated Conservation Area extended across Armitage Road as shown in Appendix 7 Plan 8. Consultation on the Trent and Mersey Canal Conservation Area documents also invites comments on this proposed boundary extension. Responses from the consultation strongly supported this extension (see Appendix 5).
- 5.10 The purpose of designation of a Conservation Area is to provide a broader based form of protection for the built fabric and landscape of the area than would be available with normal planning powers. It recognises that historic and architecturally interesting buildings and structures exist within a particular urban or rural context which provides a setting for the buildings and which may have a special character or appearance which it is desirable to preserve or enhance. Conservation Area status ensures that:
- Any application for planning permission for development which would, in the opinion of the local planning authority affect the character or appearance of the Conservation Area must be given particular publicity and determined in a way which secures the preservation or enhancement of the area.
 - Any person wishing to demolish a building or cut down, lop or uproot any tree must (subject to certain exceptions) first apply for consent to the local planning authority, or in the case of trees, give the authority six weeks notice of the proposed action.
 - Permitted development rights which permit certain works to take place without planning permission are more restricted than in other areas.
- 5.11 These Draft documents were subject to public consultation over a six week period from 5th November to 17th December 2018 (extended to 21st December at the request of Rugeley Town Council). Letters were sent to occupiers of all properties within the Conservation Areas and a short presentation was made to Rugeley Town Council on 7th November 2018, and Brereton and Ravenhill Parish Council on 6th November 2018. Letters were sent to consultees (including Staffordshire County Council, Historic England, the Inland Waterways Association and the Landor Society) and Local Members and were available for inspection at the Civic Centre, Rugeley and Brereton Public Libraries and on the Council's website. Further copies were available on request and the availability

of the documents was advertised in the local press. All the consultation was carried out in accordance with the relevant regulations.

- 5.12 Comments received on the documents broadly expressed strong support as set out in Appendices 1, 3 and 5. Proposed amendments set out in Appendices 2, 4 and 6 are considered to satisfy the points raised, as far as possible, and to clarify the documents themselves.

6 Implications

6.1 Financial

There are no direct financial implications for the Council as a result of this report; any expenditure connected with the Conservation Area Appraisals and Management Plans, including staff time, will need to be contained within existing budgets.

6.2 Legal

Supplementary Planning Documents are prepared under the Planning and Compulsory Purchase Act 2004 and in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). Prior to adoption the Council must prepare consultation statements in accordance with Regulation 12 and upon adoption, Regulation 14 of those Regulations requires the documents and adoption statements to be made available by the Council.

6.3 Human Resources

None.

6.4 Section 17 (Crime Prevention)

None.

6.5 Human Rights Act

None.

6.6 Data Protection

The Planning Policy Fair Processing Notice sets out how data is used in compliance with the GDPR.

6.7 Risk Management

A failure to produce Conservation Area Appraisals and Management Plans would run the risk of the Council not meeting its duty to formulate and publish proposals for the preservation or enhancement of those Areas under the Planning (Listed Buildings and Conservation Areas) Act 1990. The subsequent degrading of the District's historic assets would damage economic and environmental wellbeing.

6.8 Equality & Diversity

None.

6.9 Best Value

None.

7 Appendices to the Report

Appendix 1: Church Street Conservation Area – summary of main issues raised during consultation

Appendix 2: Church Street Conservation Area – proposed amendments to the Draft Appraisal and Management Plan SPD

Appendix 3: Talbot Street/Lichfield Street Conservation Area – summary of main issues raised during consultation

Appendix 4: SPD Talbot Street/Lichfield Street Conservation Area – proposed amendments to the Draft Appraisal and Management Plan

Appendix 5: Trent and Mersey Canal Conservation Area – summary of main issues raised during consultation

Appendix 6: Trent and Mersey Canal Conservation Area – proposed amendments to the Draft Appraisal and Management Plan SPD

Appendix 7: Plan 8 Proposed boundary extension to Trent and Mersey Canal Conservation Area

Previous Consideration

Church Street Conservation Area, Talbot Street/Lichfield Street Conservation Area, and Trent & Mersey Canal Conservation Area in Rugeley: Draft Appraisals and Draft Management Plan Supplementary Planning Documents	Cabinet	4 October, 2018
Cannock Chase Local Development Framework Conservation Areas: Appraisals and Management Plans (<i>Trent and Mersey Canal Conservation Area</i>)	Cabinet	19 April, 2012
Cannock Chase Local Development Framework: Appraisal for Church Street, Rugeley, Conservation Area Supplementary Planning Document	Cabinet	20 April, 2006
Cannock Chase Local Development Framework: Appraisal for Talbot Street/Lichfield Street, Rugeley, Conservation Area Supplementary Planning Document	Cabinet	14 July, 2005

Background Papers

None.

Draft Church Street Conservation Area Appraisal and Management PlanSummary of main issues raised during consultation

Name	Comments	Officer recommendation
Rugeley Town Council	<p>During 2018 the Town Council sought to object to a planning application which it felt was contrary to the existing conservation area and NPPF. Despite numerous local objections and a comprehensive written report, Cannock Chase agreed to permit development of two modern properties, of little architectural merit, in a rear garden. For this reason, the Town Council feel strongly that the Church Street Conservation Area Management Plan is not robust enough to protect the history and notable local architecture. The plan offers guidance for home owners and developers and uses works like 'should' rather than stronger directional enforcement terms that would direct any development or architectural changes.</p> <p>The stone and hedge boundary walls are mentioned but planning approvals are still given to remove them. This immediately erodes at the integrity of the street scene as you pass down Church street. The Town Council would like to see consideration to listing these boundaries.</p>	<p>In this case the Council in its decision making took the view that the proposed development was of good design and materials, retained a built frontage to the street including a frontage wall and considered that the proposal would preserve or enhance the character and appearance of the conservation area. The Appraisal seeks to highlight key features which contribute to character and appearance and which should be conserved and the Management Plan provides supplementary planning guidance to inform consideration of specific proposals. The Council's adopted generic Conservation Areas Management Plan SPD 2014 should be read in conjunction with the individual Management Plans and contains measures available to the Council to apply across all of its conservation areas, including enforcement. The Council's powers are limited even in conservation areas and use of words like 'should' is deliberate. The Council is aware from previous day to day work that property owners are using its guidance to inform choices about change, and these documents seek to reinforce this approach.</p> <p>Noted, however most frontage and property walls and hedges do not fall within the remit of planning permission. Planning applicants are generally encouraged to retain them (see comment above). This guidance is intended to emphasise to property owners the importance of retention of such features and the Management Plan offers advice on the importance of their care and maintenance including use of matching mortar and reinstatement of capping stones to extend the life of old walls.</p>

	<p>There is little made of the importance of the views into and the views out of the conservation area. Glimpses of local churches and significant buildings are becoming restricted with houses being put up in back gardens. The majesty of large dwellings sitting in their established large gardens is also being eaten away with rear developments being almost encouraged as a way of solving a much larger housing issue. Older rear garden developments are of single storey which, whilst at odds with the surroundings, were at least low level and still retained views for older residents. Recent approvals have allowed for two storey developments that block views and start to erode at the edges of the conservation area itself.</p> <p>In summary, Rugeley Town Council support the continued protection of Church Street Conservation Area , but would like to see its protection given more legal and planning standing, with clear direction for any future developers which would retain the history and architecture of this space.</p>	<p>Key views are highlighted in the Appraisal plans and text (section entitled ‘Setting and Views’), however it is agreed could be further emphasized in the Appraisal and Management Plan. Further reference to the majesty of larger dwellings in mature plots could also be added to the Management Plan, a matter which is already highlighted in the Council’s Design SPD 2016 which includes a section on ‘Mature Suburbs’, but which is also relevant here. Text updated accordingly to cover these matters.</p> <p>Noted and support welcomed. However Council powers are limited by national legislation, even in conservation areas, which is a subject of national debate amongst conservation organisations seeking to avoid the cumulative impacts of ‘permitted’ change in the built environment. These documents do seek to set out clearly a direction for future developers to help retain the history and architecture of the Conservation Area.</p>
<p>Amy Williams Local resident</p>	<p>We do not need any more building in Church Street, it will spoil the area and the street cannot cope with any more traffic. We haven’t enough doctors or schools and we now have plans for development on the power station site, the town can’t cope. Church Street is used as a ‘cut through’ to the town, Tesco and other areas and is so busy. It will ruin the street if they build more houses on Church Street and in the town.</p>	<p>Noted. The documents are intended as a guide upon which to base the form and style of future development in the area when future planning applications are being considered; the latter will also consider traffic and other impacts on a case by case basis.</p>
<p>Ray Till Local resident</p>	<p>Good idea to make conservation areas to protect the old buildings and the environment for the future. Some parts of conservation areas have not been policed in the past so who will police the areas to maintain character for the future.</p>	<p>Noted. Many alterations to buildings are classed as ‘permitted development’ to householders, even in conservation areas, however the documents seek to encourage all alterations to be done in the most appropriate way.</p>

<p>Harry Thornton Local resident</p>	<p>2018 Draft Appraisal is timely as it draws attention to the various changes, good and otherwise, since the 2006 Appraisal, and the impending major changes on the site of the recently demolished Aelfgar School.</p> <p>Draft Appraisal and Management Plan are very informative, easy to read and set out the best way forward. Proposed survey on a 5 year cycle is particularly welcome as it should help to contain the problem of fitting of upvc windows and doors and the practice of bringing forward windows almost flush with the surrounding brickwork.</p> <p>Attention is drawn to some neglected boundary walls and cases of front walls being reduced in height or rebuilt in unsuitable materials.</p> <p>Improvements have however been made, such as the three new bungalows facing Fortescue Lane, with provision for residents car parking. Car parking is a problem along much of Church Street and double yellow lines are unfortunately necessary but as mentioned in the documents consideration should be given to ways of making them less obtrusive.</p> <p>It is also hoped that new development behind the Sarah Hopkins almshouses will provide parking for residents of the almshouses. It may also be possible to provide dedicated parking on the Aelfgar site for some of the older houses higher up Church Street, and vehicular access to the rear of houses on the north east side of Lion Street.</p> <p>The Draft Appraisal and Management Plan are greatly welcomed.</p>	<p>Noted.</p> <p>Noted. Use of upvc is 'permitted development' even in conservation areas but the Council works to encourage use of better designed windows and doors where use of traditional timber is not an option.</p> <p>Noted. Boundary treatment can have a significant impact on the streetscape of a conservation area and this guidance is intended to emphasize to property owners the importance of retention of such features.</p> <p>Noted.</p> <p>Noted. This will be an issue for consideration through relevant planning applications when parking and highway matters will be considered on a case by case basis.</p> <p>Noted and support welcomed.</p>
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ITEM NO. 10.

Draft Church Street Conservation Area Appraisal and Management PlanProposed amendments following consultation

Document, section and page number	Proposed amendment
Appraisal – Recommendations – p24	Recommendation 1 - Add sentence ' In particular, the majesty of the larger dwellings in mature plots contributes to this special character and appearance. '
Management Plan SPD – Main Issues – p3	Issue 1 – Add to list of examples: ' the majesty of larger dwellings in mature plots '.
Management Plan SPD – Delivery Plan – p4	Add to first box: ' in addition the majesty of the larger dwellings in mature plots which contribute to the special character and appearance of the Conservation Area merits special consideration. The Council's adopted Design SPD 2016 includes Design Guidance for Mature Suburbs which should be referred to in conjunction with this Management Plan. ' Also: ' Views/glimpses of local churches and significant buildings beyond the Conservation Area boundary should be retained. '

ITEM NO. 10.

Draft Talbot Street/Lichfield Street Conservation Area Appraisal and Management Plan

Summary of main issues raised during consultation

Name	Comments	Officer recommendation
Brereton & Ravenhill Parish Council, Brereton & Ravenhill Neighbourhood Plan Steering Committee and Brereton & Ravenhill Heritage Committee	<p>Welcome the draft documents subject to the following comments:</p> <p><u>Appraisal</u></p> <ul style="list-style-type: none"> • P6 2nd para – the old station was on both sides of the bridges • P7 2nd para - railway was constructed in 1850's, completed 1859. • P12 final para – the railway bridges between Horse fair on the one side and Armitage Road and Brereton road on the other side need careful cleaning and repointing • P14&15 - the railway bridges between Horse fair on the one side and Armitage Road and Brereton road on the other side need careful cleaning and repointing and the railway bridge over Arch Street should be clearly identified as significant buildings • P27 6th indent – care needs to be taken to ensure that trees (especially larger trees) do not harm residential amenity when fully grown. <p><u>Management Plan SPD</u></p> <ul style="list-style-type: none"> • P5 – we suggest adding a final box: 'the Council will be prepared to use its powers under the Planning Acts where neglect threatens the survival of historic structures or harms amenity'. • P9 & 10 – the railway bridges between Horse Fair on the one side and Armitage Road and Brereton road on the other , and the railway bridge over Arch Street should be clearly identified as significant buildings 	<p>Noted and support welcomed.</p> <p>Text updated accordingly to cover these matters.</p> <p>Added to plan.</p> <p>Text does specify 'appropriate trees'. New tree planting should be carefully chosen for site to avoid future amenity impacts.</p> <p>The Council's adopted generic Conservation Areas Management Plan 2014 should be read in conjunction with the individual Management Plans and contains measures available to the Council to apply across all of its conservation areas, including enforcement.</p> <p>Added to plan.</p>

<p>Ray Till Local resident</p>	<p>Good idea to make conservation areas to protect the old buildings and the environment for the future. Some parts of conservation areas have not been policed in the past so who will police the areas to maintain character for the future.</p>	<p>Noted. Many alterations to buildings are classed as 'permitted development' to householders, even in conservation areas, however the documents seek to encourage all alterations to be done in the most appropriate way.</p>
<p>Rob Gibbon Local resident</p>	<p>As a resident of Talbot Street I am keen to keep updated on the Council's plans regarding this Conservation Area. Document mentions p7 – 'consideration of alternative methods to control on-street parking'. I feel that on-street parking is becoming a problem in Talbot Street and will only get worse if something is not done to address this. In particular vehicles are parked on both sides of the street and since it is narrow they park on the footpath in some cases totally blocking access on the footpath. Could the Council look into the viability of issuing residents with parking permits to allow their vehicles to park on the car park next to St Pauls Church? If this does not provide enough incentive then maybe parking should only be allowed on one side of the street.</p>	<p>Noted, text of Management Plan updated to encourage exploration of parking solutions (which in themselves go beyond the remit of these documents).</p>
<p>Dave Lucas Co-ordinator of Antlers restoration project</p>	<p>P23 – Antlers – these are not a replica but the restored original The original cast iron light fitting was repaired and SCC in conjunction with Network Rail re-erected them in their original position.</p>	<p>Text of Appraisal updated accordingly</p>
<p>Harry Thornton Local resident</p>	<p>The 2018 Draft Appraisal is welcomed as it highlights many of the changes that have occurred within the Conservation Area since the 2005 Appraisal. The Draft documents are informative and comprehensive, and are an easy-to-read assessment of the area in general and the changes still needed to improve the area.</p> <p>The Talbot Street former girls school is now much improved after being converted to residential use. P9 para 3 refers to the school 'now used as offices' which may be an error.</p> <p>Appraisal p28 – recommendation 6 is particularly welcomed as being necessary to improve views from Lichfield Street.</p> <p>Draft Management Plan p3 – summary of items of special interest – while many of the shops facing Horse Fair still fall short of what is desired, they have to a limited extent benefitted by the recent road improvements and by the improved street scene</p>	<p>Noted</p> <p>Noted and Appraisal text updated accordingly.</p> <p>Noted.</p> <p>Noted.</p>

	<p>brought about by the trees and suitably matching exterior of the new care home facing the shops.</p> <p>Heron Court is still in need of tlc, although now that residential development has been approved on spare land at the front and side of the building it is hoped that Heron Court itself will soon be improved, despite having much of its imposing frontage lost from view in Heron Street.</p>	<p>Noted.</p>
<p>Rugeley Town Council</p>	<p>The residential area has been well protected by the Conservation Area plans. Rear gardens to properties are protected with little/no secondary dwellings affecting the setting of the original houses. The railway is a dominant feature especially as it passes across the end of Horse Fair.</p> <p>Whilst the core of the area has a tranquil feel and retains many original features on the houses, the boundary of the conservation area has not been as well protected and offers little in the way of architectural merit. Horse Fair itself is a significant road in the history of Rugeley but this history has been developed out through incremental modern planning permissions.</p> <p>Rugeley Town Council would like to see more direction for planning applications along Horse Fair in order to re-establish it as the significant thoroughfare that it once was. It is suggested that the use of a 'street scene development guide' may assist in this.</p>	<p>Noted and support welcomed.</p> <p>Noted. The significance of Horse Fair could be further emphasized in the Appraisal 'Negative Features' and 'Enhancement Opportunities' sections and in the Management Plan SPD Delivery Plan. Text updated accordingly.</p> <p>Noted. Horse Fair could be added to an update of the Council's Design SPD 2016 in due course which already includes coverage of design enhancements for significant 'corridors' such as the A5. Horse Fair would seem to merit such specific treatment, offering a more comprehensive approach to enhancing the settings of two conservation areas – Talbot Street/Lichfield Street and Rugeley Town Centre – as well as the street scene of a well used thoroughfare. Management Plan SPD updated accordingly.</p>

ITEM NO. 10.

Draft Talbot Street/Lichfield Street Conservation Area Appraisal and Management PlanProposed amendments following consultation

Document, section and page number	Proposed amendment
Appraisal – Development History – p6	2 nd para: amend 9 th sentence to: ...when the railway was built in the 1850's, completed 1859 (the old station was on both sides of the bridge).
Appraisal – Development History – p9	3 rd para: amend 2 nd sentence to:...the Girls Primary School in Talbot Street in 1892 (now converted to dwellings).
Appraisal – Character Analysis – p12	Final para: amend 1 st sentence to: 'The brick built railway bridges on Horse Fair form a substantial and distinctive edifice at the entrance to the town centre and would benefit from careful cleaning and repointing.'
Appraisal and Management Plan – Plans 4 & 5	Shade railway bridges in Horse Fair and Arch Street as 'unlisted buildings of significant interest'.
Appraisal – Public Realm – p23	6 th sentence: amend to: 'Recent local support for restoration and replacement of the original historic 'antler' light fitting on the Horse Fair bridge ...'
Appraisal – Loss/Intrusion/Negative Features – p25	End of 4 th para: add: ' In particular, Horse Fair is a historically significant thoroughfare in Rugeley which retains sections of its attractive historic frontages. Whilst modern redevelopment has had an impact, the history, character and street scene could be enhanced by sympathetic repair of the older buildings and sympathetic redevelopment of some of the modern ones, especially those noted as having a negative impact. Appropriate tree planting to enhance the street scene would also be welcomed.'
Appraisal – Enhancement Opportunities/recommendations – p28	Add additional bullet point and adjust numbering: ' Opportunities to enhance the significance of the Horse Fair frontage of the Conservation Area will be encouraged, with sympathetic repairs to historic buildings and sympathetic redevelopment of sites noted as having a negative impact, including appropriate tree planting. In addition the Council will give consideration to including the Horse Fair frontage in an update of its Design SPD 2016 to encourage a more comprehensive enhancement of the edge and setting of two conservation areas – Rugeley Town Centre and Talbot Street/Lichfield Street – with guidance covering the whole corridor.'

<p>Management Plan – Delivery Plan – p4</p>	<p>1st box: add sentence: ‘In addition opportunities to enhance the historic significance of the Horse Fair frontage with sympathetic repair of the older buildings and sympathetic redevelopment of some of the modern ones, especially those noted as having a negative impact, together with appropriate tree planting, will be encouraged.’</p>
<p>Management Plan – Delivery Plan – p5</p>	<p>2nd box: add sentence: ‘ The Council will give consideration to including design guidance for the whole Horse Fair corridor in an update to its Design SPD 2016 to encourage more comprehensive enhancement of this significant street scene including the edge and setting of two conservation areas.’</p>
<p>Management Plan – Delivery Plan – p7</p>	<p>Potential for Future Enhancements 3rd box: amend sentence to: ‘Consideration of traffic calming/parking restrictions with the County Highway Authority to explore the least obtrusive and most effective ways to regulate on street parking.’</p>

Draft Trent and Mersey Canal Conservation Area Appraisal and Management Plan

Summary of main issues raised during consultation

Name	Comments	Officer recommendation
Brereton & Ravenhill Parish Council, Brereton & Ravenhill Neighbourhood Plan Steering Committee and Brereton & Ravenhill Heritage Committee	<p>Welcome the draft documents subject to the following comments:</p> <p><u>Appraisal</u></p> <ul style="list-style-type: none"> • P3 – while welcoming in principle improved cycle links via the canal corridor it is important to minimise the potential for conflict between cyclists and pedestrians. • P6 last complete para – final sentence should begin ‘In Rugeley and Brereton’ • P7 first line – we suggest replacing ‘control of British waterways’ with ‘guardianship of the Canal and River Trust’ • P14, 29 and Appendix 3 – we wholeheartedly support the proposed extension of the conservation area to include the site of the former canal basin at the bottom of Thompson Road. • P19 – we suggest identifying the relevant parts of the disused concrete bridge as negative boundaries. • P19&21 – we firmly believe that 1760’s bridge 65 should be clearly identified as a significant building • P25 2nd para – we suggest adding at the end of the penultimate sentence ‘which impedes use by disabled and less able people and by parents with pushchairs’. • P25 last complete sentence – we suggest adding ‘ which now form a valuable and valued feature of the canal’. • P26 1st complete para – we suggest replacing ‘which should aim to preserve its character whilst at the same time facilitating use by disabled and less able people, parents with pushchairs and cyclists’. • P27&28 – the disused concrete former railway bridge should be identified as a negative feature. <p><u>Management Plan SPD</u></p> <ul style="list-style-type: none"> • P4 5th box 1st sentence – we suggest replacing this with ‘ The Council will seek the repair and maintenance of towpath surfacing and waterway edging using appropriate materials and methods in conjunction with Brereton and Ravenhill Parish Council (which has obtained 	<p>Noted and support welcomed.</p> <p>Text updated accordingly to cover these matters.</p> <p>Ditto</p> <p>Ditto</p> <p>Noted</p> <p>Plans updated.</p> <p>Plan updated.</p> <p>Text updated</p> <p>Ditto</p> <p>Ditto</p> <p>Plan updated</p> <p>Text updated</p>

	<p>funding for this in its area) and the Canal and River Trust.’</p> <ul style="list-style-type: none"> • P4 6th box final sentence – we suggest replacing this with ‘ careful removal of vegetation growing in wall crevices and ivy overgrowth will reveal the attractiveness of the structure to view, avoid damage and loss of integrity from root growth and facilitate proper maintenance’ • P5 sec 1 – we suggest adding a final box ‘ the Council will be prepared to use its powers under the Planning Acts where neglect threatens the survival of historic structures or harms amenity’ • P6&12 – we wholeheartedly support the proposed extension of the conservation area to include the site of the former canal basin at the bottom of Thompson Road. • P10 – we suggest identifying the relevant parts of the disused concrete railway bridge as negative boundaries. • P10&11 – we firmly believe that the 1760’s Bridge 65 should be clearly identified as a significant building. 	<p>Text updated</p> <p>The Council’s adopted generic Conservation Areas Management Plan SPD 2014 should be read in conjunction with the individual Management Plans and contains measures available to the Council to apply to all of its conservation areas, including enforcement.</p> <p>Noted</p> <p>Plan updated.</p> <p>Plan updated</p>
<p>Inland Waterways Association</p>	<p>IWA responded to the previous consultation in 2011 and we note that many of the changes suggested previously have been incorporated, including extension of the conservation area boundary to take in the Talbot Basin. We are generally content that these two documents provide a sound basis for the protection and improvement of the conservation area. Detailed comments as follows: <u>Appraisal</u></p> <ul style="list-style-type: none"> • p6 1st para last line – add Canal after Caldon • p6 2nd para 2nd line – change ‘costed’ to ‘cost’. • p6 3rd para sentence beginning ‘in 1948...’ change to: ‘In 1948 the canal was nationalised and since 2012 has been under the control of the Canal and River Trust, a charity, which exists to maintain and develop the canal and the inland waterway network to fulfil its economic, social and environmental potential’. • P7 1st para – delete ‘because the technology to build skew arches had not then been developed’ and replace with ‘to minimise the length of the aqueduct and the embankment 	<p>Noted and support welcomed.</p> <p>Text updated accordingly to cover these matters. Ditto</p> <p>Ditto</p>

	<p>where the canal crosses the river valley from the north side to the south' (explanation: whilst it is true that skew arches had not then been developed, it is most unlikely they would have been used at this location'.</p> <ul style="list-style-type: none"> • P7 2nd para – delete 'most recently' from 'and has most recently been used as the South Staffordshire Water Museum' (explanation: the museum items are a private collection that has in the past been open to visitors by appointment, but rarely in recent years.) • P8 1st para – consider deleting 'It is said that as her body was pulled from the water her blood ran down the flight of steps and the spot is still rumoured to be haunted to this day' (explanation: although much repeated this is no more than a fanciful myth, and perhaps therefore not appropriate for a serious conservation area appraisal. A drowned body would not leak blood when carried up steps. In any case the present steps are a relatively modern concrete replacement for the original red sandstone steps, partly on a different alignment. An IWA excavation in 20011 uncovered the bottom two steps still in situ although these appear to be the only ones remaining. They are still there under a shallow protective covering of soil. The redness of the local sandstone may have given rise to the myth about blood stains. Suggest adding 'the modern concrete steps are a replacement of the original sandstone steps of which only the bottom two survive below ground'. • P8 3rd para – change 'is believed to have been' to 'was' a cobbled yard and wharf... (explanation: this was visible until largely destroyed by excavation for the present swimming pool in 2008. You might also mention the stone wall still visible behind the pool building with its 3 large arched openings, which it is believed were for underground storage or stables. The distinctive and attractive Churchdale Cottage facing the canal was extended in 2008 but in a closely matching style. Although the Cottage and arches are outside the conservation area you might consider including them for their historic interest.) • P.20 3rd line – correct typo 'scheme leading' • P.23 – the parapets of Leathermill Lane Bridge (66) have been rebuilt and capped with incongruous concrete slabs in place of the 	<p>Ditto</p> <p>Ditto</p> <p>Consideration will be given to extending the Conservation Area boundary in a future update when this proposed inclusion can be advertised. In the meantime text updated.</p> <p>Text updated The canal bridges are understood to be the responsibility of the Canal</p>
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	<p>original sandstone coping stones. This should be a priority for replacement with authentic materials, in conjunction with repairs to the bridge wing wall.</p> <ul style="list-style-type: none"> • P.29 – if ‘copies were sent to British Waterways’ is describing the current consultation (use of past tense makes this unclear) then this should be changed to Canal and River Trust. • Appendix 1 p.33 – in ‘the pumping station is situated close to a branch of the Trent and Mersey Canal, delete ‘a branch of the’ (explanation: the pumping station adjoins the main canal, there is no branch.) <p><u>Draft Management Plan SPD</u> IWA suggests that section 4 of the Plan should also include the following specific potential enhancement objectives:</p> <ul style="list-style-type: none"> • Moorings – the main moorings for visiting boats used to be north of Leathermill Lane where mooring rings still exist, but the canal bank has now deteriorated with wash holes and collapsed sections such that most boats can no longer moor here. Although boats can moor south of the bridge where the bank is sheet piled, this section often gets congested and the towpath here is very narrow. Repairing the bank and reinstating the moorings between Leathermill Lane and Station Road, using sheet piling but topped with original stone copings recovered from the collapsed wash wall would both respect the heritage and provide an improved facility for boaters to stop, visit and shop in Rugeley. The Council should work with the Canal and River Trust to identify additional third party funding for this. • Leathermill Lane Canal Bridge (66) – Now that the bridge has been pedestrianised, funding should be sought to rebuild the parapets by replacing the modern facing brickwork with heritage bricks that match the original c.1771 	<p>and River Trust (CRT)so this matter will be brought to their attention. The Council is aware that damage is occurring due to large vehicles attempting to turn at the top of Leathermill Lane so will be referred to Staffordshire County Council (SCC) Highways too. An item will be added to the Management Plan SPD Delivery Plan.</p> <p>Text updated</p> <p>Text updated</p> <p>Text updated and matter will be referred to CRT. Item added to Management Plan SPD Delivery Plan.</p> <p>Text updated and matter will be referred to CRT and SCC Highways. Item added to Management Plan SPD Delivery Plan</p>
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	<p>hand made bricks of the main arch. The incongruous concrete slab copings should be replaced with sandstone blocks to reinstate the original appearance of the bridge as an important heritage feature of the canal and of Rugeley. The damaged wing wall (fig 9 of Appraisal) should also be rebuilt in a way that facilitates the improvement of the towpath access ramp to remove the steps and provide disabled access.</p> <ul style="list-style-type: none"> • Outside storage – the external storage of materials behind industrial units, such as vehicle tyres at the Starco and Granurite sites, is visually intrusive and damaged the setting of the conservation area. Enforcement action should be taken where appropriate to prevent this, or other interventions made to screen such sites with reinforced planting or new fencing. 	<p>The Council’s adopted generic Conservation Areas Management Plan SPD 2014 should be read in conjunction with the individual Management Plans and contains measures available to the Council to apply across all of its conservation areas, including enforcement. A landscaped buffer zone to the canal boundary formed part of development approvals for all recent commercial sites along Wheelhouse Road. The case will be investigated.</p>
<p>Harry Thornton Local resident</p>	<p>The new documents are welcome because of the several changes that have taken place since the previous Appraisal of 2012, and the major changes that are likely to take place in the near future when the Power Station site is redeveloped.</p> <p><u>Draft Appraisal</u></p> <ul style="list-style-type: none"> • p.16 – as a matter of interest, Love Lane is shown on the 1815 parish map (WSL Ref. 14/19/45) as Hodgley Lane and extends to provide access to fields behind the Mossley area. • P.19 – plan 6, add the redundant concrete railway bridge should be a negative boundary • P.23 Bridges – the disused concrete railway bridge is deteriorating and could eventually become dangerous. • P.27 1st para – as a matter of interest the lime kiln at Mossley was owned by John Cox, who used it to produce lime for processing leather after he bought the Bryans Lane tannery at auction in 1820, following the bankruptcy of its former owner Walter Nixon (SRO Ref, D603/X/5/30) It was in use from at least 1840 	<p>Noted and support welcomed.</p> <p>Text updated accordingly (on p.10).</p> <p>Plan updated.</p> <p>Ownership of this bridge will be investigated.</p> <p>Text updated in summary.</p>

	<p>(No 1184 on the Tithe Map) until at least 1889 when conveyed by later Cox family members to another owner (SRO Ref D4244).</p> <ul style="list-style-type: none"> • P.31 Note 6 – consider adding the need for demolishing the redundant concrete railway bridge. <p><u>Draft Management Plan SPD</u></p> <ul style="list-style-type: none"> • P.4 – retention and enhancement of buildings, boundaries and characteristic features: I would suggest an additional box is required solely to deal with the future of the listed Bridge no. 64 which appears to be ownerless and in need of systematic maintenance, in particular, the immediate removal of vegetation growing into the brickwork. • P.7 & 12 – the inclusion of the former ‘Talbot Basin’ into the Conservation area would be desirable because of its past close connection with the canal and by being the only visible reminder of the old Brereton Colliery in the locality. The proposed location of the linkage over the Armitage Road is logical as it coincides with the former bridge under the road and draws attention to the reason for the canal side railings at that point. • P.7 table 4 – it would be beneficial if the redundant and truncated concrete bridge was removed as it is already deteriorating and may eventually become dangerous. • P.10 – the map should show the redundant concrete bridge as a negative boundary. 	<p>See note above</p> <p>Text updated accordingly. This bridge is understood to be in the ownership of the CRT so the matter will be brought to their attention.</p> <p>Noted</p> <p>See note above.</p> <p>Plan updated</p>
<p>Lesley Jewkes Local resident</p>	<p>I read the reports with great interest, the historical and contemporary information showed considerable and detailed work, and the Council is to be commended for this. However I think that the report does tend to convey a rather rosy picture of the canal and immediate environs. I take a particular interest in this much abused and neglected stretch of canal and would like to add the following comments:</p> <ul style="list-style-type: none"> • Bridge 66 (Leathermill Lane) is in a very poor state, it has been crudely and unsympathetically repaired, capping stones are missing (probably in the canal) and there are several deep cracks in the roadside brickwork and is possibly in danger of collapse. The access here to the canalside is a confusing, ugly and hazardous mess. 	<p>Noted and support welcomed.</p> <p>Noted. A scheme of enhancement to this canal access is planned to be implemented by the CRT in partnership with the Council using S106 funds from the Tesco development. Matter of damage will be referred to CRT and SCC Highways. Item added to Management Plan Delivery Plan.</p>

	<ul style="list-style-type: none"> • The ATS premises adjacent to the bridge are a neglected eyesore, and possibly an environmental hazard. The bank on their property and down to the canal is a scruffy overgrown mess. I have written to ATS about this; they don't care about their premises and do nothing. • The Old Mill nearby is up for sale at a price in excess of £1million. It remains unsold. It will I am sure, eventually collapse into the canal. • The towpath from Bridge 66 and away from the town is rarely used as moorings, the coir rolls along with other measures such as concrete filled sandbags are a temporary measure designed to preserve the path edge; however the bank continues to collapse and it is very difficult for boats to moor here because the water is so shallow. The consequence is that boats moor further away and beyond the '48 hour' limit to the detriment of possible boater trade in the town and to the annoyance of canalside residents. The canal here is in urgent need of piling, backfilling and dredging, thus restoring the canal to its proper width and depth. • The towpath from the town and all the way to Shugborough is much used by walkers and cyclists and if properly restored could become a considerable asset to the town, its residents and visitors. <p>If one compares the canal environment here in Rugeley to Stone or Alrewas, the contrast is significant, inasmuch as Rugeley is sorely neglected, repairs or restoration have been carried out in a haphazard and unsympathetic manner and as</p>	<p>Noted. Planning permission was granted for refurbishment of this site in 2018 but so far there has been no progress on development.</p> <p>Noted. The Old Mill is in private ownership and was the subject of a Feasibility Study for conversion to residential use under the recent Rugeley Town Centre Partnership Scheme. Whilst the site is being marketed and is on the 'Save Britain's Heritage' Register of available properties, so far there has been no progress on development.</p> <p>Canal maintenance issue to be referred to the CRT. Item added to Management Plan Delivery Plan</p> <p>Noted. The adopted Rugeley Town Centre Area Action Plan 2014 sought to raise the profile of the Canal within the town and realise the opportunity it presents.</p> <p>Noted.</p>
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	<p>cheaply as possible. Having approached the Canal and River Trust, Rugeley Town Council and Cannock Chase District Council all to no avail, I sincerely hope that the report goes some way towards starting a significant improvement to the area.</p>	
<p>Rugeley Town Council</p>	<p>Thank you for the opportunity to comment on the conservation area consultation.</p> <p>As mentioned in the opening paragraphs of the plan the Old Chancel is a significant building when viewed from both the town and the canal. Its 'imagineering' into a destination for tourism and heritage should be positively directed and the support and specific input from Cannock Chase Council would be welcomed.</p> <p>With the development of the power station site, the canal can be viewed as either a boundary not to be crossed or more hopefully a corridor for pedestrians, cyclists, boaters in exploring and benefitting from the town of Rugeley. Works proposed to further enhance this important corridor are welcomed.</p> <p>The increased use of the canal/towpaths can be achieved through increased accessibility. The opportunity for pedestrians, cyclists and mobility scooter users to access the towpath would bring increasing enjoyment to residents and tourists alike.</p> <p>The Town Council agrees that some of the residences backing onto the canal are not caring for the boundaries and this is a negative visual impact. Are there opportunities to encourage private property owners to improve this aspect?</p>	<p>Noted and support welcomed.</p> <p>The Council is supportive of proposals for the Old Chancel which enable it to be brought into a viable use to secure its long term future following redundancy for ecclesiastical purposes.</p> <p>Noted. The Power Station SPD 2018 recognised this opportunity which will be considered in the course of development of proposals for the Power Station site. The Council will continue to work with CRT and SCC to enhance the canal corridor.</p> <p>Noted.</p> <p>The Council has no powers but would adopt a conciliatory approach. The document seeks to raise awareness of issues affecting the Conservation Area generally and one option might be to embark on a publicity campaign to raise awareness targeted at property owners adjoining the Canal. Item added to Management Plan Delivery Plan.</p>

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	<p>Significant historical industrial buildings border the canal and their refurbishment should again be encouraged where the work undertaken adds to their unique location.</p> <p>We do not know if the following would fall into the concerns of a conservation area plan, but Rugeley Town Council are keen to see that the understanding of, and interpretation of the history of, the canal is maximised at every opportunity. This could be through talking posts, information boards, canal trails etc. Any opportunity to develop this aspect would be welcomed.</p>	<p>Noted. The document seeks to raise awareness generally.</p> <p>Noted and agreed. Interpretation forms an element of Council Local Plan policy towards the historic environment. Item added to Management Plan Delivery Plan.</p>
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ITEM NO. 10.



Draft Trent and Mersey Canal Conservation Area Appraisal and Management PlanProposed amendments following consultation

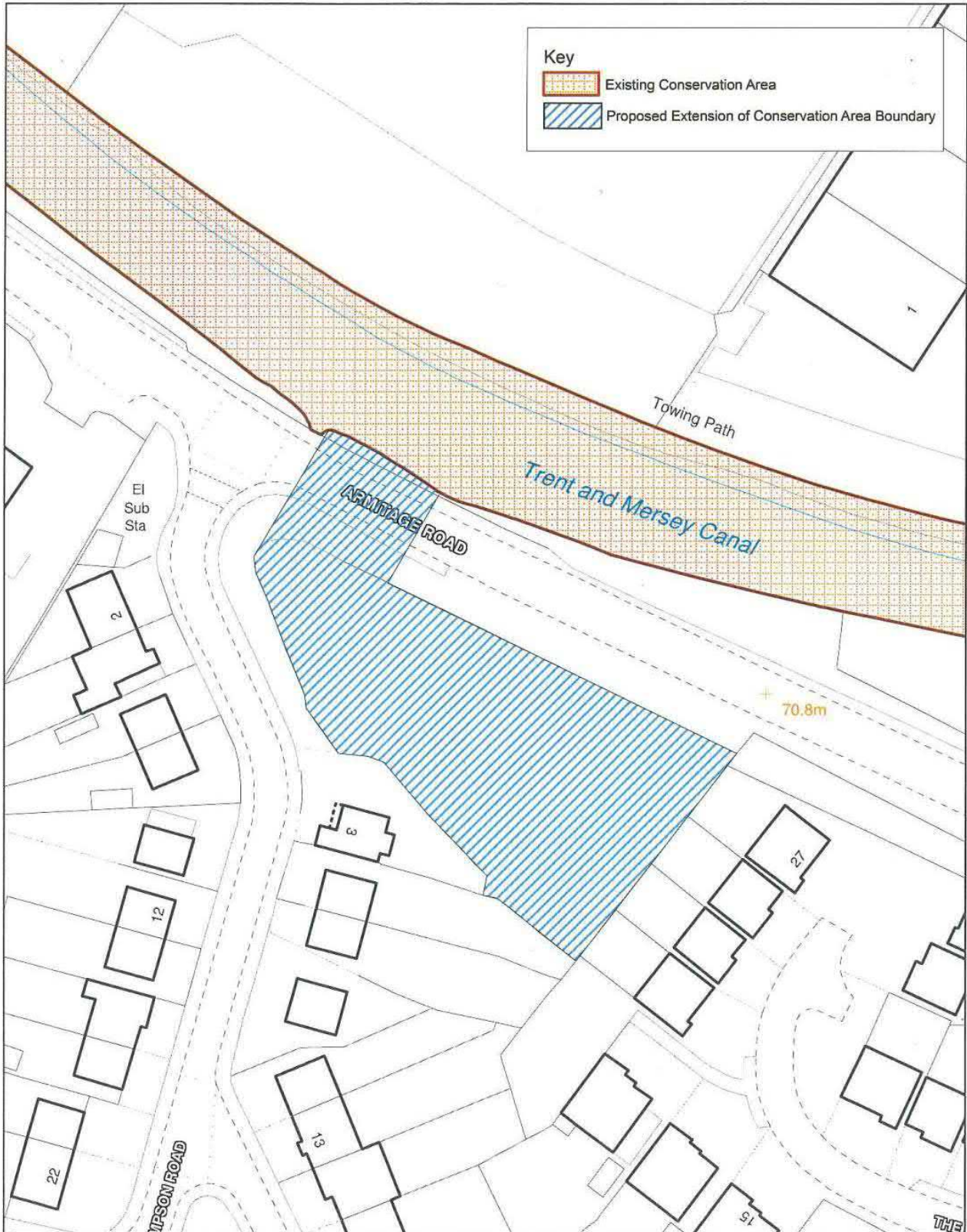
Document, section and page number	Proposed amendment
Appraisal – Introduction – p3	Add sentence to end of 3 rd para: ‘Consideration will be given to ways of minimising conflict between cyclists and pedestrians.’
Appraisal – Development History – p6	Amend sentence at end of 1 st para: ...the Caldon Canal...’
Appraisal – Development History – p6	Amend sentence at start of para 2:...’as trips cost over two thirds less by canal...’
Appraisal – Development History – p6	Amend last sentence para 2: ‘In Rugeley and Brereton the coal mines were...’
Appraisal – Development History – p6-7	Amend 3 rd sentence in 3 rd para: ...’the canal was nationalised and since 2012 has been under the control of the Canal and River Trust (CRT), a charity , which exists...’
Appraisal – Development History North Section – p7	Amend 2 nd sentence: ‘...this crossing was made at 90 degrees to the River to minimise the length of the aqueduct and the embankment where the canal crosses the river valley from the north side to the south. ’
Appraisal – Development History North Section – p7	Amend 5 th sentence to delete: ‘...most recently..’
Appraisal and Management Plan – Plans 6 & 7	Shade Bridge 65 as a significant building; shade disused concrete railway bridge as negative boundary.
Appraisal – Development History North Section – p8	1 st para, delete 4 th sentence and substitute new sentence at end of para: ‘The modern concrete steps are a replacement of the original sandstone steps of which only the bottom two survive below ground.’
Appraisal – Development History North Section – p8	3 rd para: amend 2 nd sentence to: ‘...there was a cobbled yard and wharf for use of the Estate, and three large arched openings remain which it is believed were for underground storage or stables. The distinctive and attractive Churchdale Cottage facing the Canal was extended in 2008 but in a closely matching style. ’

Appraisal – Development History Central Section – p10	Insert additional para 5: ‘Love Lane, which bounds the north-east side of the Canal at this point, is shown on the 1815 Parish Map as Hodgley Lane and extended to provide access to fields behind The Mossley area.’
Appraisal – Character Analysis – p20	1 st whole sentence, correct typo: ‘...scheme leading...’
Appraisal –Public Realm – p25	1 st para amend penultimate sentence: ‘...is inclined to be muddy which impedes use by disabled and less able people and by those with wheeled transport/pushchairs.’
Appraisal – Public Realm –p.25	Amend last complete sentence: ‘There are three replica cast iron mileposts... which now form a valuable and valued feature of the Canal.’
Appraisal – Public realm – p.26	2 nd para: amend 5 th sentence to:...’which should aim to preserve its character, whilst at the same time facilitating use by pedestrians and cyclists, including disabled and less able people.’
Appraisal – The Setting of the Conservation Area –p.27	1 st para: amend 2 nd sentence to:....’a settlement of cottages with some lime kilns, in use from at least 1840 to at least 1889, and used to produce lime for processing leather after its owner bought the Bryan’s Lane Tannery.’
Appraisal – Loss/Intrusion/Negative Features – p.28	Add additional sentence at end of 3 rd para: ‘The disused concrete former railway bridge remains across the Canal though truncated just beyond the Conservation Area boundary.’
Appraisal – Community Involvement – p.29	Para 1: update reference to ‘British Waterways’ to ‘Canal and River Trust’ .
Appraisal – Appendix 1 – p.33	Delete ‘a branch of’ from the List Description.
Management Plan SPD –Delivery Plan – p.4	Part 1 box 3: amend final sentence to: ...’the potential of the Old Mill and Listed canal bridge 64 will be explored, both of which appear to be in need of maintenance.’
Management Plan SPD – Delivery Plan – p.4	Part 1 box 5: amend final sentence to: ‘...will be sought, and the Council will work with Brereton and Ravenhill Parish Council which has obtained funding for this in its area.’
Management Plan SPD – Delivery Plan – p.4	Part 1 box 6: amend final sentence to:’...avoid damage and loss of integrity from root growth, facilitating proper maintenance.’

<p>Management Plan SPD – Delivery Plan – p7</p>	<p>Box 1: expand text with additional sentence: ‘The Council will work with property owners to encourage enhancement of garden and other frontages to the Canal boundary, including the use of planting to help screen ‘clutter’ and outside storage.’</p>
<p>Management Plan SPD – Delivery Plan – p7</p>	<p>Split Box 4 into two: first box as existing first sentence on improving pedestrian/cycle links to the surroundings; second box as existing second sentence on improving boat mooring facilities with additional sentence: ‘ The Council will work with the CRT to secure the repair of boat moorings and the canal bank north of Leathermill Lane in a sympathetic manner to provide an improved facility for boaters to stop, visit and shop in Rugeley.’</p>
<p>Management Plan SPD – Delivery Plan – p7</p>	<p>Additional box: ‘The Council will work with the CRT to secure repairs to Leathermill Lane canal bridge no.66 including repair of the parapets, using appropriate materials and methods.</p>
<p>Management Plan SPD – Delivery Plan – p7</p>	<p>Additional box: ‘The Council will encourage the provision of canal related information and interpretation including opportunities for links to the wider historic environment, town centre and footway/cycle routes.’</p>
<p>Management Plan SPD – Delivery Plan – p7</p>	<p>Additional box: ‘ The Council will work with property owners and the CRT to seek the satisfactory solution of issues adversely affecting the character and appearance of the Conservation Area.’</p>

ITEM NO. 10.

 <p>Cannock Chase COUNCIL</p>	<p>Plan 8: Location of Former Talbot Basin</p>	 <p>N W E S</p>
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Report of:	Head of Economic Prosperity
Contact Officer:	Mrs. C. Eggington
Telephone No:	01543 464 326
Portfolio Leader:	Economic Development and Planning
Key Decision:	Yes
Report Track:	Cabinet: 07/02/19

CABINET
7 FEBRUARY 2019
LOCAL PLAN REVIEW ISSUES AND OPTIONS CONSULTATION

1 Purpose of Report

- 1.1 To present the Cannock Chase Local Plan Review Issues and Options consultation document for approval and to seek authority to publicly consult and the document in line with the legal requirements and in line with the Council's adopted Statement of Community Involvement.

2 Recommendation(s)

That Cabinet:

- 2.1 Approves the Cannock Chase Local Plan Review Issues and Options consultation document (Appendix A) and agrees for this to be published pursuant to regulation 18 of the Town and Country Planning (Local Planning)(England) Regulations 2012 (as amended) for an eight week consultation period, the strategy for which will be carried out in line with the Council's adopted Statement of Community Involvement 2018.
- 2.2 Authorises the Head of Economic Prosperity in consultation with the Portfolio Leader for Economic Development and Planning to make any non-substantive changes considered necessary to the document prior to it being published, and agree the arrangements for the consultation.
- 2.3 Agrees to delegate finalisation of the accompanying documentation for the Issues and Options Consultation (the non-technical summary, the Strategic Environmental Assessment and Sustainability Appraisal report (including the Equalities Impact Assessment and Health Impact Assessment), the Habitats Regulations scoping report, the updated Infrastructure Delivery Plan, and an updated evidence base to include the Economic Development Needs Assessment, Housing Needs Assessment and Gypsy, Traveller and Travelling

Showpeople Needs Assessment) to the Head of Economic Prosperity in consultation with the Portfolio Leader for Economic Development and Planning.

- 2.4 Agrees to delegate finalisation of the dates for an eight week consultation period to the Head of Economic Prosperity in consultation with the Portfolio Leader for Economic Development and Planning.

3 Key Issues and Reasons for Recommendations

Key issues

- 3.1 This report is to seek authorisation to consult on the Issues and Options stage of the new Local Plan for Cannock Chase District. The consultation document can be seen at Appendix A.
- 3.2 A number of supporting documents will be published at the time of consultation as these will provide important evidence and context. These are: the non-technical summary, the Strategic Environmental Assessment and Sustainability Appraisal report (including the equalities impact assessment and health impact assessment), the Habitats Regulations scoping report, the updated Infrastructure Delivery Plan, and an updated evidence base to include the Economic Development Needs Assessment, Housing Needs Assessment and Gypsy, Traveller and Travelling Showpeople Needs Assessment.
- 3.3 Consultation will take place for an eight week period to be agreed by the Head of Economic Prosperity in consultation with the Portfolio Leader for Economic Development and Planning. Consultation will be taken in accordance with the Council's adopted Statement of Community Involvement.

Reasons for Recommendations

- 3.4 The current Local Plan (Part 1) was adopted in 2014. Work ceased on Local Plan (Part 2) following Council resolution (21st February 2018) to enable a full review of the Local Plan as a whole to proceed. A new Local Development Scheme was adopted on this date which sets out the timetable for the new Local Plan process.
- 3.5 The first stage of the new plan, the Issues and Scope consultation, was undertaken in summer 2018 and feedback on this was reported to Cabinet on November 8th 2018.
- 3.6 This next stage, the Issues and Options consultation, takes account of the matters raised through the previous consultation and to changes in Government policy, and considers ways of addressing these, presenting suggestions as a series of choices (options) with the opportunity to suggest further solutions and ideas.
- 3.7 Feedback from the consultation will help the Council proceed to the next stage of the plan, ie Preferred Options. Details of the Local Plan timetable and its stages of preparation are set out in the Local Development Scheme.

4 Relationship to Corporate Priorities

- 4.1 The Local Plan will help to deliver the Council's corporate objectives of Promoting Prosperity and Community Wellbeing.
- 4.2 In terms of promoting prosperity, the Local Plan will help deliver the strategic objectives by helping to create the conditions for economic growth and opportunity. It will ensure that sufficient land is allocated for a range of employment and housing uses, linking these to opportunities for developing skills and encouraging a balanced portfolio of employment opportunities. It will also include policies to support town centres to adapt to changing demands to ensure they are vibrant and diverse centres.
- 4.3 In terms of community wellbeing, the Local Plan will help ensure that people can lead healthy and active lifestyles within attractive, safe and healthy environments. It will consider a wide range of issues including, for example, open space, sport and recreation, walking, cycling and sustainable transport, improved air quality, and supporting opportunities for healthy lifestyle choices.

5 Report Detail**Background and legal context**

- 5.1 Local Plan (Part 1) was adopted in June 2014. This contains the strategy for growth and environmental protection in the District to 2028 including the scale, quantum and distribution of development and policies for its delivery. This was intended to be followed by Local Plan (Part 2), which would allocate sites for different types of development and potentially provide further policy detail if needed.
- 5.2 Members will recall that on 21st February 2018, Council resolved to cease work on Local Plan (Part 2), to trigger the process of undertaking a review of the Local Plan as a whole given the amount of change to the planning system nationally as well as a changing local context especially in terms of a shortfall in housing across the Greater Birmingham and Black Country Housing Market Area (GBBCHMA). The timetable for the review was incorporated into an updated Local Development Scheme: i.e. the timetable for Local Plan production. This is a statutory requirement and is used by Government to measure the Council's performance in terms of Local Plan delivery.
- 5.3 The first stage of the new plan, the Issues and Scope consultation, was undertaken in summer 2018 and feedback on this was reported to Cabinet on November 8th 2018. This next stage of the consultation process considers the issues raised and potential options for dealing with these, as well as addressing changes which have since emerged through the update of the National Planning Policy Framework which was published in July 2018.
- 5.4 The Planning and Compulsory Purchase Act 2004 (as amended) remains the basis of the forward planning system and was modified by the Localism Act 2011. This includes the need to comply with the Duty to Co-operate, and

Councils need to work together constructively, actively and on an ongoing basis in fulfilment of this Duty when preparing their plans.

- 5.5 Regulation 18 of The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) sets out that, at the outset of Local Plan preparation, a Local Planning Authority must consult on the subject of a Local Plan and seek representations on what the Plan should therefore contain in relation to that subject. The Issues and Scope documents were prepared in fulfilment of this regulation, and the same regulation applies to this Issues and Options consultation (Appendix A) which expands upon the detail now that the new National Planning Policy Framework (2018) has been published, also taking into account comments received in relation to previous consultations.
- 5.6 Section 19(5) of The Planning and Compulsory Purchase Act 2004 (as amended) requires that a Sustainability Appraisal is undertaken to inform the development of the plan. This will also incorporate an Equalities Impact Assessment and Health Impact Assessment. Consultation documents on these will accompany the Local Plan Issues and Options consultation document. The Habitats Regulations 2017 also requires that a Habitats Regulations Assessment of the plan will be needed and so an initial scoping report will be published for consultation as this is considered to be good practice at this early stage.

The consultation documents

- 5.7 The Issues and Options document attached at Appendix A is the second stage in the consultation process for the Local Plan Review as explained in the preceding paragraphs.
- 5.8 A non technical summary will be produced to accompany the main document.
- 5.9 Other supporting documents to be consulted on at the same time include: the Strategic Environmental Assessment and Sustainability Appraisal report (incorporating the Equalities Impact Assessment and Health Impact Assessment), the Habitats Regulations scoping report, the updated Infrastructure Delivery Plan, and an updated evidence base to include the Economic Development Needs Assessment, Housing Needs Assessment and the Gypsy, Traveller and Travelling Showpeople Needs Assessment.

The headline issues

- 5.10 **A sustainable balance.** The National Planning Policy Framework (Paragraph 8) states that the planning system has three overarching objectives 'which are interdependent and need to be pursued in mutually supportive ways'. The objectives are economic, social and environmental. The Local Plan needs to strike a balance between these objectives to deliver sustainable development. In order to do this, it needs to consider the issues the district (and wider area) is facing, the evidence for this, and a range of options (i.e. 'reasonable alternatives') to address the issues raised. Consultation on these will then help the Council determine its preferred strategy and draft policies, to form the basis of a new Local Plan.

- 5.11 As part of the Local Plan preparation process the Council will also need to have regard to its own Corporate Plan and its stated key priorities of Promoting Prosperity and Community Wellbeing.
- 5.12 The initial consultation suggested that the format of the current adopted Local Plan Part 1 was broadly followed as this has seemed to work well in practice. The consultation asked which elements of the plan would need to be updated or significantly reviewed and which areas would only need minor changes or updates. Generally, the vision, objectives, district portrait and policies relating to design, landscape, heritage and Cannock Chase AONB need relatively minor updating. However, given the changes in context both nationally and at a more localised (i.e. regional) level, there will need to be consideration of a more radical change in terms of strategy for the delivery of development, and, specifically, policy relating to housing and employment / economic development. Furthermore, it is clear that some significant further work (including further evidence) is likely to be needed in terms of updating town centre / retail policy, policy relating to biodiversity, policy relating to open space, sport, recreation health and wellbeing, viability, and developer contributions.
- 5.13 **Housing: numbers and distribution.** The government has introduced a Standard Methodology for calculating housing need which provides the minimum annual figure (the 'local housing need assessment' figure) for each Council to deliver. For this local authority this is currently 284 dwellings per annum (the current adopted plan has an annual requirement to deliver 241 per annum).
- 5.14 As reported to Cabinet previously, there is a shortfall in housing provision across the fourteen authorities in the Greater Birmingham and Black Country Housing Market Area of which Cannock Chase District forms part.
- 5.15 Under the statutory Duty to Co-operate, the Local Authorities concerned have been working together for a number of years to address the issue, which is one of the key issues being investigated through reviews of Local Plans across the West Midlands geography. In February 2018, the Strategic Growth Study (SGS – produced by GL Hearn / Wood) was published. This study provided an update on the overall housing needs across the housing market area and the shortfall in supply arising. It provided an analysis of the potential options for addressing this shortfall.
- 5.16 The study considered all evidence on housing need and supply as of 31st March 2017 and identified a cumulative total shortfall of around 60,900 dwellings across the Housing Market Area (HMA) up to 2036. A position statement (issued in September 2018) from the GBCHMA authorities provided an update on housing supply which indicated some additional capacity may be available (circa 6,000 dwellings). However, a significant shortfall up to 2036 in particular still remains.
- 5.17 In terms of options for addressing the housing supply shortfall, the SGS considered the following:
- Potential additional urban supply from increasing densities and/or identifying additional urban site opportunities;
 - Proportionate dispersal area options- this would involve smaller urban extensions (500-2,500 dwellings)

- Strategic development area options including larger urban extensions (1,500-7,500 dwellings); employment-led strategic development (housing developments of 1,500-7,500 dwellings alongside employment developments); and new settlements (10, 000+ dwellings). Potential additional urban supply from increasing densities and/or identifying additional urban site opportunities.
- 5.18 The study identified that the potential additional urban supply across the HMA would not be sufficient to address the shortfall. Therefore, consideration would need to be given to the other options, as outlined above. These options were considered across the GBBCHMA taking in Green Belt and non-Green Belt locations. The study applied a series of stages of analysis to recommend a refined list of 11 options ('areas of search for strategic development') for local authorities to test through their Local Plans. It recommends that these should be considered in the first instance, alongside options for potential additional urban supply and proportionate dispersal, or smaller urban extensions.
- 5.19 For Cannock Chase District, the study identifies an area of 'proportionate dispersal' within which small urban extensions (500- 2,500 dwellings) could be considered. This is identified as being in 'the vicinity of Cannock, Great Wyrley, Burntwood, Brownhills and Aldridge'. As the study notes, further testing via Local Plans using more detailed evidence at the local level is required to determine if these options are feasible and appropriate e.g. local Green Belt assessment findings and local infrastructure assessments. The study does not identify any 'areas for strategic development' within Cannock Chase District (on the refined list of 11 options).
- 5.20 The Strategic Growth Study offers a consistent independent assessment of the potential capacity of all fourteen authorities to accommodate the housing needs of the GBBCHMA. The Strategic Growth Study recommendations imply that Cannock Chase District should consider accommodating a minimum of 500 dwellings over the plan period to contribute to the shortfall.
- 5.21 If other authorities in the GBBCHMA were to take the approach of seeking to accommodate the minimum capacity implied by the Strategic Growth Study for their respective local areas, then the housing shortfall up to 2036 would be met. This suggested approach is consistent with that suggested in the South Staffordshire Local Plan Review Issues and Options consultation (September-October 2018).
- 5.22 Given that other 'reasonable alternatives' also have to be tested, the Council will need to consider other growth figures over and above the minimum proposed by the strategic growth study. As set out in paragraph 5.19, the strategic growth study advises a 'proportionate dispersal' (small urban extensions) approach for this district. This option covers a range of 500 homes to 2,500 homes over the plan period. It could therefore be concluded that the minimum of 500 certainly needs to be tested (as set out in paragraphs 5.20 and 5.21), but that the Council also needs to test the upper end of that range i.e. 2,500 homes, and a figure between the two, i.e. 1,500 homes. This is consistent with the approach adopted by South Staffordshire District Council.

- 5.23 The policy options for overall housing growth will have to be further tested at the local level to determine the most appropriate figure. This will take into account matters such as deliverability, infrastructure considerations and overall sustainable development matters to ensure that the requirements of the NPPF to balance economic, social and environmental needs are met. As additional housing supply within Cannock Chase District could potentially require Green Belt release, any housing requirement set through the Local Plan will require thorough consideration of non-Green Belt options both within and outside Cannock Chase District before being finalised.
- 5.24 The Issues and Options consultation will also need to consider how housing growth should be distributed. The NPPF indicates a 'brownfield first' approach. In order to comply with this, the consultation document is suggesting a sequential approach, taking brownfield / urban capacity sites first, then including options for different potential levels of housing growth on the Rugeley Power Station site and then for the remaining levels of housing growth which cannot be accommodated, considering a range of options for distributing and delivering this which may potentially require some Green Belt release. As stated in the paragraph above, detailed assessment would then need to be undertaken of sites to determine which options would be the preferred ones to take forward.
- 5.25 **Housing – mix.** National policy requires local authorities to assess the size, type and tenure of housing needed for different groups in the community and then reflect these needs in planning policies (NPPF, para.61). It outlines that the needs of those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes should all be considered (and other groups, where necessary). National guidance provides information on how to assess the local housing needs (including affordable housing). An updated Housing Needs Assessment and Gypsy and Traveller Needs Assessment will be published for comment and information alongside the Issues and Options consultation.
- 5.26 **Employment Land Needs and Strategy.** There is no standard methodology for assessing employment needs (unlike housing needs). In terms of key issues to consider, the current Local Plan policies will need to be updated to reflect the overall levels of employment land required in the District for the plan period and the most appropriate strategy for delivering that growth. Updated employment land requirements for the Local Plan Review will be informed by an updated Economic Development Needs Assessment. This will be available for comment alongside the Issues and Options consultation. It takes into account the wider context, such as the strategies of the economic partnerships covering the District. An assessment of the Districts existing employment areas and an updated land availability assessment (ELAA) will be produced to inform the preferred options of the Local Plan.
- 5.27 The overall quantum of employment land development required for the plan period will inform the strategy for delivering that growth. This strategy could require a combination of protecting key existing employment locations from redevelopment for other uses as well as the provision of new, additional employment land. Employment land delivers a mix of use classes, particularly B1 office, research and design and light industrial uses; B2 Industrial and B8

logistics and distribution uses and these can have specific locational requirements e.g. access to the strategic highway network is of particular importance to the distribution sector. Therefore the type of employment land required to deliver the Districts economic growth will also influence the strategy and selection of the most appropriate site options for employment developments.

- 5.28 The strategy for employment land within the District will need to have regard to the wider context too and any medium-longer term factors that may influence it e.g. the recently announced M6/M54/M6 Toll link (see Objective 5) and the Strategic Rail Freight Interchange (known as West Midlands Interchange) proposal within South Staffordshire District (north of Four Ashes Industrial Estate) which was submitted directly to the Secretary of State in August 2018 (however as the planning application is unlikely to be determined before 2020 the implications of this will not be clear until late in the plan-making process).
- 5.29 The Council needs to consider how the local context influences the choice of policy options for the employment growth strategy. Given that all land outside of existing urban areas is Green Belt (approximately 60% of the District overall) with a significant proportion of this also being designated as an Area of Outstanding Natural Beauty, the sequential approach set out in national policy for considering the release of Green Belt land needs to be considered i.e. other options have been exhausted. A similar approach is required in relation to any development sites within the AONB. In addition, the national policy requirements to maximise the use of under-used and particularly brownfield land influences the approach to be taken.
- 5.30 Evidence demonstrates that there is existing urban capacity to help employment development needs going forward. However, the suitability of sites for meeting the employment land requirements of the District will also need to be considered via an updated land availability assessment (ELAA) in 2019, taking account of the Economic Development Needs Assessment findings. Additional suggested site options for new employment land generally lie within the Green Belt. As set out above, the national policy approach requires the Council to consider a sequential approach to the release of Green Belt land for development and this is explained further in the consultation document.
- 5.31 As set out in paragraph 5.12 of this report, the Local Plan Issues and Options document covers a range of further matters which can be read in full in Appendix A.

Next steps

- 5.32 While this consultation stage is not assessing specific sites to take forward, the Issues and Options document is consulting on a suggested methodology which could be used for the selection of the 'preferred options'. This links to the evidence which would be used i.e. the published data used by the Council for instance the Strategic Housing Land Availability Assessment (SHLAA) and Employment Land Availability Assessment (ELAA), and references other evidence which would help the Council refine its choices.

- 5.33 Once this consultation has ended, the responses will be considered and reported back to Cabinet, and a preferred options document prepared for consultation later in 2019 in accordance with the Local Development Scheme.

6 Implications

6.1 Financial

Any costs associated with the Local Plan will need to be contained within existing approved budgets.

The introduction of the new Housing Delivery Test may potentially penalise Councils who under deliver the number of new homes in their District.

Failing Councils will be required to focus more Planning staff resources on preparing an action plan to redress the shortcomings which may affect Income generation and require additional staff to be funded.

The Government is also considering the introduction of financial penalties by way of reducing the amount of New Homes Bonus paid to Councils; this is being further debated in 2019-20.

Para 4.2 of the report refers to the Local Plan “ensuring that sufficient land is allocated for a range of employment and housing issues” this may result in income being generated in the future through the receipt of additional Business Rates and Council Tax income streams.

There are no further direct financial implications for the Council as a result of this report; however a number of elements within the report do have a financial impact on the Council for example the housing requirement for the District during the plan period will affect the level of New Homes Bonus receivable by the Council.

These elements will form the basis of future Capital and Revenue reports which will be submitted for Members consideration and will include detailed financial implications as and where required.

6.2 Legal

Legal implications are set out throughout the report.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

The extensive consultation procedures provided for by the Planning & Compulsory Purchase Act 2004 cover human rights matters in terms of the Development Plan.

6.6 Data Protection

The Planning Policy Fair Processing Notice sets out how data is used in compliance with the GDPR.

6.7 Risk Management

The main risks relate to the plan not being found sound and to potential legal challenge to the plan. These risks can be minimised by ensuring that the plan and its accompanying documents are legally compliant; that legal support is employed where necessary; that all interested parties are actively informed and engaged throughout the plan's preparation; that the plan is based on sound, robust evidence.

6.8 Equality & Diversity

The Local Plan will be subject to Equality Impact Assessment at the appropriate stages.

6.9 Best Value

None

7 Appendices to the Report

Appendix A: Local Plan (Issues and Options) Consultation Document

Previous Consideration

Local Plan Review Issues and Scope Consultation Feedback and Next Steps	Cabinet	8 November, 2018
Local Plan Review Issues and Scope Consultation	Cabinet	14 June, 2018
Revised Local Development Scheme and Local Plan Review	Cabinet	25 January, 2018

Background Papers

- Planning and Compulsory Purchase Act 2004 (as amended)
- Localism Act 2011
- The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended)
- The Environmental Assessment of Plans and Programmes Regulations 2004
- The Habitats Regulations 2017
- The National Planning Policy Framework 2018
- Local Plan Part 1 including Rugeley Area Action Plan (adopted June 2014)
- Local Plan Part 2 Issues and Options Paper (January 2017)
- Cannock Town Centre Area Action Plan Issues and Options Paper (January 2017)
- Local Development Scheme 2018
- Statement of Community Involvement 2018

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Local Plan Issues and Options Consultation

February 2019



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1. Introduction

What is this document about?

- 1.1 We are consulting on a new Local Plan for Cannock Chase District. The Local Plan will help shape the way in which the physical, economic, social and environmental characteristics of Cannock Chase District will change until at least the year 2036.
- 1.2 It will need to ensure that we provide the right amount and types of homes, sufficient and appropriate land to provide a range of local employment opportunities as well as providing the right conditions for retail, leisure and other kinds of uses. It will need to ensure that the natural and built environment, especially the highest quality and most sensitive areas, are protected and enhanced.
- 1.3 The plan will also have to provide the right infrastructure including transport, open and green spaces, education and the health and wellbeing of our communities.
- 1.4 The Local Plan is a statutory document and is therefore important in informing decisions on planning applications.
- 1.5 The Local Plan we currently use (Local Plan (Part 1)) was adopted by the Council in 2014 and set the strategic policies to guide development in the District up to the year 2028 e.g. number of new homes and employment land required.
- 1.6 We originally intended to follow this with Local Plan (Part 2) which was considering how we might choose which sites were suitable for which uses (housing, employment and so on) and if any more detailed policies were needed.
- 1.7 However, changes to the planning system mean that we now need to review our plans every five years, which means that we would need to be reviewing Local Plan (Part 1) in 2019. The need for review requires a Council to consider if any of its policies need to be updated or not. Given the changes to several key policy areas at the national level, the Council considered that an update of some of the key Local Plan (Part 1) policies would be necessary. The Council therefore decided to cease work on Local Plan (Part 2) instead beginning work on a new Local Plan which will be able to take account of the changes to the planning system.
- 1.8 We started the process of developing the new Local Plan in February 2018, and published Issues and Scope paper in Summer 2018, to consider what matters a new local plan should be considering, and how the current Local Plan (Part 1), and work already undertaken on Part 2, should be incorporated, We consulted on this between July 2nd and 28th August 2018, alongside a Scoping report for the Sustainability Appraisal and a reviewed Statement of Community Involvement.
- 1.9 Consultation responses have been published on our website and we include a summary of these in the relevant sections of this document to show how these have been considered.

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- 1.10 This 'Issues and Options' consultation is focused upon considering the issues raised and the suggested scope of the new plan, and suggesting various options for dealing with these.

What does preparing a Local Plan involve?

- 1.11 Preparing a Local Plan is complex, and we set the timescales out for its preparation in the Local Development Scheme. The table below sets out the key stages we will need in order to prepare the plan, and the timing of these. The Local Plan also has to be informed by a Sustainability Appraisal which is a legal requirement, and which ensures that we are taking 'reasonable alternatives' into account for delivering the development we need whilst ensuring that we do this in a balanced way taking account of environmental, economic and social considerations.

PREPERATION	DESCRIPTION	TARGET DATE
Commencement of work including evidence base updating	Evidence needs to inform the plan, we gather this at the early stages and update where needed.	February 2018
Regulation 18 Scoping and Issues Consultation	We are looking at the issues and scope which the plan needs to cover.	July 2018
Regulation 18 Issues & options consultation	This is the stage we are currently consulting on. At this stage we consider the feedback from the Issues and Scope consultation, look at any further issues, and then suggest options for dealing with these.	February 2019. (report to Cabinet to seek authority to consult)
Preferred Option Consultation	This is a non statutory stage where we refine the plan into a draft version, based on the feedback of the previous consultation and using the evidence available. The will contain draft policies and site allocations, for example.	October 2019
Pre-Submission (Regulation 19) consultation	Once we have considered the feedback from the previous consultation, this is the final draft, which we have to publish for comment before submitting the plan to the Secretary of State (Planning Inspectorate) for independent examination. Feedback at this stage will need to be focused very specifically on whether the plan is 'sound', which is currently defined as: Positively prepared – does the plan allocate enough land to meet all needs for the various uses where it is reasonable to do so and consistent with placing development in the right locations? Justified – is the plan the most appropriate strategy when considered against reasonable alternatives? Effective – can the proposals in the plan be	July 2020

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	delivered over its period? Consistent with national policy – is the plan in accordance with national policies?	
Submission	This is the stage where the plan is submitted to the Planning Inspectorate.	December 2020
Examination in Public	A planning inspector is assigned to examine the plan to see whether it can be found ‘sound’ (see above) and whether it is then capable of adoption by the Council. The examination will focus on the main areas of contention and will normally involve public hearings.	March 2021
Adoption	Once the plan has been confirmed as being sound then the Council can adopt it and it will set policy for making decisions on planning matters in the district.	September 2021

How does the Local Plan fit with the rest of the planning process?

- 1.12 We have to prepare the Local Plan so that it is consistent with Government policy, which is set out within the National Planning Policy Framework (NPPF) and ministerial statements and supported by the National Planning Practice Guidance (NPPG). The Local Plan forms part of the Development Plan for the wider area. Staffordshire County Council prepare plans for minerals and waste, and Cannock Chase Council will prepare the Local Plan (as described above) for shaping development in its own District. We will also need to work alongside other Councils and agencies to ensure our plans align and deliver on the more strategic issues – even though the plans of other areas may be prepared at different times. We need to work together under the legal ‘Duty to Co-operate’.
- 1.13 Once we have adopted our new Local Plan we can also choose to provide more detail for our policies if we need to, by preparing ‘Supplementary Planning Documents’ (SPDs). For example our current Local Plan is supported by SPDs on Design, on Developer Contributions and on a development brief for the site of the closed Rugeley Power Station. As part of this process we may need to consider whether we will also need to make changes to any of our SPDs or whether we may need to add new ones.
- 1.14 Communities can also choose to prepare their own Neighbourhood Plans should they so wish. These set planning policies at a much more local (often Parish) level. They need to broadly conform to the Local Plan, are independently examined and then voted on by the community at referendum. If there is a majority vote in favour of the plan they are then ‘made’ (i.e. adopted) and become part of the Development Plan for the area. We currently have an adopted Neighbourhood Plan (Hednesford) and two designated areas (Brereton & Ravenhill and Norton Canes) where Neighbourhood Plans are in the early stages of preparation.

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- 1.15 All of the policies contained in these plans are then used in helping the Council to decide whether planning applications in the District should be approved or refused.

Consultation Information

- 1.16 We will be consulting from **xxxxxxx**.
- 1.17 We will be holding a series of drop in events around the District. We will publicise these on our website and social media pages, via the local press, and via leaflets and posters which we will leave at a range of venues in the District. We will also write to / email everyone who is registered on the Planning Policy consultation database.
- 1.18 Documents can be viewed at the following locations during normal office hours:
- Cannock Chase Council, Civic Centre, Beecroft Road, Cannock WS11 1BG
 - Cannock library, Manor Avenue, Cannock WS11 1AA
 - Rugeley library, Anson Street, Rugeley WS15 2BB
 - Hednesford library, Market Street, Hednesford WS12 1AD
 - Norton Canes library, Burntwood Road, Norton Canes WS11 9RF
 - Brereton library, Talbot Road, Brereton WS15 1AU
 - Heath Hayes library, Hednesford Road, Heath Hayes WS12 3EA
 - Burntwood Library, Sankeys Corner, Bridge Cross Road, Burntwood, WS7 2BX
- 1.19 All information is also on our website at www.cannockchasedc.gov.uk/planningpolicy.

How to respond

- 1.20 Responses can either be submitted online via the web link above (social media pages will also link to this) or via hard copy forms which will be available at the venues listed above and at the drop in sessions. All information will be used in accordance with our Fair Processing procedures which can be seen via the above link and a summary of which will be reproduced on the response forms.

2. The District Context

- 2.1 It is important to include a profile of the District in the Local Plan as this sets the context for the plan and the issues it should be addressing in terms of town planning. The district profile asks: 'What are the key features of our District and what are the key issues it faces?' We consulted on an updated version of the profile which is included in Local Plan (Part 1), and the following paragraphs set out the comments received.
- 2.2 Some supported the profile as suggested (this had been updated from the version in the adopted Local Plan to take account of changing circumstances). The inclusion of Rugeley Power Station was welcomed, and suggestions were made as to the future of the site e.g. infrastructure needs, and the need to help businesses relocate to the site, especially where they want to relocate from residential areas. Infrastructure was also mentioned in wider terms, for example education. The potential role of Parish/Town councils in project management and delivery was also raised.
- 2.3 Some respondents (mainly statutory agencies and individuals/interest groups/organisations) wanted more emphasis on particular topics e.g. a dedicated section for the historic environment, more focus on the role of canals and waterways and their role in addressing a range of agendas such as health, the economy and tourism, and more specific reference to affordable housing, and healthy and active lifestyles.
- 2.4 The need for the profile to reflect current national policy, the need to address the housing market area shortfall and the need to take into account an up to date evidence base were recurrent themes. Those representing the development industry were keen to state that the housing need identified by the new standard methodology is a minimum figure, that housing should have more of an emphasis in the profile, that Cannock Chase District Council (CCDC) should play a role in addressing the shortfall and Green Belt release would need to be considered as part of this. Reference was made to the Council's own economic growth ambitions and the need to ensure sufficient sites were available to deliver this, but also that the area should be helping to deliver the wider growth aspirations of the region (e.g. the LEPs), and that this would have implications for the need for more housing and an integrated approach.
- 2.5 Some respondents then commented that employment land should not be lost to housing, and that environmental matters should be balanced with growth needs. Some felt there was a need to emphasise sustainability of communities; this varied from the need to identify the economic sustainability of towns (citing decline in Rugeley) to those representing some parts of the development industry stating that Cannock/Hednesford and Heath Hayes should be identified as the district's most sustainable settlement, along with the need to strengthen the sustainability of Norton Canes. Finally, some pointed out elements which need updating or correcting in terms of factual accuracy.
- 2.6 Consultation responses and other updated information have been included in an updated profile.

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Updated District Profile

What are the key features of our District and what are the key issues it faces?

Sub-national Context

Cannock Chase District lies within Southern Staffordshire on the northern edge of the Black Country areas. At the heart of the District lies the nationally significant Cannock Chase Area of Outstanding Natural Beauty (AONB) and around 60% of the District is designated Green Belt, testament to its strategic role as part of the West Midlands rural-urban fringe. The District acts as a strategic link between wider Staffordshire and the West Midlands conurbation.

The strongest residential migration flows to and from the District have typically been with Lichfield, South Staffordshire, Stafford and Walsall¹. There are strong two way flows of commuters between Lichfield and Cannock Chase. The most common commuter destinations for Cannock Chase residents are Lichfield, Walsall, Stafford, South Staffordshire and Birmingham². The conurbation also offers larger-scale retail and leisure provision. In recognition of these key economic and social links the District Council is a member of both the Stoke on Trent and Staffordshire Local Enterprise Partnership (LEP) and the Greater Birmingham and Solihull LEP although it should be noted that the Government is currently undertaking a review of LEPs. The Council is also a non-constituent member of the West Midlands Combined Authority (LEP) which is a body that has developed powers from central Government to implement budgets and policy in relation to key areas such as transport and housing.

Population

The District has a growing population of 98,513 (mid-2016, an increase of 1.1% since the 2011 Census) which is estimated to increase to 104,100 in 2036. In the 2016 18.6% of Cannock Chase residents were aged 65 and over. The trend of an ageing population is evident with the proportion of residents aged over 65 in the District projected to rise faster than the National average – an increase of 23.1% by 2026. The proportion of Cannock Chase residents aged 85 and over is estimated to rise by 50% during the same period³. At the time of the 2011 Census 96.5% of residents described themselves as ‘White British’ – a smaller proportion than in the 2001 Census (97.5%). The District is becoming more ethnically diverse with the 2011 Census revealing a large number of residents identifying with a variety of ethnic groups (3.5% - around 3,400 people). The next largest ethnic group is of Indian origin at just over 1% of the population.

Health and Education

Cannock Chase suffers from a relatively poor health profile compared to the national picture on all indicators. The District has particular health related issues in the areas of life expectancy and infant mortality, obesity, alcohol-related conditions, early deaths from cardiovascular conditions and rates of diabetes. The early death rate from heart disease has fallen but still remains higher than the national average⁴. The 2011 Census indicates that 20.7% of residents in the District experienced a long-term

¹ Southern Staffordshire Strategic Housing Market Assessment (2012).

² NOMIS: Official Labour Market Statistics

³ ONS Sub-national population projections

⁴ Public Health England – Local Authority Health Profiles (2017)

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limiting illness which was above the England average of 17.6%. The prevalence of long-term limiting illness increased to 60.9% among residents aged 65 and over which was again higher than the England average of 51.5%.

Evidence and monitoring for Local Plan (Part 1) shows that access to indoor leisure facilities in the north of the District has improved with the completion of Rugeley Leisure Centre and swimming pool. In 2012/13 Cannock Leisure Centre's new facilities became available to the public after undergoing major modernisation (and further improvements are planned). However, the most recently produced evidence⁵ and monitoring highlights further improvements are required to meet the recognised needs of the rest of the District in terms of both indoor and outdoor facilities and in terms of quantity, quality and accessibility e.g. there is a need to increase playing pitch provision across the District. The evidence base for indoor and outdoor sports facilities is currently in the process of being updated.

Whilst the AONB is a vital asset for outdoor leisure and recreation the most recently produced evidence⁶ identified there are areas within the District deficient in access to alternative open spaces, particularly semi-natural sites. This evidence base is the process of being updated and will be available late 2019. Monitoring of the Local Plan (Part 1) identifies there have been a number of new open and play spaces provided alongside new developments but that deficiencies are likely to still remain. Work is continuing on former stadium site in Cannock to provide an adventure play area, green gym equipment, BMX track and more which will improve access to healthy living opportunities in this area⁷.

The District's educational performance has improved recently, however it continues to have lower levels of educational attainment compared to national and sub-national rates. The proportion of those achieving equivalent to NVQ Level 4 (equivalent to HND or Degree Level and above) remains below the national and West Midlands averages. GCSE attainment for Cannock Chase pupils is significantly worse than the England average. In addition there are inequalities within the district with achievement ranging from 25% in Cannock North ward to 59% in Hawks Green ward.⁸

Community Deprivation

Cannock Chase District is the most deprived Local Authority in Staffordshire (excluding Stoke-on-Trent) and ranks 128th out of 326 local authority areas. Deprivation occurs mainly in Education Skills and Training, Employment, Health and Disability and Income⁹. Such deprivation can be attributed to the legacy of industrial decline in the Districts reducing access to employment, but can also be related to the need for appropriate social infrastructure. It is estimated that approximately 23% of children in Cannock Chase are classified as living in poverty¹⁰. Average gross weekly earnings for full time employees that are Cannock Chase District residents are around

⁵ CCDC Indoor and Outdoor Sports Facilities Assessment (2010)

⁶ CCDC Open Space Assessment (2009)

⁷ CCDC Annual Report 2016/17

⁸ NOMIS: Official Labour Market Statistics Cannock Chase Locality Profile (2016), Public Health England – Local Authority Health Profiles (2017)

⁹ Index of Multiple Deprivation, 2015

¹⁰ www.endchildpoverty.org.uk

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6% lower than the Great Britain average, increasing to around 15% for female full time workers¹¹.

Crime

Recorded crime in Cannock Chase has shown an increase over recent years. During 2016/17 there were 6,966 crimes recorded. This is an 18% increase (1085 crimes) when compared with the previous year and 14% higher than the number recorded in 2010/11. Key areas of concern include the levels of violent crime and increasing levels of domestic violence. Levels of anti-social behaviour have reduced.¹²

Housing

Local Plan (Part 1) housing requirements were drawn from the Strategic Housing Market Assessment (SHMA, 2012) which tested a range of scenarios including 2008-based household projections (and updated 2011-based household projections) to recommend a range of provision for the District of 250 to 280 houses per annum.

From a detailed analysis of the market the SHMA identified a need for future provision to be smaller dwellings suited to younger people, whilst recognising the aspirations of people to live in larger properties (3 and 4 bedrooms). The SHMA report identified in Cannock Chase an annual need for 197 affordable dwellings.

The housing evidence base has been updated to reflect the most up to date situation and is published alongside this Issues and Options consultation. The most recent 2014-based household projections indicate an increase from 42,250 households (2016) to 46,739 households (2036), and these are the ones the Government has chosen to utilise for its draft standard housing methodology which indicates a housing requirement of 284 dwellings per annum (2016-2036) for the District.

Furthermore, there is a significant housing shortfall to the year 2036 across the Greater Birmingham and Black County Housing Market Area, and as one of the fourteen authorities in this area¹³, Cannock Chase Council will need to play a role in helping to address this.

Employment

The local economic base has developed and diversified significantly from the mining heritage of the not too distant past with expansion of the tourism sector and growth arising from businesses locating near the strategic M6 Toll/A5 corridor. The District now has a more diverse employment structure with 42% of the District employed in Group 1-3 occupations (including Managers, Directors, Professional, Associate Professional and Technical occupations). However, there is still an over representation of manufacturing, skilled trades and elementary occupations in comparison to regional and national averages. Figures show that the District has an over reliance upon jobs in the distribution and construction sectors (with the proportion of employee jobs in these sectors being almost double the national and regional average) and that there is an under-representation of employee jobs in the service-based sectors such as professional services (including financial activities) and public administration.¹⁴

¹¹ NOMIS: Official Labour Market Statistics

¹² Office for National Statistics, www.police.uk, Public Health England – Local Authority Health Profiles (2017)

¹³ Local Authority areas: Birmingham, Bromsgrove, Cannock Chase, Dudley, Lichfield, North Warwickshire, Redditch, Sandwell, Solihull, South Staffordshire, Stratford upon Avon, Tamworth, Walsall and Wolverhampton.

¹⁴ NOMIS: Official Labour Market Statistics

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The Districts employment rate has increased over the past few years and remains higher than both the regional and national average. Youth unemployment has increased slightly but remains under the national average. Over the past 4 years enterprises within the District have increased by almost 10%.¹⁵ Out commuting (largely within Staffordshire and the West Midlands conurbation) is an integral feature of the local labour market with commuting flows resulting in a population decrease of 8,655 in the District (i.e. the difference between those commuting in the District and those commuting out of the District).¹⁶ Given the low levels of skills in the District (see Health and Education, above) there are also problems with linking residents to local jobs.

In an assessment Index of Resilience for Council's in England (Experian 2010) of resilience to economic changes, including public sector funding cuts, Cannock Chase was ranked 293rd from a total of 324 Council areas (with 1 being the most resilient). In the Business theme index, which assessed factors such as business density, business start-ups, and employment sectors, the District was ranked within the 10 least resilient areas in the Country. Key long standing economic structural weaknesses include the District being overly reliant on vulnerable traditional industry and manufacturing employment and the high proportion of young people in the area with poor skills and educational attainment levels.

It should be noted that this section has been produced in the light of evidence available at the time of writing. The employment evidence base has since been updated to reflect to most up to date situation and is published alongside this Issues and Options consultation. Future iterations of the district profile will be updated to reflect any changes contained therein.

Town Centres and Shopping

Cannock Town Centre is ranked 508 against other town centres and retail parks for 2016/17. The data also shows that Rugeley is at rank 608 and Hednesford is ranked 2,815. This reflects their smaller settlement size on a national register of retail centres.¹⁷ Cannock represents the largest town within the District's retail hierarchy and is suitable for larger scale retail and leisure developments. Hednesford town centre has undergone significant regeneration in recent years to deliver an improved retail and leisure offer for the area, as well as other public realm improvements e.g. at Hednesford Park. Rugeley town centre has also seen investment in terms of a new retail food store, improvements to the public realm and a flood alleviation scheme which will enable further redevelopment projects to be taken forward. There continue to be a number of local centres which serve local daily shopping needs in and around the District. The evidence base for retail needs will be updated. Since the Local Plan (Part 1) was adopted a retail designer outlet village has been approved and is now under construction at Mill Green (just outside Cannock town centre boundary) which the updated retail evidence will need to take account of.

Transport and Infrastructure

The District is located at a strategic road/rail transport crossroads between the North West and South East via the M6T/M6 and West Coast Main Line railway and East-West A5/M54 corridor, and the West Midlands and wider Staffordshire. A new

¹⁵ NOMIS: Official Labour Market Statistics

¹⁶ NOMIS: 2011 Census- Location of usual residence and place of work

¹⁷ Venuescore (Javelin Group)

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M6T/M6-M54 link road is also proposed as well as the long term upgrade of the A5 Trunk Road to 'Expressway' status. Rugeley benefits from the Rugeley Eastern Bypass and direct rail services to London on the West Coast Main Line.

The Rugeley-Hednesford-Cannock-Walsall-Birmingham, 'Chase Line' rail service continues to grow in its popularity and the three stations at Cannock, Hednesford and Rugeley Town carry over 700,000 passengers' per year. The £100m Chase Line electrification is expected to be in full use in Spring 2019 and will see the introduction of faster, longer and more frequent services, including two trains per hour throughout the day to Birmingham, and new direct services to the NEC/Birmingham Airport and London Euston. At the same time the line speed will be increased from 45mph to 60mph.

The Council is also actively involved in the innovative Chase Line 'Stations Alliance', with the West Midlands Combined Authority, LEPs, Network Rail and West Midlands Trains (the new West Midlands franchise operator). Cannock station in particular is the focus of attention for a major upgrade, in view of its close proximity to the £120m, Mill Green retail designer outlet village, which will attract 3-4 million visitors per annum.

Rugeley has also benefited due to its position on the West Coast Main Line (WCML) including the introduction of hourly services to Crewe, Stafford, Milton Keynes and London. The High Speed 2 (HS2) railway from London to Crewe will not directly run through the District however the Council will need to be kept up to date on the latest information in terms of its power supply, which could have an impact locally depending on final details.

While there is a good core urban and inter urban bus service network from Cannock to Wolverhampton, Stafford, Lichfield, Walsall and Wolverhampton and from Rugeley to Stafford and Lichfield, these are not immune from the national trend in falling passenger numbers. Recent County Council budget cutbacks have led to the loss of evening services and there are no longer any Sunday bus services.

In terms of the road network the A5/M6T/A460/A34 Churchbridge Junction only has a design life to 2020 and much of the A5 in the District is also designated as an Air Quality Management Area, as is the area around Five Ways junction in Heath Hayes. Congestion along the A5 has been cited as an issue for road freight and the reliability of journey times, and there is an A5 Partnership which produces an Action Plan to address issues in this regard.

The historical development of the District has provided a wealth of canal network assets which provide connections to neighbouring areas and potentially offer opportunities for improved linkages including cycling and walking, contributing to sustainable communities and providing a wealth of other benefits (e.g. tourism, health and wellbeing, green infrastructure and biodiversity). Ongoing initiatives by the Lichfield and Hatherton Canal Restoration Trust, propose the phased restoration of the Hatherton Canal, partly on a new alignment.

Environment

The District comprises land rising from the low lying, largely urbanised areas in the south-west and Green Belt area around Norton Canes in the south-east to the higher plateaux within the Cannock Chase AONB. These plateaux then fall to the wide valley of the River Trent with the urban area of Rugeley and Brereton bordered by Green

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Belt in the north. Cannock Chase AONB provides a strategic area of accessible countryside with conservation, recreation, economic and tourism benefits. The Green Belt is also important for recreation, maintaining the District's character and its wildlife and safeguarding the wider open countryside. The District supports 2 Special Areas of Conservation, 3 Sites of Special Scientific Interest, over 30 local Sites of Biological Interest, 3 Local Nature Reserves and 1 Local Geological Site. The southern part of the District also lies within the cross authority Community Forest of Mercia. However, some elements of the District's biodiversity assets are at potential risk of decline due to development and recreational pressures unless appropriate mitigation measures are put in place¹⁸. This natural environment gives the District a valuable semi-rural landscape, which combined with the historical influence of human activities results in a distinctive landscape character.

The District's medieval origins, mining legacy and industrial/agricultural heritage provide a wealth of valuable assets, which contribute to this distinctive character and provide a range of recreation and tourism benefits. There are 8 Conservation Areas within the District (primarily focused around Rugeley), 70 listed buildings and 5 Scheduled Ancient Monuments. There are also a range of non-designated heritage assets including archaeological features of interest, potential sites of national importance related to military activities and locally significant historic farmsteads. The canal network represents a key heritage asset that can contribute towards the natural and built environment including opportunities for heritage-led regeneration and high quality design. The central landscape areas of the District are in a fairly good and strong condition overall and are of high sensitivity to change; those in the weakest and poorest condition are primarily at southern and eastern parts (around Norton Canes), mainly due to the extent of change in this area; although some parts are still sensitive to further change¹⁹.

In addition, the District's mining legacy has resulted in a variety of issues and constraints. Surface hazards, such as mine entries and fissures, are present throughout the District and rising mine water is an issue that The Coal Authority is monitoring due to its potential pollution and flooding effects. Southern parts of the District are still classified as potential mineral resource areas for coal. Central and northern parts of the District are also classified as having potential mineral resources (sand and gravel).²⁰

Green Belt

Given that 60% of the District is designated Green Belt, it is a key feature of the District's overall character. It provides a range of multifunctional benefits (as outlined above) and serves to maintain the openness of the rural-urban fringe (with the West Midlands conurbation) as well as the District's separate urban areas and their identities. A Green Belt study (2016) provides an overview of the current condition of the Districts' Green Belt (in terms of how it performs against the nationally defined purposes of Green Belt).

Climate Change

The District's per capita carbon emissions are below the national average and they are the second lowest in Staffordshire. There has been a general reduction in the

¹⁸ CCDC Appropriate Assessments (2009 onwards) AND Cannock Chase SAC Guidance to Mitigate (2017)

¹⁹ Landscape Character Assessment for Cannock Chase District (2016) and Addendum (2017)

²⁰ Staffordshire County Council Minerals Local Plan (2017)

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levels of CO2 emissions from all sectors within the District. The overall 'Per Capita Emissions' has fallen from 6.3 (2005) to 4.2 (2015). The domestic sector is the largest source accounting for 39% of all emissions²¹. There are currently four notable renewable/low carbon energy schemes running in the District²². In terms of the impacts of climate change middle estimates suggest a temperature rise of between 1.4- 3.4 degrees up to 2080, with decreases in summer rainfall, increases in winter rainfall and a potential increase in flood risk²³.

Key Issues

From the profile the following key issues for the District can be identified:

- Levels of crime, and perceptions of crime, remain a concern;
- Low standards of health and educational attainment require improvement;
- Future housing needs, particularly affordable housing requirements, have to be met including a contribution to the shortfall across the wider housing market area;
- Economic growth and regeneration needs have to be met and access to employment opportunities and local labour skills require improvement;
- The natural and built environment (inclusive of indoor, built and outdoor sports) should be planned effectively to encourage opportunities for healthy and active lifestyles amongst all sections of the community.
- Educational provision will need to be provided for including school expansions or new provision where applicable
- Provision of comprehensive transport networks need to be better supported to help reduce social exclusion and unsustainable development impacts;
- The town centres need to adapt and increase their competitiveness to maintain local shopping provision, be responsive to changing consumer needs and the role and function of centres, maximise opportunity, reverse decline and contribute to regeneration;
- The highly valuable and sensitive natural environment, historic environment and landscape character, green linkages and the canal network need to be protected and enhanced whilst meeting demands and providing opportunities for housing, recreation and economic activity including heritage-led regeneration;
- The natural and built environment including indoor, built and outdoor facilities and including the role of green infrastructure, the canal networks and linked cycleways and walkways should be planned effectively to encourage opportunities for healthy and active lifestyles amongst all sections of the community
- Potential challenges posed by the need to respond to climate change need to be tackled e.g. alternative forms of energy supply, addressing flood risk, helping local wildlife to adapt, along with wider sustainable development concerns. For example, air and water quality concerns as well as more specific local issues (such as those related to minerals and the coal mining legacy).

²¹ Department for Business, Energy & Industrial Strategy

²² CCDC Authority Monitoring Report 2016/17

²³ CCDC Strategic Flood Risk Assessment 2014

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These District-wide issues manifest in the localities of the District in different ways, reflecting local features. The key points are summarised below with brief profile characteristics.

Cannock/Hednesford/Heath Hayes

- These areas are described together as they form a continuous urban area. The combined population is 65,423, 67% of the District total (2011 Census).
- Parts of Cannock, Heath Hayes, Hawks Green, Pye Green and Hednesford have seen reduced levels or even loss of their bus services and are now more isolated. Social isolation is an issue for many people who do not have access to cars. In contrast, rail services have seen significant improvements and continue to experience strong growth in passenger numbers.
- Housing provision is a mix of age, size and tenure. There have been a number of recent Council-led programmes to regenerate public housing estates which were of poor quality, being constructed from defective pre cast reinforced concrete.
- This urban area, particularly Cannock, provides the majority of employment opportunities for the District with particular concentrations along the A5/M6 Toll corridor, which links into the neighbouring West Midlands conurbation.
- Health provision is via small doctors' surgeries across the area rather than from larger health centres, with the exception of Hednesford. There are 14 primary and 4 secondary schools and a number of community facilities, including the Chase Leisure Centre.
- The area is served by a series of major open recreational spaces e.g. Hednesford Hills, a recently designated SSSI²⁴, and major parks at Cannock, Hednesford and Heath Hayes. Improvements to the quality of play areas/hubs have occurred including a Cannock Stadium and ongoing maintenance/improvements to the District's parks which have achieved 'Green Flag' status.²⁵ However, some residential areas do not have good access to children's play facilities. Indoor leisure provision requires improvement, which is being partly addressed via modernisation of the Chase Leisure Centre.
- Since the sixteenth century, coal extraction has had a major impact on the landscape character, resulting in extensive industrialisation. Cannock Town Centre Conservation Area, with its 12 listed buildings, requires management and investment to enhance its character whilst North Street, Bridgtown Conservation Area, illustrative of the area's growth during the late Victorian period, has benefited from recent investment and major enhancements.

Hednesford Town Council recently produced a Neighbourhood Plan (adopted in 2018) which sets out local issues and aspirations in more detail including a particular focus upon local regeneration and the town centre area.

Rugeley & Brereton

- The combined population of 24,650 is 25% of the District total (2011 Census).
- Rugeley town centre has had limited new investment since the mid 1980s and

²⁴ Included as part of the Chasewater and the Southern Staffordshire Coalfield Heaths SSSI

²⁵ CCDC Authority Monitoring Report 2016/17

2. The District Context

is in continued need of regeneration. However, more recent investment in the form of a new supermarket, public realm enhancements and a flood alleviation scheme have brought about new opportunities and improvements to the town. The Towers Business Park (developed on the former Lea Hall Colliery site) is now almost fully committed being home to major companies, such as Amazon. The now well established Eastern Bypass also provides links to nearby employment opportunities. However, some issues of out commuting and lack of access to local high quality employment opportunities remain.

- Rail services have seen significant improvements to Birmingham, London and the north-west. The off-peak Chase Line service frequency to Birmingham has been doubled to half hourly from May 2018, while the £100m electrification scheme was completed in December 2018, including the introduction of longer, faster services to Birmingham with direct services to Birmingham International (Airport/NEC) and hourly to London.
- Bus services have followed the national trend of gradual decline in passengers and a diminishing network. County Council budget cutbacks in April 2018, have led to the withdrawal of many evening services and there are no longer any Sunday bus services in the District.
- Apart from the Victorian residential streets around Rugeley Town Centre, the historic core of Brereton village and areas of north-west Ravenhill most housing is post 1945 with several estates of public housing including the former National Coal Board Pear Tree estate, which has environmental and infrastructure problems.
- There are two health centres, 9 primary schools, and 1 secondary school. There are also a number of community facilities including the recently developed Rugeley Leisure Centre and swimming pool. Despite being adjacent to the AONB, there is a lack of alternative recreational sites and deficiencies in access to play areas.
- There is a wealth of historic natural and built assets in the area e.g. 6 Conservation Areas in and around Rugeley Town Centre, along the Trent and Mersey Canal and at Main Road, Brereton. Rugeley's position alongside the strategic River Trent corridor has resulted in its development since early Domesday records and the layout of the town pattern is largely unchanged from the sixteenth century

Norton Canes

- The population of 7,479 is almost 8% of the District total (2011 Census). Originating as a mining village it expanded to include estates of public and private housing during the 1960/70s. There have been more recent expansions in the form of housing developments to the south east of the urban area (at the former Greyhound Stadium) and there is a large housing development planned for the south east of the urban area (450 homes). There are 2 primary schools, a secondary school, new library and community centre together with a limited range of local shops. A new health centre opened in late 2007 and three GP surgeries operate from this, however concerns about local capacity have been raised (noting that there are cross boundary linkages with Great Wyrley in South Staffordshire in terms of the local catchment). The centre and east of the village has relatively good bus services, however the southern parts of Norton

2. The District Context

Canes have lost their services, and as with the rest of the District, no longer have any Sunday bus services.

- Access to recreational sites in the area is relatively good, particularly given the proximity to the Chasewater Country Park (in Lichfield District). Access to indoor leisure facilities is mainly outside the settlement at Cannock, Burntwood or Walsall.

The Rural Areas

The Cannock Chase AONB contains one of the largest areas of readily accessible recreational land in the West Midlands, being a statutory designation under the Countryside and Rights of Way Act 2000. It is a significant asset for nearby communities as well as comprising important heathland areas covered by the European designated Special Area of Conservation (SAC). The landscape is dominated by forestry plantations, however within the AONB and around its fringes there have been, and continue to be, a number of influences on its landscape and heritage e.g. hunting and military activities, mining, agriculture, equestrian activity and recreation. Modern-day activities require careful management in view of the areas sensitivities.

- Slitting Mill, Prospect Village and Cannock Wood village are all situated in the northern area outside the Green Belt. All have village halls; however Prospect Village and Slitting Mill have no shops or schools. Cannock Wood has access to a local primary school and shop. Prospect Village, Rawnsley, Hazel Slade and Cannock Wood have a daytime and Saturday bus service to Cannock, Hednesford, Burntwood and Lichfield, albeit reduced in 2018. All Sunday bus services were withdrawn in April 2018 due to County Council budget cut backs. Slitting Mill has a limited demand responsive community bus service, the future of which is currently under review. Social isolation is now an issue.
- The rural area south of the M6 Toll contains the hamlet of Little Wyrley, scattered dwellings and farms, commercial developments at Watling Street, Lime Lane and a recently completed landfill site at the former Grove Colliery. It also contains the Cannock Extension Canal Special Area of Conservation (SAC). This area contains some of the most intact rural landscape character in the District, particularly south of the A5.
- The rural areas, by their largely undeveloped nature, have a unique character by virtue of the surviving historic farmsteads and field patterns, largely from the 18th and 19th centuries. However the District also retains wealth of late medieval and early post medieval industrial sites including glass working, mining and metal working. Such sites throughout the West Midlands represent the first stirrings of what was to become the Industrial Revolution during the 19th Century, though by this time much of the industrial focus had moved away from the District. These assets are sensitive to development pressures and require careful consideration.

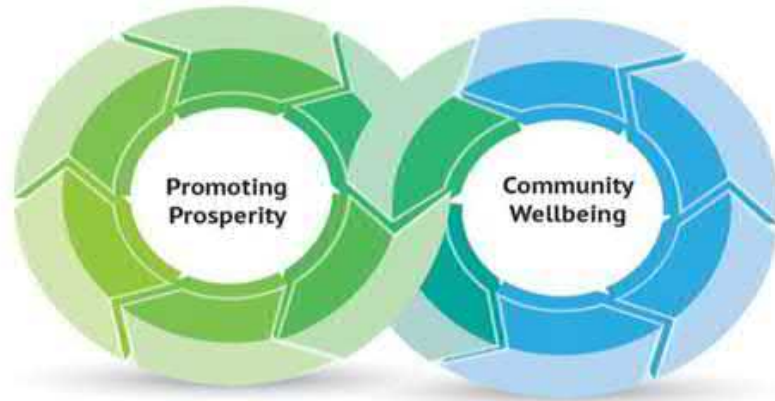
Questions on the District Profile

Question 1. Do you have any comments on the District Profile? Is there anything missing and if so what, and what source of information should we use?

3. How the Local Plan fits within the wider context

Cannock Chase Councils' Corporate Plan

3.1 The Council's Corporate Plan covers the period 2018 to 2023. This states that the Councils key priorities are Promoting Prosperity and Community Wellbeing.



3.2 In terms of Promoting Prosperity there are six strategic objectives:

- Establishing Mill Green Designer Outlet Village as a major visitor attraction and maximise the benefits it will bring to the District
- Increased housing choice
- Create a positive environment in which businesses in the District can thrive.
- Increase the skill levels of residents and the amount of higher skilled jobs in the District
- Create strong and diverse town centres to attract additional customers and visitors
- Increase access to employment opportunities
- Commencement of regeneration of the Rugeley Power Station site

3.3 For Community Wellbeing there are four strategic objectives

- Opportunities for healthy and active lifestyles
- Sustaining safe and secure communities
- Supporting vulnerable people
- Promoting attractive and healthy environments

3.4 The new Local Plan will therefore need to help the Council to achieve its ambitions.

3. How the District Fits within the Wider Context

- 3.5 The geography of the West Midlands is complex and Cannock Chase Council is involved in a range of different partnerships and groups formed under the Duty to Co-operate delivering a range of different functions. Some key ones include:
- The Greater Birmingham and Solihull Local Economic Partnership (LEP)²⁶
 - Staffordshire and Stoke LEP²⁷
 - The West Midlands Combined Authority²⁸
 - The 14 authorities comprising the Greater Birmingham and Black Country Housing Market Area²⁹
 - The Cannock Chase AONB Partnership³⁰
 - The Cannock Chase Special Area of Conservation Partnership (SAC)³¹
- 3.6 The Council will need to ensure that the new Local Plan helps these (and other) partnerships to deliver their ambitions and obligations. As the Local Plan develops we will need to ensure that the plan links to a range of strategies and plans, for example:
- The Government's Industrial Strategy
 - The Government's 25 Year Environment Plan
 - The West Midlands Engine Growth Strategy and Midlands Connect Strategy
 - Strategic Economic Plans
 - The West Midlands Combined Authority Spatial Investment and Delivery Plan
 - Transport Strategies
 - Various environmental strategies and management plans
 - Infrastructure and delivery strategies (these can cover a range of issues such as utilities, health, education, community infrastructure and so on)
- 3.7 The Council will also need to work with neighbouring authorities on a range of strategic issues as well as a number of organisations who are listed in the

²⁶ Local Authority areas: Birmingham, East Staffordshire, Lichfield, Tamworth, Bromsgrove, Cannock Chase, Redditch, Solihull, Wyre Forest

²⁷ Staffordshire and Stoke, list of partners at <https://www.stokestaffslep.org.uk/about-us/our-people-partners/>

²⁸ Constituent local authorities: Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall, Wolverhampton. Non constituent local authorities: Cannock Chase, North Warwickshire, Nuneaton & Bedworth, Redditch, Rugby, Shropshire, Stratford-upon-Avon, Tamworth, Telford & Wrekin

²⁹ Local Authority areas: Birmingham, Bromsgrove, Cannock Chase, Dudley, Lichfield, North Warwickshire, Redditch, Sandwell, Solihull, South Staffordshire, Stratford upon Avon, Tamworth, Walsall and Wolverhampton.

³⁰ Local Authorities involved: Cannock Chase, Lichfield, Stafford, South Staffordshire; Staffordshire County Council also working with a range of other organisations

³¹ Local authorities: Cannock Chase, East Staffordshire, Lichfield, South Staffordshire, Stafford, Staffordshire County Council, Walsall, Wolverhampton also with a range of other organisations

3. How the District Fits within the Wider Context

National Planning Policy Framework as prescribed bodies under the statutory Duty to Co-operate. These are:

- Local Planning Authorities
- County Councils
- Local Enterprise Partnerships
- Environment Agency
- Historic England; Natural England
- Civil Aviation Authority
- Homes England
- Clinical Commissioning Groups
- Office of Rail and Road
- Local Integrated Transport Authority
- Highways Authorities
- Local Nature Partnerships

3.8 The new NPPF requires that Statements of Common Ground will need to be prepared to demonstrate how the Duty to Co-operate has been met. We will also need to be able to demonstrate how we are preparing the plan in the context of the most appropriate functional geographical/market areas for housing and the economy.

3.9 In terms of 'other cross boundary issues' which should be addressed, a range of issues were mentioned in the consultation responses including health linked to the protection and enhancement of landscape character, recreation and economic activity; housing needs; gypsy and traveller needs; employment; retail; Green Belt (including those for, and against its release); green infrastructure; green corridors/ecological links and networks; water supply and drainage; Cannock Extension Canal SAC; Cannock Chase Special Area of Conservation (SAC); transport links; mineral resources; air quality and water impacts under the Habitats Regulations 2017; protection of the route for the restored Hatherton Canal; Rugeley Power Station site; Rugeley having different needs to Cannock (i.e. Rugeley not getting economic benefits from the Midlands Conurbation due to geographical separation by Cannock Chase).

3.10 Taking the above into account, we think an updated list of key cross-boundary issues are likely to be:

- Housing growth
- Housing need (including Gypsy, Traveller and Travelling showpeople provision)
- Economic growth and activity
- Retail
- Transport
- Health
- Recreation

3. How the District Fits within the Wider Context

- Education
- Green Belt
- Environmental protection and enhancement including green infrastructure and ecological linkages, canals (including Cannock Extension Canal and the route for the restored Hatherton Canal), Cannock Chase SAC, air quality, water impacts, SAC
- Landscape
- Mineral resources
- Strategic sites such as Rugeley Power Station
- Differing needs of different communities including consideration of their geographical location

Figures 1 and 2 provide an overview of the geography of the District and its wider context.



Figure 1: Location of Cannock Chase District in sub-regional setting

3. How the District Fits within the Wider Context

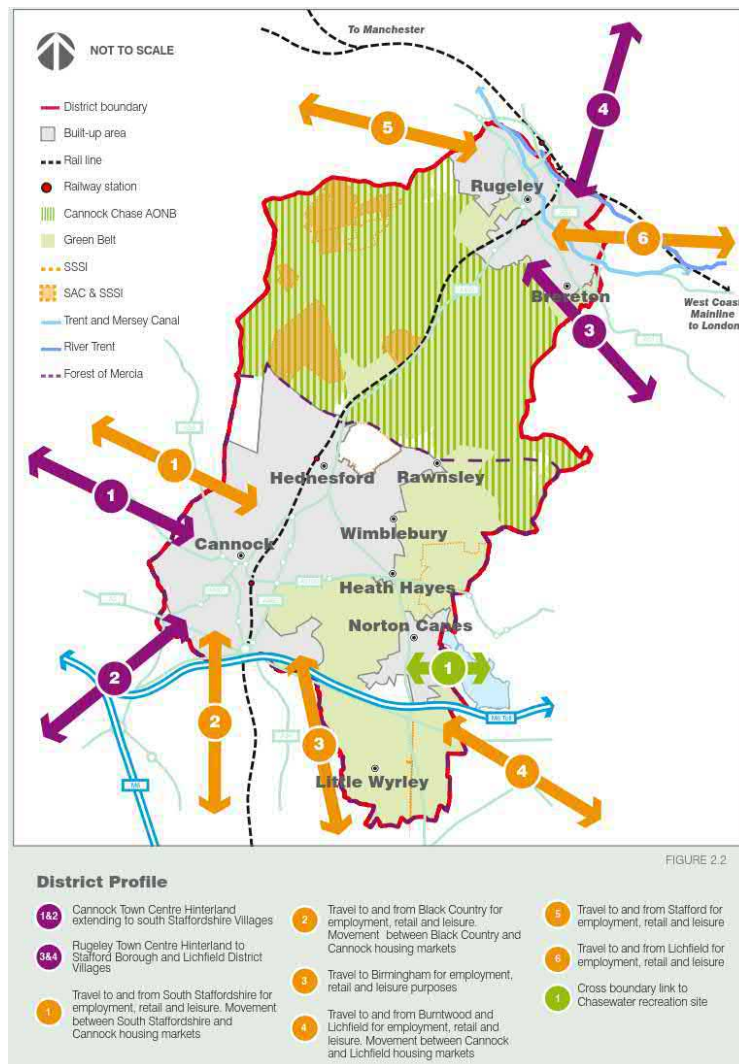


Figure 2: District Profile and key cross boundary linkages (extracted from Local Plan (Part 1))

Questions on the wider context

Question 2. We reference strategies and plans with which we think we need to align throughout the document, is there anything you need to be aware of in terms of the context within which we are preparing the new local plan?

Question 3. What do you think should be the key areas of focus for the preparation of Statements of Common Ground, and who should be involved in these?

Question 4. We think that the appropriate geography for housing issues is the area covered by the Greater Birmingham and Black Country Housing Market Area. Do you agree? If not what evidence is there for any alternative approach?

Question 5. What do you think is an appropriate geography for the consideration of economic issues? What evidence is there to support this?

Question 6. Do you have any other comments on the issues in this chapter?

4. Local Plan Vision and Objectives

- 4.1 We consulted on the vision and objectives contained in Local Plan (Part 1). In terms of the consultation responses, these were mostly supportive of the current vision and objectives. Two representations felt that the vision was too long and undeliverable, whereas others felt that more needed to be included, with more emphasis on housing delivery and meeting housing need; supporting the needs of neighbouring authorities via the Duty to Co-operate; supporting well designed and sustainable development close to/in the AONB including brownfield sites and linked opportunities to enhance the AONB; emphasising the importance of the canal network (and the need for a policy to substantiate this); the need to cross reference heritage to other areas of the vision; adding in reference to water quality/prevention of soil loss; reflecting the need to promote sustainable brownfield /urban sites; encouraging innovation e.g. in housing or new technologies for energy creation and storage; creative approaches to policy across boundaries to deal with cross boundary issues such as housing, open space, developer contributions etc.; more emphasis upon project delivery and partnership working; making reference to Active Travel; continuing to support Designing out Crime; protecting the Green Belt; referencing the need for high quality education. Stafford Borough Council also stated that it generally supported the vision and objectives as set out but would not be in a position to provide for any unmet Gypsy, Traveller and Travelling showpeople needs in the Borough.
- 4.2 The following section therefore contains an updated vision.

The District will continue to be made up of distinct communities with strong local character. People will be safer and healthier and will be proud of the area in which they live and work.

- People will be proud of where they live and work within Cannock Chase District and will take pride in encouraging others to visit the area. New developments will be designed to a high standard, carefully thought out to complement and enhance the surrounding area, minimise impact on existing residents and designed in such a way that opportunities for crime and anti-social behaviour are kept to a minimum. Appropriate redesign and uses will be promoted in places which are 'hot spots' for crime and anti-social behaviour as the opportunity arises, in order to reduce these problems. Partnership organisations and the local community will work together to ensure that local solutions are relevant to the different needs and aspirations of each community.
- People will be proud of their District's heritage, environment and town centres. They will have seen progress towards enhancement of the District's Conservation Areas in Rugeley, Brereton, Cannock town centre and Bridgtown, and safeguarding of other heritage assets across the District. They will continue to be proud of Cannock Chase Area of Outstanding Natural Beauty and the protected areas of open space and countryside.
- There will be plenty of choice and opportunity to live healthy lifestyles. The quality, quantity and range of accessible indoor and outdoor sport and recreation facilities will be improved, particularly leisure facilities around Cannock. Open spaces within the urban areas will be enhanced and local

4. Local Plan Vision and Objectives

needs in terms of play facilities for children and young people will be met. There will be better links between the town and countryside where appropriate, and between urban open spaces providing increased opportunities for active travel such as walking and cycling. People will have easy access to a range of services which are relevant to their needs. Primary health care provision, such as doctor's surgeries, will be available from modern accessible buildings within all the main urban areas. People living in rural communities will be able to access health services through good public transport links and, where possible, through services brought directly to the village where there is particular need. There will also be access to a range of other services such as local convenience stores and community centres. These will be relevant to local needs and flexible in order to be able to adapt to future changes within the community, for example as the population ages.

- Housing will be of a good quality and will suit peoples' circumstances so they will have a choice of where and how to live. New housing will be built to the highest possible sustainable standards to ensure it is environmentally friendly and flexible to be able to adapt to the changing needs of residents. There will be a range of affordable and market housing which provides for local needs, which makes an appropriate and sustainable contribution to the wider housing market area shortfall and which also encourages more people in managerial and professional jobs who work or invest in the District to live here. Estates of poor quality public housing will be redeveloped or redesigned to improve standards of living and the environment.

The potential of the District's accessible location along major transport routes will be maximised to achieve a thriving local economy.

- The range of employment opportunities available in the District will be widened, and local people will have the education, skills and training to access these opportunities. There will be new investment in areas of growth, and the levels of commuting will be reduced.
- Cannock, as the District's main strategic centre, will have a wider choice of non-food shopping and commercial leisure facilities. Rugeley town centre will serve the north of the District and surrounding rural parts of Stafford Borough and Lichfield District. It will see new investment in food and non-food retail, commercial and leisure developments guided by an Area Action Plan. Hednesford will see new shopping development to re-establish its role as one of the District's three town centres. The district centre at Hawks Green and local centres of Norton Canes, Heath Hayes, Chads Moor, Bridgtown, Fernwood Drive and Brereton will have improved local facilities. In the rural areas, neighbourhood planning initiatives to retain or develop retail facilities will be supported as part of the Localism agenda.
- There will be more opportunities for sustainable transport across the District. Rail services will be faster and more frequent, including the introduction of new inter-regional services. There will be better integration between bus and rail services and improved services to the rural areas. A demand-responsive community transport system will have been introduced to reduce social isolation in those areas where conventional bus services are not appropriate.

4. Local Plan Vision and Objectives

- The cycle network will have been expanded and used for both work and leisure; routes will be attractive and link together more effectively.
- More people will want to stay in Cannock Chase District overnight or longer, taking advantage of the business and leisure opportunities available and the accessibility of appropriate areas of Cannock Chase, Chasewater and the open countryside.

People will lead greener, more environmentally friendly lifestyles, inspired by Cannock Chase Area of Outstanding Natural Beauty.

- New development will provide high quality design of both individual buildings and public spaces using sustainable principles and methods of construction. It will incorporate renewable or low carbon energy, water conservation, flood prevention, waste reduction and material management features. Measures for adapting to climate change and reducing the severity of its effects will be developed and used. Brownfield land regeneration opportunities, including that of the former Rugeley Power Station, will be maximised and key pollution hazards in the District will be managed and reduced (e.g. Air Quality Management Areas).
- People will be proud of their local environment which will be well managed. All of the District's landscapes, habitats, heritage assets and cultural heritage will be conserved and enhanced in a way which protects local identity and distinctiveness. There will be no inappropriate development within or on the edge of the Cannock Chase Area of Outstanding Natural Beauty. The Green Belt will be protected from inappropriate development, will be well managed and will be linked to the Area of Outstanding Natural Beauty. There will be a 'green corridor' of restored lowland heathland habitat linking the Cannock Chase Area of Outstanding Natural Beauty to Sutton Park.
- Cannock Chase Area of Outstanding Natural Beauty will be better known as a place for day visits and also as a place for longer stays nearby, as guided by the AONB Management Plan and Cannock Chase SAC mitigation measures. There will be greater understanding of the area's heritage e.g. former military sites, canal networks. The network of open green space, including canals and the Forest of Mercia, will be strengthened and positively managed in the interests of recreation and biodiversity. Agriculture and forestry will continue to play major roles in managing the rural landscape. Good standards of water quality will be ensured and soil loss will be prevented.

4. Local Plan Vision and Objectives

4.3 Objective 1: Promote pride in attractive, safe local communities

- To ensure the highest standards of good design of buildings and spaces are achieved to help promote sustainable communities
- To retain and enhance the distinct and separate character of the District's settlements to ensure people have a sense of belonging and pride
- To work with the Police and the community in promoting better design and use of spaces to minimise opportunities for crime, improving environmental quality of spaces, adopting 'Secured by Design' principles (or similar), ensure the safety of pedestrians/cyclists and promoting health through 'active design,' (i.e. design that encourages people to walk / cycle).
- To promote appropriate design and uses in town centres with 'active' street frontages and high quality public space to ensure centres are well used and cared for and to maximise community interaction whilst minimising the opportunity for crime and anti-social behaviour.

4.4 Objective 2: Create healthy living opportunities across the District

- To support improved health care provision;
- To help developments which cater for longer, healthier, more active and more independent living;
- To facilitate provision of accessible, good quality, sustainably managed open space, sport, physical activity, leisure and entertainment and community facilities;
- To encourage the use of canals and other watercourses in providing sport and leisure opportunities including walking and cycling; and
- To help support measures which address issues of obesity
- To help support measures which contribute to good mental health.

4.5 Objective 3: Provide for housing choice

- To facilitate sustainable housing provision.
- To manage the release of sufficient land for housing to meet the district's own need and an appropriate and sustainable contribution to the wider housing market area shortfall in appropriate locations.
- To help meet local need for both affordable and aspirational housing.
- To provide housing choices for an ageing population
- To cater for the needs of different communities

4. Local Plan Vision and Objectives

4.6 Objective 4: Encourage a vibrant local economy and workforce

- To maximise the strategic location of the District and provide a continuous supply of good quality accessible employment land to attract more new businesses.
- To help support improvements in workforce skills, a broader economic base and training opportunities to enhance local recruitment.
- To provide for the employment needs of existing local businesses.
- To facilitate a range of sizes and types of employment sites to meet modern business needs.
- To provide employment opportunities in locations which best respond to market demands and which will attract inward investment (ensuring consistency with other sustainable development principles of the Local Plan).
- To ensure that business locations and centres are accessible by public transport from all areas of the District, reducing travel needs where possible.
- To ensure the land based economies of the District, including agriculture and forestry, can continue to operate, diversify and prosper.
- To enable the growth of sustainable tourism balanced with the protection of the AONB and the District's two SACs.

4.7 Objective 5: Encourage sustainable transport infrastructure

- Working in partnership, to implement a sustainable and integrated transport strategy that includes the continued development of the core strategic network.
- To reduce reliance on private cars for local journeys where possible, through spatial development choices and well designed layout of communities.
- To locate development in areas accessible by public transport, cycling and walking as well as reducing the need to travel.
- To achieve improvements to public transport, walking and cycling, including access for all sections of the community to work, shopping, health, education, leisure, valued environments and other facilities.
- To secure the continued development of the Chase Line rail services and infrastructure as the preferred means of transport to Walsall and Birmingham.
- To support the safe and efficient use of the highway network through traffic management schemes determined by local need.

4. Local Plan Vision and Objectives

- To support the construction of new roads only as a last resort and where they are related to environmental enhancement, public transport or road safety.
- To support sustainable freight distribution by road, rail and water.
- To safeguard land from prejudicial development required for new sustainable transport proposals, including road, rail, and water.

4.8 Objective 6: Create attractive town centres

- To ensure town centres maintain their positions within the retail hierarchy.
- To support growth of shops, offices, business, leisure, arts, cultural and tourism in town centres improving access to employment in order to achieve town centres with good vitality and viability.

4.9 Objective 7: Provide well managed and appreciated environments

- To protect, conserve and enhance the District's natural and historic environment assets, particularly the strategic Cannock Chase Area of Outstanding Natural Beauty, via the appropriate management of development pressures and maximise opportunities for access and enjoyment.
- To conserve, expand and link natural habitats through habitat creation and improvement to ensure a robust, coherent network of sites that provides wildlife with the opportunity to prosper.
- To conserve and enhance significant elements of cultural heritage including designated sites and important elements of historic landscape character.
- To achieve new development designed to provide a high quality of built form and public realm which enhances the District's distinct natural and historic environmental assets.

4.10 Objective 8: Support a greener future

- To position Cannock Chase District to face the future changes and challenges of climate change via strategic development location choices and design standards.
- To reduce carbon emissions in line with national targets.
- To ensure sustainable resource use by reducing waste, increasing recycling and safeguarding potential minerals reserves.
- To promote appropriate renewable energy and green technologies.
- To maximise flood protection and manage the effects of flooding.
- To promote sustainable construction methods/materials including 'climate proofed' developments to assist adaptation;

4. Local Plan Vision and Objectives

- To reduce pollution and its impact on local communities and the environment, particularly to contribute in achieving good status in the local waterbodies as set out in the Water Framework Directive.

4.11 These objectives are monitored annually against a series of targets and indicators as reported in the annual Authority Monitoring Report. Information from these reports is drawn upon throughout this consultation document to identify what issues the District still needs to address, what progress has been made and any new issues arising.

Questions on the review of the Vision and Objectives

Question 7. Do you have any comments on the updated Vision and Objectives?



Local Plan Policy Options

Objective 1: Promote Pride in Attractive, Safe Local Communities

Issues and Options for delivering Objective 1: Promote Pride in Attractive, Safe Local Communities

National policy

- 5.1 National policy relating to this objective is contained in the NPPF Chapter 12: achieving well designed places but also has particular links to Chapter 11: Making effective use of land and chapter 8: promoting healthy and safe communities.
- 5.2 NPPF Chapter 12 paragraph 127 states that. *‘Planning policies and decisions should ensure that developments:*
- *will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;*
 - *are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;*
 - *are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);*
 - *establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;*
 - *optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.’*
- 5.3 NPPF Chapter 11 paragraph 122 places emphasis on the importance of mixed use schemes, the different potential functions of undeveloped land (e.g. wildlife, recreation, managing flood risk, cooling/shading, carbon storage, food production). It also sets a framework for achieving appropriate densities having regard to the prevailing character of the area and securing well designed, attractive and healthy places.
- 5.4 NPPF Paragraph 123 emphasises the need to avoid building at low *densities ‘where there is an existing or anticipated shortage of land for meeting identified housing needs’* and states that minimum density standards should be set for *‘city and town centres that are well served by public transport which should ‘result in a significant uplift in the average density of residential development within these*



Local Plan Policy Options

Objective 1: Promote Pride in Attractive, Safe Local Communities

areas'. The NPPF also recommends that minimum density standards should be considered for other parts of the plan area, or a range of densities reflecting different areas.

5.5 Chapter 8 of the NPPF focuses on 'promoting healthy and safe communities'. Paragraph 91 states:

'Planning policies and decisions should aim to achieve healthy, inclusive and safe places which:

- *promote social interaction, including opportunities for meetings between people who might not otherwise come into contact with each other – for example through mixed-use developments, strong neighbourhood centres, street layouts that allow for easy pedestrian and cycle connections within and between neighbourhoods, and active street frontages;*
- *are safe and accessible, so that crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion – for example through the use of clear and legible pedestrian routes, and high quality public space, which encourage the active and continual use of public areas; and*
- *enable and support healthy lifestyles, especially where this would address identified local health and well-being needs – for example through the provision of safe and accessible green infrastructure, sports facilities, local shops, access to healthier food, allotments and layouts that encourage walking and cycling.'*

5.6 In terms of parking standards these are covered in more detail under Objectives 5 (Sustainable transport) and 6 (Create attractive town centres). Setting standards is optional but if pursued will need to be developed in accordance with the NPPF paragraphs 105, 106 and 105. Local justification for setting such standards will need to be '*clear and compelling*' (paragraph 106).

5.7 In terms of housing, the National Planning Practice Guidance states that:

'Local planning authorities have the option to set additional technical requirements exceeding the minimum standards required by Building Regulations in respect of access and water, and an optional nationally described space standard. Local planning authorities will need to gather evidence to determine whether there is a need for additional standards in their area, and justify setting appropriate policies in their Local Plans.'

5.8 Mandatory Building Regulations covering the physical security of new dwellings came into force on 1 October 2015 and planning authorities should no longer seek to impose any additional requirements for security of individual dwellings



Local Plan Policy Options

Objective 1: Promote Pride in Attractive, Safe Local Communities

through plan policies, though designing for security of site layout remains a valid planning consideration. (Paragraph: 002 Reference ID: 56-002-20160519)

- 5.9 It should be noted that, at the time of writing, National Planning Practice Guidance in relation to Design had not been updated to accord with the new NPPF and so regard will need to be had to any revised wording which may emerge.

Local policy

- 5.10 Local Plan Policy CP3 (Chase Shaping – Design) currently sets policy for design, including considering design in its context in terms of both the built and natural environment, the historic environment and encouraging reuse of buildings, including measures to design out crime, encouraging vibrant town centres with ‘active street frontages’, ensuring ease of access and mobility, promoting ‘active design’ (encouraging opportunities for physical activity), efficient resource use, appropriate use of the Green Belt and preserving and enhancing the scenic beauty of Cannock Chase AONB.
- 5.11 The policy is supported by a Supplementary Planning Document on Design which was adopted in April 2016. This provides further guidance on design principles for different types of development and in relation to different topics and provides details of Local Character Areas. It also makes reference to developing a Local List although this has not yet been progressed.

Consultation feedback/other issues

- 5.12 Some respondents felt that the policy needed bolstering in terms of active, high quality and innovative design. The main topic of the responses was concerned with densities and there was a strong feeling that a) this should be dealt with via the Local Plan rather than SPD because of its implications for viability and b) policy enforcing specific densities across all sites would not be appropriate as provision should be made for area character (including design guides / codes) and also the need to factor in other on site needs such as SUDS for example. Some felt that minimum density standards could work in town centres.
- 5.13 In terms of other issues, there were comments about the need for policy to link to good practice in terms of designing out crime and addressing matters of public safety. Other more specific matters were raised including the need for new standards for parking, site layout, servicing etc. However, whilst some respondents were supportive of further standards being introduced or older guidance (such as the parking standards SPD) amended and updated, others were concerned that such standards (e.g. densities, the nationally described space standard and so on) could be unduly restrictive. It is clear further consideration needs to be given to the matter in the light of new and emerging government guidance.



Local Plan Policy Options

Objective 1: Promote Pride in Attractive, Safe Local Communities

- 5.14 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 1: Promote pride in attractive, safe local communities

DESIGN POLICY OPTIONS

Option A: Strengthen the current policy to address the range of issues raised and update the Design SPD to include more detail, which reflects the increased emphasis of the NPPF of design matters

It is felt that the policy and SPD are already comprehensive and address many of the issues raised; however there is scope for an update and further elaboration of particular themes

Option B: As Option A but set minimum density standards for key areas such as town centres in Local Plan Policy and provide further guidance on optimum densities for other areas including character areas via a revised SPD

This would reflect the emphasis of the NPPF on density and minimum standards for town centres. It would help to achieve effective use of land, reducing the need for greenfield sites in other areas, and provided residential uses were balanced with other town centre uses, could help town centres become more vibrant places.

Questions on Design Policy Options:

Question 8. Is there any local evidence to support the need for the Council to adopt minimum internal space standards for new dwellings (the nationally described space standard)? If so, what?

Question 9. Are there other standards we should be including, and if so what evidence can you provide which would provide the local justification for this?

Question 10. Is the Local Plan still the right place to include a Local List, or would this be more appropriate to be developed by local communities (for example Hednesford Neighbourhood Plan has identified buildings of local significance which it wishes to protect).

Question 11. The NPPF (paragraph 70) states that 'planning policies and decisions should avoid the development of isolated homes in the countryside' but sets out exceptions to this. Should we be elaborating further to define local policy in this context and if so what should we focus on and what local evidence is there to support this?



Local Plan Policy Options

Objective 2: Create Healthy Living Opportunities across the District

Issues and Options for delivering Objective 2: Create Healthy Living Opportunities across the District

National Policy

- 6.1 Chapter 8 of the NPPF focuses on 'promoting healthy and safe communities'. Paragraph 91 states:

'Planning policies and decisions should aim to achieve healthy, inclusive and safe places which:

- a) promote social interaction, including opportunities for meetings between people who might not otherwise come into contact with each other – for example through mixed-use developments, strong neighbourhood centres, street layouts that allow for easy pedestrian and cycle connections within and between neighbourhoods, and active street frontages;*
- b) are safe and accessible, so that crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion – for example through the use of clear and legible pedestrian routes, and high quality public space, which encourage the active and continual use of public areas; and*
- c) enable and support healthy lifestyles, especially where this would address identified local health and well-being needs – for example through the provision of safe and accessible green infrastructure, sports facilities, local shops, access to healthier food, allotments and layouts that encourage walking and cycling.'*

- 6.2 The NPPF then goes on to state (paras 92/93/94) that planning policy should plan positively for community facilities and shared spaces and other local facilities, support the delivery of other related strategies, guard against the loss of valued facilities and services, ensure that established shops, facilities and services can be modernised and be retained to benefit the community, and ensure that the location of housing, economic uses, facilities and services are properly coordinated. There is a specific focus on the need to provide adequate schools provision (Paragraph 94). Estate regeneration is encouraged. There is also emphasis on promoting public safety (paragraph 95).

- 6.3 Chapter 8 also sets out national policy in relation to open space and recreation, requiring up to date assessments for the need for open space, sport and recreation facilities to inform and develop 'access to a network of high quality open spaces and opportunities for sport and physical activity' (Paragraph 96). Paragraph 97 sets the national context for protecting open spaces, sports and recreational buildings. Paragraph 90 references the need to protect and enhance



Local Plan Policy Options

Objective 2: Create Healthy Living Opportunities across the District

public rights of way and access. Paragraphs 99 to 101 provide the framework for designating Local Green Space.

- 6.4 Air quality is another issue which can have a significant impact upon human health. This issue cross-cuts a number of objectives in particular Objective 5 (sustainable transport), Objective 7 (well managed and appreciated environments, in terms of the impact of air quality on habitats) and Objective 8 (in terms of wider pollution issues). NPPF paragraph 181 states:

'Planning policies and decisions should sustain and contribute towards compliance with relevant limit values or national objectives for pollutants, taking into account the presence of Air Quality Management Areas and Clean Air Zones, and the cumulative impacts from individual sites in local areas. Opportunities to improve air quality or mitigate impacts should be identified, such as through traffic and travel management, and green infrastructure provision and enhancement. So far as possible these opportunities should be considered at the plan-making stage, to ensure a strategic approach and limit the need for issues to be reconsidered when determining individual applications. Planning decisions should ensure that any new development in Air Quality Management Areas and Clean Air Zones is consistent with the local air quality action plan.'

- 6.5 National Planning Practice Guidance (at the time of writing not yet updated to accord with the new NPPF) states:

'Local Plans can affect air quality in a number of ways, including through what development is proposed and where, and the encouragement given to sustainable transport. Therefore in plan making, it is important to take into account air quality management areas and other areas where there could be specific requirements or limitations on new development because of air quality. Air quality is a consideration in Strategic Environmental Assessment and sustainability appraisal can be used to shape an appropriate strategy, including through establishing the 'baseline', appropriate objectives for the assessment of impact and proposed monitoring.'

- 6.6 Drawing on the review of air quality carried out for the local air quality management regime, the Local Plan may need to consider:

- the potential cumulative impact of a number of smaller developments on air quality as well as the effect of more substantial developments;
- the impact of point sources of air pollution (pollution that originates from one place); and,
- ways in which new development would be appropriate in locations where air quality is or likely to be a concern and not give rise to unacceptable risks from pollution. This could be through, for example, identifying



Local Plan Policy Options

Objective 2: Create Healthy Living Opportunities across the District

measures for offsetting the impact on air quality arising from new development including supporting measures in an air quality action plan or low emissions strategy where applicable. (Paragraph: 002 Reference ID: 32-002-20140306)

Local Policy

- 6.7 Local Plan Part 1 Policy CP5 Social Inclusion and Healthy Living focuses mainly on the delivery of infrastructure relating to health and wellbeing and securing developer contributions where it is appropriate to do so.
- 6.8 The policy lists a range of infrastructure types which will be supported (e.g. health and education facilities, parks, open spaces, play areas, sports, cultural, leisure and community facilities and so on) and, where appropriate, states that developers will need to contribute to facilities in line with needs assessments and standards as set out in the Developer Contributions Supplementary Planning Document.
- 6.9 The policy also sets out a presumption against the loss of Green Space Network sites and community buildings unless they are surplus to requirements or else if there are demonstrable wider community benefits to be gained or if an acceptable level of replacement facilities can be provided.
- 6.10 Air quality is currently referenced in Local Plan policies CP10 (sustainable transport), CP13 (Cannock Chase SAC) and CP16 (Climate Change and sustainable resource use).

Consultation feedback/other issues

- 6.11 From the representations received and from other issues raised it is clear that the policy needs both updating and its remit expanding although in general terms it is still NPPF compliant. The emphasis of adopted policy CP5 is mainly upon the provision of infrastructure in relation to health, and suggestions were made in terms of how this could be expanded for example the role of canals and other 'blue' (i.e. water) networks in contributing to health and wellbeing and the need to include more detail on health, education and other local services and being more specific in relation to particular communities. There were specific comments on the need to include the route of the Hatherton Branch canal which is part of a major canal restoration project linking cross boundary with Lichfield, Walsall and South Staffordshire.
- 6.12 It was considered that the evidence base needs to be updated in terms of open space, sport and recreation and standards set in policy where relevant³², with supplementary planning documents not being considered adequate for this

³² NB. Sport England do not want standards for playing pitches and sports provision in policy but think that policy should link at an up to date evidence base which sets out requirements



Local Plan Policy Options

Objective 2: Create Healthy Living Opportunities across the District

purpose given that clarity needs to be provided in Local Plan policy due to the increased emphasis upon viability and deliverability at the plan making stage. This would also include an update to the current mapped Green Space network and any approach to designating Local Green Spaces which would have to meet a stringent series of tests.

- 6.13 The issues consultation also asked for feedback on biodiversity offsetting: this is considered under Objective 7 (well managed and appreciated environments) as it is felt the 'fit' was better under that theme.
- 6.14 In terms of bolstering the policy it was felt that it needs to be stronger in terms of encouraging both active lifestyles and encouraging healthy eating habits to address the evidence showing that the district is experiencing particularly high levels of obesity and associated health related problems. It was also felt that there needs to be more emphasis on mental health and wellbeing and the role that services and facilities play in encouraging social contact and avoiding isolation and the adverse health consequences of this.
- 6.15 Air quality and impacts on health were also mentioned in representations to the Issues paper. Whilst previously these issues have been covered in policy relating to transport, biodiversity and climate change, it is felt that the section on health also needs to address air quality, particularly given that there are three designated Air Quality Management Areas (AQMAs) in the district (two along the A5 corridor and a third at Five Ways in Heath Hayes) and taking into account the fact that air quality is an issue rising rapidly up the national agenda.
- 6.16 Further evidence is underway to inform the development of policies in relation to social inclusion and healthy living including an updated Playing Pitch and Indoor Sports strategy, an updated Open Space assessment and strategy and joint working between Staffordshire Authorities on Green Infrastructure. Consideration is being given to evidence on air quality (including AQMA action plans) and how this should influence the development of local policy.
- 6.17 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 2: Create healthy living opportunities across the District.

SOCIAL INCLUSION AND HEALTHY LIVING POLICY OPTIONS

Option A: Update and bolster existing Policy CP5 to include more emphasis on providing linkages and opportunities for healthy lifestyles, healthy eating, and mental health and wellbeing including reducing isolation. It could also include more on public safety issues. This would also need to include a link to the most up to date playing pitch and indoor sports strategies to inform developments on a case by case basis depending on local need. Standards for open space assessment would need to be based on updated evidence and set in Local Plan policy, and this would also include



Local Plan Policy Options

Objective 2: Create Healthy Living Opportunities across the District

allocation of the Greenspace network at a district-wide level and any Local Green Space if appropriate.

This would ensure compliance with the NPPF and with Sport England's requirements as their representation stated that standards for sport should not be set in policy but should be informed by the latest evidence (which needs to be kept up to date on an annual basis). Detailed information on specific types of infrastructure required would be summarised via an updated Infrastructure Delivery Plan. This would include increased emphasis upon the network of green and blue (waterways etc.) infrastructure and the role it can play in encouraging people to get outside more and live healthier and more active lives, as well as stressing the importance of safety and accessibility

Option B: As per Option A but with further policy elaboration via supplementary planning documents

As per representations to the Issues consultation it is not felt appropriate to continue to set standards for open space in SPD (they are currently set via our developer contributions SPD) as they need to inform the evidence for Local Plan viability testing as required by the NPPF. This would also apply to other standards. However SPDs could provide further elaboration of policy in some instances should there be justification to do so.

Option C: As per Option A but make clear that the role of the greenspace network would be to allocate green spaces of strategic significance on a district scale (i.e. significant sites and sites which are key to delivering and maintaining green linkages and corridors as per updated evidence) and that it would be for local communities, through local policy i.e. neighbourhood plans, to designate smaller areas of green space which are of particular importance at the community level.

It would not be practical or manageable for the Local Plan to allocate every single green space in the district, however it is recognised that some spaces will be of significance to local communities so this supports mechanisms to consider such matters at the local scale.

Option D: As per Option A and create separate policy for the Hatherton Branch canal restoration and seek to safeguard the canal route

This would create a separate policy for the Hatherton Branch Canal. It would reflect updated policy wording in neighbouring local authority plans (given the cross boundary nature of the project) and would reflect the changed context since the Local Plan (Part 1) was adopted. The route for the canal would be safeguarded in line with neighbouring authorities, with any potential allocation needing further detailed evidence.

Questions on Social Inclusion and Healthy Living Policy Options

Question 12. Which options or combinations of options do you support and why?

Question 13. Are there any other options we should be considering? What are these?

Question 14. How should we be seeking to develop local policy concerning air quality, and what evidence can we use to support this?



Local Plan Policy Options
Objective 3: Provide for Housing Choice

Issues and Options for delivering Objective 3: Provide for Housing Choice

Overall Housing Growth

National policy

- 7.1 Local Plans must contain strategic policies that make sufficient provision for housing within the area (NPPF, para.20). Strategic policies should address the strategic priorities of the area, and any relevant cross boundary issues. Under the duty to cooperate, local authorities and other prescribed bodies must cooperate with each other on strategic matters that cross local authority boundaries (NPPF, para. 21 and 24).
- 7.2 National planning policy (NPPF, para. 60) sets out the starting point for local authorities in terms of identifying the local housing need. This is the 'local housing need assessment' figure which is calculated via a standard methodology (set out in detail in national guidance). The NPPF makes it clear that this is a minimum requirement and alternative approaches to calculating housing need should only be used in exceptional circumstances. It also states that any housing needs which can not be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for³³.
- 7.3 Updated national guidance sets out that in relation to the evidence for housing needs, policy making authorities should work together to establish the housing market area, or geography which is the most appropriate for policies on housing need across local authority boundaries. This relates to the duty to cooperate requirements, as set out above.

Local policy

- 7.4 Local Plan (Part 1) Policy CP6 currently sets out the overall housing requirement for the District, but this needs to be updated to reflect the updated national policy context (particularly the standard methodology for calculating local housing needs). The Local Plan (Part 1) makes reference to the issue of a wider housing supply shortfall, arising primarily from Birmingham, and the need for this issue to be considered further, as appropriate. This reflects the fact that the evidence and discussions in relation to this issue were at an early stage in 2013/14.

³³ The Government recently consulted upon an update to the standard methodology for calculating local housing needs (October-December 2018). The local housing need assessment for the District has been undertaken in line with this updated methodology.



Consultation Feedback/Other Issues

- 7.5 In response to the Local Plan Review Issues and Scope consultation (2018) many respondents highlighted the need for the Council to consider the local housing needs arising from the new standard methodology. Responses highlighted that this should be considered a minimum figure, in line with national policy and that any needs in addition to this minimum should be informed by matters such as economic growth, affordable housing needs and unmet needs from neighbouring authorities. Many respondents stated that the Council should consider how it could help contribute to the housing shortfall within the Greater Birmingham and Black Country Housing Market Area (GBBCHMA) which would be in addition to local housing needs. One response suggested the GBBCHMA shortfall figure of 60,900 should be considered a minimum. One response suggested the adopted Birmingham Development Plan housing shortfall figure (of 37,900 dwellings) should be used and identified an option of circa 1,200 dwellings to be considered for Cannock Chase District's contribution to the housing market area shortfall (in addition to local housing needs).
- 7.6 In terms of key issues, the housing growth requirements will have to be set out within strategic policy in the Local Plan. The policy options to be considered need to take into account the updated local housing need assessment figure, as set out above under 'national policy and guidance', which will provide a housing need figure for the District only. This currently equates to **284 dwellings per annum**. This is based upon the amended standard methodology for calculating local housing need (see Appendix 1 for further details).
- 7.7 The policy options also need to take into account the fact that Cannock Chase District lies within the Greater Birmingham and Black Country Housing Market Area (GBBCHMA). Under the duty to cooperate, the Council has been working with the other 13 local authorities in the GBBCHMA to address the strategic matter of housing supply across the market area. In February 2018, the Strategic Growth Study (GL Hearn/Wood) was published. This study provided an update on the overall housing needs across the housing market area and the shortfall in supply arising. It provided an analysis of the potential options for addressing this shortfall.
- 7.8 This study considered all evidence on housing need and supply as of 31st March 2017 and identified a cumulative total shortfall of around 60,900 dwellings across the HMA up to 2036. The study indicated that this shortfall largely arose from Birmingham and the Black Country authorities. A position statement (issued in September 2018) from the GBBCHMA authorities provided an update on housing supply which indicated some additional capacity may be available (circa 6,000 dwellings). However, a significant shortfall up to 2036 in particular still remains.



Local Plan Policy Options
Objective 3: Provide for Housing Choice

- 7.9 In terms of options for addressing the housing supply shortfall, the Strategy Growth Study considered the following:
- Potential additional urban supply from increasing densities and/or identifying additional urban site opportunities;
 - Proportionate dispersal area options- this would involve smaller urban extensions (500-2,500 dwellings)
 - Strategic development area options including larger urban extensions (1,500-7,500 dwellings); employment-led strategic development (housing developments of 1,500-7,500 dwellings alongside employment developments); and new settlements (10,000+ dwellings).
- 7.10 The study identified that the potential additional urban supply would not be sufficient to address the shortfall. Therefore, consideration would need to be given to the other options, as outlined above. These options were considered across the GBBCHMA taking in Green Belt and non-Green Belt locations. The study applied a series of stages of analysis³⁴ to recommend a refined list of 11 options ('areas of search for strategic development') for local authorities to test through their Local Plans. It recommends that these should be considered in the first instance, alongside options for potential additional urban supply and proportionate dispersal, or smaller urban extensions (for the latter, 7 potential options for areas to accommodate such development were identified³⁵).
- 7.11 For Cannock Chase District, the study identifies an area of 'proportionate dispersal' within which small urban extensions (500- 2,500 dwellings) could be considered. This is identified as being in 'the vicinity of Cannock, Great Wyrley, Burntwood, Brownhills and Aldridge'. As the study notes, further testing via Local Plans using more detailed evidence at the local level is required to determine if these options are feasible and appropriate e.g. local Green Belt assessment findings and local infrastructure assessments. The study does not identify any 'areas for strategic development' within Cannock Chase District (on the refined list of 11 options).
- 7.12 Despite the further testing required on its recommendations, the Strategic Growth Study offers a consistent independent assessment of the potential capacity of all fourteen authorities to accommodate the housing needs of the GBBCHMA. The Strategic Growth Study recommendations imply Cannock Chase District should consider accommodating a minimum of 500 dwellings to contribute to the GBBCHMA shortfall (minimum suggested capacity for the 'proportionate

³⁴ Taking into account for example a Green Belt assessment; strategic transport links; key development constraints such as environmental designations; overall sustainability; deliverability. Applied to an initial list of 25 options for 'areas of search for strategic development'.

³⁵ Identified as part of the wider search for areas for strategic development, taking into account key considerations such as a Green Belt assessment; public transport links; development constraints such as environmental designations. The 7 options for 'proportionate dispersal' are in addition to the 11 options for 'areas for strategic development'.



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dispersal' option). If other authorities in the GBBCHMA were to take the approach of seeking to accommodate the minimum capacity implied by the Strategic Growth Study 'areas for strategic development'³⁶ in their respective local areas, then the housing shortfall up to 2036 would be met. Existing information from the Birmingham Development Plan and the Black Country Core Strategy Review Issues and Options consultation indicates that the majority of this unmet need comes from Birmingham and the Black Country. Therefore, this contribution to unmet wider housing market area needs would be in addition to Cannock Chase District's own local housing need. The Council's suggested approach is consistent with the recent policy options that have been considered in the South Staffordshire Local Plan Review Issues and Options consultation (September- October 2018).

- 7.13 Whilst it is noted that the 'proportionate dispersal' option identified for Cannock Chase is potentially a cross boundary one with Walsall, South Staffordshire and Lichfield local authority areas (i.e. the area referred to includes Great Wyrley, Burntwood, Brownhills and Aldridge) it is assumed at this stage that these authorities will also be contributing to the housing shortfall by taking into account other options within their areas (e.g. South Staffordshire District Council is considering large urban extensions and smaller urban extensions). In addition, as one of the Black Country authorities from where the housing shortfall is arising, Walsall MBC will need to consider how it can meet its own needs as far as possible. It therefore seems reasonable at this stage for Cannock Chase District to consider the recommended area of proportionate dispersal on its own as basis for identifying the potential quantum of development for Cannock Chase District to help meet the housing shortfall (this is also aligned to the South Staffordshire District Council approach).
- 7.14 The policy options for overall housing growth will have to be further tested at the local level to determine the most appropriate figure. This will take into account matters such as deliverability, infrastructure considerations and overall sustainable development matters. As additional housing supply within Cannock Chase District could potentially require Green Belt release, any housing requirement set through the Local Plan will require thorough consideration of non-Green Belt options both within and outside Cannock Chase District before being finalised (see further detail under 'Strategy for meeting overall housing growth').
- 7.15 The policy options for overall housing growth have been put into context by reference to the extent of the uplift over and above the local housing need figure (284 dwellings per annum) and in relation to recent delivery rates in Cannock Chase. Whilst it is recognised that past delivery rates can be reflective of the

³⁶ As per the refined list of 11 options of 'areas for strategic development', plus capacity from urban supply and the 7 options for 'proportionate dispersal'.



Local Plan Policy Options
Objective 3: Provide for Housing Choice

planning policies that apply at the time, they also identify if current Local Plan targets are being met (providing an indication of market delivery) and they provide a useful ‘reality check’ when considering the implications of scales of development e.g. infrastructure implications. In the previous 12 years (going back to start of the current plan period at 2006) the average delivery rate has been **275 net dwellings per annum** with 2017/18 being the highest single year delivery rate (625 net dwellings- owing to a number of relatively larger development sites within the District being under construction at the same time). This contrasts with the lowest single year delivery rate of -6 dwellings in 2015/16 (owing to low gross completions and high number of demolitions from estate regeneration).

- 7.16 Based on the above information we think that the following policy options for housing growth need to be considered to help us deliver Objective 3: Provide for housing choice.

OVERALL HOUSING GROWTH POLICY OPTIONS

Option A: Local Housing Need alone with no unmet need. Based upon current standard methodology the Districts’ local housing growth for the plan period of 2018-2036 would be 5,112 net dwellings (284 net dwellings per annum).

This would represent 3% uplift above recent average delivery rates. It should be noted that the Council will need to assess this local housing need figure on an annual basis until the point at which the Local Plan is submitted for examination (when the local housing need figure is ‘fixed’ for two years- programmed to be 2020 for Cannock Chase District). The annual updates prior to this will be undertaken when new affordability ratios are published (in Spring) and when new population and household projections are released (in 2020).

Option B: Local Housing Need figure plus unmet need of an additional 500 dwellings giving a total housing growth figure of 5,612 net dwellings for the District (2018-2036) or 312 net dwellings per annum.

The additional 500 dwellings need is based upon the minimum capacity identified for the ‘proportionate dispersal’ option identified in the Strategic Growth Study. Cannock Chase District has one proportionate dispersal option to consider. It is an uplift of 10% over local housing needs. This annual housing growth rate represents an uplift of 13% above recent average delivery rates. See Option A commentary on local housing needs.

Option C: Local Housing Need figure plus unmet need of an additional 1,500 dwellings giving a total housing growth figure of 6,612 net dwellings for the District (2018-2036) or 367 net dwellings per annum.

The additional 1,500 dwellings need is based upon the median capacity identified for the ‘proportionate dispersal’ option identified in the Strategic Growth Study. Cannock Chase District has one proportionate dispersal option to consider. It is an uplift of 30% over local housing needs. This annual housing growth rate represents an uplift of 34% above recent average delivery rates. See Option A commentary on local housing needs. This option also covers the range of an option identified in response to the Issues and Scope consultation which suggested an additional 1,137 dwellings for unmet need (based upon an alternative apportionment approach).



Local Plan Policy Options

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Option D: Local Housing Need figure plus unmet need of an additional 2,500 dwellings giving a total housing growth figure of 7,612 net dwellings for the District (2018-2036) or 423 net dwellings per annum.

The additional 2,500 dwellings need is based upon the maximum capacity identified for the 'proportionate dispersal' option identified in the Strategic Growth Study. Cannock Chase District has one proportionate dispersal option to consider. It is an uplift of 50% over local housing needs. This annual housing growth rate represents an uplift of 54% above recent average delivery rates. See Option A commentary on local housing needs.

Questions on Overall Housing Growth Policy Options:

Question 15. Which option do you support and why?

Question 16. Are there any further options to be considered? Please provide supporting evidence for any alternative options suggested.

Strategy for meeting overall housing growth

National Policy

- 7.17 Local Plans must contain strategic policies that make sufficient provision for housing within the area and set out an overall strategy for development (NPPF, para.20). Strategic policies should address the strategic priorities of the area, and any relevant cross boundary issues. Under the duty to cooperate, local authorities and other prescribed bodies must cooperate with each other on strategic matters that cross local authority boundaries (NPPF, para. 21 and 24).
- 7.18 National policy overall sets out a framework for sustainable development, which local plans must ensure is delivered (NPPF, Chapter 2). The three key objectives of sustainable development overall (economic, social and environmental objectives) must therefore underpin any strategy for development within the District. This includes considering matters such as appropriate levels of infrastructure provision to support future growth and the protection and enhancement of built and natural environmental assets.
- 7.19 Planning policies should identify a sufficient supply and mix of housing sites to deliver the levels of housing growth identified (NPPF, para.67). It needs to be shown that these sites have a realistic prospect of being developed when required (national guidance offers further detail on how to assess this). Updated national policy sets out the contribution that small and medium sized sites can make in terms of delivering housing more quickly; local planning authorities should identify a good mix of sites to meet their growth requirements (NPPF, para. 68). National policy also states that a supply of large numbers of new homes can often be best achieved by large scale developments, such as new settlements or large urban extensions. However, the importance of ensuring appropriate infrastructure and facilities provision is set out (NPPF, para. 72).



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- 7.20 Updated national policy emphasises the need for planning policies to promote an effective use of land. This includes making as much use as possible of brownfield land opportunities. An effective use of land can be promoted by achieving higher densities (particularly in areas where there is a shortage of land for meeting housing needs); promoting the development of under-utilised land and buildings such as spaces above shops; considering the reallocation of land uses e.g. employment to housing (NPPF, Chapter 11).
- 7.21 This relates to the updated national policy approach for Green Belt land. Before concluding that Green Belt boundary changes are justified (by exceptional circumstances) local authorities must demonstrate they have examined all other reasonable options for delivering development. This includes making as much use of brownfield and under-utilised land; considered increased densities of developments; and undertaken discussions with neighbouring authorities on whether or not they could accommodate additional development (NPPF, para. 137). Where Green Belt land release is justified, first priority should be given to brownfield sites and/or those that are well-served by public transport. Measures to off set the impact of the Green Belt release such as improvements to the environment and accessibility of the remaining Green Belt should also be considered (NPPF, para. 138).
- 7.22 Given the District context, national policy in relation to Areas of Outstanding Natural Beauty (AONBs) is also relevant to considering the development strategy. National policy gives great weight to the conservation and enhancement of AONBs. It states that the scale and extent of development within these designated areas should be limited; major development should not be allowed unless there are exceptional circumstances and where development is in the public interest (NPPF, para. 172). The scope for meeting development needs elsewhere i.e. outside of the AONB needs to be fully assessed (NPPF, para.172).

Local Policy

- 7.23 Local Plan (Part 1) Policy CP1 and CP6 set out the overall strategy for meeting housing growth requirements within the District. The current strategy focuses development, investment and regeneration mainly on the built up, urban areas, conserving and enhancing the landscape of the AONB, Hednesford Hills, Green Belt and the Green Infrastructure of the District. Housing growth is directed towards the main existing urban areas (Cannock/Hednesford/Heath Hayes, Rugeley/Brereton and Norton Canes) in a proportionate manner relative to their existing sizes, with urban extensions to each main urban area (including the Strategic Housing Site allocated for up to 750 homes (with potential capacity for 900 homes) at Land West of Pye Green Road, urban extensions for up to 670 homes south of Norton Canes, and 500 dwellings adjacent to Rugeley/Brereton within Lichfield District at the former power station site). Land east of Wimblebury Road is safeguarded land, which should be reviewed via a Local Plan review



Local Plan Policy Options
Objective 3: Provide for Housing Choice

alongside the need for any Green Belt boundary amendments elsewhere in the District. Development within the identified villages is limited to infill sites only.

- 7.24 The Rugeley Power Station SPD provides detailed guidance on the development of this large site.

Consultation feedback/other issues

- 7.25 A number of site specific representations were received, with respective landowners/developers promoting individual sites and some parties raising concerns with specific sites. A number of responses suggested that the current strategy and approach of retaining Green Belt boundaries needs to be reviewed, particularly in light of the GBBCHMA housing shortfall issues. Extensions to existing urban areas were promoted as a suitable option to consider. A number of responses also supported the current strategy of retaining Green Belt boundaries and AONB protection, suggesting these designated areas shouldn't be considered for future development. The Districts environmental constraints (in terms of landscape and ecological designations) were widely recognised and the need for the strategy to continue to reflect these was highlighted. Some statutory consultees highlighted the need for key issues to be considered in the selection of housing sites, including highways matters and the protection of natural assets.
- 7.26 There was some support for retaining the current settlement hierarchy approach. Some responses supported the Cannock/Heath Hayes area being the principal focus for development going forward. Other responses suggested Rugeley/Brereton, Hednesford and some areas at Norton Canes should accommodate future development. Equally, some responses expressed concern about further developments around the respective urban areas of the District. Some responses expressed concern about developments close to the District boundary not being counted towards Cannock Chase Districts' housing requirements. Responses highlighted the need to have regard to where residents are accessing employment opportunities and where employment growth is forecast, taking account of existing and future transport networks. It was outlined that infrastructure capacity considerations should inform the preferred strategy e.g. education and transport capacity. A number of responses recognised the opportunity for redevelopment of the former Rugeley Power Station site and that it could contribute to housing needs. However some responses suggested a cautious approach was needed in terms of estimating how much this site could contribute to housing needs, taking into account the complexity of redeveloping it. Whilst the majority of relevant responses supported the principle of using brownfield land, some responses highlighted issues to consider in redeveloping brownfield sites e.g. viability. One response highlighted rural community issues in terms of allowing development adjacent to settlement boundaries. One response highlighted the issue of the proximity of livestock and residential dwellings.



- 7.27 In terms of key issues, clearly the current Local Plan (Part 1) policies will need to be updated to reflect the overall levels of housing growth in the District for the plan period and the most appropriate strategy for delivering that growth. The Council needs to consider how the local context influences the choice of policy options for delivering housing growth. Given that all land outside of our existing urban areas is Green Belt (approximately 60% of the District overall) with a significant proportion of this also being designated as an Area of Outstanding Natural Beauty, the sequential approach set out in national policy for considering the release of Green Belt land needs to be considered i.e. other options have been exhausted. A similar approach is required in relation to any development sites within the AONB. The national policy requirements to maximise the use of under-used and particularly brownfield land influences the approach to be taken.
- 7.28 The Council undertakes its annual assessment of housing land availability (Strategic Housing Land Availability Assessment- SHLAA) to identify the amount of dwellings expected to be developed to meet local plan housing requirements.
- 7.29 The most recent assessment (August 2018) currently identifies capacity for a minimum of 3,200 dwellings (deliverable and developable) for the current plan period (up to 2028) which is primarily made up of the following:

AREA	0-5 YEAR DELIVERABLE SITES (NO OF DWELLINGS) (MAJOR AND MINOR SITES COMBINED)	6-15 YEAR DEVELOPABLE SITES (UP TO 2028) (NO OF DWELLINGS) (MAJOR AND MINOR SITES COMBINED)
Cannock, Hednesford and Heath Hayes	1,006	1,112
Rugeley and Brereton	148	242
Norton Canes	194	473
TOTALS	1,348	1,827

- 7.30 It is distributed across the main urban areas in the following proportions (includes a small proportion of limited infill developments in some of the Districts' villages):

AREA	PROPORTION OF DWELLINGS (AND DWELLING NO.)
Cannock, Hednesford and Heath Hayes	67% (2,100)
Rugeley and Brereton	12% (400)
Norton Canes	21% (700)



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- 7.31 This demonstrates that there is existing capacity from Brownfield and Greenfield sites focused around the District's urban areas (with approximately 75% of the supply identified being permissioned/under construction). This existing capacity can form the basis of the strategy for meeting housing needs. The assessment (SHLAA) also identifies the potential for further urban housing sites in the longer term, which could be explored further.
- 7.32 Taking into account this existing supply the Council needs to identify land for an **additional circa 1,900-4,400 dwellings** (dependent upon the final overall housing growth figure). The assessment (SHLAA) identifies that there are a number of options for additional housing land, including potential additional urban sites. However, a large proportion of the potential site options currently lie within the Green Belt (and some within the AONB too).
- 7.33 As set out above, the national policy approach requires the Council to consider a sequential approach to the release of Green Belt land for development. To justify Green Belt release the Council must demonstrate that the local plan:
- makes as much use as possible of suitable brownfield sites and underutilised land;
 - optimises the density of development, with significant uplift to be considered in town centres and other locations well served by public transport;
 - has been informed by discussions with neighbouring authorities about whether they could accommodate some of the identified need for development.
- 7.34 As a result, the Council will need to explore any opportunities for non-Green Belt site options both within the District and outside the District (in neighbouring authorities) before being able to justify the release of Green Belt sites within Cannock Chase District.
- 7.35 However, it is recognised that Cannock Chase District and the wider GBBCHMA housing needs should ideally be met as close to the source of those needs as possible. In reality the neighbouring Black Country authorities are already struggling to meet own needs from urban site capacity, and they are also Green Belt constrained. Other neighbours (South Staffordshire, Lichfield) whilst potentially having capacity (as set out in Strategic Growth Study) have also set out in their recent Local Plan Review consultations that they are considering Green Belt options given the characteristics of their Districts and the Strategic Growth Study 'areas of search' identified (however, this is subject to those authorities also confirming there is no non-Green Belt site capacity within their respective Districts and neighbouring authorities). Stafford Borough is not identified as part of the GBBCHMA and a significant part of the Borough which adjoins Cannock Chase District is also designated Green Belt. Therefore, whilst



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the need for any Green Belt land release within the District would need to be clearly justified and confirmed via further discussions with the District's neighbouring authorities, this wider current context is recognised.

- 7.36 In terms of maximising existing urban capacity, as set above there is an existing supply of sites available to meet needs of around 3,200 dwellings. In addition to this the Council is undertaking work to assess additional capacity which could be generated by increasing densities and identifying additional non-Green Belt sites.
- 7.37 In relation to density increases the Strategic Growth Study identified that requiring a minimum density of 30-40 dwellings per hectare could generate a maximum additional 20% dwellings on top of the existing supply within Cannock Chase District (from sites without planning permission at the time). This equated to a maximum of 200 dwellings from a supply of 1,000 dwellings. Given that 75% of the 3,200 dwellings identified within the urban supply already have planning consent/are under construction there is limited scope for increasing densities from the existing supply. Assuming a similar 20% uplift on the 800 dwellings with no consent would not meet the minimum needs of 1,900 additional dwellings alone (gives an additional 160 dwellings). However, the impact of increasing densities on future sites identified can be taken into account. Higher densities on new urban sites identified could yield further dwellings e.g. town centre sites in particular. The appropriateness of increased densities needs to be considered with regard to overall sustainable development considerations e.g. meeting range of housing needs identified within the District (such as different dwelling sizes) and open space provision.
- 7.38 In relation to additional non-Green Belt sites, given the District context the source of these would have to primarily come from the reallocation of existing land uses e.g. redeveloping employment sites or open spaces for housing. However, the implications of reallocating land uses in wider sustainable development terms need to be borne in mind e.g. loss of employment sites or open spaces. Any opportunities for the redevelopment of existing housing areas to provide higher density housing could also be assessed. Permitted development right extensions could provide encouragement to further supply from changes of use of retail and office premises; however monitoring indicates it is unlikely to offer a substantial increase in housing (particularly given that there have already been several of the larger potential sites developed in recent years e.g. office blocks in Cannock town centre). As part of the recent Strategic Growth Study, no further significant site opportunities for brownfield land supply were identified at that time. However, further local evidence which is now underway in relation to the assessment of existing employment areas and open spaces will help inform this understanding of any newly arising capacity.
- 7.39 There are already a number of existing employment sites (such as Gestamp, Cannock) which have been suggested for redevelopment for housing that are accounted for within the 3,200 dwelling urban supply. The Council's land availability assessments (for housing- SHLAA, employment-ELAA and the Brownfield Register) are considered to be as comprehensive as possible in terms of identifying potential sites for development. No additional methods for identifying further sites were suggested to the Council in response to the Local



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Plan Issues and Scope consultation and a small number of additional urban and brownfields sites were suggested for consideration. However, the Council is undertaking an 'urban capacity study' in order to bring the various pieces of existing evidence on urban capacity together for a comprehensive picture and to reflect any new evidence on additional sites, in line with the updated national planning policy context. This can take into account any relevant findings from other parts of the evidence base, including an assessment of the District's existing employment areas (to consider if any of these should be protected for employment use or if they could be redeveloped for other uses) and an open space assessment.

- 7.40 The former Rugeley Power Station is a large brownfield site, outside of the Green Belt. It offers a key opportunity for helping to meet the future development needs of the District on non-Green Belt land. The landowners of the site (Rugeley Power Ltd) outline that a housing-led scheme should be promoted. Whilst no firm dwelling numbers were suggested in response to the Local Plan Issues and Scope consultation, it has been suggested in recent announcements by the landowners that around 2,000 dwellings could be provided (total across the whole site which also crosses over into Lichfield District). The results of a recent 'community planning event' in December 2018 gave an indicative masterplan which suggested a mix of high-medium density housing, employment and live/work units, a primary school, sports pitches and retained battery storage facility on the part of the site within Cannock Chase District (but with no figures on quantity of development). Lichfield District Council has assumed that the part of the site within their District could provide around 800 dwellings up to 2029. Based on Cannock Chase Council's methodology for assessing site capacities, it is assumed for the purpose of the policy options at this stage that a housing-led development of the former Rugeley Power Station could generate a minimum of 800 dwellings (on the part of the site that lies within Cannock Chase District)³⁷. This capacity could be increased with higher density developments such as apartments³⁸, but the capacity will also depend on other land uses for the site e.g. employment.
- 7.41 The Rugeley Power Station Supplementary Planning Document (SPD) adopted 2018 sets out an indicative vision for the redevelopment of the site, produced jointly with Lichfield District Council. This currently identifies the part of the site within Cannock Chase District as appropriate for employment-led redevelopment. This is therefore also reflected within the policy options (and reflects consultation comments received regarding the future use of the site, as outlined above). An employment/mixed use led redevelopment of the site would still be likely to generate housing supply within the District; however it would obviously be at a lesser scale than a housing-led scheme on the site.

³⁷ Site area of approx.36 hectares (brownfield part of site which excludes the golf course/flood plain area). Assume 60% net developable area (as per CCDC SHLAA methodology, and consistent with Lichfield District assumption) which gives net site area of approx.22 hectares. Assume 35 dwellings per hectare, based on Strategic Growth Study recommendations for minimum densities in housing market area and CCDC/LDC SHLAA assumptions. Gives total site capacity of approximately 800 dwellings.

³⁸ As an example, based on current indicative density for town centre developments within the District of 50 dwellings per hectare, the site could deliver 1,100 dwellings.



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- 7.42 **These options for additional urban capacity including the former Rugeley Power Station will be fully explored before any consideration of Green Belt sites for meeting housing needs (alongside discussions with neighbouring authorities for meeting needs on non-Green Belt sites). If there is a need for further land to deliver sustainable housing growth within the District then the development options for urban capacity and Rugeley Power Station will need to be considered in combination with options for the development of Green Belt sites.**
- 7.43 The policy options for Green Belt sites reflect the nature of site submissions received to date and consultation comments to the Local Plan Issues and Scope. Given the nature of the District, Green Belt options are limited to urban extensions i.e. there is no physical capacity for new settlements. Again, given the physical context of the District these sites are likely to be relatively smaller urban extensions (as also identified in the Strategic Growth Study under the 'proportionate dispersal' model, which suggested smaller urban extensions of 500-2,500 dwellings). As part of the 'long list' of 'areas of search for strategic development' recommended by the Strategic Growth Study, an area for a large urban extension (1,500-7,500 dwellings) was identified, known as 'North of Walsall, around Brownhills'. Such a scale of development would need to be considered on a cross-boundary basis with the relevant local authorities rather than just by Cannock Chase District alone. There is also a degree of overlap with the option of 'proportionate dispersal' in terms of the geographical area covered.
- 7.44 The strategy for future development in relation to Green Belt urban extensions could seek to focus on areas to the north of the District at Rugeley/Brereton. This could assist in reducing pressures upon infrastructure issues identified to the south of District, including the A5/A460/M6 Toll (Churchbridge) and Five Ways (Heath Hayes/Norton Canes) junctions, as well as air quality issues (there are 3 AQMAs in the District which are all located in the Cannock/Hednesford/Heath Hayes area). It could help to support the regeneration of Rugeley Town Centre by providing additional customers and investors to the town. As the second largest settlement area in the District, there are an existing range of facilities and services for future residents to access e.g. rail services, leisure centre, schools. However, there are also infrastructure capacity issues to consider in this area, such as school capacity and traffic e.g. that associated with the employment areas at Towers Business Park. It is recognised that the urban edge of Rugeley/Brereton largely directly abuts the AONB boundary (with some suggested site options for development lying within the AONB). In addition, if housing-led redevelopment of the former Rugeley Power Station is pursued in combination with this option it would mean the area of Rugeley/Brereton potentially accommodating a substantial proportion of the overall housing needs of the District.
- 7.45 The strategy for future development in relation to Green Belt urban extensions could seek to focus on areas to the south of the District at Cannock/Hednesford/Heath Hayes and Norton Canes. This is where the vast majority of potential housing supply from Green Belt sites has been promoted to date by landowners and developers so there is a wider range of sites to consider. As the largest urban area, Cannock/Hednesford/Heath Hayes provides the



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Objective 3: Provide for Housing Choice

largest range of facilities and services available for future residents to access e.g. two town centres at Cannock and Hednesford, a number of local centres offering further shopping and services provision e.g. Heath Hayes, rail services, leisure centre, schools. Norton Canes has a range of facilities such as smaller scale shopping provision in the local centre, schools and a library; access to larger facilities (such as indoor leisure and larger shopping outlets) is mainly provided for in other nearby settlements (such as Cannock and Burntwood). However, the key issues identified above in relation to infrastructure and environmental issues would need to be considered (particularly those related to education and transport, as highlighted by statutory consultees previously). A substantial part of the urban area at Cannock/Hednesford lies adjacent to the AONB (with some suggested site options for development lying within the AONB) and there are a number of nationally and internationally protected ecological sites in the vicinity (e.g. Hednesford Hills, Bleak House, and Cannock Extension Canal).

- 7.46 The strategy for future development in relation to Green Belt urban extensions could consider all site options suggested to date across the District. This would include suggested sites which lie adjacent to the existing village boundaries e.g. at Cannock Wood and Slitting Mill. In relation to these options, it would need to be considered how sustainable such development could be, given the relatively limited services and facilities currently available at those villages and the fact that the majority of the site options at the village locations also lie within the AONB.
- 7.47 In relation to all of the policy options for development, the Council will need to demonstrate that the housing sites identified are realistic prospects for future development i.e. they will require more detailed assessment covering a range of issues including landownership and landowner intentions; viability of the development; any key constraints such as physical problems, environmental designations and impacts of the developments. The site selection methodology provides further detail on how sites will be assessed and this process will help inform the preferred spatial strategy.
- 7.48 In terms of safeguarded land and 'reserve sites' issues, these are discussed further under 'Other Policy Considerations' paragraph 13.14 – 13.19.
- 7.49 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 3: Provide housing choice in terms of how housing growth is distributed.

STRATEGY FOR MEETING OVERALL HOUSING GROWTH POLICY OPTIONS

Option A: Urban Areas- use sites already identified for housing within the urban areas and explore opportunities for further housing on urban sites.

There is currently a minimum of around 3,200 dwellings identified on brownfield and greenfield housing sites within the urban areas (including large sites to be developed at Land West of Pye Green Road and Norton Hall Lane/Butts Lane) distributed broadly as follows:



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AREA	PROPORTION OF DWELLINGS (AND DWELLING NO.)
Cannock, Hednesford and Heath Hayes	67% (2,100)
Rugeley and Brereton	12% (400)
Norton Canes	21% (700)

This means additional land would need to be identified to deliver a minimum of 1,900 dwellings (depending on the overall levels of housing growth). To identify further land for housing this option would include considering higher densities on new sites (i.e. those that do not already have planning permission) and identifying additional urban sites from sources such as employment land, open spaces, redeveloped housing areas. This could involve reassessing sites that are not considered appropriate for development at present and seeking to identify additional sites that are not currently being considered for housing development. This option would also allow for infill developments within the village settlement boundaries, as per the current policy approach but would not extend the village boundaries with any new development. It is unlikely that this option would meet the minimum additional levels of housing growth of 1,900 dwellings alone but it can be considered alongside other options.

Option B: Rugeley Power Station

Option B1: Urban Areas and housing-led redevelopment of former Rugeley Power Station

This combines Option A with the housing-led redevelopment of the former Rugeley Power Station. The part of the site within Cannock Chase District could potentially generate a minimum of 800 dwellings. This option may not provide for the additional levels of housing growth alone (minimum of 1,900 dwellings) but can be considered alongside other options, if necessary.

Option B2: Urban Areas and employment-led/mixed use redevelopment of former Rugeley Power Station

This combines Option A with an employment-led/mixed use redevelopment of the former Rugeley Power Station. The site would therefore generate less housing supply than Option B1. This option may not provide for the additional levels of housing growth alone (minimum of 1,900 dwellings) but can be considered alongside other options, if necessary.

Option C: Green Belt Urban Extensions

Option C1: In combination with the options for the Urban Areas and former Rugeley Power Station consider Green Belt urban extensions at Rugeley/Brereton urban edges

This would include consideration of Green Belt urban extensions at Rugeley/Brereton, focusing additional housing growth towards that urban area. There are relatively fewer site options with less housing capacity to consider in order to meet the additional levels of housing growth (minimum of 1,900 dwellings) compared to the Cannock/Hednesford/Heath Hayes and Norton Canes areas. This does not allow for the testing of the Strategic Growth Study options which suggested exploring urban extensions in the southern part of the District. However, it reflects alternative site options which have been suggested to the Council. Site options within the District are focused around the southern and eastern edges of the urban area. This could also allow for testing of cross boundary/edge of settlement options with other local authorities. In line with the NPPF, first consideration to be given to 'land which has been previously-developed and/or is well-served by public transport'. Consideration would also need to be given to ways in which the 'impact of removing land from the Green Belt can be offset through



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compensatory improvements to the environmental quality and accessibility of remaining Green Belt land. This option would also allow for infill developments within the village settlement boundaries, as per the current policy approach but would not extend the village boundaries with any new development.

Option C2: In combination with the options for the Urban Areas and former Rugeley Power Station consider Green Belt urban extensions at Cannock/Hednesford/Heath Hayes and Norton Canes urban edges




This would include consideration of Green Belt urban extensions at Cannock/Hednesford/Heath Hayes and Norton Canes, focusing additional housing growth towards those urban areas. There is relatively a greater number of site options with greater housing capacity to consider in order to meet the additional levels of housing growth (minimum of 1,900 dwellings) compared to the Rugeley/Brereton urban area. This allows for the testing of the Strategic Growth Study options which suggested exploring urban extensions in the southern part of the District. This includes the ‘proportionate dispersal’ option and the ‘urban extension’ option for an area North of Walsall, around Brownhills. Site options within the District are focused around the southern and eastern urban edges of Cannock/Hednesford/Heath Hayes and the western and south-east edges of Norton Canes. This could also allow for testing of cross boundary/edge of settlement options with other local authorities (Lichfield, South Staffordshire and Walsall). In line with the NPPF, first consideration to be given to ‘*land which has been previously-developed and/or is well-served by public transport*’. Consideration would also need to be given to ways in which the ‘*impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land.*’ This option would also allow for infill developments within the village settlement boundaries, as per the current policy approach but would not extend the village boundaries with any new development.

Option C3: In combination with the options for the Urban Areas and former Rugeley Power Station consider Green Belt urban extensions distributed across the District


This would include testing all of the suggested urban extension site options across the District. This option could also consider the appropriateness of extending the current settlement boundaries of the Districts’ villages (Cannock Wood, Hazelslade, Prospect Village and Slitting Mill) where sites beyond the current boundaries have been suggested. In line with the NPPF, first consideration to be given to ‘*land which has been previously-developed and/or is well-served by public transport*’. Consideration would also need to be given to ways in which the ‘*impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land.*’

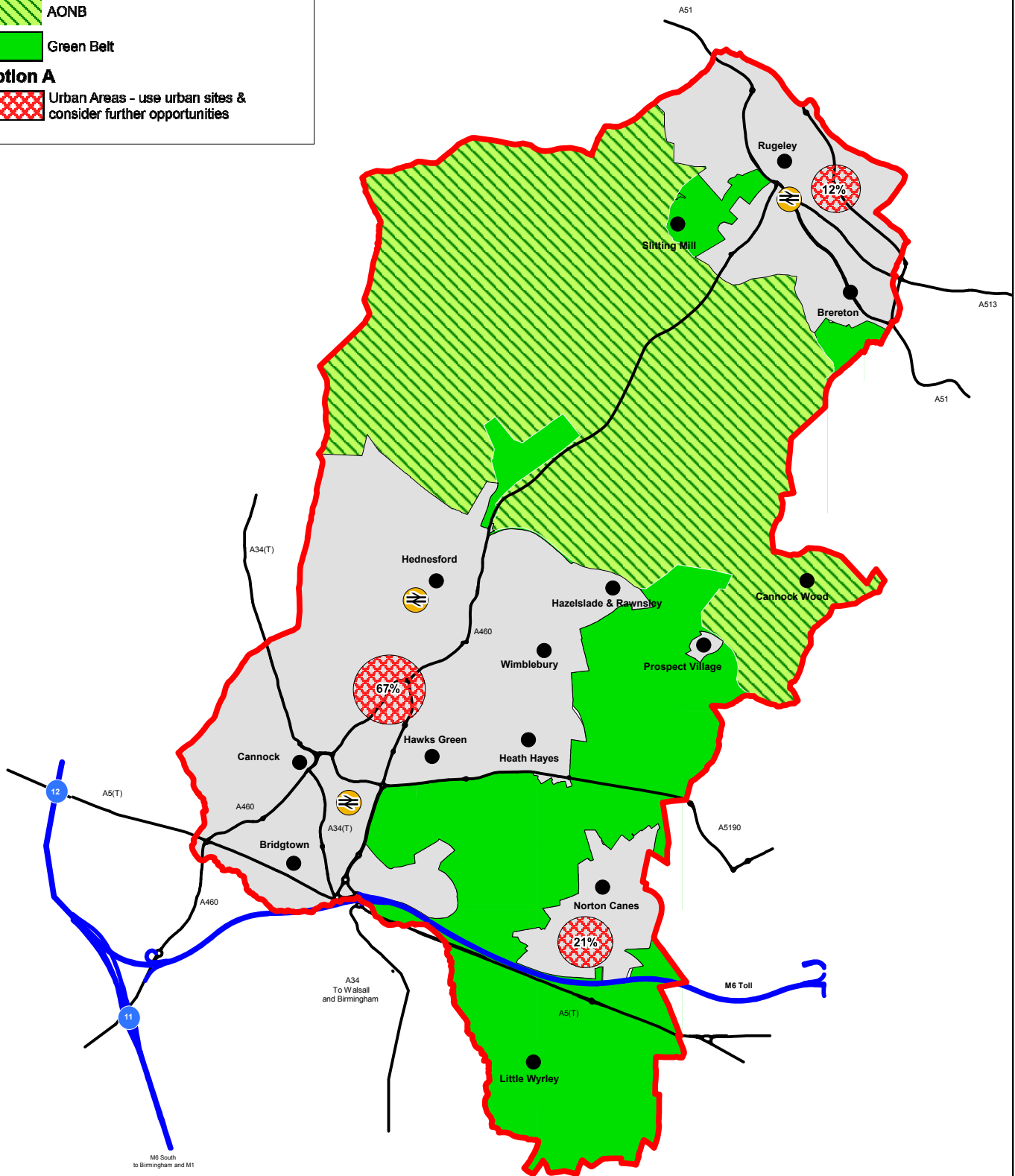


Key

-  Urban Areas
-  AONB
-  Green Belt




Option A

-  Urban Areas - use urban sites & consider further opportunities







Key

-  Urban Areas
-  AONB
-  Green Belt


Option A

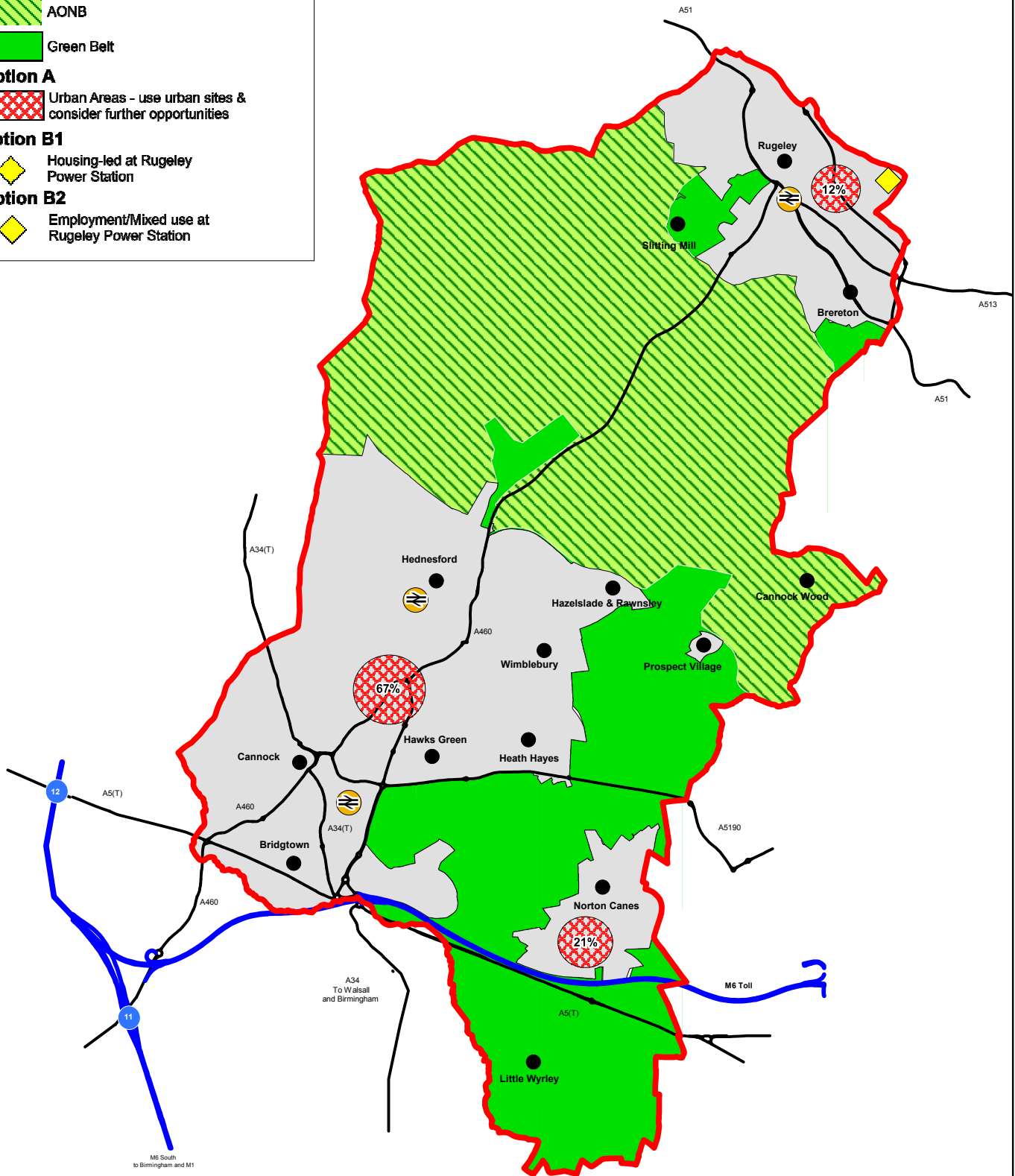
-  Urban Areas - use urban sites & consider further opportunities

Option B1

-  Housing-led at Rugeley Power Station




Option B2

-  Employment/Mixed use at Rugeley Power Station







Key

-  Urban Areas
-  AONB
-  Green Belt


Option A

-  Urban Areas - use urban sites & consider further opportunities


Option B1

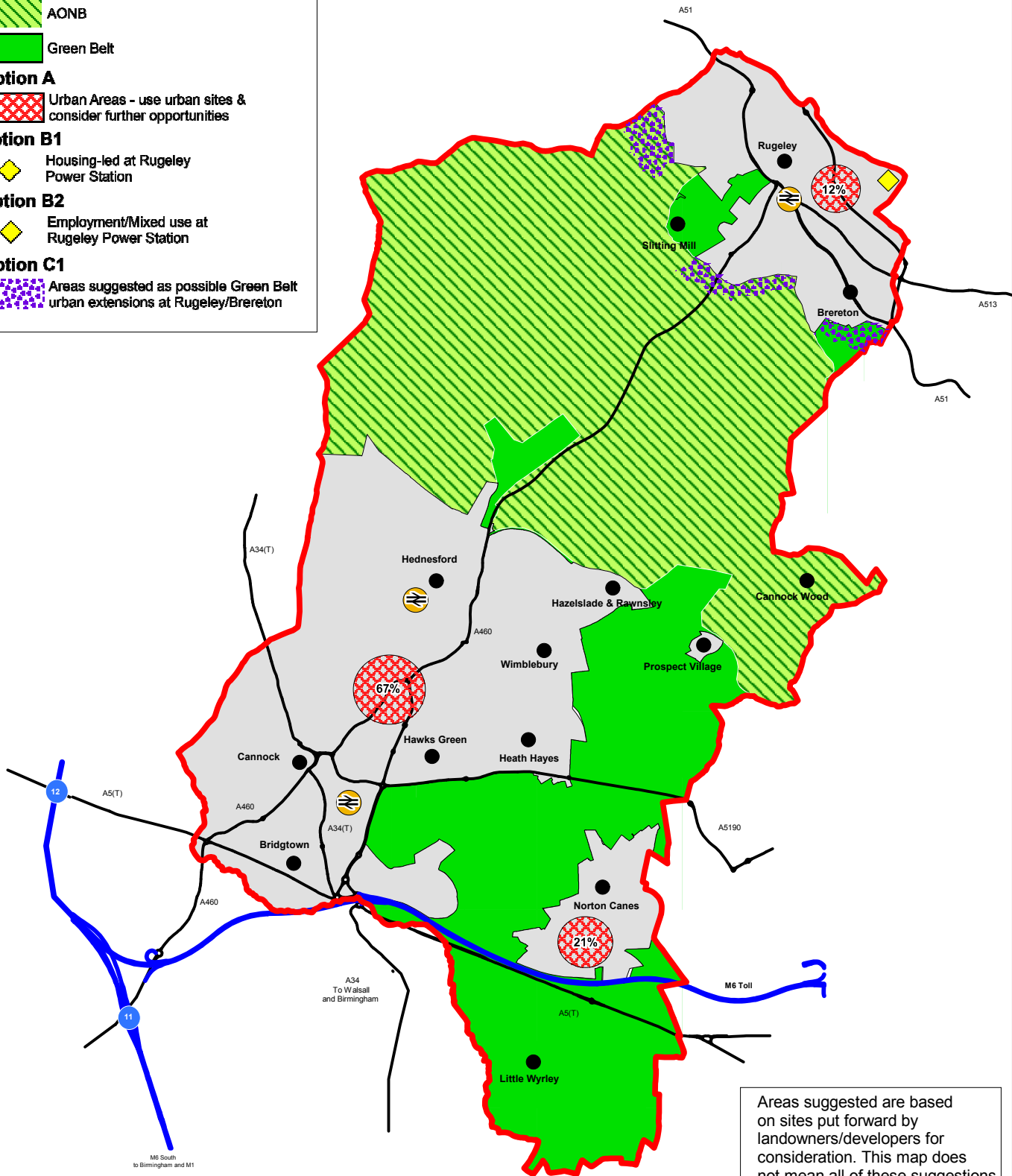
-  Housing-led at Rugeley Power Station

Option B2

-  Employment/Mixed use at Rugeley Power Station

Option C1

-  Areas suggested as possible Green Belt urban extensions at Rugeley/Brereton



Areas suggested are based on sites put forward by landowners/developers for consideration. This map does not mean all of these suggestions will be selected for development; these are only options we need to consider at this stage.



Key

- Urban Areas
- AONB
- Green Belt

Option A

- Urban Areas - use urban sites & consider further opportunities

Option B1

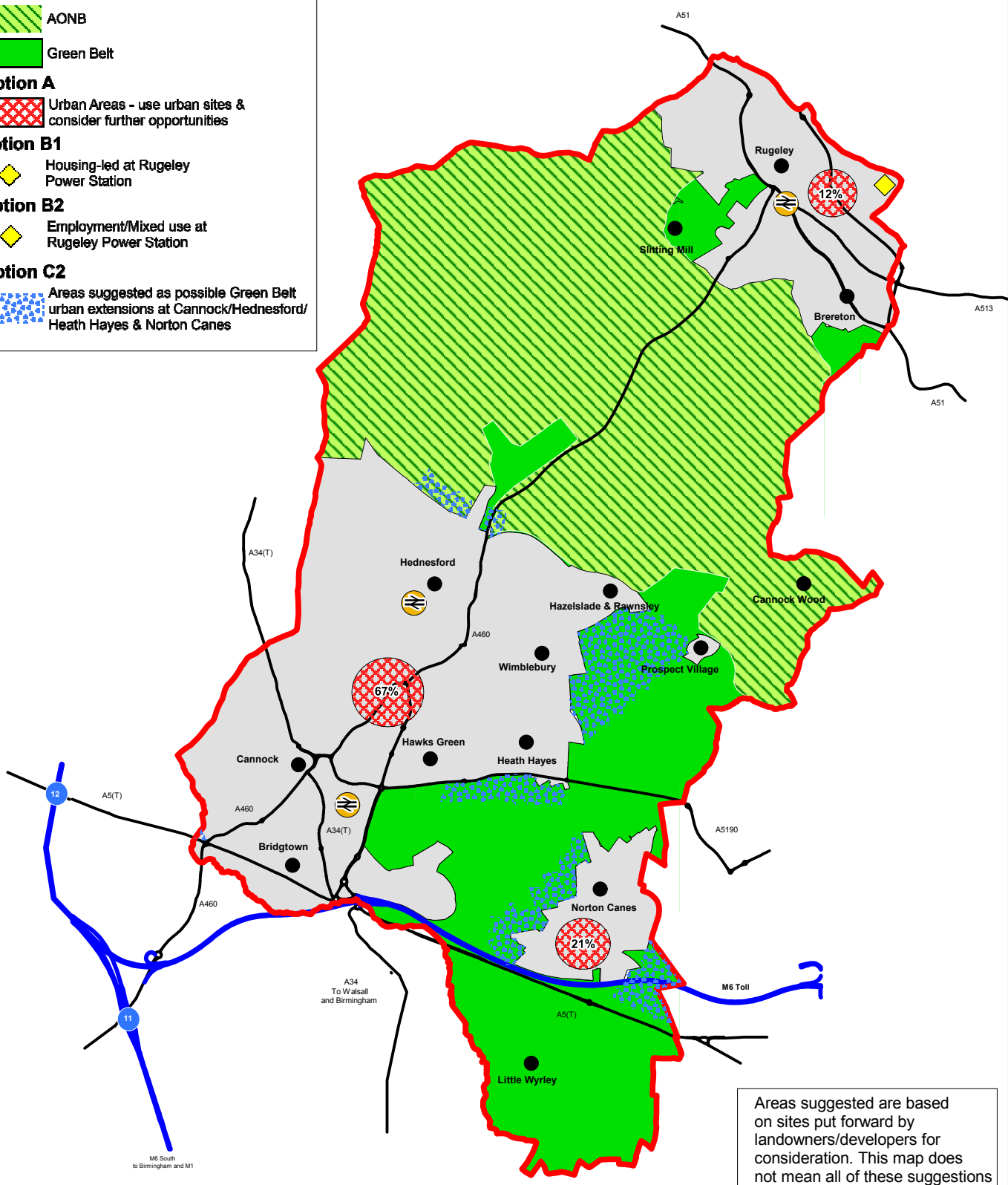
- Housing-led at Rugeley Power Station

Option B2

- Employment/Mixed use at Rugeley Power Station

Option C2

- Areas suggested as possible Green Belt urban extensions at Cannock/Hednesford/Heath Hayes & Norton Canes



Areas suggested are based on sites put forward by landowners/developers for consideration. This map does not mean all of these suggestions will be selected for development; these are only options we need to consider at this stage.



Key

- Urban Areas
- AONB
- Green Belt

Option A

- Urban Areas - use urban sites & consider further opportunities

Option B1

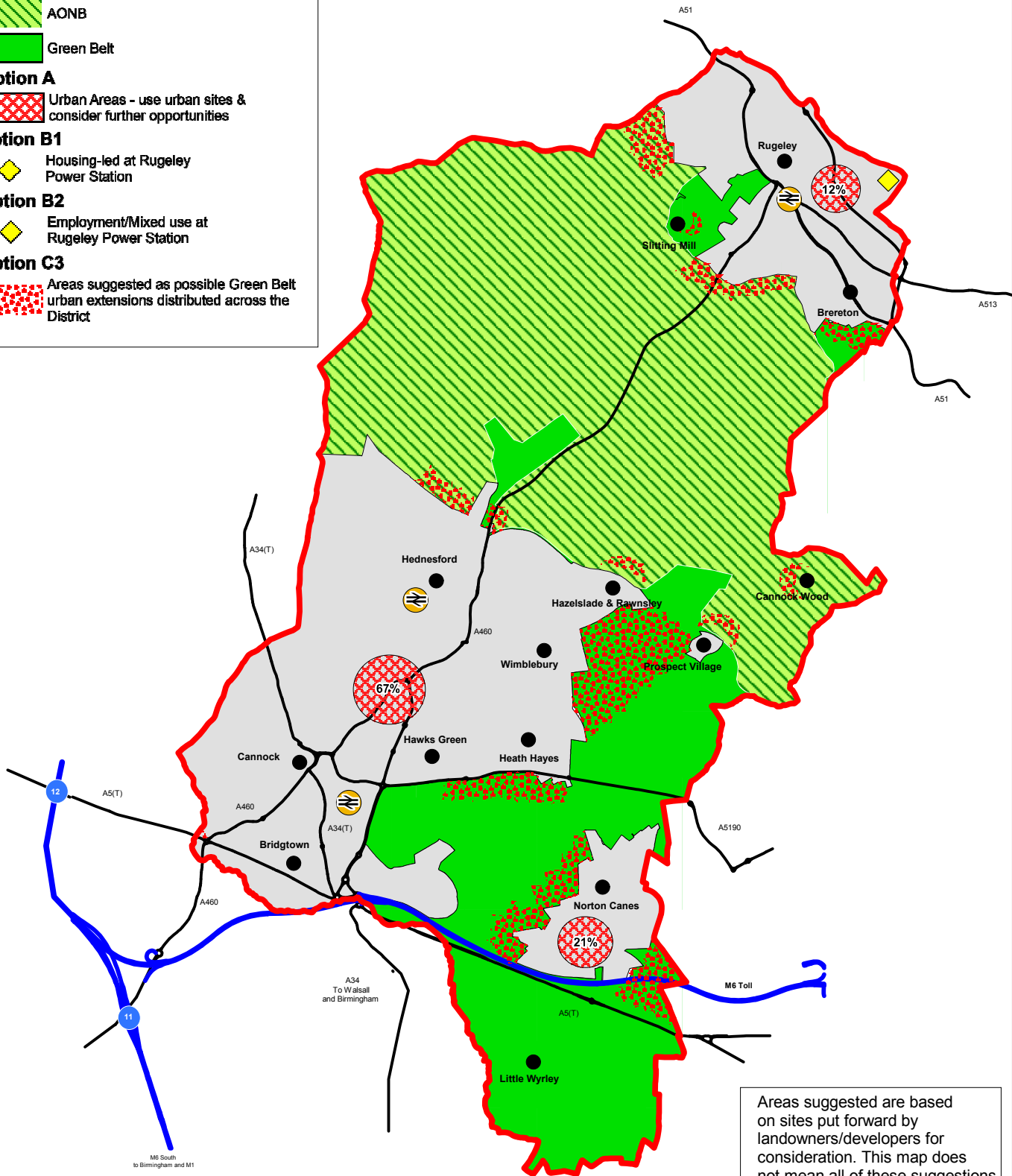
- Housing-led at Rugeley Power Station

Option B2

- Employment/Mixed use at Rugeley Power Station

Option C3

- Areas suggested as possible Green Belt urban extensions distributed across the District



Areas suggested are based on sites put forward by landowners/developers for consideration. This map does not mean all of these suggestions will be selected for development; these are only options we need to consider at this stage.



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Questions on Strategy for Meeting Overall Housing Growth Policy Options:

Question 17. Which combination of options do you support and why? Should any further options be considered?

Question 18. Are the current settlement boundaries for the District's villages appropriate? If not, how should they be amended and why?

Affordable Housing percentage requirements

National Policy

- 7.50 National policy sets out the requirement for planning policies to identify the level, size, type and tenure of homes required to meet the needs of those requiring affordable housing. Affordable housing contributions should only be sought on major developments i.e. sites of 10 or more dwellings, or with a site area of 0.5 hectares or more. In designated rural areas (including AONBs) consideration can be given to lowering the threshold to 5 dwellings. Provision should be on-site unless off-site provision or an appropriate financial contribution in lieu can be robustly justified (NPPF, paras. 61-63). National guidance provides a methodology for assessing local affordable housing needs, drawing upon a range of data sources in order to inform specific policy requirements.
- 7.51 Updated national policy states local plans should set out the developer contributions expected from developments, including affordable housing. The contributions sought should not make developments unviable, therefore undermining the deliverability of the plan (NPPF, para. 34). National guidance provides detail on how to assess the viability of plan policies. It states that affordable housing requirements should be set as a single figure, rather than a range to provide certainty. Different requirements can be set for different sites, or types of development and the specific circumstances of strategic sites (those that are critical to delivery of the overall local plan) may need to be considered.

Local Policy

- 7.52 The current Local Plan (Part 1) Policy CP7 and the Developer Contributions and Housing Choices SPD (2015) require developments of 15 dwellings or more to provide 20% on-site affordable housing, with developments of 10-14 dwellings providing financial contributions towards off-site affordable housing provision (in exceptional cases, schemes of 15 dwellings or more may also make off site financial contributions). This approach has been informed by the feasibility of seeking on-site provision on sites of less than 15 dwellings. Registered Providers typically look to provide a minimum number of affordable houses on a site in order for a scheme to be feasible (this varies according to the provider and the local context). The set threshold of 15 dwellings for on site provision assumes that a minimum of 3 affordable dwellings on site is the typical number of units that



a Registered Provider would consider acquiring. Below that minimum on-site provision of affordable housing may not be feasible.

Consultation feedback/other issues

- 7.53 The approach to updating the evidence base was generally supported. A number of responses suggested that a range of sites should be allocated to meet housing needs, including affordable, and some responses suggested larger sites provided the greatest opportunity for delivering a mix of housing. One respondent highlighted the need for viability assessments of sites to take into account cross boundary issues (Rugeley Power Ltd). One respondent referred to the issue of affordable housing in perpetuity and suggested that this should not be required in policy.
- 7.54 In terms of key issues, the current affordable housing percentage requirement is set on a District-wide basis as previous evidence did not identify any significant variations in affordable housing need or viability which would warrant different percentage requirements in different parts of the District. It is suggested this continues to be an appropriate approach given the District characteristics. The policy options suggested reflect the national policy and local issues context.
- 7.55 The policy updates will be supported by the updated Housing Needs Assessment, which identifies the overall levels of affordable housing needs within the District. The Council has updated its Housing Needs Assessment. This is available for comment as part of the Issues and Options consultation. A viability assessment of the affordable housing requirements (and other developer contributions) will be undertaken to inform the Preferred Options of the Local Plan Review. This will then determine the overall updated affordable housing requirement for the District. The viability assessment of the Local Plan will be undertaken in accordance with national policy and guidance. This suggests a 'typologies' based approach to assessing local plan viability e.g. assuming a series of 'typical' sites that are likely to come forward within the District such as small-sized greenfield developments or medium-sized brownfield developments.
- 7.56 The option for site specific affordable housing requirements is suggested to account for any site allocations which may not necessarily fit into one of these 'typologies' e.g. sites with more significant on-site infrastructure requirements (such as a school) or significant land remediation costs. It is also in line with national guidance on considering site specific circumstances of any strategic or large sites that are critical to the overall housing land supply for the local plan.
- 7.57 Whilst the AONB is technically a 'designated rural area' under the NPPF, the nature of the District means that much of the areas within the AONB are Green Belt and semi-rural (i.e. not remote from main urban areas). As outlined under 'Housing Mix' below, this has meant the District Council has not adopted a rural exceptions policy to date. Furthermore, the District is not entirely covered by the



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AONB as some local authorities elsewhere in the country may be. Given the availability of land for development outside of the AONB local housing needs, including affordable, have been met elsewhere in the District. This means a lower threshold of 5 dwellings within the AONB has not been applied to date. However, it is noted that some of the site options for future development within the District are within the AONB so the need for such a threshold will largely depend on the eventual preferred strategy for overall development (see ‘Strategy for meeting overall housing growth’). Given this local context we would welcome views on whether it would be appropriate to set a lower affordable housing requirement threshold in line with the NPPF for developments within the AONB.

- 7.58 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 3: Provide for housing choice in terms of how we address affordable housing percentage requirements.

AFFORDABLE HOUSING PERCENTAGE REQUIREMENTS POLICY OPTIONS

Option A Amend strategic policy to reflect updated overall affordable housing needs (based on Housing Needs Assessment) including updated District-wide affordable housing percentage requirement. Require affordable housing provision from schemes of 10 dwellings or more (percentage subject to overall Local Plan viability assessment) with presumption this is to be on site, unless circumstances justify off site financial contributions. Continue to allow off-site financial contributions in lieu of on site provision in exceptional circumstances. Continue to require review of viability on large sites over 2 year period. Subject to Local Plan viability assessment results, consider the need for a continuation of current policy approach i.e. sites of 10-14 dwellings making off-site financial contributions.

This option would mean that the policy is updated to reflect new national policy and the most current local context. It would provide some flexibility for off site provision, where justified. It could take into account any minimum levels of feasible on site affordable housing provision as per the current policy approach, if necessary.

Option B: In combination with Option A, implement specific affordable housing requirements for large site allocations.

This option would consider the need for any site specific affordable housing requirements on large site allocations that differ from the District wide requirements. It would focus specifically on sites that may not fit with the general ‘typologies’ of sites covered by the Local Plan viability assessment e.g. sites with more significant infrastructure requirements, and/or those which are critical to the overall housing land supply. Would require site specific viability assessments.

Questions on Affordable Housing Percentage Requirements Policy Options:

Question 19. Which option, or combination of options do you support and why? Should any further options be considered?

Question 20. Do you have any comments on the Housing Needs Assessment for the District?



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Question 21. Are there any other options for securing affordable housing supply that we should be considering?

Question 21. Should the Council consider a lower threshold of 5 dwellings for seeking affordable housing contributions from schemes within the AONB, taking into account the local context?

Question 22. Should affordable housing requirements for schemes be set higher than the needs identified in the Housing Needs Assessment to off set no contributions from schemes under 10 dwellings?

Question 23. Is there a minimum level of feasible on site affordable housing provision that the Council should take into account as part of its evidence base work e.g. currently assumed to be 3 affordable dwellings on site?

Question 24. Previous consultation responses suggest that affordable housing should not be retained 'in perpetuity'. In what other ways could the Council secure the affordable housing supply within the District if an 'in perpetuity' requirement is not included within policy i.e. so that any recycled funding from the sale of affordable housing is spent on replacement/new affordable housing supply within the District?

Housing Mix (including affordable housing and specialist housing)

National Policy

- 7.59 National policy requires local authorities to assess the size, type and tenure of housing needed for different groups in the community and then reflect these needs in planning policies (NPPF, para.61). It outlines that the needs of those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes should all be considered (and other groups, where necessary). National guidance provides information on how to assess the local housing needs (including affordable housing).
- 7.60 The national policy definition of affordable housing has recently been widened to incorporate a number of home ownership options. Four categories now exist consisting of: affordable housing for rent, starter homes, discounted market sales housing, and other affordable routes to home ownership. On major developments (10 dwellings or more) 10% of homes should be provided as affordable home ownership as part of the overall affordable requirement, unless local needs justify otherwise (NPPF, para. 64).
- 7.61 Local authorities can consider adopting optional standards related to specific elements of building design, including standards set out in Part M4 of the Building Regulations relating to accessibility, adaptability and wheelchair users. National policy confirms that local authorities should make use of the optional technical standards where this would address an identified need for such properties (see also discussion under Objective 1). Any additional standards need to be the



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subject of viability testing, alongside other policy requirements (NPPF, paras.34 and 127).

- 7.62 National policy encourages local authorities to support the development of entry-level exception sites which are those that are suitable for first time buyers and are not already allocated for housing. They must provide for affordable housing only and meet other criteria in terms of their location and scale (NPPF, para.71). Rural exception sites are also supported by national policy, where these respond to local circumstances. Such small sites must provide for those that have a local connection to the specific local community and are typically affordable housing-led (NPPF, para. 77).
- 7.63 The ‘Independent Review of Build Out’ (Oct 2018, also known as ‘the Letwin Review’)³⁹ was commissioned by the Government to consider how to close the significant gap between housing completions and the amount of land allocated or permissioned. It makes recommendations to boost the delivery rates of large housing sites in particular. This suggests that diversifying the housing mix on these sites would aid delivery and increase build out rates.

Local Policy

- 7.64 Local Plan (Part 1) Policy CP7 and the Developer Contributions and Housing Choices SPD (2015) set the current context for the local housing mix. Policy CP7 aims to achieve a balanced housing market by requiring new housing developments to provide for a mix of housing sizes, types and tenure which meet the needs and aspirations of the current and future population, informed by the Strategic Housing Market Assessment. Particular encouragement is given to increases in particular types of provision including smaller dwellings suited to younger people and larger 3 and 4 bedroom houses for aspirational needs. There is also specific support for meeting the needs of an ageing population via encouragement for new schemes catering specifically for this group and developments achieving ‘lifetime homes’ standards.
- 7.65 No specific proportions for any housing sizes, types and tenures are specified in the policy itself. The Developer Contributions and Housing Choices SPD (2015) provides further detail on the expectations for the affordable housing element of schemes including the Council’s preferred tenure split and house sizes. This is still subject to site by site negotiation, where necessary.
- 7.66 There are no policies for rural exception or entry-level exception sites within the Local Plan (Part 1).

Consultation feedback/other issues

- 7.67 The approach to updating the evidence base was generally supported. It was suggested that the Council should consider not setting housing mix for individual

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/752124/Letwin_review_web_version.pdf



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sites within a Local Plan policy. Some responses suggested policies direct to the latest available evidence on housing needs in order to inform the housing mix on new schemes. Some respondents suggested specific policies and/or site allocations were necessary to meet specific housing requirements, namely housing for older people. Responses outlined the need for specific evidence to support any additional policy requirements such as higher optional technical standards, including local needs and viability testing (issues arising in relation to cross boundary sites should be considered too). Some responses suggested larger sites offered the greatest opportunity for meeting housing mix needs. One respondent suggested locating housing for older people nearest to town centres or good transport links to access services. One respondent suggested more consideration needed to be given to the housing needs of rural or agricultural workers. One respondent suggested the importance of discounted housing should be recognised as part of the housing mix.

- 7.68 In terms of key issues, the local policy will be updated to reflect the most recent evidence on housing needs. The Council has updated its Housing Needs Assessment. This is available for comment as part of the Issues and Options consultation. A viability assessment of any housing mix policy requirements (and other developer contributions) will be undertaken to inform the Preferred Options of the Local Plan Review.
- 7.69 The current approach sets out the key District wide expectations of developments based upon evidence of local needs and viability. However, it then provides flexibility for site specific solutions (following negotiations between the Council and the developer). For instance, on smaller sites in particular it may not be feasible to provide for the range of local housing needs as a larger site could. The local context e.g. existing provision in the vicinity may also influence the optimum housing mix of the development site. However, the approach also does not guarantee that the housing mix required will be delivered e.g. by setting specific percentages.
- 7.70 The current policy does not include any reference to rural or entry level exception sites. There have been no such sites in the District delivered to date (or actively promoted by local communities). The Local Plan (Part 1) outlines that context of the Districts main villages and hamlets has not warranted any local policy coverage of these sites to date i.e. these settlements are primarily within semi-rural areas (which are not considered to be 'remote' from the main urban areas) and are largely covered by both Green Belt and/or AONB designations. Accessible, affordable housing provision can be provided for within the urban areas. In addition, in relation to entry level exception sites, the vast majority of the District's urban areas are built up to Green Belt and/or AONB designations which national policy identifies as constraints to the development of such sites.
- 7.71 As such no specific policy options are suggested at this stage in relation to this matter, but further views would be welcomed (however Option D below does consider the allocation of sites to meet a range of housing needs). There is no



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specific policy coverage related to rural/agricultural workers dwellings for similar reasons, and due to the fact that there is a very limited number of people employed in this sector in the District. Given that all the land outside the urban areas is designated Green Belt, the position in relation to any such schemes would be considered in line with the relevant national planning policy.

7.72 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 3: Provide for housing choice by delivering an appropriate housing mix.

HOUSING MIX POLICY OPTIONS

Option A: Continue with current policy approach of encouraging appropriate mix of housing sizes, types and tenures for different groups in the community on a District wide basis, informed by the Housing Needs Assessment.

Policy based on current evidence, with link to take into account any updated evidence (further detail could be elaborated in non-strategic policy to provide more detailed guidance e.g. Development Management Policy or SPD). Precise housing mix on individual sites would continue to be determined via negotiation. Developers to demonstrate how their proposed mix provides for the range of District housing needs on a site by site basis e.g. housing for older people: adopting additional technical standards or by the type of dwellings to be provided (such as bungalows). For example, policy may read: *'Affordable and market housing schemes should seek to provide for range of housing needs as evidenced in the local Housing Needs Assessment. Affordable housing- current evidence identifies the need for a higher proportion of x tenure and a lower proportion of x tenure. Of this there is a need for a higher proportion of x bedroom properties and lower proportion of x bedroom properties.'* This option would mean that the policy is updated to reflect new national policy and the most current local context.

Option B: Require specific percentages for mix of housing sizes, types and tenures for different groups in the community on individual sites, informed by the Housing Needs Assessment.

Precise housing mix to be set as a requirement for individual sites to comply with. Set within strategic policy and not non-strategic policy. This could include a percentage requirement of homes to be built to the optional higher technical standards and a percentage requirement for self build plots. Any requirements for specific groups would have to be justified by local evidence of needs. Would need to be tailored to reflect the ability of different schemes to deliver housing mix e.g. smaller sites will have less potential to deliver the whole range of required housing mix. For example, policy may read: *'Affordable and market housing schemes should seek to provide for range of housing needs as evidenced in the local Housing Needs Assessment. Affordable housing- the Council will require x% to be social rented and x% to be affordable home ownership. Of this x% should be 2 bedroom, x% should be 3 bedroom.'* This option would mean that the policy is updated to reflect new national policy and the most current local context.

Option C: In combination with Option A, require specific percentages for mix of housing sizes, types and tenures for different groups in the community on large site allocations only.

Precise housing mix to be set as a requirement for individual sites to comply with on large site allocations only. This could include a percentage requirement of homes to be built to the optional higher technical standards and a percentage requirement for self build plots. Any requirements for specific groups would have to be justified by local evidence of needs. This



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would reflect the ability of larger sites to accommodate a greater range of housing mix and could provide more certainty in providing for the housing mix needs in the District. This option would mean that the policy is updated to reflect new national policy and the most current local context.

Option D: In combination with other Options, allocate specific sites for different housing needs e.g. 100% affordable housing sites, sites for care homes, self build sites.

This could take into account any appropriate specific site criteria e.g. locating housing for older people nearer to town centres for accessibility of services.

Questions on Housing Mix Policy Options:

Question 25. Which option, or combination of options do you support and why? Should any further options be considered?

Question 26. Do you have any comments on the Housing Needs Assessment for the District?

Question 27. Should there be different approaches to the affordable housing tenure mix/bedroom mix and the market housing bedroom size mix i.e. affordable housing tenure percentage requirements specified in policy only? Should this be strategic or non-strategic policy?

Question 28. Should there be a separate policy for meeting the needs of an ageing population?

Question 29. Are there any sites that should be considered for specific housing needs allocations? Are there any site specific criteria that should be considered in allocating sites for meeting specific housing needs?

Question 30. Do you have any other comments on the suggested housing mix policies, taking account of recent Letwin Review and NPPF requirement for 10% affordable homeownership?

Question 31. Do you agree that the local context does not justify the need for further local policies on rural exception or entry level exception sites over and above existing national policy?

Question 32. Do you agree that the local context does not justify the need for further local policies on rural or agricultural workers dwellings, over and above national policy?

Gypsy, Traveller and Travelling Showpeople
National Policy

7.73 National policy requires local authorities to assess the size, type and tenure of housing needed for different groups in the community and then reflect these needs in planning policies (NPPF, para.61). This includes the needs of travellers. There is a specific guidance on the definition of travellers and how to consider their needs within the national Planning Policy for Travellers (2015). The



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requirement within the Housing Act (1985, as amended) to assess the needs of caravan and boat dwellers is also relevant.

Local Policy

- 7.74 Local Plan (Part 1) Policy CP7 sets out the level of need for additional gypsy and traveller pitches and travelling showpeople plots within the District based upon an assessment produced in 2012. It identifies an ‘area of search’ for sites to meet the needs identified, which is located around the A5 corridor (mainly the part of the District which lies to the south of the Cannock/Lichfield Road). It was noted that this area is almost entirely covered by Green Belt land. However, the local context warranted the ‘exceptional circumstances’ to consider sites within this area i.e. the A5 corridor represents a main travelling route and the vast majority of the District’s existing gypsy, travelling and travelling showpeople sites are located within the area already. The policy sets out a number of criteria for assessing the suitability of sites. The allocation of sites was to be considered via the Local Plan (Part 2). The Design SPD (2015) provides guidance on the design and layout of new gypsy and traveller sites.

Consultation feedback/other issues

- 7.75 One respondent outlined that the needs assessment should take into account the updated definition of travellers and should also assess needs for caravan & houseboat accommodation. There is likely to be a considerable overlap between the accommodation required for Gypsies and Travellers who meet the definition, and those who fall outside it; sites should be allocated as suitable for both groups of travellers. The response suggested that appropriate sites outside the current area of search should be considered and that policies should require the provision of pitches through the largest housing development sites. The response outlined that much of the demand from Gypsies & Travellers is for small, extended family sites (up to 5 or 6 pitches). One response suggested that additional provision should not be met simply by increasing the size of existing sites, but by increasing the number of sites themselves. This response also suggested that sites should generally be small (five to ten pitches) and, where possible occupied by one extended family group. This response highlighted the issue of transit sites. It stated that these should be provided but not situated near existing Gypsy and Traveller sites. Stafford Borough Council stated they were not in a position to assist with any unmet needs.
- 7.76 In terms of key issues, the Local Plan Review will need to reflect the updated evidence on needs for new pitches and plots within the District. The updated Gypsy, Travelling and Travelling Showpeople Accommodation Assessment is available for comment alongside the Issues and Options consultation. The Local Plan Review will need to take forward the work that had been undertaken on the consideration of site allocations via the Local Plan (Part 2).



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- 7.77 The previous Issues and Scope consultation highlighted the difficulties the Council had faced to date in allocating sites to meet the needs identified. There still remains a significant issue with identifying land available for gypsy, travelling and travelling showpeople accommodation, particularly when landowners are seeking to promote potentially higher land value options on their sites e.g. housing and employment uses. As part of the options for meeting needs, if the allocation of sites remains problematic going forward the Local Plan could consider setting out specific policies for determining planning applications for such developments which reflect the local context (taking forward and adding to the existing Policy CP7 criteria, as appropriate). However, the degree to which this will actually secure new accommodation is less certain. Monitoring indicates that there have been very few planning applications for such uses in recent years, which is perhaps reflective of the difficulties the local community is also facing in identifying sites for additional accommodation.
- 7.78 In line with the Local Plan (Part 1) adopted policy, the search for sites has predominately been focused upon areas of Green Belt land to date (and particularly given that many available sites within the urban areas are also being developed and/or promoted for alternative uses, such as housing). As with the housing growth strategy issues, national Green Belt policy makes clear that before we release Green Belt land we must demonstrate that the local plan makes as much use as possible of suitable brownfield sites and underutilised land; optimises the density of development; and has been informed by discussions with neighbouring authorities about whether they could accommodate some of the identified need for development. However, it is recognised that there is pressure upon sites within the urban areas for alternative uses (namely housing and employment) and that a number of neighbouring local authorities have already stated that they would be unable to help meet such needs (as they too are either unable to meet their own current needs or have an existing need of their own to meet which already requires Green Belt site options to be considered).
- 7.79 The policy options on how to meet accommodation needs reflect the consultation comments received and the work that has been progressed to date on identifying appropriate sites.

GYPSY, TRAVELLER AND TRAVELLING SHOWPEOPLE HOUSING NEEDS POLICY OPTIONS

Option A: Seek to provide for the needs identified in the updated Gypsy, Traveller and Travelling Showpeople Accommodation Assessment within the District via a criteria-based approach to determining planning applications- do not allocate specific sites via the Local Plan.

This option would mean that the policy is updated to reflect new national policy and the most current local context. This could reflect some of the existing criteria for new sites within current Local Plan (Part 1) Policy CP7.



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Option B: Seek to provide for the needs identified in the updated Gypsy, Traveller and Travelling Showpeople Accommodation Assessment within the District via the allocating of sites within current 'Area of Search' identified in Local Plan (Part 1) (an area currently designated as Green Belt land in the main). Work with neighbouring authorities to identify any opportunities for meeting needs.

This option would mean that the policy is updated to reflect new national policy and the most current local context. This could utilise some of the existing criteria for new sites within current Local Plan (Part 1) Policy CP7 for identifying suitable allocations. It would involve considering new sites and any feasible extensions to existing gypsy, traveller and travelling showpeople sites. In line with the NPPF, first consideration to be given to '*land which has been previously-developed and/or is well-served by public transport*'. Consideration would also need to be given to ways in which the '*impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land.*' Some neighbouring local authorities have also identified exporting their needs to other local authorities as a potential option.

Option C: Seek to provide for the needs identified in the updated Gypsy, Traveller and Travelling Showpeople Accommodation Assessment within the District via the allocating of sites and expanding the current 'Area of Search' to a District wide search for sites (still likely to include consideration of Green Belt sites). Work with neighbouring authorities to identify any opportunities for meeting needs.

This option would mean that the policy is updated to reflect new national policy and the most current local context. This could utilise some of the existing criteria for new sites within current Local Plan (Part 1) Policy CP7 for identifying suitable allocations. It would involve considering new sites and any feasible extensions to existing gypsy, traveller and travelling showpeople sites. In line with the NPPF, first consideration to be given to '*land which has been previously-developed and/or is well-served by public transport*'. Consideration would also need to be given to ways in which the '*impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land.*' Some neighbouring local authorities have also identified exporting their needs to other local authorities as a potential option.

Option D: In combination with other Options, require new large housing sites to provide for gypsy, traveller and travelling showpeople accommodation needs.

This could be required as part of the planning application or Local Plan site allocations processes.

Questions on Gypsy, Traveller and Travelling Showpeople Housing Needs Policy Options:

Question 33. Do you have any comments on the Gypsy, Traveller and Travelling Showpeople Assessment for the District?

Question 34. Do you have any comments on how sites could be secured for gypsy, traveller and travelling showpeople accommodation given the difficulties faced to date e.g. is there a need to consider the provision of public sites?



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

Issues and Options for delivering Objective 4: Encourage a Vibrant and Local Economy and Workforce

Overall Employment Land Needs and Strategy National Policy

- 8.1 Local Plans must contain strategic policies that make sufficient provision for employment development within the area and set out an overall strategy for that development (NPPF, para.20). Strategic policies should address the strategic priorities of the area, and any relevant cross boundary issues. Under the duty to cooperate, local authorities and other prescribed bodies must cooperate with each other on strategic matters that cross local authority boundaries (NPPF, para. 21 and 24).
- 8.2 National policy overall sets out a framework for sustainable development, which local plans must ensure is delivered (NPPF, Chapter 2). The three key objectives of sustainable development overall (economic, social and environmental objectives) must therefore underpin any strategy for development within the District. This includes considering matters such as appropriate levels of infrastructure provision to support future growth and the protection and enhancement of built and natural environmental assets.
- 8.3 Planning policies should give significant weight to the need to support economic growth and productivity, taking into account local business needs and wider opportunities for development (NPPF, para. 80). Planning policies should set out a clear economic vision and strategy which encourages sustainable economic growth; set criteria, or identify strategic sites, to match the strategy; seek to address potential barriers to investment, such as inadequate infrastructure; and be flexible enough to accommodate needs not anticipated in the plan (NPPF, para. 81). Within this, the specific locational requirements of different sectors should be taken into account, such as making provision for storage and distribution operations in suitably accessible locations (NPPF, para. 82). National policy also provides support for enabling the rural economy to prosper; accounting for specific issues in rural contexts e.g. the retention and development of key local services (NPPF, paras. 83-84).
- 8.4 National guidance provides detail on the methodologies to be used for assessing employment growth and land requirements for the plan period. There is no standard methodology for assessing employment needs (unlike housing needs).
- 8.5 National policy highlights the importance of supporting high quality communications, including high quality digital infrastructure (NPPF, Chapter 10).
- 8.6 Updated national policy emphasises the need for planning policies to promote an effective use of land. This includes making as much use as possible of brownfield land opportunities. An effective use of land can be promoted by



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Objective 4: Encourage a Vibrant Local Economy and Workforce

achieving higher densities; promoting the development of under-utilised land and buildings; considering the reallocation of land uses e.g. employment to housing (NPPF, Chapter 11). Whilst there is an emphasis upon meeting housing needs within this Chapter, the needs of other land uses are referenced. In addition, the implications of potentially using existing employment land to meeting housing needs have to be considered in the context of the overall economic strategy (NPPF, para.121).

- 8.7 This effective use of land also relates to the updated national policy approach for Green Belt land. Before concluding that Green Belt boundary changes are justified (by exceptional circumstances) local authorities must demonstrate they have examined all other reasonable options for delivering development. This includes making as much use of brownfield and under-utilised land; considered increased densities of developments; and undertaken discussions with neighbouring authorities on whether or not they could accommodate additional development (NPPF, para. 137). Where Green Belt land release is justified, first priority should be given to brownfield sites and/or those that are well-served by public transport. Measures to off set the impact of the Green Belt release such as improvements to the environment and accessibility of the remaining Green Belt should also be considered (NPPF, para. 138).
- 8.8 Given the District context, national policy in relation to Areas of Outstanding Natural Beauty (AONBs) is also relevant to considering the development strategy. National policy gives great weight to the conservation and enhancement of AONBs. It states that the scale and extent of development within these designated areas should be limited; major development should not be allowed unless there are exceptional circumstances and where development is in the public interest (NPPF, para. 172). The scope for meeting development needs elsewhere i.e. outside of the AONB needs to be fully assessed (NPPF, para.172).

Local Policy

- 8.9 Local Plan (Part 1) Policy CP1, CP8 and CP9 provide the current policy context for supporting economic growth within the District. Policy CP1 and CP8 set out the overall strategy for meeting employment land requirements and the amount of employment land that is required. The current strategy focuses development, investment and regeneration mainly on the built up, urban areas, conserving and enhancing the landscape of the AONB, Hednesford Hills, Green Belt and the Green Infrastructure of the District. Employment growth is directed towards the main existing urban areas (Cannock/Hednesford/Heath Hayes, Rugeley/Brereton and Norton Canes) in a proportionate manner relative to their existing sizes, but with a focus upon the high quality employment sites of Kingswood Lakeside (Cannock) and Towers Business Park (Rugeley/Brereton) which are capable of accommodating priority sectors for growth within the District.



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

- 8.10 Policy CP9 provides further support for delivering the overall economic vision for the District setting out key sectors that are important for continued regeneration. Support is provided for proposals that increase access to local employment opportunities, such as skills initiatives and improved broadband connectivity. Support is also provided to the visitor economy.
- 8.11 Other local issues are also reflected within the policies, including existing employment sites within the Green Belt and out of town office developments. A criteria-based approach is used to determine whether or not existing employment sites should be redeveloped for other uses. The Design SPD provides further guidance on improvements to existing employment areas, including those within the Green Belt. The Rugeley Power Station SPD provides detailed guidance on the development of this large site.

Consultation feedback/other issues

- 8.12 There was general support for the evidence base updates with some further recommendations on how assessment was carried out and how the wider policy context was taken into account.
- 8.13 In relation to the overall strategy, there was some support for considering Green Belt sites and some support for the continued approach of retaining Green Belt and AONB boundaries. Some responses referred to specific sites suggesting they were appropriate for meeting future employment development needs. In relation to the former Rugeley Power Station, the landowner (Rugeley Power Ltd) stated there was a need to consider the employment generating potential of non-B class uses too. The response also outlined that the site should be considered for housing-led regeneration, not employment-led and that a specific level of employment land should not be allocated on the site; a more flexible approach should be taken that allows a range of employment uses. One respondent suggested the timescale for the delivery of any employment land at the Rugeley Power Station needed to be considered carefully (i.e. if it would be within the plan period). One respondent highlighted the Green Belt Review scorings that related to the employment site options previously considered and suggested these should be used to determine the most appropriate future employment land allocations.
- 8.14 There was support for extending existing employment sites rather than developing wholly new sites in terms of infrastructure benefits. There was support for allocating employment sites to ensure they are not lost to residential development in the future. However, other respondents stated the potential for redeveloping unviable/lower quality employment for other uses should be considered.



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Objective 4: Encourage a Vibrant Local Economy and Workforce

- 8.15 Issues related to Heavy Goods Vehicles/lorry parking were highlighted by some responses (this issue is addressed under Objective 5 'Sustainable Transport'). Some responses stated there was a need for a balance between jobs and homes in the District. Some statutory consultees highlighted the need for key issues to be considered in the selection of employment sites, including highways matters and the protection of natural assets. One response highlighted greater reference could be made to the M54/M6/M6 Toll link road and its potential to support local economic growth.
- 8.16 In terms of key issues to consider, the current local plan policies will need to be updated to reflect the overall levels of employment land required in the District for the plan period and the most appropriate strategy for delivering that growth. Updated employment land requirements for the Local Plan Review will be informed by the updated Economic Development Needs Assessment. This is available for comment alongside the Issues and Options consultation. It takes into account the wider context, such as the strategies of the economic partnerships covering the District. An assessment of the Districts existing employment areas and an updated land availability assessment (ELAA) will be produced to inform the Preferred Options Stage of the Local Plan.
- 8.17 The overall quantum of employment land development required for the plan period will inform the strategy for delivering that growth. This strategy could require a combination of protecting key existing employment locations from redevelopment for other uses as well as the provision of new, additional employment land. Employment land delivers a mix of use classes, particularly B1 office, research and design and light industrial uses; B2 Industrial and B8 logistics and distribution uses and these can have specific locational requirements e.g. access to the strategic highway network is of particular importance to the distribution sector. Therefore the type of employment land required to deliver the Districts economic growth will also influence the strategy and selection of the most appropriate site options for employment developments.
- 8.18 The strategy for employment land within the District will need to have regard to the wider context too and any medium-longer term factors that may influence it e.g. the recently announced M6/M54/M6 Toll link (see Objective 5) and the Strategic Rail Freight Interchange (known as West Midlands Interchange) proposal within South Staffordshire District (north of Four Ashes industrial estate) which was submitted directly to the Secretary of State in August 2018 (however as the planning application is unlikely to be determined before 2020 the implications of this will not be clear until late in the plan-making process).
- 8.19 The Council needs to consider how the local context influences the choice of policy options for the employment growth strategy. Given that all land outside of our existing urban areas is Green Belt (approximately 60% of the District overall)



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Objective 4: Encourage a Vibrant Local Economy and Workforce

with a significant proportion of this also being designated as an Area of Outstanding Natural Beauty, the sequential approach set out in national policy for considering the release of Green Belt land needs to be considered i.e. other options have been exhausted. A similar approach is required in relation to any development sites within the AONB. In addition, the national policy requirements to maximise the use of under-used and particularly brownfield land influences the approach to be taken.

- 8.20 The Council undertakes its annual assessment of employment land availability (Employment Land Availability Assessment- ELAA) to identify the amount of employment land expected, or available to be developed to meet local plan requirements.
- 8.21 The most recent assessment (August 2018) identifies that there is around 25hectares of land available for employment development, split across the District as follows:

AREA	PROPORTION OF CAPACITY (AND QUANTITY) (UP TO 2028)
Cannock, Hednesford and Heath Hayes	72% (18ha)
Rugeley and Brereton	16% (4ha)
Norton Canes	12% (3ha)

- 8.22 This demonstrates that there is existing urban capacity to help employment development needs going forward. However, it should be noted that the latest assessment (ELAA) does identify some potential for a reduction in this supply with sites at Norton Canes and Rugeley potentially being considered for other uses more recently. So this 25ha is treated as a maximum at present. As noted above, the suitability of these sites for meeting the employment land requirements of the District will also need to be considered via an updated land availability assessment (ELAA) in 2019, taking account of the Economic Development Needs Assessment findings.
- 8.23 The vast majority of the suggested site options for additional new employment land (over and above the existing urban capacity of 25 hectares) lie within the Green Belt. As set out above, the national policy approach requires the Council to consider a sequential approach to the release of Green Belt land for development. To justify Green Belt release the Council must demonstrate that the local plan:
- makes as much use as possible of suitable brownfield sites and underutilised land;



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

- optimises the density of development, with significant uplift to be considered in town centres and other locations well served by public transport;
- has been informed by discussions with neighbouring authorities about whether they could accommodate some of the identified need for development.

8.24 As a result, the Council will need to explore any opportunities for non-Green Belt site options both within the District and outside the District (in neighbouring authorities) before being able to justify the release of Green Belt sites within Cannock Chase District.

8.25 However, in relation these issues it is noted that there are already potential pressures upon the existing employment land supply within the District in terms of helping to meet housing needs. Given the wider housing market shortfall, there will be pressure to utilise additional land for housing needs. In relation to the potential for neighbouring authorities to accommodate needs, South Staffordshire Council has recently identified a potential oversupply of employment land within their District (as part of their Issues and Options consultation 2018) and that they shared a 'functional economic market area' with Cannock Chase, Dudley, Walsall and Wolverhampton. However, it was noted that the Black Country authorities have recently identified a significant potential gap in their employment land supply (the Black Country Local Plan Review Issues and Options suggested this was around 400hectares taking into account land supply available within the Black Country only). Further work is being undertaken on this to establish what the eventual 'gap' may be and implications for neighbouring authorities, particularly South Staffordshire District. Cannock Chase District's neighbouring authorities are also Green Belt constrained (particularly the areas of those authorities that adjoin Cannock Chase District). Therefore whilst the need for any Green Belt land release within the District would need to be clearly justified and confirmed via further discussions with the District's neighbouring authorities, this wider current context is recognised.

8.26 In relation to additional urban capacity one key potential source of further land supply is the former Rugeley Power Station (a large brownfield site, outside of the Green Belt). It offers a key opportunity for helping to meet the future development needs of the District on non-Green Belt land. As detailed under the section on the housing growth strategy, the landowners of the site (Rugeley Power Ltd) outline that a housing-led scheme should be promoted. The results of a recent 'community planning event' in December 2018 gave an indicative masterplan which suggested a mix of high-medium density housing, employment and live/work units, a primary school, sports pitches and retained battery storage facility on the part of the site within Cannock Chase District (but with no figures on quantity of development).



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

- 8.27 The Rugeley Power Station Supplementary Planning Document (SPD) adopted 2018 sets out an indicative vision for the redevelopment of the site, produced jointly with Lichfield District Council. This currently identifies the part of the site within Cannock Chase District as appropriate for employment-led redevelopment. This is therefore also reflected within the policy options (and reflects consultation comments received regarding the future use of the site, as outlined above).
- 8.28 Clearly, the quantum of employment land that can be delivered on the former Rugeley Power Station site will inform the need for additional employment land sites within the District.
- 8.29 **These options for additional urban capacity including the former Rugeley Power Station will be fully explored before any consideration of Green Belt sites for meeting employment land needs (alongside discussions with neighbouring authorities for meeting needs on non-Green Belt sites). If there is a need for further land to deliver sustainable employment growth within the District then the development options for urban capacity and Rugeley Power Station will need to be considered in combination with options for the development of Green Belt sites.**
- 8.30 As per national planning policy, where it has been concluded that it is necessary to release Green Belt land for development, plans should give first consideration to land which has been previously-developed and/or is well-served by public transport. They should also set out ways in which the impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land. All of the suggested site options for new employment land within the Green Belt are largely Greenfield (with those that contain elements of brownfield land not being well-served by public transport). Therefore the policy options reflect the prioritisation of well-established employment areas in closest proximity to existing public transport links i.e. Kingswood Lakeside is in closest proximity to existing bus routes, Cannock train station and cycleways. The options also reflect the potential for enhanced links by focusing development at existing employment locations.
- 8.31 The policy options for Green Belt sites reflect the nature of site submissions received to date and consultation comments to the Local Plan Issues and Scope. These are mainly focused around the north/east of Kingswood Lakeside; north and south of the A5 corridor (around Churchbridge, Watling Street Business Park, Norton Canes, and Little Wyrley); south east of Brereton; and Cannock Wood. It is noted that not all of the employment land site options suggested to date are necessarily for purely B class employment land uses (i.e. some represent leisure uses) and this too will have to be taken into consideration in the site selection process.
- 8.32 In relation to all of the policy options for development, the Council will need to demonstrate that the employment sites identified are realistic prospects for future



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

development i.e. they will require more detailed assessment covering a range of issues including landownership and landowner intentions; viability of the development; any key constraints such as physical problems, environmental designations and impacts of the developments. The site selection methodology provides further detail on how sites will be assessed and this process will help inform the preferred spatial strategy.

- 8.33 It is noted at this stage that there are relatively fewer site options for employment land developments across the District. If site options are discounted as inappropriate for employment development a result of the site selection process (and overall employment land needs cannot then be met) there may be a need to consider what alternative sites could be made available within the District (such as mixed use housing/employment sites drawing upon the site options for housing developments, as set out under Objective 3).
- 8.34 In terms of safeguarded land and 'reserve sites' issues, these are discussed further under 'Other Policy Considerations' paragraph 13.14 – 13.19.
- 8.35 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 4: Encourage a vibrant local economy and workforce, in terms of meeting overall employment needs.

STRATEGY FOR MEETING OVERALL EMPLOYMENT NEEDS POLICY OPTIONS

Option A: Urban areas- use sites already identified for employment developments within the urban areas and explore opportunities for further supply on urban sites.

Plan to meet employment land needs identified for the District, taking into account the wider functional economic market area. There is around 25ha of employment land to be developed within the existing urban areas. To provide any additional employment land supply required this option would include identifying additional urban sites from sources such as redeveloped employment land (to generate higher density of development) or open spaces. This could involve reassessing sites that are not considered appropriate for development at present and seeking to identify additional sites that are not currently being considered for employment development. Need to consider balance between losses of other uses to employment land.

Option B: Rugeley Power Station
Option B1: Urban Areas and employment-led/mixed use redevelopment of former Rugeley Power Station

Plan to meet employment land needs identified for the District, taking into account the wider functional economic market area. To provide any additional employment land supply required over the current 25ha urban supply, in combination with Option A seek to deliver employment led redevelopment of the former Rugeley Power Station site. This option will depend upon the housing strategy in terms of the redevelopment of the former Rugeley Power Station.

Option B2: Urban Areas and housing-led redevelopment of former Rugeley Power Station

This option means no employment land provision at the former Rugeley Power Station. This option will depend upon the housing strategy in terms of the redevelopment of the former Rugeley Power Station. As the Green Belt site options (see Option C) are primarily located in the south of the District, this could mean no further employment developments at Rugeley/Brereton other than those identified under Option A.



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

Option C: Green Belt sites

Option C1: In combination with the options for the Urban Areas and former Rugeley Power Station consider Green Belt sites. Prioritise extensions to Kingswood Lakeside followed by extensions to other existing employment sites.




Plan to meet employment land needs identified for the District, taking into account the wider functional economic market area. To provide any additional employment land supply required over the current 25ha urban supply, in combination with other options consider Green Belt sites. This option would mean considering areas of Green Belt around Kingswood Lakeside and other existing employment areas, such as Watling Business Park. Site options at Kingswood Lakeside would be prioritised followed by site options for extensions to other employment sites and then any stand alone employment site options would be considered lastly (i.e. those that are not connected to an existing employment site). The current site extent of Kingswood Lakeside lies outside of the Green Belt. Some other existing employment areas, such as Watling Street Business Park, lie within the Green Belt. Site options at these locations would therefore need to consider if the removal of the whole existing employment site from the Green Belt was necessary, not just the suggested extension. In line with the NPPF, first consideration to be given to *'land which has been previously-developed and/or is well-served by public transport'*. Consideration would also need to be given to ways in which the *'impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land.'*

Option C2: In combination with the options for the Urban Areas and former Rugeley Power Station consider all Green Belt site options across the District with no prioritisation to Kingswood Lakeside.


As Option C1, but with no prioritisation given to Green Belt site options at Kingswood Lakeside at this stage. Would still need to consider NPPF principles of first consideration to be given to *'land which has been previously-developed and/or is well-served by public transport'*. Consideration would also need to be given to ways in which the *'impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land.'*

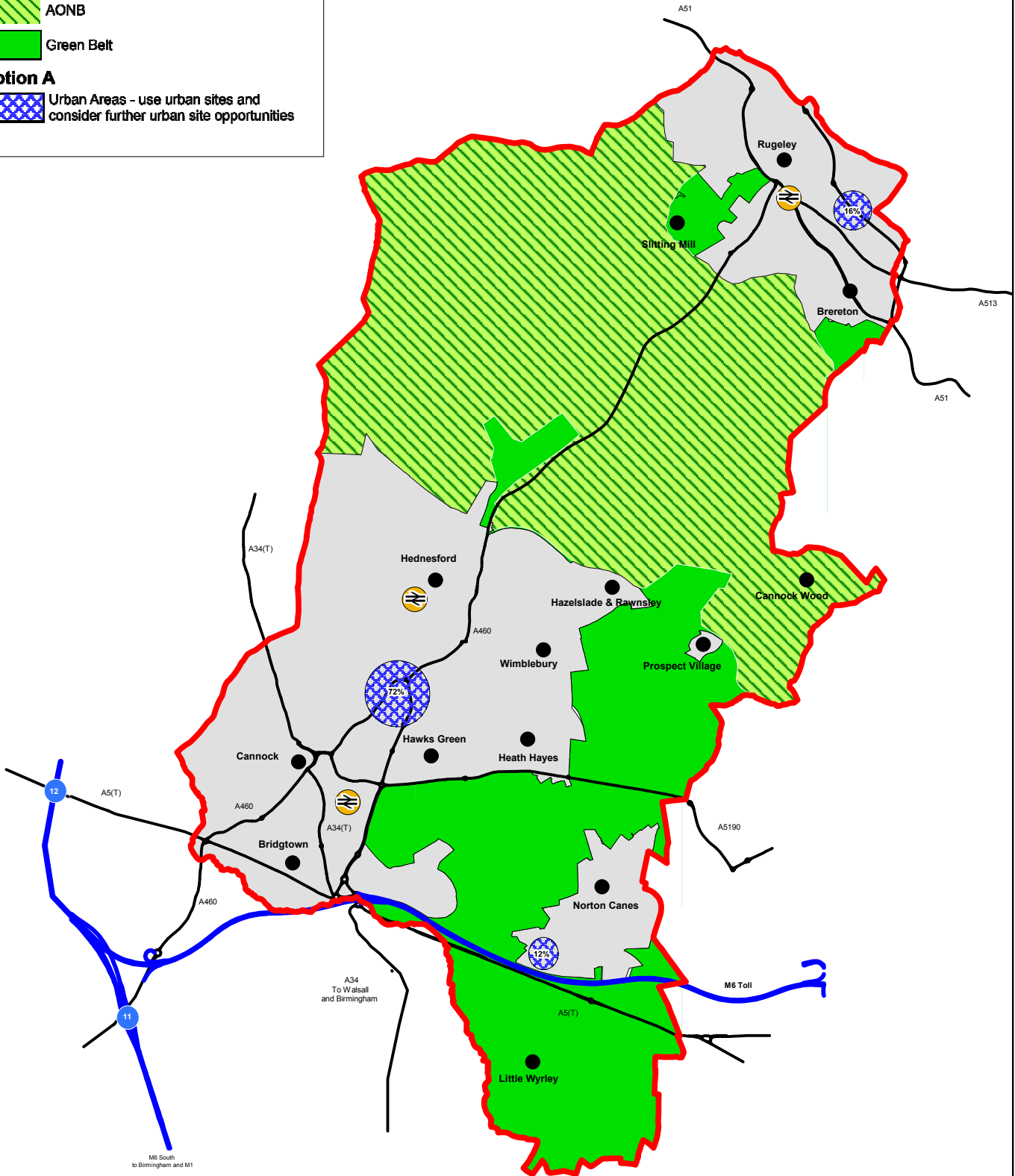


Key

-  Urban Areas
-  AONB
-  Green Belt




Option A

-  Urban Areas - use urban sites and consider further urban site opportunities







Key

-  Urban Areas
-  AONB
-  Green Belt


Option A

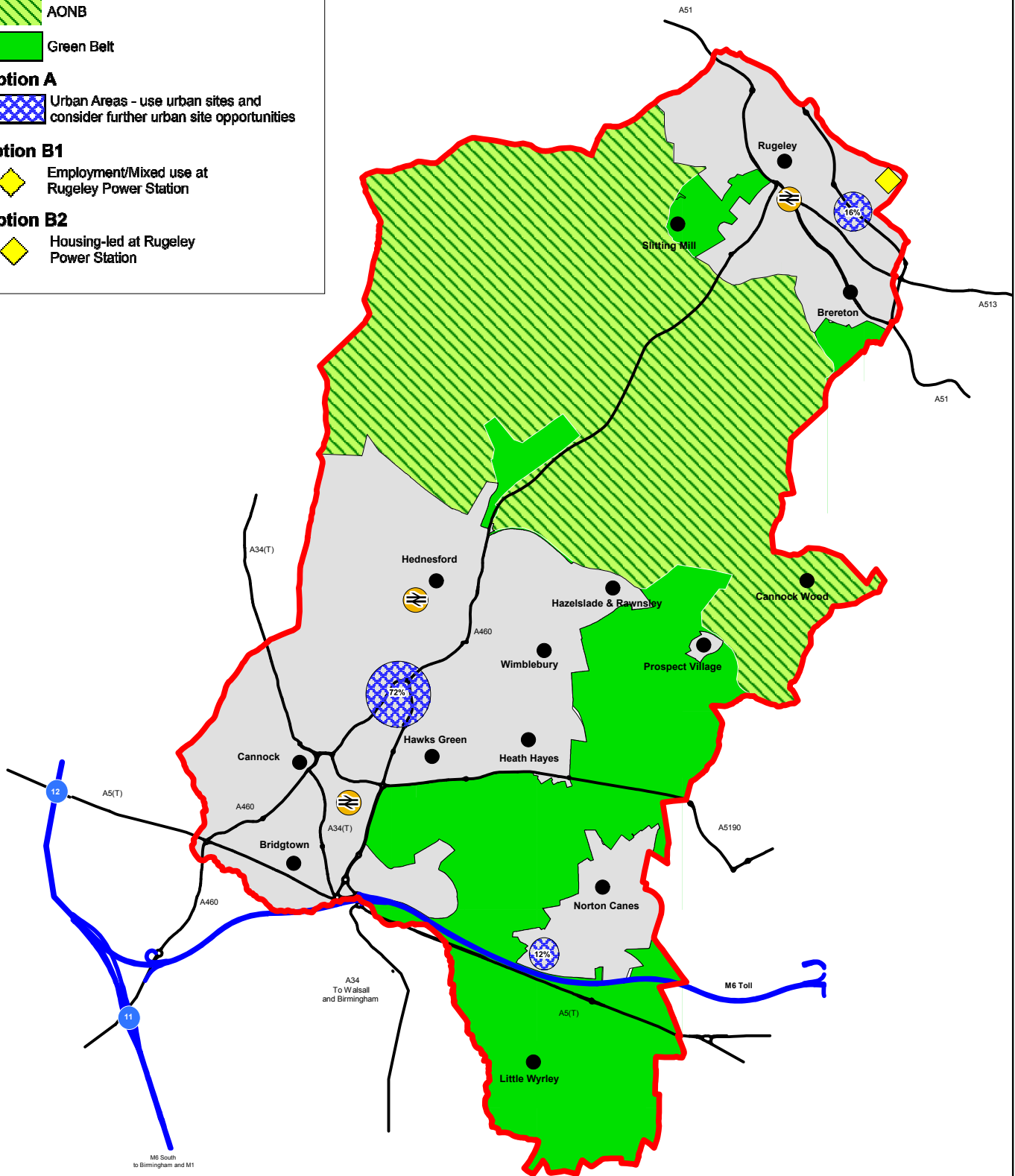
-  Urban Areas - use urban sites and consider further urban site opportunities

Option B1

-  Employment/Mixed use at Rugeley Power Station

Option B2

-  Housing-led at Rugeley Power Station






Key

 Urban Areas

 AONB

 Green Belt

Option A

 Urban Areas - use urban sites and consider further urban site opportunities

Option B1


 Employment/Mixed use at Rugeley Power Station

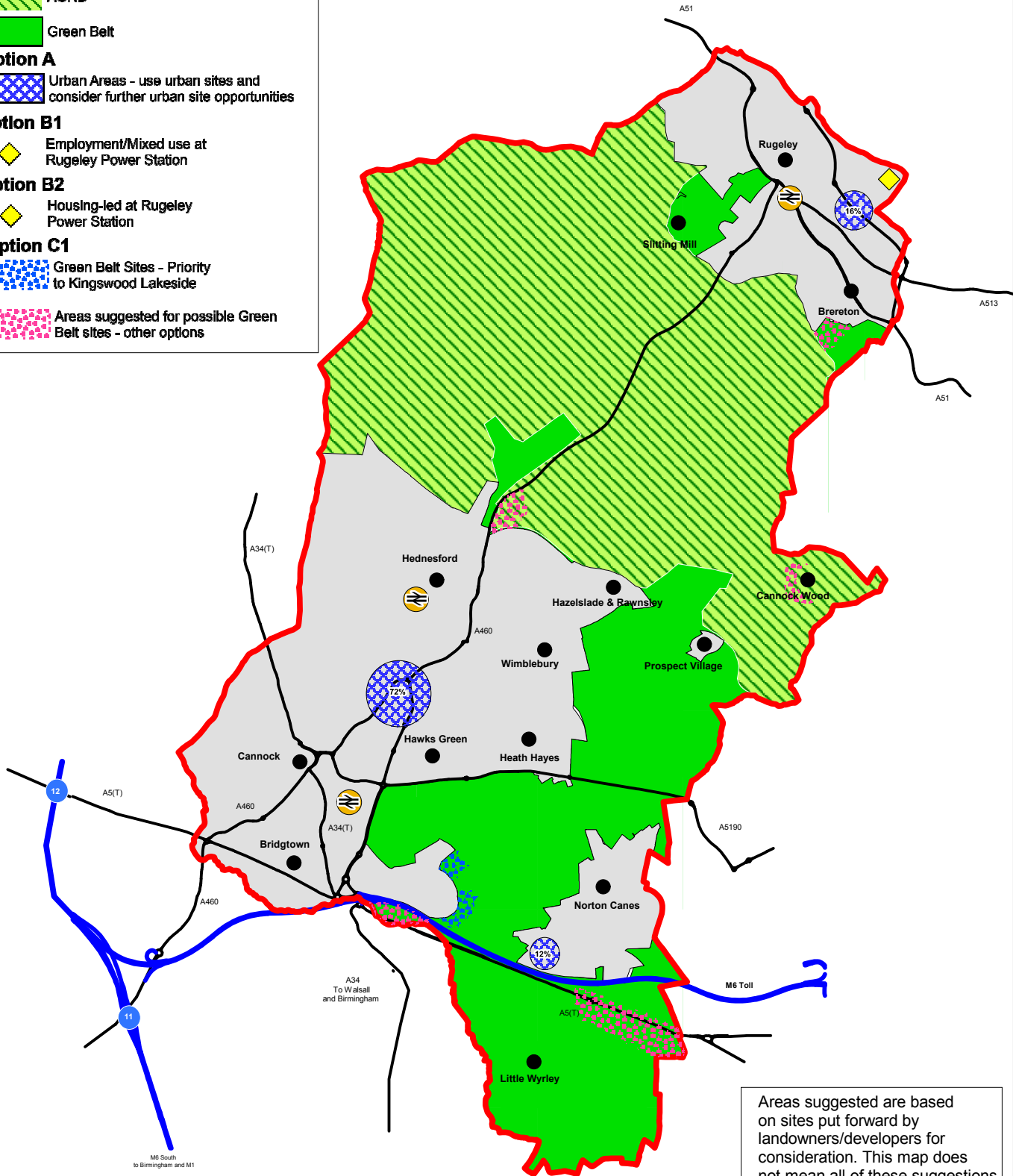
Option B2

 Housing-led at Rugeley Power Station

Option C1

 Green Belt Sites - Priority to Kingswood Lakeside

 Areas suggested for possible Green Belt sites - other options



Areas suggested are based on sites put forward by landowners/developers for consideration. This map does not mean all of these suggestions will be selected for development; these are only options we need to consider at this stage.




Key

 Urban Areas

 AONB

 Green Belt

Option A

 Urban Areas - use urban sites and consider further urban site opportunities


Option B1

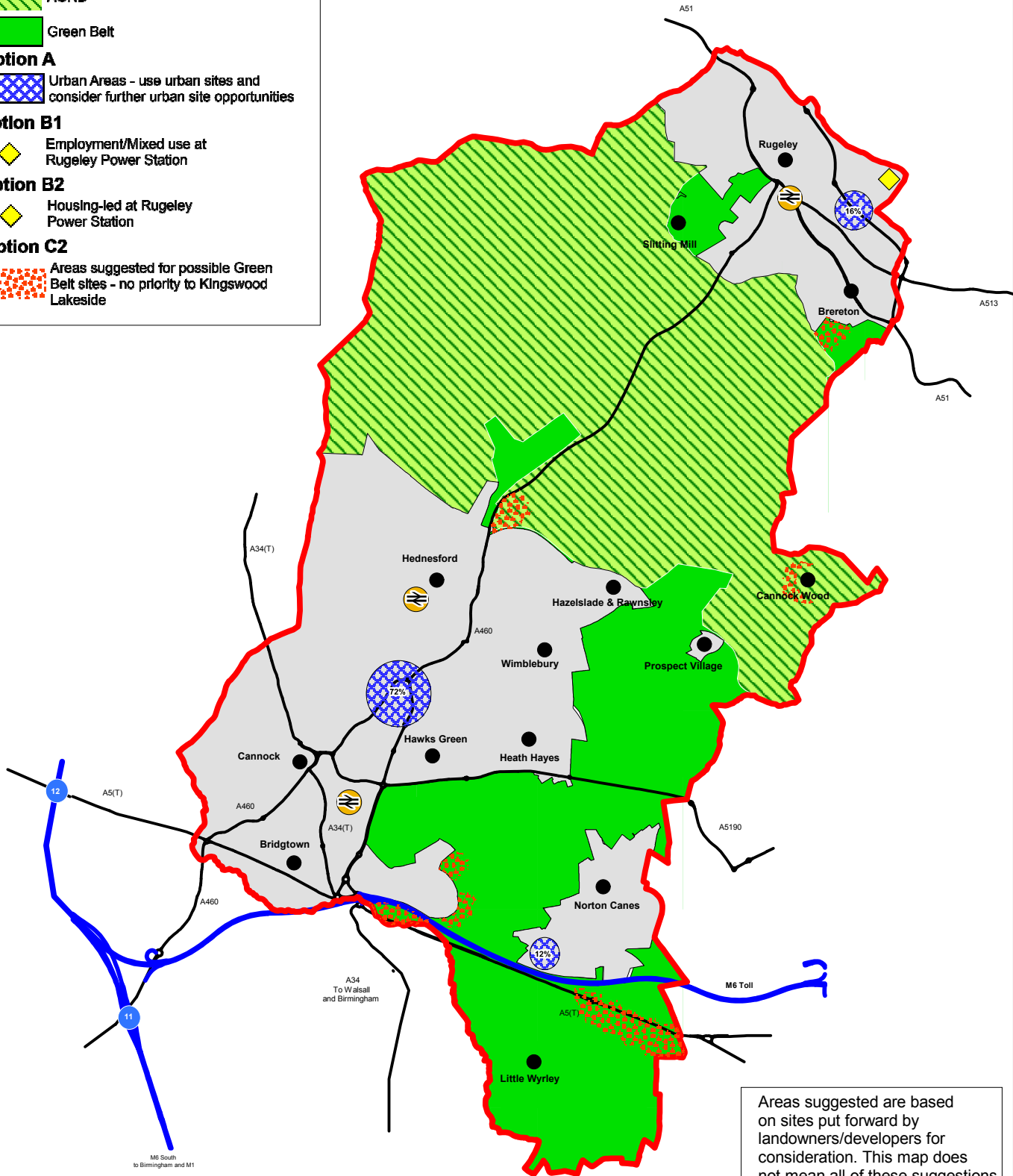
 Employment/Mixed use at Rugeley Power Station

Option B2

 Housing-led at Rugeley Power Station

Option C2

 Areas suggested for possible Green Belt sites - no priority to Kingswood Lakeside



Areas suggested are based on sites put forward by landowners/developers for consideration. This map does not mean all of these suggestions will be selected for development; these are only options we need to consider at this stage.



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

OTHER EMPLOYMENT LAND POLICY OPTIONS

Option A: Alongside preferred option for District wide strategy, continue with criteria based policy to loss of employment sites. Continue support for redevelopment of existing sites in the Green Belt and continue to specify criteria for considering out of town office developments, reflecting local circumstances.

This would continue the site-by-site approach to considering the loss of any employment areas to non-employment uses. The approach would provide local elaboration to national policy in terms of existing employment sites in the Green Belt and out of town office developments.

Option B: Alongside preferred option for District wide strategy, allocate existing employment areas to be protected and do not allocate those that have potential for reallocation for any protection. Continue support for redevelopment of existing sites in the Green Belt and continue to specify criteria for considering out of town office developments, reflecting local circumstances.

This would go beyond the current local plan policy criteria based approach. It could provide further certainty but could also reduce flexibility over the plan period. The approach would provide local elaboration to national policy in terms of existing employment sites in the Green Belt and out of town office developments.

Questions on Strategy for Meeting Overall Employment Needs Policy Options:

Question 35. Which combination of options do you support and why? Should any further options be considered?

Question 36. Do you have any comments on the levels and types of employment land needs identified in the Economic Development Needs Assessment for the District?

Question 37. Should employment sites be allocated for specific B classes uses, or just a broad B class uses? If the former, which sites should be allocated for specific uses?

Question 38. Are there any further employment land development sites that should be considered for assessment?

Economy and skills

National Policy

- 8.36 As outlined above under 'employment land needs and strategy', national policy places great emphasis upon local plans setting out and delivery an economic vision for the area.
- 8.37 In addition to this, national policy highlights the importance of supporting high quality communications, including high quality digital infrastructure (NPPF, Chapter 10).



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

Local Policy

- 8.38 As outlined above under 'employment land needs and strategy', Local Plan (Part 1) Policy CP8 and CP9 currently set out the District's economic vision and strategy. These policies will need to be reviewed to reflect updated evidence on economic development needs.

Consultation feedback/other issues

- 8.39 Responses in relation to the current Policy CP9 focused mainly upon the issues related to the restoration of the Hatherton Branch Canal. This is addressed under Objective 2, 'Create healthy living opportunities across the District'. One response outlined the need for the role of the agricultural, food and rural based businesses within the District to be reflected in updated policy. Further guidance on agricultural or horticultural developments within the District could be provided. Some responses referenced the need for town centre regeneration (specifically Rugeley in one response) and local jobs for local people. One response highlighted that an extension to Watling Street Business Park could provide quality, market specific provision to meet needs.
- 8.40 As set out in the Issues and Scope consultation, there remain key economic issues to address within the District, particularly related to improving skills and related job opportunities. There are a number of economic-related strategies that the Local Plan needs take into account as part of its own economic vision and strategy for the District. This includes, for example, the emerging Local Industrial Strategy (being jointly produced by the West Midlands Combined Authority and relevant Local Enterprise Partnerships). Local strategies, such as the Council's Corporate Plan provide a steer on the economic priorities for the District. The overarching themes of these locally relevant strategies are reflected in the overall Local Plan draft 'Vision'.
- 8.41 It is therefore considered appropriate to address such issues via an updated local plan policy. The updated Local Plan policy will reflect the findings of the Economic Development Needs Assessment in terms of identifying those sectors that remain important, or need further support, for delivering the economic growth of the District (having regard to the wider economic policy context as outlined above). This policy update will address the range of different sectors within the District, from manufacturing to the visitor economy, linking into related policies where necessary (e.g. retail policies).
- 8.42 The policy options to be considered reflect a broad continuation of the current approach or a strengthening of the approach to require developers to submit more detailed information on how their proposals contribute to the overall economic priorities of the District. For example, in recent years large scale developments (such as schemes at Kingswood Lakeside and the designer outlet



Local Plan Policy Options

Objective 4: Encourage a Vibrant Local Economy and Workforce

village at Mill Green) have been asked to provide 'Employment and Skills Plans' which can require measures such as apprenticeships; formal links to school and colleges courses or recruitment via local employment agencies.

ECONOMY AND SKILLS POLICY OPTIONS

Option A: Update current Local Plan Policy CP9 in order to ensure the Local Plan continues to set out a clear economic vision for the District.

This would update the current Local Plan (Part 1) Policy CP9 to reflect current national and local policy and evidence on the local economy and skills. Would continue to provide overview of which sectors of the local economy are particularly important to retain and which need to be further developed and/or supported (linking to the employment land strategy). It would continue to reflect key local issues, such as the improvement of skill levels. It would continue to encourage developments to demonstrate how they are helping to address key issues identified (but with no specific requirements) e.g. retain current references to considering sustainable transport links and improved ICT services favourably as part of development schemes.

Option B: In combination with Option A, set out specific requirements from developments.

In addition to Option A, this option could consider ways in which the Council would require developers to demonstrate new development schemes are addressing the economic issues identified e.g. requiring Employment and Skills Plans, procuring locally sourced materials, or demonstrating connectivity to full fibre broadband, for example. Consider applying requirements to all developments, or setting a threshold (see question below).

Questions on Economy and Skills Policy Options:

Question 39. Do you have any comments on what the policy focus should be in terms of sectors that need to be supported to deliver the overall economic vision and growth for the District?

Question 40. If the policy was to set out specific requirements from new developments should these be required from all developments, or only those above a certain threshold e.g. major developments only (10 dwellings or 1,000m² floorspace)?

Question 41. What other requirements would help assist deliver the economic growth and vision for the District?



Local Plan Policy Options

Objective 5: Encourage Sustainable Transport Infrastructure

Issues and Options for delivering Objective 5: Sustainable Transport Infrastructure

National Policy

- 9.1 Chapter 9 of the National Planning Policy Framework sets the context for promoting sustainable transport. Paragraph 102 states that transport issues should be considered at the earliest stages of plan making to address impacts of development; maximise opportunities from transport infrastructure and changing technology; promote walking, cycling and public transport use; take account of the environmental impacts and mitigate for adverse effects / achieve net environmental gains accordingly; ensure patterns of movement, streets, parking etc. are integral to the design of schemes and contribute to making high quality places.
- 9.2 NPPF Paragraph 103 states that the planning system should actively manage patterns of growth in support of these objectives. Development locations *'should be focused on locations which are or can be made sustainable through limiting the need to travel and offering a genuine choice of transport modes'*.
- 9.3 In terms of issues of particular relevance to Cannock Chase district, NPPF Paragraph 104 states that planning policies should: *'support an appropriate mix of uses across an area and within larger scale sites to minimise number / length of journeys; be prepared with the active involvement of highways authorities and other transport infrastructure providers; identify and protect critical sites and routes where there is robust evidence; provide for high quality walking and cycling networks'*
- 9.4 The NPPF does not insist that parking standards must be set but states (in paragraph 106) that if this option is pursued then they should take into account the accessibility of the development, its type, mix and use; the availability of / opportunities for public transport; local car ownership levels and the need to ensure an adequate provision of spaces for charging plug – in and other ultra low-emission vehicles.
- 9.5 NPPF Paragraph 107 states that the importance of overnight lorry parking facilities needs to be recognised and that *'proposals for new or expanded distribution centres should make provision for sufficient lorry parking to cater for their anticipated use'*.

Local Policy

- 9.6 Policy CP10: Sustainable Transport sets out a commitment to work with bus and rail operators, Staffordshire County Council, the West Midlands Integrated Transport Authority, the Local Enterprise Partnerships, local transport bodies and developers to help develop and promote sustainable transport modes that provide realistic alternatives to the car, which help address climate change



Local Plan Policy Options

Objective 5: Encourage Sustainable Transport Infrastructure

targets and which reduce air pollution. It sets out approaches to developer contributions, with a link to the Developer Contributions SPD, to ensure that sustainable transport matters are addressed.

- 9.7 The policy is split into different sections, covering buses, rail, roads, walking, cycling, taxi ranks and car parking / servicing.

Consultation feedback/other issues

- 9.8 It was commented that policy wording and the Infrastructure Delivery Plan needs to be updated to reflect current developments and partnerships, including the need to assess the impact of development on the strategic road network and the potential to use the Midlands Region Transport Model (to be discussed with Highways England). Transport for West Midlands (TfWM) sets out details of rail policy and how this applies locally, which would need to be included in the local plan (e.g. electrification, redevelopment of Cannock station, improvements to Rugeley and Hednesford Town stations, improvements and connections at Rugeley Trent Valley, promotion of the extension to Chase Line services beyond Rugeley Trent Valley post HS2, promotion of improved bus and rail integration between stations, promotion of initiatives to develop rail freight especially to support the mid Cannock site as a multi modal freight terminal). TfWM also references the West Midlands Stations Alliance and its remit, including Cannock station as one of the master planning pilots. Finally, TfWM references a new link road between the M6 / M54 and M6 Toll to support economic growth and improve traffic flow in the area.
- 9.9 The Road Haulage Association highlights the importance of reliable and consistent journey times and the need for lorry parking facilities. It also points out the importance of air quality policies and the need for these to take account of the movement of goods.
- 9.10 Other responses highlighted the need for improvements to stations including better services (e.g. late evening trains) and the need for disabled access at the Rugeley stations. Some expressed concern about the decline in bus service provision / public transport generally with some areas having no provision at all, and the need for more investment including developer contributions. The reference to Active Travel was welcomed, and opportunities for developing sustainable travel networks in relation to canals were set out.
- 9.11 Concerns were also cited about cuts in bus services and lack of late trains from Birmingham to Rugeley as these stop at Hednesford.
- 9.12 Others had commented previously that servicing and access standards needed to be included in the Local Plan to ensure that these were factored in at the outset of any relevant planning application. It had also been commented that the role of the canal network should feature in transport policy.



Local Plan Policy Options

Objective 5: Encourage Sustainable Transport Infrastructure

Road

- 9.13 In terms of the issues which will need to be addressed in the new plan, it should be noted that the A5/M6T/A460/A34 Churchbridge junction only has a design life to 2020. This will need improvement to resolve existing and future congestion. In September 2018, Highways England confirmed its preferred route for a link road from the M54 to the M6/M6 Toll although the preferred route is not a direct link and will terminate at M6 Junction 11. Discussions with Highways England and other stakeholders will need to be ongoing as the plan progresses, to assess the impacts of cumulative development across different local authorities on the strategic road network and any mitigation which would be required. It is clear further evidence will be needed in this regard. This will include any impacts arising in South Staffordshire resulting from the West Midlands Interchange (Strategic Rail Freight Interchange).
- 9.14 Further, more localised evidence will also be needed depending on which options are progressed, for example it is known that Five Ways Island in Heath Hayes is already restricted in capacity.
- 9.15 Traffic movements and congestion are particularly concerning in the south of the district as highlighted above, and further work will need to be undertaken also taking into account impacts on air quality given that there are designated Air Quality Management Areas (AQMAs) along the A5 corridor and at Five Ways Island (air quality is addressed in more detail under Objective 2 (create healthy living opportunities)). It is important that traffic issues and congestion are also addressed in terms of ensuring the district can realise its ambitions of economic prosperity, and encouraging inward investment / ensuring reliable and consistent journey times.
- 9.16 Parking (including lorry parking) will also need detailed consideration, noting that the current parking SPD is out of date and that the NPPF provides updated context with any introduction of standards needing to be clearly evidenced and justified. The need to support overnight lorry parks will also need to be considered. Parking is an issue also picked up under Objectives 1 (Promote Pride in attractive, safe local communities) and 6 (Create attractive town centres). Furthermore, with declining bus services (see below) there may well be a rise in taxi usage for which parking will need to be considered.
- 9.17 Linked to parking matters, the plan will need to support electric charging points. Currently there are only two Council charging points at Hednesford Park. A limited number of facilities are available at hotels in CCDC. Tesco have announced in December, they are to provide charging points at 600 stores and have three stores in the District. Other retail stores are likely to follow. However this is an issue which the plan will need to address.



Local Plan Policy Options

Objective 5: Encourage Sustainable Transport Infrastructure

Rail

- 9.18 Now that the £100m electrification and linespeed upgrade to the Chase Line has been completed (but due to be in operation in May 2019), there is need to recognise the regeneration benefits and implications. Electrification schemes are followed by the 'sparks effect,' which lead to increases demand for rail travel, station parking, increased property values and increased demand for commuter housing.
- 9.19 Improvements to Cannock Station are being pursued with the progression of Mill Green Designer Outlet Village being the catalyst for this. The electrified rail service will increase the attractiveness and patronage of services with the introduction of faster, longer trains, not only to Birmingham but also new direct services to the NEC/Airport and London. Options to upgrade Hednesford station, building on the successful 'Heart of Hednesford' community initiative and Rugeley Town station, including parking facilities and CCTV, need to be pursued.

Bus Services

- 9.20 Bus services nationally are declining at 2-4% nationally. Staffordshire County Council reduced their bus support budget to £1.3m from 1 April 2018 which has led to the reduction in evening and weekend services. There are no longer any bus services in the District on Sundays. 96% of bus services in the District are operated on a commercial basis.
- 9.21 Cannock Chase council is jointly working with TfWM to introduce the Swift bus travelcard initiative, in early 2019. It is hoped this will make bus travel more attractive and assist in reversing the decline. Swift readers will be introduced at five locations in Cannock, Hednesford and Rugeley, funded by this Council. Once implemented, TfWM assume responsibility for subsequent management.
- 9.22 Bus access to key employment sites remains an issue. Bus services to Kingswood Lakeside, Cannock and i54 employment sites at Cannock have now been withdrawn.

Walking & Cycling

- 9.23 A coherent strategy to promote and develop a network of pedestrian and cycling routes is needed and the Cannock Chase Integrated Transport Strategy will need to be updated, taking this issue into account.



Local Plan Policy Options

Objective 5: Encourage Sustainable Transport Infrastructure

SUSTAINABLE TRANSPORT POLICY OPTIONS

Option A: Update existing Policy CP10 to ensure the most up to date situation is reflected, retaining the current sub-themes (Rail, Roads, Walking, Cycling, Taxi Ranks and Servicing) and adding in strategic references to opportunities from canals / the canal network (including towpaths), lorry parking and electric vehicle charging for example

This option may need to be considered in combination with other options (below) to ensure full compliance with the NPPF. Furthermore, Policy CP10 stated that local parking and servicing standards would be addressed in Local Plan Part 2 and given that work on Part 2 ceased in order to enable a full Local Plan review to progress, there is still a gap needing to be considered.

Option B: As per Option A but with the addition of standards for parking, access and servicing, lorry parking and electric vehicle charging set in Local Plan Policy

This option would ensure that expectations are clearly set out in policy and would have clear links to delivering the updated NPPF and ensuring the policy is fit for the future given the anticipated ban on new diesel /petrol vehicles by 2040. As standards are considered to be local rather than strategic issues they would need to be included as Development Management Policy. Including standards in the Local Plan would enable more detail to be assessed in terms of viability, the requirements for which have been increased at the plan making stage.

Option C: As per Option A but with standards for parking, access and servicing, lorry parking and electric vehicle charging being set in a supplementary planning document

This option would require a 'hook' in Local Plan policy to make clear that an SPD is required. By including detailed standards in SPD rather than in the Local Plan itself this would provide more flexibility to update requirements especially given the fast pace of technological change.

Questions on Sustainable Transport Policy Options:

Question 42. Which combination of options do you prefer and why?

Question 43. Are there any other options we should be considering and if so, what should these be?



Local Plan Policy Options

Objective 6: Create Attractive Town Centres

Issues and Options for delivering Objective 6: Create Attractive Town Centres

National Policy

- 10.1 The NPPF Chapter 7 sets out national policy for ensuring the vitality of town centres including the need to define a network and hierarchy of town centres to allow them to grow and diversify; to define their extent (including primary shopping areas); to allocate suitable sites to meet development needs; to consider edge of centre sites should suitable locations not be forthcoming within town centres, and to recognise the role residential development can play in ensuring the vitality of centres.
- 10.2 National Planning Practice Guidance provides further elaboration. It states that *'Local planning authorities should plan positively, to support town centres to generate local employment, promote beneficial competition within and between town centres, and create attractive, diverse places where people want to live, visit and work. Local planning authorities should assess and plan to meet the needs of main town centre uses in full, in broadly the same way as for their housing and economic needs, adopting a 'town centre first' approach and taking account of specific town centre policy. In doing so, local planning authorities need to be mindful of the different rates of development in town centres compared with out of centre.'*
- 10.3 The NPPF defines town centre uses in Annex 2, and in order to add detail to the 'town centre first' approach sets out the sequential test for dealing with town centre uses being proposed beyond town centre boundaries (either through local plans or through planning applications), looking first at edge of centre (also defined in the annex) and then beyond the edge of centre. For town centre uses that, via the sequential test, demonstrably cannot be located in town centres the NPPF then makes provision for an Impact Test to be applied to ensure they do not have 'likely significant adverse impacts'. The national default threshold for this is development of over 2,500 square metres (gross); however subject to evidence the NPPF makes provision to allow for local thresholds to be set.
- 10.4 The PPG states that a *'positive vision or strategy for town centres, articulated through the Local Plan, is key to ensuring successful town centres which enable sustainable economic growth and provide a wide range of social and environmental benefits. Once adopted a Local Plan, including any town centre policy that it contains, will be the starting point for any decisions on individual developments. Local planning authorities should work with the private sector, Portas Pilot organisations, town teams, neighbourhood planning groups, town centre management organisations and other relevant groups when developing such strategies. Non-planning guidance produced by other government departments and the sector may be useful in producing such a strategy.'*



Local Plan Policy Options

Objective 6: Create Attractive Town Centres

- 10.5 The PPG then goes on to elaborate what such a strategy should contain. This includes the role, function and hierarchy of town centres over the plan period; a vision for each town centre; an appropriate mix of uses; whether the centre can accommodate the scale of assessed need and options for dealing with this; timeframes for providing new retail floorspace; complementary strategies and consideration of parking provision, charges and enforcement. Strategies should also *'manage decline positively' and should 'take account of relevant market signals....and should keep their retail land allocations under regular review'*.
- 10.6 The role of tourism is also included in this section of the NPPF stating that Local Plans should consider the specific needs of the tourism industry including location or sectoral requirements, engage with representatives of the tourism industry, examine the broader social, economic and environmental impacts of tourism, analyse opportunities for tourism to support local services and enhance the local environment and have regards to non-planning government guidance.

Local Policy

- 10.7 Current adopted local policy sets out the approach to town centres in Local Plan (Part 1) Policy CP11: Centres Hierarchy (And Area Action Plans)
- 10.8 This policy sets out a hierarchy and sets policy accordingly for the different centres across the District. The main centre is Cannock, which is designated as the strategic town centre for the district, with the next tier being the town centres of Rugeley and then Hednesford, followed by the District Centre at Hawks Green and then the Local Centres at Norton Canes, Heath Hayes, Chadsmoor, Bridgtown, Fernwood Drive and Brereton.
- 10.9 The policy sets out appropriate growth levels for town centre uses (retail and office) based on evidence used at the time, and details the need to take a sequential approach for town centre uses in their local context including retail, office, commercial, leisure and cultural facilities to ensure that regeneration of town centres is not undermined by town centre uses being located out-of-town.
- 10.10 The policy sets out a clear approach to the regeneration of town centres. For Rugeley Town Centre an Area Action Plan is referenced and incorporated into the Local Plan (Part 1). This sets out more local detail, defining a Primary Retail area and identifying a range of Opportunity Sites within the town centre boundary. For Cannock, the policy states that development within the town centre will be guided by a Supplementary Planning Document or Area Action Plan.
- 10.11 For the other centres, the approach for Hednesford is focused upon local regeneration and maximising appropriate tourism as a gateway to the Cannock Chase AONB. The role of Hawks Green as a District Centre is to provide shops, services and community facilities to serve local communities. The Local Centres'



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role is to provide small scale shops, services and community facilities: the policy aims to protect and enhance these and to support the creation of new local centres where appropriate to serve the needs of existing and new communities.

Consultation feedback/other issues

- 10.12 Generally the current centres hierarchy was felt to be appropriate although it is clear that the evidence base needs to be updated to ensure that the plan is informed by up to date guidance. The role of Area Action Plans needs to be considered further in terms of whether the Council's current approach remains appropriate or whether any alternative mechanisms would be more appropriate to articulate and implement a strategy or series of strategies for the district's town centres to accord with the NPPF and its guidance. This includes the need for further elaboration and evidence in relation to tourism.
- 10.13 The introduction of a lower threshold for triggering an Impact test needs further consideration as the current (2015) evidence base shows a clear justification for lower thresholds in the district's centres (as set out in the Issues and Scope consultation paper): this would need to be tested through an updated evidence base.
- 10.14 Further consideration also needs to be given to the inclusion of standards in local plan policy which could add more detail to the national framework.
- 10.15 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 6: Create attractive town centres.

TOWN CENTRES HIERARCHY OPTIONS

Option A: Retain the existing centres hierarchy as set out in Policy CP11 with some minor updates to wording ensure the policy is up to date, and set clear town centre boundaries and development quanta where appropriate based on updated evidence base

The evidence base was produced in 2015 and will be updated shortly to ensure that the most up to date information is taken into account. Wording would be revised to take into account of the increasing emphasis upon the need for town centres to be adaptable to changing economic circumstances and consumer/visitor patterns in the way in which town centres are used, also linking to emerging evidence from other sectors e.g. the GBSLEP⁴⁰

Option B: As per Option A but introduce a local policy on local thresholds which would trigger the need for an impact test for town centre uses which are proposed in out of town locations

The national default threshold for an impact test is 2,500 sq.m. gross floorspace if there is no locally set threshold (NPPF para 89). The evidence base produced for the council in 2015 suggested there was a case for introducing lower thresholds for town centres to protect their vitality and viability (1000 sqm gross for Cannock and Rugeley, 500 sqm for Hednesford and

⁴⁰ <https://gbslep.co.uk/what-we-do/place/develop-thriving-towns-local-centres>
<https://gbslep.co.uk/wp-content/uploads/2018/05/Towns-and-Local-Centres-and-Housing-Frameworks.pdf>



Local Plan Policy Options

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200 sqm for Local and Neighbourhood Centres). This would need to be checked against an updated evidence base.

Option C: Produce separate Area Action Plans (AAPs) for the larger town centres, including the retention and updating of the adopted Rugeley AAP and the continued pursuance of the emerging AAP for Cannock Town Centre

Local Plan Part 1 supports the production of AAPs to provide a clear framework for investing in and regenerating Rugeley (the AAP was adopted in 2014 but will need reviewing) and Cannock (Issues and Options was consulted on in 2017). AAPs however are like 'mini local plans' i.e. have to go through the same rigorous processes including independent examination by a planning inspector, and given the speed of change in the town centre / retail economy there is concern that these may not be the best way to keep up with the fast pace of change in this area.

Option D: Support the preparation of local policy and guidance to direct investment to centres / town centres via a range of means as most appropriate to the local context e.g. Masterplan, prospectus, Supplementary Planning Documents, Neighbourhood Plan etc.

This option could provide an alternative approach to the more rigid framework afforded by an Area Action Plan and, whilst not having the same level of statutory status as an AAP could provide a range of options and approaches relevant to the local context and which could provide the adaptability and flexibility needed to keep up with fast paced change.

Questions on Town Centres Hierarchy Options:

Question 44. Which option or combination of options do you prefer and why?

Question 45. Are there other options we should be considering and if so what are they and what evidence is there to support this?

Question 46. The National Planning Guidance states that 'local authorities should be seeking to improve the quality of parking in town centres.....and, where it is necessary to ensure the vitality of town centres, the quantity too. Local planning authorities should set appropriate parking charges that do not undermine the vitality of town centres and parking enforcement should be proportionate, avoiding unfairly penalising drivers.' How might this be achieved in practice, through the planning system? Should we be setting any other standards for town centre development? If so, what, and what evidence could be used to support this?

Question 47. What further work needs to be undertaken in relation to tourism in order to ensure compliance with the NPPF? Is there evidence available already which could assist with this?



Local Plan Policy Options

Objective 7: Provide Well Managed and Appreciated Environments

Issues and Options for delivering Objective 7: Provide Well Managed and Appreciated Environments

National Policy

- 11.1 The environment is one of the three key strands of sustainable development as set out in paragraph 8 of the NPPF.
- 11.2 NPPF Chapters 15, 'Conserving and enhancing the natural environment' and 16 'conserving and enhancing the historic environment' contain the overarching national policies for achieving this objective.

Natural Environment

- 11.3 In terms of conserving and enhancing the natural environment, paragraph 170 sets out the need to protect and enhance valued landscapes; recognise 'the intrinsic character and beauty of the countryside and the wider benefits from natural capital and ecosystem services including the economic and other benefits of the best and most versatile agricultural land and of trees and woodland; minimising impacts on and providing net gains for biodiversity.
- 11.4 Paragraph 171 states that: *'Plans should: distinguish between the hierarchy of international, national and locally designated sites; allocate land with the least environmental or amenity value, where consistent with other policies in this Framework 53; take a strategic approach to maintaining and enhancing networks of habitats and green infrastructure; and plan for the enhancement of natural capital at a catchment or landscape scale across local authority boundaries.'*
- 11.5 Paragraph 171 goes on to emphasise the importance of conserving and enhancing landscape and scenic beauty; this includes Areas of Outstanding Natural Beauty.
- 11.6 National Planning Practice Guidance was updated in 2016 and provides further context, *stating 'Local plans should include strategic policies for the conservation and enhancement of the natural environment, including landscape. This includes designated landscapes but also the wider countryside'*, and emphasising the need for landscape character assessments 'where appropriate'. Guidance also states that planning policies and decisions should have regard to AONB management plans as they set the strategic context for development.
- 11.7 In terms of habitats and biodiversity, paragraph 174 of the NPPF states that plans should:
 - a) *'Identify, map and safeguard components of local wildlife-rich habitats and wider ecological networks, including the hierarchy of international, national and locally designated sites of importance for biodiversity; wildlife*



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corridors and stepping stones that connect them; and areas identified by national and local partnerships for habitat management, enhancement, restoration or creation; and

- b) promote the conservation, restoration and enhancement of priority habitats, ecological networks and the protection and recovery of priority species; and*
- c) identify and pursue opportunities for securing measurable net gains for biodiversity.'*

- 11.8 National Planning Practice Guidance provides further detail, including the need to collaborate with other partners including Local Nature Partnerships. It also provides further guidance on the evidence base which may be required including the identification and mapping of local ecological networks, mitigation / compensation and offsetting measures (including that relating to 'Habitats Development' i.e. that protected under the Habitats Regulations 2017) and guidance on planning for green infrastructure and its role in delivering sustainable development.

Historic Environment

- 11.9 NPPF paragraph 185 sets out the context for the historic environment in terms of local plan preparation. It states:
- 11.10 *'Plans should set out a positive strategy for the conservation and enjoyment of the historic environment, including heritage assets most at risk through neglect, decay or other threats. This strategy should take into account:*
- a) the desirability of sustaining and enhancing the significance of heritage assets, and putting them to viable uses consistent with their conservation;*
 - b) the wider social, cultural, economic and environmental benefits that conservation of the historic environment can bring;*
 - c) the desirability of new development making a positive contribution to local character and distinctiveness; and*
 - d) opportunities to draw on the contribution made by the historic environment to the character of a place. '*

- 11.11 The National Planning Practice Guidance (dated 2014, not yet updated at the time of writing to accord with the new NPPF), sets out more detail:

'In line with the National Planning Policy Framework, local authorities should set out their Local Plan a positive strategy for the conservation and enjoyment of the historic environment. Such a strategy should recognise that conservation is not a passive exercise. In developing their strategy, local planning authorities should identify specific opportunities within their area for the conservation and enhancement of heritage assets.



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This could include, where appropriate, the delivery of development within their settings that will make a positive contribution to, or better reveal the significance of, the heritage asset.

11.12 *The delivery of the strategy may require the development of specific policies, for example, in relation to use of buildings and design of new development and infrastructure. Local planning authorities should consider the relationship and impact of other policies on the delivery of the strategy for conservation.’ (Paragraph: 004 Reference ID: 18a-004-20140306)*

11.13 In terms of how the plan should deal with non-designated heritage assets the guidance states:

‘While there is no requirement to do so, local planning authorities are encouraged to consider making clear and up to date information on their identified non-designated heritage assets, both in terms of the criteria used to identify assets and information about the location of existing assets, accessible to the public.

In this context, the inclusion of information about non-designated assets in Local Plans can be helpful, as can the identification of areas of potential for the discovery of non-designated heritage assets with archaeological interest.’

Local Policy

Biodiversity and Geodiversity

11.14 Policy CP12: Biodiversity and Geodiversity sets out the Council’s approach to ensuring the District’s biodiversity and geological assets will be protected, conserved and enhanced. It follows national planning policy and guidance and makes reference to supporting key local strategies and plans e.g. the Local Biodiversity and Geodiversity Action Plans.

11.15 The policy highlights key local assets which should be protected, conserved and enhanced including Hednesford Hills and identifies local initiatives to be supported such as the Forest of Mercia.

11.16 Criteria-based policies for where ecological and geological sites may be affected are set out for decision making (in line with national policy and legislation). Policy requirements for individual development schemes to consider integrating biodiversity into their proposals are also set out.

Cannock Chase SAC

11.17 Policy CP13: Cannock Chase SAC safeguards the Cannock Chase Special Area of Conservation (SAC). The SAC is unique heathland habitat, protected by European Law and the Habitats Regulations. Evidence has shown that increasing



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visitor numbers from visitors to Cannock Chase as a result of new development could potentially damage the fragile environment. The evidence base which informed Local Plan (Part 1) showed the majority of visitors to be coming from an 8km radius from Cannock Chase, with a lesser but still significant number coming from a wider 8 – 15 km radius.

- 11.18 Cannock Chase Council works with partners impacted by this radius (the ‘Zone of Influence’) on the Cannock Chase SAC Partnership. There is a programme of measures to mitigate for the impacts of development on the SAC and this programme has been formulated based on the levels of housing to be delivered by current adopted local plans.

Landscape Character and Cannock Chase AONB

- 11.19 Policy CP14: Landscape Character and Cannock Chase AONB seeks to protect the District’s landscape character and maximise opportunities for restoring and enhancing landscape features and creating green infrastructure links in conjunction with new development. Development proposals in the AONB which are compatible with its Management Plan objectives are supported as are development proposals across the District which help to facilitate these objectives. Appropriate development within the Green Belt must be sensitive to distinctive landscape character. Consideration is being given to allocate land at Rawnsley Road/Rugeley Road, Rawnsley as Local Green Space (NB this last issue is considered under Objective 2.)

Historic Environment

- 11.20 Policy CP15: Historic Environment seeks to protect and enhance the District’s historic environment by maintaining a balance between safeguarding historic buildings, areas and other sites and their settings according to their status and supporting development proposals which are sensitive to and inspired by their context and which add value to the existing historic townscape and landscape character of the District.
- 11.21 The policy encourages a focus of regeneration around historic urban areas stating that Rugeley has benefitted from partnership working and financial investment resulting from a Town Centre AAP in conjunction with Local Plan (Part 1). The policy states that support for regeneration of Cannock Town Centre will be taken forward in conjunction with the Local Plan Review including views received during publicity for the Cannock Area Action Plan in 2017. Key development guidance to support and enhance Hednesford town centre was set out in the Design SPD 2016 and is expanded as part of the Hednesford Neighbourhood Plan.
- 11.22 The policy also promotes the sustainable access and enjoyment of heritage assets District-wide through creation of footway/cycle routes, enhancements to



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the canal network and the conservation and enhancement of all types of heritage assets.

Consultation feedback/other issues

Biodiversity and Geodiversity

- 11.23 From the Issues consultation and from the new NPPF it is clear that while the broad principles of the policy to protect, conserve and enhance the district's biodiversity and geodiversity assets should remain, considerable updating of the policy theme will be needed. 'Do nothing' is therefore not an option as the policy would not comply with the NPPF. Issues raised included the following:
- The need for a strategic approach to biodiversity including mapping, measurable ways of providing net gains for biodiversity, maximising 'natural capital' (i.e. ways of capturing the economic and social benefits that are derived from the natural environment) and requiring plans to provide further details of biodiversity assessments to be clear on how these impact developable areas of sites.
 - More emphasis on the canal network including a strategy for the water environment
 - The need for a specific policy on the Cannock Extension Canal Special Area of Conservation (SAC)
 - The need to engage farmers and landowners and strengthen policy in relation to natural capital assets
- 11.24 The following section therefore sets out the options for updating policy on matters relating to biodiversity and geodiversity.

BIODIVERSITY & GEODIVERSITY POLICY OPTIONS

Option A: Update existing Policy CP12: biodiversity and geodiversity which sets out the Council's approach to ensuring the district's biodiversity assets will be protected, conserved and enhanced. The policy follows national policy and guidance and makes reference to supporting key local strategies and plans. It highlights key local assets which should be protected, conserved and enhanced. It sets out criteria based policies to aid decision making.

This option would mean that the policy is updated to reflect new national policy and the most current local context. An updated version could contain links to the most up to date evidence in relation to the requirements for biodiversity offsetting, natural capital, linkages and mapping (including those relating to the water environment) meaning that planning decisions would be made based on the most up to date information available.

Option B: as above but also introducing a new policy for Cannock Extension Canal Special Area of Conservation (SAC)

Under the Habitats Regulations the Council must ensure that development does not cause harm to the SAC which is designated due to the canal containing Floating Water Plantain. Its location close to the A5 corridor which is designated as an Air Quality Management Area



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(AQMA) is of particular concern. The impacts of traffic pollution (atmospheric nitrogen deposition) and any other issues which may cause harm need to be further understood before any mitigation measures can be considered. This work is ongoing and further detailed policy development will need to be informed by its outcomes.

Questions on Biodiversity & Geodiversity Policy Options:

Question 48. Which biodiversity and geodiversity option do you support?

Question 49. Have you any other issues you wish to raise in respect of biodiversity and geodiversity?

Cannock Chase Special Area of Conservation (SAC)

- 11.25 Representations made clear that the current policy may need to be updated depending on a review of the evidence base which is currently underway.
- 11.26 The current policy safeguards the Cannock Chase Special Area of Conservation (SAC). The SAC is unique heathland habitat, protected by European Law and (in the UK) the Habitats Regulations. Evidence has shown that increasing visitor numbers from visitors to Cannock Chase as a result of new development could potentially damage the fragile environment. The evidence base which informed Local Plan (Part 1) showed the majority of visitors to be coming from an 8km radius from Cannock Chase, with a lesser but still significant number coming from a wider 8 – 15 km radius.
- 11.27 Cannock Chase Council works with partners impacted by this radius (the ‘Zone of Influence’) on the Cannock Chase SAC Partnership. There is a programme of measures to mitigate for the impacts of development on the SAC and this programme has been formulated based on the levels of housing to be delivered by current adopted local plans.
- 11.28 The evidence base is currently under review to any updated policy would need to be informed by its outcomes. We therefore think there is only one policy option at this point which is to update the wording of the current policy as necessary depending on the updated evidence base to ensure that the plan complies with the Habitats Regulations.

CANNOCK CHASE SAC POLICY OPTIONS

Option A: Update the Cannock Chase SAC policy CP13 as necessary to reflect the updated evidence

Policy must comply with the Habitats Regulation to ensure that no harm arises to the SAC as a result of applicable development pressure. An up to date evidence base and mitigation strategy is essential and policy wording may need to change to reflect this. This work is ongoing at present through the Cannock Chase SAC Partnership.

Questions on Cannock Chase SAC Policy Options:

Question 50. Do you have any comments on this option?



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Landscape Character and Cannock Chase Area of Outstanding Natural Beauty (AONB)

- 11.29 The NPPF (para 172) states that ‘great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty, which have the highest status of protection in relation to these issues’.
- 11.30 Comments to the Issues consultation were mainly focused upon emphasising the importance of the AONB and landscape character, ensuring its protection. It was generally felt that the current policy was appropriately worded. Some felt that there should be exceptions to policy set out to allow for some development although the council considers the existing policy already allows for this assessment on a case by case basis, and furthermore is still broadly worded in a way which complies with national policy.
- 11.31 Notwithstanding this however, Paragraph 172 of the NPPF does state that planning permission should be refused for major development ‘other than in exceptional circumstances, and where it can be demonstrated that the development is in the public interest’. It is therefore considered that only one policy option applies: to provide minor updates to exiting policy CP14 to reflect the most up to date evidence.
- 11.32 In addition Policy CP14 sets criteria for assessing acceptable quantum of development (extensions / replacement buildings) in the Green Belt so the approach for this will need considering in the light of the new NPPF.

LANDSCAPE CHARACTER AND CANNOCK CHASE AREA OF OUTSTANDING NATURAL BEAUTY (AONB) POLICY OPTIONS

Option A: retain current policy wording with minor amendments to update and reflect the most up to date evidence base and national policy context if applicable

Existing policy wording largely robust and flexible enough to be able to address the issues which were raised through the previous consultation. Minor changes to ensure the policy wording remains up to date.

Option B: include detailed criteria in policy for assessing suitability of different types of application, including retaining the current criteria for extensions / replacement buildings in the Green Belt

This would have to be evidenced in terms of how more detailed elaboration could be justified within the local context.

Option C: Retain current policy wording (with minor modifications to update) and provide further elaboration if required via an updated design SPD

This could provide for more flexibility in approach and a clearer definition between ‘strategic’ policy and ‘non strategic’ (i.e. local) policy as required by the NPPF



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Questions on Landscape Character and Cannock Chase Area of Outstanding Natural Beauty (AONB) Policy Options

Question 51. Which option or combination of options do you support?

Question 52. Have you any other issues you wish to raise in respect of Landscape character and Cannock Chase AONB?

Historic Environment

- 11.33 The updated NPPF 2018 retains its support for conserving and enhancing the historic environment in its widest sense. Local Plan Policy CP15 emphasis this approach at a local level, and a full coverage of Conservation Area Appraisals and Management Plan SPD's for the District will shortly be in place. The Design SPD 2016 seeks to provide historic character-based design coverage of specific areas of the District and the adopted Hednesford Neighbourhood Plan 2018 reinforces this approach in defining special character areas and a Local List of key buildings considered to be of importance to the history and development of Hednesford. Progress on the District Local List will progress as resources allow.
- 11.34 Responses to the Issues consultation included:
- the need to include specific policy on canals, as the network is important, not just the designated conservation areas;
 - to ensure the plan provides a positive and proactive strategy (including setting) for heritage;
 - heritage policy should not be 'stand alone';
 - heritage –led references are welcomed;
 - planning decisions in Rugeley are undermining the conservation area policies;
 - the recognition of the Historic Environment Character Area and Extensive Urban Survey work is welcomed (though some updating may be needed);
 - the Chase Through Time project may need to be included;
 - the mining history of the area should be celebrated;
 - interpretation boards in suitable locations are supported (eg the Hatherton Canal);
 - the plan needs to recognise that the protection of historic assets requires use of statutory powers;
 - any consideration of the regeneration of Brereton Colliery should be limited in scale and reflect the character of the area as AONB and Green Belt.
- 11.35 The key issue which links many of these responses is the need to reinforce local policy to link aspects of heritage across the District in a multi-functional sense



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with other objectives and ambitions so that actions across the board dovetail with and reinforce each other to create a strong positive and proactive context for future change. For example, the canal network has potential to assist with biodiversity, recreation and health, economic regeneration unlocking the potential for waterside development, sustainable transport, green and blue infrastructure, drainage and floor management and education and awareness raising via interpretation, as well as more specific heritage protection and enhancement. A further example is in town centres to maximise benefits of the historic environment to accommodate diverse uses on multiple floors whilst providing the community with a strong sense of identity and USP, enhancing local distinctiveness.

- 11.36 Whilst some refreshing of evidence/ a degree of review may be required (such as incorporating references to The Chase Through Time and updating of Conservation Area Appraisals at intervals) generally historic environment evidence stands the test of time well and the need for updates tends to be limited either to coverage of additional heritage topics which have not been fully covered in the past (eg progressing a Local List) or more selective updates in areas subject to more substantial change.
- 11.37 The Issues and Scope consultation asked questions about the review of Policy CP15 based upon responses to the previous Issues and Options Local Plan (Part 2) consultation responses which strongly supported using the historic environment as a catalyst to encourage the positive regeneration of the District. Options relating to town centres, canals and collieries and former mineral railway lines were all supported:
- to help bring new life into town centres and historic commercial buildings;
 - to use the Conservation Area Management Plans as a guide for development;
 - to consider Cannock Extension Canal and Brereton Colliery as regeneration/leisure opportunities;
 - and to enhance the footway/cycleway network via former mineral railways lines across the District, linking existing routes and having health and wellbeing benefits as a green infrastructure opportunity.
- 11.38 There was also support through the consultation for elaborating existing policy CP15 by providing historic environment guidelines for managing change at relevant allocated sites, including avoidance/mitigation measures, indicating key matters for consideration by developers and opportunities to better reveal significance of the historic environment. Finally a wider role for maximising interpretation of the historic environment was supported, with suggestions for heritage trails across the area which may require a specific strategic policy framework, a District-wide interpretation strategy guiding developers involved



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with sensitive sites and more acknowledgement of the community and landscape history of Cannock Park, including a heritage trail and information boards.

HISTORIC ENVIRONMENT POLICY OPTIONS

Option A: Expand existing policy CP15 to embrace the historic environment as a catalyst for positive regeneration with referenced links to related policy areas and any updates to the evidence base.

Existing policy direction largely robust and flexible in accordance with national policy however wording would benefit from updating to better address responses made.

Option B: as above but also to add more specific reference to particular local heritage opportunities in town centres, canals and collieries and former mineral railway lines to help bring new life into town centres and historic commercial buildings, consider other regeneration/leisure opportunities and enhance the footway/cycleway network. This more specific reference to heritage opportunities could also refer in generic terms to the (forthcoming) Heritage Impact Assessment evidence to provide guidance for managing change at allocated sites.

Builds on updated existing policy wording to elaborate upon local heritage opportunities (by generic type rather than site specific), providing framework for development management and making clear potential benefits available.

Option C: as above but incorporating a District-wide Interpretation Strategy policy framework.

Builds on updated existing policy wording to elaborate upon local heritage opportunities (by generic type rather than site specific), providing framework for development management and range of potential benefits available including a Heritage Interpretation Strategy for the District to contribute to the quality of life for existing and future generations.

Questions on Historical Environment Policy Options

Question 53. Which option or combination of options for the historic environment do you support?

Question 54. Have you any other issues you wish to raise in respect of the historic environment?

Issues and Options for delivering Objective 8: Support a Greener Future

National Policy

- 12.1 National planning policy (NPPF, Chapter 14) states that local plans should support the transition to a low carbon future in a changing climate, taking full account of flood risk. Policies and decisions should contribute to reductions in greenhouse gas emissions; minimise vulnerability and improve resilience to climate change; encourage the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy and associated infrastructure. As delivering sustainable development is an overarching objective of national planning policy, these matters also relate to other areas of the NPPF such as sustainable transport.
- 12.2 National policy (NPPF, para 150) and supporting national guidance state that local authorities can make use of the Governments optional technical standards for housing, which includes higher standards for water efficiency. This does not contain any optional standards for energy efficiency or low carbon/renewable energy sources. National policy refers to local requirements for low carbon/renewable energy sources but there are no references to energy efficiency; it has therefore been assumed to data that national policy limits energy efficiency standards to the current Building Regulations (and local policy can not go above these). However, in its responses to the national policy consultation the Government suggested that local authorities were not limited in their ability to set such standards⁴¹ highlighting that the Clean Growth Strategy (2017) supports improvements in energy efficiency standards for new developments (although this then refers to a review of Building Regulations).
- 12.3 National policy (NPPF, para 178-183) addresses ground condition and pollution issues, with particularly locally relevant references to the legacy of mining activities and pollution impacts, including air quality and artificial light. The new 'agent of change' principle is introduced, which states existing businesses should not have unreasonable restrictions place on them as a result of a development permitted after they were established; suitable mitigation should be provided by the new development. Planning policies should not duplicate other pollution control regimes.
- 12.4 National planning policy (NPPF, Chapter 17) requires relevant local authorities to ensure there is a sufficient supply of minerals to provide the infrastructure, buildings, energy and goods needed. This involves the protection of areas for minerals workings. There is also a specific national planning policy framework for

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728498/180724_NPPF_Gov_response.pdf - See Question 33 response

waste matters, which requires the relevant local authorities to plan for the management of waste e.g. via the provision of sufficient and appropriate waste management facilities.

Local Policy

- 12.5 Local Plan (Part 1) Policy CP16 identifies key local issues related to climate change, pollution, flood risk, minerals and waste. There are links to the relevant Staffordshire County Council plans for minerals and waste (as well as flood risk management). There are links to the national plans for the management of water quality. It links to other, related Local Plan policies such as design, healthy living, sustainable transport, and biodiversity reflecting the cross-cutting nature of these issues.
- 12.6 Support is given to renewable and low carbon energy schemes, subject to other local plan policies. A series of development management criteria are set out for individual development schemes to take into account including exceeding national standards for carbon reduction; improved energy efficiency; flood risk; water quality and drainage; green infrastructure; sustainable construction methods; and minerals sterilisation. The policy is supported by the Design SPD which provides further detail on how developments can take such issues into account as part of their design and layout.
- 12.7 The Staffordshire County Council Waste and Minerals Plan also form part of the local planning policy framework. These address the requirements set out within national planning policy for the sustainable management of minerals and waste.

Consultation feedback/other issues

- 12.8 Individual responses suggested specific additional references and/or wording to be included within the updated policy. These included reference to potential role of canal network in contributing to low carbon technologies and surface water drainage; measures to protect 'controlled waters'; matters to consider in relation to regulated sites, such as waste processing facilities, reflecting the 'agent of change' principle; and enhancing links to the role of green/blue infrastructure in supporting a greener future. Support was given to the current policy wording related to coal mining legacy issues and safeguarding of minerals.
- 12.9 The approach to updating the evidence base received support. Information was provided on key existing strategies, management plans and evidence to be taken into account e.g. River Basin Management Plans and foul drainage capacity. Some respondents supported seeking higher building standards from new developments, such as the optional higher water efficiency standard.
- 12.10 In terms of key local issues, it is recognised that many of those identified in the current local plan policy remain relevant e.g. air quality management areas within the District and flood risk zones. Updated local evidence will enable the policy to

reflect the current local context, identifying the key local issues that need to be addressed. This evidence includes a Strategic Flood Risk Assessment and Water Cycle Study update. Some of these matters also link to other Local Plan policies, such as air quality impacts upon healthy living and natural environments (see Objectives 2 and 7 respectively).

- 12.11 Consideration needs to be given to the extent to which the updated local plan policies encourage or require new developments to achieve higher standards of sustainable construction (above the minimum building regulations requirements). As per national planning policy (NPPF, para.34) any standards and/or requirements would need to be considered as part of the overall local plan viability assessment to ensure any additional costs to developments arising from these were taken into account at the plan making stage.
- 12.12 Based on the above information we think that the following policy options need to be considered to help us deliver Objective 8: Support a greener future.

GREENER FUTURE POLICY OPTIONS
<p><u>Option A:</u> Update current Local Plan (Part 1) Policy CP16 to reflect up to date evidence base work. Include reference to potential role of canal network in contributing to low carbon technologies and surface water drainage; measures to protect ‘controlled waters’; matters to consider in relation to regulated sites; such as waste processing facilities, reflecting the ‘agent of change’ principle. Enhance links to the role of green/blue infrastructure in supporting a green future.</p> <p>This would update the current Policy CP16 to reflect updated national and local policy and local evidence. This includes the Staffordshire County Council Minerals and Waste Local Plans; Staffordshire County Council SUDS handbook; Humber River Basin Management Plan; Water Resources Management Plans. Evidence updates to support this policy would include a Strategic Flood Risk Assessment and Water Cycle Study, foul drainage assessments, air quality assessment work, waste and minerals safeguarding assessment. Evidence related to low carbon and renewable technologies would be drawn from nationally available data. The suggested additional elements of the policy relate to consultation comments received</p>
<p><u>Option B:</u> In combination with Option A, continue current policy approach of encouraging sustainable construction standards, but not requiring them.</p> <p>In combination with Option A continue to encourage, but not require, improved sustainable construction standards such as energy efficiency improvements and low carbon/renewable energy technologies. It would continue to be supported via an updated Design SPD which could set out the standards to be encouraged and how to achieve them. Including more detail on preferred standards in SPD rather than in the Local Plan itself would provide more flexibility to update those standards, especially given the fast pace of technological change.</p>
<p><u>Option C:</u> In combination with Option A, require developments to meet specific building standards, including sustainable construction standards such as water efficiency, energy efficiency, low carbon/renewable technologies and include in local plan policy.</p> <p>In combination with Option A require individual developments to achieve specific sustainable</p>

construction standards or provide specific assessments as part of the planning application process. As standards are considered to be local rather than strategic issues they would need to be included as Development Management Policy. Including standards in Local Plan would enable more detail to be assessed in terms of viability, the requirements for which have been increased at the plan making stage. It would continue to be supported via an updated Design SPD which could set out how to achieve the required standards.

Questions on Greener Future Policy Options:

Question 55. Does the updated NPPF and other recent Government policy (e.g. Clean Growth Strategy 2017) allow the Council to set higher energy efficiency standard requirements, where justified by local evidence?

Question 56. Apart from a viability assessment of the costs of such measures, what local evidence would be needed to justify the need for higher sustainable constructions standards over and above building regulation requirements?

Question 57. If specific standards are considered appropriate, should these be required on a certain threshold of site e.g. large sites only?

Question 58. Are there any new or emerging technologies that should specifically be taken into account in gathering the evidence?



Issues for other policy considerations

Development Contributions and Infrastructure

National policy

- 13.1 The need for appropriate infrastructure to support the overall levels of housing and economic growth outlined within local plans is a theme that runs through national policy (e.g. NPPF para 72 and 81). Any barriers to investment that are linked to inadequate infrastructure should be considered. Any opportunities for further investment and growth from infrastructure projects should also be considered. Engagement with infrastructure providers is a key part of the local plan making process (and is related to the overall 'duty to cooperate' in terms of demonstrating effective cooperation on strategic matters).
- 13.2 National policy requires local plans to set out strategic policies that make sufficient provision for a range of infrastructure including transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management, the provision of minerals and energy (including heat), community facilities and green infrastructure (NPPF, para 20). Non-strategic policies should be used for the provision of infrastructure at a local level (NPPF, para 28).
- 13.3 National guidance provides further information on how local plans can demonstrate how they can deliver on strategic matters, including infrastructure. This includes early engagement with infrastructure providers and other stakeholders to identify infrastructure deficits and requirements, and opportunities for addressing them. Account should also be taken of the need for any strategic infrastructure within the area.
- 13.4 National policy sets out that local plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan (NPPF, para 34).
- 13.5 National policy sets out the circumstances when planning conditions and obligations are appropriate (NPPF, paras 54-57). Local planning authorities should consider whether otherwise unacceptable development could be made acceptable through the use of conditions or planning obligations. Planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition. There are specific tests to be met if planning obligations are sought. Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the developer to demonstrate



whether particular circumstances justify the need for a viability assessment at the planning application stage.

- 13.6 National guidance provides more detail on how to undertake viability assessments for local plans and individual development schemes. There is an increased emphasis upon testing the viability of local plan policies to avoid delays at the planning application stages due to viability issues. There is also an increased emphasis upon making viability assessments and developer contributions (particularly how they are spent) more transparent and publicly accessible.
- 13.7 The Government has recently announced (Autumn/Winter 2018) that it will be taking forward reviews to the developer contributions system, namely updates to the Community Infrastructure Levy.⁴²

Local policy

- 13.8 Local Plan (Part 1) Policy CP2 provides an overarching policy for developer contributions and infrastructure. Policy CP7 sets out the District's affordable housing requirements. These policies are supported by the Developer Contributions and Housing Choices SPD (2015) which also provides detailed information on the Council's approach to developer contributions, taking account of the locally adopted Community Infrastructure Levy charges. Specific guidance is provided on developer contributions to the Cannock Chase Special Area of Conservation (Guidance to mitigate the impact of new residential development, 2017).
- 13.9 The Local Plan (Part 1) is also accompanied by an Infrastructure Delivery Plan, which identifies a range of infrastructure requirements to support the Local Plan housing and economic growth. These include a variety of projects including those related to formal and informal leisure facilities, schools, waste water management and flood risk management. Key infrastructure requirements are reflected throughout the Local Plan (Part 1) policies.
- 13.10 The Council adopted its Community Infrastructure Levy (CIL) charging regime in June 2015. This includes a Regulation 123 list which identifies a number of projects that may be eligible for CIL funding. Local guidance on the CIL processes is also available.

Consultation feedback/other issues

- 13.11 Some responses to this issue were high-level e.g. those from statutory agencies citing the need to engage as the plan progresses (Natural England also requested more emphasis on green / blue (i.e. water-related) infrastructure).

⁴² 'Reforming developer contributions' MHCLG consultation (Dec 2018 – Jan 2019)



- 13.12 Many respondents cited the need for updated viability assessment work and the need for robust evidence to justify where contributions were needed and the need for clarity on how CIL would be allocated (and how proposed changes in CIL regulations would need to be applied). Some developers commented that a site by site approach might be needed to take account of specific circumstances; a generalised approach might not be appropriate. West Midlands HARP (representing a range of housing associations) commented that such providers should not have to pay contributions, and exceptions should apply for care homes / extra care facilities as these often provide their own health care facilities. Some commented that if a developer could not deliver on the required infrastructure then the site should not be considered viable.
- 13.13 Other respondents provided information about their particular product (e.g. rent-to-buy housing). Some set out what they felt should be provided for in terms of developer contributions and an updated infrastructure delivery plan, including a range of projects and problems with local infrastructure, funds for the restoration of the Hatherton Canal, sport and recreation facilities as shown by updated evidence for the Rugeley Power Station redevelopment, and the need for a new or expanded police custody facility in the southern Staffordshire area.
- 13.14 In terms of key issues to consider, the overall local plan strategy for housing and economic growth will need to be informed by infrastructure capacity considerations. This includes assessing where future development may not have significant infrastructure implications (or could be accommodated by existing infrastructure provision) and identifying where future development would require further infrastructure provision. The deliverability of this infrastructure will need to be carefully considered, particularly in terms of funding. These requirements may therefore impact upon the viability of developments within the District, where funding is necessary from the developments themselves.
- 13.15 Development contributions can be in the form of planning conditions, planning obligations (Section 106/278 agreements) and CIL charges. Therefore the local plan will need to consider the most appropriate ways for different types, and scales, of infrastructure to be provided for. This will need to take into account the ongoing national Government changes to the development contributions system. It is likely that the local plan will need to be supported by an update to its CIL charging regime. The issue of affordable housing contributions is discussed further under 'Objective 3- Provide for Housing Choice'. The level of development contributions sought through policies in the Local Plan will need to be subject to an overall local plan viability assessment, as per national policy and guidance. This will help guide the content of policies i.e. by providing a steer on what levels of contributions are viable within the District and what are not.
- 13.16 Development contributions and infrastructure requirements will continue to be reflected in a range of policies within the Local Plan Review e.g. policies on



healthy living may contain open space standards, policies on sustainable transport will contain information on key infrastructure projects and the housing policies will set out affordable housing contribution requirements. Therefore the Council would welcome views on whether or not a specific policy similar to the existing Local Plan (Part 1) Policy CP2 is still required; and if so, what further information (if any) should it contain over and above the existing Local Plan (Part 1) policy. We would also welcome views on which elements of developer contributions should be contained within strategic and non-strategic policies (the Council has set out its current view in relation to what elements may be considered non-strategic in other parts of this consultation e.g. see Objective 3 Provide for Housing Choice (housing mix), Objective 5 Sustainable Transport, and Objective 8 Support a Greener Future.)

- 13.17 An updated Infrastructure Delivery Plan (IDP) will be prepared to support the new Local Plan to ensure the required infrastructure and investment needed to deliver the plan effectively is identified. The IDP will include the specific infrastructure projects needed to deliver planned growth and will be updated as the plan progresses, following consultation with infrastructure providers and other stakeholders. The latest version of the IDP is available for comment as part of this Issue and Options Consultation. It has been updated to reflect the most recently available information to the Council. We would welcome views on any further updates required at this stage and the evidence required to inform further updates as the Local Plan progresses. We would also welcome views on the most appropriate ways to engage with infrastructure providers and other stakeholders as the Local Plan progresses. For example, do you consider a 'workshop' event would be useful or are one-to-one meetings with individual providers more appropriate?

Questions on Policy Development Contributions and Infrastructure:

Question 59. Is there a need for continued overarching policy which sets out Council overall approach to developer contributions i.e. continuation or Policy CP2 (with updates to reflect changed national and local context)? If so, what updates should be made to the policy?

Question 60. Do you have any comments on specific development contributions and infrastructure requirements that should be contained within strategic or non-strategic policies?

Question 61. Are there any developments which should be exempt from developer contributions (e.g. currently housing for the elderly is exempt from CIL)?

Question 62. Do you have any comments on the most recent updated Infrastructure Delivery Plan?

Question 63. Do you have any comments on the evidence required to ensure it reflect the infrastructure requirements of the new Local Plan? Are there any existing evidence base documents, strategies or action plans from relevant organisations that could help inform the Infrastructure Delivery Plan updates?



Question 64. As an infrastructure provider, in what ways would you be able to best engage with the updates of the Infrastructure Delivery Plan on a regular basis?

Neighbourhood Planning

National Policy

- 13.18 The importance and role of neighbourhood plans is reflected throughout national policy, for instance in terms of how neighbourhood plan polices can support the strategic policies of the Local Plan (NPPF, para 13 and 29-30); allocate sites for a range of uses (open space, housing etc.); and develop local policies such as those on design. National guidance provides detail on the production of neighbourhood plans and their role in the plan and decision making processes.

Local Policy

- 13.19 The current Local Plan (Part 1) contains a generic Neighbourhood Planning policy (Policy CP4) which largely reiterates national policy. Further specific guidance is provided on neighbourhood planning within the Statement of Community Involvement (how the Council will assist with the production of neighbourhood plans) and in other specific, informal Council guidance.
- 13.20 The Hednesford Neighbourhood Plan is the only adopted neighbourhood plan in the District (November 2018). There are two other designated neighbourhood areas; Brereton and Ravenhill and Norton Canes. These areas are in the early stages of their plan production.

Consultation feedback/other issues

- 13.21 The majority of respondents stated that the specific current local plan policy on neighbourhood plans was no longer required due to national policy coverage. Some respondents supported continued guidance on neighbourhood plans at the District level and suggested that the local plan should set out clear links between it and neighbourhood plans. Some respondents suggested that there should be a policy if neighbourhood plans allocate sites for housing.
- 13.22 Following consideration of these responses and the updated national policy context, the Council has concluded that it would be more appropriate to reflect the role and importance of neighbourhood planning by making references to the opportunities for neighbourhood plans to support Local Plan policies across the whole plan, rather than in one single generic policy. For example, the need for a housing requirement to be assigned to neighbourhood areas would be reflected in the overall housing strategy policy for the Local Plan. Opportunities for smaller scale site allocations or more local design guidance at the neighbourhood plan level could be reflected in Local Plan polices on housing, open spaces and design. This approach would align with that taken in national planning policy.



Questions on Neighbourhood Planning:

Question 65. Do you agree with the Council's suggested approach to reflecting the importance of neighbourhood planning throughout the Local Plan policies, rather than retaining a separate and generic neighbourhood planning policy as at present?

Approach to strategic and non-strategic policies and site allocations
National Policy

- 13.23 National planning policy (NPPF, para.20-30) is clear that strategic policies should be limited to those necessary to address the strategic priorities of the area (and any relevant cross-boundary issues), to provide a clear starting point for any non-strategic policies that are needed. Strategic policies should not extend to detailed matters that are more appropriately dealt with through neighbourhood plans or other non-strategic policies. Strategic policies should address the overall strategy for the pattern, scale and quality of development providing for housing needs; employment and other commercial development needs; all forms of infrastructure; conservation and enhancement of the natural, built and historic environment; and addressing climate change.
- 13.24 Non-strategic policies should be used to set out more detailed policies for specific areas or types of development. This can include allocating sites, the provision of infrastructure and community facilities at a local level, establishing design principles, conserving and enhancing the natural and historic environment and setting out other development management policies.
- 13.25 Broad locations for development should be indicated on a key diagram, and land use designations and allocations identified on a Policies Map. Strategic policies should plan for and allocate sufficient sites to deliver the strategic priorities of the area (except insofar as these needs can be demonstrated to be met more appropriately through other mechanisms, such as brownfield registers or non-strategic policies) (NPPF, para 23). This suggests not all sites need to be allocated in the Local Plan strategic policies.

Local Policy

- 13.26 The current Local Plan (Part 1) policies contain elements of strategic and non-strategic policy. It is considered some of the policies could be more clearly defined in light of updated national policy requirements. There is one Strategic Housing Site allocated at Land West of Pye Green Road and there are other site allocations, such as the Green Space Network, within the current Local Plan (Part 1).



Consultation feedback/other issues

- 13.27 In light of the updated national policy context, we would welcome views on which Local Plan (Part 1) policies, and elements of them, could be further refined to reflect strategic and non-strategic matters.
- 13.28 In relation to site allocations, there is a similar need to differentiate between strategic and non-strategic sites. National planning policy states that strategic policies should provide a clear strategy for identifying sufficient land to address needs. This should include planning for and allocating sufficient sites to deliver the strategic priorities of the area (except insofar as these needs can be demonstrated to be met more appropriately through other mechanisms, such as brownfield registers or non-strategic policies).
- 13.29 The local context could help determine what constitutes a strategic and non-strategic site e.g. those sites that are critical to the overall strategy. For the Local Plan (Part 1) the only strategic housing site allocated in the District is Land West of Pye Green Road for 900 homes in recognition of its crucial contribution to the overall housing strategy. The Local Plan (Part 2) Issues and Options suggested allocating major sites (with planning permission) of 30 dwellings or more and major sites (without planning permission) of 10 dwellings or more. This approach ensured sufficient allocations to meet the entire housing requirement; however, it did not differentiate between strategic and non-strategic sites.
- 13.30 Strategic sites would need to be allocated via the Local Plan strategic policies and identified on the Policies Map as allocations. It is envisaged that the contribution of non-strategic sites to the overall supply of development could be identified either through non-strategic policies in the Local Plan (e.g. by reference to the most up to date land availability assessments which identifies such sites) or Neighbourhood Plans i.e. these would not be allocated on the Policies Map. However, we would welcome views on this approach.
- 13.31 National planning policy states that local plans should identify land to accommodate 10% of the authorities housing requirement on small sites no larger than 1 hectare (unless justified otherwise by strong reasons). This threshold could be used for non-strategic sites. However, this potentially means sites of 1ha or above would be considered 'strategic' which may not provide a proportionate approach (i.e. a potentially large proportion of sites could require allocation via strategic policies; this may not reflect the intended purpose of a strategic policy).
- 13.32 Another approach could be to use the thresholds used to consider which applications are so significant as to warrant recovery by the Secretary of State in the planning appeal process. This would mean strategic sites would be defined as:



Local Plan Policy Options **Other Policy Considerations**

- Any site providing a minimum of 150 dwellings
- Any housing or employment site of 5ha or greater

13.33 This approach would align with that recently suggested by South Staffordshire District Council in its recent Issues and Options consultation. The applicability of these thresholds to the local context could be tested further as the Local Plan strategy for development emerges. As per the previous approach in Local Plan (Part 2) Issues and Options, the Council is considering whether sites with planning permission should also be allocated via the Local Plan to secure delivery. However, there is also a need to ensure a proportionate approach by focusing upon strategic matters within the Local Plan. We would therefore welcome views on this approach.

Questions on approach to strategic and non-strategic policies and site allocations:

Question 66. Do you have any comments on the approach of separating the updated Local Plan policies into clear strategic and non-strategic elements, where necessary?

Question 67. Do you have any comments on the approach to considering the allocation of strategic sites and non-strategic sites in the Local Plan?

Question 68. Do you have any comments on the site threshold for strategic and non-strategic site allocations within the Local Plan?

Question 69. Should sites with planning permissions and/or those that are already under construction be considered for allocation in the Local Plan?

Safeguarding future land for development and 'reserve' sites **National Policy**

13.34 National policy states that local plans should, where necessary, identify areas of safeguarded land between an urban area and the surrounding Green Belt to meet longer-term development needs, stretching well beyond the plan period. Planning permission for safeguarded land can only be granted following an update to the plan which proposes the development (NPPF, para.139). Plans should also be able to demonstrate that Green Belt boundaries will not need to be altered at the end of the plan period (NPPF, para.139).

Local Policy

13.35 The current Local Plan (Part 1) identified that the need for the safeguarding of land for future development, including the existing land east of Wimblebury Road, would be considered via Local Plan (Part 2). The only remaining safeguarded land within the District is that site which lies east of Wimblebury Road (as identified in Policy CP6 and on the Policies Map). The Local Plan Review has since taken over the Local Plan (Part 2) work. Whilst not safeguarded land, Local Plan (Part 1) Policy CP8 highlighted the potential need to extend Kingswood



Lakeside (into current Green Belt land) should the demand for additional land at the District's high quality employment exceed supply.

Consultation feedback/other issues

- 13.36 Some responses highlighted the need for the Council to consider the safeguarding of land for future development beyond the plan period. Some responses identified the need for flexibility in terms of identifying a range of sites that can deliver the local plan growth.
- 13.37 Given the District context in terms of its Green Belt designations, there is a need to consider whether or not land should be safeguarded for future development. The current safeguarded land east of Wimblebury Road will be considered in terms of the overall preferred strategy for development, and taking into account any responses to this issue.
- 13.38 Since the Local Plan (Part 1) was adopted the requirement to review Local Plans every five years has been introduced. National policy now also places more emphasis upon local plans delivering on their requirements (e.g. via the Housing Delivery Test). This means there is an even greater need for local plans to identify suitable sites, with sufficient flexibility to account for changes in circumstances, so that housing requirements are actually delivered on the ground. One way of trying to ensure this is by identifying more sites than are actually needed at the outset, so that if for whatever reason some sites are not developed there will still be enough sites to meet local housing requirements. These can be referred to as 'reserve sites' which are different to Green Belt safeguarded land in that they would potentially not require another plan review to come forward (in line with national policy). The use of such 'reserve sites' would most likely be triggered by any shortfall in delivery from other sites identified within the Local Plan.
- 13.39 Cannock Chase District sits within a housing market area of significant unmet housing needs and the options to address this are still being explored across the 14 local authorities via Local Plan reviews. In combination with the requirement to review the plan every five years, the approach of identifying safeguarded land to ensure development boundaries are maintained "well beyond the plan period" may not be an appropriate response housing market areas' needs. However, whilst 'reserve sites' may offer more flexibility, the point at which they would be released for development would need to be considered carefully and the Local Plan process would need to prioritise the preferred development sites using the site selection methodology. This could also involve releasing sites from the Green Belt, rather than only safeguarding them. An issue with both approaches is how much land should be identified to ensure a proportionate approach.



Questions on safeguarding future land for development and 'reserve' sites:

Question 70. Should the Council consider identifying additional safeguarded land or reserve sites through the new Local Plan taking into account national policy and the local context? Are there any alternative approaches that the Council could take?

Question 71. If safeguarded land or reserve sites are necessary, how much capacity should be identified and should this be distributed in accordance with the overall preferred strategies for housing/employment development?



Local Plan Policy Options

Draft Methodology for Site Selection

- 14.1 The Local Plan will need to decide which locations have potential to accommodate future growth. In determining the preferred strategy the Council will have regard to relevant matters, taking an evidence-based approach to identifying the most appropriate sites via assessment against the proposed Methodology to determine the 'best performing' sites thus most suitable for development.

National policy

- 14.2 The NPPF sets out in paras 7-9 that the purpose of the planning system is to contribute to the achievement of sustainable development. Consequently the planning system has three overarching objectives to deliver which are interdependent – economic, social and environmental – with development guided towards sustainable solutions taking account of local circumstances to reflect the character, needs and opportunities of each area. NPPF para 23 explains that broad locations for development should be indicated on a key diagram with land use designations and allocations identified on a Policies Map; strategic policies should provide a clear strategy for bringing sufficient land forward and at a sufficient rate to address objectively assessed needs over the plan period and include planning for and allocating sufficient sites to deliver the strategic priorities of the area. The NPPF also provides guidance on identifying land for new homes (paras 67-72) though is not explicit in the process of selecting sites for development. It also emphasises the need to make effective use of land (paras 117-121) in meeting the need for homes and other uses. Strategic policies should establish the need for any changes to Green Belt boundaries, having regard to their intended permanence in the long term, which should only be altered where exceptional circumstances are fully evidenced and justified (para 136). Before concluding that exceptional circumstances exist to justify changes to the Green Belt boundaries, the Council must demonstrate that it has examined fully all other reasonable options for meeting its identified need for development (para 137).

Consultation feedback/other issues

- 14.3 The Issues and Scope consultation for the new Local Plan did not consult specifically on a site selection methodology although it did pose questions for consideration in developing this. Previously however, when work on Local Plan Part 2 was being progressed (before this was ceased in favour of taking forward a full review of the Plan), a suggested methodology was proposed. This can be seen at:
https://www.cannockchasedc.gov.uk/sites/default/files/local_plan_part_2_issues_and_options_final_0.pdf (Pages 12-15)
- 14.4 In terms of the responses received, many broadly supported the approach. Comments were made that the 2016 SHLAA was a robust starting point for



Local Plan Policy Options **Draft Methodology for Site Selection**

identifying options. Some commented that the matrix approach was a useful tool. Some felt it was rather simplistic albeit supported by a narrative – style approach and felt that numerical scoring should not be used for ranking purposes and that assessment should be supported by a robust evidence base (expressing concerns with some areas of evidence and / or suggesting alternative methodology such as a ‘traffic light’ approach).

- 14.5 Some felt there was not enough detail to comment and that examples should have been provided. Some references and terminology were felt to be unclear e.g. in terms of ‘stringent policy constraints’ or ‘sites for which for various reasons are restricted’. Links between the Sustainability Appraisal and Green Belt review were considered to be imprecise and could not therefore result in a fully informed judgement, with the approach being ‘superficial and subjective’.
- 14.6 One representation stated that the matrix was illogical and that Green Belt should not restrict the options for assessment, they should be selected on the basis of sustainability without prejudice to their Green Belt status. It was also commented that there should be another assessment stage before proceeding to Proposed Submission.
- 14.7 Comments were also received in terms of further specifics which respondents felt should be included in the appraisal i.e. the AONB; the potential for Compulsory Purchase (unwillingness to make land available should not be a ‘showstopper’); heritage and setting, ground conditions and land stability (coal mining legacy) ; potential sterilisation of mineral resources; high priority given to brownfield sites; capacity issues in infrastructure; access; formal sport; flood risk; public rights of way (protecting these); and in terms of employment the likely development which would be expected on a site.
- 14.8 In relation to the more recent Issues and Scope consultation for the new Local Plan, we asked questions pertinent to developing a site selection methodology for a range of uses (e.g. housing, gypsy and traveller/travelling showpeople provision, and employment sites). We asked how we could ensure we had considered all potential brownfield opportunities first and invited suggestions for additional brownfield sites (to accord with the new NPPF and its increased focus on a ‘brownfield first’ approach). We also asked what key locations / cross boundary sites might be considered ‘reasonable options’ to consider, and we asked for suggestions on specific criteria for screening out sites which could NOT be considered to be ‘reasonable’ options for development and the justification for this.
- 14.9 In terms of the responses received the following points, expressing a range of views, were made:
- Agree with the ‘brownfield first’ approach



Local Plan Policy Options

Draft Methodology for Site Selection

- Need to avoid an over reliance on brownfield sites: these carry risks.
- Restricting greenfield sites will not guarantee that brownfield land will come forward
- Brownfield land is a 'finite' resource – supplies will decline over time
- Need to be a range of deliverable sites over the plan period, the SHLAA is key to identifying this to identify a sufficient supply of available, suitable and viable supply
- At least 10% of the housing requirement should be on sites no larger than one hectare
- A trajectory of expected housing delivery over the plan period will be needed
- Larger strategic housing sites with multiple sales outlets are key to increasing supply but need to be accompanied by smaller scale, non-strategic, sites
- Sustainability and deliverability is key (including edge of settlements) and can demonstrate the exceptional circumstances needed to justify Green Belt release; the Green Belt should not be used to screen out sites
- The NPPF should be used as the starting point including para 138 and using a full range of criteria
- A flexible approach is needed
- An up to date SHLAA / call for sites and brownfield land register should provide sufficient information already to inform the supply of brownfield sites
- Various developers promoted the merits of their particular sites for inclusion as 'reasonable options' (including cross boundary where applicable) for consideration
- Proposed sites which compromise the provision of waste related facilities should be screened out so safeguard infrastructure needed
- Different views on weighting and scoring, some supported a numerical approach others stated that numerical scoring should not be used
- Sites should be considered 'in the round' and on their own merits not screened using pre defined criteria
- AONB sites should not be screened out just because they are AONB: some sensitive development might be acceptable depending on circumstances
- AONB sites should be screened out, also sites subject to national / European designations relating to ecological or heritage value



Local Plan Policy Options Draft Methodology for Site Selection

- When screening out sites, information needs to be used in relation to SSSI risk zones, and the best and the most versatile land (links and details provided)
- Some sites in the 'SHLAA' are classified as 'not available or deliverable' when in fact they could be.
- For employment, business needs (e.g. expansion, modernisation, and location) need to be taken into account and could help justify Green Belt release.

14.10 These factors have been taken into account and considered in the light of national policy and local context in developing the following proposed methodology.

Proposed Methodology

14.11 A series of factors require consideration in rigorously examining site options for growth. These can most clearly be set out in sequence as a means of filtering each site option to screen out the less desirable, to arrive at the 'best performing' shortlist. This will be an iterative process and may require return to earlier stages as it progresses.

Stage 1: Establish Evidence Base

- Define site parameters – threshold 10 dwellings +? For Housing/Employment/Safeguarded Land
- Pool of sites – SHLAA/ELAA – by settlement/area
- Local environmental capacity/urban potential/survey of underutilised land/buildings
- Housing/employment needs – local need, HMA Strategic Growth Study recommendations
- Assorted site specific information – ecology, heritage, etc.
- Green Belt Review
- Infrastructure Capacity Evidence – schools, waste water network etc.
- SA

Stage 2: Establish a pool of sites and first site sift

The pool of sites to be considered in the site selection process is drawn from the most up to date Strategic Housing Land Availability Assessment (SHLAA) and Employment Land Availability Assessment (ELAA). This is the primary database for all sites that have been suggested for housing and employment development within the District. It provides an overarching assessment of a sites suitability, availability and achievability. A shortlist of sites for further, more detailed assessment in the site selection process can then be established. This involves sifting out any sites that:

- do not meet the thresholds for sites being considered for allocation in the Local Plan (to be determined- see questions in '**Approach to strategic and non-strategic policies and site allocations**');
- are not being actively promoted for development any longer (so are therefore not now available);
- are not considered suitable due to the majority of the site being affected by key



Local Plan Policy Options
Draft Methodology for Site Selection

showstopper constraints (in the local context these constraints are likely to be Ancient Woodland; Scheduled Ancient Monuments; Sites of Special Scientific Interest; Local Nature Reserves; Sites of Biological Interest; Regional Important Geological Sites; Flood Zone 3).

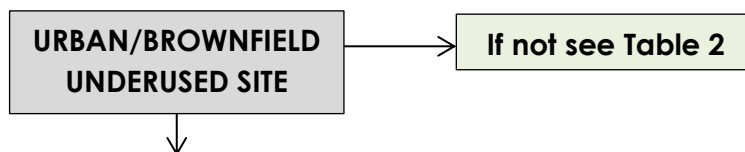
The section on ‘**Approach to strategic and non-strategic policies and site allocations**’ also considers whether or not sites with existing planning permission or in the early stages of construction should be considered for allocation. Such sites may therefore also be sifted out this early stage, or they could be allocated without the need for further detailed site assessment work on the basis of the existing planning consent.

Stage 3: Detailed Site Assessment

Sites which have not been excluded in the stage 2 process are proposed for detailed assessment of their achievability and suitability against a series of site assessment criteria using a traffic light system and given a red, amber or green rating based upon set factors. All of the sites which come through the Stage 2 site sift would be considered available so it is not considered necessary to have a traffic light criterion for this. Alongside the traffic light assessment a commentary is proposed to pick up significant factors and to evidence the traffic light choices. The detailed criteria for the assessments would reflect the requirements of national guidance to make sure that all assessments were carried out in a consistent and objective way. The traffic lights provide a way of presenting information about the characteristics, constraints, capacities and circumstances of a site in a consistent way that enable this, along with other factors, to form part of the overall site selection process and ultimately the recommendation of whether or not a site should be allocated.

Sites would each be assessed via one of the following tables:

Table 1



If yes assess performance against:
Deliverable/Sustainable/Available/Achievable/Estimated Site Capacity
Key environmental constraints – AONB/ecological/heritage/agricultural/TPO/AQMA
Key capacity constraints – transport/education/services (waste management, health etc.)/flood risk/waste water/other community or social infrastructure
Key locational criteria for specific development types – e.g. near town centres or public transport nodes (affordable and other special housing needs – housing for elderly, aspirational housing etc.); accessibility to strategic road (or rail) network (employment uses); key additional factors for employment sites
Any impacts arising from loss of current use of land
Key locational/mitigation opportunities – for enhancement of existing green infrastructure/foot/cycle access; better revealing heritage/interpretation; enhancement of local services (bus services/health services/foot/cycle links to stations etc.) to enhance existing sustainability and mitigate impacts
Planning history of site
RAG rating/commentary



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Table 2

**URBAN
EXTENSION/SETTLEMENT
EXTENSION/GREEN BELT SITE**



Where necessary to release Green Belt and site previously developed and/or well served by public transport assess performance against:
Contribution to Green Belt Purposes
Landscape character/sensitivity to development
Deliverable/Sustainable/Available/Achievable/Estimated Site Capacity
Key environmental constraints – AONB/ecological/heritage/agricultural/TPO/AQMA
Key capacity constraints – transport/education/services (waste management, health etc.)/flood risk/waste water/other community or social infrastructure
Key locational criteria for specific development types – e.g. near town centres or public transport nodes (affordable and other special housing needs – housing for elderly, aspirational housing etc.); accessibility to strategic road (or rail) network (employment uses); key additional factors for employment sites
Any impacts from loss of current use of land
Key locational/mitigation opportunities – for enhancement of existing green infrastructure/foot/cycle access; better revealing heritage/interpretation; enhancement of local services (bus services/health services/foot/cycle links to stations etc.) to enhance existing sustainability and mitigate impacts
Planning history of site
RAG rating/commentary

Stage 4: Evaluation Stage

- professional planning judgement/balance based on performance of site, including site visit and commentary as required
- initial recommendations as to which sites are considered most suitable for selection
- information gathered for sites recommended for selection could be used to inform a policy for each site to ensure that appropriate mitigation, infrastructure and other site specific requirements are delivered when the site is developed. At the planning application stage more detailed site assessment work could further inform these requirements.

Stage 5: Public Consultation

- Public consultation process to inform final site selection

Questions on draft methodology for site selection:

Question 72. Do you have any comments on our proposed site selection methodology?

Appendices

Appendix 1: Cannock Chase District Local Housing Needs Calculation

Local Housing Needs are calculated in line with the standard methodology for assessing housing need, set out in national planning guidance. This is a clear three step process as set out below.

Step 1 - Setting the baseline

Calculate the average household growth over a ten year period. National planning guidance states that this is done using a continuous 10 year period from the current year, using the most recent national household projections (note that the recent consultation on updates to the standard methodology stated that until 2020 projection are released, the 2014 projections should be used and the 2016 projections discounted). These projections indicate that, the number of households in Cannock Chase District is expected to increase by 2,494 over a 10 year period of 2018-2028, implying an average yearly household growth of 249 dwellings each year (an increase from 42,828 households to 45,322 households).

Step 2 – An adjustment to take account of affordability

Government guidance requires us to make an adjustment to the figure given in Step 1, using an adjustment factor which takes account of the ratio of median house prices to median workplace earnings, using the most recently published data provided by the Government (at present this is the 2017 ratios published in 2018). The greater the disparity between house prices and wages in an area, the greater the extent of the uplift. For Cannock Chase District, the local median affordability ratio is 6.23 (i.e. local house prices are around 6 times local wages within the district). Where the ratio is more than 4 (as in Cannock Chase District's case) for every 1% increase in the affordability ratio the average household growth should be increased by 0.25%. No adjustment is required where then ratio is 4 or below. Using calculations set out in the national planning guidance this gives a new requirement for 284 dwellings per annum in Cannock Chase District (a 14% uplift on the household growth from Step 1).

Step 3 – Capping the level of any increase

National planning guidance indicates that there are two instances in which uplifts to local housing need made under Step 2 can be limited. These are:

- Where the level of increase implied by Step 2 is 40% above an up-to-date local plan adopted within the last five years (this also applies where the strategic policies that are more than 5 years old have been reviewed and found not to require updating).
- Where the level of increase implied by Step 2 is 40% above the level of household growth implied by Step 1 OR above the average annual housing requirement most recently adopted (whichever is the higher of the two figures).

The level of increase is not 40% above the current Local Plan (Part 1) requirements of 241 dwellings per annum and it is not 40% above the original level of household

Appendices

Appendix 1: Cannock Chase District Local Housing Needs Calculation

growth. Therefore neither of these provisions are relevant in the case of Cannock Chase District. Consequently the district needs to plan for an annual rate of **284 dwellings per annum**, which is projected across the whole plan period (intended to be 2018-2036). This is our OAN (Objectively Assessed Need). As noted in the main consultation document, this figure will need to be recalculated when new affordability ratios are published (annually in Spring) and when new household projections are released (in Autumn 2020). Any changes to the standard methodology which may be proposed by the Government in the interim period will also need to be taken into account. At the point the Council formally submits its Local Plan for independent examination the housing need figure is 'fixed' for two years.

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
Air Quality Management Area	AQMA	An area designated by the local authority which is not meeting the national air quality objectives.
Local Air Quality Action Plan		A plan to tackle air pollution, particularly focused on AQMAs designated within a local authority.
Area Action Plan	AAP	An optional Development Plan Document. It is aimed at establishing a set of proposals and policies for the development of a specific area (such as a town centre or an area of new development).
Area of Outstanding Natural Beauty	AONB	A statutory National Landscape designation to provide special protection to defined areas of natural beauty.
Authority Monitoring Report	AMR	An annual report produced by the local authority that monitors the effectiveness of Local Plan policies e.g. number of new houses built, amount of new open spaces.
Birmingham City Council		The local Government body responsible for managing the City of Birmingham, including the Planning services.
Brownfield Land		Brownfield (also known as Previously Developed Land) is a previously developed site that is available for re-use, usually due to abandonment or under use.
Brownfield Development		Site available for re-use which has been previously developed and is abandoned or underused.
Brownfield Registers		A statutory list of previously developed sites that could be suitable for residential development.
Call for Sites		The process of collecting and collating information on potential development sites.
Community Infrastructure Levy	CIL	A charge on new developments that can be levied by local authorities (or other authorities with charging powers e.g. Mayor of London) to fund infrastructure projects. The charging rates are set locally and vary from one area to another e.g. on the types of development charged and the value of those charges. In Cannock Chase, the charges are currently £40 per sqm for residential development and £60 per sqm for out of town and all large foodstore retail development (subject to increases due to indexation).
Cannock Chase District Council	CCDC / CCC	The Local Planning Authority for Cannock, Rugeley, Hednesford, Norton Canes and neighbouring villages.

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
Conservation Area		Protected areas of special architectural or historic interest.
Conservation Area Management Plans		Plans that set out how Conservation Areas should be managed to protect their historic assets and integrity.
County Council	CC	The upper tier of two-tier authorities covering a county wide area.
Density		The amount of development that a site can accommodate (often measured in dwellings per hectare for residential development)
Dwellings Per Hectare	DPH	Unit of land measurement relative to the amount of dwellings it could accommodate.
Design Supplementary Planning Document	Design SPD	A document providing additional planning information and guidance on design issues for development in Cannock Chase District.
Development Plan Document	DPD	Sets out the Local Planning Authority's policies and proposals for the development and status of land. It can include a Local Plan, Site Allocations and Area Action Plan documents amongst others.
Developer Contributions and Housing Choices SPD		A document providing additional planning information and guidance on developer contributions and housing provision within Cannock Chase District.
District Council	DC	The lower tier of two-tier authorities, responsible for local services.
Duty to Cooperate		This is a legal test that requires cooperation between local planning authorities and other public bodies to ensure Local Plan policies effectively address strategic issues e.g. infrastructure, housing. It is separate from but related to the Local Plan test of soundness.
Economic Development Needs Assessment	EDNA	An assessment of the amount and type of employment land required in the District, taking into account a range of factors including the existing and potential future economic trends in the District and several forecast models for future needs.
Employment Land Availability Assessment	ELAA	A database of sites put forward by stakeholders including the Council and land owners to be assessed for their suitability for future employment uses.
Environmental Capacity Study		A study carried out to assess future development potential within Cannock Chase District.
Greater Birmingham & Black Country Housing Market Area	GBBCHMA	A housing market area is a geographical area defined by household demand and preferences for all types of housing, reflecting

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
		the links between places where people live and work. This HMA is based on the wider Birmingham & Black Country (Dudley, Sandwell, Walsall, Wolverhampton) area.
Greater Birmingham and Solihull Local Enterprise Partnership	GBSLEP	The Local Enterprise Partnership (see definition below) for this area, covering a number of local authorities including Cannock Chase District.
Green Belt		A policy and land use designation used to retain areas of largely undeveloped, wild, or agricultural land surrounding or neighbouring urban areas.
Green Belt Review		A process that sets out the methodology and mechanism for potential possible alterations to the Green Belt boundaries.
Green Space Network		A network of linked green infrastructure within Cannock Chase District that links urban areas to the countryside.
Gypsy, Traveller and Travelling Showpeople	GTTS	National Planning Policy defines 'Gypsies and Travellers' as 'persons of nomadic habit of life whatever their race or origin, including such persons who on grounds only of their own or family's or dependents' educational or health needs or old age have ceased to travel temporarily, but excluding members of an organised group or travelling showpeople or circus people travelling together as such'. 'Travelling Showpeople' are defined as 'members of a group organised for the purposes of holding fairs, circuses or shows (whether or not travelling together as such). This includes such persons who on the grounds of their own or their family's or dependents' more localised pattern of trading, educational or health needs or old age have ceased to travel temporarily, but excludes Gypsies and travellers as defined above'.
Gypsy, Traveller and Travelling Showpeople Accommodation Assessment	GTAA	An assessment of the accommodation needs of gypsy, traveller and travelling showpeople for the plan period. This is then used to identify how many new sites may be needed for such accommodation in the District.
Habitats Regulation Assessment	HRA	The Habitats Regulations Assessment is a tool to identify whether there are likely to be any harmful effects from minerals and waste policies and development proposals on internationally important nature sites. The

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
		HRA considers how significant any impacts are likely to be, and identifies whether they can be reduced (mitigated) to protect these sites or whether it is not possible to offset any likely adverse effects. Internationally important nature sites include Special Areas of Conservation (SAC) which have important habitat features, Special Protection Areas (SPAs) which relate to important bird populations and Ramsar sites which are internationally important wetlands. Collectively, these are often referred to as Natura 2000 sites.
Hectare	HA	A unit of land measurement.
Housing and Planning Act 2016		An Act of Parliament that introduced changes to housing policy and the planning system.
Housing Delivery Test		An annual test (by central Government) of the extent to which a local authority is meeting its local housing requirements. Where the amount of new homes being built does not meet requirements there are different penalties dependent upon the level of under delivery.
Housing Needs Assessment		An assessment of the amount and type of housing accommodation required in the District, focused particularly upon affordable needs.
Indoor and Outdoor Sports Facilities Assessment		An assessment of the current quantity and quality of the local authority areas' facilities and an assessment of the future needs for indoor and outdoor sports provision (in quantity and quality terms), taking account of future population changes.
Infrastructure Delivery Plan	IDP	A plan to identify and aid implementation of the necessary social, physical and green infrastructure required to create sustainable communities.
Landscape Character Assessment		A detailed study that analyses and sets out different types of landscape within an area and their historical context.
Local Enterprise Partnership	LEP	A body, designated by the Secretary of State for Communities and Local Government, established for the purpose of creating or improving the conditions for economic growth in an area.
Local Green Space	LGS	Local Green Space designation is a way to

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
		provide special protection for green areas of particular importance to local communities.
Local Nature Reserve	LNR	Local Nature Reserves (LNRs) are places with wildlife or geological features that are of special interest locally. There are over 1280 LNRs in England covering almost 40,000 ha
Local Plan		The Development Plan for a Local Planning Authority area. It can include Development Plan Documents such as Site Allocations and Area Action Plans.
Local Planning Authority	LPA	The authority responsible for planning functions within a District, County or any other type of administrative area.
Local Plan (Part 1)	LPP1	The adopted 2014 Development Plan Document that sets out the strategic planning policies and context for Cannock Chase District.
Local Plan (Part 2)	LPP2	The Development Plan Document that was intended to accompany LPP1 by providing further policy context and allocating sites for future development.
Mineral Safeguarding Areas		An area of land protected from development due to the presence of minerals within a site that could be required for future extraction.
Minerals Plan		A planning document that sets out future minerals needs within an area and protects mineral extraction sites to meet that demand.
Mitigation and Implementation Strategy		A framework that aims to provide protection against a potential threat and provide practical solutions or alternatives to solve the problem.
National Planning Policy Framework	NPPF	This document sets out the Governments planning policies for England and how they should be applied.
National Planning Policy Guidance	NPPG	The Government planning advice that accompanies the National Planning Policy Framework.
Neighbourhood Plans		A plan prepared by a Parish Council or Neighbourhood Forum for a particular designated Neighbourhood Area.
Open Space Assessment		An assessment of the current quantity and quality of the local authority areas' open spaces and an assessment of the future needs for open space provision (in quantity and quality terms), taking account of future population changes.
Parking Standards,		A document providing additional planning

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
Travel Plans and Developer Contributions for Sustainable Transport SPD		information and guidance on transport related matters within Cannock Chase District.
Policy Map		A map that shows the location of planning designations, which are usually also set out in written planning policies.
Partner Authorities		The Government bodies working together as a team on a contract or project.
Retail and Leisure Study		A study on retail and leisure uses within Cannock Chase District, including existing and future capacity.
Safeguarded Land		Land that is protected for a specific future, often longer term, land use.
SAC Zone of Influence		An area within which new residential development must provide mitigation measures to avoid harm to Cannock Chase SAC.
Self Build Registers		A register of people who are interested in building their own dwelling within Cannock Chase District.
Self Build and Custom Housebuilding Act 2015		An Act of Parliament that sets out legislation on self build and custom house building.
Site Assessment Matrix		A framework for assessing whether a site is suitable for a proposed use or designation.
South Staffordshire District Council	SSDC	The Local Planning Authority for South-West Staffordshire. It covers areas including Great Wyrley, Cheslyn Hay and Huntington.
Special Area of Conservation	SAC	Special Areas of Conservation (SACs) are protected sites under the European Community Habitats Directive. They provide increased protection to a variety of wild animals, plants and habitats and are a vital part of global efforts to conserve the world's biodiversity.
Stafford Borough Council	SBC	The Local Planning Authority for the Stafford area. It includes the northern part of Cannock Chase AONB, Brocton and Great/Little Haywood.
Staffordshire County Council	SCC	The upper- tier in a two tier Local Authority system County wide Planning Authority for Highways, Minerals and Waste planning matters.

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
Statement of Community Involvement	SCI	A statement of how Cannock Chase Council will consult the local community when preparing planning documents and consulting on planning applications.
Strategic Flood Risk Assessment and Water Cycle Study	SFRAWCS	SFRA – An assessment of flood risk across the District taking into account the most up to date data on flooding from various sources e.g. rivers and surface water. WCS- An assessment of water resources across the District to identify if there is sufficient supply to support future developments and/or what upgrades to infrastructure may be required.
Strategic Housing Land Availability Assessment	SHLAA	A database of sites put forward by stakeholders including the Council and land owners to be assessed for their suitability for future residential uses.
Strategic Housing Market Assessment		A report on the objectively assessed and evidenced development needs for housing within an area.
Stoke-on-Trent & Staffordshire Local Enterprise Partnership	SSLEP	The economic body for the Staffordshire County Council and Stoke On Trent Government areas. See LEP definition.
Supplementary Planning Document	SPD	A local development document that may cover a range of issues, thematic or site-specific, and provides further detail of policies and proposals in a 'parent' development plan document.
Sustainability Appraisal	SA	An appraisal of the economic, environmental, and social effects of a plan.
Town and Country Planning Regulations 2012		Regulatory framework
Viability Assessment		An assessment of whether or not development is likely to be financially viable, taking into account a range of relevant factors including land values and costs, development costs, financing costs and developer profit. These assessments can be undertaken at a Local Plan level (i.e. how will Local Plan policies affect the financial viability of developments in the District generally) and at a site-specific/development level.
West Midlands	WMCA	A recently constituted authority formed of

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Appendix 2: Glossary

Phrase	Abbreviation	Definition
Combined Authority		local authorities and Local Enterprise Partnerships (LEPs) chaired by the Mayor for the West Midlands. It enables the transfer of powers on decision making and funding from central Government to the West Midlands on specified areas (as set out within devolution agreements) e.g. transport, housing.

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Report of:	Head of Housing and Partnerships
Contact Officer:	Amanda Laight
Telephone No:	01543 456869
Portfolio Leader:	Housing
Key Decision:	No
Report Track:	Cabinet: 07/02/19

CABINET
7 FEBRUARY 2019
REVIEW OF THE PROVISION AND DELIVERY OF DISABLED FACILITIES
GRANT WORKS TO COUNCIL OWNED DWELLINGS

1 Purpose of Report

- 1.1 To review the procedure for delivery of disabled facilities grant works to council owned dwellings and provide recommendations for the future delivery of this service.

2 Recommendation(s)

- 2.1 That Approval is granted for the proposed new policy relating to the delivery of disabled facilities grant works to Council owned dwellings
- 2.2 That approval is granted to procure an external Occupational Therapy Service provider to assist the Housing Section in meeting its obligations set out in the above and if, at a later date, it transpires that it is more cost effective for the Council to directly employ an Occupational Therapist to undertake this work, the Head of Housing and Partnerships shall have delegated authority to review and action this change.
- 2.3 That £415,000 of the following unspent HRA Capital Budgets from the 2018-19 Capital Programme are transferred into the HRA Adaptations Capital Budget for expenditure during 2019-20 with any unspent monies being slipped into the 2020-21 budget:-

Future Enhancements	£175,000
Provision of Drop Kerbs	£ 20,000
Provision of Double Glazing	£ 20,000
External Envelope Contract	£200,000
	£415,000

- 2.4 That the Council continues to support the funding of adaptations to the housing stock and a Capital budget of £550,000 is allocated to the provision of

adaptations for 2020-21 and future years in order to sustain the anticipated waiting times to within 12 months.

3 Key Issues and Reasons for Recommendations

Key Issues

- 3.1 The Disabled Facilities Grant System provides a mechanism for assisting people both financially and practically with the undertaking of adaptations to their home.
- 3.2 For owner-occupiers and private tenants, this service is provided by the Council under the Disabled Facilities Grant (DFG) Legislation in the form of a grant which is means-tested.
- 3.3 For our council housing tenants, although the process reflects the DFG legislation, the works are not a grant but are funded from the HRA budget and we do not means test our tenants. We are still of the opinion that we should not means-test because the works are being carried out to our own housing stock.

Reasons for Recommendations

- 3.4 There has always been a large demand in the district for adaptations for the Councils' Housing tenants although following a previous increase in funding the waiting time had reduced to around 12 months. However, over the last 2 years the Housing Service has received a steady increase in demand for adaptations.
- 3.5 Following changes in the delivery model for Adult Care Services in April 2018 the Council is now funding the cost of Occupational Therapy Assessments linked to the Adaptations referrals for adult cases which were previously funded by the County. There has also been a further influx in new referrals including a high number of requests for minor alterations such that now the anticipated wait for major adaptations has increased to over 2 years, which is back to the levels of 2012-13.
- 3.6 In order to adapt to these new procedures, since April 2018, the Housing Team have been utilising the services of an external agency specialising in Occupational Therapy Services to undertake assessments of peoples' needs.
- 3.7 We have now undertaken a full review of the service requirements and through this report have made recommendations for the future delivery of the provision of Disabled Facilities Grant Works to the Councils' housing stock.

4 Relationship to Corporate Priorities

- 4.1. This scheme supports the Council's Corporate Priorities as follows:
 - (i) 'Community Wellbeing' – specifically the Strategic Objectives of 'Supporting Vulnerable People' and 'Promoting Attractive and Healthy Environments' by increasing resilience within families.

5 Report Detail

Overview of the Disabled Facilities Grant Legislation

- 5.1 Disabled Facilities Grants (DFGs) are mandatory grants provided by Local Authorities to disabled people in order to facilitate the undertaking of alterations and major adaptations to enable greater access and more freedom of movement into and around their homes. The legislation governing the provision of these DFGs is the Housing Grants, Construction and Regeneration Act 1996.
- 5.2 The types of work covered under the DFG legislation include:-
- Access into the dwelling by installing a ramp or widening doorways;
 - Access around a dwelling by widening doorways, moving walls or changing the layout;
 - Access to a bedroom, the toilet or bathroom by providing ground floor facilities or by providing a stair lift or by providing a through-the-floor lift;
 - Providing access to bathing by the provision of a level-access or easy access shower which may also include the requirements of an alternative toilet or wash-hand basin, the provision of a changing table or ceiling track hoist;
 - Providing accessible kitchen facilities if the disabled person is the main meal provider or partially accessible kitchen facilities where there is only the requirement to prepare a drink or snack;
 - Changes or improvements to a heating system or electrical installations;
 - Access into the garden.
- 5.3 Before issuing a DFG the Council should satisfy itself that the works are not only necessary and appropriate to meet the needs of the disabled person, but are also reasonable and practicable alterations to make to the property bearing in mind its age and condition.
- 5.4 Where it is not reasonable and practicable to alter the existing property, the DFG legislation allows for assisting a person to move to a more suitable property.
- 5.5 The local authority is required to decide within six months of the receipt of a grant application as to whether it has been accepted and following this decision the person then has twelve months within which to undertake the works and submit their final payment request.
- 5.6 Allowable costs include works costs, design fees, OT assessments, moving costs (if their current home is unsuitable) and any other relevant cost.

Adaptations for Council House Tenants

- 5.7 Although eligibility for DFGs is tenure neutral, the Council is required to fund DFGs to its housing stock from the HRA budget, not the DFG budget and hence adaptations to the housing stock are processed outside the DFG mechanism.
- 5.8 The types of work undertaken are the same for both DFG applications and for adaptations for Council House tenants.

5.9 The differences are that for Council House tenants the process is simplified in that:-

- There is no formal DFG application;
- The funding is not capped to £30,000;
- There is no means-test;
- However, only the “mandatory scheme” is supported - i.e. the most cost effective solution to meet the needs of the person;
- The works are designed and undertaken by the contracts set in place by the Housing Team and to the same standards as other contract works.

5.10 Over the last few years there has been a significant increase in the DFG funding available for private sector adaptations which means there is now an imbalance such that our Council House tenants are currently waiting much longer for their adaptations than those in the private sector.

5.11 As a Landlord, we also have to consider the general suitability of the facilities we are providing for our tenants regardless of whether the person would qualify for a DFG, which places a further strain on our resources.

Referral Process for Council House Tenants (pre April 2018)

5.12 Prior to April 2018, the process for administering adaptations to the Council’s Housing Stock followed the following process:-

5.12.1 An Occupational Therapist (OT) from the SSOTP Access Team would undertake an assessment of the person’s needs.

5.12.2 Equipment would be trialled (eg. a bath board to assist with transfers in and out of the bath) and minor alterations (upto the value of £1,000) would be undertaken (eg. the provision of grab rails to assist with the transfer in and out of the bath).

5.12.3 Where equipment was not suitable, a referral would be sent to the Council recommending major alterations to the property. This would give outline details of the requirements (eg. wider sliding door to bathroom, 1200 x 1000 shower area).

5.12.4 Checks would be undertaken (Council property, person lives at the property, no RTB application in progress, the property is suitable for adaptation and will meet long-term needs) and once approved the case would be placed on the waiting list.

5.12.5 Once at the top of the waiting list, a detailed scheme would be drawn up and sent to the OT for approval.

5.12.6 The works would be undertaken and on completion the OT would sign them off to say they were happy the adaptations were meeting the needs of the person.

5.12.7 The OT would provide any additional equipment the person needed (eg. a shower chair).

5.12.8 Where stair lifts or vertical lifts were provided, the OT would add these and other similar items onto the County Council's maintenance programme.

Current Referral Process for Council House Tenants (since April 2018)

5.13 Since April 2018, the process for administering adaptations to the Council's Housing Stock depends upon the level of need a person has as defined in the Care Act.

5.14 For those people with two or more needs under the Care Act, the referral process is as follows:-

5.14.1 An Occupational Therapist (OT) from the SSOTP Access Team carries out an assessment of the person's needs. As previously, equipment is trialled and minor alterations undertaken. Where equipment is inadequate an outline referral is made to the Housing Team (eg. the person requires assistance with "access to bathing"). The Access Team have no further involvement.

5.14.2 On receiving the referral, the Housing Team checks it is a Council property, the person lives at the property and there is no RTB application in progress.

5.14.3 The referral is then passed onto a private OT company to prepare a detailed report specifying how the needs of the person may be met within the property.

5.14.4 Once the private OT report is received, the Housing Team review the suitability of the property for adaptation and once approved the case is placed on the waiting list, prioritised firstly in order of level of need and secondly time waiting.

5.14.5 When at the top of the waiting list, a detailed design is drawn up and signed off by the private OT and then once the works are complete the private OT is asked to check that the works meet the needs of the person.

5.14.6 In accordance with current DFG guidance, equipment, such as shower chairs, is now provided as part of the adaptation (previously this was provided by the Social Services Access Team).

5.15 For those people with only one need or no specified need under the Care Act, they are no longer eligible for an assessment by the Access Team and are advised to purchase their own equipment or if they require a DFG to contact the District Council. For this group of people the referral process is as follows:-

5.15.1 A very basic referral is received direct from Staffordshire Cares (eg. confirming the person has expressed difficulty with accessing the bathroom).

5.15.2 The Housing Team checks it is a Council property, the person lives at the property and there is no RTB application in progress.

- 5.15.3 The referral is then passed onto a private OT company to firstly determine whether an adaptation is required and then, if necessary, prepare a detailed report specifying what adaptations the person needs.
- 5.15.4 Once the private OT report is received, the Housing Team review the suitability of the property for adaptation and once approved the case is placed on the waiting list, prioritised firstly in order of level of need and secondly time waiting.
- 5.15.5 When at the top of the waiting list, a detailed design is drawn up and signed off by the private OT and then once the works are complete the private OT is asked to check that the works meet the needs of the person and any equipment is provided which is gifted to the person.
- 5.15.6 In cases where a DFG standard of adaptation is deemed desirable rather than essential, we do not undertake any further works as our current policy does not cover minor works or equipment.
- 5.16 Where a person contacts the Housing Team for an adaptation, in the first instance we refer them back to Staffordshire Cares to ensure that anybody with two needs under the Care Act receives any wider help and support they need (eg. a person may need a whole care package set up and may require assistance from other services besides an adaptation).

Proposals to Meet the Future Needs of the Adaptations Service for Council Tenants

- 5.17 A recent review of the service has found the current budgets stretched and it is recognised that we need to be more innovative in our approach to delivering adaptations.
- 5.18 Attached is the proposed new Policy setting out our proposals for a more streamlined customer focussed service (see Appendix A).
- 5.19 Key features of the new policy include:-
- Enhanced support where a person chooses to move to a more suitable property including the option for works to be undertaken prior to moving in and support with removal costs;
 - Higher priority for those cases with more identified needs under the Care Act;
 - Greater emphasis on exploring alternative housing options earlier in the process and the utilisation of properties already benefitting from adaptations;
 - For £20,000 of the 2019-20 budget to be earmarked for minor adaptations works where a risk assessment identifies that the risk of injury could be vastly reduced by the provision of items such as grab rails, handrails, stair rails and lever taps. This area of budget is to be reviewed in 2020-21.

- Review of maintenance provisions for equipment such as stair lifts, vertical lifts, clos-o-mat toilets, etc, to ensure these items of equipment are regularly maintained and safe to use.

Current Resourcing Issues and Proposals

- 5.20 As at 31st March 2018, there were 108 adaptations cases where the work was either in progress or on the waiting list and since then we have received a further 82 cases making the total 190 cases to progress.
- 5.21 Whilst in the first 3 months of this financial year there was a surge of cases, this seems to have settled down again now and is more in line with the numbers from recent years at an anticipated 90 cases per annum. On that basis, by 31st March 2020 we would anticipate receiving a further 110 referrals making the total number over the 2-year period to be 300 cases.
- 5.22 From historical data, the average cost of delivering the adaptations equates to £6,000 each case, aside of one case which is an extension and needs to be considered separately (estimated cost circa £35k). Onto this figure needs to be added the cost of the external OT service, which equates to an estimated average of £250 per case (although the first 50 cases have still been on the old system and have not attracted OT costs). Thus the total anticipated cost of delivering the 300 adaptations cases by 31st March 2020 would be circa £1.9m.
- 5.23 In line with good practice, it is our intention to aim to reduce the waiting time for adaptations to within 12 months.
- 5.24 Having analysed the impact of different length waiting lists, the conclusion is that the optimum length waiting list is 50% of the anticipated number of referrals being received during the year, so long as the number of adaptations completed also matches the number of referrals received. Progress should be reviewed at the half-year stage and any necessary adjustments made.
- 5.25 Thus, on the current basis of 90 referrals per annum, this would reduce the number of adaptations required to be completed for the 2-year period from 1st April 2018 to 31st March 2020 down to 255 cases with an estimated total cost of £1,625,000.
- 5.26 The original revised budget for 2018-19 was £389,000 and for 2019-20 £396,000. On the basis of an anticipated 90 cases per annum, the annual budgetary requirement is requested to be increased to £550,000 per annum along with the addition of the £415,000 of redirected Capital resources.
- 5.27 This means the total budget now allocated over the period April 2018 to March 2020 would be £1,254,000, with a further additional budget of £513k allocated between April 2020 and March 2023. This should be adequate to meet the estimated future demand and reduce the waiting times for adaptations to within 12 months.
- 5.28 A review of the internal staffing requirements for the service delivery since April 2018 shows an increase of 1.5 days per week for the Assistant Housing Property Services Manager and an extra 1 day per week for the Admin Support. Resources are stretched due the need to manage the current waiting list and the

time taken with dealing with an increased number of complaints due to the lengthy waiting times.

5.29 Prior to April 2018 all of the Occupational Therapist assessments and visits were co-ordinated and funded by the SSOTP Adult Access Team and the Staffordshire Cares Children's Access Team. Since April 2018, all new Adult OT assessments have been carried out by a private OT service through a company called Able-2 and funded by the Adaptations budget.

5.30 Based on historical data, it is anticipated 90 adaptations referrals will be received per annum. On the basis of the costs of utilising Able-2, it is anticipated it will cost around £22.5k per annum to process these adaptations. Added to this would be additional visits on complex cases and property assessments to facilitate people moving at an estimated cost of £90 per visit. This is estimated to cost a further £2.5k making the total anticipated cost approximately £25,000.

5.31 By comparison, directly employing an OT to support the service would most likely be a H-grade post (although this has not currently been formally evaluated through the job evaluation process but has been assessed on the basis of salary scale for a recent advertisement for a children's OT post). On that basis it is anticipated this post would cost around £28k per annum 3 days per week.

5.32 The advantages of employing an OT are:-

- The person would have the right skills to manage the waiting list, undertake risk assessments, be on hand to assess the suitability of properties and support people through the process;
- There would be a consistent approach across the delivery of the service and in the recommendations being made;
- There would be a reduction in the excessive amount of time currently being spent on managing the adaptations process by the Assistant Housing Property Services Manager;
- There would be a reduced need to share sensitive personal information to external organisations;
- The OT would be able to work with each case from the first point of contact, providing a more pro-active service by working with the tenants and allocations teams to review housing options and increasing the potential for re-using properties we have already adapted.
- An in-house OT would be best placed to maximise the potential of more cases re-using properties already adapted.

5.33 The disadvantage of directly employing an OT is that there would not be any cover if the person were on holiday or off sick or to cope with any peak demands.

5.34 However, as the costs are unproven, the recommendation is to progress with the employment of an external OT provider and review the service at a later date.

6 Implications

6.1 Financial

The allocation of additional short term funding in order to reduce the backlog of current cases to within a waiting time of 12 months.

To review the longer term budget to ensure the waiting time for adaptations is sustained within the recommended maximum of 12 months.

6.2 Legal

Reduced risk of claim through issues with mobility and access around a property being addressed in a more proactive manner.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None above the requirements of normal service standards for processing personal and sensitive information of our housing tenants.

6.7 Risk Management

A reduction in waiting times for adaptations will reduce the risk of injury.

6.8 Equality & Diversity

An Equality Impact Assessment has been completed.

6.9 Best Value

None

7 Appendices to the Report

Appendix 1: New Policy for The Delivery of Disabled Facilities Grant Works and Other Adaptations to Council dwellings

Previous Consideration

None

Background Papers

- Housing Grants, Construction and Regeneration Act 1996
- House of Commons Briefing Paper Number 03011, 22 July 2018 – Disabled Facilities Grants for home adaptations (by Wendy Wilson)



**POLICY AND PROCEDURE FOR THE DELIVERY OF
DISABLED FACILITIES GRANT WORKS AND OTHER
ADAPTATIONS TO COUNCIL OWNED DWELLINGS**

1 Background

- 1.1 Cannock Chase Council is responsible for the provision of mandatory Disabled Facilities Grants (DFGs) to assist disabled people with undertaking major alterations to their home in order to facilitate access in and around the property.
- 1.2 Although the DFG legislation is tenure neutral, there is separate funding for adaptations to the Council's Housing Stock compared to that of privately owned dwellings and hence this policy only relates to Council-owned dwellings.
- 1.3 Further information on DFG applications for private owner-occupiers or private tenants may be obtained from 'Private Sector Housing', which sits under Environmental Health.

2 What are Disabled Facilities Grant Works

- 2.1 Disabled Facilities Grant Works are adaptations or alterations made to a property to enable the disabled occupant greater access and more freedom of movement into and around their home. The principle is around what alterations are required to the property in order to meet the needs of the disabled person.
- 2.2 It is anticipated that all works will either be defined as a Major or Minor Adaptations Work and may involve the provision of building works and/or equipment. Examples of the types of work covered are provided within this policy, although the lists are not exhaustive.
- 2.3 However we will only consider undertaking works which are deemed necessary and appropriate to meet the needs of the disabled person and the proposed alterations must also be reasonable and practicable bearing in mind the age and condition of the property.

3 Major Adaptations Works

3.1 Major Adaptations will typically cost more than £1,000 and works will generally be undertaken by external specialist contractors.

3.2 Major adaptations works include:-

- Access into the dwelling by installing a ramp or widening doorways;
- Access around a dwelling by widening doorways, moving walls or changing the layout;
- Access to a bedroom, the toilet or bathroom by providing ground floor facilities or by providing a stair lift or a through-the-floor lift;
- Providing access to bathing by the provision of a level-access or easy access shower which may also include the requirements of an alternative toilet or wash-hand basin, the provision of a changing table or ceiling-track hoist;
- Providing accessible kitchen facilities if the disabled person is the main meal provider or partially accessible kitchen facilities where there is only the requirement to prepare a drink or snack;
- Changes or improvements to a heating system or electrical installations;
- Access into the garden.

4 Minor Adaptations Works

4.1 Minor Adaptations will typically cost less than £1,000 and works will generally be undertaken by the in-house Housing Repairs and Maintenance Service.

4.2 Minor Adaptations Works include the following:-

- Grab rails;
- Hand rails;
- Stair rails;
- Lever taps;
- Minor kitchen, bathroom or layout alterations;
- Any other simple minor alterations.

5 Fixed Equipment

- 5.1 Large items of fixed equipment include stair lifts, vertical lifts, clos-o-mat toilets, step lifts, changing tables and ceiling-track hoists (this list is not exhaustive).
- 5.2 Ongoing servicing and maintenance to large items of equipment.

6 Unfixed Equipment

- 6.1 Any equipment which is not fixed to the building structure (eg. shower chairs or slings for ceiling track hoists). Unfixed equipment will only be provided where necessary to facilitate the use of a major adaptation.
- 6.2 All unfixed equipment provided will be gifted to the tenant.

7 Eligibility Criteria

- 7.1 The primary eligibility criteria for an adaptation under this policy are as follows:-

- The person must be a Cannock Chase District Council Housing tenant or a dependant of the tenant who lives with them and able to prove they are permanently resident at the property and that this property is their only home;
- That any works will substantially improve the health, safety and wellbeing of the disabled person. This will most likely be determined by the undertaking of a risk assessment to assess the impact of the proposed adaptations and whether they will substantially reduce the risk of serious injury or infection to either the disabled person or their carers.

- 7.2 The general eligibility criteria for an adaptation under this policy are as follows:-

- The property must not have a current Right-to-Buy (RTB) application. If at any point during the adaptations process a RTB application is submitted, the referral will be put on hold until the RTB is either withdrawn or completed. Withdrawn RTB cases will be reactivated and completed RTB cases will be passed onto Private Sector Housing to progress under the DFG legislation;
- The property must not have any current un-managed rent arrears or other unmanaged debt with the Council. Where any unmanaged arrears exist we will require confirmation from the Housing Income Management Team or other relevant department that the debt is being satisfactorily managed prior to us accepting the adaptation referral;

- There must not be any current tenancy breaches. Where any tenancy breaches exist we will require confirmation from Tenancy Services that these have been satisfactorily resolved prior to us accepting the adaptation referral;
- The property must meet the general needs of the occupants. Where a property is under or over occupied or where an alternative property would eradicate the need for certain adaptations (eg. ground floor accommodation would not require the provision of a stair lift or vertical lift), we will work with the tenant to find a more suitable property prior to us accepting the adaptation referral;
- The property must not be earmarked as “unsuitable for adaptation”. Unfortunately some of our properties are not suitable for adaptation and others are only suitable for certain types of adaptation. This may be due to the external topography of the ground, the construction type or some other reason. Where a property cannot be adapted we will work with the tenant to find a more suitable property prior to us accepting the adaptation referral;
- In adapting a property the number of bedrooms must not be reduced. Where this would be the case, we will work with the tenant to find a more suitable property;
- The person must be intending to continue to reside at the property as their main and only residence for at least 5 years after the adaptation works have been completed;

7.3 Where a tenant who needs an adapted property wants to move, approval for the move needs to be obtained so that the suitability of the new property may be assessed. This may be someone who already has the benefit of some adaptations in their home or who may be waiting for some adaptations to be undertaken. This will ensure the property is suitable for the person’s need prior to moving and will also enable essential adaptations to be undertaken prior to their move.

7.4 Approval will not be given for a move to a property which is less suitable or more expensive to adapt than the current accommodation.

7.5 Where a tenant who benefits from some adaptations removes those adaptations either personally or through tenant choice from a property upgrade, a new adaptations referral request to re-install those facilities will not be accepted until the latter of 5 years after the date of the original adaptation and 12 months after the date the adaptations were removed.

- 7.6 Where a tenant who benefits from some adaptations moves to a property which is not adapted to meet their needs, a new adaptations referral request to provide those facilities which were installed in their previous home will not be accepted until the latter of 5 years after the date of the original adaptation and 12 months after the move-in date.

8 Assessment of Need

- 8.1 As part of the DFG process, the Council is required to consult with the Staffordshire Social Services Authority regarding the provision of DFG's. In meeting this requirement all cases will be referred to Social Services for an initial assessment and review.
- 8.2 Parents of disabled children will need to contact the Children's OT service on 0800-131 3126 to discuss their needs. Where a DFG is required an OT will forward their assessment onto the Council.
- 8.3 Adults requiring adaptations will need to contact the Adult Social Care Team on 0300-111 8010.

9 Meeting the Needs of the Disabled Person

- 9.1 The eligibility criteria will be applied equally to all cases.
- 9.2 Once a need has been identified, the first consideration will be to look at properties which have already been adapted to see whether any or how many suitable properties may exist.
- 9.3 Where suitable properties are identified we will work with the person / family to meet the need by facilitating a move to an alternative dwelling. This will be reviewed every 3 months up to a maximum of 12 months.
- 9.4 Once the option for suitable alternative properties has been explored, where there is no waiting list, cases will then be processed in the order they are received.
- 9.5 Where there is a waiting list, cases will be split into High, Medium and Low priority groups and will be moved off the waiting list in batches on the basis of the oldest cases within that group.
- 9.6 Higher Priority Cases will include:-
- Cases where the person has two or more needs as defined under the Care Act;

- Any Medium Priority Cases which have been waiting over 6 months;
- Any Lower Priority Cases which have been waiting over 12 months.

9.7 Medium Priority Cases will include:-

- Cases where the person has only one need as defined under the Care Act;
- Any Lower Priority Cases which have been waiting over 6 months.

9.8 Lower Priority Cases will include:-

- Cases where the person doesn't have any needs defined under the Care Act.

9.9 Where the request for an adaptation is only deemed a "desire" rather than a "need" we will not undertake any adaptations however we will work with the person to find alternative accommodation which meets their desires.

10 Occupational Therapist (OT) Assessments

10.1 The Children's Team from the Staffordshire Social Services Authority provide a full assessment service and hence all children's cases will be progressed in consultation with the children's service OT's.

10.2 For adult cases, once an initial assessment has been received from the Staffordshire Social Services Authority a detailed OT assessment will be undertaken to determine how the needs of the person may be met.

10.3 For both adult and children's cases, potential solutions will be considered in the following priority order:-

- i) Re-housing to a property already benefitting from the required adaptations and where the long-term housing need will be met;
- ii) Re-housing to a property already benefitting from the required adaptations;
- iii) Re-housing to a partly adapted property or one which would be substantially cheaper to adapt than the current home and where the long-term housing need will be met;
- iv) Adapting the current home if it meets the long-term housing need;
- v) Re-housing to a property which is not currently adapted but is one which will meet both the long-term housing need and is suitable for adaptation;

vi) Adapting the current home.

10.4 Where a person is not intending to stay in their current home for the next 5 years, suitable alternative accommodation is the only option which will be considered.

10.5 The services of an OT will be used to undertake the risk assessment, determine what adaptations or equipment are needed and assess the suitability of alternative accommodation.

11 Moving to an Adapted Property

11.1 To assist with facilitating a move to an adapted property:-

- We will hold a register of properties with adaptations on the Northgate Housing system. The information held will include details of the facilities provided within each property;
- Where individual properties are deemed unsuitable for adaptation or unsuitable for certain types of adaptation, this information will also be logged.

11.2 Where it is agreed that the needs of the persons would be best met by moving to an alternative property:-

- The property must first be vetted and accepted as suitable for the needs of the person and the family;
- Where additional adaptations works are required to be undertaken and the property being moved to is already empty, the tenant will have the choice as to whether to move before or after any adaptations works are completed (this option is not available where the move involves a “mutual exchange” with another family);
- Where the agreement is for the works to be completed prior to the move, the tenant must sign-up to the new property prior to any works commencing and they will be required to move within 2 weeks of the Council confirming the works are satisfactorily complete as after that time they will become responsible for the rental on both properties;
- We will provide assistance with removal costs up to the value of £1,500, however this does not mean that all cases will be entitled to that amount.

- 11.3 Where a person, or a family member who is permanently resident with the family, has been identified as needing an adaptation or has already benefitted from the use of an adaptation, a mutual exchange will only be approved where it meets the needs of all parties.

12 Charges for Adaptations

- 12.1 Currently there is no 'means test' and we won't charge for adaptations made to our properties under this policy, however this may be reviewed at a later date.
- 12.2 Once the works are complete we will review the weekly rent payable in line with the rent policy.

13 Sundry Items

- 13.1 Sundry items include things such as shower chairs, shower curtains or grab rails.
- 13.2 Where sundry items of equipment are provided, these will be gifted to the tenant and will be their responsibility to maintain.

14 Guarantees and Warranties

- 14.1 Guarantees and warranties for equipment and materials will be those stated by the suppliers.
- 14.2 All building and installation works shall benefit from a 12 month warranty.
- 14.3 Where the installation forms part of the fabric of the building the Council will undertake the ongoing maintenance works.

15 Budgets

- 15.1 The budget will be reviewed annually in order to keep the waiting list times for adaptations to within the target waiting time of 12 months.
- 15.2 A section of the budget will be allocated to minor adaptations and the split of budget between major and minor adaptations will also be reviewed annually.

Policy Title:	Policy And Procedure For The Delivery Of Disabled Facilities Grant Works And Other Adaptations To Council Owned Dwellings
Department:	Housing
Section:	Housing Property Services
Reference Documents:	Housing Grants, Construction and Regeneration Act 1996 House of Commons Briefing Paper Number 03011, 22 July 2018 – Disabled Facilities Grants for home adaptations (by Wendy Wilson)
Date Approved By Cabinet:	
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