

Please ask for: Steve Partridge

Extension No: 4588

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31 October, 2018

Dear Councillor,

CABINET

4:00 PM ON THURSDAY, 8 NOVEMBER, 2018

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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A G E N D A

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 4 October, 2018 (enclosed).
- 5. Forward Plan**

Forward Plan of Decisions to be taken by the Cabinet: November 2018 to January 2019 (Item 5.1 – 5.3).
- 6. Financial Plan 2018-19 to 2021-22**

Report of the Deputy Managing Director (Item 6.1 – 6.20).
- 7. Strategic Risk Register**

Report of the Head of Governance and Corporate Services (Item 7.1 – 7.18).
- 8. Local Plan Review Issues and Scope Consultation Feedback and Next Steps**

Report of the Head of Economic Prosperity (Item 8.1 – 8.22).
- 9. Cannock Chase Community Infrastructure Levy (CIL) Financial Year Report and CIL Guidance for Parish and Town Councils**

Report of the Head of Economic Prosperity (Item 9.1 – 9.19).
- 10. Approval to Spend S106 Monies on Commission of Open Space Assessment and Strategy**

Report of the Head of Economic Prosperity (Item 10.1 – 10.6).
- 11. Cannock Town Centre Management Partnership**

Report of the Head of Economic Prosperity (Item 11.1 – 11.22).
- 12. Housing Services Annual Report 2017/18**

Report of the Head of Housing and Partnerships (Item 12.1 – 12.16).

13. Housing Green Paper – ‘A New Deal for Social Housing’

Report of the Head of Housing and Partnerships (Item 13.1 – 13.38).

14. Participation in an OFGEM Approved ‘Sandbox’ Trial to Optimise the Usage of Existing Solar PV Energy Installations

Report of the Head of Housing and Partnerships (Item 14.1 – 14.7 + Not for Publication Appendix 2 (Item 14.8)).

Appendix 2 is confidential due to the inclusion of information relating to any individual.

No representations have been received in respect of this matter.

15. 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 1, 2 and 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended).

A G E N D A

PART 2

16. Cannock Chase Engineering Academy

Not for Publication Report of the Head of Economic Prosperity (Item 16.1 – 16.35).

This Report is confidential due to the inclusion of 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.

17. Request for Flexible Retirement

Not for Publication Report of the Head of Governance and Corporate Services (Item 17.1 – 17.3).

This Report is confidential due to the inclusion of information relating to any individual and information which is likely to reveal the identity of an individual.

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 4 OCTOBER 2018 AT 4:00 P.M.
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK

PART 1

PRESENT: Councillors:

| | |
|-------------------|---|
| 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 |

49. Apologies

Apologies for absence were submitted for Councillors G. Adamson, Leader of the Council, J.T. Kraujalis, Corporate Improvement Portfolio Leader, and C. Bennett, Crime and Partnerships Portfolio Leader.

In the Leader's absence the meeting was chaired by the Deputy Leader.

50. 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.

51. Updates from Portfolio Leaders

Economic Development and Planning

McArthurGlen Designer Outlet Cannock (MDOC) 'Sod-Cutting' Ceremony

The Portfolio Leader advised that on 28 September a 'sod-cutting' ceremony was held at the site of the MDOC. This was a huge achievement for the contractors who had worked hard to secure the involvement of local tradespeople in the development and construction phases of the site. They had been particularly pleased with the quality of workmanship available in the District.

Cannock Chase Royal Air Force Association (RAFA) Freedom of the District Event

The Portfolio Leader advised that on 29 September, an event was held in

Hednesford to celebrate the awarding of Freedom of the Entry to the District by the Council to the Cannock Chase Branch of the RAFA. The event was a huge success, extremely well organised and with a large number of people in attendance.

Environment

'Chewing Gum Action' Campaign

The Portfolio Leader advised that earlier today he had attended a promotional photo event in Norton Canes to help launch the 'Chewing Gum Action' campaign in the District. Promotional material including beer mats, and booklets that turned into pouches for disposal of chewing gum had been received from Keep Britain Tidy and would be distributed for use throughout the District.

52. Minutes of Cabinet Meeting of 23 August, 2018

RESOLVED:

That the Minutes of the meeting held on 23 August, 2018, be approved as a correct record and signed.

53. Forward Plan

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

RESOLVED:

That the Forward Plan of Decisions for the period October to December, 2018 be noted.

54. Church Street Rugeley, Conservation Area; Talbot Street/Lichfield Street Conservation Area; and Trent & Mersey Canal Conservation Area: Draft Appraisals and Draft Management Plans Supplementary Planning Documents

Consideration was given to the Report of the Head of Economic Prosperity (Item 6.1 – 6.203 of the Official Minutes of the Council).

The Economic Development and Planning Portfolio Leader advised that updated copies of Appendices 1, 3 and 5 to the report had been circulated as the versions contained within the original agenda were missing background information on the history of the buildings within the areas concerned. The updates did not affect any of the information contained within the main Appraisal documents.

RESOLVED:

That:

(A) The following documents be approved for consultation:

- (i) Draft Church Street Rugeley Conservation Area Appraisal;
- (ii) Draft Church Street Rugeley Conservation Area Management Plan Supplementary Planning Document (SPD);
- (iii) Draft Talbot Street/Lichfield Street Rugeley Conservation Area Appraisal;

- (iv) Draft Talbot Street/Lichfield Street Rugeley Conservation Area Management Plan SPD;
 - (v) Draft Trent and Mersey Canal Conservation Area Appraisal;
 - (vi) Draft Trent and Mersey Canal Conservation Area Management Plan SPD.
- (B) The proposed boundary extension to the Trent and Mersey Canal Conservation Area be authorised for consultation.
- (C) Authority for any minor amendments to the above documents prior to consultation taking place be delegated to the Head of Economic Prosperity in consultation with the Economic Development and Planning Portfolio Leader.

Reasons for Decisions

Each Conservation Area in the District was supported by two policy documents – an Appraisal that sought to provide a clear definition of the special architectural or historic interest that warranted its designation as a Conservation Area, and, a Management Plan Supplementary Planning Document (SPD) that followed on from the Appraisal, setting out in more detail the means by which the preservation and enhancement of the character and appearance of the Conservation Area might be pursued.

A series of documents covering each of the District's eight Conservation Areas had been adopted in recent years. Whilst the Appraisal coverage in the District was already complete, some of the early documents now required updating, so the Draft Appraisals for Church Street, Talbot Street/Lichfield Street and the Trent & Mersey Canal Conservation Areas formed updates of the earlier work. None of those Conservation Areas previously had Management Plans prepared, so the Draft Management Plan documents completed the District's coverage.

Consultation would be carried out with relevant consultees including Staffordshire County Council, Rugeley Town Council, Brereton and Ravenhill Parish Council, the Landor Society, the Inland Waterways Association, the Canal & River Trust, Historic England, and local ward councillors. Occupiers of all properties in each Conservation Area would receive publicity about the documents, and be invited to make comment on them. Copies would be published on the Council's website and paper copies placed in local libraries and Council offices. After the end of the consultation period the representations received would be considered and reported back to Cabinet, including suggested amendments to the documents as appropriate, before adoption.

The documents helped to fulfil the Council's duty in respect of formulating and publishing proposals for the preservation and enhancement of Conservation Areas. They also strengthened the Local Plan evidence base and helped to demonstrate effective delivery.

55. Update on Capital Investment in Chase Leisure Centre as Part of the Council's Financial Recovery Plan

Consideration was given to the Report of the Head of Environment and Healthy Lifestyles (Item 7.1 – 7.6 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) Cabinet agrees to act as a guarantor for Inspiring Healthy Lifestyles (IHL) up to £1,000,000 in order to deliver the preferred capital investment proposal previously determined by Cabinet on 25 January, 2018 and in order to deliver the minimum required level of savings of £50,000 per annum to the Council from 2019-20.
- (B) A new equipment bond be established for a fixed five-year term into which IHL would be required to contribute an annual sum of circa £10,550 per annum, equivalent to the reduction due on IHL's current pension bond payment. This would mitigate the potential additional risk in relation to the fitness equipment and would be refundable upon confirmation of the full equipment payment by IHL, and their funder.
- (C) Authority be delegated to the Head of Environment and Healthy Lifestyles in consultation with the Culture & Sport Portfolio Leader to agree and facilitate all actions (Bond Agreement, including terms and conditions and mechanism for releasing payment etc.) required to implement the capital investment at Chase Leisure Centre.

Reasons for Decisions

Cabinet, on 25 January, 2018 agreed to act as guarantor for Inspiring Healthy Lifestyles (IHL) in order to secure the capital funding solution required to deliver their preferred capital investment proposal and deliver the minimum required level of savings of £50,000 per annum to the Council from 2019-20. The extent to which the Council agreed to act as guarantor (for the capital cost only) was estimated to be in the region of £521,891, with IHL separately funding (leasing) any new fitness equipment.

Since Cabinet's decision of 25 January this year, IHL had worked with their preferred funder and the Council to agree and finalise the legal documents necessary to release the capital investment required delivering the agreed project.

During the discussions it came to light that the only way IHL's funder would provide the funding required was for there to be a fairly equal balance between equipment and capital works within the scope of the funding agreement. For this reason, the equipment costs had to be included in the agreement, thus resulting in a requirement for the Council to act as guarantor for the estimated capital works (£522,268) and the equipment (£472,918), the total value of which was circa £1,000,000.

Given IHL's preferred funding agreement now required the Council to act as guarantor for up to £1,000,000, Cabinet was asked to consider the implications and confirm agreement to the change.

56. Upgrading Cannock Chase Public Space CCTV Technology – Application for Permission to Spend

Consideration was given to the Report of the Head of Housing and Partnerships (Item 8.1 – 8.10 + Not for Publication Appendix 3 (Item 8.11 – 8.16) of the Official Minutes of the Council).

RESOLVED:

That permission to spend £55,000 towards the upgrading of Cannock Chase Public Space CCTV Technology be granted.

Reasons for Decisions

The CCTV cameras were installed in 1998. The majority of the current analogue public space CCTV cameras located across the District were beyond their normal life expectancy and support for this type of equipment.

Some units had already failed and been repaired on a number of occasions. Due to the age of the equipment, the cameras could not be covered under any maintenance contracts, thus making any repairs carried out expensive. The CCTV Maintenance Budget had been significantly overspent as detailed in paragraph 3.2 of the report.

The outcome of the CCTV audit was discussed with Staffordshire Police and the CCTV Operatives, and all were in agreement that the 26 cameras that had been deemed as essential to replace should take priority over the other cameras.

The approved capital programme included an allocation of £50,000 for the upgrade of the CCTV cameras. There was an existing Revenue Budget of £5,000 that would fund the shortfall of the full £55,000 required to replace the 26 essential cameras, as detailed in the confidential Appendix 3 of the report.

At the time of the review, there was a total of 91 cameras across the District. A full audit review of each individual camera's condition, access and image was conducted. The consultants appointed to conduct the review summarised the priority order for the replacement of cameras using a Must Do (Essential), Should Do (Desirable) and Could Do (Optional) approach.

The spend of £55,000 would only cover the cost of replacing the essential 26 cameras, and it was anticipated that the works would be completed within the current financial year. The Revenue Budget of £12,150 for repairs and maintenance would be necessary to fund works that may be required due to vandalism / criminal damage and repairs to cameras that had not been upgraded.

A request for additional funding from the capital programme to replace the 14 desirable cameras and 8 optional cameras would be subject to a report in the near future. A review of de-commissioning certain cameras would also be included in that report.

57. 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 Paragraph 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 4 OCTOBER 2018 AT 4:00 P.M.
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK
PART 2

58. Debt Recovery

Consideration was given to the Not for Publication Report of the Head of Finance (Item 10.1 –10.18 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 the irrecoverable debts below £1,000 be noted.

Reasons for Decisions

Appendix 1 to the report set out a list of 16 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 £28,789.26.

Appendix 2 to the report set out a list of 26 cases of Non-Domestic Rates arrears over £1,000 that could not be collected for the reasons stated therein. The total sum of arrears amounted to £171,725.33.

The meeting closed at 4:25 p.m.

LEADER

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FORWARD PLAN OF DECISIONS TO BE TAKEN BY THE CABINET: NOVEMBER 2018 – JANUARY 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 |
|--|--|-----------------|--------------|-------------------|-----------------------------|-------------------------|
| Strategic Risk Register | Head of Governance and Corporate Services / Corporate Improvement Portfolio Leader | 08/11/18 | No | No | | |
| Housing Services Annual Report 2017/18 | Head of Housing and Partnerships / Housing Portfolio Leader | 08/11/18 | No | No | | |
| Housing Green Paper – 'A New Deal for Social Housing' | Head of Housing and Partnerships / Housing Portfolio Leader | 08/11/18 | No | No | | |
| Participation in an OFGEM Approved 'Sandbox' Trial to Optimise the Usage of Existing Solar PV Energy Installations | Head of Housing and Partnerships / Housing Portfolio Leader | 08/11/18 | No | No | | |
| Local Plan Review Issues and Scope Consultation Feedback and Next Steps | Head of Economic Prosperity / Economic Development and Planning Portfolio Leader | 08/11/18 | No | No | | |

| Item | Contact Officer / Cabinet Member | Date of Cabinet | Key Decision | Confidential Item | Reasons for Confidentiality | Representation Received |
|---|--|------------------------|---------------------|--------------------------|---|--------------------------------|
| Cannock Chase Community Infrastructure Levy (CIL) Financial Year Report and CIL Guidance for Parish and Town Councils | Head of Economic Prosperity / Economic Development and Planning Portfolio Leader | 08/11/18 | No | No | | |
| Approval to Spend S106 Monies on Commission of Open Space Assessment and Strategy | Head of Economic Prosperity / Economic Development and Planning Portfolio Leader | 08/11/18 | No | No | | |
| Cannock Town Centre Management Partnership | Head of Economic Prosperity / Economic Development and Planning Portfolio Leader / Town Centre Regeneration Portfolio Leader | 08/11/18 | No | No | | |
| Cannock Chase Engineering Academy | Head of Economic Prosperity / Economic Development and Planning Portfolio Leader | 08/11/18 | Yes | Yes | The report contains information relating to the financial or business affairs of any particular person (including the Council). | |
| Request for Flexible Retirement | Head of Governance and Corporate Services / Corporate Improvement Portfolio Leader | 08/11/18 | No | Yes | The report contains information relating to any individual and information which is likely to reveal the identity of an individual. | |
| Financial Plan 2018-19 to 2021-22 | Head of Finance / Leader of the Council | 13/12/18 | No | No | | |
| Quarter 2 Performance Report 2018/19 | Head of Governance and Corporate Services / Corporate Improvement Portfolio Leader | 13/12/18 | No | No | | |
| Adoption of Statement of Community Involvement | Head of Economic Prosperity / Economic Development and Planning Portfolio Leader | 13/12/18 | No | No | | |
| Cannock Railway Station | Head of Economic Prosperity / Economic Development and Planning Portfolio Leader | 13/12/18 | No | No | | |

ITEM NO. 5.3

| Item | Contact Officer / Cabinet Member | Date of Cabinet | Key Decision | Confidential Item | Reasons for Confidentiality | Representation Received |
|-----------------------------------|---|------------------------|---------------------|--------------------------|---|--------------------------------|
| 20/24 Anson Street, Rugeley | Head of Economic Prosperity / Housing Portfolio Leader | 13/12/18 | No | No | | |
| Cannock Town Centre Redevelopment | Head of Economic Prosperity / Town Centre Regeneration Portfolio Leader | 13/12/18 | Yes | Yes | The report contains information relating to the financial or business affairs of any particular person (including the Council). | |

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| Report of: | Deputy Managing Director |
| Contact Officer: | Bob Kean |
| Telephone No: | 01543 464 334 |
| Portfolio Leader: | Leader of the Council |
| Key Decision: | Yes |
| Report Track: | Cabinet: 08/11/18 |

CABINET
8 NOVEMBER 2018
FINANCIAL PLAN 2018-19 TO 2021-22

1 Purpose of Report

- 1.1 To present an updated financial forecast for the Council for the next three years with a forecast outturn for 2018-19.

2 Recommendation(s)

- 2.1 That Cabinet note that no specific details exist in relation to the levels of funding the Council will receive from the Government with effect from 2020-21. The Financing element of the Financial Plan therefore represents this authority's interpretation of how new funding regimes, yet to be finalised, will impact on existing forecasts, as compared to actual Indicative funding levels provided by the Government.
- 2.2 That subject to 2.1 Cabinet:-
- (a) Note the Financial Plan 2018-19 - 2021-22, and the various scenarios that exist in relation to individual funding streams.;
 - (b) Approve the forecast outturn for 2018-19;
 - (c) Note the draft Capital Programme 2018-19 - 2021-22;
 - (d) set the General Fund working balance at a minimum of £1.0 million;
 - (e) adopt the principles set out in the Council's Financial Plan and Budget Strategy in finalising the preparation of the 2019-20 budget.
- 2.3 That the Financial Plan be updated as further details of the Governments proposed changes to its funding become available during the budget process.

3 Key Issues and Reasons for Recommendation

- 3.1 The report sets out the Council's forecast financial position for the next three years incorporating anticipated spending pressures and savings already

identified. Financial resources available to the Council over the three year period are also set out. The Financial Plan reflects the Governments current Funding Regime as adjusted for proposals currently being considered in the design of the new Regime.

- 3.2 A great deal of uncertainty still exists in relation to the future funding of Local Government. A 75% Business Rates Retention Scheme is planned for implementation in 2020-21, with the funding baseline determined by a Fair Funding Review currently being determined. No specific details exist in relation to these changes and proposed settlements for this Council are not likely to be known until the Autumn of 2019. In addition the government are proposing further changes to the New Homes Bonus scheme and this remains a material risk in relation to the financial sustainability and resilience of the Council with the current financial plan being underpinned by £0.8 million per annum of such resources.
- 3.3 The Technical Consultation on the 2019-20 Local Government Settlement provides further assurances in relation to the forthcoming Financial Year. However the New Homes Bonus Scheme is likely to see a change in the “deadweight” allowance that will directly impact on 2019-20.
- 3.4 Potential scenarios in changes in funding have been developed to enable a Budget Strategy to be put in place. The Strategy is based upon an interpretation of the “issues” being evaluated as part of the design stage of the new regime. An interpretation of potential changes- adopting a middle ground stance- is likely to result in a:
- Deterioration of Business Rates following the reset of £0.7 million in 2020/21.
 - A compensating increase in Business Rates from growth relating to Mill green.
 - An ongoing reduction in New Homes Bonus of £0.157 million in 2021-22. However, due to the material amounts involved in best /worst case scenarios it is essential that a prudent approach is adopted until further details become available.
- 3.5 In addition to the above the revised opening of Mill Green from the Spring to Autumn 2020 will have a detrimental impact in 2020-21 but can be offset by a transfer from Working Balances.
- 3.6 The overall position can be summarised as follows :-

| Table 1: Changes to Financial Plan 2018-19 to 202-21 | | | | |
|---|----------------|----------------|----------------|----------------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| | £'000 | £'000 | £'000 | £'000 |
| Approved Feb 2018 | (121) | 522 | (169) | |
| Revised October 2018 | 72 | 437 | 744 | 105 |
| Planned Use of Balances | | 522 | | |
| Revised Use of Balances | | 437 | 744 | |
| Potential ongoing shortfall | | | | 105 |

- 3.7 The revised Financial Plan therefore provides the framework for the preparation of detailed budgets. Its principles and those detailed in the approved Budget Strategy, subject to approval, will be used to prepare both the Revenue Budget and Capital Programme for consideration by Cabinet in February 2019.
- 3.8 No material changes to the Budget Strategy arise with the impact of the shortfall in 2020-21 being pre-empted by the increase in Working Balances over recent years. The ongoing shortfall in 2021-22 being considered to be manageable within the existing strategy.
- 3.9 Key elements of the delivery of service budgets will be the maintenance of existing levels of service provision and, the implementation of actions as contained in the Corporate Business Plan. Due regard also being taken to the emerging changes to Services of partner organisations within Staffordshire.
- 3.10 A Staffordshire Wide Business Rates Pilot application has again been submitted. The application relates to 2019-20 and the outcome is likely to be known in late November /Early December of this year. No account has been made in relation to the financial Impact of a successful application in 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 Background

- 5.1.1 The Financial Plan sets the framework for the determination and setting of the budgets for Revenue and Capital, and ultimately, arriving at the level of Council Tax to be set for the next Financial Year.
- 5.1.2 Council approved its 3 year Budget/Financial Plan at its meetings in January/February 2018. In accordance with the Financial Recovery Plan the use of Working Balances was envisaged for 2019-20, pending the opening of Mill Green Designer Outlet Village , with a Balanced Budget , based upon the existing Government funding regimes, existing in 2020-21.

Table 2 : Revenue Budget Recommended to Council January 2018

| | Budget 2018-19 | Budget 2019-20 | Budget 2020-21 |
|---------------------------------------|---------------------------|---------------------------|---------------------------|
| | £000 | £000 | £000 |
| Transfer to Working Balances | 121 | | 169 |
| Transfer from working Balances | | 522 | |

- 5.1.3 At the time of approving the Financial Plan a great deal of uncertainty existed in relation to the funding of Local Government. The introduction of the 75% Business Rates Retention Scheme was envisaged for 2020-21 with core funding or baselines determined by a Fair Funding Review. No details of the proposed regime existed and hence Budgeted figures for 2020-21 simply reflected an extrapolation of the current Local Government Regime pending the outcome of the latter.
- 5.1.4 Details in relation to 2018-19 and 2019-20 reflect details as contained in the 2018-19 Settlement, based upon the four year settlement of 2016-17 to 2019-20. Although the Council did not accept this settlement, and hence figures are determined annually, there had been to date no material change to the level of Revenue Support Grant as compared to that of the initial four year proposals. The conditions of the New Homes Bonus Grant scheme were not covered by the four year figures and hence are subject to annual review by the Government.

5.2 Proposed New Funding Regimes.

- 5.2.1 The current funding stream is based upon a 50% Business Rates Retention (BRR) Scheme. The regime effectively enables local government to retain 50% of its growth in addition to its core funding. Each Tier of Government having as set percentage of the 50% share retained within the Sector.
- 5.2.2 Baselines for BRR had been established reflecting the net relative needs of each authority based upon an historical formula funding system dating back to 2006. Data had been refreshed on an annual review prior to the introduction of BRR however the current baselines have not been updated since the introduction of the 50% scheme in 2013-14.
- 5.2.3 The Chancellor of the Exchequer announced a series of major reforms to Local Government Finance on 5 October 2015. These included local government being able to retain 100% of local taxes, subject to new responsibilities being undertaken: the abolition of a Uniform Business Rate and the phasing out of Revenue Support Grant. The Government subsequently announced its intention to rebalance support to those authorities with social care responsibilities via a Fair Funding Review.
- 5.2.4 It was originally envisaged that a new 100% Business Rates Retention scheme would be in place by 2019-20. However, due to the timing of the 2017 General Election, the necessary legislation, as contained in the Local Government Finance Bill, was not enacted.
- 5.2.5 In order to progress the reforms to Local Government funding, within the existing legislative programme, the Provisional Local Government Settlement for 2018-19 indicated that the introduction of 100% Business Rates Retention would be done in phases. The aim being that in 2020-21 local authorities would be able to retain 75% of Business Rates. This would be achieved by incorporating existing grants (to a lesser degree than under 100% retention) with Revenue Support Grant and Public Health Grant in particular to be absorbed within Business Rates funding.

- 5.2.6 Joint working groups have been established, between the Local Government Association (LGA); Ministry for Housing, Communities and Local Government (MHCLG); the public sector accounting body, CIPFA and financial representatives from the various tiers of local government, to progress the 75% Business Rates Retention scheme and Fair Funding.
- 5.2.7 Both schemes are still at option appraisal scheme. The Business rates scheme is particularly complicated and contains a number of individual components such as Appeals Provision; Tier Splits; Central /Local Rating Lists; Section 31 Grants; Resets and pooling. To date the only consultation on the 75% scheme related to the treatment of Appeals has been undertaken. Options continue to be discussed at the Working Groups including most recently a proposal to completely simplify the system.
- 5.2.8 A formal consultation on the new Business Rates Retention scheme is now due at the end of the year and is to be supplemented with more detailed consultations in the spring or summer of 2019.
- 5.2.9 The Fair Funding changes are even more complicated with three strands of work: Relative Needs; Relative Resources and Transitional arrangements. A consultation document was issued in December 2017 on determining options for measuring Relative Need for different services together with general and specific service cost drivers. How cost drivers are weighted and allocated across tiers together with the quantum of resources allocated to Fair Funding is yet to be determined
- 5.2.10 A formal consultation on Relative Needs, Resources and principles for Transitional arrangements is again expected this Autumn. The setting of baselines and finalising transitional arrangements is unlikely to be determined in advance of Autumn 2019.
- 5.2.11 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
 - Resets.
- 5.2.12 As detailed above it is impossible to determine how Core Funding will change under the new regime. In addition different options exist to determine proportionate shares for baselines and the Council awaits the formal consultation on such proposals.
- 5.2.13 In relation to Tier splits it is possible to outline the range of options being considered as shown in Table 3. A 75% scheme although increasing the amount retained within Staffordshire by 25% will be financially neutral with additional responsibilities or grants absorbing the core funding element.

5.2.14 The impact of Tier splits focuses more on risk and reward rather than Core Funding. Any growth above the new baseline will be subject to 75 % retention, rather than 50%, and similarly any reduction will be borne in the same proportion. The distribution of tier splits will ultimately depend upon how Government (or the local government sector itself) want the risk and rewards to be determined. Options for a 75% scheme vary from the District receiving the additional 25% (best case) to the County Council (worst case) receiving the full addition. However a completely radical review of tier splits cannot be ruled out.

| Table 3: Potential Range of Tier Splits | | | | |
|--|---------------------------------|----------------------|--------------|--------------|
| | Current Retention Scheme | Potential 75% | | |
| | 50% | Best | Worst | Pro R |
| Government | 50% | 25% | 25% | 25% |
| County Council | 9% | 9% | 34% | 13.5% |
| Borough | 40% | 65% | 40% | 60% |
| Fire | 1% | 1% | 1% | 1.5% |

5.2.15 The Business Rates System is due to be reset for 2020-21. The reset is effectively about how much 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 options exist in relation to the basis 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.

5.2.16 Business cases exist for either extreme. For the former a number of authorities have undertaken capital investment based upon business rates proceeds over the useful life of the asset and not five years . Whereas authorities subject to core funding pressures are advocating that the quantum of resources to be redistributed under Fair Funding needs to be significantly increased.

5.2.17 It is likely that a partial reset will prevail and, there again, different options could exist a) that growth is retained on a five year rolling program basis or b) growth is averaged out over the five years – again on a rolling program or c) a fixed percentage.

5.2.18 The forecast growth above baseline for the District for 2018-19 currently amounts to £5.2 million and in accordance with a 50% scheme £2.6 million is retained as part of pooling arrangements with the GBS LEP. Cannock Chase retains £1.37 million (or 26.25% of overall growth) and this will increase to 28% as part of revised distribution methodology for 2019/20. The balance of the 50% retention is distributed to the County Council and Fire and Recue Service based upon tier splits with a balance being allocated to the Business Rates Pool.

5.2.19 In Comparison Core Funding currently amounts to £3.0 million and hence it can be seen that the basis of the Reset represents a material risk to the Council. The resources saved from a Reset will be redistributed across the sector however, using the Councils proportion of the Governments current Spending

Assessment as a guide, the redistribution could be less than £0.100 million on a 50% Reset.

5.2.20 Table 4 shows the potential implications for the Reset options

| Table 4: Implications of options to Reset Business Rates Growth | | | |
|--|--------------|--------------|-------------------|
| | Worst | Best | Indicative |
| | £'000 | £'000 | £'000 |
| 2020/21 Impact | 1,410 | (708) | 705 |

5.2.21 The Government have in the past provided transitional funding between funding regimes and between settlements. In particular a system of floors and ceilings existed that limited the impact both positively and negatively. Transitional Funding has however not applied to the two Incentive funding regimes i.e. New Homes Bonus and Business Rates. In relation to the latter a Safety Net existed to secure 95% of core funding, but not growth.

5.2.22 It is possible that the Council could lose in excess of % of its incentive funding and officers will continue to lobby for transitional funding mechanism to be in place based upon actual losses in funding rather than the notional figures as included in Government “Core Spending Powers”.

5.3 Local Government Finance Settlement 2019-20 – Technical Consultation

5.3.1 MHCLG published a Technical Consultation on the 2019-20 Settlement on the 24 July 2018. The consultation covered:-

- the multi-year settlement
- outlined the Governments position on the New Homes Bonus threshold
- Council Tax referendum principles for 2019-20
- the Governments preferred approach for dealing with Negative Revenue Support Grant

5.3.2 In relation to Central Government Grant (RSG and Business Rates Baseline) no changes have been made to the assumptions and figures approved in February of this year. The Council is not covered by the multi year settlement and hence its actual settlement is not determined until the relevant year’s settlement is considered by Government. Nevertheless no changes have yet been made to the indicative settlements so far (2016-17 to 2018-19) and there is no indication in the 2019-20 consultation that this will change for next year.

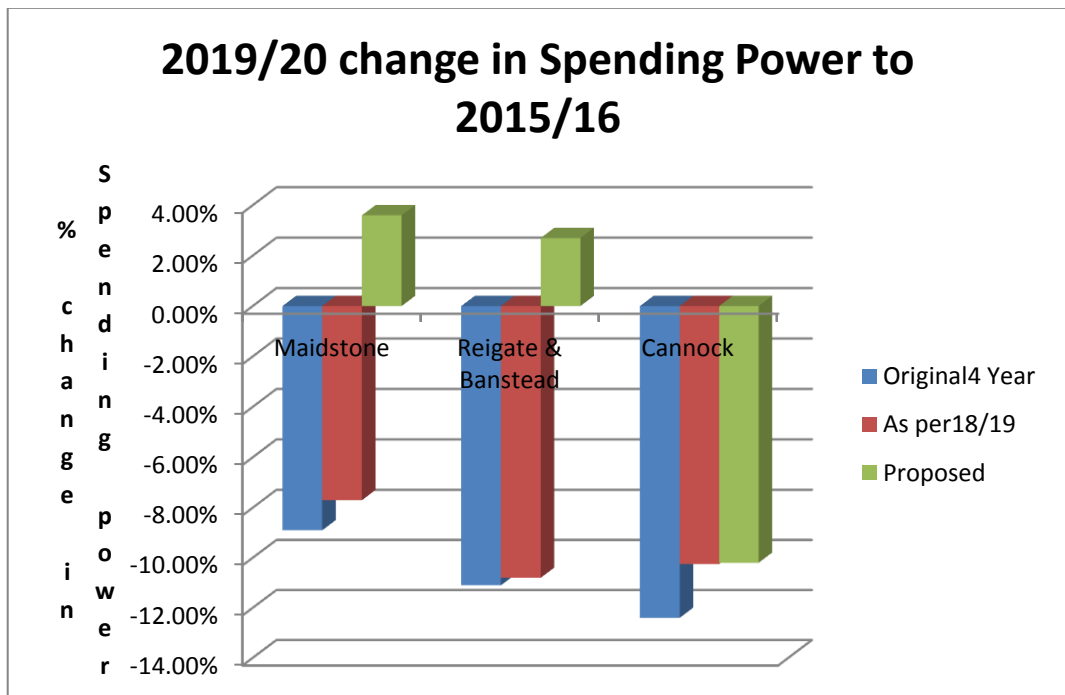
Negative RSG

5.3.3 However the initial settlement in 2015 included an adjustment to the Tariff or Top up of a number of authorities to ensure that a standard reduction in the core spending power for each tier was implemented. This effectively, if the reduction exceeded the residual amount of Revenue Support Grant, created Negative

RSG. Cannock Chase has received a reduced level of RSG in 2016-17 to 2018-19 and will only be subject to Negative RSG in 2019-20 of £0.054 million.

5.3.4 A number of authorities impacted in the first two years of the 4 year settlement made representation in relation to this and the Tariff Adjustment has been abated for authorities subject to such adjustments in 2017-18 and 2018-19. No announcement was made in relation to 2019-20 since it was envisaged that a new Business Rates Regime (100% retention) would be in place by 2019-20 that could mitigate the effect.

5.3.5 In light of the Business Rates Regime not now applying until 2020-21 the Technical Consultation proposes that 2019-20 adjustment is similarly eliminated. Although this represents effectively additional resources of £0.054 million being received in 2019-20, it actually further distorts the disparity with the changes in Spending Power as compared to other authorities. The Council, as in previous years, has objected to this change in its response to this consultation. The impact as a result of the 2019-20 proposal is particularly pronounced as shown in Graph 1



5.3.6 The Graph shows a comparison between Maidstone /Reigate & Banstead with the highest level of Negative RSG and this Council. . If RSG is abated Maidstone will have, excluding New Homes Bonus, a 3.6% increase in Spending Power and Reigate 2.7%, as compared to a reduction of 10.2% for Cannock Chase

5.3.7 In the event that the proposal is enacted, the resources are effectively a one off, although the higher Baseline may form part of the deliberations on Transitional Funding between 2019/20 and 2020/21.

New Homes Bonus

5.3.8 The Technical Consultation however indicates that the Government expects to increase the baseline below which the New Homes Bonus will not be paid. The national baseline for housing growth was introduced from 2017-18 and represented 0.04% of the Council Tax Base (weighted by band) for each authority.

5.3.9 A caveat existed in the settlement whereby the baselines are subject to annual review , and although no changes were made as part of last years settlement this consultation states

“Due to the continued upward trend for house building, the Government expects to increase the baseline in 2019-20. New Homes Bonus calculations are based on additional housing stock reported through the council tax base and decisions on the baseline for 2019-20 will be made following a review of the data when it is published in November. Any changes intended for the baseline in 2019-20 will be detailed at the time of the provisional settlement. “

5.3.10 No details are available of the proposed changes in the “deadweight” baseline. However the only change made to the deadweight to date arose from the Government reviewing its initial baseline during the 2017-18 consultation process. The original proposal referred to a baseline of 0.025% and this was subsequently increased to 0.04% with two comparators used to justify the change

- The average growth in the ten years before NHB (0.07%)
- The average growth in Band D properties in 2015-16 (0.94%)

5.3.11 The average growth in 2017-18 was 0.096% and two scenarios to adjust deadweight reflecting a similar increase to 2017-18 have been costed

| Table 5: Potential Impact of changes to NHB Baselines (Deadweight) | | | |
|---|------------------------------|-----------------------------|------------------------------|
| | 0.055% Deadweight | 0.07% Deadweight | Each 0.01% change |
| | £'000 | £'000 | £'000 |
| 2019-20 Impact | 69 | 138 | 46 |
| 2020-21 Impact | 138 | 276 | 92 |

5.3.12 Table 5 shows the impact in 2020-21 of the deadweight applying for 2019-20 and 2020-21 as part of the current 4 year rolling programme. However the Technical consultation indicates a revised system could be in place for 2020-21. The Consultation documents states :

“2019-20 represents the final year of funding agreed through the Spending Review 2015. In light of this, it is the Government’s intention to explore how to incentivise housing growth most effectively, for example by using the Housing Delivery Test results to reward delivery or incentivising plans that meet or

exceed local housing need. Government will consult widely on any changes prior to implementation.

5.3.13 It is impossible to quantify the impact of this change on the Council. In addition to seeking further details the Council in response to the Technical Consultation also sought clarification that the legacy payments of the existing schemes would continue. New Homes Bonus grant generated in 2019-20 should have 3 year further payments due and 2018-19 2 years etc.

Council Tax Increases

5.3.14 Proposals in relation to Council Tax referendum principles replicate the arrangements for 2018-19 with shire district councils being allowed council tax increases of less than 3% or up to and including £5, whichever is higher

Business Rates Retention Pilots

5.3.15 The Ministry for Housing, Communities and Local Government (MHCLG) published at the same time as the Technical Consultation an "Invitation to local authorities to pilot 75% Business Rates Retention in 2019/20".

5.3.16 A Staffordshire and Stoke on Trent application had been submitted for 2018-19 and this has formed the basis of an application for 2019-20. The application is based upon all eleven authorities within Staffordshire and also now includes the Office of the Crime and Police Commissioner.

5.3.17 Income for the District based upon a successful pilot application is estimated to be approximately £0.59 million for 2019-20. The 2019-20 process is expected to be particularly competitive with the 2018-19 pilots required to re-apply. Pilots will only exist for one year only. An announcement is expected as part of the Provisional Local Government Settlement and hence no account of any proceeds has been reflected in the current Financial Plan.

5.4 2019-20 to 2021-22 Financial Plan - Revenue

5.4.1 The Council has far greater control over its own net expenditure and projections were provided up to and including 2020-21 as part of the 2018-19 budget process. However it's net expenditure is still subject to external influences and the Financial Plan has now been updated to reflect a number of key changes involving:-

- Inflation
- The outturn for 2017-18 and the first half of 2018-19
- Cost pressures together with changes in income generated.

Inflation

5.4.2 The Financial Plan has 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 2020-21 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.

The outturn for 2017-18 and the first quarter of 2018-19 Spending Pressures

- 5.4.3 The detailed budgets have been refreshed to reflect the outturn for 2017-18 and latest spending patterns.
- 5.4.4 Additional cost pressures have arisen in relation to the residual cost of the Social Alarms service following its transfer to Redditch Borough. 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.
- 5.4.5 The 2021-22 budget also makes provision for Employer Contributions to increase by a further 2% as a result of the next triennial Actuarial Valuation of the Pension Fund. The Waste Contract also provides for the additional costs of demographic growth for that year.

Income Variances

- 5.4.6 Income from fees and charges is mainly in line with the overall budget although service variances do exist. Market income is expected to be £4,000 down on the budget. Licensing Income is also forecast to be down by £4,000. The above have however been offset by additional Land Charges income of £17,000.
- 5.4.7 No account has been made for additional Land Charge income in future year's budgets pending its transfer to the Land Registry service.
- 5.4.8 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.

Anticipated Changes in Available Revenue Resources

- 5.4.9 The Council's revenue budget covers day to day spending on the services provided by the Council. It is currently financed from the following sources:-
- Central government grant called Revenue Support Grant (RSG);
 - Business Rates Retention Scheme
 - New Homes Bonus Grant
 - Council Tax income; and
 - Use of reserves - both general and earmarked.
- 5.4.10 Proposed changes to Local Government funding have been outlined in sections 5.2 and 5.3 and the following paragraphs reflect the indicative impact upon the current Approved Resources Forecast (Council January 2018) notably:-
- **New Homes Bonus Grant** – The current New Homes Bonus grant is a now a four year rolling programme that commenced in 2011-12. The cumulative level of grant allocation for 2018-19 amounts to £1.032 million and was forecast to increase to £1.106 million in 2019-20.

The latest estimates based upon the Council Tax Base as at the beginning of October indicates that New Homes Bonus would have increased to £1.370 million in 2019-20. Assuming a Deadweight allowance of 0.055% in 2019-20, New homes Bonus will reduce to £1.301 million. In relation to future years a great deal of uncertainty exists. For 2020-21 a hybrid system is envisaged, representing a transition year between the two systems, however for 2021-22 it has been assumed that the Council will only receive legacy payments.

- **Business Rates Retention-** Gross Income from business rates in 2018-19 is higher than expected however this has been offset by the void period allowance for recently completed and now vacant units. The budget for 2019-20 also reflects a reduction in the Appeals Provision.

In relation to 2020-21 the Budget assumes that a Partial Reset will apply in this year with a loss of income to the Council of approximately £0.7 million.

Provision has also been made for the potential delayed opening of the Mill Green DOV with an autumn rather than spring opening now envisaged.

- **Council Tax Base** - The Council Tax Base continues to increase reflecting the upturn in the number of new properties being built as reflected in the New Homes Bonus allocations. The assumptions have now been refreshed to take into account the experiences over the last 12 months and developments in progress with an increase in the forecast for the current year. The Council Tax Base assumptions for future years remain unaltered with an increase of 1.25% per annum forecast.

Council Tax Level

5.4.11 The assumptions in relation to the level of Council Tax are in accordance with the indicative increases as approved in February 2018 with a 1.95 % increase in each of the years of the Financial plan.

Detailed Revenue Budget 2019-20

5.4.12 In refreshing the current budgets the starting point is the base budget for the 2018-19 financial year, and indicative budgets for 2019-20 and 2020-21 reflecting the current level of services provided by the Council including spending on its priorities.

5.4.13 The detailed budget for each of the three years covered by the Financial Plan will be refreshed based upon the outturn for 2017-18; monitoring up to 30 September 2018 and any other known changes that have arisen since last years detailed budgets were prepared. It is essential that the Council is diligent in reviewing its budgets and in particular any potential underspends or efficiency savings are identified.

5.5 Refreshed Financial Plan

5.5.1 **APPENDIX 1** to this report provides the updated position for the 2018-19 to 2021-22 Financial Plan, with an analysis of changes being included as **APPENDIX 2**.

5.5.2 The Financial Plan is based upon assumptions relating to changes in future government funding streams. They therefore represent a “middle ground”/ “Likely” outcome. A number of material changes have arisen over the period nevertheless taking into account that it was anticipated that the Business Rates income from Mill Green DOV would in the main offset the loss of such income from Rugeley Power Station, and working balances would cover this loss until the opening of the centre, the budget effectively remains in balance. A deficit of £0.129 million exists in 2021-22 however its impact can be accommodated within the existing Budget strategy

| Table 6: Changes to Financial Plan 2018-19 to 202-21 | | | | |
|---|----------------|----------------|----------------|----------------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| | £'000 | £'000 | £'000 | £'000 |
| Approved Feb 2018 | (121) | 522 | (169) | (169) |
| Revised October 2018 | 72 | 437 | 744 | 105 |
| | | | | |
| Movement | 193 | (85) | 913 | 274 |
| Cumulative | | | | 1,295 |
| | | | | |
| Analysis | | | | |
| Net Expenditure | 193 | 90 | 201 | 503 |
| Net Funding | | (175) | 712 | (229) |

5.5.3 As detailed previously there exists a worse and best case for each element of changes to the various Government Funding Regimes and Table 7 shows the potential impact of these extremities.

| Table 7: Best and Worst Case Scenarios Financial Plan 2018-19 to 2021-22 | | | | |
|---|--------------|--------------|----------------|----------------|
| | 18-19 | 19-20 | 20-21 | 21-22 |
| | £'000 | £'000 | £'000 | £'000 |
| Approved Feb 2018 | (121) | 522 | (169) | (169) |
| Revised October 2018 | 72 | 437 | 744 | 105 |
| | | | | |
| Change arising from Best Case | | | | |
| Reset | | | (1,570) | (1,601) |
| Growth | | | (556) | (567) |
| New Homes Bonus - Deadweight | | (69) | (138) | (208) |
| - New Scheme | | | | |
| Best Case October 2018 | 72 | 368 | (1,520) | (2,271) |
| | | | | |
| Change Arising Worst Case | | | | |
| Reset | | | 711 | 725 |
| Growth | | | 304 | 310 |
| New Homes Bonus - Deadweight | | 115 | 230 | |
| - New Scheme | | | 1,146 | 1,033 |
| Worst Case October 2018 | 72 | 552 | 3,135 | 2,173 |

5.6 Reserves and Balances

5.6.1 Reserves and Balances comprise the Council's 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 are particularly volatile.

The Working Balance

5.6.2 The General Fund balance at 1 April 2018 was £3.136 million .Although the Councils Risk analysis has identified a Minimum requirement of £0.673 million for 2018-19 this is forecast to rise to approximately a £1.0 million over the medium term, resulting in £2.136 million remaining to support the Revenue Budget.

5.6.3 The forecast surplus on Working Balances as at 31 March 2022 is £0.778 million (this includes offsetting the delay in opening of the DOV and the deficit in 2021/22).

5.6.4 The Chartered Institute of Finance and Accountancy (CIPFA) guidance states that a well-managed authority with a prudent approach to budgeting should be able to operate with a relatively low level of general reserves and that, in assessing the level of reserves, the Section 151 officer should take into account the strategic, operational and financial risks facing the authority.

5.6.5 **APPENDIX 3** highlights the risk areas that need to be taken into consideration when deciding on the minimum level of the General Fund balance

Earmarked Reserves

5.6.6 The Council maintains a number of earmarked reserves which have been set aside for specific risks, for known future spending requirements or for specific projects.

5.6.7 Earmarked Revenue Reserves as at 31 March 2018, amounted to £6.3 million (excluding the business rates reserve) and based on the Financial Plan assumptions, are expected to reduce to £4.8 million by March 2021. The actual level will vary as the utilisation of Ring Fenced Grants and General Earmarked Reserves are approved over the duration of the Financial Plan. A full review is to be undertaken as part of the preparation of the 2019-20 and subsequent year's budget and will form part of Cabinets Budget recommendations.

5.7 Medium Term Financial Outlook

5.7.1 The Financial outlook for Local Government remains very uncertain from a funding perspective with only clarification existing in relation to the 2019-20 settlement. This represents the final year of its 4 year settlement yet potential changes to the New Homes Bonus regime for that year has created additional uncertainty.

5.7.2 The introduction of a Reset of Business Rates in 2020-21 will have a material impact on funding and at best the changes arising from 75% Business Rate will

be financially neutral. Proposed changes to the New Homes Bonus scheme could also provide severe financial challenges to the Council. In addition any such changes will also have an impact on service provision for other tiers of the public sector within Staffordshire. In particular the recently published Medium Term Financial Strategy for Staffordshire County Council will have both a direct impact on our funding and could create additional cost pressures arising from changing service demands.

5.7.3 The Council's current budget strategy is based upon delivering its Corporate Plan 2018-23 and is focused on the maintenance of current service provision as a minimum.

5.7.4 The current approved Budget Strategy sought to reduce the dependency on New Homes Bonus by reducing the amount allocated to fund service provision by 10% per annum. It was envisaged that the dependency would reduce to 62% by 2021-22, with the residual grant being used to provide a source of capital funding for investment /invest to save initiatives and in addition provide potential transitional funding if a fundamental change in the grant regime occurs over the duration of the Financial Plan. The reserve is anticipated to be in the region of £1.1 million by 2021-22 and in light of the uncertainty as indicated above it is recommended it remains as a source of transitional funding.

5.8 Capital Programme 2018-19 – 2021-22

5.8.1 Council approved the current capital programme in January 2018 and the list of schemes included in the programme is set out in **APPENDIX 4** for information. The programme has been reviewed to reflect slippage from the 2017-18 financial year, new schemes approved by Council since the programme was approved in January 2018 as well as changes in circumstances that have impacted on schemes in the Programme.

5.8.2 No Provision has been made for any new schemes at this stage with the Capital Programme and Asset Management Plan subject to detailed review as part of the Budget Process.

5.8.3 At this stage of the budget process, pending determination of potential capital receipts and the 2021-22 rolling programme requirement, there are no uncommitted capital resources.

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)**

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

| |
|---------------------------------|
| 7 Appendix to the Report |
|---------------------------------|

Appendix 1: Draft Financial Plan – Revenue October 2018

Appendix 2: Revenue Known Variations to Approved Budget

Appendix 3: Working Balances – Financial Risks facing the Authority

Appendix 4: 2018-19 Capital Programme

| |
|--------------------------------|
| Previous Considerations |
|--------------------------------|

None.

| |
|--------------------------|
| Background Papers |
|--------------------------|

File available in Financial Services

| <u>DRAFT FINANCIAL PLAN - REVENUE OCTOBER 2018</u> | | | | | |
|---|------------------------------------|----------------|----------------|----------------|----------------|
| | | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
| | | £'000 | £'000 | £'000 | £'000 |
| Line No. | Portfolio spending | | | | |
| 1 | Base (Council 7 February 2018) | 11,411 | 11,689 | 12,050 | 12,050 |
| 2 | Pay inflation | | | 97 | 301 |
| 3 | Other inflation | | 24 | 24 | 207 |
| 4 | Income | | | | -266 |
| 5 | Recharges | | | -29 | -29 |
| 6 | | 11,411 | 11,713 | 12,142 | 12,263 |
| 7 | Known variations | 270 | 226 | 290 | 462 |
| 8 | | 11,681 | 11,939 | 12,432 | 12,725 |
| 9 | Investment Income/Technical Items | 234 | 576 | 714 | 714 |
| | Known variations | 146 | 275 | 160 | -243 |
| 10 | Net spending | 12,061 | 12,790 | 13,306 | 13,196 |
| | | | | | |
| | | | | | |
| | Financed By | | | | |
| 11 | Formula Grant | -384 | 54 | 54 | 54 |
| 12 | Section 31 Grant | -61 | -92 | -92 | -92 |
| 13 | Business Rates Retention | -4,130 | -4,357 | -5,262 | -5,262 |
| 14 | Reserves | | | | |
| 15 | New Homes Bonus Grant | -1,032 | -1,106 | -1,190 | -1,190 |
| 16 | Special grant – Council Tax freeze | | | | |
| 17 | Council Tax | -6,047 | -6,242 | -6,443 | -6,443 |
| 18 | Collection Fund Surplus | -112 | | | |
| | Known Variations | -223 | -610 | 371 | -158 |
| 19 | Net financing | -11,989 | -12,353 | -12,562 | -13,091 |
| 20 | | | | | |
| 21 | Efficiency Requirement | | | | |
| 22 | Surplus Ref to Working Balances | 72 | 437 | 744 | 105 |

Appendix 2**REVENUE KNOWN VARIATIONS TO APPROVED BUDGET**

| Line No. | Known Variations | 2018-19 £'000 | 2019-20 £'000 | 2020-21 £'000 | 2021-22 £'000 |
|----------|-------------------------------------|------------------|------------------|------------------|------------------|
| | <u>Approved Variations</u> | | | | |
| 1 | CAB Saving | | | -10 | -20 |
| 2 | Increments | | | | 13 |
| 3 | Social Alarms | 81 | 74 | 75 | 77 |
| 4 | Property Services Restructures | | 58 | 58 | 58 |
| 5 | Green Waste Recycling Credits | | 59 | 120 | 180 |
| 6 | Members Allowances | | 9 | 9 | 9 |
| 7 | Cannock Market Shops | | -42 | -42 | -42 |
| 8 | District Elections | | | | -108 |
| 9 | | 81 | 158 | 210 | 167 |
| | <u>Potential Variations</u> | | | | |
| 10 | Demographic Growth | 28 | 39 | 51 | 73 |
| 11 | Cost Pressures | 29 | 29 | 29 | 29 |
| 12 | Actuarial Valuation | | | | 193 |
| 13 | Revenue Impact of Capital Programme | 132 | | | |
| 14 | Other | | | | |
| 15 | | 189 | 68 | 80 | 295 |
| 16 | Total Known Variations | 270 | 226 | 290 | 462 |
| 17 | <u>Inflation</u> | 0 | 24 | 92 | 213 |
| | <u>Investment & Technical</u> | | | | |
| 18 | Contingency | | -141 | -141 | -141 |
| 19 | Capital financing | -77 | | | -12 |
| 20 | Earmarked Reserve NHB/BRR | 223 | 435 | 341 | -71 |
| 21 | Investment Income | | -19 | -40 | -19 |
| 22 | Net spending | 416 | 525 | 542 | 432 |
| | Financed By | | | | |
| | <u>Potential Variations</u> | | | | |
| 23 | Inflation | | | | -231 |
| 24 | Negative RSG | | -54 | | |
| 25 | Business Rates | | | | |
| 26 | - Mill Green | | | 434 | -72 |
| 27 | - Reset | | | 705 | 707 |
| 28 | - Growth/appeals | -223 | -240 | -645 | -617 |
| 29 | New Homes Bonus | | | | |
| 30 | -Dependency | | | | 103 |
| 31 | - Growth | | -264 | -239 | -239 |
| 32 | - Deadweight | | 69 | 138 | 208 |
| 33 | - Legacy | | | | 85 |
| 34 | Council Tax Base | | -21 | -22 | -102 |
| 35 | Collection Fund | | -100 | | |
| 36 | Net financing | -223 | -610 | 371 | -158 |
| 37 | Surplus Ref to Working Balances | 193 | -85 | 913 | 274 |
| R1 | As approved By Council | -121 | 522 | -169 | -169 |
| R2 | Variations | 193 | -85 | 913 | 274 |
| R3 | Revised | 72 | 437 | 744 | 105 |

| Working Balance - Financial Risks facing the Authority | | |
|---|----------------------|--|
| RISK | Level of risk | Explanation of risk/justification for cover |
| Inflation | Medium | Inflation has been included in the Financial Plan in accordance with Government policy. |
| Investment interest | Medium | The amount earned depends on the prevailing interest rates and the level of cash balances held. |
| Major income sources: | | |
| • Planning fees | Medium | Dependent on economic conditions. |
| • Land charges fees | Medium | Dependent on the housing market / basis of determining recoverable expenses/ proposed transfer to Land Registry. |
| • Car parking | Medium | Certain amount of volatility based on demand. |
| • Markets | Medium | Dependent on occupancy levels. |
| • Licensing | Low | Licensing income dependent on renewals. |
| • Cemeteries | Low | Dependant upon capacity of cemeteries |
| Spending pressures: | | |
| • Waste and recycling targets | Low | The Council will need to reach recycling targets in order to maximise income from recycling credits and avoid penalties. Recycling Credit regime operated by County Council |
| Funding Sources | | |
| • New Homes Bonus | Medium | Although allocations for 2019-20 can be predicted accurately, a proposed change to the deadweight baseline is now envisaged for that year. The future level of funding is now not only dependant upon completions of new properties but what incentive scheme will exist instead of New Homes Bonus. |
| • 75% Business Rates Scheme and Resets | High | A new scheme is to be introduced wef April 2020. In addition a reset of growth achieved under the current system will take place at the same time. The council is a high growth achiever hence how the rest is implemented could have material implications. |
| • Volatility in Business Rates | Medium | The Council will be exposed to volatility or reduction in its business rates due to the failure or temporary closure of a key industry and successful back dated appeals against Rateable Values. Although this gives councils greater freedoms and removes dependency on central funding it passes on greater risks core funding will reduce if Business Rates contracts. |

Appendix 4

| | Total Programme | 2018/19 | 2019/20 | 2020/21 | Approved |
|---|-----------------|--------------|------------|------------|--------------|
| | £000 | £000 | £000 | £000 | £000 |
| HOUSING GF | | | | | |
| Private Sector Housing | 27 | 27 | | | |
| Disabled Facility Grants | 2,443 | 859 | 792 | 792 | |
| Affordable Housing | 644 | | | | 644 |
| Total Housing General Fund | 3,114 | 886 | 792 | 792 | 644 |
| ENVIRONMENT | | | | | |
| Home Security Grants | 56 | 19 | 19 | 18 | |
| Wheelie Bin Replacement | 530 | 90 | 90 | 90 | 260 |
| Replacement -Vehicles- cleansing | 130 | 40 | | | 90 |
| Replacement -Vehicles- cemeteies | 51 | | | | 51 |
| Replacement -Vehicles- countryside | 117 | | | | 117 |
| Car Park Improvements | 492 | | | | 492 |
| Wolseley Road POS Improvements (s106) | 20 | 20 | | | |
| Total Environment | 1,396 | 169 | 109 | 108 | 1,010 |
| CRIME & PARTNERSHIPS | | | | | |
| CCTV | 50 | 50 | | | 0 |
| Total Crime & Partnerships | 50 | 50 | 0 | 0 | 0 |
| CULTURE AND SPORT | | | | | |
| Additional Cemetery Provision | 984 | 984 | | | |
| Stile Cop Cemetery | 3 | 3 | | | |
| Hednesford Park Improvements | 65 | 65 | | | |
| Hednesford Signal Box | 25 | 25 | | | |
| Stadium Development | 506 | 456 | | | 50 |
| Relocation Arthur Street Play Area (s106) | 3 | | | | 3 |
| Multi Use Games Area, Laburnum Avenue (s106) | 121 | | | | 121 |
| Replacement -Vehicles- Grounds Maintenance | 350 | 104 | | | 247 |
| Refurbishment Heath Hayes Park/Pitch | 115 | | | | 115 |
| Cannock Park Replacement | 14 | 14 | | | |
| Ravenhill | 171 | 171 | | | |
| Total Culture and Sport | 2,357 | 1,822 | 0 | 0 | 536 |
| ECONOMIC REGENERATION AND PLANNING | | | | | |
| Economic Development & Physical Assets | 320 | 320 | | | |
| Engineering Training Facility | 0 | | | | |
| District Investment | 6,476 | | | | 6,476 |
| Lets Grow Grants | 47 | 47 | | | |
| Total Economic Regeneration and Planning | 6,843 | 367 | 0 | 0 | 6,476 |
| TOWN CENTRE REGENERATION | | | | | |
| Market Shops | 510 | 510 | | | |
| Total Town Centre Regeneration | 510 | 510 | 0 | 0 | 0 |
| CORPORATE IMPROVEMENT | | | | | |
| Civic Centre Car Park | 443 | 443 | | | |
| Vehicle Workshop | 70 | 70 | | | |
| Total Corporate Improvement | 513 | 513 | 0 | 0 | 0 |
| Capitilsation | | | | | |
| Replacement -Vehicles- cleansing | 270 | | | | 270 |
| Replacement -Vehicles- Country side | 26 | | | | 26 |
| Rugeley Pedestrian/Cycle Linkage (s106) | 219 | 219 | | | 0 |
| TOTAL CAPITAL PROGRAMME | 15,298 | 4,536 | 901 | 900 | 8,962 |

| | |
|--------------------------|--|
| Report of: | Head of Governance & Corporate Services |
| Contact Officer: | Stephen Baddeley |
| Telephone No: | 01543 464 415 |
| Portfolio Leader: | Corporate Improvement |
| Key Decision: | No |
| Report Track: | Cabinet: 08/11/18 Audit & Gov Cttee: 27/11/18 |

CABINET
8 NOVEMBER 2018
STRATEGIC RISK REGISTER

1 Purpose of Report

- 1.1 To set out details of the Council's Strategic Risk Register as at 30 September 2018 and Risk Management arrangements for managing the Strategic Risks facing the Council.

2 Recommendations

- 2.1 That Cabinet approves the Strategic Risk Register and considers the progress made in the identification and management of the strategic risks.

3 Key Issues and Reasons for Recommendation

- 3.1 All strategic risks and associated action plans have been reviewed and the Council's risk profile is summarised in the table below:

| Risk Colour | Number of Risks at 1 April 2018 | Number of Risks at 30 September 2018 |
|--------------------|--|---|
| Red | 1 | 1 |
| Amber | 4 | 4 |
| Green | 0 | 0 |
| TOTAL | 5 | 5 |

4 Relationship to Corporate Priorities

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

- (i) Risk management is a systematic process by which key business risks / opportunities are identified, prioritised and controlled so as to contribute towards the achievement of the Council's aims and objectives.
- (ii) The strategic risks set out in the Appendices have been categorised against the Council's priorities.

5 Report Detail

5.1 The Accounts & Audit Regulations 2015 state that:

"A relevant body must ensure that it has a sound system of internal control which:-

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;
 - (b) ensures that the financial and operational management of the authority is effective; and
 - (c) includes effective arrangements for the management of risk."
- 5.2 Risk can be defined as uncertainty of outcome (whether positive opportunity or negative threat). Risk is ever present and some amount of risk-taking is inevitable if the council is to achieve its objectives. The aim of risk management is to ensure that the council makes cost-effective use of a risk process that has a series of well-defined steps to support better decision making through good understanding of risks and their likely impact.

Management of Strategic Risks / Opportunities




5.3 Central to the risk management process is the identification, prioritisation and management of strategic risks / opportunities. Strategic risks / opportunities have been identified and prioritised, action plans are in place for their effective management and delivery of the action plans is monitored. A summary of the Council's strategic risk register as at 30th September 2018 is attached at **Appendix 1**.

The risk summary illustrates the risks / opportunities using the "traffic light" method i.e.

| | |
|-------|---|
| RED | risk score 12 and above (action plan required to reduce risk and/or regular monitoring) |
| AMBER | risk score 5 to 10 (action plan required to reduce risk) |
| GREEN | risk score below 5 (risk tolerable, no action plan required) |

- 5.4 The number of strategic risks has remained at 5 with no risks deleted and no new risks added.
- 5.5 A progress update for those actions due up to the end of September 2018 is included in the full strategic risk register attached at **Appendix 2**.
- 5.6 Additional information for red and amber risks can be found in the Strategic Risk Register (**Appendix 2**) in the form of an 'Overall Progress Summary' this is accompanied by a symbol to indicate whether progress is on target or otherwise.

The table below outlines the overall progress made in reducing risks since 1 April 2018:

| Progress Indicator | Current position |
|---|-------------------------|
|  No progress made in reducing the risk | 0 Risks |
|  Some progress made in managing the risk | 5 Risks |
|  Risk on target to be reduced | 0 Risks |

The new risk does not have a progress report and is not included in the figures above.

6 Implications

6.1 Financial

None

6.2 Legal

None

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

The Risk Management implications are included within the body of the report and appendices.

6.8 Equality & Diversity

None

6.9 Best Value

None

7 Appendices to the Report

Appendix 1: Summary of Strategic Risks 2018-19

Appendix 2: Strategic Risk Register – Detailed

Previous Consideration

None

Background Papers

File of papers kept in the Chief Internal Auditor & Risk Manager's office.

SUMMARY OF STRATEGIC RISKS AS AT 01/04/2018

| Risk No | Potential Risks | Risk Owner | Date Added to Register | Score at April 2018 | Score at Sept 2018 | Direction of Travel over period reported |
|--------------------|--|---|------------------------|---------------------|--------------------|--|
| Red Risks | | | | | | |
| 18 | Vulnerability of Cannock Chase Council's financial stability as a result of public expenditure reductions and changes to the Government's funding regime | Head of Finance | April 2014 | 12 | 12 | ↔ |
| Amber Risks | | | | | | |
| 16 | Impact of Welfare Benefit Reform | Heads of Finance and Housing & Partnerships | April 2013 | 9 | 9 | ↔ |
| 19 | The organisation does not have sufficient Management / Officer capacity to deliver its corporate priorities and statutory duties | Managing Director | April 2015 | 9 | 9 | ↔ |
| 23 | Failure to repel or recover from Cyber-attack including targeted ransomware, malware and Distributed Denial of Service (DDoS) attacks | Head of Technology | April 2017 | 9 | 9 | ↔ |
| 25 | There is a reduction in investor confidence in the District | Head of Economic Prosperity | April 2018 | 9 | 9 | ↔ |

Key to Direction of Travel

Risk has decreased



Risk level unchanged



Risk has increased


Deleted Risks

| Risk No | Potential Risks | Risk Owner | Date Added to Register | Score at Oct 2017 | Score at Apr 2018 | Direction of Travel over period reported |
|---------|-----------------|------------|------------------------|-------------------|-------------------|--|
| | Nil | | | | | |

Cannock Chase District Council – Strategic Risk Register

| | | | |
|---|--|-------------------------------|-----------|
| Ref No: 16 | Risk: Impact of Welfare Benefit Reform (e.g. Introduction of Universal Credit, Single Fraud Investigation Service etc.) | | |
| Risk Owner: Head of Finance / Head of Housing & Partnerships | | Portfolio: Health & Wellbeing | |
| <p>Consequences Of Risk:</p> <ul style="list-style-type: none"> Increased demand for services (additional workload, pressure on service delivery, additional resourcing etc); Increase in arrears on Council Tax; Increase in Rent Arrears; Negative impact on ability to perform “Compliance” functions and adverse effect on income. | | | |
| Links To Priority Delivery Plan: Community Wellbeing | | | |
| Gross Risk Score (i.e. without controls) | | Likelihood: 4 | Impact: 3 |
| Total Score: 12 RED | | | |
| <p>Controls in Place</p> <ul style="list-style-type: none"> Manage the Council’s housing stock; Monitoring impact of localisation of Council Tax Support; Liaison with DWP on implementation timetable for Universal Credits; Budget support available for affected residents to better manage their budgets set up. Discretionary Housing Payment policy being refreshed November 2018. | | | |
| Residual/Net Risk Score (i.e. with controls) | | Likelihood: 3 | Impact: 3 |
| Total Score: 9 AMBER | | | |
| Provisional Assessment of Risk – does the residual risk score need to be reduced | | YES | |


| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|--|--|--|
| Monitor impact of Benefit Reform to identify areas of concern. | Quarterly / Head of Finance | An on-going monitoring routine is in place. |
| Identifying number of additional people falling into arrears with Council Tax payments | Quarterly / Head of Finance and Local Taxation & Benefits Manager | This forms part of the overall monitoring. |
| A corporate Universal Credit Response Group has been established which includes relevant departments and the DWP | Monthly Meetings / Head of Housing & Partnerships and Head of Finance | Monthly meetings are in progress but it is too early to determine the impact yet. Full Service to be introduced from 23 November 2018. |
| Introduction of Tenancy Sustainment Service | Completed | Tenancy Sustainment Officer (TSO) service embedded – completed |

| | |
|---|--|
| <p>Overall Progress Summary:</p> <p>The full impact of benefit reform cannot be determined until the phased introduction of Universal Credits – at present only a small number of claimants in the District have been moved over to Universal Credit. Full Service to be introduced from 23 November 2018 and the effect of this will be closely monitored.</p> <p>The emphasis has been shifted to look more holistically at pursuing rent recovery in line with the roll out of Universal Credit and impact of welfare reforms.</p> <p>The Tenancy sustainment service is now embedded in housing.</p> | <p>AMBER</p>  |
|---|--|

| | | | |
|---|---|-----------------------|------------------------------|
| Ref No: 18 | Risk: Vulnerability of Cannock Chase Council's financial stability as a result of public expenditure reductions and changes to the Government's funding regime | | |
| Risk Owner: Head of Finance | | Portfolio: The Leader | |
| Consequences Of Risk: <ul style="list-style-type: none"> • Council size becomes too small to sustain a viable organisation; • Unable to provide desired levels of service | | | |
| Links To Priority Delivery Plan: N/A | | | |
| Gross Risk Score (i.e. without controls) | Likelihood: 4 | Impact: 5 | Total Score: 20 – RED |
| Controls in Place <ul style="list-style-type: none"> • Medium term financial plan in place • Annual Financial Plan and Medium Term Financial Strategy in place • The Revenue Budget is balanced for 2018-19 but requires support from balances • Reliance on New Homes Bonus is reduced on an annual basis. • Corporate Budget Monitoring • Evaluation of consultation on changes to government funding regimes | | | |
| Residual/Net Risk Score (i.e. with controls) | Likelihood: 4 | Impact: 3 | Total Score: 12 - RED |
| Provisional Assessment of Risk – does the residual risk score need to be reduced | | YES* | |

| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|---|--|--|
| Responding to Government proposed legislation in relation to key funding regimes | On-going / Head of Finance | <p>Work streams of MHCLG/LGA and CIPFA in relation to 75% Business Rates Schemes and pilot areas to be monitored</p> <p>Detailed responses to be submitted in relation to self - sufficient local government, 75% business rates retention and fair funding review as more technical detail becomes available</p> <p>Responses submitted in relation to :</p> <p>Business rates - dealing with the financial risks of appeals (June 2018)</p> <p>Local Government Finance Settlement 2019/20 : Technical Consultation (September 2018)</p> |
| Review criteria for 2019/20 Business Rates Pilot and subject to approval of partners submit application | On going | Application to pilot 75% Business Rates Retention in 2019/20 on behalf of the Staffordshire and Stoke on Trent proposed Business Rates Pool/Pilot submitted on 24 September 2018. |
| Determine impact of Government proposals for key funding regime | On-going as information becomes available / Head of Finance | In Progress |
| Production and refresh of medium term financial plan | On-going | In Progress |
| Mill Green DOV Development Project Board Established | On-going | In Progress |
| Refresh Budget Strategy to ensure external funding sources maximised and efficient and effective use of all resources | On-going | Report to Cabinet/Council anticipated November 2018 |

| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|---|----------------------------------|---|
| Council looking to maximise all funding opportunities for economic growth, transport, infrastructure, additional jobs and better skills for residents | Head of Economic Prosperity | <p>Meet the Buyer event attended by 160 local employers/construction firms to source trades for the Mill Green Development.</p> <p>MOU in place between the Council and South Staffordshire College. Partnership working well and training provision gradually being re-established. Working on Engineering Academy establishment and secured funding to aide delivery. Long term sustainability will be important.</p> |


| | |
|--|---|
| <p>Overall Progress Summary:</p> <p>The Approved Budget and Plan currently provides an ongoing balanced budget with the use of balances required in 2019/20 pending the opening of Mill Green DOV in 2020/21.</p> <p>The Balanced Budget in 2020/21 in addition is based upon the current Local government Finance Regime, however fundamental changes, to Government Funding, details still to be determined, are set to take place in 2020/21 (implementation of 75% Business Rates Retention; Fair Funding and Business Rates Reset) combined with the ongoing uncertainty in relation to the longevity of the New Homes Bonus grant scheme creates a key strategic risk for the financial stability of this and all other councils. Details are unlikely to become clear before the Autumn of 2019 and hence Budget strategies need to be developed reflecting the various scenarios and efficiency savings implemented as soon as practically possible.</p> | <p>AMBER</p>  |
|--|---|

ITEM NO. 7.

| | | | |
|---|---|-----------------------|-----------------------------|
| Ref No: 19 | Risk: The organisation does not have sufficient Management / Officer capacity to deliver its corporate priorities (e.g. Corporate Plan & PDPs) and statutory duties. | | |
| Risk Owner: Managing Director | | Portfolio: The Leader | |
| Consequences Of Risk: <ul style="list-style-type: none"> The Council's priorities are not fully delivered with impact on residents / the public. | | | |
| Links To Priority Delivery Plan: N/A | | | |
| Gross Risk Score (i.e. without controls) | Likelihood: 4 | Impact: 3 | Total Score: 12 RED |
| Controls in Place <ul style="list-style-type: none"> Scoping of management capacity for delivery of PDPs by Heads of Service (Assessments of Management Capacity) Management capacity issues are monitored by Leadership Team; Adherence to Sickness Management Policy | | | |
| Residual Risk/Net Score (i.e. with controls) | Likelihood: 3 | Impact: 3 | Total Score: 9 AMBER |
| Provisional Assessment of Risk – does the residual risk score need to be reduced | | YES* | |

| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|---|---|---|
| Ensuring that all priorities in the PDPs are resourced appropriately | Ongoing / All Heads of Service | The majority of PDP priorities are on target but there are a small number of Yellow 'not on target' areas in part due to management capacity. |
| Where necessary, considering whether resources from other parts of the Council can be transferred for a period. | Ongoing / Managing Director and Leadership Team | PDP Priorities not on target are being reviewed by Leadership Team and resource implications are being re-considered. |


| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|---|---|---|
| Leadership Team maintaining an overview of performance through “managing the business” performance indicators | Ongoing / Managing Director and Leadership Team | Quarterly Performance Indicator reports agreed for 2017/18 |
| Requests for additional projects may be refused or deferred until subsequent year(s) | Ongoing Managing Director | A number of requests for new projects in year have had to be refused in order to protect delivery of the Council’s agreed Corporate Priorities. |
| The Property Services Manager post will be re-established | December 2018 / Managing Director | Interviews are scheduled for 2nd October to recruit to the post. |

| | |
|--|---|
| <p>Overall Progress Summary:</p> <p>The Council’s management capacity will be monitored closely and action has already been taken by not accepting new project requests in year in order to protect capacity to deliver the agreed PDP priorities.</p> <p>Leadership Team have recently started to review delivery of the Council's General Fund and S106 Capital Programme and will be considering in further detail the need for additional project and programme management capacity</p> | <p>AMBER</p>  |
|--|---|

| | | | |
|---|--|----------------------------------|------------------------------|
| Ref No: 23 | Risk: Failure to Repel or Recover from Cyber-attack including targeted ransomware, malware and Distributed Denial of Service (DDoS) attacks | | |
| Risk Owner: Head of Technology | | Portfolio: Corporate Improvement | |
| <p>Consequences Of Risk:</p> <ul style="list-style-type: none"> • Data, Systems and Applications inaccessible • Inability to deliver Council services • Cybercrime/ Fraud/ Ransom demands/ Financial harm • Reputational damage locally and nationally • Data Loss & breach of Data Protection Act (DPA) • Financial Loss | | | |
| Links To Priority Delivery Plan - Corporate | | | |
| Gross Risk Score (i.e. without controls) | Likelihood: 4 | Impact: 5 | Total Score: 20 - RED |
| <p>Key Controls in Place:</p> <ul style="list-style-type: none"> • Information Risk Management Regime – Assess the risks to our information assets, effective governance structure, LT engagement with cyber risk, produce supporting information management policies. • Secure configuration – Corporate policies and processes to develop secure baseline builds • Network Security – Protection and secured perimeter of external security threats and untrusted networks • Managing user privileges – All users of ICT systems provided with privileges suitable for their role • User education and awareness – Security policies that describe acceptable and secure use of ICT assets • Incident management – Incident response and disaster recovery capabilities that address the full range of incidents that can occur • Malware prevention – Produce policies that directly address the business processes (such as email, web browsing, removable media and personally owned devices) • Monitoring – Established monitoring taking into account previous security incidents and attacks. Annual IT Health Check and penetration testing conducted by a Council of Registered Ethical Security Tester (CREST)/ Communications-Electronics Security Group (CESEG) Listed Advisor Scheme (CLAS) - accredited Government Communication Headquarters (GCHQ) approved consultants. • Removable media controls – Produce removable media policies that control the use of removable media for the import and export of information • Home and mobile working – Assess the risks to all types of mobile working including remote working and develop appropriate security policies | | | |

| | | | |
|--|---------------|-----------|-----------------------------|
| Residual/Net Risk Score (i.e. with controls in place) | Likelihood: 3 | Impact: 3 | Total Score 9 -AMBER |
| Provisional Assessment of Risk - does the residual risk score need to be reduced | | YES* | |


| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|--|---------------------------------------|---|
| Information Risk Management- Continuous review and work on our information risk management regime | Ongoing / Head of Technology | Policies under review. Some elements will be dealt these will be reviewed |
| Monitoring – External and Internal checks. Threat and vulnerability assessment and remediation including Annual IT Health Check by CLAS approved consultant with remedial work carried out | Ongoing / Head of Technology | Procurement in progress for the Annual Healthcheck |
| Application Security Assessment and Remediation action taken | Annually / Head of Technology | The healthcheck will produce an action plan to feed into this. Other work will also be carried out to address |
| Security Compliance Assessment included in the survey | Annually / Head of Technology | As above |
| Threat intelligence, Vulnerability management, Operational management, via internal and external monitoring. | December 2018 / Head of Technology | Will review the webfilter and internet filter to replace the current |
| Exploring options to improve security for sharing information with external partners | December 2018 / Head of Technology | New action |

| | |
|---|---|
| <p>Overall Progress Summary:</p> <p>Work has been completed and actions are in progress. However, the environment means that new risks and challenges are always developing and attacks are becoming more sophisticated.</p> | <p>Amber</p>  |
|---|---|

| | | | |
|---|--|--|------------------------|
| Ref No: 25 | Risk: There is a reduction in investor confidence in the District | | |
| Risk Owner: Head of Economic Prosperity | | Portfolio: Economic Development & Planning | |
| Consequences Of Risk: <ul style="list-style-type: none"> • Business Growth in the District reduces • Employment Opportunities decline • NNDR / Council Tax Income does not grow • Schemes in the District get abandoned | | | |
| Links To Priority Delivery Plan: Promoting Prosperity | | | |
| Gross Risk Score (i.e. without controls) | Likelihood: 4 | Impact: 5 | Total Score: 20 |
| Controls in Place <ul style="list-style-type: none"> • The Local Plan Framework to identify development opportunities • Proactive work with GBSLEP/West Midlands Combined Authority • Business Relationships work/promoting the District via Economic Development function | | | |
| Residual Risk/Net Score (i.e. with controls) | Likelihood: 3 | Impact: 3 | Total Score: 9 |
| Provisional Assessment of Risk – does the residual risk score need to be reduced | | YES | |

| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|--|---|--|
| Economic Prosperity Strategy to be developed | March 2019 / Head of Economic Prosperity | Head of Economic Prosperity to commence early work to identify methodology of developing the strategy, likely/required content and stakeholder engagement. |




| Actions Planned | Timescale/ Person Responsible | Progress/Comments |
|--|---|--|
| Continue to dedicate resources to the GBSLEP/Combined Authority | Ongoing / Head of Economic Prosperity | The Council continues to actively participate in the GBSLEP and Combined Authority. The Government has instigated a LEP review and is proposing the removal of overlapping geographies which could have potential implications for the Council. |
| Revised Local Plan to be produced and delivered | Plan to be adopted by September 2021 / Head of Economic Prosperity | Local Plan Review underway; outcome of the Issues and Scope consultation to be presented to Cabinet in November. |
| Reestablishment of a Further Education offer in the District (Retail Skills Academy/Engineering Academy) | March 2019 / Head of Economic Prosperity | MOU in place between the Council and South Staffordshire College. Partnership working well and training provision gradually being re-established. Working on Engineering Academy establishment and secured funding to aide delivery. Long term sustainability will be important. |

| | |
|--|---|
| <p>Overall Progress Summary:</p> <p>The Council continues to work pro-actively with a variety of partners to deliver its economic prosperity agenda. The development of a new Economic Prosperity Strategy will further set out how the Council is working to support the local economy, this will complement the Council’s new Corporate Plan and the creation of a District Investment Fund. These priorities and investments will support the attraction of new investment to the District and ensure that the economy can grow and remain resilient. Maximising benefits from new investment made especially linked to the McArthurGlen designer outlet Cannock is of growing importance.</p> | <p>Amber</p>  |
|--|---|

In accordance with the Risk Management Strategy, the green risks below are deemed to be tolerable (with existing controls in place) and will be monitored but require no further action at this time.

| GREEN RISKS | | | |
|-------------|------------|-------|--------|
| Risk No: | Risk Owner | Risk: | Score: |
| | NONE | | |

KEY TO PROGRESS SYMBOLS

| Progress Indicator | |
|---|---|
|  | No progress made in reducing the risk |
|  | Some progress made in managing the risk |
|  | Risk on target to be reduced |

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|--------------------------|--|
| Report of: | Head of Economic Prosperity |
| Contact Officer: | Clare Eggington |
| Telephone No: | 01543 464 326 |
| Portfolio Leader: | Economic Development & Planning |
| Key Decision: | No |
| Report Track: | Cabinet: 08/11/18 |

CABINET
8 NOVEMBER 2018
LOCAL PLAN REVIEW ISSUES AND SCOPE CONSULTATION FEEDBACK AND NEXT STEPS

1 Purpose of Report

- 1.1 To provide feedback on the Cannock Chase Local Plan Review Issues and Scope consultation and to set out next steps and to update members with changes to the national planning system and on the ongoing work in relation to the shortfall of homes across the Greater Birmingham and Black Country Housing Market Area for information and context.

2 Recommendations

- 2.1 That Cabinet notes the feedback on the Cannock Chase Local Plan Review Issues and Scope consultation and the Sustainability Appraisal Scoping Report and the summary of the different consultation methods utilised as set out in the report at **Appendix A** and notes the next steps for taking forward the next stage of Local Plan preparation, including potential resource implications for the evidence base.
- 2.2 That Cabinet notes the key changes arising from the new National Planning Policy Framework as set out in the report and implications for the plan process moving forward, including resourcing matters.

3 Key Issues and Reasons for Recommendation

- 3.1 This report provides feedback on the recent consultation on the first iteration of the new Local Plan for Cannock Chase District which was produced following the decision to cease work on Local Plan Part 2 (Council, February 2018) and proceed with a review of the Local Plan as a whole given the amount of change in the planning system. This initial consultation relates to

an Issues and Scoping paper, and views were sought on the issues which the new Local Plan should address. Accompanying this, responses were also sought on the scoping report for the Sustainability Appraisal (SA) which has to be produced (as a legal requirement) to help shape the plan as it evolves.

- 3.2 The Issues and Scope consultation document was deliberately high level and broad to ensure that a wide range of matters could be considered before detail of the new plan is formulated. It also enabled those people who responded to the previous Local Plan (Part 2) consultation to see how their responses had been utilised as the new process begins.
- 3.3 Consultation took place for an eight week period beginning on Monday 2nd July 2018. The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) only requires a six week consultation period however it was felt appropriate to extend this to eight weeks given that this was over the summer holiday period. Furthermore, legally the Council is only required to consult with three statutory consultees (Historic England, Natural England and the Environment Agency) regarding the SA scoping report however it was felt it would be prudent to publicly consult on this at the same time.
- 3.4 During the consultation period, the government launched the new National Planning Policy Framework (NPPF) which makes a number of significant changes to the planning system and hence has changed the context within which the Local Plan will need to be produced. The Local Plan consultation was able to pre-empt much of this change based on drafts previously produced by the Ministry of Housing, Communities and Local Government (MHCLG), as set out in the Cabinet report dated 14th June 2018, however a short update is provided in this report.
- 3.5 Furthermore, as Members are already aware, under the Duty to Co-operate the fourteen local authorities in the Greater Birmingham and Black Country Housing Market Area (GBBCHMA) are working together to address a significant housing shortfall and work is ongoing in relation to this.
- 3.6 Members will also recall that the Statement of Community Involvement was also consulted on at the same time as the Local Plan. This will be reported to Cabinet in December 2018.

| |
|---|
| 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 ensure town centres are able 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 ensuring that facilities for healthy living are available to all.

5 Report Detail

Legal issues and context

- 5.1 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 an ongoing basis in fulfilment of this Duty when preparing their plans.
- 5.2 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.
- 5.3 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. The first stage of this process is to consult on the scope of this document through a Sustainability Appraisal Scoping report, so this was undertaken alongside the Local Plan consultation.

The consultation process

- 5.4 Consultation on both documents was undertaken between Monday 2nd July and Tuesday 28th August. Whilst the statutory requirement is to consult for six weeks it was felt that an eight week consultation period would be preferable as this would give the community more time to respond over the summer. Given that this is an early stage consultation, some limited flexibility was allowed beyond this to assist those who had problems responding (for example Parish Councils who were affected by the summer recess). Furthermore legally the Council is only required to consult with three statutory consultees (Historic England, Natural England and the Environment Agency) regarding the SA scoping report however it was felt it would be prudent to publicly consult on this at the same time.

- 5.5 Hard copies of the consultation documents and supporting literature (e.g. a non technical summary) were placed in the venues specified in the Statement of Community Involvement. Publicity for the consultation (and events) was via the Planning Policy team's website and consultation database which contains over 1000 entries (email and letter), via advertisement in the press, via press releases and social media as well as posters placed in a range of publicly accessible venues around the district (shops, community centres, noticeboards, libraries, theatres, leisure centres etc.). Officers were also proactive in contacting stakeholders, Parish Councils and community groups and gave presentations at a number of events as a result. A series of drop in events were held around the district, with exhibition materials and documents on display and officers available to answer any queries.
- 5.6 The drop-in consultation events were held in a range of venues, including libraries, supermarkets, community halls and leisure centres. The timing of the drop in sessions was varied to suit people at different times of day for example some were in the mornings, some in the late afternoon / early evenings, making the most of venue later opening hours where possible. All events contained the same materials and it was made clear that people could attend any session, whichever venue / time was most convenient. The range and number of venues (and number of events held) had been expanded since the previous consultation on Local Plan Part 2 as a result of feedback from the public. Some commented that events should be held later in the evening so this could be considered next time round subject to venue availability and team capacity, although every effort had been made to hold some events into the evening and an additional evening drop in session was added at Norton Canes as a result of requests from the community. All materials were also online however, and this time the ability to respond by online survey was an additional option.
- 5.7 Attendance at the events was lower than for the consultations held for Local Plan Part 2 although this is to be expected as the start of a Local Plan is essentially a high-level scoping process whereas later stages of plan preparation traditionally attract more interest as this is when sites and options are specified in detail and become more relatable to particular communities. Response levels were still good however, with 567 comments submitted and additional feedback received through workshops and meetings.
- 5.8 Further detail on the consultation feedback can be seen at [Appendix A](#).

The key issues raised through the consultation

- 5.9 A summary of the key issues are set out at Appendix A, and the representations will be published in more detail on the Planning Policy web page at www.cannockchasedc.gov.uk/plannningpolicy.
- 5.10 Of major significance to the emerging plan is the new National Planning Policy Framework (NPPF) which the Government published in July whilst the Local Plan consultation was underway. The timing of this was helpful as many of the representations were able to set out what the implications of new national

policy might be for the plan and these will need to be considered in detail moving forward.

- 5.11 Members will recall that when the Local Plan Issues and Scope document was reported to Cabinet on 14th June 2018 for approval to consult, the draft changes to the NPPF were considered in some detail and had also been included in the consultation documentation. The new NPPF does not appear to deviate in any major way from the draft changes proposed which would be considered to have a significant impact upon this stage of the Local Plan process.
- 5.12 In terms of headline issues however, it is worth re-emphasising that the housing requirement will now be set via a standardised methodology, which is set by the Government. The draft standardised methodology sets the local housing need (LHN) by using the demographic household projections as a starting point and then uplifts dependent on local affordability based on the ratio of median workplace earnings and average housing prices.
- 5.13 At the time of writing, confirmation is awaited from Government as to the final standard methodology of calculating the LHN and what the impact of this will be for the district. Such figures, when confirmed, should be treated as a minimum. The NPPF does allow for Councils to obtain their own evidence if they wish to deviate from this (e.g. should they want additional growth) but this would need to be proven to be robust and would be a complex process so would need very careful consideration, especially given the complexities of the wider housing market area.
- 5.14 Furthermore, Members will recall that a new Housing Delivery Test is to be introduced from November 2018: this was set out in the previous Cabinet report but means that Councils will be performance measured against their housing requirement in terms of the delivery of new homes with potential policy related consequences for under delivery. However financial-related punitive measures have been mentioned in relation to the New Homes Bonus and are still under consideration by the Government with further consultation anticipated in 2019 / 20.
- 5.15 In terms of economic growth, it is worth noting that there are implications for the plan arising from the recent announcements that the Local Economic Partnerships are under review as this will have potential consequences for the plan moving forward.
- 5.16 Another major issue will be the need to continue to work under the Duty to Co-operate with partners across the Greater Birmingham and Black Country Housing Market Area on the wider housing shortfall. As Members will be aware from previous reports there is a significant shortfall across the area as identified in the Strategic Growth Study (SGS) produced by GL Hearn / Wood (published February 2018) which concluded that there is a shortage of 28,150 homes to 2031 and 60,900 to 2036. This is currently being monitored and work is ongoing across the partner authorities in relation to this.

- 5.17 Viability and deliverability is another major area which will need to inform plan preparation as under the new NPPF there is considerably more emphasis upon this which, coupled with the increasing emphasis upon bringing forward brownfield sites and smaller sites will require significant resourcing in order to have robust evidence to show the plan is deliverable. Furthermore the Government has been saying for some time that the developer contributions regime (CIL and S106) is to be reviewed, but after a consultation earlier in the year nothing further has yet emerged on this.
- 5.18 It is clear (as with the previous consultation on the now-ceased Local Plan Part 2) that there is still much concern about protecting the Green Belt and the environment, but also considerable pressure to consider Green Belt options should the 'brownfield first' aims of the new NPPF not yield a sufficient range of viable and deliverable sites to enable the plan to deliver its requirement and possible contributions to the wider shortfall over a fifteen year timeframe.
- 5.19 Furthermore, the representations raised several issues about the evidence base which will be needed to inform the plan. Much of this is already in train (e.g. playing pitch strategy, housing needs assessment, economic development needs assessment, updated evidence on gypsy, traveller and travelling show-people needs) however much more will need to be commissioned as the technical expertise required is not held within the Council. Such evidence relates in particular to infrastructure and also environmental matters including transport, biodiversity, open space, green infrastructure flood risk and air quality. These will all have significant resource implications for their production as evidence needs to be robust and up to date. Discussions are currently underway on these matters and efficiencies will be sought where possible via joint working with other authorities but this will not always be possible depending on the nature of the evidence needed and the different local plan timescales for different areas.

Next Steps

- 5.20 The outcomes of the consultation will be considered and incorporated into the next iteration of the Local Plan i.e. the Issues and Options document due to be reported to Cabinet in February 2019 for consultation as set out in the Local Development Scheme. This will consider the issues raised in the Issues and Scope consultation and will set out a suggested range of options for dealing with these, for consultation before refining into a series of 'preferred options' to be consulted on later in 2019.

6 Implications

6.1 Financial

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

As referred to in para 5.14 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.

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

There are no Best Value implications arising directly as a consequence of this report.

7 Appendices to the Report

Appendix A: Local Plan (Issues and Scope) Consultation Document.

Previous Consideration

| | | |
|--|---------|----------|
| Revised Local Development Scheme and Local Plan Review | Cabinet | 25/01/18 |
| Local Plan Review (Issues and Scope) Consultation | Cabinet | 14/06/18 |

Background Papers

- Planning and Compulsory Purchase Act 2004
- Localism Act 2011
- The Town and Country Planning (Local Planning) (England) Regulations 2012
- The Environmental Assessment of Plans and Programmes Regulations 2004
- The National Planning Policy Framework 2012, MHCLG consultation proposals regarding the NPPF and developer contributions 2018, new NPPF July 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 2014

Appendix A**Local Plan Issues and Scope consultation****Summary of issues raised throughout the consultation process in relation to the Issues and Scope document and Sustainability Appraisal Scoping Report**

(NB this is set out on a theme by theme basis, summarising the written representations to the consultation, followed by other comments (which do not duplicate those already made via written representation) made at various events, workshops and meetings while the consultation was ongoing. Meetings with Duty to Co-operate bodies are held throughout the development of the plan and are logged separately as they occur).

General overall comments**Written Representations**

Most respondents targeted their comments to answer the questions asked in the consultation document. A few more generalised comments were made, some supporting the Council's decision to cease work on Local Plan Part 2 and progress a review instead, a couple not supporting this, others making general comments on the nature, distribution and scale of growth, and on the infrastructure needed in relation to this.

Comments on the district profile and key issues**Written Representations**

29 responses were received on the district profile section. 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 eg 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.

Some respondents (mainly statutory agencies and individuals / interest groups / organisations) wanted more emphasis on particular topics eg 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.

The need for the profile to reflect current national policy, the need to address the housing market area housing 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 CCDC should play a role in addressing the shortfall and that 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 also be helping to deliver the wider growth aspirations of the region (eg the LEPs), and that this would have implications for the need for more housing and an integrated approach. Furthermore, some respondents then commented that employment land should not be lost to housing, and that environmental matters should be balanced with growth needs.

Some respondents 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 needed updating or correcting in terms of factual accuracy.

Wider context

Written Representations

39 responses were received regarding the wider context of the plan.

In terms of the comments on the strategies and plans the new local plan needs to align with, several examples were listed by a range of agencies and organisations including the AONB Management Plan, the Minerals and Waste Local Plans, the Staffordshire Learning Infrastructure Framework, and various West Midlands Combined Authority (WMCA) strategic economic and transport plans. There was much emphasis from the development industry on the duty to co-operate, having regard to the Birmingham Development Plan and the wider Strategic Housing Needs Study (although some developers cited concerns with this). The need for the plan to be based on up to date evidence, to help deliver the housing shortfall (including Green Belt release), to deliver the Council's own economic growth ambitions (as set out in the Corporate Plan), and the need for statements of Common Ground to be produced as work progresses were all matters raised. Stafford Borough Council acknowledged the cross boundary linkages identified but wanted more information on the relationship between Rugeley Town Centre hinterland and Stafford Borough stating that there should be no development impacting on the Green Belt or AONB in Stafford Borough. Rugeley Town Council wished to see more recognition not only of neighbourhood plans but of other Parish / Town plans and the role they play in regeneration and partnership working. Finally, other respondents stressed the importance of green / open spaces, environmental protection and enhancement.

In terms of 'other cross boundary issues' which should be addressed, a range of issues were mentioned 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 (ie Rugeley not getting economic benefits from the Midlands Conurbation due to geographical separation by Cannock Chase).

Vision and Objectives

Written Representations

22 representations were received on this theme, 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 eg 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.

Review of CP1: strategy

Written Representations

This attracted 64 responses. There was much emphasis, mainly from the development industry about the need for the strategy to change to accommodate some of the Greater Birmingham and Black Country Housing Market Area (GBBCHMA) housing shortfall; to treat the standard methodology as providing the minimum figure for housing; to increase the amount of housing and employment to meet not only the growth ambitions of the district but also the wider ambitions of the West Midlands; to allow for Green Belt release / amend Green Belt boundaries to accommodate growth (some made specific comments on the Green Belt review methodology); to allow for the development of brownfield sites in the Green Belt and AONB, and the need to safeguard some Green Belt to provide for growth needs beyond the plan period. A number of developers pointed out that brownfield sites are a finite supply (although some promoting brownfield sites felt they should be prioritised) and will not be sufficient to address the growth needs of the area, that the current spatial approach of distributing development in proportion to the size of existing communities will not work in terms of future growth needs and that large scale urban extensions provide the solution as they will be of a scale to provide new infrastructure and facilities. Many then went on to promote the sustainability merits of

their various proposals, some also promoting various spatial options accordingly. It was also commented that the growth needs of rural communities should also be taken into account to help with housing supply and affordability issues.

Others (mainly interest groups, some Parish Councils and members of the public) felt that the Green Belt should be protected and that Rugeley Power Station should be able to absorb the housing required. It was also felt by some (including Rugeley Town Council) that Rugeley was neglected, did not have strong links with the conurbation, attracted people who commute to neighbouring districts, and needed support to attract private sector investment to revitalise the area, and to provide employment which would benefit local people.

Many respondents offered specific local detail for instance the importance of keeping the separation between communities and the purposes of the Green Belt in this regard. Some raised objection to potential directions of growth / large strategic options, some referring to the detail of the previous consultation on Local Plan Part 2, citing a range of concerns (depending on the area) eg biodiversity, traffic safety, coalescence and so on. Norton Canes Parish Council supported infill but felt it could not absorb further strategic growth, and expressed concern about possible coalescence with Cannock if Kingswood Lakeside expanded. Concern was also expressed by Burntwood Town Council about the possibility of coalescence with Heath Hayes.

Some said that the current strategy works well as it balances growth with conservation needs. Natural England highlighted that the district faced many environmental constraints and would continue to work closely with the Council and its partners (for example on the Cannock Chase SAC) on these matters.

A range of other comments on spatial distribution and infrastructure were made (including those by developers as mentioned previously) Transport for West Midlands advised that regard should be had to travel to work patterns and existing transport routes / links with the West Midlands economy when allocating housing sites, and the links between supply chains and transport networks.

Staffordshire County Council felt that strategic sites should be considered as they can provide more on-site infrastructure, concerns were expressed about the pressures that a 'scattered approach of medium / small scale sites' would place on infrastructure if the current strategic approach of proportionate distribution was continued: in particular educational capacity would need to be taken into consideration including the need / ability to expand schools if needed, or provide a new school in some instances. A particular pressure point for infrastructure both in terms of schools and highways capacity was identified in relation to the Wimblebury area. It was also commented that new sites must not encroach on waste management infrastructure. In terms of smaller scale sites, however others (such as South Staffs. Council) mentioned the importance of such sites in contributing to the short to medium term supply of housing as identified in the Strategic Growth Study for the GBBCHMA.

In terms of the time period for the plan those who responded felt the time period is appropriate ie to run to 2036 provided that this covers 15 years from adoption.

Review of CP2: Developer Contributions for Infrastructure.

Written Representations

29 responses were received to this section. Some were high-level eg those from agencies (Natural England / Highways England) citing the need to engage as the plan progresses. Natural England also requested more emphasis on green / blue (ie water-related) infrastructure.

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 so a generalised approach might not be appropriate, and ‘exceptional circumstances’ would need consideration in terms of how this might be applied. 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 so should not have to contribute to health facilities or at least should have discounts applied. Some commented that if a developer could not deliver on the required infrastructure then the site should not be considered viable.

Other respondents provided information about their particular product (Eg Rentplus 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 (Rugeley Town Council), funds for the restoration of the Hatherton Canal, sport and recreation facilities as shown by updated evidence for the Rugeley Power Station redevelopment (Sport England) and the need for a new or expanded police custody facility in the southern Staffordshire area (Staffordshire Commissioner, Police Fire and Rescue).

Review of CP3: Design

Written Representations

32 comments were received to the questions posed in relation to the review of the design policy. Some respondents wanted it bolstering, for example the Canal and River Trust suggest a canal specific policy and suggest that the canals offer opportunities for high quality integrated design, also highlighting that land stability matters need to be considered in relation to canals. Sport England requested inclusion of Active Design, suggesting this should go in the Design SPD. Rugeley Town Council felt that despite design policy, planning applications were of a poor standard in Rugeley, eroding the historic qualities of the area. Others commented that high quality, innovative design should be encouraged and policy CP3 should be amended to reflect this.

Housing density was a key focus of the responses. It was felt that the matter should be addressed via the Local Plan rather than SPD as this has implications for viability. It was felt that policy enforcing specific densities across all sites was not appropriate

as provision should be made for the character of a particular area (including design guides and codes), although some felt that minimum density standards could work in town centres / areas with good public transport links for example. Rugeley Town Council advised that a range of densities should be encouraged, and 'accessible' properties close to amenities would be appropriate.

Staffordshire County Council expressed concern that minimum density standards could conflict with achieving above ground SuDS (Sustainable Drainage System) and that the SuDS handbook should be referenced in the Local Plan. Natural England advised that green infrastructure can still be achieved with high densities referencing the Town and Country Planning Association Biodiversity by Design publication.

In terms of minimum / maximum off street parking standards, developers commented that this should be in accordance with the NPPF Paras 105 and 106 ie if standards are to be set this must be backed up by robust evidence to justify this. Others commented that parking levels required at present are too low.

Review of CP4: Neighbourhood-led planning

Written Representations

8 responses were made to this section. There were mixed views, with some feeling that there was no need for the policy and others feeling that the Local Plan still needed to make clear reference to the link between the Local Plan and Neighbourhood Plans (including continued guidance for the latter), and two commented that the local plan should have policies if the Neighbourhood Plan allocates sites.

Review of CP5: Social Inclusion & Healthy Living

Written Representations

44 responses were received on this policy. In terms of which issues the policy should be covering it was felt that there should be more emphasis on the health benefits of canals, and on green and blue infrastructure. The policy needs more emphasis on schools and doctors and village regeneration (mentioned in relation to Norton Canes) to accompany growth, and open spaces need careful planning: some respondents commented that play areas were out of date (Rugeley) or badly located (Norton Canes) and play provision should be provided where an up to date audit shows it is needed. Careful consideration is needed when locating development next to farmland in terms of considering the maintenance of rights of way (given the increase in their use) and avoiding trespassing, fly tipping and negative impacts on livestock (and potentially the impact on farm management practises too). Farmers and landowners need to be engaged in discussions from the outset. It was also commented that Active Design should be incorporated into policy, that a holistic approach is needed to planning for residential and open space, that green spaces contribute to clean air, and that community, cultural and social facilities should be protected from loss.

Others commented that infrastructure for health needs to be flexible and adaptable and relevant / appropriate to the needs of the site and its context. Viability was emphasised by many respondents and it was felt that standards for open space and recreation provision should go in Local Plan policy and not SPD. It was also commented that SPD should be flexible and should not 'lead policy'.

Several comments were made on the evidence base including a request to allow some brownfield sites in the green belt and AONB to be developed, to encourage innovation, the need to inform policy via an updated Indoor and Built Facility strategy and Playing Pitch Strategy which would also set levels of provision needed (setting standards is not supported by Sport England), incorporating wider determinants on health (to be discussed with Public Health), and informing policy using a range of Natural England and DEFRA publications on the natural environment and obesity, physical activity, physiological health, mental health, dementia, and human health.

In terms of offsetting, respondents interpreted this differently. Some, for example, saw this as net gain in terms of additional quantity (eg footpath length along a canal or opening up an area of countryside for recreation or sports) or even landscape enhancement. Others advised that this terminology is used in terms of biodiversity net gain, SANGS (Suitable Alternative Natural Greenspace). Respondents focusing on this issue commented that the Council would need to be clear as to how this would be measured and what metrics should be used. Natural England advised that the Council will need to consider whether it is considering delivering biodiversity net gain outcomes or wider ecosystem / natural capital outcomes, commenting that the latter two will require additional advice and expertise. It was considered that biodiversity net gain can be sought on a proportionate basis using an up to date evidence base (Phase 1 habitat survey).

Other comments on CP5

Air quality was raised a number of times: more evidence is needed together with consideration as to how policy and supplementary policy should be prepared and applied.

The policy needs to include more emphasis on social inclusion, avoiding isolation and more about mental health and wellbeing as the current emphasis is currently on physical health. It needs more on community support, activities, social engagement and the role venues play in this – spaces need to be multifunctional and flexible.

It was commented that Public Health need to engage with the plan. It was asked if a "Planning for Health" SPD, could include an approach to hot food takeaways / A3 uses where hot food is available eg drive-throughs or delivery of hot food, but covering a much wider approach than this as per the SPD produced in Dudley. Consideration could be given as to whether developer contributions could be taken from applicants of A5 (or A3) uses to ensure improved education in relation to healthy eating. The plan should consider whether developments should undergo health impact assessment where relevant aimed at addressing areas of poor health in the district.

Workshops with primary schools across the area showed that children were concerned about lack of places to play which they could get to easily and which were good quality, including skate parks and facilities for older children. They wanted places where activities were on offer. They often cited being intimidated by large groups of older children / adults who gather in public places and smoking and antisocial behaviour was a concern repeatedly mentioned, as was litter and general maintenance issues as they stop children wanting to be outside / feeling safe.

Review of CP6: Housing Land

Written Representations

Housing Land attracted 97 responses. In terms of the issues needing to be addressed, as with the strategy section there was much emphasis from the development industry about the need to accommodate some of the housing shortfall, to treat the standard methodology as a minimum figure and to release Green Belt sites including brownfield sites in the Green Belt which could offer natural capital. References to the need to speed up delivery were also made, and also the need to speed up the plan making process.

Merits of various sites and directions of growth were also submitted, (and more flexibility in the allocation at Pye Green Road) as was a summary of a suggested way of apportioning the housing shortfall across the Housing Market Area. Comments were also submitted questioning the robustness of the Housing Market Area evidence base and its approach to densification.

Conversely, a number of objections were raised to the potential use of Green Belt emphasising the need to prioritise brownfield sites, with some making specific reference to Rugeley Power Station. It was also commented that Green Belt land is cheaper to develop, and it should not be selected on this basis.

Comments were submitted regarding the need to ensure that growth is accompanied with the right levels of infrastructure for example impacts on highways or the need to invest further in village centres (eg Norton Canes), but would also benefit by being located close to existing infrastructure such as transport hubs and services and facilities. It was commented that sites should not be allocated close to farming livestock units. In terms of self build and custom build housing it was commented that this should not be in place of affordable housing.

As with the strategy section the role of the Cannock Chase AONB was highlighted by Staffordshire County Council, citing the NPPF in terms of the definition of 'major development' being a matter for the decision maker in this context and it is suggested that some sites could be initially scoped out using the Landscape Character Assessment but cautions that further area / landscape sensitivity studies would be required for this approach to be robust.

With regard to the evidence base it was commented that urban capacity evidence needs to be updated as does the Green Belt study (the methodology for which is also questioned), housing needs study and information on viability and infrastructure.

In terms of densities, no respondents felt that a blanket approach to densities should be applied, as densities should reflect the surroundings and character of an area so flexibility is required and sites should contain a variety of densities. It was felt that higher densities would be more appropriate in urban areas and around transport hubs, however it was also commented that efficient use of land was key so some rural sites might be appropriate for high densities in some instances. Others expressed concern about problems with parking and high density development, and also logistics in being able to accommodate SuDS.

The question was asked as to how the Council might ensure it had considered all potential brownfield options and whether there were any new sites which should be put forward. Some respondents felt that the brownfield land register / SHLAA¹ was sufficient, some felt further capacity work would be helpful, some suggested some specific sites / made general suggestions. It was also commented that there are risks with an over-reliance on brownfield sites because they are finite so availability will decline over time, may present viability issues and may inhibit the delivery of affordable housing.

In terms of the question regarding which key locations should be considered for growth, various suggestions were made by developers promoting their own sites and the locations to which those sites apply, including Green Belt and edges of settlements in various locations across the district. Others set out the need to have a clear mix of sites of varying sizes in a range of locations, reflecting national policy in terms of delivery and five year supply.

It was also asked whether some sites could be screened out early because they were not reasonable options. There was no consensus on this: some commented that the NPPF should be followed but allowing for Green Belt options to be considered, some felt that AONB / SAC sites and SSSI impact risk zones should be excluded but others advised that sites should not be screened out just because they were in an AONB. Others felt Green Belt should be excluded at the outset. It was commented that the Best and Most Versatile Agricultural Land should be screened out. Others stated that the assessment process should be clear, referencing national planning practice guidance, the approach to assessment used by Cheshire East Council and the need to be consistent in assessing reasonable alternatives including via the sustainability appraisal.

Other comments on CP6

It was commented that the policy could be strengthened to emphasise the need for supporting social infrastructure. Workshops with children showed that they wanted their local areas to be supported by the right facilities and there were a number of comments about the type of home they would like (eg large garden to play in etc).

¹ Strategic Housing Land Availability assessment

Review of CP7: Housing Choice

Written Representations

37 comments were received. Generally these tended to reiterate national policy and guidance, stating the need for updated evidence including the standard methodology, housing delivery test, housing needs assessment and whole plan viability. Some commented that larger sites could deliver a wider range of products; that if the Council wishes to opt for higher standards for accessible / adaptable homes then these should be evidenced on need rather than being 'nice to have'; that policy should not set out housing mix in policy; the need to include a policy for agricultural workers' dwellings which are not in current policy; to provide certainty on viability affordable housing should be expressed as a single figure rather than a range; that viability should be considered in terms of how it will be applied across local authority boundaries; that affordable housing in perpetuity should only be applied as per the NPPF; that Staffordshire County Council is developing an evidence base regarding specialist housing for older people; that housing for older people should be close to town centres, services and facilities.

In terms of Gypsy, Traveller and Travelling Showpeople it was commented that updated evidence should also assess the need for caravan and houseboat accommodation. It was considered that sites should be allocated for both those who fall within, and those who fall outside the 2015 definition of Gypsy and Traveller; that as well as the A5 area of search there should be support for a range of sites across the district; that sites could be small 5-6 pitch extended family sites (another commented up to ten pitches); that large housing developments should be required to provide sites; that transit sites should be located away from other Gypsy and Traveller settlements; that transit sites are required for those moving off unauthorised encampments.

There was very little response on criteria for screening out sites although Natural England reiterated the same comments as for housing sites in relation to SSSI impact risk zones.

Review of CP8: Employment

Written Representations

14 comments were received which were concerned with the following; the need for up to date evidence including the functional economic market area (and aligning cross-boundary eg with South Staffs) ; the need to align with the LEPs; the need to address the shortfall in employment land supply; the need for a balance between homes and employment and the role for housing-led regeneration (in relation to Rugeley Power Station); the need to ensure employment delivered at Rugeley Power Station links to the town centre; the need to ensure jobs are disseminated throughout the district to promote sustainable travel patterns; to address the need for overnight HGV parking; to encourage employment generation in a range of sectors not just B class uses; to consider viability issues where retaining lower quality employment areas; not to allow sites to be fragmented; to ensure the right infrastructure is delivered including taking account of the impact on the strategic road network.

Some felt enough sites had already been provided. Others sought to promote their own schemes.

Review of CP9: A balanced economy

Written Representations

13 responses were received. These were varied in nature and included: recognising the economic and environmental benefits of the canal network; the need to align new policies for the restored Hatherton Canal and the Extension Canal SAC with Walsall and South Staffordshire (as per recent local plan examinations); the need to strengthen references to the rural economy; improving town centres and links to these to encourage people to visit and shop there. Merits of particular development proposals were cited.

Review CP10: Sustainable Transport

Written Representations

16 responses were received. 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 (eg 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.

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.

Other responses highlighted the need for improvements to stations including better services (eg 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.

Other comments

Concerns about cuts in bus services and lack of late trains from Birmingham to Rugeley as these stop at Hednesford.

Workshops in the local primary schools showed children were concerned about fast traffic, often commenting that they did not feel safe / were not allowed to play out because of it. Many also said they did not feel safe cycling, and there were lots of potholes. Those in rural areas in particular also commented on the lack of buses.

Review of CP11 Centres Hierarchy**Written Representations**

This attracted 12 responses. These commented on the need for town centres to be cleaner and tidier; the centres hierarchy being appropriate; opportunities from the Rugeley Power Station site to help link to and regenerate Rugeley; the introduction of a lower impact test threshold for retail being unhelpful to the regeneration of the power station; tourism and centres as a gateway to the AONB needing to be carefully managed; Area Action Plans (AAP) only being a useful tool if their policies are utilised; the need to reassess the Rugeley AAP as its aim of replacing the market hall in Rugeley with a shopping mall would no longer be viable; the need to cross reference Local Plan policy to the Government's Prevent and Crowded Places documents.

Other comments

Workshops with primary school children highlighted concerns with the lack of shops and 'food places' especially in Rugeley, and nothing to do. Others however liked the leisure centres, shops and restaurants.

Review of CP12: Biodiversity and Geodiversity**Written Representations**

9 responses were received to this section. Comments included: the importance of waterways for recreation, as boundaries to sprawl and as a biodiversity resource; the need to protect the Cannock Extension Canal SAC and SSSI; the need for the plan to set out a strategic approach to biodiversity (similar to green infrastructure planning); the need to include geodiversity conservation; the need to establish a method for measuring net gain in biodiversity; the need to strengthen the plan in terms of irreplaceable habitats in line with the new NPPF; the need to engage and acknowledge the role of farmers and landowners as they own and manage many natural capital assets and routinely invest in landscape and enhancement works.

It was also pointed out that paragraph 5.117 of the consultation is slightly incorrect and an amendment provided.

In terms of the evidence base, Natural England advised that the conservation objectives for each European site are now available. Others commented that ecological networks should be mapped (including cross boundary), and that the plan

should be informed by a biodiversity assessment which could impact on the developable area of a site. It was also commented that whilst a network / opportunity strategy would be unlikely to be able to be developed within the plan production period, any policy should recognise that such a strategy should be utilised once produced.

It was also considered that a strategy for the water environment should be produced which could be helpful in terms of both biodiversity and flood management.

Review of CP13: Cannock Chase Special Area of Conservation (SAC)

Written Representations

3 comments were received. Natural England confirmed they would continue to work with the SAC partnership on the evidence base needed to inform and mitigate for further development over and above that in current plans. Staffordshire County Council also welcomed the commitment to further evidence. Rugeley Town Council stated that the Chase, canal and river were important physical boundaries to Rugeley and any Green Belt development in the area would erode significant natural features.

Review of CP14: Landscape Character and Cannock Chase AONB

Written Representations

11 responses were received. These were that: exceptions to policy should be allowed to enable brownfield sites to be appropriately developed; to support the wording of the existing policy; to operate enforcement to prevent damage to the AONB; to allow for some Green Belt release; to reflect the relationship between the landscape and heritage in any reviewed policy; to encourage heathland corridor creation; to recognise the importance of the Hednesford Hills; to recognise the role farmers and landowners play in protecting and enhancing the environment; to steer development to sites which are not designated for any landscape of ecological reason; to be consistent in assessing sites and options and to prioritise previously developed land.

Review of CP15: Historic Environment

Written Representations

21 comments were received. These included the need to include specific policy on canals as the network is important not just the designated conservation sections; to ensure the plan provides a positive and proactive strategy (including setting) for heritage; heritage policy should not be 'stand alone'; heritage-led regeneration 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 (although 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 protection of historic assets requires use of statutory powers; that 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.

Review of CP16: Climate Change and Sustainable Resource use

Written Representations

14 comments were received to this theme. The Environment Agency and Severn Trent Water each set out a detailed list of guidance and information to be utilised and requirements for the evidence base. The Canal and River Trust commented that the canal network could provide potential for heating and cooling the district heat network or individual schemes; the policy should be amended to reference the potential of the canal network to contribute to low carbon technologies; there is a need to highlight the potential for surface water drainage and any associated mitigation in terms of biodiversity, water quality or structural integrity of the waterway. Others commented that canals could help address flooding in the district. The Coal Authority supported the wording of the current policy criterion for issues applicable to mining legacy and safeguarding. Other comments were concerned with: the impacts of development on farmland (waterlogging, flooding, downstream impacts, demands on water abstraction and water treatment and mitigation); the need to ensure conformity with waste and minerals plans and safeguard sites accordingly; the need to protect green spaces to contribute to air quality.

Other issues

Some respondents made comments on other matters which the plan should address. The following matters were raised (in no particular order):

- Consider a canal – specific policy
- A Cannock Extension Canal Special Area of Conservation policy is needed
- Soils need to be covered in the plan
- The plan should safeguard the best and most versatile agricultural land
- Fire prevention measures such as sprinklers in all buildings should be considered as part of the planning process
- Separate policy for green infrastructure should be considered
- Measures to stop land banking are needed
- Consultation on planning applications needs improving
- A better planning portal is needed
- Processes for getting information from statutory bodies in terms of infrastructure spending, statutory bodies need to engage more locally eg with headteachers and GPs and this should be communicated to Parish Councils.

Sustainability Appraisal Scoping Report representations

10 respondents made comments on this. Mainly the detailed comments were from the three statutory consultees ie the Environment Agency, Historic England and Natural England although suggestions were made from other respondents too. The consultants working on the Sustainability Appraisal will consider the comments in detail and discuss any potential amendments with officers before proceeding with the sustainability appraisal for the Issues and Options consultation.

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|--------------------------|--|
| Report of: | Head of Economic Prosperity |
| Contact Officer: | Sarah Jones |
| Telephone No: | 01543 464 494 |
| Portfolio Leader: | Economic Development and Planning |
| Key Decision: | No |
| Report Track: | Cabinet: 08/11/18 |

CABINET
8 NOVEMBER 2018
CANNOCK CHASE COMMUNITY INFRASTRUCTURE LEVY (CIL) FINANCIAL YEAR REPORT AND CIL GUIDANCE FOR PARISH AND TOWN COUNCILS

1 Purpose of Report

- 1.1 To note the CIL financial year report 2017/18 and to note the current position in relation to the allocation of CIL funds.
- 1.2 To consider the allocation of 5% of CIL funds received annually to administrative expenses.
- 1.3 To consider the publication of the CIL Guidance for Parish and Town Councils.

2 Recommendations

- 2.1 That the CIL financial year report be noted.
- 2.2 That the allocation of 5% of CIL funds received annually to administrative expenses is approved.
- 2.3 That the publication of the CIL Guidance for Parish and Town Councils is approved and that any minor updates required in the future (to reflect regulatory changes) are delegated to the Head of Economic Prosperity.

3 Key Issues and Reasons for Recommendation

- 3.1 The Council approved the CIL Charging Schedule and Regulation 123 List of infrastructure projects eligible to receive funding at its meeting on 15/04/2015. CIL came into effect in relation to relevant chargeable development on 01/06/2015.

- 3.2 CIL is intended to provide a funding stream for infrastructure needed to support the policies and proposals in the adopted Local Plan. It will partly replace funding previously obtained via Planning Obligations (Section 106 agreements and Unilateral Undertakings) which have become more limited in scope in relation to pooling of funds from 5 or more obligations as a result of the Community Infrastructure Levy Regulations 2010 (as amended) (the CIL Regulations).
- 3.3 The Council is legally required to produce a financial year report on CIL receipts and spend in accordance with the CIL Regulations. This is the third financial report since the adoption of CIL and it provides a summary of CIL receipts and expenditure for the financial 2017-18.
- 3.4 The CIL Regulations allow CIL charging authorities to utilise up to 5% of their CIL receipts for administrative purposes. This report seeks approval for this maximum 5% to be allocated each year in order to provide certainty of funding for CIL related administration.
- 3.5 The CIL Regulations require the District Council to pass a proportion of CIL receipts received from developments within Parish and Town Council areas to those relevant Councils. As the rate of these transfers is increasing it is considered appropriate to provide specific and publicly available guidance on the receipt, spending and monitoring of CIL monies.

4 Relationship to Corporate Priorities

- 4.1 This report supports the Council's Corporate Priorities as follows:
- **Promoting Prosperity:** CIL supports investment in infrastructure which in turn encourages investment in housing, town centres and employment opportunities and skills in the District.
 - **Community Wellbeing:** CIL supports investment in infrastructure which in turn can help encourage healthier living opportunities and safer, more attractive environments in the District.

5 Report Detail

Financial report overview

- 5.1 The Council's CIL financial year report is provided at Appendix 1. It reports on the period from 1 April 2017 – 31 March 2018. In accordance with the CIL Regulations the Council must report on a stipulated set of figures. Regulation 62A sets these out in detail and they include the level of CIL receipts collected; the level of CIL expenditure within the reporting year; the items to which that expenditure has been allocated to; levels of neighbourhood fund expenditure; and the total amount of CIL receipts retained following expenditure. The Council should publish this information by the 31st December following the end of the reporting year.

- 5.2 The financial year report outlines that £211,434 in CIL receipts was collected in 2017/18. This is a notable increase on the level of CIL receipts for 2016-17 (£91,728) and reflects the nature of CIL i.e. schemes are only liable to pay CIL once they have commenced development, so many sites which obtained planning permission from 2015 onwards (when CIL was adopted) are now being implemented and generating CIL receipts. In addition, approximately 30% of the CIL receipts for 2017/18 are from the Mill Green development (first stage payment of around £67,000). Of the £211,434 received in 2017/18 the Council has retained £169,272 for future expenditure on infrastructure (this totals £185,478 when neighbourhood funds applicable to the non parish areas are included).
- 5.3 CIL expenditure on infrastructure totals £12,376 in 2017/18 which has been allocated to the Cannock Chase Special Area of Conservation (SAC) Mitigation Measures – a project identified on the CIL Regulation 123 list (which identifies a range of projects eligible to receive CIL funding). The Cannock Chase SAC is an internationally protected ecological site and the approach to ‘top slicing’ of CIL funds to contribute towards projects that ensure no harm arises to this protected site as a result of additional housing development has been previously agreed by Cabinet (see 25/07/13 and 20/11/14). There is a package of measures which will ensure no harm arises to the SAC as a result of additional recreational pressures from the residents of new housing developments within the District and to ensure compliance with Conservation of Habitats and Species Regulations 2010.
- 5.4 A total of £3,008 has been passed to parish councils in 2017/18, representing 15% of the CIL receipts received in those parishes (Bridgtown Parish Council, Heath Hayes and Wimblebury Parish Council, Hednesford Town Council and Norton Canes Parish Council). This is required under Regulation 59A of the CIL Regulations. The transfer of neighbourhood funds to parishes from the second half of the 2017/18 financial year occurs post 31 March 2018. Therefore these transfers are not included in the 2017/18 report. A total of £12,224 was transferred in April 2018 to Brindley Heath Parish Council, Cannock Wood Parish Council, Hednesford Town Council, Norton Canes Parish Council and Rugeley Town Council. The total CIL receipts retained will therefore be less following the transfer of these funds. This will be reflected in the financial report for 2018/19.
- 5.5 £16,206 has been retained as neighbourhood funds for non-parish areas in 2017/18 pending further consultation with the local community regarding its spend (Cannock East Ward – £10,164, Cannock South Ward – £3,746, Cannock West Ward – £772, Rawnsley Ward – £1,524). This represents 15% of CIL receipts received within those Wards. This is in accordance with Regulation 59F of the CIL Regulations and the Council’s approved CIL allocations process (see Cabinet Report 23/07/15).
- 5.6 £10,572 is suggested for allocation for expenditure on CIL administrative expenses in this financial year (representing 5% of the total CIL receipts as permitted in the CIL Regulations) (see further detail below at 5.11).

- 5.7 Taking into account receipts retained from previous years, the total CIL receipts retained by the Council as at end of 2017/18 for future expenditure on infrastructure is £242,570 (note this figure is £266,444 if the neighbourhood funds for the non-parish areas retained at present are included).
- 5.8 This CIL financial year report will be incorporated into the Council's wider Annual Monitoring Report for the Local Plan (Part 1), for which there is already delegated authority to publish with the agreement of the Head of Economic Prosperity and Portfolio Leader for Economic Development and Planning (Cabinet Report 21/04/16).
- 5.9 A previous report on the funding decisions protocol (Cabinet Report 23/07/15) set out that the allocation of CIL funds process would not begin until a sufficient level of receipts had been received. Given the overall level of receipts received to date it is not considered appropriate to commence the allocation of funds process at present¹. Instead the funds have been retained (minus Cannock Chase SAC mitigation measures expenditure, neighbourhood fund allocations for parishes, and administrative expenses as set out above) for future spending.
- 5.10 An update (via letter and/or email) will be sent to all District Councillors and potential infrastructure providers of items on the current Regulation 123 list (including for example the Environment Agency, Staffordshire County Council) advising them of the CIL receipts received to date and the intention not to undertake the allocation of CIL funds in 2018/19 given the level of receipts retained to date. Contact will also be made with the relevant Ward Members for the non parish areas in receipt of CIL neighbourhood funds to ascertain how those communities wish to see the CIL receipts allocated (as per the Council's approved allocations process- see Cabinet Report 23/07/15).
- 5.11 The level of receipts for 2018-19 will be kept under review and the timing of the commencement of the allocations process will be considered in view of the level of receipts received. Further updates will be provided to Cabinet advising of the latest position.

Allocation of CIL receipts for administrative expenses

- 5.12 As per Regulation 61 of the CIL Regulations the Council is able to utilise up to 5% of CIL receipts received each year for administrative expenses incurred by it in connection with CIL.
- 5.13 The implementation of CIL to date in the District has generated additional administrative tasks and utilised associated officer time e.g. issuing of appropriate CIL related notices, calculating CIL liabilities, dealing with more complex cases, including enforcement measures. This is likely to continue and further officer resources will be required when the Council begins to implement the allocation of CIL funds in the near future. The Councils implementation of its CIL regime would benefit from specialist software upgrades and additional officer resources moving forward. A certainty of additional funding via CIL receipts on an ongoing basis could assist in delivering these improvements (clearly

¹ Almost half of the projects identified on the CIL Regulation 123 list are in excess of £200,000 in costs.

depending upon the level of receipts actually received). Therefore, it is recommended that approval be given to annually allocating the 5% of CIL receipts on CIL administrative expenses. Further work will need to be undertaken by officers to identify how best to utilise the administrative funding and a business case will need to be prepared outlining options for implementing the CIL regime going forward.

CIL Guidance for Parish and Town Councils

- 5.14 As outlined in paragraph 5.4 the CIL Regulations require the District Council to pass a proportion of CIL receipts received from developments within Parish and Town Council areas to those relevant Councils.
- 5.15 CIL Regulation 62A (2010, as amended) requires Parish and Town Councils to submit an annual financial report to the District Council detailing their CIL receipts and expenditure. The Council has worked with the relevant Parish and Town Councils to ensure compliance with the regulations since CIL was adopted by the Council in 2015.
- 5.16 As the rate of CIL transfers to Parish and Town Councils is increasing it is considered appropriate to provide clear, publicly available guidance on the receipt, spending and monitoring of CIL monies. The Council has already published CIL guidance for landowners and developers. This guidance for Parish and Town Councils would help complement this.
- 5.17 The Guidance (see Appendix 2) sets out how much CIL will be transferred to Parish/Town Councils and when it is transferred; how those Councils can spend that CIL income; how those Councils need to report on their CIL income and expenditure; under what circumstances this CIL money may be recouped by the District Council; and further advice which is available from the District Council. This guidance largely reflects the CIL Regulation requirements and existing arrangements that have been established with the Parish and Town Councils in implementing CIL locally.
- 5.18 It is recommended that the CIL Guidance for Parish and Town Councils is adopted, and that any minor updates required in the future (to reflect regulatory changes) are delegated to the Head of Economic Prosperity.

6 Implications

6.1 Financial

The CIL receipts referred to in the body of the report are held in the Council reserves pending future allocation to Regulation 123 list projects.

6.2 Legal

Regulation 62 of the CIL Regulations requires the Council to prepare an annual financial report detailing its CIL receipts and expenditure and thereafter to publish the report on the Council's website.

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

A risk assessment has been undertaken. The main area of risk relates to non compliance with the CIL Regulations, however this has been minimised through the production of this annual report and guidance which has been produced in fulfilment of the Council's Duty in that regard.

6.8 Equality & Diversity

None.

6.9 Best Value

None.

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| 7 Appendices to the Report |
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Appendix 1: CIL Financial Report 2017-18

Appendix 2: CIL Guidance for Parish and Town Councils (2018)

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| Previous Consideration |
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| Update on Cannock Chase Community Infrastructure Levy (CIL) Financial Year Report | Cabinet | 16/11/17 |
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| Update on Cannock Chase Community Infrastructure Levy (CIL) Financial Year Report and Local CIL Guidance | Cabinet | 15/12/16 |
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| Local Plan (Part 1) Authority Monitoring Report | Cabinet | 21/04/16 |
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| Cannock Chase Community Infrastructure Levy Funding Decisions Protocol | Cabinet | 23/07/15 |
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| Cannock Chase Community Infrastructure Levy Charging Schedule | Council | 15/04/15 |
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| Cannock Chase Special Area of Conservation Partnership Memorandum of Understanding and Permission to Spend on Mitigation Projects | Cabinet | 20/11/14 |
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| Interim Planning Policy on Planning Obligations Relating to Impact of New Residential Development on the Cannock Chase Special Area of Conservation | Cabinet | 25/07/13 |
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Background Papers

- Planning Act 2008
- Community Infrastructure Levy Regulations 2010,2011, 2012, 2014, 2015

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Appendix 1**Community Infrastructure Levy (CIL) Annual Financial Report (2017/18) to be published by 31st December 2018**

Cannock Chase Council (CCDC- the charging authority) introduced its CIL charging schedule on the 1st June 2015. Regulation 62 of the Community Infrastructure Levy Regulations 2010 (as amended) (CIL Regulations) requires the Council to produce an annual report for each financial year setting out the amount of CIL receipts received; spending of CIL receipts; and the amount of CIL retained by the Council for future spend. This report covers the period from 1st April 2017-31st March 2018. *Note-amounts are rounded to the nearest £1.*

| CIL Regulation Reference | Reporting Criteria | Value (£)/ Project (see also explanatory notes) |
|--------------------------------|--|---|
| 62(4)(a) | Total CIL receipts for the reported year | £211,434 |
| 62(4)(b) | Total CIL expenditure for the reported year | £22,948 |
| 62(4)(c) | <i>Summary details of CIL expenditure during the reported year other than in relation to CIL to which regulation 59E or 59F applied (i.e. excludes funding for local priorities passed to local councils or in unparished areas) including:</i> | |
| 62(4)(c)(i) | The items of infrastructure to which CIL (including land payments) has been applied. | Cannock Chase SAC |
| 62(4)(c)(ii) | The amount of CIL expenditure on each item | £12,376 |
| 62(4)(c)(iii) | The amount of CIL applied to repay money borrowed, including any interest, with details of the infrastructure items which that money was used to provide including any interest, with details of the infrastructure items which that money was used to provide (wholly or in part) | £0 |
| 62(4)(c)(iv) | The amount of CIL applied to administrative expenses pursuant to regulation 61, and that amount expressed as a percentage of CIL collected in that year in accordance with that regulation | £10,572 (5%) |
| 62(4)(ca) | <i>The amount of CIL passed to:</i> | |
| 62(4)(ca)(i) | Any local council under regulation 59A or 59B | £3,008 |
| 62(4)(ca)(ii) | Any person under regulation 59(4) | £0 |

| CIL Regulation Reference | Reporting Criteria | Value (£)/ Project (see also explanatory notes) |
|--------------------------------|---|---|
| 62(4)(cb) | <i>Summary details of the receipt and expenditure of CIL to which regulation 59E or 59F applied during the reported year (i.e. funding for local priorities passed to local councils and recovered or funding for unparished areas) including:</i> | |
| 62(4)(cb)(i) | The total CIL receipts that regulations 59E and 59F applied to. | £16,206 |
| 62(4)(cb)(ii) | The items to which the CIL receipts to which regulations 59E and 59F applied have been applied including the amount of expenditure on each item ((cb)(iii)) | £0 N/A |
| 62(4)(cc) | <i>Summary details of any notices served in accordance with regulation 59E (recovery of funding passed to parishes), including:</i> | |
| 62(4)(cc)(i) | The total value of CIL receipts requested from each local council | £0 |
| 62(4)(cc)(ii) | Any funds not yet recovered from each local council at the end of the reported year | £0 |
| 62(4)(d) | <i>The total amount of:</i> | |
| 62(4)(d)(i) | CIL receipts for the reported year retained at the end of the reported year other than those to which regulation 59E and 59F applied | £169,272 |
| 62(4)(d)(ii) | CIL receipts from previous years retained at the end of the reported year other than those to which regulation 59E or 59F applied | £73,298 |
| 62(4)(d)(iii) | CIL receipts for the reported year to which regulation 59E and 59F applied retained at the end of the reported year | £16,206 |
| 62(4)(d)(iv) | CIL receipts from previous years to which regulation 59E and 59F applied retained at the end of the reported year | £7,668 |
| 62(4)(e) | <i>In relation to any infrastructure payments accepted by the charging authority</i> | |
| 62(4)(e)(i) | The items of infrastructure to which the infrastructure payments relate | N/A |
| 62(4)(e)(ii) | The amount of CIL to which each item of infrastructure relates | £0 |

Explanatory notes

Regulation 62(4) (a) Total CIL receipts

CIL receipts for 2017/18 total £211,434. Of this, £1,849 was receipts from surcharges (where CIL procedures have not been followed, the Council can apply surcharges). The Council did not receive any CIL payments in land this year.

Regulation 62(4) (b) Total CIL Expenditure

Total CIL expenditure for the reporting year is £22,948. This consists of expenditure upon infrastructure projects and administrative expenses (see further detail below).

Regulation 62(4) (c) Summary details of CIL expenditure

- The only CIL expenditure in this reporting year on Regulation 123 list infrastructure items has been on Cannock Chase Special Area of Conservation (SAC) mitigation measures (£12,376). As per the locally agreed approach to the funding of this item 'top slicing' of all CIL receipts related to residential development within the District automatically takes place to be allocated against this project.
- £10,572 of CIL funds have been allocated for administrative expenses in 2017/18 (up to 5% is allowed as per Regulations).

Regulation 62 (4) (ca-cc) CIL funds passed to local councils, recovered from local councils and applied to non-parish areas

- CIL expenditure in relation to neighbourhood funds takes place automatically, as per CIL Regulations. This stipulates that 15% of CIL receipts (excluding surcharges) from local areas (with no neighbourhood plan) should be transferred to the relevant parish/town council or in non parish areas consultation undertaken with the local community. This increases to 25% in areas with a neighbourhood plan.
- Funds have been transferred to Bridgtown Parish Council, Heath Hayes and Wimblebury Parish Council, Hednesford Town Council and Norton Canes Parish Council in this reporting year. These funds total £3,008. The transfer of neighbourhood funds to Parishes from the second half of the 2017/18 financial year occurs post 31st March 2018. Therefore these transfers are not reported here. A total of £12,224 was transferred in April 2018 to Brindley Heath Parish Council, Cannock Wood Parish Council, Hednesford Town Council, Norton Canes Parish Council and Rugeley Town Council. The total CIL receipts retained will therefore be less following the transfer of these funds. This will be reflected in the financial report for 2018/19.
- In relation to CIL receipts from non-parish areas, in accordance with the Councils adopted protocols the 15% proportion for the relevant wards has been retained for future spending in consultation with the local communities (£10,164 Cannock East Ward, £3,746 Cannock South Ward, £772 Cannock West Ward, £1,524 Rawsley Ward).
- Cannock Chase Council has not made any requests for the recovery of neighbourhood funds from local councils within the reporting year.

Regulation 62(4) (d) Total amount of CIL receipts retained

- The total amount of CIL funds retained from 2017/18 receipts for future expenditure on infrastructure is £169,272 (note this figure is £185,478 if the £16,206 neighbourhood funds for the non-parish areas retained at present are included).
- Taking into account receipts from previous years, the total amount of CIL receipts retained by the Council for future expenditure on infrastructure is £242,570 (note this figure is £266,444 if the £23,874 neighbourhood funds for the non-parish areas retained at present are included). These receipts have not been allocated to any Regulation 123 list projects at this time. The Council will retain these funds and keep under review the level of receipts received to inform a decision on when to begin the process of allocating funds to specific Regulation 123 list projects.

Regulation 62(4) (e) Infrastructure payments accepted

No payments 'in kind' of infrastructure have been accepted in this reporting year.

Appendix 2

**Cannock Chase Council Community Infrastructure Levy Guidance for Parish
and Town Councils**

Contents

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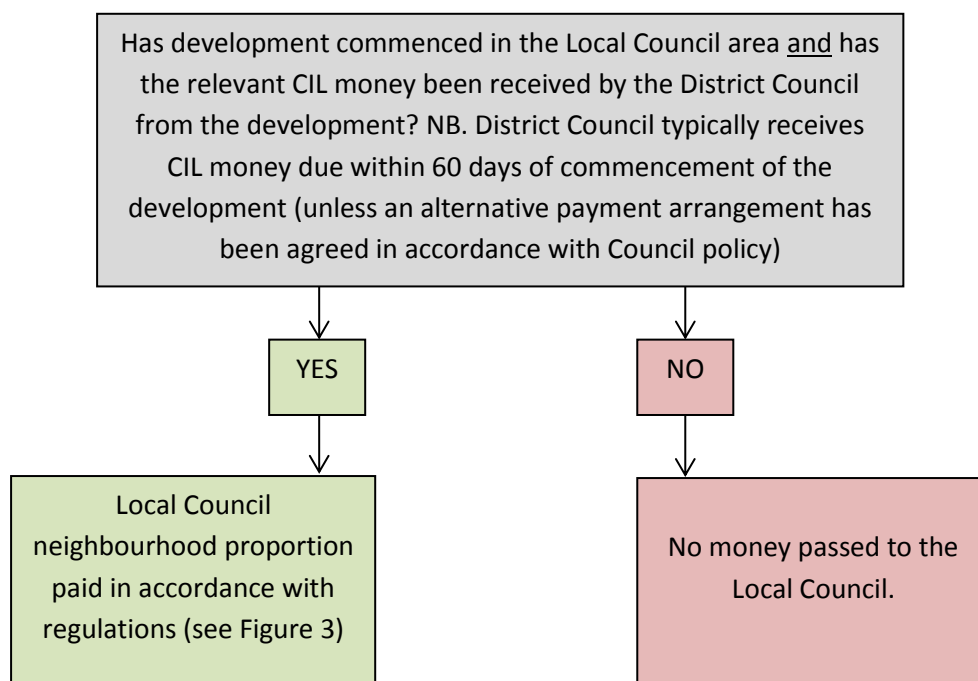
Introduction

- 1.1 The information contained within this guide is intended to assist Town and Parish Councils within Cannock Chase District to understand their responsibilities relating to the Community Infrastructure Levy (CIL). In the guide Local Council is used to refer to both Parish and Town Councils. Further information is available on the Councils Planning Policy website¹ and advice is available from the Cannock Chase Council Planning Policy Team (please see contact details at the end of this guidance).

Overview

- 1.2 CIL is a new levy that local authorities can charge on developments in their area to ensure sustainable development overall i.e. facilities and services in the area have capacity to keep up with growth in the District. The adopted CIL Charging Schedule sets out the rate per square metre for chargeable developments which is payable on commencement of Permitted Development as well as Planning Permission development.² A portion of CIL income is paid to Local Councils to be spent by the Local Councils on supporting development in the area (referred to as the 'neighbourhood proportion'). The Local Council must report on the CIL received and spent each year. The remaining CIL income is spent by the District Council. The processes of CIL income generation, payments to Local Councils and spending and reporting are illustrated in Figures 1 and 2 below.

Figure 1. Overview of when neighbourhood proportion payments triggered



¹ www.cannockchasedc.gov.uk/planningpolicy

² <https://www.cannockchasedc.gov.uk/residents/planning/planning-policy/community-infrastructure-levy>

Figure 2. Overview of key Local Council reporting and spending dates

| Date/Milestone | Action |
|---|--|
| End of October and April each financial year | District Council transfer Neighbourhood Proportion to Local Council |
| Any time | Local Council allocate/spend CIL income |
| After 31st March every year | Local Council prepare and audit annual CIL financial report |
| By end of September every year | Local Council submit CIL financial report to District Council (Planning Policy team) ³ |
| By 31st December every year | Local Council and/or District Council publish CIL financial report on web sites. Local Council must submit copy of its financial report to the District Council (if not already done so as per above). |
| Annually | If Local Council don't spend/allocation CIL income within 5 years then the District Council may issue a repayment notice. If a Local Council has inappropriately spent CIL income then the District Council will issue a repayment notice. Before any notices are issued the District Council will engage with the Local Council to seek to remedy any issues arising. |

³ This is not a legal requirement, however it can be useful for the District Council to review the reports prior to publication in order to ensure consistency between Local Council and District Council financial monitoring

How does CIL affect the Parish / Town Council (Local Council)?

1.3 A proportion of CIL payments collected by the District are passed on to the Local Council. The Local Council have a duty to spend CIL income on providing, improving, replacing, operating or maintaining infrastructure that supports the development of the Local Council area or anything else concerned with addressing the demands that development places on the area.⁴ The Planning Act 2008 (as amended) states that infrastructure includes:

- Roads and other transport facilities
- Flood defences
- Schools and other educational facilities
- Sporting and recreational facilities
- Open spaces

1.4 The Local Council must publish a report on their CIL income and expenditure every year. The majority of CIL income will be received as cash, however, the District Council may consider accepting land or infrastructure as the CIL payment for a development in lieu of some or all of the CIL charge due if this would help to deliver facilities. However, the relevant percentage of the cash value of levy receipts must be passed on to a parish, town or community council in cash. CIL payments (land and cash) are due on the commencement of development.

How much CIL money will the Parish / Town Council (Local Council) receive?

1.5 The amount passed on depends on the income received by the District Council which in turn depends on whether there has been development granted and commenced in the Local Councils' area, and if all or any part of that development is granted exemption or relief from some / all of the CIL charge. The amount is also dependent on the presence of a Neighbourhood Plan and the number of dwellings in the area. Figure 3 below summarises the payment scenarios and provides examples.

Figure 3. Overview of CIL monies passed to Local Councils

| Parish/Town council | Neighbourhood plan | Levy payable to parish | Example |
|---------------------|--------------------|--|---|
| ✓ | ✓ | 25% uncapped, paid to parish | £10,000 received from commenced developments in the Parish area. £2,500 passed to Parish. |
| ✓ | ✗ | 15% capped at £100/existing Council tax dwelling, paid to parish | £10,000 received from commenced developments in the Parish area. 500 existing dwellings in Parish. Cap is therefore £50,000 for any one financial year. £1,500 can be passed to Parish. |

⁴ Local Councils have some more discretion than the District Council in being able to spend their CIL income on matters not purely related to infrastructure. The District Council may only spend its CIL income on infrastructure.

- 1.6 If no income has been received by the District Council for development commenced in the Local Councils' area then no CIL payments are passed on.
- 1.7 The Local Council may choose not to receive CIL payments and must notify the District Council of this decision. In such cases the District will spend the CIL income on the Local Councils' behalf, in consultation with the Local Council.
- 1.8 Where development straddles the boundaries of parish, town or community councils' administrative areas, each council receives a share of the levy which is proportionate to the gross internal area of the development within their administrative area.

When and how will the Parish / Town Council (Local Council) receive CIL monies?

- 1.9 CIL payments to Local Councils' are paid twice a year for the preceding 6 months' income. CIL income received between 1st April and 30th September will be paid by 28th October and CIL income received between 1st October and 31st March will be paid by 28th April. The Local Council may agree an alternative timetable for CIL payments with the Planning Policy team, if necessary. The District Council will make direct contact via letter/email with each Local Council due to receive CIL income at the relevant payment points.
- 1.10 The Planning Policy and Finance teams will record income in each parish as it is received and will pay each Local Council 15% or 25% respectively of the cumulated amount.

What does the Parish / Town Council (Local Council) need to do?

Spending

- 1.11 The CIL Regulations 2010 (as amended) state that the Local Council must spend the CIL income they received from the District on:
 - The provision, improvement, replacement, operation or maintenance of infrastructure (see above definition); or
 - Anything else that is concerned with addressing the demands that development places on an area.
- 1.12 Providing CIL is spent in accordance with the above CIL monies may be used to provide seed or match funding with other income streams and / or may be spent collaboratively with other local councils or other providers to make the most efficient use of funding to benefit the community. The District Council can advise Local Council's on the spending of CIL monies and would welcome discussions on any opportunities to combine Local Council CIL funds with District Council CIL funds in order to finance projects. Please

contact the Planning Policy team for further information. The Local Council may wish to consider producing their own Infrastructure Delivery Plan to help guide funding decisions, similar to the District Council Infrastructure Delivery Plan. This identifies the range of infrastructure projects that are either essential or desirable in order to support future developments across the District.

Reporting

1.13 The Local Council must record all carried over CIL, CIL receipts and expenditure for each year. The Local Council must prepare an annual CIL report for each financial year (the 12 months ending 31st March) they receive CIL detailing:

- CIL receipts
- CIL expenditure
- A summary of items on which CIL has been spent
- The amount spent on each item.
- The amount of any CIL repaid following a repayment notice.
- The amount of CIL retained at the end of the year.
- The amount of CIL from previous years retained at the end of the year.

1.14 A template for CIL is included at Appendix A. Examples of recently published Local Council reports are available to view on the Planning Policy website. The Local Council must publish the report on their website or on the District Council website if the Local Council doesn't have its own website, and the Local Council must send a copy of the report to the Planning Policy Team. Local Council reports should be received no later than the end of September following the reported year to enable the District Council to review and publish all Local Council reports together with the Districts reports by the statutory deadline of 31st December.

Other

1.15 The Local Council must notify the District Council as soon as possible if it decides not to receive CIL. When the Local Council become aware of development having commenced in their area they may want to notify the Planning Policy team to help with monitoring. Local Councils should consider how their statutory powers on spending affect their CIL expenditure decisions e.g. whether or not they have the General Power of Competence (GPC). Where a Local Council does not have a GPC, this will restrict the use of CIL funds to infrastructure or other matters which it has a statutory power to provide, maintain or improve.

What if the Parish / Town Council (Local Council) mis-spend or do not spend their CIL income?

- 1.16 If the Local Council mis-spends CIL income, i.e. if it has not spent CIL in accordance with the CIL Regulations the District Council will send the Local Council a repayment notice for the mis-spent funds. If the Local Council does not spend their CIL within 5 years of receipt the District Council may send the Local Council a repayment notice.⁵ The Local Council must repay the amount specified in the notice to the District. In such cases the District would then spend the CIL income on their behalf to support the development of the Local Council area, in consultation with the Local Council.
- 1.17 However, any such action will be discussed well in advance with the relevant Local Council and the context of the Local Council will be taken into account e.g. if the Local Council are allocating their CIL income to a particular project for which they are accumulating funds before spending. If the Local Council is unable to repay the amount specified in the repayment notice the District Council will recover the amount from future CIL income the Local Council are due to receive.

How does CIL affect non-parished areas?

- 1.18 The CIL Regulations 2010 (as amended) set out the procedures for payments to 'local councils' which applies to Town and Parish Council's only. In areas where there is no Local Council the District will spend the neighbourhood proportion of CIL income collected within the non-parished area on behalf of the community in consultation with the Ward Members (in accordance with approved protocols as set out in the 23/07/15 Cabinet Report 'Cannock Chase Community Infrastructure Levy Funding Decisions Protocol').

Further information

- 1.19 If you have any queries in relation to this Guidance or other CIL related matters please contact the Planning Policy Team on:

- Email planningpolicy@cannockchasedc.gov.uk
- Write to Planning Policy at 'Planning Policy, Cannock Chase District Council, Civic Centre, Beecroft Road, Cannock, WS11 1BG'
- Telephone 01543 462621 and ask for Planning Policy

Further guidance in relation to the Community Infrastructure Levy is available in the National Planning Practice Guidance at <https://www.gov.uk/guidance/community-infrastructure-levy>

⁵ The issuing of a repayment notice will be considered on a case by case basis by the Cannock Chase District Councils' Cabinet.

Appendix A - Example Local Council Financial Report

Community Infrastructure Levy (CIL) Annual Financial Report (**insert year**) to be published by 31 December **insert year**

Cannock Chase Council (CCDC – the Charging Authority) introduced CIL charging schedule on the 01 June 2015. Regulation 62A of the Community Infrastructure Regulations 2010 (as amended) (CIL Regulations) requires **insert Local Council name** to produce an annual report for each financial year setting out the amount of CIL receipts received; spending of CIL receipts; and the amount of CIL retained by the Council for future spend. This report covers the period from **insert year**.

| CIL REGULATION REFERENCE | REPORTING CRITERIA | VALUE (£)/ PROJECT |
|--------------------------|---|--------------------|
| 62A(2) (a) | Total CIL receipts for the reported year | £ |
| 62A(2) (b) | Total CIL Expenditure for the reported year | £ |
| 62A(2) (c) | Summary details of CIL expenditure during the reported year including <ul style="list-style-type: none"> i) The items to which CIL has been applied (see CIL Expenditure table below) ii) The amount of CIL expenditure on each item (see CIL Expenditure table below) | |
| 62A(2) (d) | Notices received in accordance with regulation 59E ¹ including <ul style="list-style-type: none"> i) The total value of CIL receipts subject to notices served in accordance with regulation 59E during the reported year ii) The total value of CIL receipts subject to a notice served in accordance with regulation 59E in any year that has not been paid to the relevant charging authority by the end of the reported year | £ £ |
| 62A(2) (e) | The total amount of <ul style="list-style-type: none"> i) CIL receipts for the reported year retained at the end of the reported year ii) CIL receipts from previous years retained at the end of the reported year | £ £ |

CIL Expenditure Itemised

| Item/Purpose | Amount spent |
|--------------|--------------|
| | |
| | |

¹ Recovery of CIL receipts from a Parish Council by the District Council due to the receipts not being spent within 5 years or being spent inappropriately (in accordance with Regulation 59C).

| | |
|--------------------------|--|
| Report of: | Head of Economic Prosperity |
| Contact Officer: | Angela Grove |
| Telephone No: | 01543 464 517 |
| Portfolio Leader: | Economic Development & Planning |
| Key Decision: | Yes |
| Report Track: | Cabinet: 08/11/18 |

CABINET
8 NOVEMBER 2018
APPROVAL TO SPEND SECTION 106 MONIES: COMMISSION OF OPEN SPACE ASSESSMENT AND STRATEGY

1 Purpose of Report

- 1.1 To seek Cabinet approval to commission an Open Space Assessment and Strategy for the District and to approve expenditure of Section 106 (S106) funding for this purpose.

2 Recommendations

- 2.1 That Cabinet agree to allocate S106 monies into the Council's budget to facilitate the commissioning of the Assessment and Strategy.
- 2.2 That Cabinet authorise expenditure of S106 monies held by the Council for the purpose of 'provision of and/or improvement of existing public open space, sport and recreation in the District' (S106 Code Q229) on this work.

3 Key Issues and Reasons for Recommendation

- 3.1 Improvements to the network of open spaces across the District needs to be informed by robust and up to date information consisting of the assessment of different types of open space, how well they are performing in terms of quantity, quality and accessibility, with a clear strategy for targeting investment not only for council-owned spaces but the wider network of provision. Access to a variety of good quality open spaces including more formal parks and play areas, and other less formal types of open space such as amenity greenspace and corridors, allotments, churchyards and cemeteries, canals, walkways and cycleways contribute to improving peoples' sense of health and well being as well as ensuring that the District is an attractive place in which to live, work and invest.

- 3.2 Furthermore, Members will be aware that Cannock Chase Council is in the process of preparing a new Local Plan setting out a planning framework for the District looking forward over the next fifteen years. It will determine how much, and what kind of development is needed for the District, and where it should go. The Plan will include policy focussed on the delivery of infrastructure relating to health and wellbeing such as parks, recreation facilities and open spaces, as well as safeguarding a network of green spaces which enhance the built up areas of the District and improve the community's accessibility to good quality open space.
- 3.3 An up to date evidence base is necessary to inform both the work of the Parks and Open Spaces Service and as an essential piece of evidence to inform the emerging Local Plan. Work has already commenced on an Indoor and Outdoor Sports Facilities Assessment and Strategy. It is proposed to complement this work by commissioning work on remaining types of Open Space with a new Open Space Assessment and Strategy.
- 3.4 The most recent evidence was produced in 2009 and was a partial update to a 2005 study. Clearly this is no longer fit for purpose, either in terms of informing future investment decisions of the Council, nor in terms of being robust evidence for a Local Plan for which evidence should be less than five years old at the time of examination. The intention of the Assessment therefore is to update the Council's existing evidence base on open space needs and provision and to guide the development of strategy to deliver on the Council's aspirations and opportunities for a high quality network of open spaces across the District.
- 3.5 The provision of high quality parks and other open spaces is essential to achieving much of the Council's cross cutting agenda including crime reduction, healthy communities and natural resource management as they deliver a range of social, economic and environmental benefits. The Assessment will inform the preparation of planning policies (including local standards for quantity, quality and accessibility and developer contributions), site allocations and area designations within the new Local Plan. It will provide a strategic direction for the management and improvement of parks and open spaces and the development /enhancement of existing/new space.
- 3.6 As a result of the Council's existing policy of requiring S106 developer contributions in conjunction with development, funds amounting to £45,507 for the purpose of 'provision of and/or improvement of existing public open space, sport and recreation in the District' are currently held in the Council's reserves. It is therefore proposed to expend these funds on the preparation of a new Open Space Assessment and Strategy in order to provide up to date evidence to ensure that improvements are achieved in the most appropriate manner.

4 Relationship to Corporate Priorities

- 4.1 This report supports the Council's Corporate Priorities as follows:
- **Promoting Prosperity** - contributing to creating a positive environment in which businesses and communities in the District can thrive, complementing

housing investment and enabling an environment which is attractive and encourages growth

- **Community Wellbeing** - contributing to opportunities for healthy and active lifestyles; sustaining safe and secure communities and promoting attractive and healthy environments; supporting the wellbeing of our population by ensuring public funds spent on parks and open spaces secure maximum benefit; providing safe, welcoming and clean spaces for people to live in and visit

5 Report Detail

- 5.1 An Invitation to Quote has been prepared seeking interest from relevant consultants in carrying out this commission. This sets out the intention of the work:
- to audit the open spaces across the District, reviewing previous assessments, defining and assessing their quantity, quality and accessibility, and identifying their ability to meet existing and future needs of local communities.
 - to use this evidence to inform and develop an open space vision, strategy and policy, setting locally appropriate standards for management and investment in the light of current good practice and with reference to potentially innovative solutions.
- 5.2 The District contains a varied typology of open spaces from parks, civic spaces and allotments to semi-natural sites and green corridors. Taken together these constitute a green space network through the urban areas, providing health and recreation benefits to people living and working nearby, having ecological value and contributing to green infrastructure. They are an important part of the landscape setting of the built environment and an important component of sustainable development. Many of the spaces are multi-functional however many of the benefits are intangible such as temperature regulation in urban environments, carbon storage, reduction in flooding and assistance with air quality management. The financial value of parks and open spaces is difficult to determine but recent studies indicate an estimated national value of around £34 billion annually, with health benefits saving the NHS around £111 million per year, yet many of these spaces have a zero value on Council Asset Registers.
- 5.3 Provision of a range of open space facilities alongside new development will continue to ensure healthy living opportunities into the future and help address the health challenges faced by the District. This highlights the need for the Council to reinvest in its green spaces so the proposed Assessment and Strategy is intended to guide the future management of the District's open spaces but ensure that the investment required is determined in a strategic needs-driven manner, which may in some areas allow de-investment.
- 5.4 CCDC adopted its Local Plan (Part 1) in 2014. This sets out the vision and spatial strategy for the District up to 2028, including strategic policies for healthy living, biodiversity and landscape character, alongside other key policy

areas. Current open space standards in relation to this plan are set out in the accompanying Developer Contributions SPD. The allocation of sites and more detailed development management policies were to be considered via a Local Plan (Part 2). CCDC consulted on an Issues and Options Local Plan (Part 2) in 2017. However CCDC has since decided to cease this work in favour of commencing a full Local Plan review looking forward at least 15 years. This decision was primarily influenced by the raft of changes being proposed at national level, including policy changes and the new legal requirement to review Local Plans every five years.

- 5.5 CCDC intends to adopt its updated Local Plan by September 2021 and consulted on its Local Plan Review (Issues and Scope) document in July-August 2018. The next step will be to consult on an Issues and Options document in February 2019 so the evidence gathering for the Review is now underway. It is the intention to have the Open Spaces Assessment published alongside subsequent stages of the consultation process to inform consideration of options to meet evidenced open space needs. CCDC produced a PPG17 Open Spaces Assessment in 2009, partially updating a Green Space Strategy in 2005; a Green Infrastructure Assessment in 2011 and a Playing Pitch Strategy in 2010, and all these documents will need to be considered and reviewed. CCDC has more recently commissioned an Indoor/Outdoor Sports and Playing Pitches Strategy which is currently at the draft report stage.
- 5.6 The current Local Plan has a requirement to deliver 5,300 homes up to 2028. The new Local Plan will cover a period up to 2036 however it is not yet known how many homes it will need to deliver. The Plan will also need to consider the challenge of assisting with the housing shortfall in the wider Greater Birmingham Housing Market Area. Balanced against these and other pressures and opportunities for growth are significant environmental constraints – 60% of the District is designated Green Belt which tightly defines the boundaries of the urban area, and 40% is designated Area of Outstanding Natural Beauty. One particular issue is the need to ensure no harm arises to the Cannock Chase Special Area of Conservation (SAC) from increased visitor numbers arising from net new residential development.

At present all developers are required to mitigate impacts within a 15km zone of influence around the SAC, with an inner 8km zone generating payments via developer contributions which deliver the mitigation on Cannock Chase. However as we seek to deliver a new Local Plan with increased growth levels we will need to consider this issue of mitigation, with a potential role for green infrastructure. The Cannock Chase SAC Partnership is presently commissioning new evidence so as this is developed the proposed Open Space Strategy will need to have regard to it. Once the Assessment is complete, the Strategy will need to consider emerging Government policy on biodiversity offsetting and Natural Capital, mitigating for impacts on the Cannock Chase SAC, and how we might respond to this by using the Strategy to inform local policy, the setting of standards and management of open space into the future.

5.7 The commission will be split into two parts:

Part 1 – Open Space Assessment: to comprehensively audit open spaces across the District based on quality, quantity and accessibility, and to assess the existing population's needs. It would identify any issues and potential shortfalls in provision, as well as opportunities for enhancement including for multi functional use to enable the full potential of spaces to be realised. Existing open space and play areas standards and typologies will need to be assessed against national guidance and standards, research evidence, best practice and local need, and will be expected to make recommendations for potential new standards and typologies for open space and play areas.

Part 2 – Development of an Open Space Strategy: to follow from the research and analysis of Part 1 to create a strategy for provision of open space across the District that is able to meet the recreation needs for the future population, having regard to any cross boundary issues and opportunities, and allow the Council to prioritise investment.

Each report should include sufficient detail about the methodology used to enable the work to be reliably updated and or replicated at a future date to provide comparative data.

It is estimated that £20k funding for Part 1 will need to be drawn down in 2018-19 and £25,507 funding for Part 2 in 2019-20.

5.8 The Council received £45,507 for the purpose of 'provision of and/or improvement of existing public open space, sport and recreation in the District', for which there is no payback period agreed. Based on examples from elsewhere this receipt should adequately cover the level of detail required in this complex commission. Consultants will be reminded that the Council will be seeking to achieve best value in terms of both price and quality of the submission.

6 Implications

6.1 Financial

The Council received a contribution of £45,507 towards the purpose of provision of and/or improvement of existing public open space, sport and recreation in the District which is held in the Council's reserves. There is no payback provision on this amount. The report requests the inclusion of £45,507 into the Council's Revenue Budget for the purpose of commissioning an up to date Open Space Assessment and Strategy to secure appropriate evidence upon which to inform future investment decisions of the Council and develop the Local Plan. It is estimated that £20k funding for Part 1 will need to be drawn down in 2018-19 with £25,507 funding for Part 2 in 2019-20.

6.2 Legal

The Council is obligated by the terms of the S106 Agreement to use the funding identified above for the purpose of 'provision of and/or improvement of

existing public open space, sport and recreation in the District'. By commissioning the proposed work described in paragraphs 5.1 to 5.8 above the Council would be complying with its obligations.

6.3 Human Resources

Any implications will be met from existing staff resources but will generally be limited to a managerial role.

6.4 Section 17 (Crime Prevention)

The Strategy will help to deliver the Councils cross cutting agenda including crime reduction and community safety.

6.5 Human Rights Act

No Human Rights Act implications.

6.6 Data Protection

The Council's Fair Processing Notice sets out how key data is used in compliance with the General Data Protection Regulation (GDPR) however no personal data is collected in connection with this project.

6.7 Risk Management

Risks associated with the work being delayed, slippage and cost over runs will be managed by CCDC.

6.8 Equality & Diversity

The enhancement of open space facilities across the District will benefit the whole community across a range of social, economic and environmental aspects including health and wellbeing, crime reduction and biodiversity. Accessibility to these facilities for all will form a key aspect of the Assessment and Strategy.

6.9 Best Value

Best value will be sought in terms of both price and quality of submission.

7 Appendix to the Report

None

Previous Consideration

None

Background Papers

None

| | |
|---------------------------|---|
| Report of: | Head of Economic Prosperity |
| Contact Officer: | Debbie Harris |
| Telephone No: | 01543 464 490 |
| Portfolio Leaders: | Economic Development and Planning / Town Centre Regeneration |
| Key Decision: | No |
| Report Track: | Cabinet: 08/11/18 |

CABINET
8 NOVEMBER 2018
CANNOCK TOWN CENTRE MANAGEMENT PARTNERSHIP

1 Purpose of Report

- 1.1 To update Members on how best to establish and take forward the new Cannock Town Centre Management Partnership (CTCP). The CTCP is necessary to represent the interests of the stakeholders in the town centre and provides a co-ordinated mechanism for engaging and retaining the vibrancy and vitality of the town centre.
- 1.2 This report provides detail on the proposed next steps and actions needed in order for all the necessary accountability and management structures to be in place for the CTCP to be operated appropriately and successfully.

2 Recommendations

- 2.1 That Cabinet authorise the facilitation of a new Unincorporated Association (UA) initially as a separate partnership entity in order to handle all affairs of the CTCP and its Members. The name of the UA will be determined by the CTCP when establishing governance and appropriate representation as detailed in Section 5.5 of the report at their inaugural meeting scheduled to take place in November 2018. The UA will need to decide its future structure.
- 2.2 That Cabinet authorise the Head of Economic Prosperity in consultation with the Head of Legal Service and Head of Finance to set up and enter in to all necessary agreements, in order for the CTCP to be established and operated appropriately.
- 2.3 That Cabinet approve the Portfolio Leader for Town Centre Regeneration to be the Council's only nominated representative to sit on the CTCP board once formally established and operating.

- 2.4 That Cabinet approve the use of existing Council staff time and financial Section 106 monies where appropriate and applicable (held by the Council) to operate and support the operation and activities of the CTCP. This support will be necessary until such time (circa 2 years) as the UA is properly established, working effectively and the Partnership becomes financially sustainable in its own right. The UA company structure may also need to be reviewed in light of the sustainability strategy.

3 Key Issues and Reasons for Recommendation

- 3.1 Research has been carried out by the newly appointed Town Centre Partnership Officer (TCPO) on a variety of Town Centre Partnerships (TCP) operating across the Country. This research includes considering best practice advice from the Association of Town Centre Managers and the Government guide for Town Centre Managers.
- 3.2 To aide desktop research carried out by the TCPO, informal consultation with the Council's contracted business start up adviser "Blue Orchid", has been undertaken. This advice has helped to recommend the best governance and management arrangements for operating the new TCP.
- 3.3 It is recommended that the most suitable operating model for the proposed new CTCP is to operate as a UA. Guidelines for management of a TCP, reinforces the importance of appropriate governance arrangements being in place from the outset of forming a TCP. This is useful for independence, transparency and accountability of activities carried out by the TCP.
- 3.4 The UA, recommended for the CTCP will operate as an informal partnership but must have a Constitution in place to aide management and governance arrangements. A draft Constitution is provided (Appendix 3). Please note the CTCP will be an agreement between a group of individuals who come together for a reason other than to make a profit. An informal structure helps share responsibilities amongst its Members but ultimately the Council will remain the legal accountable body for the CTCP. The UA and Constitution need to be shaped and adopted by the TCP and both are capable of adaptation if the Partnership decides these arrangements are not what they wish to operate under.
- 3.5 As part of any adopted Constitution the formation of a Partnership Board is essential to a TCP with ideally separate financial accounting arrangements in place for the management of the affairs of the CTCP and a UA.

Please note: CTCP may choose to change its legal structure to be 'Incorporated' in the fullness of time (when Directors are in place) to allow full independence from the Council for its operation and to directly receive grant funding from third parties as opposed to via the Council.

- 3.6 Good practice recommends the creation of separate accounts for financial affairs of a TCP. This is to enable any income from events, sponsorship and donations to be properly accounted for and will aide transparency. The Council along with

the Town Centre Partnership Officer (TCPO) will manage the budget on a day to day basis and Finance will need to provide quarterly accounts and end of year statements.

- 3.7 Cabinet in February 2012 approved the development of a protocol and process for use and expenditure of Section 106 monies (S106) in Town Centres held by the Council. It is anticipated that once formed the CTCP will be utilising these funds to support activities of the new partnership. The current S106 balance immediately accessible for supporting Cannock town centre activities is £16285. Further S106 funding is payable by the developers of the McArthurGlen Designer Outlet Village Cannock (MGDO) in two instalments i.e £50k12 months from the commencement of development and a further payment of £50k 12 months later. Cabinet in January 2018 approved permission to spend for Section 106 monies linked to the planning obligations of the MGDO.
- 3.8 The CTCP will need to apply for use of S106 funds via the approved protocol and application process agreed by Cabinet in February 2012. This process safeguards use of the monies and the Council can check compliance in accordance with the original intended purpose as defined in the S106.
- 3.9 Transition from the existing Cannock Traders Association (CTA) arrangement to the NEW CTCP will be essential to avoid confusion of branding and to stimulate enthusiasm, participation and involvement with more traders in the town centre. The CTA's role has diminished over time and currently operates with just two members. Transition will include cessation of any further financial payments to the CTA anticipated from January 2019. The Council has previously funded public liability insurance, first aid coverage at events and one off modest financial contributions to support events taking place in the town centre (excluding Christmas lights where the Council took the decision in December 2016 to no longer support).
- 3.10 The CTCP must be established as soon as practicable given construction of the MGDO has now commenced on site. The Council aspires to encourage linked trips by visitors to the MGDO into the Town Centre. A shuttle bus will operate to give a physical connection to the two destinations along with joint promotional activities for the two destinations in the future. MGDO is due to open in Spring 2020.
- 3.11 Consultations with stakeholders including businesses in Cannock Town Centre demonstrate support for setting up the new CTCP. The timing and appetite for underpinning the identity and role of Cannock Town Centre remains a key priority of the Council.
- 3.12 Facilitating sustainability of the CTCP is going to be critical in the long term. Therefore, options for the future may need to consider the introduction of an annual subscription fee to be a CTCP member (fees linked to size and type of business). However, before considering such a response the CTCP must establish a proven track record of delivery. The success of the CTCP will determine how likely Members are to pay a subscription charge for being part of the Partnership in the future. There is a need to give further consideration to

other income generating activities that may include exploring a Business Improvement District (BID) for Cannock Town Centre.

- 3.13 The TCPO role is a Council appointed post, funded on a two year fixed term basis. Reporting responsibility and supervision is through the Councils' Economic Development Manager. It is recognised that the TCPO will directly be resourcing delivery of activities of the new CTCP in a supportive manner.
- 3.14 The new CTCP will bring together Businesses, Traders and potentially the MGDO to build a thriving community which attracts visitors to the Town Centre. Some challenging personalities are active in the Town Centre and managing these individuals, their interests and creating an inclusive and transparent basis of working will be very important to gaining the support of all in the new CTCP.

4 Relationship to Corporate Priorities

4.1 This report supports the Council's corporate priorities as follows:

(i) Building prosperity for the area by:

- Creating a strong and diverse town centre to attract additional customers and visitors.
- Creating a positive environment in which businesses in the District can thrive.
- Establishing MGDO as a major visitor attraction and maximising the benefits it will bring to the whole District.

(ii) Promotes the Community by:

- Promoting attractive and healthy environments.

5 Report Detail

- 5.1 Cabinet approved in 25 January 2018 a permission to spend report in relation to the use of Section 106 monies linked to MGDO and planning obligations. Cabinet approved funding for the position of a TCPO for 2 years to assist in delivering improvements in Cannock Town Centre. The Council has now appointed a TCPO for a fixed two year period and the post holder started in the post, June 2018.
- 5.2 Research has been carried out by the TCPO in arriving at the proposed CTCP structure and governance arrangements contained in this report. Several different types of structure have been examined (Appendix 1) in making the recommendation for establishment of a UA. Looking at all potential options and liaising with different Councils around the Country, it appears that there are several different choices for Town Centre Partnerships.
- 5.3 The Stafford Town Centre Partnership (STCP) is Council led and is funded by subscription fees charged to all Members, dependant on size and various other

criteria. The new CTCP will not look to charge a fee to join for the Partnership in its first few years of operating but this will be reviewed in 12 months time as part of arriving at an sustainability strategy for the future. In view of this key difference the CTCP cannot be set up by merely applying the same procedures as STCP. The intention is CTCP will in time be bidding and entering into grant agreements direct as a way of financing their activities and as such may need to be a separate legal entity to operate in this way.

- 5.4 The type of company structure that best suits the CTCP would be an UA. This is largely because a UA is straightforward to set up e.g. no costs for registering and does leave open the option for gaining future grants or funding direct by the TCP once a constitution is in place. Ultimately, the UA and constitution needs to be approved once the CTCP meets formally along with formation of a Partnership Board. These approvals are programmed to take place at the first CTCP meeting scheduled to take place in November 2018.
- 5.5 The DRAFT Constitution (Appendix 3) reflects good practice advice on the ideal composition of a TCP Board. Ideally, the Board should comprise of circa 10 members and should operate on the basis of a balanced representation between the private and public sector, market traders and larger businesses. There must be appointments for specific roles including; Chairman, Vice Chairman, Finance Monitoring Officer, Secretary then a further five partnership members (ideally businesses/traders so as to avoid any issues of perceived top heavy Public Sector representation). It is recommended that the Council's Portfolio Leader for Town Centre Regeneration is the only Council Board representative on the CTCP at this stage that will have a vote along with the other Board members.
- 5.6 A nomination process for appointments to key roles in the CTCP will be adopted by the TCPO and this will extend to managing any conflict of interests held by Board and/or Partnership Members. It is important that the CTCP is a forum that is considered unbiased and should not be influenced or dominated by any single individual, especially if individuals have significant land or financial interests in the Town Centre.

Prior to the inaugural CTCP meeting nominations for the Board and the appointment process for the key roles will be defined by the TCPO and sent to all.

- 5.7 There will be a agreement in place, called an "Asset Lock", whereby if the CTCP was disbanded for any reason then any funds remaining in their finance account would be returned to the Council (if Section 106 monies) or if donated or raised from fund raising activities given back to the Community. This assumes there is no suitable association continuing to operate in the town centre.
- 5.8 The Council's finance department and the TCPO will look after the accounts for the CTCP. No separate bank account has to be created by the CTCP. A Finance monitoring officer from the CTCP will be nominated and appointed at the inaugural meeting in November 2018. The TCPO will monitor the accounts and will liaise with a board member (to be appointed by CTCP) to aide financial monitoring (not essential but desirable by the CTCP) and the Councils' finance department on a regular basis to maintain accurate figures on cash flow. End of

year accounts will need to be completed, with an anticipated end of year to be 31 March and resources from Finance will be needed to carry out this task.

- 5.9 It should be recognised that an existing informal association already operates in Cannock Town Centre called “Cannock Traders Association (CTA)” and this Association has operated 11 years+ in the town centre. The CTA is chaired by a resident of the District and a key member of the local community. Events have been run historically by the CTA in the town centre including a Summer Carnival and Christmas Extravaganza.
- 5.10 Unfortunately membership of the CTA has dramatically diminished over recent years. The CTA is now operating with only a few members. The new CTCP will try to work positively should the CTA make the decision to continue to operate independently. Consultation feedback with traders in the Town Centre on why they do not participate in the CTA supports the creation of a NEW partnership in order to move the town centre forward. The Council understands the Chair of the CTA is proposing to continue to operate for the foreseeable future but the CTA has been kept informed on the intentions of the Council to form a new Partnership. The Council is endeavouring to co-ordinate activities during the transitional period with CTA but post establishment of the new CTCP any support will have to be refocussed solely on the new CTCP.
- 5.11 There is a risk of confusion in the town if the CTA continues to exist and therefore a branding for the new CTCP will need to be clearly established as quickly as possible in parallel to raising the profile of the CTCP. Independence of CTCP from the Council is also important to potential new members, if to be truly driven by the private sector and local businesses. This is why we are proposing to limit the representation on any CTCP board established to one Council Member.
- 5.12 The challenge faced by the new CTCP is how to inspire and enthuse new Members in order for them to work positively and together for the good of their town centre. It is essential to have a clear objective based on securing additional footfall into the town centre and enhancing the visitor/shopper experience. A TCP, will give a collective voice to the town centre and will try to represent the interests of all not the few. All TCP members must be able to discuss any issues or make suggestions aimed at bringing about a positive impact in their town centre.
- 5.13 Any monies requested by the CTCP and approved by the Council will be paid directly to the supplier; no monies will be directly paid to the CTCP or any separate bank account.
- 5.14 It should be noted that Cannock Town Centre does not currently have a Parish Precept or a Parish Council to represent their interests. Therefore, there is no annually set or allocated budget compared to other town centres including e.g. Hednesford and Rugeley Town Centre. This financial constraint means in the short term the CTCP is reliant on the Councils current S106 funding support and or fund raising activities.

5.15 There have been concerns raised on the potential negative loss of trade from the town centre when MGDO opens. The Council does not support this position but does feel the creation of a new TCP to help to maximise the benefits that MGDO will create will be important. Positioning, the town centre favourably to new visitors coming into Cannock is an opportunity the Council is keen to maximise.

5.16 The Economic Development Service in June 2018 carried out a stakeholder consultation exercise (Appendix 2) with all known Businesses and traders with an interest in the Town Centre regarding its aspirations for forming a TCP. The response was encouraging with 97% of responses in favour of setting up a CTCP and very few negative comments being received. Further meetings with individual businesses have been carried out by the TCPO with a positive response being notable.

A minority comment (one individual) in relation to the length of time taken to establish the TCP has been noted. However, it has been important to the Council for the new TCPO to be in post and resource this research work being undertaken, prior to any formal establishment of the TCP. Consultation has been undertaken in an inclusive way so as to represent all the stakeholders of the town centre.

5.17 There is a need to build positive and regular communications (whether face to face or in writing) on Town Centre related issues between the CTCP and Members. Regular meetings or online forums along with holding an Annual General Meeting (to coincide with year end accounting) will be the way the CTCP looks to operate.

5.18 CTCP will work with its Members on a promotional strategy and marketing plan aimed at promotion of Cannock Town Centre as a focus for economic and social activity. A dedicated section on the Councils website may be used to promote the activities of the CTCP if considered by the Board to be appropriate. CTCP would look to publish a newsletter that will be circulated to all its members (electronically) with an interest in CTCP.

5.19 At the inaugural meeting of the CTCP (scheduled for November 2018) quarterly meeting dates for the rest of the year will be set along with discussion topics to focus on challenges faced by the town and to give a focus on delivery activity. Any CTCP member can request a meeting if required and appropriate notice is given. The TCPO will coordinate and minute meetings until such time as a Secretary is formally appointed.

5.20 A sustainability strategy is needed to support the TCP in the long term. This may include membership fees or the formation of a BID (if there is proven support from businesses to explore this).

5.21 A BID operates on the basis of business rate customers paying a levy, on average, between 1% and 4% of their rateable value and in addition to their business rates bill, and is subject to a ballot by businesses in a defined geographical area. These monies are collected by the Council and held separately to any other monies. The funds will only be used in the area where

the BID is implemented. The maximum term for a BID is five years after which time this can be extended following a further ballot. These monies can generate large income streams easily (e.g. 100 businesses at £100 p.a. would equate to £10,000 p.a.) and these monies can be re-invested to improve the local environment and can extend to town centres.

- 5.22 Members may recall (Cabinet report 19 July 2007) the Council did create a local BID for the Hawks Green Business Park. The BID was blighted by administrative issues and the income (from the levy charged to businesses) proved to be insufficient to sustain itself. The CTCP will require a re-examination of the benefits a BID can bring and it is noted that a significant number of Councils with TCPs have used this mechanism to help sustain investment in their TCP long term. If the CTCP decide to investigate this route they will need to conduct a consultation exercise including a feasibility study and a ballot before embarking on formally establishing a BID for the town centre, especially given the Council's past negative experience of BIDs.
- 5.23 The CTCP moving forward into 2019 will be looking to be much more proactive in promoting Cannock Town Centre by putting on more events, such as Craft Fairs, Artisan Markets, Food and Drink Festival, Farmers Markets, which will bring in more visitors and increase the footfall and trade to existing Businesses. Ongoing, it is anticipated that these events will get bigger, greater in number and better as the CTCP gets properly established.
- 5.24 The Council is planning its first event to help kick start and drive forward the CTCP formation. Therefore, on the 1 December 2018, to coincide with Small Business Saturday (a national campaign around promoting independent traders, new business start ups and local trading in local centres) the Council will be hosting two outdoor markets. The markets will be operated by E R Sketts, the Council's existing contracted service provider and the Council will also be looking to include a small local arts/craft/produce market that will accommodate local businesses looking to promote their homemade products. There will not be any additional financial cost to the Council in hosting the markets and Chase Chamber of Commerce, are funding the promotional side for the event which will include leaflets and posters. All necessary consents for running the markets will be in place along with risk assessments and insurance cover.
- 5.25 Over the last few months the TCPO has spent a lot of time in the Town Centre talking with different businesses and feels there is a real buzz and pride in Cannock and everyone is excited about moving this forward and especially working with the MGDO. Businesses feel the TCP will boost Cannock Town Centre and put a real focus on the District as a place to visit great experience and hopefully stay in the future.

6 Implications

6.1 Financial

It is proposed that the CTCP will act as a organisation "hosted" by the Council ie using the Council's financial systems but kept separate from the Council's own

resources. Council staff time to support the CTCP will be met within existing resources.

Allocation of S106 receipts to support Town Centre Initiatives will be subject to the normal Council authorisation procedures.

6.2 Legal

Incorporated into the report – Further consideration of the procurement of specialist company law advice is being pursued by Legal to be confident on the best structure for the CTCP and its proposed future activities.

6.3 Human Resources

A Town Centre Partnership Officer has been employed by the Council for 24 months (started June 2018) which has been funded by the S106 money from the MGDO.

As the financial accounts for the CTCP will be held and prepared by the Finance Department of the Council, existing staff time will be needed to operate this service for the CTCP. If an external source was appointed to carry out financial reporting etc there would be additional costs incurred by the TCP. These costs could include the cost of Banking, Accountancy and Solicitors and are unaffordable at this present time. The TCP will need to look at long term sustainability options for the CTCP and this could review existing arrangements going forward.

The TCP will be making appointments to key positions in accordance with the proposed DRAFT Constitution (Appendix 3)

6.4 Section 17 (Crime Prevention)

Staffordshire Police work with the Town Centre which involves Store Watch and Pub Watch. Regular meetings are held between the Police and the Town Centre Businesses with the introduction of CCTV and radios. An invitation to the Police has been extended to be part of the CTCP.

6.5 Human Rights Act

N/A

6.6 Data Protection

All data held by The Partnership would be fully compliant with GDPR.

6.7 Risk Management

Lack of interest in forming a TCP – After considerable research, consultations with Businesses and meetings it is highly unlikely that there would be no interest shown in setting up CTCP. The activities of the new CTCP will determine the success of the Partnership.

Long term financial sustainability – This is a key priority for the CTCP once operating. Future income generation may include fund raising, donations and from hosting events. An annual fee could be introduced which would enable the Partnership to continue to operate. Voluntary contributions would be difficult to secure and largely will be determined by the successful implementation of the CTCP.

Managing Stakeholders interests – All Partnership members should conduct themselves in a professional manner and any issues should be resolved in any meeting held. A majority vote could be made in order to exclude a member or members from the Partnership. The constitution will look to manage the appointment and role of the CTCP members.

Confusion of different town centre partnerships- Potential for CTA, the Council and the new CTCP to all be working in the town centre exits. The CTCP will need to address branding and profile issues to avoid any damage to reputation and confusion. The intention is for the CTA to no longer operate but at present this is unconfirmed.

6.8 Equality & Diversity

The CTCP will adhere to the Equality Act 2010.

6.9 Best Value

Cabinet in February 2012 approved the use of Section 106 funds subject to adoption of a protocol and procedures for managing the use and expenditure of Section 106 monies. The protocol and procedures are based on the Council’s normal financial regulations and accessible from the Cannock Chase Council’s website.

7 Appendices to the Report

Appendix 1: Option appraisal - Structure for the TCP

Appendix 2: Copy of consultation letter for formation of Partnership

Appendix 3: Draft Cannock Town Centre Partnership Constitution

Previous Consideration

| | | |
|--|---------|----------|
| Local Business Improvement District (BID) (Not for Publication) | Cabinet | 19/07/07 |
| The Use of S106 monies in Town Centres | Cabinet | 02/02/15 |
| Feedback from the Public Consultation on the Financial Recovery Plan and Approval of Savings Options | Cabinet | 15/12/16 |
| Application for Permission to Spend – Mill Green | Cabinet | 25/01/18 |

Background Papers

Association of Town Centre Management (ATCM) survey of good practice guide
Communities and Local Government Guide October 2008

ITEM NO. 11.

Appendix 1

Advantages and Disadvantages of different business structures for the Town Centre Partnership

| COMPANY | TYPE OF COMPANY | ADVANTAGE | DISADVANTAGE |
|----------------------------------|--|---|--|
| Community Interest Company (CIC) | The CIC is a type of Company introduced by the United Kingdom Government in 2005 under the Companies (Audit, Investigations and Community Enterprise) Act 2004, designed for social enterprises that want to use their profits and assets for the public good. | <p>Respected type of company through various industries.</p> <p>The CIC would be formed legally binding for the Partnership</p> <p>Funding grants (in some cases, not all is easier to apply for funding)</p> <p>It is a more structured company</p> <p>https://www.gov.uk/government/publications/community-interest-companies-benefits-of-a-cic</p> | <p>Cost to set up is £35.00</p> <p>The Partnership would need to be registered at Companies House with the chosen Partnership name.</p> <p>A CIC must also submit form CIC36, signed by all the prospective directors, describing the proposed social purpose of the Company and providing various other details. In order for the CIC to be established, this has to be reviewed and approved by the CIC Regulator</p> <p>Bank accounts would need to be opened.</p> <p>A CIC needs at least two directors</p> <p>The lead entity needs to take responsibility and liability for everything in the eyes of the law.</p> <p>Annual accounts needs to be made by an Accountant at an approximate cost of £20 per hour plus costs and a further fee of between £200 and £250 for the annual accounts.</p> <p>A CIC does not receive the same tax breaks as a charity</p> |

| COMPANY | TYPE OF COMPANY | ADVANTAGE | DISADVANTAGE |
|--|---|---|---|
| <p>Unincorporated Association (UA)</p> | <p>A UA is an association set up through an agreement between a group of people who come together for a reason other than to make a profit (for example, a voluntary group)</p> <p>Individual members are personally responsible for any debts and contractual obligations.</p> | <p>There are no costs attached to an UA as no accounts need to be filed, saving Accountant and Lawyer costs.</p> <p>You do not need to register an UA and it does not cost anything to set up</p> <p>Do not need to register at Companies House</p> <p>Simple, quick and easy to set up</p> <p>Funding available in some cases, this is dependant on the organisation who are offering the funding.</p> <p>Most associations with a Constitution can apply for grants and funding depending on the criteria of the organisation offering the grant/funding</p> <p>https://www.gov.uk/unincorporated-associations</p> | <p>No limited liability (This would not apply to the Partnership as no individual would have invested in the Association)</p> <p>Members may be liable for any debts (This would not be a problem as the Partnership would not create any debts or applying for any borrowing)</p> <p>The Partnership could not enter into or make any formal contracts</p> <p>A UA does not have any legal entity ie legal rights to make claims against suppliers or businesses not providing the services that where stated.</p> |

| COMPANY | TYPE OF COMPANY | ADVANTAGE | DISADVANTAGE |
|----------------------|--|--|---|
| Charity Account (CA) | A CA is run and sustained by volunteers and donations from the Community and Wider Communities | <p>The public trust a registered charity</p> <p>There is some funding available to Charities</p> <p>https://www.gov.uk/vat-charities/what-qualifies-for-relief</p> <p>https://www.gov.uk/setting-up-charity</p> | <p>If registering as a charity there would be a need to register with the Charity Commission at a minimum cost of £35.00</p> <p>Accounts would need to be opened independently by the Partnership with a minimum of three signatories</p> <p>Accountant would need to be appointed as Charity accounts need more detail due to the nature of the funds donated in relation to tax.</p> <p>Charities pay VAT on all standard rated goods and services they buy from VAT registered businesses</p> <p>https://www.gov.uk/vat-charities/what-qualifies-for-relief</p> |

| COMPANY | TYPE OF COMPANY | ADVANTAGE | DISADVANTAGE |
|--|---|--|--|
| Charitable Incorporated Organisation (CIO) | A CIO is a new form of legal identity designed for non profit organisations in the UK | <p>A CIO has legal entity</p> <p>There is a limited liability so that members will not have to contribute in the event of any financial loss</p> <p>No need to register at Companies House</p> <p>As a charity you can get certain tax reliefs. To benefit you must be recognised by HM Revenue and Customs.</p> <p>Greater privacy for members since the register of members is not open to the public</p> <p>https://www.gov.uk/government/publications/charitable-incorporated-organisations</p> | <p>Needs to register with the Charity Commission</p> <p>https://www.gov.uk/government/organisations/charity-commission</p> <p>Registration of a new CIO takes 40 days</p> <p>Accounts needs to be sent to the Charity commission annual (at present there is no fee for this service)</p> <p>Lawyer would need to complete a legal binding constitution for the Charity</p> |

Appendix 2

Business Owner
244 Walsall Road
Bridgtown
Cannock
Staffordshire
WS11 3HJ

Dear Sir or Madam,

RE: NEW Town Centre Partnership for Cannock Town Centre – CALLING ALL RETAILERS!

Cannock Chase Council and Cannock Traders Association are currently investigating whether there is sufficient interest from local businesses to set up a NEW not for profit Town Centre Partnership. This Partnership will seek to represent the interests of all traders and stakeholders in Cannock Town Centre.

We will look to merge the current Cannock Traders Association into any new Partnership formed.

The Partnership would endeavor to:

- Make Cannock Town Centre an attractive place to eat, drink, shop and visit.
- Ensure Cannock Town Centre is safe, clean and attractive.
- Encourage collaborative working between all businesses and organisations to have a single voice and maximise benefits for Cannock Town Centre.
- Hold regular promotional events in Cannock Town Centre to increase footfall.
- Secure income streams in order to benefit the promotion of the Town Centre to both existing and new visitors.
- Maximise the benefits and encourage linked trips between Cannock Town Centre and Mill Green Designer Outlet Village,
- Help maintain and increase the trading/footfall levels within the Town Centre to ensure it continues to be competitive as a retail destination.

Cannock Chase Council will provide a dedicated Cannock Town Centre Partnership Officer for an initial two year period to help establish and build upon any Partnership created. The Partnership will be a business led organisation dedicated to improving Cannock Town Centre. Monies to fund the new post have been secured as part of meeting the planning obligations for the Mill Green Designer Outlet Village. The developers of Mill Green are looking to build a positive working relationship with Cannock Town Centre businesses, starting by contributing to the cost of the Christmas Lights in 2017.

The first stage of forming any Partnership requires the creation of a Board to represent the various interests of the businesses.

As a retailer/somebody who has a vested interest in Cannock Town Centre, we would like to know whether you would be interested in becoming either a Partnership or Board Member in the new Partnership.

We would like to know your views, and in particular **do you agree this is the right direction to take in terms of Town Centre Management for the traders?**

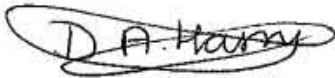
There is three different ways to get in touch.

1. Please contact me on 01543 464272 or email econdev@cannockchasedc.gov.uk.
2. Pop in and see us on Thursday 21st June 2018, 2pm-4pm at Broome Meadow Bakes (Cannock Shopping Centre), where we would be happy to discuss further.
3. Return the form attached and post back via the prepaid envelope provided within this letter.

Ultimately the decision on how the Council wishes to proceed will be taken following its normal Council procedures.

How the Partnership goes forward will be greatly influenced by the responses the Council receives from this exercise. Therefore, we encourage all businesses in the Town Centre to have their say on the future of Cannock Town Centre.

Yours faithfully

A handwritten signature in black ink, appearing to read "D.A. Harris", enclosed within a hand-drawn oval scribble.

Debbie Harris
Economic Development Manager

PLEASE DETACH AND RETURN TO ECONOMIC DEVELOPMENT VIA THE PREPAID ENVELOPE PROVIDED.

Business name: _____

Business address: _____

Contact name: _____

Phone number: _____

Email address: _____

I am a: *(please tick as appropriate)*

| | | | | | |
|--------------------------|----------------|--------------------------|------------|--------------------------|----------------------------|
| <input type="checkbox"/> | Business Owner | <input type="checkbox"/> | Land Owner | <input type="checkbox"/> | Other (please state below) |
|--------------------------|----------------|--------------------------|------------|--------------------------|----------------------------|

Please tick below as appropriate.

| | |
|--------------------------|--|
| <input type="checkbox"/> | I would like to meet with you at Broome Meadow Bakes on Thursday 21 st June 2018. |
| <input type="checkbox"/> | I would not like to meet with you at Broome Meadow Bakes on Thursday 21 st June 2018. |

| | |
|--------------------------|--|
| <input type="checkbox"/> | I think that merging the Cannock Traders Association into a Town Centre Partnership is a sensible idea and I would be interested in receiving further information. |
| <input type="checkbox"/> | I do not think that there is any need for changing the current Traders Association, it is fine as is. |

| | |
|--------------------------|---|
| <input type="checkbox"/> | I am interested in being a general member of the Town Centre Partnership |
| <input type="checkbox"/> | I am interested in becoming an initial board member of the Town Centre Partnership. |
| <input type="checkbox"/> | I am not interested and do not want further information. |

| |
|---------------------|
| Additional Comments |
| |

We are collecting this data so that we can keep you up to date with the progress of setting up a Town Centre Partnership. If / once this is established we will then hold your data to keep all businesses, including yourselves up to date with the ongoing work of the Partnership. We will also pass the information you submit to the Town Centre Partnership once it is established. We will keep your data for the length of the Partnership + 6 years, or until you request to be removed from our records. Cannock Chase Council are the data controller. Our contact details for the purposes of data protection are infomanager@cannockchasedc.gov.uk or call the Information Manager on 01543 462621. For more information relating to how we keep and process your data please visit www.cannockchasedc.gov.uk/dataprotection

DRAFT

CANNOCK TOWN CENTRE PARTNERSHIP

CONSTITUTION

1. Name

The name of the group shall be Cannock Town Centre Partnership (To be confirmed once Board is in place)

2. Aims

The aims of Cannock Town Centre Partnership will be:

- To bring together businesses and stakeholders in the town centre to create a vibrant place for visitors and shoppers.
- To support and exchange services between members in town centre to help each other thrive and create a thriving town centre
- To bring together the local community by hosting events and festivals to boost the economy and footfall to the centre.
- To establish links and co operate with other organisations with similar aims.
- To ensure that all members are involved in and given an opportunity to make representations as to any decisions regarding Cannock Town Centre.

3. Membership

Membership is open to anyone who:

- Works or lives in Cannock Town Centre
- Is a business owner or tenant in the Town Centre
- supports the aims of Cannock Town Centre Partnership

Ceasing to be a member

Members may resign at any time in writing to the secretary.

Any offensive behaviour, including racist, sexist or inflammatory remarks, will not be permitted. Anyone behaving in an offensive way or breaking the equal opportunities policy may be asked not to attend further meetings or to resign from the group if an apology is not given or the behaviour is repeated. The individual concerned shall have the right to be heard by the management committee, accompanied by a friend, before a final decision is made.

4. Equal Opportunities

Membership shall be open, irrespective of political party, nationality, religious opinion, age, race, sex or colour.

5. Officers and committee

The business of the group will be carried out by a Committee elected at the Annual General Meeting. The Committee will meet as necessary and not less than four times a year.

The Committee will consist of 10 members, and be composed of 4 officers, 5 committee members and 1 council official.

The officers' roles are as follows:

- Chair, who shall chair both general and committee meetings
- Vice Chair, who shall help support the general and conduct meetings in the Chair's absence
- Secretary, who shall be responsible for the taking of minutes and the distribution of all papers
- Finance Monitoring Officer, who shall help with monitoring the accounts of the partnership.

The Council official will be the Portfolio Leader for Town Centre Regeneration.

In the event of an officer standing down during the year a replacement will be elected by the next General Meeting of members.

Any committee member not attending a meeting without apology for three months will be contacted by the committee and asked if they wish to resign.

The Committee meetings will be open to any member of Wild about Brighton Youth Group wishing to attend, who may speak but not vote.

6. Meetings

6.1. Annual General Meetings

An Annual General Meeting (AGM) will be held within fifteen months of the previous AGM.

All members will be notified in writing at least 3 weeks before the date of the meeting, giving the venue, date and time.

Nominations for the committee may be made to the Secretary before the meeting, or at the meeting.

The quorum for the AGM will be 10% of the membership or 10 members, whichever is the greater number.

At the AGM:-

- The Committee will present a report of the Cannock Town Centre Partnership over theyear.
- The Committee will present the accounts of the Town Centre Partnership for the previous year.
- The officers and Committee for the next year will be elected.
- Any proposals given to the Secretary at least 7 days in advance of the meeting will be discussed.

6.2 Special General Meetings

The Secretary will call a Special General Meeting at the request of the majority of the committee or at least eight other members giving a written request to the Chair or Secretary stating the reason for their request.

The meeting will take place within twenty-one days of the request.

All members will be given two weeks notice of such a meeting, giving the venue, date, time and agenda, and notice may be by telephone, email or post.

The quorum for the Special General Meeting will be 10% of the membership or 10 members, whichever is the greater number.

6.3 General Meetings

General Meetings are open to all members and will be held at least once every 3 months or more often if necessary.

All members will be given two weeks' notice of such a meeting, giving the venue, date, time and agenda, and notice may be by telephone, email or post.

The quorum for a General Meeting shall be 10% of the membership or 5 members, whichever is the greater number.

6.4 Committee Meetings

Committee meetings may be called by the Chair or Secretary. Committee members must receive notice of meetings at least 7 days before the meeting.

The quorum for Committee meetings is three Committee members.

7. Rules of Procedure for meetings

All questions that arise at any meeting will be discussed openly and the meeting will seek to find general agreement that everyone present can agree to.

If a consensus cannot be reached a vote will be taken and a decision will be made by a simple majority of members present. If the number of votes cast on each side is equal, the chair of the meeting shall have an additional casting vote.

8. Finances

An account will be maintained on behalf of the Town Centre Partnership and will be hosted by the Council.

Records of income and expenditure will be maintained by the Finance Officer, the Council and the Town Centre Partnership Officer with a financial statement given at each meeting.

All money raised by or on behalf of Cannock Town Centre Partnership is only to be used to further the aims of the group, as specified in item 2 of this constitution.

9. Amendments to the Constitution

Amendments to the constitution may only be made at the Annual General Meeting or a Special General Meeting.

Any proposal to amend the constitution must be given to the Secretary in writing. The proposal must then be circulated with the notice of meeting.

Any proposal to amend the constitution will require a two thirds majority of those present and entitled to vote.

10. Dissolution

If a meeting, by simple majority, decides that it is necessary to close down the group it may call a Special General Meeting to do so. The sole business of this meeting will be to dissolve the group.

If it is agreed to dissolve the group, all remaining money and other assets, once outstanding debts have been paid, will be donated to a local charitable organisation. The organisation will be agreed at the meeting which agrees the dissolution.

This constitution was agreed at the Inaugural General Meeting of the Cannock Town Centre Partnership on:-

Date/...../.....

Name and position in group

Signed

Name and position in group

Signed

| | |
|--------------------------|---|
| Report of: | Head of Housing and Partnerships |
| Contact Officer: | James Morgan |
| Telephone No: | 01543 464 381 |
| Portfolio Leader: | Housing |
| Key Decision: | No |
| Report Track: | Cabinet: 08/11/18 |

CABINET
8 NOVEMBER 2018
HOUSING SERVICES 2017-18 ANNUAL REPORT

1 Purpose of Report

- 1.1 To consider the draft 2017-18 Housing Services Annual Report to tenants as required by the regulatory framework for social housing in England.

2 Recommendation(s)

- 2.1 That the draft 2017-18 Housing Services Annual Report (attached as Appendix 1) is agreed for circulation to all the Council's tenants.
- 2.2 That if required, the Head of Housing and Partnerships, following consultation with the Housing Portfolio Leader, is authorised to make amendments to the draft 2017-18 Housing Services Annual Report prior to circulation.

3 Key Issues and Reasons for Recommendation

- 3.1 The Council is required to publish the 2017-18 Annual Housing Report as set out in the Regulatory Standards by Homes England.
- 3.2 A draft Annual Report is attached as Appendix 1.
- 3.3 The Annual Report must be circulated to all tenants and this will be achieved as part of the autumn edition of Hometalk.

4 Relationship to Corporate Priorities

- 4.1 The Council is required to publish an Annual Housing Report in accordance with the Regulatory Framework for social housing.
- 4.2 Meeting the regulatory requirements will assist in improving Housing Services and achieve the Council's corporate priority "Promoting Prosperity" by contributing towards the strategic objective "increasing housing choice".

5 Report Detail

- 5.1 Registered providers of social housing in England must meet regulatory standards by Homes England. The standards are classified as either economic or consumer. The economic standards do not apply to local authorities. The four consumer standards that the Council are required to meet are:
- Tenant Involvement and Empowerment Standard;
 - Home Standard;
 - Tenancy Standard;
 - Neighbourhood and Community Standard.
- 5.2 The Tenant Involvement and Empowerment Standard requires the provision of timely and relevant performance information to support effective scrutiny by tenants of their landlord's performance. Such provision must include the publication of an annual report that should include information on repair and maintenance budgets.
- 5.3 A draft report is attached as Appendix 1.
- 5.4 The Annual Report must be circulated to all tenants. As a result, it is proposed to place a copy on the Council's website and distribute copies as part of the autumn edition of Hometalk. The costs of these actions can be accommodated within agreed budgets.

6 Implications

6.1 Financial

There are no financial implications arising directly from this report. All costs associated with compiling the Annual Report have already been met from existing budgets.

Any costs arising from recommendations contained within the draft Annual Report can be met from within existing budgets.

6.2 Legal

There are no direct legal implications arising from this report save the Council's statutory duty to issue an annual report in accordance with the regulatory framework.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

Services which can help combat anti-social behaviour are identified within the Annual Report.

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

The Regulatory framework requires the Council to publish an Annual Report. Failure to do so will be a breach of the framework.

6.8 Equality & Diversity

Copies of the Annual Report will be provided in a variety of formats including audio and large print on request.

6.9 Best Value

None

| |
|---------------------------------|
| 7 Appendix to the Report |
|---------------------------------|

Appendix 1: Draft 2017-18 Housing Services Annual Report

| Previous Considerations | | |
|---|---------|----------|
| Housing Services Annual Report 2016-17 | Cabinet | 19/10/17 |
| Housing Services Annual Report 2015-16 | Cabinet | 20/10/16 |
| Housing Services Annual Report 2014-15 | Cabinet | 17/09/15 |
| Housing Services Annual Report 2013-14 | Cabinet | 18/09/14 |
| Housing Services Annual Report 2012-13 | Cabinet | 19/09/13 |
| Housing Services Annual Report 2011-12 | Cabinet | 20/09/12 |
| Housing Services Annual Report 2010-11 | Cabinet | 15/09/11 |
| Housing Services Annual Report 2009-10 | Cabinet | 16/09/10 |
| Consultation on the Tenant Services Authority Consultation – ‘A New Regulatory Framework for Social Housing in England’ | Cabinet | 21/01/10 |

| | | |
|---|---------|----------|
| Housing Services Annual Report 2016-17 | Cabinet | 19/10/17 |
| Housing Services Annual Report 2015-16 | Cabinet | 20/10/16 |
| Housing Services Annual Report 2014-15 | Cabinet | 17/09/15 |
| Housing Services Annual Report 2013-14 | Cabinet | 18/09/14 |
| Housing Services Annual Report 2012-13 | Cabinet | 19/09/13 |
| Housing Services Annual Report 2011-12 | Cabinet | 20/09/12 |
| Housing Services Annual Report 2010-11 | Cabinet | 15/09/11 |
| Housing Services Annual Report 2009-10 | Cabinet | 16/09/10 |
| Consultation on the Tenant Services Authority Consultation – ‘A New Regulatory Framework for Social Housing in England’ | Cabinet | 21/01/10 |

| | | |
|--|--------------------------------------|----------|
| Consultation on the Housing and Regeneration Act 2008 (Registration of Local Authorities) Order 2009 | Cabinet | 17/09/09 |
| Tenant Services Authority Briefing Paper | Housing Policy Development Committee | 24/02/09 |

Background Papers

None



Annual Report

for Tenants

2017/18

DRAFT



Welcome to the 2017/18 Housing Services Annual Report to tenants. Here we share information about our performance in the last financial year between April 2017 and March 2018. We have decided to refresh the format of the Annual Report and we hope you like it!

We want to regularly ask your opinion on the services we provide. The Survey of Tenants and Residents (STAR) survey was undertaken during last year and will be repeated every three years. This will enable us to track your changing views of the services we provide and make improvements where they are needed.

The good news from the survey is that you continue to be highly satisfied with the service you receive from us. There are some areas where we want to raise your satisfaction with the service. One of these is that we want to ensure that we are listening to and acting on your views. We have published a Tenant Involvement Strategy and are planning to introduce a new Tenant Scrutiny Panel in the near future.

We remain committed to providing a great service to our tenants and want to ensure that we are focussing on what is important to tenants.



Councillor Alan Pearson

Portfolio Holder
for Housing



Nirmal Samrai

Head of Housing
and Partnerships



Priorities 2018-19



New Homes: We will complete the Garage Sites and Other Council Owned Land Redevelopment Scheme and work towards delivering further new council homes over the coming years.



Quality Homes: We will continue to improve the quality of the Council's housing stock for the benefit of our tenants by ensuring that we continue to meet and also exceed the Decent Homes standard.



Support: We will make the best use of our stock, provide tenancy sustainment support, promote the provision of suitable accommodation, and provide information and advice to prevent and reduce homelessness.

Key facts

(as at 1 April 2018)



We provide 5,158 homes across the District



We lease 274 flats across the District on leasehold terms;



We have delivered 99 new homes in the last three years, with 35 new homes being let in 2017/18.



We sold 28 properties through Right To Buy in 2017/18, with 106 properties sold in the last three years.



We spent approximately £10.25m on planned maintenance works and responsive repairs & maintenance to the existing housing stock in 2017/18 to ensure your properties are well maintained.

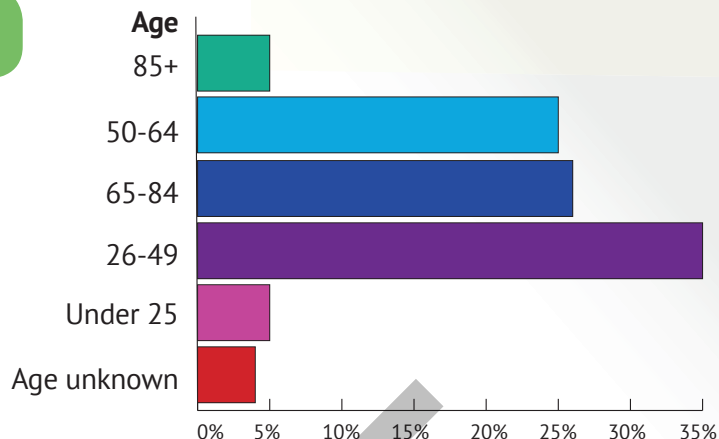
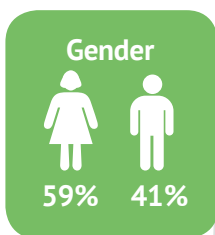


92% of respondents to our STAR survey said that they are satisfied with the service we provide overall.

Understanding and responding to your needs

Tenants have on average held their tenancies for **12 years and 3 months**. The longest tenancy held according to our records being an incredible **64 years!**

Our Tenants



From the STAR survey:

85% of tenants agreed that Cannock Chase Council treats its residents fairly and **87%** felt staff were friendly and approachable.

89% tenants surveyed felt that Cannock Chase Council is providing the service they expect from their landlord.



334 households requiring 1 bedroom accommodation

There were **886** households on the Housing Register as at 1/4/18

36 households require 4+ bedroom accommodation

411 require 2 bedroom accommodation

105 require 3 bedroom accommodation

We received **42,794** calls through the Contact Centre on Housing related matters and **6,421** visits to the Housing Bungalow. There were also **116,110** views of the Council's Housing web pages.



Complaints and Compliments

21 formal Stage 1 complaints;

84 MP enquiries;

4 recorded as informal (i.e. Councillor complaint on behalf of tenant, Anonymous or from another family member)

Of the 21 Stage 1 complaints

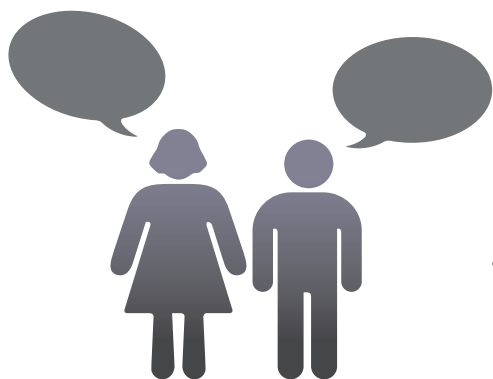
10 were from Housing Maintenance;

6 from Estate Management;

4 from Housing Property Services (regarding contractors) and;

1 from Allocations.

All Stage 1 complaints were resolved.



77.6% of all tenants surveyed in the STAR survey are very or fairly satisfied with how the Council deals with complaints. However we would like to get better at dealing with complaints and have introduced Complaint Learning Forms that are filled in for each complaint to ensure we are learning from each complaint and the actions we take.

As well as complaints, we also record compliments from tenants.

Mr and Mrs B said

“ Martin finished decorating our kitchen and bathroom last week. We are very pleased with the result. Martin was very conscientious and did a perfect job ”

Mrs B said

“ We would like to thank Kevin and Tony for their rapid response to repair a lock today. They were very friendly today and I would like them to be thanked for their hard work. ”

Mr J said

“ My Tenancy Sustainment Officer Carolyn has gone the extra mile and has helped me with managing my tenancy. I can't thank Carolyn enough, she has assisted me with my utility bills and has given me budgeting advice along the way to stop me falling into arrears. ”

Mrs M said

“ My mother had a boiler fitted in July. I just want to tell you that the engineer, I think his name is Ben, was a credit to himself and your company. He went above and beyond even offering to make my mother a drink, he made sure she was comfortable with the work going on and left the kitchen spotless for her. ”

Tenant Engagement

In 2017/18 we produced 3 editions of Hometalk, we hope you found these informative and interesting.

Our STAR survey found that 81% of all tenants are satisfied with the Hometalk tenants newsletter and only 3% expressed any dissatisfaction with it.



In 2017/18 we produced our first Resident Involvement Strategy which sets out how we want tenants and leaseholders to be able to shape and influence the services we provide. As a result of regulatory requirements the Council had to reallocate funds away from the existing engagement mechanism of the Chase Tenants and Residents Federation, which unfortunately led to their cessation, and use those funds to introduce a Tenant Scrutiny Panel in 2018/19 and other wider reaching and regulatory-compliant measures.

The STAR survey found that 78% of all tenants surveyed were satisfied and 6% were dissatisfied that they had an opportunity to make their views known.

We also:

- Replaced the Estate Walks programme with Neighbourhood Plans for 2017/18 onwards;
- Carried out the STAR survey in early summer 2017;
- Commissioned an independent review into the Council's approach to resident involvement, which helped formulate the Tenant Involvement Strategy.

We would like to improve on this and are putting in place mechanisms through the Tenant Involvement Strategy and the introduction of a Tenant Scrutiny Panel to ensure more tenants feel they have an opportunity to make their views known.



Repairs and improving your home

Repairs



12,088 repair jobs were completed in 2017/18

11,545 repairs appointments were made

11,516 repairs appointments were kept (99.75%)

We completed all repair jobs in 13 calendar days on average - roughly two and a half weeks.

Whilst all non-emergency repairs were completed in an average 12.4 working days – again roughly two and a half weeks.

100% of emergency repairs were completed within 24 hours.

The total cost of maintenance and repairs during 2017/18 was £4.33m

We have got faster at repairing vacant homes to get them ready for new tenants quicker. In 2017/18 we turned around void properties in an average of 33.47 days, an improvement of over 3 days on 2016/17. A void that only required routine repairs was ready again in 23.18 days, whilst a property needing major work was ready in 45.47 days - both much quicker than last year, down from 32 and 58 days respectively.

100% of our homes meet the decent homes standard (excluding where tenants have refused remedial work).

Average re-let time: 33.47 days



Improving your homes



636 properties received electric upgrading works (wired in smoke detectors and provision of additional sockets)



241 properties had bathroom upgrades



635 properties had external envelope improvements (chimney and roof repairs, repointing, rendering repairs)



101 properties benefitted from major disabled facilities work (safe WC and showering, alterations to rooms; heating and power improvements; safety related works)



516 properties benefitted from new double glazing windows



57 properties had kitchen refits



308 properties had new gas central heating systems



These capital programme improvements cost £5.75m

As part of the STAR survey tenants and leaseholders were asked about their satisfaction with the overall quality and condition of their home, to which over 90% (on quality) and 92% (on condition) of tenants were satisfied. Whilst 88% of tenants overall were satisfied with the repairs and maintenance on their home.



Managing your tenancy

Your Rent

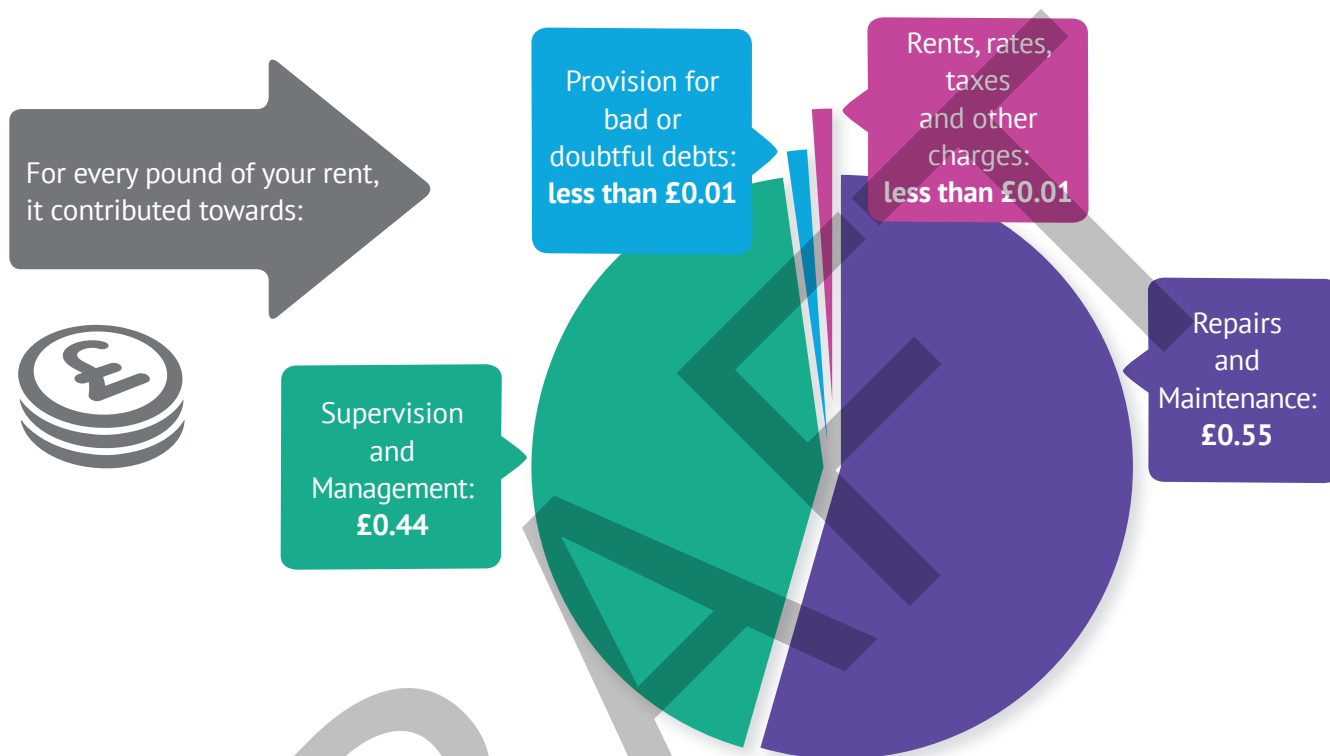
Following Government policy, we have been reducing your rent by 1% every year since 2015/16, which will last until March 2020.



Your average rent in 2017-18 was £73.71 per week.



We received £19.507m in rent income during the year.



Current tenants were in arrears to the amount of £290,000 at the end of the financial year. Those tenants in arrears were behind with their payments by an average £260, roughly 3 and a half weeks rent. However some tenants are behind by a lot more.

We evicted 14 households as a result of their rent arrears.

In the STAR survey almost 93% of tenants who were surveyed are satisfied with the value for money of their rent.



We let 449 properties in total during 2017/18:



324 lettings were made to new tenants to social housing



106 lettings were to existing social housing tenants



19 mutual exchanges were completed

Lettings 2017/18

92% of new tenancies lasted more than 1 year.

447 tenants received a new tenancy visit and 34 tenants were assisted by the tenancy sustainment service.

The STAR survey found 63% of tenants felt fairly or very satisfied with moving between Council properties. 33% responded 'neither satisfied or dissatisfied' likely because they had not moved, only 4% of tenants indicated they were dissatisfied.

Universal Credit

Universal Credit will be paid directly to claimants, who will have to pay their own expenses. For example, take a Council tenant eligible for Housing Benefit. That money used to go direct to the Council to pay the rent. After the switch to Universal Credit, the tenant will receive the money and have to arrange to pay their rent to the Council.

Information you will need when applying for Universal Credit:

- Your address and postcode
- Your email address
- Mobile telephone number
- Your bank (or credit union/building society) account number and sort code
- How much your rent is
- Your landlord's (or agent) name, address & telephone number.
- Your (and your partner's) earnings if you are working
- How much savings you (and your partner) have

From November this year, anyone of working age making a new claim for any of the benefits mentioned below, will start claiming Universal Credit.

- Income Support
- Income-based Jobseeker's Allowance
- Income-related Employment Support Allowance
- Housing Benefit
- Child Tax Credit
- Working Tax Credit.

Visit www.cannockchasedc.gov.uk/universalcredit to find out more. If you have any concerns about Universal Credit or paying your rent the **Income Management Team** is ready to assist call them on **01543 464288** or email rents@cannockchasedc.gov.uk.

Don't delay, get ready for Universal Credit today

- Pay some extra money towards your rent so you won't have rent arrears once you switch over to Universal Credit
- Pay your bills by Direct Debit
- Get used to budgeting for monthly payments if you don't already



Building New Council Homes

During 2017/18 we let 35 brand new homes to tenants. We spent approximately £4.3m on Council new build development during the year.

We finished off the Moss Road Estate Redevelopment Scheme...



Completing the remaining 24 properties of the 65 new homes provided on the scheme.



We also let the first 11 properties on our Garage Sites and Other Council Owned Land Redevelopment Scheme.



We completed the sites at:

Berwick Drive, Cannock

3 x 2 bedroom houses and 2 x 2 bedroom bungalows

Hannaford Way, Cannock

3 x 2 bedroom houses and 3 x 2 bedroom bungalows

Looking forward to 2018/19

“We want to continue to improve the stock, build new homes and provide you with a high quality service. We are committing a further £12.6m on new Council house building over the next 5 years. We are also increasing support mechanisms to help customers deal with the introduction of Universal Credit.”

Nirmal Samrai

Head of Housing and Partnerships

New Build 2018/19

Coulthwaite Way, Rugeley

6 x 2 bedroom houses;

Woodland Close, Hednesford

2 x 2 bedroom houses and 2 x 2 bedroom bungalows;

Petersfield, Cannock

2 x 2 bedroom bungalows;

Speedy Close, Cannock

2 x 2 bedroom bungalows;

Cornhill, Cannock

3 x 2 bedroom houses;

George Brealey Close, Rugeley

2 x 2 bedroom houses;

Cannock Wood Street, Cannock Wood

3 x 2 bedroom houses;

Wood View, Rugeley

2 x 2 bedroom houses;

Brunswick Road, Cannock

4 x 2 bedroom houses

HRA Capital Programme 2018/19 Priorities

| | |
|---|-------------------|
| New Build | £1,764,000 |
| External / Environmental Works | £1,585,000 |
| Replacement of Central Heating | £1,495,000 |
| Upgrading of Electrics | £575,000 |
| Replacement of Bathrooms | £474,000 |
| Replacement of Kitchens | £425,000 |
| Disabled Facilities Work | £389,000 |
| Void Properties | £344,000 |
| Provision of Proposed Kerbs and Driveway Resurfacing | £240,000 |
| Other Costs (inc. Demolition, Asbestos Testing) and Contingencies | £624,000 |
| Total | £7,915,000 |

Housing Revenue Account Budget 2018/19

| | |
|-----------------------|----------------------------|
| £19,756,930 | £19,726,670 |
| HRA Income 2018/19 | HRA Expenditure 2018/19 |

In 2018/19 your rent has been reduced by 1% again in accordance with Government's rent policy, so average rents in 2018/19 will be

1 bed = £66.13

2 bed = £75.06



3 bed = £79.00

4 bed = £87.82





Keep in touch...

-  Search for 'Cannock Chase Life'
-  @CannockChaseDC
-  www.youtube.com/CannockChaseDC

Cannock Chase Council
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tel 01543 462621
email customerservices@cannockchasedc.gov.uk
www.cannockchasedc.gov.uk

| | |
|--------------------------|---|
| Report of: | Head of Housing and Partnerships |
| Contact Officer: | Louise Tandy |
| Telephone No: | 01543 464 348 |
| Portfolio Leader: | Housing |
| Key Decision: | No |
| Report Track: | Cabinet: 08/11/18 |

CABINET
8 NOVEMBER 2018
HOUSING GREEN PAPER – ‘A NEW DEAL FOR SOCIAL HOUSING’

1 Purpose of Report

- 1.1 To consider the proposals outlined in the Ministry of Housing, Communities & Local Government (MHCLG) Housing Green Paper, ‘A new deal for social housing’.
- 1.2 To note and endorse the Council’s response to the consultation questions contained within the Housing Green Paper.

2 Recommendations

- 2.1 That the proposals and implications of the Housing Green Paper, ‘A new deal for social housing’ are noted.
- 2.2 That Cabinet notes and endorses the response to the Ministry of Housing, Communities & Local Government consultation questions regarding the Housing Green Paper, ‘A new deal for social housing’ as set out in Appendix 2 and agreed by the Housing Portfolio Leader.
- 2.3 That as the Council needed to submit its consultation paper response by 6 November 2018 call-in procedures in relation to recommendation 2.2 shall not apply.
- 2.4 That if required, the Head of Housing and Partnerships, following consultation with the Housing Portfolio Leader, is given retrospective authorisation to make amendments to the Consultation Document prior to submission on 6 November 2018.

3 Key Issues and Reasons for Recommendation

- 3.1 The MHCLG have published a Housing Green Paper which ‘proposes a rebalancing of the relationship between residents and landlords’. The

consultation was open to everyone to gather evidence and seek views on the proposals contained within the document.

- 3.2 A response to the consultation questions has been submitted to MHCLG following consultation with the Housing Portfolio Leader and is attached as Appendix 2. Views on the consultation paper needed to be received by 6 November 2018 and as a result it is proposed that call-in procedures in relation to this do not apply.

4 Relationship to Corporate Priorities

- 4.1 The Housing Green Paper has implications for the service aims to increase housing choice, including delivering additional Council housing which form part of the “Promoting Prosperity” Priority Delivery Plan 2018-19.

5 Report Detail

- 5.1 The Government on 14 August 2018 published the Green Paper, ‘A new deal for social housing’, outlining their proposals and seeking consultation responses. As this document is some 78 pages in length, it has not been appended to this report but can be viewed on the Government’s website www.gov.uk. A hard and the executive summary is attached as Appendix 1. The Council’s consultation response is attached at Appendix 2. The deadline for submission was 6 November 2018, so the Council’s response has already been submitted following consultation with the Housing Portfolio Leader.
- 5.2 In a foreword to the document the Secretary of State for Housing, Communities and Local Government states:
- “Everyone deserves a decent, affordable and secure place to live. It’s the most fundamental of human needs. And while we have made important strides to build the homes we need in recent years, I recognise we have much further to go when it comes to making our housing market work for all parts of our society – not least for residents in social housing. Our Green Paper is an important step towards this. It is a reaffirmation of that idea of housing as our ‘first social service’. It outlines our desire to rebalance the relationship between residents and landlords, to tackle stigma and ensure social housing can be both a safety net and a springboard to home ownership”.*
- 5.3 A summary of the proposals identified within each of the 5 chapters is presented in the paragraphs below.
- 5.4 Introduction – The Green Paper considers the issues facing all residents of social housing, including those who rent, leaseholders and shared owners, and uses the term “residents” to refer to all three, reserving “tenants” for issues that are only relevant to those who rent from a social landlord. The Green Paper sets out 5 principles which it says will underpin a new, fairer deal for social housing residents:

- (a) A safe and decent home which is fundamental to a sense of security and our ability to get on in life;
 - (b) Improving and speeding up how complaints are resolved;
 - (c) Empowering residents and ensuring their voices are heard so that landlords are held to account;
 - (d) Tackling stigma and celebrating thriving communities, challenging the stereotypes that exist about residents and their communities, and
 - (e) Building the social homes that we need and ensuring that those homes can act as a springboard to home ownership.
- 5.5 Chapter 1 (“Ensuring homes are safe and decent”). This chapter begins by summarising the action the Government has already taken in response to the Grenfell tragedy.
- (a) Government are seeking to bring forward the implementation of the recommendations on tenant involvement from the Hackitt’s Review of Building Regulations and Fire Safety.
 - (b) The paper proposes piloting, with a small group of social landlords, new approaches to communicating with and engaging residents on safety issues.
 - (c) The paper also calls for a review of the Decent Homes Standards: Government will consider whether the Decent Homes Standard provides adequate safety and standards for social tenants.
 - (d) The paper is seeking views on whether minimum standards recently introduced for privately rented housing should also apply to social homes.
- 5.6 Chapter 2 (“Effective resolution of complaints”). Consultation that was undertaken with tenants by the Government revealed serious dissatisfaction with complaints handling by social landlords, coupled with a lack of awareness of existing remedies.
- (a) The paper is seeking views on strengthening local mediation for disputes and on the value of the requirement for a designated person (a tenant panel, MP or Councillor) to consider a case before it can be escalated to the Ombudsman.
 - (b) The paper seeks views on the ‘democratic filter’ stage of the complaints process, exploring whether this should be abolished or retained with a reduced waiting period, if the filter is not used, from eight weeks to four.
 - (c) The paper is also seeking views on how to ensure complaints are resolved swiftly and effectively, and whether landlords’ reporting of complaints handling can be improved.

5.7 Chapter 3 (“Empowering residents and strengthening the regulator”).

- (a) Government suggests league tables based on key performance indicators.
- (b) The paper proposes a requirement for all landlords to provide data on the key performance indicators to the regulator for regular publication covering matters such as repairs, safety, handling complaints, engagement with residents and neighbourhood management. It calls for data on landlord performance to be made available and accessible to residents. Performance could then be taken into account when government funding is being allocated to individual landlords e.g. to support new housing development.
- (c) A separate call for evidence has been published to consider a number of potential changes to the system of regulation for social landlords. Potential changes could include:
 - Enabling the regulator to take a more proactive approach to enforcing the ‘consumer standards’ (covering tenant involvement and empowerment, homes, tenancies and neighbourhood and communities).
 - Giving the regulator more powers to scrutinise the performance of local authority landlords.
- (d) Options are proposed to give tenants a voice on policy issues at the national level, including potentially establishing a representative body.
- (e) Views are sought on a variety of options to promote more community ownership, or community leadership of social landlords.
- (f) The paper also asks whether the regulator should provide a ‘consumer’ rating alongside existing ratings on governance and financial viability.
- (g) It is proposed that the regulator be given stronger ‘teeth’ to ensure consumer standards are met. It seeks views on achieving a more proactive role for the regulator on consumer matters, including the modification or abolition of the ‘serious detriment’ test.

5.8 Chapter 4 (“Tackling stigma and celebrating thriving communities”)

- (a) The most consistent theme raised during the Government consultation on residents was the perceived stigma of being a social housing tenant. The Paper looks at ways of overcoming this and refers to a number of initiatives by housing associations including the ‘See the Person’ campaign which challenges common misrepresentations of people living in social housing.
- (b) The Government proposes providing support for community events and initiatives.
- (c) The Government proposes publishing further guidance through the National Planning Policy Framework to encourage new affordable homes

to be designed to the same standards as other tenures and ensuring these are well integrated within developments.

5.9 Chapter 5 (“Expanding supply and supporting home ownership”)

- (a) The paper acknowledges the need for new social housing. However, it does not offer the prospect of additional affordable homes grant beyond the £2bn announced in 2017.
- (b) There is no proposal for further lifting of Housing Revenue Account debt caps to allow local authorities to borrow prudentially against their assets and future rental income streams.
- (c) Government proposes to give local authorities new flexibilities to spend the money raised from Right to Buy sales on new homes and there is a separate consultation to look at this issue (‘Use of receipts from Right To Buy sales - August 2018).
- (d) Government proposes to enter into deals with Housing Associations to provide certainty of government funding over a longer period than is currently possible.
- (e) Views are sought on how to boost community led housing, developing new community owned homes and enabling resident led estate regeneration. There is also the potential introduction of a new stock transfer programme from local authorities to ‘community-led’ housing associations.
- (f) The Government has confirmed its support for the voluntary Right to Buy pilot which will commence in the West Midlands in Autumn 2018.

5.10 There were a number of policy ideas developed under the David Cameron government that will now **not** proceed into practice. The following paragraphs identify the policies that have now been abandoned:

- (a) 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.
- (b) The Government has decided not to implement ‘at this time’ the provisions in the Housing and Planning Act 2016 to make fixed term tenancies mandatory for local authority tenants.
- (c) The proposed Local Housing Allowance (LHA) cap on social housing benefit has been scrapped.
- (d) The plan to build 200,000 Starter Homes (to be sold at 80% of market value) was a headline pledge of the Government’s manifesto in 2015. Following criticism of the initiative from many sectors, the funds which would have gone to Starter Homes has now been redirected to rented products and not a single Starter Home has been built.

- (e) Pay to Stay which would have made social housing tenants with a household income of more than £30,000 nationally pay market rents was proposed in July 2015 but was never introduced.
- (f) The removal of housing benefit for under 21s. The policy was proposed in 2014, introduced in 2017 and was abandoned in March 2018 amid fears that the policy would drive an increase in youth homelessness.

6 Implications

6.1 Financial

The areas which could potentially have a financial impact arising from this green paper relate to the review of the Decent Homes standard and the proposal of greater flexibility on spending of Right to Buy receipts. At this time as these are draft proposals it is difficult to identify if there will be any financial impact on the Council.

6.2 Legal

None

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

Green Papers set out for discussion, proposals which are still at a formative stage. Risk to the Council would need to be assessed when a White Paper is issued by government that is a statement of policy and sets out proposals for legislative changes.

6.8 Equality & Diversity

The purpose of the consultation is to gather evidence and seek views on the proposals. Any policy changes brought forward as a result of the consultation would be subject to appropriate assessment by the Government.

6.9 Best Value

None

7 Appendices to the Report

Appendix 1: Housing Green Paper: 'A New Deal for Social Housing'
Executive Summary

Appendix 2: Cannock Chase Council Consultation Response

Previous Consideration

None

Background Papers

Ministry of Housing, Communities and Local Government – Housing Green Paper
'A new deal for social housing'

'A new deal for social housing' - Executive summary

This Green Paper, '*A new deal for social housing*', proposes a rebalancing of the relationship between residents and landlords. We will ensure our social homes are safe and decent, that issues are resolved and residents' voices are heard. We will begin to tackle the stigma which for too long has been associated with social housing. And we will ensure we build the good quality social homes that we need.

This Green Paper sets out a new vision for social housing. A vision which values and respects the voices of residents, with landlords treating them with decency and respect, backed up by clear consequences when they do not. A vision centred on how social housing can support people to get on in life, making it more likely, not less, they will go on to buy their own home, as well as providing an essential, good quality and well run safety net for those who need it most.

The tragedy at Grenfell Tower on 14 June 2017 brought the significance of social housing to the attention of the nation. It should never have happened and must mark a turning point in how the country thinks and talks about social housing.

Successive governments, of all political colours, have failed to consider sufficiently the role social housing plays in a modern mixed tenure housing market. We are determined to renew our commitment to social housing and this Green Paper will kick-start a national conversation about its future.

To shape this Green Paper, Ministers from the Ministry of Housing, Communities and Local Government met and talked with almost 1,000 residents of social housing at events across England. Over 7,000 people also contributed their views online, sharing their thoughts and ideas about social housing. These views and suggestions have informed and shaped this Green Paper from the beginning.

We heard from people about the stigma they experienced as social housing residents, they want more accountability from their landlords, and want to see government tackle the sense of 'institutional indifference' which they experienced all too often.

This Green Paper represents a fundamental shift in the state's approach to social housing and the people who call it home.

Residents spoke of the need for important changes in how social housing is run, managed and viewed in this country. They wanted a renewed pride in social housing and quite simply to be treated with respect. Whether you rent or own your home, the housing market should offer you dignity and security.

A new deal for social housing

Five principles will underpin a new, fairer deal for social housing residents:

- a safe and decent home which is fundamental to a sense of security and our ability to get on in life;
- improving and speeding up how complaints are resolved;

- empowering residents and ensuring their voices are heard so that landlords are held to account;
- tackling stigma and celebrating thriving communities, challenging the stereotypes that exist about residents and their communities; and,
- building the social homes that we need and ensuring that those homes can act as a springboard to home ownership.

Delivering good quality and safe social homes with the right services from landlords relies on a robust regulatory framework. It is nearly eight years since the last review of social housing regulation, and the proposals in this Green Paper present the opportunity to look afresh at the regulatory framework.

Alongside this Green Paper, we are publishing a Call for Evidence which seeks views on how the current regulatory framework is operating. This Call for Evidence, along with questions about regulation in the following chapters, will inform what regulatory changes are required to deliver regulation that is fit for purpose.

We have a collective responsibility to tackle the stigma associated with social housing and treat everyone with respect, regardless of where they live or the type of home they live in. This Green Paper marks an important step towards that goal by celebrating social housing, encouraging professionalisation in the sector and supporting good quality design.

To deliver the social homes we need we will support local authorities to build by allowing them to borrow, exploring new flexibilities over how they spend Right to Buy receipts, and not requiring them to make a payment in respect of their vacant higher value council homes. We will support housing associations to build by providing funding certainty through strategic partnerships. We are also considering how to help people buying shared ownership properties to build up more equity in their homes. Having listened to the concerns of residents, we have decided not to implement at this time the provisions in the Housing and Planning Act to make fixed term tenancies mandatory for local authority tenants.

The ‘first social service’

The 1951 Conservative manifesto referred to housing as the ‘first social service’. While we live in very different times that real long term need for social housing persists. For many people, particularly those living in areas of acute affordability pressure, the reality of the cost of housing makes renting in the private sector or saving for a deposit difficult. *‘A new deal for social housing’* will play a vital role in delivering the homes this country needs.

This Green Paper explains the important role social housing plays in the housing market. It is an integral part of thriving and diverse communities and Government wishes to protect and grow this contribution. That place you call home, no matter where or what type it is, should offer you security and dignity.

We know that to deliver this change we need everyone to play their part – whether it is landlords, representative groups, the wider public or residents themselves. We are determined to work with everyone who shares our vision to deliver a new deal for social housing.

Cannock Chase Council Consultation Response



Ministry of Housing,
Communities &
Local Government

A new deal for social housing

A Consultation



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A new deal for social housing

Introduction

This consultation seeks views on making sure that social housing provides safe and secure homes that help people get on with their lives. The consultation is open to everyone. We are interested to hear from a wide range of interested people including residents, landlords and lenders.

The consultation is divided into 5 parts:

Part 1: Ensuring homes are safe and decent

Part 2: Effective resolution of complaints

Part 3: Empowering residents and strengthening the Regulator

Part 4: Tackling stigma and celebrating thriving communities

Part 5: Expanding supply and supporting home ownership

Respondents are invited to respond to each specific part and the relevant responses to each part will be considered in taking forward that particular proposal.

This consultation begins on 14 August 2018 and runs for 12 weeks until 11.45pm on 6 November 2018.

The Ministry of Housing, Communities and Local Government will process your personal data in accordance with the law and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included at Annex A at the end of this survey. Individual responses will not be acknowledged.

About you**1. Are you responding:**

- On behalf of an organisation
- As a private individual

If you are responding as an individual, please tell us the following details below. It is not mandatory to answer, but it would help us understand if we need to reach out to all groups to respond to this consultation.

2. Do you live in social housing? This includes tenants, leaseholders and shared owners.

- Yes
- No

3. What age category do you belong to?

- | | |
|--------------------------------|--------------------------------------|
| <input type="checkbox"/> 16-24 | <input type="checkbox"/> 45-54 |
| <input type="checkbox"/> 25-34 | <input type="checkbox"/> 55-64 |
| <input type="checkbox"/> 35-44 | <input type="checkbox"/> 65 and over |

4. Where do you live?

- | | |
|--|---|
| <input type="checkbox"/> North East | <input type="checkbox"/> London |
| <input type="checkbox"/> North West | <input type="checkbox"/> South West |
| <input type="checkbox"/> Midlands | <input type="checkbox"/> South East |
| <input type="checkbox"/> East of England | <input type="checkbox"/> Other (please specify) |

5. We may want to contact you about your response. If you are willing for us to do this please provide an email address.

About you - organisation

6. If you are responding on behalf of an organisation, please tell us which sector your organisation is in:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Local Authority | <input type="checkbox"/> Tenant Management Organisation |
| <input type="checkbox"/> Housing Association | <input type="checkbox"/> Trade Association |
| <input type="checkbox"/> Cooperative | <input type="checkbox"/> Tenant Representation Group |
| <input type="checkbox"/> Other | |

7. If you chose 'other' please tell us the sector which your organisation is in:

8. If you are responding on behalf of an organisation, please tell us the name of your organisation:

Cannock Chase Council

In addition to completing these consultation questions have any documents to support your response please attach them to this survey

9. We may want to contact you about your response. If you are willing for us to do this please provide an email address.

A new deal for social housing

Chapter one - Ensuring homes are safe and decent

Dame Judith Hackitt's independent review of building regulation and fire safety states that residents have an important role to play in identifying and reporting issues that may impact on the safety of the building and in meeting their obligations, including co-operating with crucial safety-related works, to ensure their own safety and that of their neighbours.

10. How can residents best be supported in this important role of working with landlords to ensure homes are safe?

The Council already have a comprehensive range of tools to support residents to ensure they are safe in their homes. One size does not fit all so the support available will depend on property type and the needs of the residents. Support for example at sheltered schemes will include the resources of a dedicated member of staff with responsibility for working with the residents in relation to health and safety such as fire evacuation drills. General needs housing will not require such intensive support although a range of tools are used depending on the circumstances and may include the following:

Articles in tenants' magazine to provide information and who to contact.

Undertake consultation before any works programmes explaining what works are to be carried out (pre-surveys/ literature/ letters/ resident liaison/ etc)

Give a contact name and details for liaison during the works of a person who can keep them informed and is a contact point for any concerns.

Provide details of an escalation procedure if they aren't satisfied with the service received.

Request feedback on completion and if any negative issues, someone to contact the person to discuss and if necessary resolve.

Use the feedback to improve the service.

All the way through the process, explain why we are consulting and how we will use the information given to us so that the tenants' can understand how and why their input and comments are important.

Review the quality of existing stock

Review the quality of existing services.

There have been recent changes to drive up safety that apply to the private rented sector but not the social sector. For example, in 2015, we introduced a requirement to install smoke alarms on every storey in a private rented sector home, and carbon monoxide alarms in every room containing solid fuel burning appliances. Government has recently announced that there will be a mandatory requirement on landlords in the private rented sector to ensure electrical installations in their property are inspected every five years.

11. Should new safety measures in the private rented sector also apply to social housing?

Yes

No

Not sure

Please explain your answer further below, if you wish to.

In many respects the standards referred to for smoke detectors and carbon monoxide detectors are already part of the Social Housing culture.

Electrical Certification – Just undertaking an electrical inspection every 5 years is not adequate – this takes no consideration of remedial works undertaken or the importance of electrical safety. It would be far more important to insist on an electrical safety check prior to any new tenancy being let. In the private sector, this may be more frequently than every 5 years but at least at the point of letting there would be more certainty on the electrics being safe for the new tenant and not have been “messed with” by the previous occupier.

On top of this, the frequency of an electrical check should vary for different circumstances. We currently work to a maximum 7-8 year cyclical programme for all properties to have an electrical check and address any aspects of the installation which have category 1 or 2 issues. As part of this check we also replace the smoke detectors and carbon monoxide detectors ahead of their 10-year life span. We also undertake an electrical check at every change in tenancy or mutual exchange. Thus whilst properties with the same occupier may only be checked every 7 years, high turnover properties or any properties deemed as “high risk” would have a far more frequent check and in some circumstances this would be far less than 5 years.

There should be more of a focus on the external environment not just internal components

The Decent Homes Standard requires social homes to be free of hazards that pose a risk to residents, to be in a reasonable state of repair, to have reasonably modern facilities and services such as kitchens and bathrooms and efficient heating and effective insulation.

12. Are there any changes to what constitutes a decent home that we should consider?

X Yes

No

Not sure

Please explain your answer further below, if you wish to.

The Decent Homes standard is a basic minimum acceptable standard for a residential home – this doesn't mean that an organisation should not aspire to providing properties of a higher standard.

The focus of the Decent Homes Standard is to narrow and focuses on renewing components.

Consideration should be given to an Energy Efficiency Standard – cost implications for landlords

Asset Management in the Community – Estate Regeneration

Green Renewable Energies

Consumer choice is missing

13. Do we need additional measures to make sure social homes are safe and decent?

Yes

x No

Not sure

If you answered yes, are there measures you would suggest? Please answer below.

There are already a lot of measures in place for which organisations need to ensure that they don't get complacent about those existing measures.

They need to ensure that they have the right policies and procedures in place with adequate and suitably qualified staffing resources. That staff are kept up-to-date with training and good practice and that policies and procedures are regularly reviewed and updated.

A new deal for social housing

Chapter two - Effective resolution of complaints

We want to understand whether more residents need to be able to access independent advice and potentially advocacy to support them in making a complaint.

Alternative dispute resolution and mediation services can be critical in allowing issues to be resolved swiftly and locally, while sustaining positive relationships between the parties involved. We are considering whether and how we might strengthen the mediation available for residents and landlords after initial attempts at resolution have failed.

14. Are there ways of strengthening the mediation opportunities available for landlords and residents to resolve disputes locally?

Yes

No

x Not sure

If you answered yes, you can provide suggestions below.

As a District Council our tenants and residents have the resource of a local office where tenants and residents can easily access officers directly in order to deal with their complaints.

The Council's Corporate Complaints Process has an initial officer led process, followed by a Member Panel before referral to the Ombudsman.

Officer training has been undertaken in relation to Complaints handling and Ombudsman complaints process and learning to ensure complaints are resolved at the earliest opportunity.

The Council does not feel that there is a need to introduce any additional stages into the complaints process but would be willing to consider any additional methods of complaint resolution if available.

Where a complaint is not resolved, a resident should refer their complaint to a “designated person”, such as a local MP, councillor or tenant panel, (known as the democratic filter), but if they do not want to do this or the designated person does not resolve or refer it on themselves, a resident must wait for eight weeks before the complaint can be referred to the Housing Ombudsman. There is a perception that the process of seeking redress took too long, and that the “democratic filter” contributed to delays.

15. Should we reduce the eight week waiting time to four weeks? Or should we remove the requirement for the 'democratic filter' stage altogether?

- Support the option to reduce the waiting time to four weeks
- Support the option to remove the 'democratic filter' stage altogether
- Support no change
- Not sure

Tenants and residents already have an inbuilt ‘democratic’ filter by way of the Council’s Member Panel therefore it is considered unnecessary to have a designated person to act as a “democratic filter” for submission to the Ombudsman.

Reforming the filter stage would require primary legislation. We therefore also want to explore what more could be done in the meantime to help ensure that “designated persons” better understand their role and help to deliver swift, local resolutions for residents.

16. What can we do to ensure that “designated persons” are better able to promote local resolutions?

As we’re recommending removal of the designated persons and have an inbuilt democratic filter the Council believe any action is unnecessary.

We are looking at awareness of housing dispute resolution services more widely as part of our housing redress consultation. We also want to consider if there is a case for an awareness campaign to support social residents in particular to understand their rights to seek redress and to know how to make complaints and escalate them where necessary.

17. How can we ensure that residents understand how best to escalate a complaint and seek redress?

There should be a “general code of practice” for the sector which should include a prioritisation process based on type of complaint e.g. Health & Safety to be given a higher priority than delay in housing benefit.

We want to understand whether more residents need to be able to access independent advice and potentially advocacy to support them in making a complaint.

18. How can we ensure that residents can access the right advice and support when making a complaint?

Include any requirements for advice and support in the Code of Guidance.

There are no statutory guidelines setting out time frames within which providers should handle complaints. Dissatisfaction with the length of time it takes to resolve issues was mentioned at our engagement events. We therefore want to consider how to speed up landlord complaints processes.

19. How can we best ensure that landlords' processes for dealing with complaints are fast and effective?

The Government should issue guidance on the timescales that complaints should be responded to.

20. How can we best ensure safety concerns are handled swiftly and effectively within the existing redress framework?

Prioritisation within Code of Practice and give tenants the opportunity to fast track serious health and safety complaints to the Ombudsman.

The Ombudsman review takes too long – 12 to 18 months

KPIs introduced for complaints handling

Local Authorities to ensure that a tenant sits on the Elected Member Panel for Housing Complaints

A new deal for social housing

Chapter three - Empowering residents and strengthening the Regulator

We consider that key performance indicators should be focused on issues of key importance to residents, covering those identified through our engagement, such as:

- Keeping properties in good repair;
- Maintaining the safety of buildings;
- Effective handling of complaints;
- Respectful and helpful engagement with residents; and,
- Responsible neighbourhood management, including tackling anti-social behaviour.

21. Do the proposed key performance indicators cover the right areas?

- Yes
- No
- Not sure

22. Are there any other areas that should be covered?

- Yes
- No
- Not sure

Please explain your answer further below, if you wish to.

23. Should landlords report performance against these key performance indicators every year?

- Yes
- No
- Not sure

We already report performance annually and in our Annual Report to tenants.

24. Should landlords report performance against these key performance indicators to the Regulator?

- Yes
- x No
- Not sure

25. What more can be done to encourage landlords to be more transparent with their residents?

Landlords already have a requirement to produce Annual reports against standards.

The Regulator already expects landlords to publish information about complaints each year, but approaches vary. We are considering setting out a consistent approach on how landlords should report their complaint handling outcomes, by asking them to report how many complaints were resolved, how many were resolved after repeated complaints and how many were referred to the Ombudsman.

26. Do you think that there should be a better way of reporting the outcomes of landlords' complaint handling? How can this be made as clear and accessible as possible for residents?

- X Yes
- No
- Not sure

If yes, how can this be made as clear and accessible as possible for residents?.

Lessons learnt from complaints published

Policy changes made following a complaint published

Publish number of formal complaints received; responded to in time; resolved / unresolved

27. Is the Regulator best placed to prepare key performance indicators in consultation with residents and landlords?

- X Yes
- No
- Unsure

Please explain your answer further below, if you wish to.

28. What would be the best approach to publishing key performance indicators that would allow residents to make the most effective comparison of performance?

Benchmarking with comparable organisations and reporting through annual reports to tenants.

Local Authorities – have restricted resources to capture and record an array of KPIs

We want to consider the role of financial incentives and penalties to promote the best practice and deter the worst performance. For example, whether key performance indicators should help inform or influence the extent to which landlords receive funding and link the Affordable Homes Programme funding to the Regulator's governance rating as well as the viability rating.

29. Should we introduce a new criterion to the Affordable Homes Programme that reflects residents' experience of their landlord?

Yes

x No

Not sure

Please explain your answer further below, if you wish to.

As a Local Authority we would caution against this as the major impact of potential restrictions on new-build housing would be on the prospective tenants in need of affordable housing.

30. What other ways could we incentivise best practice and deter the worst, including for those providers that do not use Government funding to build?

We want to understand more about whether the regulatory framework is setting the right expectations on how landlords should engage with residents, and how effective current resident scrutiny measures are. Landlords are required to consult residents at least once every three years on the best way of involving them in the governance and scrutiny of the housing management service, and demonstrate how they respond to tenants' needs in the way they provide services and how they communicate.

31. Are current resident engagement and scrutiny measures effective?

x Yes

No

Not sure

32 What more can be done to make residents aware of existing ways to engage with landlords and influence how services are delivered?

We publicise how our residents can engage through a variety of channels including website, self service portal, hard copy tenant magazines.. Residents 'influencing services' doesn't correlate to the impact of the Government imposed 4 year rent reduction (without consultation) which impacted on the level of service housing providers can provide.

A number of national tenant and resident organisations in the sector have been exploring the option of an independent platform for tenants, based on widespread engagement with tenants, to enable them to have their voices heard more effectively at a national level.

33. Is there a need for a stronger representation for residents at a national level?

Yes

No

Not sure

If you answered yes, how should this best be achieved?

The Council would support this provided that a robust structure which feeds directly into Government in order that tenants directly influence policy is agreed.

We want to offer residents greater opportunity to exercise more choice and influence over the day to day housing services. We are exploring options to demonstrate how community leadership can be embedded in the governance and culture of mainstream landlords.

34. Would there be interest in a programme to promote the transfer of local authority housing, particularly to community-based housing associations?

Yes

No

Don't know

If you answered yes, what would it need to make it work?

35. Could a programme of trailblazers help to develop and promote options for greater resident-leadership within the sector?

- Yes
x No
 Not sure

36. Are Tenant Management Organisations delivering positive outcomes for residents and landlords?

- Yes
 No
x Don't know

Please explain your answer further below if you wish to.

37. Are current processes for setting up and disbanding Tenant Management Organisations suitable? Do they achieve the right balance between residents' control and local accountability?

- Yes – the current processes are suitable and achieve the right balance.
 Yes – the current processes are suitable but do not achieve the right balance
 No – the current processes are not suitable and do not achieve the right balance
x Not sure

Please explain your answer further below, if you wish to.

The Council has no direct experience of TMO.

There have been schemes, such as Local Management Agreements and Community Cashback (called Give it a Go grants) which have been designed to support social residents to take responsibility for a service within their local community.

38. Are there any other innovative ways of giving social housing residents greater choice and control over the services they receive from landlords?

The Council considers that there is a comprehensive range already available for providing choice and control to tenants.

39. Do you think there are benefits to models that support residents to take on some of their own services?

- Yes
x No
 Not sure

40. How can landlords ensure residents have more choice over contractor services, while retaining oversight of quality and value for money?

Previously we have involved tenants in procurement processes and for ongoing monitoring of major contracts. We are in the process of setting up a tenant scrutiny panel who we intend to consult with and report back to on the content, progress and delivery of the contracts. For the wider tenant audience, articles about our contract programmes of work are placed in the tenant magazine "Hometalk", which is delivered to tenants and leaseholders free of charge three times per annum.

Where possible we offer colour choices. A few years ago there was a change in kitchen specification and a colour choice board was sited in the housing office for all visiting tenants to complete a survey detailing which products they preferred. This process enabled a wider audience to have an input.

Leaseholders are consulted regarding all contract services which affect them prior to the contracts being let.

The Government has recently announced a significant programme of leasehold reform which will benefit all leaseholders, both in the private and social sectors.

41. What more could we do to help leaseholders of a social housing landlord?

Part of the leasehold reform relates to high-rise blocks of which we have none, so our service charges are much more reasonable than for the high-rise blocks.

We already undertake formal consultation prior to works on communal areas taking place, giving our leaseholders the opportunity to comment on the Council's proposals and to nominate a Contractor, where appropriate.

We already offer our Leaseholders a number of different ways to pay their service charge bills. All leaseholders have the opportunity to pay by instalments, interest free and those experiencing difficulties in paying are signposted to the Department for Work and Pensions, Citizens Advice Bureau and the Money Advice Service.

We don't currently have any capacity for creating sinking funds towards replacement of major elements (e.g. re-roofing as opposed to patched maintenance repairs). This approach would even out the bills for our leaseholders helping them to manage their finances.

A new deal for social housing

Chapter three continued - Empowering residents, making sure their voices are heard

Parliament has set the Regulator of Social Housing a consumer objective, which is:

- to support the provision of social housing that is well-managed and of appropriate quality;
- to ensure that actual or potential tenants of social housing have an appropriate degree of choice and protection;
- to ensure that tenants of social housing have the opportunity to be involved in its management and to hold their landlords to account; and,
- to encourage registered providers of social housing to contribute to the environmental, social and economic well-being of the areas in which the housing is situated.

42. Does the Regulator have the right objective on consumer regulation?

- Yes
- No
- Not sure

Please explain your answer further below, if you wish to.

The Regulator has published four outcome-based consumer standards to deliver the consumer regulation objective. These are:

1. The Tenant Involvement and Empowerment Standard (July 2017) which includes a requirement for landlords to provide choices and effective communication of information for residents on the delivery of all standards, and to have a clear, simple and accessible complaints procedure.
2. The Home Standard (April 2012) which requires homes to be safe, decent and kept in a good state of repair.
3. The Tenancy Standard (April 2012) which requires registered providers to let their home in a fair, transparent and efficient way, and enable tenants to gain access to opportunities to exchange their tenancy.
4. The Neighbourhood and Community Standard (April 2012) which requires registered providers to keep the neighbourhood and communal areas associated with the homes that they own clean and safe; help promote social, environmental and economic well-being in areas where they own homes; and work in partnership with others to tackle anti-social behaviour in neighbourhoods where they own homes.

43. Should any of the consumer standards change to ensure that landlords provide a better service for residents in line with the new key performance indicators proposed?

- Yes
x No
 Not sure

If yes, how?

We also want to know whether landlords and residents would benefit from further guidance on what good looks like, without being overly prescriptive.

44. Should the Regulator be given powers to produce other documents, such as a Code of Practice, to provide further clarity about what is expected from the consumer standards?

- x Yes
 No
 Not sure

Where a landlord breaches a consumer standard, the Regulator can only use its regulatory and enforcement powers if there is or may be a “serious detriment” to existing or potential residents. The Regulator interprets this as meaning where there is “serious actual harm or serious potential harm to tenants.”

45. Is “serious detriment” the appropriate threshold for intervention by the Regulator for a breach of consumer standards?

- x Yes
 No
 Not sure

If no, what would be an appropriate threshold for intervention?

To support a more proactive approach to enforcing the consumer standards we are considering arming residents with information through the introduction of a number of key performance indicators and for landlord performance to be published. Our current thinking is that the Regulator should monitor the key performance indicators to identify where there may be issues of concern with performance. The Regulator would then be able to make a risk-based assessment of how and where to intervene, including through more regular or phased interventions.

46. Should the Regulator adopt a more proactive approach to regulation of consumer standards?

- Yes
- No
- Not sure

47. Should the Regulator use key performance indicators and phased interventions as a means to identify and tackle poor performance against these consumer standards?

- Yes
- No
- Not sure

If yes, how should this be targeted?

It has been suggested that a code of practice together with a prioritisation system for complaints should be in use to target interventions..

We want to make sure that regardless of whether someone is a resident of a housing association or a local authority, the same minimum standards of service apply. The Government respects the democratic mandate of local authorities, but this must be balanced against the need to ensure that residents are protected.

48. Should the Regulator have greater ability to scrutinise the performance and arrangements of local authority landlords?

- Yes
- No
- Not sure

If yes, what measures would be appropriate?

Where a breach of the consumer standards meets the “serious detriment” test, the Regulator will publish a regulatory notice and consider the most appropriate course of action.

The Regulator is able to use a number of regulatory and enforcement powers where necessary to ensure compliance with the standards. The Regulator has different tools available depending on the landlord, and has published guidance setting out how it will use its powers. The key powers include:

Powers applicable to all landlords :

- Survey to assess the condition of stock
- Inspection to establish compliance with the regulatory requirements
- Hold an Inquiry where it suspects landlord mismanagement
- Issue an Enforcement Notice
- Requirement to tender some or all of its management functions
- Requirement to transfer management of housing to a specified provider

Powers applicable only to private registered providers:

- Issue Fines
- Order payment of compensation to a resident
- Appointment of manager to improve performance of the landlord
- Transfer land to another provider to improve management of land (following an Inquiry)
- Suspension and removal of officers in cases of mismanagement (during or after Inquiry)
- Appoint a new officer to address service failure and improve management of company

Power applicable only to local authority landlords:

- Appoint an adviser to improve performance

49. Are the existing enforcement measures described above adequate?

Yes

No

Not sure

If you answered no, what other enforcement powers should be considered?

As part of examining the scope of the Regulator's role we want to consider the case for extending its remit to other organisations that manage social housing. The Regulator will hold the local authority landlord to account for the way services are delivered so it is vital that the local authority has good oversight arrangements in place to ensure that management organisations provide a good service.

50. Is the current framework for local authorities to hold management organisations such as Tenant Management Organisations and Arms Length Management Organisations to account sufficiently robust?

Yes

No

x Not sure

If you answered no, what more is needed to provide effective oversight of these organisations?

We want to be clear and transparent about how the Regulator is accountable to Parliament for meeting its statutory objectives. Upcoming legislative changes will shortly establish it as a standalone Non-Departmental Public Body. As such it will be accountable to Parliament in the same way as other Non-Departmental Bodies.

51. What further steps, if any, should Government take to make the Regulator more accountable to Parliament?

A New Deal for Social Housing

Chapter Four - Tackling stigma and celebrating thriving communities

We want to celebrate residents' role in shaping fantastic places by recognising the best neighbourhoods.

52. How could we support or deliver a best neighbourhood competition?

There's no need for this initiative as this is divisive to communities and creates stigma to those areas that don't 'win'. Effort and focus should be on neighbourhood services.

Impact on reducing budgets has resulted in Housing Providers scaling back on resident involvement activities.

There is an emphasis on maintaining tenancies for tenants impacted by Welfare Reform and the Bedroom Tax.

53. In addition to sharing positive stories of social housing residents and their neighbourhoods, what more could be done to tackle stigma?

There will remain a stigma about social housing as long as the Government talk about social housing being a springboard to home ownership. Social housing should be treated as of equal worth to home ownership and this should be reflected in government policies.

Good quality social housing reduces stigmatisation. Good quality housing can only be provided through proper investment not only in bricks and mortar but good quality neighbourhood and public services. Reduction in services resulting from the 1% rent reduction together with withdrawal of other services particularly supporting people contribute to the stigmatisation of estates.

Community Regeneration – not just have a focus on bricks and mortar

We want to embed a customer service culture and attract, retain and develop the right people with the right behaviours for the challenging and rewarding range of roles offered by the sector.

54. What is needed to further encourage the professionalisation of housing management to ensure all staff delivers a good quality of service?

No evidence has been produced which supports the accusation that housing management staff are any more or any less professional than other occupations. Continuous attacks on Local Government funding resulting in pay freezes do not help

local government employees to feel valued when overstretched and over burdened dealing with ever more complex cases.

Professional standards require professional training. Training budgets have come under attack following the imposed 1% rent reduction. In addition, the introduction of university fees resulted in a number of universities no longer providing housing courses.

Introduce Housing Apprentices; technical knowledge; skills set – jobs fairs – colleges promote housing as a career of choice.

We are minded to introduce a key performance indicator that will capture how well landlords undertake their neighbourhood management responsibilities.

55. What key performance indicator should be used to measure whether landlords are providing good neighbourhood management?

Households requiring intervention with tenancy sustainment

Tenancy Audit Visits – getting to know customers

Anti-social Behaviour resolved and unresolved cases

Legal and non legal tools used for ASB/Tenancy Management

Environmental fly tipping statutory indicators

Minor Works Environmental improvements

56. What evidence is there of the impact of the important role that many landlords are playing beyond their key responsibilities?

Tenancy Sustainment Service; Budgeting Advice; Emotional Support; tackling anti social behaviour; dealing with tenancy fraud.

57. Should landlords report on the social value they deliver?

Yes

No

x Not sure

Please explain your answer further below, if you wish to.

More explanation required – what is the purpose, what will government do with this information?

We are proposing to introduce a key performance indicator to help tackle anti-social behaviour, but we will want to consider how this could impact on areas, and whether it could lead to some people feeling more stigmatised.

58. How are landlords working with local partners to tackle anti-social behaviour?

The Council as landlord works with a vast array of partners and has adopted a number of approaches including: Victim lead approach, Multi-Agency working, attendance at weekly multi-agency Hub Meetings, Multi-agency Case Conferences, Links with Troubled Families Programme (Staffordshire County Council Building Resilient Families and Communities).

The Housing Department works particularly closely with the Community Safety Partnership utilising the range of tools available from early and informal interventions such as mediation, Community Protection Warnings through to the legal actions including possession proceedings.

59. What key performance indicator could be used to measure this work?

*Safe as Houses (domestic violence initiative)– target hardening, security measures
Interventions from Partners such as Environmental Health, Social Services/Police
District Performance Data*

We want to ensure that the revised National Planning Policy Framework is applied to social housing in the right way. In particular we will:

- Strengthen planning guidance to take into account the principles of Secured by Design: to ensure that external spaces, parks, streets and courts are well-lit and well maintained so they are safe from crime and the fear of crime.
- Strengthen guidance to encourage healthy and active communities: building on the NPPF's healthy and safe communities chapter.
- Strengthen guidance to encourage new affordable homes to be designed to the same high-quality as other tenures and well-integrated within developments.
- Encourage design that reflects changing needs: for example, inclusive design for an ageing population and family housing at higher densities for effective use of land.

60. What other ways can planning guidance support good design in the social sector?

Clear guidance on minimum space standards and creating tenure blind communitiies.

Neighbourhood planning gives communities power to agree and implement a shared vision for their neighbourhood. However, we are aware that too often local people hear about schemes after a planning application has been submitted.

61. How can we encourage social housing residents to be involved in the planning and design of new developments?

Social housing developments are complex, often with viability issues and are consulted on as part of the planning process.

A new deal for social housing

Chapter Five: Expanding supply and supporting home ownership

62. Recognising the need for fiscal responsibility, this Green Paper seeks views on whether the government's current arrangements strike the right balance between providing grant funding for Housing Associations and Housing Revenue Account borrowing for Local Authorities

- Yes, current arrangements strike the right balance
- x No, they don't strike the right balance
- Not sure

Please explain your answer further below if you wish to.

Local authorities need to be given the flexibility to increase their borrowing capacity in order to directly meet the housing need within their communities. Other partners do not always meet the needs of the more difficult complex cases.

63. How we can boost community led housing and overcome the barriers communities experience to developing new community owned homes?

No local knowledge on this issue.

We want to give housing associations and others the certainty they require to develop ambitious plans to deliver the affordable homes this country desperately needs

64. What level of additional affordable housing, over existing investment plans, could be delivered by social housing providers if they were given longer term certainty over funding?

You need to define 'longer term certainty' and ask providers for their business plans. Impossible to say what level but would assume an increase.

We are determined to remove the barriers that many shared owners face. We want everyone who enters shared ownership to have the opportunity to increase equity in their home.

65. How can we best support providers to develop new shared ownership products that enable people to build up more equity in their homes?

Registered Providers are best placed to respond to this.

THANK YOU FOR TAKING THE TIME TO SHARE YOUR THOUGHTS

About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation, , may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018 (DPA), the EU General Data Protection Regulation, and the Environmental Information Regulations 2004.

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the Freedom of Information Act and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Ministry of Housing, Communities and Local Government will process your personal data in accordance with the law and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included at Annex A.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the complaints procedure at <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/about/complaints-procedure>.

Annex A

Personal data

The following is to explain your rights and give you the information you are entitled to under the Data Protection Act 2018.

Note that this section only refers to your personal data (your name, address and anything that could be used to identify you personally) not the content of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer

The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gsi.gov.uk

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

The Data Protection Act 2018 states that, as a government department, MHCLG may process personal data as necessary for the effective performance of a task carried out in the public interest. i.e. a consultation.

3. With whom we will be sharing your personal data

Your data will not be shared with anyone outside MHCLG.

4. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for two years from the closure of the consultation

5. Your rights, e.g. access, rectification, erasure

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have all or some of your data deleted or corrected
- d. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

6. Your personal data will not be used for any automated decision making.

7. The data you provide will be directly stored by Survey Monkey on their servers in the United States. We have taken all necessary precautions to ensure that your rights in terms of data protection will not be compromised by this. Your data will also be stored in a secure government IT system.

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|--------------------------|--|
| Report of: | Head of Housing and Partnerships |
| Contact Officer: | Christian Hawkins Amanda Laight |
| Telephone No: | 01543 456 805 |
| Portfolio Leader: | Housing |
| Key Decision: | Yes |
| Report Track: | Cabinet: 08/11/18 |

CABINET**8 NOVEMBER 2018****PARTICIPATION IN AN OFGEM APPROVED 'SANDBOX' TRIAL TO OPTIMISE THE USAGE OF EXISTING SOLAR PV ENERGY INSTALLATIONS****1 Purpose of Report**

- 1.1 To consider participation in an OFGEM approved 'Sandbox' trial utilising innovative technology to optimise the usage of existing solar photovoltaic energy generation systems on Council owned dwellings.

2 Recommendations

- 2.1 That Approval for participation in the trial is granted.
- 2.2 That the Head of Housing and Partnerships is authorised to agree on the conditions of the trial with Green Energy Networks Ltd and Chase Community Solar.
- 2.3 That the list of properties to be included in the trial will be restricted to Council owned properties agreed by the Head of Housing and Partnerships and will be determined on the basis of their suitability for inclusion in the project.

3 Key Issues and Reasons for Recommendation

- 3.1 The project will assist with the development of new energy efficient technology to help reduce reliance on fossil fuels.
- 3.2 Information on how energy generated from Solar PV Panels can be more efficiently utilised and providing education to the Cannock Chase Council tenants on how to more efficiently use their solar PV installation.
- 3.3 This is a community project and if successful has the potential to reduce fuel poverty on a wider scale.

- 3.4 The properties identified to participate in this trial are attached in the Not for Publication Appendix 2 of this report.

4. Relationship to Corporate Priorities

- 4.1. This scheme supports the Council's Corporate Priority of 'Community Wellbeing', specifically the Strategic Objectives of 'Supporting Vulnerable People' and 'Promoting Attractive and Healthy Environments'.

5. Report Detail

- 5.1 Chase Community Solar Limited has approached the Council regarding participation in an OFGEM (Office for Gas and Electricity Markets) approved 'Sandbox' trial which will utilise innovative technology to optimise the usage of existing solar photovoltaic energy generation systems on some of the Council owned dwellings.
- 5.2 In 2015 Chase Community Solar, in collaboration with the Council, delivered the installation of Solar Photovoltaic Panels on 314 bungalows within Cannock Chase Council's housing stock, supported by the Cabinet report 'Provision of Photovoltaic (Solar) Panels to Further Council Owned Properties' submitted on 20th March 2014.
- 5.3 As a result of this project the tenants of these properties receive the benefit of free energy during times when the panels are generating electricity.
- 5.4 Chase Community Solar Limited is an Industrial and Provident Society which is a locally funded community based organisation which benefits from the feed-in Tariffs relating to the energy generated. Since the Solar PV panels were initially installed, Chase Community Solar has undertaken consultation with the tenants regarding the use and effectiveness of the installations. This consultation has highlighted our tenant's interest in further energy saving technologies.
- 5.5 The company ethos is to invest back into the local community, which led to Green Energy Networks Ltd approaching them regarding the 'Sandbox' trial. A Regulatory Sandbox is an approved method of permitting the controlled trial of an innovative business model, which in this case relates to the use of shared battery storage from electricity generated locally by Solar PV panels.
- 5.6 The 'Sandbox' scheme is to be run in Nottingham on some private dwellings and if approval given, will also be run in the Cannock Chase District on some of our housing stock. The properties identified to participate in this trial are attached in the Not for Publication Appendix 2 of this report.
- 5.7 A Community Energy Services Company (ESCO) is required to ensure the conditions are adhered to (see Appendix 1). This monitoring will be undertaken by an organisation named 'SmartKlub Limited'.

- 5.8 The list of streets (Appendix 2) have been agreed with Western Power Distribution (the network operator), the preferential locations that has the best potential to deliver the greatest benefit for the customer, the ESCO and local low voltage electricity network, in line with the Ofgem innovation Sandbox Agreement. The properties are located to the sub-stations locations to ensure a maximum number of plots connected to a single low voltage circuit.
- 5.9 The trial will run from January 2019 until July 2020 following tenant engagement and site surveys.
- 5.10 The potential benefits are an Increase in 'free electricity' for participating tenants with Solar PV panels and the potential for neighbouring tenanted properties without Solar PV panels to benefit from the use of stored electricity using the technology available through the 'sandbox' agreement.

6 Implications

6.1 Financial

Although there is no direct cost to the Council, there will be the cost of administering / providing support to the scheme on behalf of the Council. It is felt this can be managed within existing staffing levels.

6.2 Legal

To allow for innovation the Regulatory Sandbox means that current regulations are relaxed in a controlled environment. SmartKlub Limited will act as the Community Energy Services Company (ESCO) to ensure the conditions in Appendix 1 are adhered to and following further agreement any further conditions agreed upon.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

The project will require liaison with the tenants in the properties and the sharing of personal data. Chase Community Solar has knowledge of the Data Protection Act 1998 and the General Data Protection Regulation 2016/679 and will be required to enter into a Data Processing Agreement with the Council prior to being passed any personal data.

6.7 Risk Management

As the project is a trial it may be that no direct benefits will be seen by our tenants however in the longer term it will assist in the development of this new technology.

The Construction Design Management Regulations 2015 will apply to this scheme and hence, although a pilot and of no direct cost to the Council, it will need to be administered in the same manner as any other construction / building contract.

There is a reputational risk to the Council if the Green Energy Networks are not able to secure the funding required to deliver the project. To mitigate the risk It is recommended that Council Tenants are not consulted until the funding for the project has been fully secured.

6.8 Equality & Diversity

None

6.9 Best Value

None

7 Appendices to the Report

Appendix 1: Sandbox Briefing Document

Appendix 2: List of Properties (Not for Publications)

Previous Consideration

None

Background Papers

None

Ofgem Innovation Sandbox
Cannock Chase District Council
Briefing Paper

Summary

Ofgem has granted a regulatory innovation sandbox for a trial with tenants of Cannock Chase District Council, who are already benefiting from rooftop solar energy provided by Chase Community Solar. The trial, which has been granted by Ofgem as part of a unique regulatory concession has been granted under what is termed by Ofgem, as their “Regulatory Innovation Sandbox”. The trial has been designed in such a way as to ensure customers involved will save money relative to their existing energy tariff and, includes a guarantee of at least a 20% cost reduction.

The trial will deliver an automated system to optimise time of use tariff selection, with that of existing solar generation and new battery storage and involves the installation of behind the meter digital technologies, to control the switching of power flows between that of solar, batteries and mains supply.

A community Energy Services Company (ESCO) will be responsible for sending consolidated bills to domestic customers for electricity from batteries and solar, as well as for their usual energy supply; and will offer local network balancing services to Western Power Distribution.

Aims

The trials aim is to demonstrate how behind the meter controls, with existing solar energy and new battery storage systems can perform at a community level and with consumer engagement can reduce energy costs and attract new sources of revenues from helping to balance the local electricity grid. We want to transform the customer relationship with energy and deliver wider future energy system benefits.

Although, no money will be spent on the installation of renewable energy technologies, funding will be required for new battery storage and control technologies in homes, which will provide the means to store energy provided by rooftop solar during its generation cycle or top up charge by using imported energy at low tariff period. This stored energy will be used to offset the import of energy at peak times of the day (self-consumed) or exported for balancing purposes when required.

The trial will show how, using digital energy technologies in homes and in the local electricity grid, it is possible to understand and control a community’s collective and individual energy demand and export availability throughout the day. We will show how a diverse range of tenants can achieve real energy cost savings of up to 20% and with a community ESCO, attract new forms of revenues from selling demand flexibility to assist in local network power balancing.

The trial will automate the control of domestic power flows and optimise solar and battery storage installed in the home, to reduce overall consumption, minimise export to the local grid and use stored energy, at times at which it provides the greatest cost saving to the tenants. The control technology deployed in the home will have the ability to optimise energy use, balance consumption and be programmed to ensure the least interaction of the customers. "Time of Use" tariffs will be used to change energy consumption habits and alternately, used to a 'top up charge' for the battery storage systems during lower tariff periods.

The trial will run in conjunction with the timescales set out in the Ofgem sandbox documented and trial funding will be provided by the BEIS's funding competition: "Funding for innovative domestic Demand Side Response demonstrations". The trial will run from July 2018 to July 2020 and after customer engagement and site surveys, we estimate the installation of the battery systems and control technology in the homes will commence during January 2019.

Features

A community energy services company (ESCO) will co-ordinate the trial. The ESCO will have primary responsibility for ensuring the conditions in this document are met

A new legal entity may or may not be created to act as the ESCO and which means that either one of the trial partners may act as the ESCO, or a new legal entity created which will be owned by one or more of the trial partners.

The trials will take place in Staffordshire, with the residents of Cannock Chase District Council properties and Nottingham, with the residents of Trent Basin.

Each home will be fitted with an additional sub-meter from SIG, which will be behind the settlement meter. This will send generation and consumption data to a central software platform. This data will be used to control when assets, including batteries and solar, are charged, discharged and used for self-consumption.

All digital metering equipment will meet the appropriate standards of the Measuring Instrument Directive (MID). If the sub-meters will be used for billing, then they must be approved for billing purposes.

Feed-in Tariff (FIT) payments for electricity produced by the existing solar panels currently go to Chase Community Solar, who will instead sell it to the ESCO as part of the trial. Chase Community Solar will therefore opt out of receiving the export component of the FIT.

The ESCO will install batteries behind the settlement meter at the properties of trial participants. The batteries can store electricity for use by trial participants and to allow the ESCO to sell flexibility and balancing services.

Credit customers will receive a consolidated bill for their locally generated electricity, their other electricity consumption, and gas if relevant. Pre-payment customers will receive a statement with the same information.

Electricity consumption that is not powered by exports from the local solar will be charged based on the tariff the consumer has with the licensed supplier. The ESCO may not increase the price of electricity provided by the licensed supplier.

Trial participants may also agree that the ESCO can arrange to switch their supply between licensed suppliers. At any given time, each consumer will only have one licensed supplier. Each consumer will receive communication from the ESCO so that they understand which licensed supplier they are with.

The ESCO may agree bilateral contracts with Western Power Distribution for balancing aggregator to use the batteries to provide flexibility services.