

18 January 2013

Dear Councillor

**OVERVIEW AND SCRUTINY TASK GROUP - ADOPTION OF ESTATES -
TUESDAY, 22ND JANUARY 2013**

I am now able to enclose, for consideration at the above meeting of the Overview and Scrutiny Task Group - Adoption of Estates, the following reports that were unavailable when the agenda was printed.

Agenda No Item

2. **Minutes (Pages 3 - 12)**

To confirm the minutes of the Overview and Scrutiny Task Group – Adoption of Estates meetings held on 19 December 2012 and 14 January 2013 (enclosed)

Yours sincerely



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Distribution

1. Agenda and reports to all Members of the Overview and Scrutiny Task Group - Adoption of Estates.

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ان معلومات کا ترجمہ آپکی اپنی زبان میں بھی کیا جاسکتا ہے۔ یہ خدمت استعمال کرنے کیلئے براہ مہربانی اس نمبر پر ٹیلیفون
کیجئے: 01257 515823

Overview and Scrutiny Task Group - Adoption of Estates

Wednesday, 19 December 2012

Present: Councillor Matthew Crow (Chair) and Councillors Jean Cronshaw, June Molyneaux, Dave Rogerson and Kim Snape

Also in attendance

Councillors: Councillor Steve Holgate

Officers: Paul Whittingham (Development Control Manager) and Dianne Scambler (Democratic and Member Services Officer)

12.TG.25 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Julia Berry and Roy Lees.

12.TG.26 MINUTES

RESOLVED – That the minutes of the Overview and Scrutiny Task Group – Adoption of Estates meeting held on 28 November 2012 be confirmed as a correct record for signing by the Chair.

12.TG.27 DECLARATIONS OF ANY INTERESTS

No declarations of interest were received.

12.TG.28 PUBLIC CONSULTATION

Residents from each of the estates identified in the review were invited to attend the meeting to talk about the issues that they had experienced during the adoption of their housing estate.

A resident of the Buckshaw Village Estate attended the meeting to give his representations.

Issues and suggestions raised:

- Most residents had received standard general advice from their solicitor/conveyance when purchasing the property which had contained very little or no advice about adoptions.
- Concerns started to arise when routine maintenance and services didn't appear to be happening.
- There seems to be some confusion about which authority is responsible for doing what and initially on the Buckshaw Estate, bin collections could be by different councils within the same street because of the boundaries.
- Buckshaw Village has the added complication of having a Management Company to which all residents pay a fee. They have some general maintenance responsibilities and hold meetings to facilitate this, but there has still been some confusion about roles.
- Residents also pay their full Council Tax contributions on top of this but don't feel that they are getting a full service for their money.
- Many of the residents feel that there should be some kind of Watchdog /Ombudsman role by the Government to oversee the process of adoption and could be contactable by residents who are seeking advice and recourse.

- Another idea was to have a rating system placed on streets, similar to the Food Hygiene standards that would be available up front (on the Council's website) so that people knew what the adopted status of the area was before buying.
- There is very little information available on what is actually adopted on the estate and by whom.
- There seems to be no overall responsibility for general maintenance issues such as street lighting issues, road signs and gritting, this make it difficult to know who to contact.
- Local ward Councillors have been the best people to contact about issues in the village, they have been able to signpost people to the right place or have helped to get issues dealt with more efficiently.
- They don't tend to see any officers from Lancashire County Council but have had lots of dealings, advice and support from County Councillor Mark Perks.
- There is a contact telephone line available to the developers but this is mainly for issues around warranties and not for reporting general maintenance issues like grass cutting.
- The residents of Buckshaw Village feel that it is important to establish clear relationships with the various partners and improve on the level of information available. Effective communications would also help so that residents gain a better understanding of the issues and in turn manage expectations.

Residents of the Gillibrand Estate, Chorley attended the meeting to talk about their experiences.

Issues and suggestions raised:

- First time buyers are given the impression that the estates would be adopted in due course but no real timescales given.
- Inconsistent information given dependant on your conveyance.
- Next purchaser of a property given very little information about adoption.
- Evidence of sales falling through because of the lack of adoption on the estate, more around falling standards, lack of maintenance schedules now having an impact on the neighbourhood.
- Constant change of contactable personnel within the building companies makes it difficult to get issues dealt with in a timely fashion.
- Many residents very unhappy with the after sales care of the developers on the estate.
- A feeling amongst the residents that they are not getting the full services for their Council Tax because they are not adopted.
- There are often inconsistencies on the estate in relation to grass cutting standards, as different developers implement different maintenance schedules and different pieces of land, sometime neighbouring each other, are cut at different times of the year.
- Officers at Chorley Council have been extremely helpful in sign posting and helping to get issues addressed.
- Frustrated with Lancashire County Council officers and the procedures around the adoption processes that they are involved with.
- Long standing issues on the site in relation to surface water and overflow issues that is mainly the responsibility of United Utilities.
- There are a number of general maintenance issues that need to be addressed around the estate including barbed wire, drainage issues, broken fencing, boggy playing fields and lighting issues.
- Residents are disappointed that the developers are allowed to carry on building in the Borough before the problems on existing developments have been sorted.

A resident of Fairview, Adlington sent in written representation to the meeting.

- A letter was provided stating that in January 2007, Persimmon Homes were actively pursuing the adoption of the estate by the Council, this has still to happen.
- The main developer, Westbury (later acquired by Persimmon) and Bett Homes, have the main responsibility for the sewers and highways etc., although they finished building in 2005, the sewers/drainage system was not adopted until October 2010.
- Cruden finished building the 37 affordable houses on the remaining land early in 2012.
- There are some issues over the standard of the construction and condition of the roads on the estate as they are not considered to be of a good enough quality to enable adoption.
- The residents have now been waiting seven years for adoption of the estate
- There have been issues around land drainage and the culverting of a stream

12.TG.29 SCHEDULE OF ACTIONS AND SUGGESTED RECOMMENDATIONS

The Group were provided with a list of all the recommendations so far that had been proposed throughout the review and each one was discussed in turn.

The Group also looked through the recommendations that had been suggested in the Northamptonshire scrutiny review as the Members acknowledged that many of the issues raised were the same as the authority were experiencing now.

It was **AGREED** that the following recommendations be included in the Final Report of this review for the reasons stated:

Recommendation:

That the Executive Cabinet agrees to make representations to the National House-Building Council (NHBC) urging it to encourage developers to recognise the potential benefits to them of the introduction of a mandatory requirement relating to Section 38 agreements.

Reason:

It is recognised that the NHBC represents a powerful voice in the industry as they act as a bondsman for many developers entering Section 38 agreements. The NHBC, rather than the developer, is therefore directly affected if the County Council is required to call in a bond because work required to complete a road to adoptable standard has not been carried out.

Recommendation:

That the Executive Cabinet request Lancashire County Council to consider adopting a more flexible approach to the setting of bonds with developers, that are required before a Section 38 agreement is made to enable the level of bond to be set on a site-by-site basis that reflects the actual cost of completing the road concerned to the standard required of adoption.

Reason:

At present the usual practice for County Councils is to set a bond on a nominal cross section on a per linear metre basis representing 100 per cent of the theoretical cost of constructing the road(s) in question to an adoptable standard. When Chris Bond, Northamptonshire County Council had visited the Group he explained that he had been given delegated authority to set the bonds to reflect more closely the likely cost for construction in the actual case concerned, based on the constructional details that had been approved. This was an approach already being used by other highways

authorities and was proving a success. It would also address cases where higher quality materials are used, such as in public realm areas, which would cost the Council more to complete if the developer defaults and the bond had to be called in. The value of the bonds could be reduced when key milestones were reached, such as when roads are put on maintenance. It is important that the level of bonds are not reduced too far, or too soon, to a level where completing Section 38 agreements in order to clear bonds seems unimportant. This step is seen as an incentive to developers and would also support the County Council to be more active in calling-in bonds when a developer has defaulted.

Recommendation:

That the Executive Cabinet agrees to build on existing work with local planning authorities to put in place arrangements to ensure that consideration of road adoption issues commences at the planning application stage of the planning process, including:

- **Designing developments to provide separate access routes for residential and construction traffic**
- **A phasing implementation of larger developments**
- **Laying out and constructing roads to adoptable standards**

That the Executive Cabinet approves the draft set of planning conditions drafted by the National Scrutiny Review.

Reason:

It became clear at the very start of the review that the relationship between the planning process and the adoption of new roads was a key factor in the process. It is extremely important that the local authority should be allowed significant opportunity to exert leverage over developers at the point when they are looking to secure planning permission.

Recommendation:

That the Executive Cabinet be requested to commission a study of the Section 38 'caseload' in the Borough, to provide a full picture of completed and partially completed Section 38 Agreements.

That the Executive Cabinet agrees to pursue the development of a map-based system on the Council website to show information about the status of the roads in the county for use by the community. For example a Section that specifically relates too "would you like to live in Chorley". Potentially this could also be linked to the County Council website.

Evidence taken during the review led the Group to consider whether the difficulties and frustrations that could be experienced by members of the public were a question of how well the road adoptions process was understood, rather than an indication that it was not operating effectively.

Members recognised that the requirements of the road adoptions process and respective responsibilities of the Councils and developers would not be readily apparent to members of the public. Just because a Section 38 agreement was in place did not mean that a road had been adopted or inevitably would be. Residents would not necessarily seek redress from the developer for maintenance and other amenities such as street lighting and litter picking when the road remained unadopted. Also, even if the first owners of a new property were aware of any local road adoption issues, subsequent purchasers did not often have the same knowledge and the Group have sought to identify ways of supporting a greater understanding of the roads adoptions process and its implications for residents.

Members thought that an information portal could be developed on the Councils website that would enable members of the public to access information about the status of particular roads, potentially using the information that would be gathered from the requested commissioned study and may be linked into areas within the Lancashire County Council's website.

Recommendation:

That the Executive Cabinet agrees to make representations to the Law Society and the Council for Licensed Conveyancers urging them to consider whether conveyancers provide clients with sufficient information about the road adoptions process and how they may be affected by the status of roads serving a property.

Reason:

Even with the proposed measures to include more information for members of the public on the Councils website, the Group recognised that it was not realistic to expect prospective home buyers to be experts in highways and planning law and its implications for them. Speaking with various residents it became apparent that there were inconsistencies in the provision of information provided by legal professionals involved in the conveyancing process.

Recommendation:

That the Executive Cabinet be requested to commission a study of the Section 38 'caseload' in the Borough, to provide a full status of adoption across the borough.

Reason:

At an early stage in the review, the Group identified the need for a clear picture of the size of the existing 'caseload' and the factors preventing the adoptions process from being progressed in each case. Upon its completion, a prioritisation programme should be devised that would address the particular barriers to progressing the adoption processes more effectively.

Recommendation:

That the Executive Cabinet agree to seek regular dialogue with individual developers concerning their portfolio of roads in the borough to assist in progressing new and existing agreements.

Reason:

Any prioritisation programme would need to be supported by dialogue with the developers concerned. Members noted in the consultation with developers that they had identified the need to appoint one person with the specific task of driving the process of adoption through and thought that both the County and Borough Council needed to mirror this commitment.

12.TG.30 DEVELOPER CONSULTATION

Members agreed to invite representatives from the following developers that have built in the borough to the next meeting:

- Arley Homes
- Redrow
- Taylor Wimpey
- Wainhomes

RESOLVED – That a letter of invitation that included a list of suitable questions agreed by the Group be sent to the developers in advance.

Chair

Overview and Scrutiny Task Group - Adoption of Estates

Monday, 14 January 2013

Present: Councillor Matthew Crow (Chair) and Jean Cronshaw, Julia Berry, June Molyneaux, Dave Rogerson, Kim Snape and County Councillor Mike Devaney

Also in attendance

Councillors: Steve Holgate

Officers: Jamie Carson (Director of People and Places), Jennifer Moore (Head of Planning), Alex Jackson (Senior Lawyer) and Dianne Scambler (Democratic and Member Services Officer)

13.TG.1 APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor Roy Lees.

13.TG.2 DECLARATIONS OF ANY INTERESTS

There were no declarations of any interests.

13.TG.3 CHAIR

Councillor Julia Berry took the Chair at the start of the meeting as Councillor Matthew Crow was delayed.

13.TG.4 CONSULTATION WITH DEVELOPERS

Representatives from the developers of the case studies attended the meeting to talk about their role and answer questions of the Group.

Taylor Wimpey Homes

Stewart Gower – Adoptions Co-ordinator

Mr Gower stated that a lot of work had been done recently to improve on relations in many areas in order to progress the adoption of estates more effectively. Better dialogue now existed between other developers on site and officers of the relevant agencies, although restructures in Lancashire County Council had hindered recent progress.

It was admitted that historically, the company had concentrated mainly on the construction and selling of the houses, rather than the infrastructure needed to support the development. However, lessons had been learnt and they had recognised that more needed to be done on the processes needed to ensure speedier adoption rates. Mr Gower explained that it was his specific role to co-ordinate these processes efficiently for the company.

Mr Gower was the main contact, not only for officers from the relevant agencies but for the residents on the estate. In the past a high turnover of staff in their company structures had been problematic and it was recognised that there needed to be a greater amount of stability in key areas going forward. Members commented that this had been a key issue for the residents on the Gillibrand estate, when they had been consulted recently, and it was agreed that the new contact details and an updated position on the current issues would be provided to the local groups in the area.

Mr Gower suggested that on developments that were proving more problematic, he felt that all the relevant agencies needed to work better together to improve on communication all round. This had been done recently on the Gillibrand Estate to remedy issues there and was proving to be more effective.

The company felt that there needed to be a more pragmatic way of dealing with the process of adoption going forward. Mr Gower said that the first 12 months after the build would show if structures including roads and pavements were structurally sound and that an additional 12 months maintenance/waiting period was not necessary and was one factor as to why the process was hindered. Some authorities go through the process exactly to the letter; some are more flexible in their approach and are using their common sense to address the issues concerned.

Cheshire East Council was singled out for best practice; they exercise flexibility within the processes and sometimes did not insist on entering into formal agreements if the work had been done to an adequate standard.

Another big issue was the amount at which of the bonds were set. This caused great delays in the process as they were extremely high and meant made turnover difficult and slow. It was also not ideal when agreements were had not been put in place although it was considered that this was partly the fault of the developer. Once land was purchased, the emphasis was on commencing the development and promoting sales, so the company would concentrate on getting the outline planning permissions granted as soon as possible.

The early release of open/green space has been an issue in the past as although the designers thought that this space was ideal with which to front a development and a great selling point, it was also a good place for the builders to position their works compound. Also, the positioning of play space had been proving problematic as many buyers did not want such a facility when they had purchased their home.

All buyers were provided with the relevant information regarding adoption and the positioning of services/play/open spaces, along with a checklist that they are required to complete and sign for.

The company had found that dealing with independent management companies had its benefits, there were less hoops for them to jump through, making the processes easier.

Redrow Homes Ltd

Peter Dartnell - Technical Director
Adam Ripplingham – Engineer

Mr Dartnell talked about the relationships that they had built over the years when working with all the relevant agencies on adoption. He reported that every Local Authority work differently and that some were good and others slow.

Over the past four or five years and dependent on the size of the development the company had found it better to deal with a management company and have found that purchasers are willing to pay a nominated fee if the scheme is adequately maintained. The decision to deal with a management company was always taken up front so that purchasers were aware of the fee at the start. Most of the schemes would be transferred to a Local Authority or resident group after a ten year period and the company had never really found this an issue. Occasionally the company and continued to be the Directors but this had only happened on smaller developments.

One of the main areas of concern that Redrow had when trying to get estates adopted was the production of the remedial list from Lancashire County Council. This was a piece of work that was key to the signing off of the site for its subsequent adoption. Mr

Rippington explained that the Local Authority are supposed to complete this process within a 28 day period but are consistently told by the County Council that the officer is unavailable, this delays the process quite considerably. They also experienced further frustrations as standards were inconsistent when the remedial lists were drawn up in the first instance and extra issues were often added to at later stages. They thought this unfair, making it a never-ending process that in turn delayed the whole adoption process.

He also explained that it was often easier dealing with United Utilities and felt that this was because they were a private company and received fees so they were driven by different incentives. They also have an inspection system when checking the sewerage systems and manholes but were quite efficient in carrying out this process and drawing up a remedial list that when completed by the building company was signed off.

The amount of the bonds was another issue that held up the process of adoption. They were extremely high and worked out to a formula that set a money value that was deemed excessive. Sometimes the actual cost of rebuilding a road could be around £200,000 but the bond placed upon it could be up to three times more. There was a system in place that reduced the bond by 10% after the part 1 completion and 50% after the part 2 completion, however it was the starting position that was the real issue.

The Group explained the more flexible system that Northamptonshire County Council had implemented whereby they had delegated power to deal with the adoptions on a case by case basis. Mr Dartnell thought that this was a really good idea and could be instrumental in going forward.

The company produced detailed literature to all prospective buyers that included plans on where play areas and affordable housing would be positioned on the site. All sites have a sales journal that shows a complete picture of the information that has been provided on a wide range of topics including, lighting, plans, drainage positioning etc. and a tick list completed by the owners of each property indicating that they have received and read all the information. They are also provided with the relevant contact numbers for the company's central customer services team. On receiving a complaint/enquiry, the customer services team take all the relevant details and enter them on its central database before passing it on to the relevant officer for action. One issue that was becoming increasingly difficult for them to manage was the use of social media sites by residents who used this as a way of complaining about issues as opposed to contacting them directly.

Discussion outcomes

To conclude the Members of the Group felt that there were three main issues that needed to be addressed:

- The process of the production of the remedial/snagging lists by Lancashire County Council needed to be greatly improved upon.
- The setting of the Bonds needed to be more flexible and done on a case by case basis.
- The nomination of a key officer at both Borough and County level to drive the adoption process through, mirroring the approach that the developers have now taken.

Chair

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