



# Executive Cabinet

Agenda and Reports

For consideration on

**Thursday, 13th December  
2012**

In the Council Chamber, Town Hall, Chorley

At 6.00 pm

## **PROCEDURE FOR PUBLIC QUESTIONS/SPEAKING AT EXECUTIVE CABINET MEETINGS**

- Questions should be submitted to the Democratic Services Section by midday, two working days prior to each Executive Cabinet meeting to allow time to prepare appropriate responses and investigate the issue if necessary.
- A maximum period of 3 minutes will be allowed for a question from a member of the public on an item on the agenda. A maximum period of 30 minutes to be allocated for public questions if necessary at each meeting.
- The question to be answered by the Executive Member with responsibility for the service area or whoever is most appropriate.
- On receiving a reply the member of the public will be allowed to ask one supplementary question.
- Members of the public will be able to stay for the rest of the meeting should they so wish but will not be able to speak on any other agenda item upon using their allocated 3 minutes.

## **PROCEDURE FOR 'CALL-IN' OF EXECUTIVE DECISIONS**

- Each of the executive decisions taken at the Executive Cabinet meeting are subject to the adopted 'call-in' procedure within 10 working days of the Executive Cabinet meeting at which the decision is made, unless the decision has been implemented as a matter of urgency.
- Guidance on the 'call-in' procedure can be accessed through the following internet link:  
<http://chorley.gov.uk/Pages/AtoZ/K-O/Overview-and-Scrutiny.aspx>
- If you require clarification of the 'call-in' procedure or further information, please contact either:  
Ruth Rimmington (Tel: 01257 515118; E-Mail: [ruth.rimmington@chorley.gov.uk](mailto:ruth.rimmington@chorley.gov.uk)) or  
Carol Russell (Tel: 01257 515196, E-Mail: [carol.russell@chorley.gov.uk](mailto:carol.russell@chorley.gov.uk))  
in the Democratic Services Section.

05 December 2012

Dear Councillor

## **EXECUTIVE CABINET - THURSDAY, 13TH DECEMBER 2012**

You are invited to attend a meeting of the Executive Cabinet to be held in the Council Chamber, Town Hall, Chorley on Thursday, 13th December 2012 at 6.00 pm.

### **AGENDA**

1. **Apologies for absence**

2. **Minutes (Pages 1 - 12)**

To confirm as a correct record the minutes of the meeting of the Executive Cabinet held on 22 November 2012 (enclosed)

3. **Declarations of Any Interests**

Members are reminded of their responsibility to declare any pecuniary interest in respect of matters contained in this agenda.

If you have a pecuniary interest you must withdraw from the meeting. Normally you should leave the room before the business starts to be discussed. You do, however, have the same right to speak as a member of the public and may remain in the room to enable you to exercise that right and then leave immediately. In either case you must not seek to improperly influence a decision on the matter.

4. **Public Questions**

Members of the public who have requested the opportunity to ask a question(s) on an item(s) on the agenda will be asked to put their question(s) to the respective Executive Member(s). Each member of the public will be allowed to ask one supplementary question within his/her allocated 3 minutes.

### **ITEM OF DEPUTY EXECUTIVE LEADER AND EXECUTIVE MEMBER (RESOURCES, POLICY AND PERFORMANCE) (INTRODUCED COUNCILLOR PETER WILSON)**

5. **Business Rates Retention (Pages 13 - 20)**

To receive and consider the report of the Chief Executive (enclosed).

**ITEM OF EXECUTIVE MEMBER (PEOPLE) (INTRODUCED BY COUNCILLOR BEV MURRAY)**

6. **Healthy Cities (Towns) Network Application** (Pages 21 - 32)

To receive and consider the report of the Director of People and Places (enclosed).

**ITEM OF EXECUTIVE MEMBER (LDF AND PLANNING) (INTRODUCED BY COUNCILLOR DENNIS EDGERLEY)**

7. **Open Space and Playing Pitch Supplementary Planning Document** (Pages 33 - 52)

To receive and consider the report of the Director of Partnerships, Planning and Policy (enclosed).

**ITEM OF EXECUTIVE MEMBER (HOMES AND BUSINESS) (INTRODUCED BY COUNCILLOR ADRIAN LOWE)**

8. **Adoption of Chorley Council's Tenancy Strategy** (Pages 53 - 70)

To receive and consider the report of the Director of Partnerships, Planning and Policy (enclosed).

9. **Exclusion of the Public and Press**

To consider the exclusion of the press and public for the following items of business on the ground that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

**ITEM OF DEPUTY EXECUTIVE LEADER AND EXECUTIVE MEMBER (RESOURCES, POLICY AND PERFORMANCE) (INTRODUCED COUNCILLOR PETER WILSON)**

10. **Approval for Contract Award for Duxbury Park Access Road** (Pages 71 - 74)

To receive and consider the report of the Director of People and Places (enclosed).

**ITEM OF EXECUTIVE MEMBER (PEOPLE) (INTRODUCED BY COUNCILLOR BEV MURRAY)**

11. **Update on the Indoor Leisure Contract** (Pages 75 - 78)

To receive and consider the report of the Director of People and Places (enclosed).

**ITEM OF EXECUTIVE MEMBER (PLACES) (INTRODUCED BY COUNCILLOR TERRY BROWN)**

12. **Update on the Waste Management Contract** (Pages 79 - 82)

To receive and consider the report of the Director of People and Places (enclosed).

**JOINT ITEM OF EXECUTIVE MEMBER (LDF AND PLANNING) (INTRODUCED BY COUNCILLOR DENNIS EDGERLEY) AND DEPUTY EXECUTIVE LEADER AND EXECUTIVE MEMBER (RESOURCES, POLICY AND PERFORMANCE) (INTRODUCED COUNCILLOR PETER WILSON)**

13. **Planning Breach: Land at Heath Paddock, Hut Lane, Heath Charnock** (Pages 83 - 94)

To receive and consider the report of the Director of Partnerships, Planning and Policy (enclosed).

**ITEM OF EXECUTIVE MEMBER (HOMES AND BUSINESS) (INTRODUCED BY COUNCILLOR ADRIAN LOWE)**

14. **Procurement of the Night Caretaking and Concierge Service at Cotswold Supported Housing (Pages 95 - 98)**

To receive and consider the report of the Director or Partnerships, Planning and Policy (enclosed).

15. **Any other item(s) that the Chair decides is/are urgent**

Yours sincerely



Gary Hall  
Chief Executive

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**Distribution**

1. Agenda and reports to all Members of the Executive Cabinet, Lead Members and Directors Team for attendance.

**This information can be made available to you in larger print or on audio tape, or translated into your own language. Please telephone 01257 515118 to access this service.**

આ માહિતીનો અનુવાદ આપની પોતાની ભાષામાં કરી શકાય છે. આ સેવા સરળતાથી મેળવવા માટે કૃપા કરી, આ નંબર પર ફોન કરો: 01257 515822

ان معلومات کا ترجمہ آپ کی اپنی زبان میں بھی کیا جاسکتا ہے۔ یہ خدمت استعمال کرنے کیلئے براہ مہربانی اس نمبر پر ٹیلیفون

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## Executive Cabinet

### Minutes of meeting held on Thursday, 22 November 2012

**Present:** Councillor Alistair Bradley (Executive Leader in the Chair), Councillor Peter Wilson (Deputy Leader of the Council) and Councillors Beverley Murray, Terry Brown, Dennis Edgerley and Adrian Lowe

**Also in attendance**

**Lead Members:** Councillors Julia Berry

**Other Members:** Councillors Henry Counce, John Dalton, David Dickinson, Anthony Gee, Harold Heaton, Steve Holgate, Keith Iddon, Kevin Joyce, Hasina Khan, Paul Leadbetter, June Molyneaux, Greg Morgan, Mick Muncaster and John Walker

**Officers:** Gary Hall (Chief Executive), Lesley-Ann Fenton (Director of Partnerships, Planning and Policy), Jamie Carson (Director of People and Places), Chris Moister (Head of Governance), Simon Clark (Head of Health, Environment & Neighbourhoods), Chris Sinnott (Head of Policy and Communications), Asim Khan (Head of Customer, ICT and Transactional Services), Andrew Daniels (Communications Manager) and Ruth Rimmington (Democratic and Member Services Officer)

**Members of the public:** One

#### 12.EC.157 APOLOGIES FOR ABSENCE

No apologies for absence were submitted.

#### 12.EC.158 MINUTES

**RESOLVED - The minutes of the meeting of the Executive Cabinet held on 18 October 2012 be confirmed as a correct record and signed by the Executive Leader.**

#### 12.EC.159 DECLARATIONS OF ANY INTERESTS

No Members declared an interest in respect of items on the agenda.

#### 12.EC.160 PUBLIC QUESTIONS

The Executive Leader reported that there had been a request from one member of the public to speak the agenda item relating to the trial re-opening of Market Street and new parking layout for St George's Street.

The question was read out by Peter Loughlin and the detail is set out below.

Could you please confirm that all surveys will be carried out before and after the re-opening of Market Street (if it goes ahead) so that a fair comparison can be obtained; and that the full details of all such surveys will be fully available to the public?

#### 12.EC.161 TRIAL RE-OPENING OF MARKET ST AND NEW PARKING LAYOUT FOR ST GEORGE'S STREET

The Chair brought this item forward on the agenda as it related to the question raised by the member of the public.

The Executive Member (Homes and Business) updated Members on proposals for the trial re-opening of Market Street and new parking layout for St George's Street. The report summarised the main points from the consultation process and sought approval to progress the schemes through to delivery.

The plans for re-opening Market Street had been prepared with the full involvement of highways practitioners at both Pendle Borough Council and Lancashire County Council. The proposal addressed the highway's requirements of Lancashire County Council, as the Highway Authority. With the use of signage, raised table crossings, bollards and planters (to restrict the carriageway width) traffic speeds would be at a minimum.

There would be periodic monitoring and evaluation with qualitative feedback from town centre stakeholders (pre-scheme scenarios would be drawn from consultation), and quantitative analysis of footfall surveys (from current footfall count practice), pedestrian and vehicle flows (at Park Road, Junction of St George's St/Market St and other routes into Market St (namely St Thomas's Road)) and parking usage (from current monitoring of car park usage). There would also be monitoring of pedestrian and vehicle flows for pre and post scheme analysis.

Monitoring and evaluation would be made fully available to the public, including pollution monitoring which would be undertaken in a similar fashion.

It was clarified that there had been extensive consultation undertaken, including the Council's Equality Forum and Shop Mobility to ensure that there was provision for wheel chair users. Once the work had been undertaken feedback from members of the public would also be monitored and the details of this were under consideration. It was noted that the consultation had been targeted and extensive. The Citizens Panel had been replaced by a Citizens Jury, and due to the targeted and extensive nature of the consultation the Citizens Jury had not been consulted about the proposals.

It was hoped that the area would be safer going forward than it was currently as cars currently weren't monitored, road safety was of paramount importance for this scheme.

#### **Decision made**

1. **Approval granted to the proposals for the trial reopening of Market Street and new parking layout for St George's Street to be progressed through to delivery as outlined in paragraphs 14, 15, 17 and 18 of the report, with approval of any scheme amendments being delegated to the Executive Member for Homes and Business.**
2. **The reversal of a decision in relation to the St George's Street Management Proposal in relation to an aspiration to reduce the impact of cars in the Conservation Area be noted.**

#### **Reason(s) for decision**

These schemes will help to revitalise the top end of Market Street and Chorley Town Centre, provide additional parking which in turn will attract more shoppers and boost trade in the area.

#### **Alternative option(s) considered and rejected**

None.

### **12.EC.162 REFRESH OF CHORLEY'S ECONOMIC DEVELOPMENT STRATEGY**

The Executive Leader and Executive Member (Economic Development and Governance) presented a report which updated Members on the refresh of Chorley's Economic Development Strategy, summarised the main changes and sought adoption of the Strategy.

It was noted that the strategy would be updated to include the installation of rural broadband.



In response to a query the Executive Leader advised that one of the motivations behind the Strategy was to encourage independent businesses and to expand the offer of shops. There were a lot of potential visitors who lived within half an hour and Chorley needed to attract these people. The wording of the Strategy regarding competition would be reworded to reflect this.

To monitor the progress in delivering against the priority areas, key long term outcomes and measures had been identified, which would be reported on an annual basis, at the same time as refreshing the strategy and actions. The base level for the measures would be set shortly and would take into account the kind of measures that businesses within Chorley would find useful.

**Decision made**

1. **Approval granted to adopt the refreshed Economic Development Strategy (contained in Appendix A of the report).**
2. **Delegated powers granted to the Executive Leader to make minor amendments to the Strategy.**

**Reason(s) for decision**

The refreshed Strategy will ensure that our priorities and actions are clearly aligned to current issues and strengths facing the borough.

**Alternative option(s) considered and rejected**

None.

**12.EC.163 98-102 MARKET STREET - FORMER MCDONALDS SITE: PROPOSED REFURBISHMENT WORKS**

The Executive Leader and Executive Member (Economic Development and Governance) updated Members on the purchase of and proposals for the future use and occupation of the former McDonalds site.

One of the key factors within the proposal was to retain influence over the type of shops within the town. The development would be of an arcade style and the design of this would be considered carefully. The development of a car park would give the Council's options, both in terms of a potential commercial partner in the operation that car park and potential to use current Council car parks for other purposes.

Members noted that the site would form a key part of the Town Centre Master Plan. A further report would be presented to Executive Cabinet with firm proposals for the redevelopment of the buildings and car park in the New Year.

**Decision made**

1. **That the report be noted.**
2. **Agreement granted, in principle, to refurbish 100-102 Market Street for retail units, to the demolition of 98 Market Street and the creation of a car park in the area between the Fleet Street Car Park and Gillibrand Street.**

**Reason(s) for decision**

Market Street is a link between the two retail centres, Market Walk/ Market/ Booths and the proposed Asda development. On this basis retail is the better option for this site. The need in Chorley is for smaller retail sites rather than larger stores and it is appropriate to split the site into smaller units. The creation of the arcade provides a direct access to the car park behind and means a more attractive shop frontage.

**Alternative option(s) considered and rejected**

1. Create 2 retail units one at 100 Market Street and the other at 102 Market Street. Although a cheaper alternative to the recommendation there is not the need for a large retail unit in this location and there is concern over its subsequent letting.

2. Demolish the whole site and rebuild purpose built units. The existing units at 100 and 102 Market Street, are sound, and whilst they require some works the recommendation proposed is more cost effective.

#### **12.EC.164 REFRESH OF THE KEY PARTNERSHIPS FRAMEWORK**

The Executive Member for Resources, Policy and Performance presented the updated key partnerships framework for approval.

The Council's key partnerships framework had been approved in 2007 in response to Audit Commission feedback. The framework identified the extent of the Council's key partnerships and put in place effective governance controls and monitoring arrangements to ensure the success of the partnerships and the achievement of the Council's priorities.

Responsibility for the key partnerships framework and its monitoring transferred from Procurement to Policy and Communications in late 2011 as part of the review of shared financial services. This was in order to free up some capacity in the procurement team and strengthen the performance and equality monitoring, while also reducing the duplication in reporting. The review of the framework had included an update to the list of key partnerships.

#### **Decision made**

**Approval granted to the updated key partnerships framework.**

#### **Reason(s) for decision**

To ensure that the Council has an up to date and robust framework in place to support the effective governance and monitoring arrangements of the Council's key partnerships.

#### **Alternative option(s) considered and rejected**

None.

#### **12.EC.165 REVENUE BUDGET MONITORING 2012/13 REPORT 2 (END OF SEPTEMBER 2012)**

The Executive Member for Resources, Policy and Performance presented a report which set out the current financial position of the Council as compared against the budgets and efficiency savings targets it set itself for the financial year 2012/13.

The Council had expected to make overall target savings of £200,000 in 2012/13 from management of the establishment and the full savings target for 2012/13 had been achieved. The projected outturn currently showed a forecast underspend of around £312,000.

The Council's Medium Term Financial Strategy proposed that working balances were to be no lower than £2.0m due to the financial risks facing the Council. The current forecast to the end of September showed that the General Fund balance would be around £2.334m. This put the Council in a strong position and should help to mitigate against future risks associated with the Local Business Rates Retention scheme from April 2013.

Members noted that projects to improve Chorley Town Centre, to be funded from the £300,000 reserve created for that purpose, had commenced.

**Decision made****The report be noted****Reason(s) for decision**

To ensure the Council's budgetary targets are achieved.

**Alternative option(s) considered and rejected**

None.

**12.EC.166 CAPITAL PROGRAMME MONITORING 2012/13 - 2014/15**

The Executive Member for Resources, Policy and Performance presented a report which requested an update to the Capital Programmes for financial years 2012/13 to 2014/15 to take account of proposed budget changes and the rephrasing of expenditure to 2013/14. The report gave details of the budgeted receipt and use of contributions from developers for the period 2012/13 to 2014/15.

Members discussed that Network Rail had moved closer to finalising payments for Buckshaw Parkway Station, which would be financed with the Section 106 contribution held by this council. It was likely that the 2012/13 budget for the project should be available to provide enhancements to the station, but expenditure would not be committed until the construction contract was finalised. This could mean that some budget provision would have to be rephased to 2013/14 later in the year if improvements could not be implemented during 2012/13.

**Decision made**

- 1. That Council be recommended to approve the proposed amendments to the Capital Programmes for 2012/13, 2013/14 and 2014/15, as presented in columns (3), (7) and (10) of Appendix 1.**
- 2. That Council be recommended to approve the rephrasing of capital budgets between 2012/13 and 2013/14, as presented in columns (2) and (6) of Appendix 1.**

**Reason(s) for decision**

1. The 2012/13 to 2014/15 Capital Programme should be increased to include budget provision for refuse and recycling bins that reflects increased costs and meets demand for new and replacement bins.
2. A home repair grant is repayable, and the usual practice is to top up the Housing Renewal budget with the repaid grant. The cash has not yet been received so expenditure should not be committed until it is.
3. Two small sums should be transferred to the revenue budget to cover minor repairs to the Town Hall (£2,030); and minor improvements to the Covered Market (£7,110). These relate to existing capital projects, but this particular expenditure should not be capitalised.
4. The likelihood of completing the Chorley East Health Centre during 2012/13 has reduced because agreement has not yet been reached with the NHS. Three small Streetscene schemes cannot be completed over the winter so budget provision should be rephased.
5. Improvements to fire doors at Cotswold House are required on health and safety grounds.

**Alternative option(s) considered and rejected**

None.

**12.EC.167 CHORLEY PARTNERSHIP PERFORMANCE MONITORING - SECOND QUARTER 2012/13**

The Executive Member for Resources, Policy and Performance updated the meeting on the performance of the Chorley Partnership during the second quarter of 2012/2013, from 1 July to 30 September 2012.

Performance of the Chorley Partnership in achieving the key performance targets remained good, with latest figures available for alcohol related hospital admissions showing a year to date reduction of 11% at quarter four 2011/12 compared to quarter four 2010/11. Figures for primary fires in Chorley were lower than anticipated.

Crime overall had increased by 6.7% in quarter one and two compared to the same period last year, although there had however been a significant decrease in anti-social behaviour, and domestic abuse detections was performing above target.

Overall performance on the key projects / priorities in the Chorley Partnership delivery plan was good, with 74% rated green or completed.

Members noted that discussions were ongoing with the Police regarding the crime figures. When the percentages were so low a slight change could have a distorted effect on the figures.

**Decision made**

**That the report be noted.**

**Reason(s) for decision**

To facilitate the on-going analysis and management of the Chorley Partnership's performance and delivery of funded projects.

**Alternative option(s) considered and rejected**

None.

**12.EC.168 CHORLEY COUNCIL PERFORMANCE MONITORING - SECOND QUARTER 2012/13**

The Executive Member for Resources, Policy and Performance outlined the performance against the delivery of the Corporate Strategy and key performance indicators during the second quarter of 2012/13, 1 July to 30 September 2012.

Overall performance of key projects remained excellent, with a majority of the projects on track or completed. Only two projects were rated 'amber', 'explore the development of a service package for accommodation for 16/17 year olds', and 'Implement the framework for strategic partnerships'. Explanation of the reasons and the actions being taken to bring the projects back on track was provided within the report.

Following the refresh of the Corporate Strategy, the report provided a progress update on all projects which have not yet been completed and identified those that would be managed and monitored through service improvement plans from now on. The report included details of the one project that had been carried over into the new corporate strategy; to implement the customer services migration plan.

**Decision made**

**That the report be noted.**

**Reason(s) for decision**

To facilitate the on-going analysis and management of the Council's performance in delivering the Corporate Strategy.

**Alternative option(s) considered and rejected**

None.

**12.EC.169 REVIEW OF NEIGHBOURHOOD WORKING**

The Executive Member (Places) advised Members of the outcome of a review into neighbourhood working. The report requested approval to develop and improve service delivery and community engagement at a neighbourhood level.

The current neighbourhood working model had evolved since its launch in 2008. There were seven neighbourhood areas and each area had a Ward Member meeting twice a year which discussed issues arising in the particular area and received retrospective reports on neighbourhood activities delivered by Council and partner services.

This review provided an opportunity to revise the delivery of neighbourhood working in Chorley and Members discussed and welcomed the proposed arrangements, particularly the redrawn boundaries and extended membership. The Parish representative should not be the clerk, or someone who was not also a Borough Councillor. There was potential for areas, like the town centre and Buckshaw Village for a representative from the community to be involved.

Parishes would receive details of the new arrangements shortly and be invited to submit their Parish Plans to form part of the information basis for the Neighbourhood work plans. The proposals had been discussed at the Borough Parish Liaison meeting the previous evening and had been well received.

**Decision made**

1. **The definition of neighbourhood working approved as "Working with our partners to improve the quality of life, health and wellbeing of all our citizens and to improve the environment of the neighbourhoods in which they live".**
2. **Approval granted to the redrawn boundaries of the neighbourhood areas, increasing the number of areas from seven to eight as described in paragraph 29 and Appendix 1 of the report.**
3. **Approval to the level of representation at the twice yearly round of neighbourhood area meetings to include County Council Member representation and Parish Council Member representation in accordance with the Table 1 within the report.**
4. **Approval granted to the process described in paragraph 35 outlining the establishment of annual neighbourhood work plans.**
5. **The business as usual activities undertaken as part of neighbourhood working come from a number of service teams baseline budgets but that work or services provided over and above will need to be provided through a separate budget yet to be agreed with a means for Members to access it be noted.**
6. **The resource implications arising out of this review be noted.**

**Reason(s) for decision**

To ensure the neighbourhood working model continues to develop and meets the needs of Members and the communities they serve.

**Alternative option(s) considered and rejected**

The option to retain the current neighbourhood working model and framework was considered but it is appropriate to develop and adapt neighbourhood working as described in this report.

**12.EC.170 LANCASHIRE FIRE AND RESCUE SERVICE - MEMORANDUM OF UNDERSTANDING RELATING TO ENFORCEMENT WORK**

The Executive Member (Places) presented a report which sought authorisation for the sign up to two Memoranda of Understanding (MoU) between Lancashire Fire and Rescue Service and the Councils housing standards and workplace health and safety enforcement function.

The Councils workplace health and safety enforcement and housing standards enforcement teams had been approached by Lancashire Fire and Rescue Service to sign up to two Memoranda of Understanding (MoU) between the two organisations. These related to the Councils enforcement work in these areas.

The MoU's sought to formalise an unwritten arrangement that had existed between the two organisations so that there was clarity in terms of where responsibility lay in relation to both enforcement of fire safety provision in domestic dwellings and enforcement of electrical safety in workplaces that fell within Chorley Council's enforcement responsibility.

**Decision made**

1. **Acceptance of the terms of the Electrical Safety in Workplaces Memorandum of Understanding (MoU) and authorisation for the Director of People and Places to sign.**
2. **Acceptance of the terms of the Housing Standards Memorandum of Understanding (MoU) and authorisation for the Director of People and Places to sign.**

**Reason(s) for decision**

To ensure that partnership working in the areas of housing fire safety enforcement and electrical safety in work places enforcement is effectively coordinated and the roles and responsibilities of both organisations are fully understood.

**Alternative option(s) considered and rejected**

An alternative option would be not to sign up to the MoU's and continue with the informal arrangement between the organisations in determining enforcement responsibility and the agency best place to take action.

**12.EC.171 LOW COST HOME OWNERSHIP (LCHO) SCHEMES - POLICY AMENDMENT TO ALLOW OWNERS TO RENT OUT THE PROPERTY ON A TEMPORARY BASIS**

The Executive Member for Homes and Business presented a report requesting approval to allow owners of LCHO properties to be able to rent out the property with certain conditions attached.

There were currently 11 LCHO schemes in the borough representing 120 properties. The option of deed of release i.e. the owner was able to buy out the discount was available on 2 of the 11 schemes. Currently, there was no option for the owner to rent out the property on any of the 11 schemes.

Due to market conditions some owners were having difficulty selling their property and were asking if the Council would be willing to change the policy rules to allow them flexibility to either buy out of the scheme or rent out the property.

In reality it is unlikely that many owners would be able to afford to buy out the discount but a number would be able to rent out the property which would ease their hardship.

Members noted that the recommendations would enable properties to be rented out at affordable rates rather than being empty. It was not anticipated that there would be a great demand for this. Each case would be determined on its own merits and the policy would be kept under close review.

#### **Decision made**

**Delegated authority granted to the Executive Member for Homes and Business to consider each application on its merits to allow LCHO owners to rent out their property at an 'affordable' rent until either their personal circumstances change to allow them to return to the property to take up residence or until market conditions improve and they are able to sell the property. If approved LCHO owners renting out their home would need to meet the conditions listed in section 8 of the report.**

#### **Reason(s) for decision**

To give owners of LCHO properties the option to rent out the property with the intention of easing hardship until market conditions improve.

#### **Alternative option(s) considered and rejected**

1. Retain the status quo, this option has been rejected because of the level of dissatisfaction with the terms of the scheme and the difficulties owners are having selling their home.
2. Allow owners to be able to buy out the discount on their home and sell the property at a future date without any price restriction i.e. at open market value. The Council would reinvest the proceeds from the buyout in affordable housing elsewhere in the borough. This option has been rejected because it is unlikely that any LCHO owners will be in a position to buy out the remaining equity in the property.
3. The option of renting out the property will allow LCHO owners to obtain some income to be able to continue to pay the mortgage and move elsewhere for reasons of employment or because of a change in their circumstances.

### **12.EC.172 EXCLUSION OF THE PUBLIC AND PRESS**

**RESOLVED – To exclude the press and public for the following item of business on the ground that it involved the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

### **12.EC.173 KEY PARTNERSHIPS MONITORING REPORT**

The Executive Member for Resources, Policy and Performance presented a report which updated Members on the progress on the performance of the Council's key partnership arrangements.

The key partnerships performance report was produced in accordance with the requirements of the Council's key partnerships framework. It informed Members of the performance of the Council's key partnerships against targets set for the current year, any emerging issues including whether the contract was on budget or subject to any overspend or underspend of budget. It also provided an assessment of the key partner's financial strength and stability.

Overall performance of all of the key partnerships was good and the financial assessments of the partnerships were positive with the financial standing of all key partnerships either remaining the same or improving.

**Decision made**

**That the report be noted.**

**Reason(s) for decision**

To keep members updated on the performance of key partnerships and to ensure effective governance arrangements are in place.

**Alternative option(s) considered and rejected**

None.

**12.EC.174 EXTERNAL MAIL HANDLING - CREATING A VIRTUAL POSTROOM**

The Executive Member for Resources, Policy and Performance advised Members of proposed changes to the way the council handles external mail requirements, as part of a wider programme of business transformation. The report advised Members of the current costs associated with external mail handling and postage and suggested various options and recommendations on how these could be reduced.

**Decision made**

- 1. Support granted for the drive to streamline mail handling through a phased introduction of a hybrid mail solution across the council. Mail received and sent by the Council would therefore be dealt with by external suppliers.**
- 2. Support and approval granted to the suggested changes for the circulation of agenda papers to be distributed electronically and paper copies available only at meetings. This would be supported by a review of the technology used by Members in 2013.**
- 3. Agreement that steps be taken internally to stop mail being sent by first class post unless there were exceptional circumstances (to include mail sent to Members) such as time related constraints or legal requirements. However effective planning of mail despatch could help with the management of this.**
- 4. Support granted for the drive to reduce costs by increasing the level of electronic applications for services through the provision of the new website and intranet.**
- 5. To note that where appropriate the Council would partner with existing suppliers i.e. for the provision of rail cards where this would not disadvantage the customer and reduces costs. Service improvements would continue to be supported by a variety of existing access channels such as by phone or in person for advice and support through the Councils Customer Service Centre.**
- 6. To note the efficiency savings that would be achieved through the reduction in internal staff resource deployed to deal with mail and also the copying equipment used to produce it.**

**Reason(s) for decision**

- 1. To enable the council to secure a better value mail handling solution to help drive efficiency savings.**
- 2. To help support the plans for reducing staffing numbers through the organisational review.**
- 3. To reduce the current cost of first class mail and other associated postage costs.**
- 4. To help achieve our aspirations to create a virtual post environment within the council.**

**Alternative option(s) considered and rejected**

The current arrangements could be maintained but that would impact on the level of efficiency savings attainable through the proposed organisational structure and would mean the current unacceptable cost of external mail postage and associated costs would also remain.



**12.EC.175 TRANSACTIONAL SERVICES REVIEW**

The Executive Member for Resources, Policy and Performance presented a report which advised that the drivers for the proposals outlined were to achieve the Council's strategic ambition to migrate services in to the front office, increasing flexibility, productivity and customer satisfaction whilst reducing back office costs.

**Decision made**

**To approve the new structure set out at Appendix's C and D for consultation, and grant delegated powers for the final approval of the structure following consultation to the Executive Member for Resources, Policy and Performance.**

**Reason(s) for decision**

To enable back office support to be realigned in the front office, therefore reducing back office costs and increasing performance of the front office to deal with customer requests efficiently and effectively.

**Alternative option(s) considered and rejected**

None.

Executive Leader

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Report of	Meeting	Date
Chief Executive (Introduced by the Executive Member for Resources, Policy and Performance)	Executive Cabinet	13 December 2013

## **BUSINESS RATES RETENTION**

### **PURPOSE OF REPORT**

1. To provide members with an update in respect of the new Business Rates Retention funding regime that will form a significant part of the council's core funding total with effect from 1 April 2013. This is another fundamental change to the way in which Local Authorities receive one of their main funding streams. Therefore it will have a significantly impact on the Council's budget and Medium Term Financial Strategy (MTFS) going forward. The key issues with regard to this new system are twofold and of equal relevance, the scheme:
  - (a) has the potential to significantly alter the monetary value of this major source of income, and
  - (b) it also transforms the council's role in the collection process in terms of managing the local business tax base.

### **RECOMMENDATION(S)**

2. Members note the content of the report.

### **EXECUTIVE SUMMARY OF REPORT**

3. The new system is a fundamental change to a major funding stream that will have a significant effect on the council's core funding. It has been introduced as part of the recent Local Government Finance Act and transforms the way in which Business Rates are collected and distributed between different public sector organisations. In effect it transfers the risk of collection from Central Government to the local area.
4. Currently all Business Rates (also known as National Non Domestic Rates – NNDR) are collected by the billing authority and passed in their entirety to Central Government. The council is in affect merely a collection agent. On receipt of the collected Business Rates Central Government distributes it back out across the public sector via the Local Government Finance Settlement and in accordance with complex funding formulae.
5. In terms of financial risk, that is any under achievement of collection rates resulting in a deficit (e.g. due to arrears or reduction in tax base), this is currently borne by Central Government.
6. The new regime, referred to Business Rates Retention, involves the billing authority retaining 50% of the income locally and distributing it amongst local public sectors, being Lancashire County (18%) and Lancashire Fire Authority (2%). The remaining 50% being paid over to Central Government.

7. A key feature of the new process is that the risk of decline is transferred to the Council. Conversely should the total amount increase through growing the tax base the council is allowed to benefit from the additional income generated.
8. The rationale for changing the current system is to incentivise councils to grow their business community.
9. In practice there are mechanisms in place that limit the level of financial benefit that can be realised by local authorities. These are in the form of additional requirements to hand over more than the 50% of the income collected (as referred to in paragraph 6 above). These are referred to as Tariffs and Levies.
10. There is also a mechanism in place to provide additional income to local authorities who are adversely affected by the new regime whereby a safety net payment is received to top up the funding total. The method of calculating funding levels is complicated and involves new processes such as forecasting future business rates levels.
11. It would appear from the information that can be extracted and modelled at present that:
  - the impact of £1 of decline is greater than the financial ‘rewards’ realised by £1 worth of growth;
  - a tax base that stands still is likely to also result in a reduction in funding;
  - the level of tax base growth required to increase actual income may well be very substantial
12. The forthcoming milestones are as follows:-

5 December 2012	Autumn Statement
19 December 2012	<b>Expected</b> date for Local Government Funding Settlement announcement
8 January 2013	Approval of NNDR1 return – subject to clarification of DCLG terminology
17 January 2013	Additional Executive Cabinet
31 January 2013	Submission of NNDR1

Confidential report Please bold as appropriate	Yes	<b>No</b>
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Key Decision? Please bold as appropriate	Yes	<b>No</b>
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**REASONS FOR RECOMMENDATION(S)**

13. This change is fundamental to the way Local Authorities are funded and will have a significant impact on the council’s core funding, budget and Medium Term Financial Strategy.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

14. No alternative options have been considered.

**CORPORATE PRIORITIES**

15. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	x
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	

**BACKGROUND**

- 16. On 17 July 2012 the Department for Communities and Local Government (DCLG) published the paper, “Business Rates Retention – Technical Consultation” the consultation period ended on 24 September 2012. This document proposed the introduction of a new scheme in relation to Business Rates (currently known as National Non Domestic Rates – NNDR).
- 17. Within the current system the Council is the billing authority and simply acts as a collection agency. NNDR bills are issued and the income generated is paid, in its entirety, to Central Government and the national pool. It is then redistributed across the whole public sector as core funding. The vehicle for this allocation and redistribution is the Local Government Finance Settlement and Revenue Support Grant (RSG) using a complex formulae methodology. This clearly results in the income being received by Councils having no relationship to what is actually happening with regard to their local business and commercial tax base.
- 18. The proposed regime has been turned into legislation as part of the recent Local Government Finance Act and is applicable with effect from 1 April 2013.
- 19. On 21 November 2012 the DCLG published a policy statement following on from the Business Retention Technical Consultation. The policy statement confirms the government’s policy decisions on the technical framework that will determine how the scheme will work with their formal response being made within the forthcoming provisional Local Government Finance Settlement (speculative due date: 19 December 2012).

**BUSINESS RATES RETENTION – RATIONALE FOR CHANGE**

- 20. As above, the current NNDR system involves the billing authority collecting all Business Rates. The total amount collected is handed over to Central Government and put into the national treasury pot for distribution across the whole public sector. It could be claimed that this provides no benefits or rewards for growing the area’s business tax base which may in turn land the council with additional costs in respect of providing additional services to new companies.
- 21. The DCLG have set out that the purpose of the new scheme is to give councils more freedom and flexibilities with stronger incentives to increase new business in its area. It is intended that the scheme rewards councils by allowing them to keep, and benefit from, increased rates collection by retaining the additional income resulting from tax base growth.
- 22. The above rationale presents the overall principles on which the change has been introduced. The practical application and the detailed system to be introduced is, however, more complex and has a number of adjustments along its course. These adjustments place restrictions and limits on the financial swings, both upwards and downwards, that such a fundamental change in policy can bring about for individual organisations.

**BUSINESS RATES RETENTION – HOW THE NEW SCHEME WORKS**

23. The new system is set out below to illustrate the stages of calculating the revised level of income the council can expect in a two tier county.

- As in the current system the council bills businesses for the Business Rate Income due within the local area.
- 50% of the whole amount due is paid over to Central Government to be incorporated into the Revenue Support Grant (RSG) funding regime.
- The remaining 50% retained by the council is then split 80%/18%/2% with the 80% share being retained by the council, 18% going to the county council and the 2% being the fire authority's share.
- From here on in, a mechanism of adjustments are applied to (1) protect councils who are disproportionately financially worse off, and (2), reduce the income of councils who are significantly better off as a result of this fundamental change in methodology.
- The cash value of the council's share is compared to an amount that Central Government has pre-determined is required by the council.
- If the council's retained amount exceeds this predetermined level the excess has to be paid over to Central Government in the form of a **Tariff**.
- Conversely if the amount is less, the council will receive a **Top Up** payment.
- From immediate effect the predetermined level of income contains an assumed level of growth in year one. If the council grows its tax base in excess of this assumed level and receives a greater amount of income, a **levy** will be placed on the additional income gained. This, in effect, places a cash limit on the amount the council is able to benefit from as a result of tax base growth.
- If the council, however, suffers a loss of income due to large scale business decline there is a level of loss that triggers a **safety net** payment.
- Central Government will use the current business rates data submission forms returned by councils to administrate the system. Namely, NNDR1 (forward looking and forecasting income to be collected and movements in tax base) and NNDR3 (year-end backward looking return of actual income due and collected audited by the external auditor.)

24. The above stages have been simplistically listed in comparison to the detailed technical mechanics of the new process. This hopefully provides some perspective to the complexities and new variables of the regime and thereby gives a flavour of the degree of risk the council's MTFS will be exposed to.

25. Estimating future funding levels has so far proved to be impossible as there is no accurate data available to calculate future growth or decline in the commercial tax base and also the impact this will have on the councils retained share *plus* the additional impact due to the subsequent application of a Tariff and thereafter Levy and Safety Net adjustments.

26. The role, and therefore profile of NNDR1, has now become increasingly more important as the council needs to submit a forecasted level of growth or decline in business rate income. This will invariably impact directly on the amount of income retained to fund the council's total budget.

**BUSINESS RATES RETENTION – HOW THIS WILL IMPACT ON COUNCILS AND KEY RISKS**

27. The new regime clearly has significant implications for councils in terms of both funding levels and also medium term financial strategies. Councils will need to get to grips with new ways of working in managing the business tax base within their local areas with issues such as:-

- Processes to forecast future growth or decline in the business tax base.

- Understanding the impact of not achieving forecasted growth on future core funding.
- Assessing the cost/benefit of managing and supporting existing business thus maintaining the existing tax base.
- Understanding the impact of decision making in this new arena where policies may influence business rate income levels.

28. Councils will now be significantly exposed to a much greater level of risk from business and commercial stagnation, decline and possibly even a slow rate of growth.

**BUSINESS RATES RETENTION – HOW THIS WILL IMPACT ON CHORLEY**

29. Despite the lack of clarity on the detailed figures to be published in the settlement later in December, some modelling has been undertaken in order to understand the future financial implications if the tax base: (i) matches the assumptions and forecasts made by Central Government to date; (ii) declines by -1%; (iii) remains static; (iv) grows by +1%. These scenarios have been worked through the calculations set out in the DCLG policy statement and indicate the following:-

Scenarios	Reduced Funding In 2014/15 £m
Central Government’s forecast matched	(0.536)
Decline in business rate income by -1%	(0.587)
Static business rate income	(0.531)
Growth in business rate income by +1%	(0.155)

30. It would appear from this high level of modelling that:

- the impact a unit of decline is greater than the financial ‘rewards’ realised the same value unit of growth.
- it seems likely, therefore, to minimise loss of total income the first priority will be to maintain the tax base to prevent decline rather than to seek growth;
- the % increase in tax base growth required to achieve an actual increase in cash terms may well have to be substantial.
- a tax base that stands still is also likely to result in a reduction in funding;

31. It is very important to note, however, that the above results are based on a number of speculative projections and do contain assumptions on sizeable issues, for example: (a) the total public sector funding pot (in the region of £26 billion) to be allocated which has not yet been announced and, (b) rate of inflation (Retail Price Index - RPI).

**BUSINESS RATES RETENTION – RELATED ISSUES AND FORTHCOMING MILESTONES**

32. It should also be noted that this new regime is not a stand-alone change and is linked to the following key issues that have been raised in previous budget related reports, namely:
- The total amount being set aside by Central Government to fund New Homes Bonus (NHB) is being deducted from the total pot available to fund Business Rates Retention. NHB is a relatively new funding stream which is also generating winners and losers and year on year variations in overall core funding levels.
  - A number of other grants received are being rolled up into this funding methodology and therefore the financial risk this system exposes the council to is extended to also include these income streams.
33. As stated in the above section, the numbers included in this report are only illustrative and are based on a speculative modelling on the indicative data available. This has resulted in the council not being able to calculate its potential budget deficit with any accuracy whilst considering key decisions impacting on the MTFS.
34. Details and accurate funding levels will only be published as part of the Local Government Finance Settlement due to be published sometime after the 5 December Autumn Statement. No formal notification has been received yet but it is believed that the most likely date for disclosure is 19 December 2012. This delayed announcement also means that an additional Executive Cabinet meeting has had to be arranged for 17 January 2013 to consider the council’s Budget Principles.
35. The data submission form NNDR1 has already been received and is currently being completed. The deadline for the provisional submission is 21 December 2012. The final version has to be submitted by 31 January 2013 which the DCLG says has to be “signed off” to certify council approval. In accordance with the constitution this may require the form to be approved on 8 January 2013 as a single item outwith the budget setting and approval process.

**IMPLICATIONS OF REPORT**

36. This report has implications in the following areas and the relevant Directors’ comments are included:

Finance	X	Customer Services	
Human Resources		Equality and Diversity	
Legal	X	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

37. The financial implications of the new Business Rates Retention scheme, as far as they are presently known, are contained within the report. Further updates will be provided as a matter of urgency when further information is received. Please note that the modelling contained within the report is based on a number of forecasts and assumptions that may well be subject to considerable change in the funding settlement due to be announced in December 2012.



**COMMENTS OF THE MONITORING OFFICER**

38. None.

**GARY HALL  
CHIEF EXECUTIVE**

There are no background papers to this report.

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Susan Guinness	5101	28/11/12	

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Report of	Meeting	Date
Director of People and Places (Introduced by the Executive Member for People)	Executive Cabinet	13 December 2012

## HEALTHY CITIES (TOWNS) NETWORK APPLICATION

### PURPOSE OF REPORT

1. To seek Members approval to proceed with an application to join the Healthy Cities Network with Chorley Council area being recognised as a Healthy Town.
2. An element of the application process is to demonstrate that the Council endorses the Zagreb Declaration for Healthy Cities. (Copy attached as Appendix 1). This report seeks to obtain that endorsement.

### RECOMMENDATION(S)

3. The Council resolves to endorse the Zagreb Declaration for Healthy Cities.
4. Members approve that an application to the Healthy City Network is made for the reasons outlined in this report.

### EXECUTIVE SUMMARY OF REPORT

5. The UK Healthy Cities Network is part of a global movement for urban health that is led and supported by the World Health Organization (WHO). Its vision is to develop a creative, supportive and motivating network for UK cities and towns that are tackling health inequalities and striving to put health improvement and health equity at the core of all local policies.
6. The aims of the network are to :
  - Enhance learning and build capacity through sharing ideas, experience and best practice.
  - Widen participation of the Healthy Cities movement and support member towns to develop and test innovative approaches to emerging public health issues.
  - Become a strong collective voice for health, wellbeing, equity and sustainable development.
  - Informing and influencing local, regional, national and European policy on health matters.
7. Joining the Healthy Cities network will provide Chorley with several benefits including:
  - The opportunity to learn from others who may be ahead in implementing key policies that promote health and wellbeing and address inequalities.
  - Access to assistance at a World Health Organisation (WHO)/European level for policy development.
  - Access to toolkits and briefings on health issues which will help develop skills and capacity to address health inequalities.
  - Potential collaborative working opportunities with other towns and cities.

8. These benefits are available through a number of mechanisms including:
  - Network meetings and seminars
  - Themed learning events and capacity building workshops
  - Shared learning events
  - Quarterly briefings for lead politicians
  - Open access conference calls on key themes and issues
  
9. In addition the network has three specialist sub groups:
  - Community Development – this will provide support, expertise and best practice as we continue to develop our neighbourhood working model.
  - Academic – this will provide access to the latest data and thinking on developing services that meet the healthy city ethos
  - Political – this group ensures political consensus is forged across the network and provides the key political leadership for the network
  
10. Currently there is no cost to join the network however Members should note that the network have plans to introduce a subscription framework where the annual subscription is anticipated to be in the region of £1,500.
  
11. A key element of the application process is to ensure that the Council endorse the principles and values outlined in the ‘Zagreb Declaration for Healthy Cities’
  
12. Other elements of the application require the Council to demonstrate it has the intention, partnership working arrangements and history of delivering services that seek to address health inequalities and promote public health.

<b>Confidential report</b> Please bold as appropriate	Yes	<b>No</b>
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<b>Key Decision?</b> Please bold as appropriate	Yes	<b>No</b>
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**REASONS FOR RECOMMENDATION(S)**

**(If the recommendations are accepted)**

13. To seek recognition of the work being undertaken by the Council and its partners to deliver services with health and wellbeing as an integral part and to seek to address the health inequalities that exist amongst Chorley citizens.
  
14. To access a wider network of Healthy Towns and Cities to gain knowledge and share best practice.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

15. None

**CORPORATE PRIORITIES**

16. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities	√	An ambitious council that does more to meet the needs of residents and the local area	√

**BACKGROUND**

- 17. A key element of the application process to the Healthy Cities network and hence recognition as a ‘Healthy Town’ is the requirement for the Council to endorse the ‘Zagreb Declaration for Healthy Cities’.
- 18. The declaration is appended to this report (Appendix 1).
- 19. It sets out the values and principles that a number of European City leaders signed up to at the 2008 International Healthy Cities Conference in Zagreb. This conference was recognised as the fifth phase in a growing network of towns and cities committed to service delivery that seeks to address health inequalities and promote public health and sustainable development.
- 20. It is anticipated that should Members wish to make an application to the Healthy Cities network and endorse the Zagreb Declaration, then the additional evidence of Chorley’s previous commitment to health, wellbeing and sustainable development in service delivery will provide a compelling case for the application to be successful.
- 21. If approved the Head of Health Environment and Neighbourhoods will establish a small cross cutting team to progress the application.
- 22. The benefits of joining the network are outlined in the executive summary.

**IMPLICATIONS OF REPORT**

- 23. This report has implications in the following areas and the relevant Directors’ comments are included:

Finance	√	Customer Services	
Human Resources		Equality and Diversity	
Legal	√	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	√

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

- 24. Provision for subscription to the Healthy Cities Network can be found within existing budgets.

**COMMENTS OF THE MONITORING OFFICER**

- 25. None

**COMMENTS OF THE HEAD OF PLANNING**

- 26. The planning system will contribute to the achievements of sustainable development. The Council are committed to promoting sustainable development and will ensure that appropriate forms of development can occur in the most sustainable locations to perform economic, social and environmental roles.

**COMMENTS OF THE HEAD OF POLICY AND COMMUNICATION**

27. The report reflects the need to focus health and wellbeing in all service area delivery and the benefits that membership of the network would realise. Membership would support the Council in achieving the corporate strategy of reduced health inequalities.

JAMIE CARSON  
DIRECTOR OF PEOPLE AND PLACES

<b>Background Papers</b>			
<b>Document</b>	<b>Date</b>	<b>File</b>	<b>Place of Inspection</b>
Healthy Cities Network	November 2012	website	<a href="http://www.healthycities.org.uk">www.healthycities.org.uk</a>

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Simon Clark	5732	Nov 2012	Healthycities2012



# Zagreb Declaration for Healthy Cities

**Health and health equity in all local policies**



This Declaration expresses the clear and strong commitment of political leaders of cities in Europe to strengthen and champion action on health, health equity, sustainable development and social justice. It celebrates and builds on 20 years of knowledge, experience and public health accomplishments of the European Healthy Cities movement. It highlights continuing action and value priorities and identifies new challenges, evidence and approaches, such as outlined in the final report of the Commission on Social Determinants of Health, for cities to address and adopt as they work to protect and enhance the health and well-being of all their citizens. It reviews plans and priorities for Phase V (2009–2013) of the WHO European Healthy Cities Network and national healthy cities networks in Europe and identifies how regional and national governments and WHO can support and benefit from these approaches.

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We, the mayors and senior political representatives of European cities gathered at the 2008 International Healthy Cities Conference in Zagreb, on the threshold of launching a fifth phase of healthy city action that will inspire and guide our work in the next five years, unanimously declare the following.

### **Values and principles of action**

1. We fully endorse, draw inspiration and understand the implications of the WHO position on health: “The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being without distinction of race, religion, political belief, economic or social condition.” Health is a precondition for well-being and the quality of life. It is a benchmark for measuring progress towards the reduction of poverty, the promotion of social inclusion and the elimination of discrimination. Good health is fundamental to sustainable economic growth.
2. We recognize that our cities’ action for health goes beyond high-quality, accessible health care and encompasses disease prevention, health promotion and systematic action on inequality in health, the risk factors for noncommunicable diseases and injuries and the social, economic and environmental determinants of health.
3. We understand that we have a unique leadership role to play in securing the highest level of political commitment to strengthen and scale up our efforts to improve and protect the health of our citizens by using: our public platforms to raise awareness about the root causes of ill health within our urban contexts and champion healthy city principles, values and approaches in addressing these challenges: our convening power to bring together and engage all relevant stakeholders in taking action for health; and our influence to advocate with all sectors to address health concerns in their policies.
4. We affirm our commitment to the Healthy Cities principles and values related to equity, empowerment, partnership, solidarity and sustainable development (see Box 1); and to approaches identified and agreed in earlier Healthy Cities declarations and political statements (1988–2008) incorporating and giving local expression to relevant WHO, United Nations and European Union conventions, declarations, charters, strategies and action plans on health promotion, preventing noncommunicable diseases, equity, healthy public policies and environmental health. These include the following:
  - Athens Declaration for Healthy Cities (1998)
  - Action for Equity in Europe: Mayors’ Statement of the WHO European Healthy Cities Network in Phase III (1998–2002) (2000)
  - WHO Framework Convention on Tobacco Control (2003)
  - Belfast Declaration for Healthy Cities: the Power of Local Action (2003)
  - Designing Healthier and Safer Cities: the Challenge of Healthy Urban Planning – Mayors’ and Political Leaders’ Statement of the WHO European

Healthy Cities Network and the Network of European National Healthy Cities Networks (2005)

- *Health for All: the policy framework for the WHO European Region – 2005 update* (WHO Regional Office for Europe, 2005)
- *Gaining health: the European Strategy for the Prevention and Control of Noncommunicable Diseases* (WHO Regional Office for Europe, 2006)
- European Charter on Counteracting Obesity (WHO Regional Office for Europe, 2006)
- *Health in all policies: prospects and potentials* (Ståhl T et al., eds. Helsinki, Ministry of Social Affairs and Health, Finland, 2006)
- Aalborg+10 – Inspiring Futures (2006)
- The Tallinn Charter: Health Systems for Health and Wealth (WHO Regional Office for Europe, 2008)
- *Prevention and control of noncommunicable diseases: implementation of the global strategy. Report by the Secretariat* (WHO, 2008)
- *Closing the gap in a generation: health equity through action on the social determinants of health* (Commission on Social Determinants of Health, 2008)

#### **Box 1. Healthy Cities principles and values**

- **Equity:** addressing inequality in health, and paying attention to the needs of those who are vulnerable and socially disadvantaged; inequity is inequality in health that is unfair and unjust and avoidable causes of ill health. The right to health applies to all regardless of sex, race, religious belief, sexual orientation, age, disability or socioeconomic circumstance.
- **Participation and empowerment:** ensuring the individual and collective right of people to participate in decision-making that affects their health, health care and well-being. Providing access to opportunities and skills development together with positive thinking to empower citizens to become self-sufficient.
- **Working in partnership:** building effective multisectoral strategic partnerships to implement integrated approaches and achieve sustainable improvement in health.
- **Solidarity and friendship:** working in the spirit of peace, friendship and solidarity through networking and respect and appreciation of the social and cultural diversity of the cities of the Healthy Cities movement.
- **Sustainable development:** the necessity of working to ensure that economic development – and all its supportive infrastructural needs including transport systems – is environmentally and socially sustainable: meeting the needs of the present in ways that do not compromise the ability of future generations to meet their own needs.

5. We celebrate and embrace Healthy Cities as a dynamic concept and movement that has evolved through times of peace and war, by responding to changing social, demographic and epidemiological landscapes, technological developments and new scientific evidence. New problem-solving approaches have been developed in synergy with and have been informed by WHO strategies and priorities globally and in the European Region. During the past 20 years, Healthy Cities has served as a unique multicountry public health local action initiative that takes account of and responds to emerging public health threats and their implications for the urban environment.

### **New concerns and challenges**

6. We will build on this learning as we look to address new and continuing concerns and challenges related to:
  - narrowing inequality in health, social exclusion, preventing and addressing specific health threats, especially to vulnerable groups, including our children, older people and migrant populations. We recognize inequity in health not only as an affront to human dignity but also as a risk to social stability and economic performance.
  - the growing burden of noncommunicable and chronic diseases, injuries and violence, which result in premature deaths, disability, suffering and enormous economic costs, which we recognize as avoidable through investment in action and conditions that support healthy living and well-being;
  - emerging public health threats, including climate change and how it can affect the health of our citizens as well as urban environments and critical infrastructure; and
  - how the built environment and new technologies affect the health of our citizens and the importance of integrating health and sustainable development considerations in how we plan, design, maintain, improve and manage our cities and neighbourhoods and use new technologies.

### **Report of the Commission on Social Determinants of Health**

7. We receive with enthusiasm and conviction the evidence and recommendations outlined by the Commission on Social Determinants of Health in Closing the gap in a generation: health equity through action on the social determinants of health (WHO, 2008). In particular, we welcome the recommendation of placing health and health equity at the heart of urban governance and planning. We are proud that Healthy Cities recognized early the significance of the social determinants of health and placed action related to them at the centre of its agenda. The new evidence presented by the Commission (Box 2) provides us not only with inspiration and solid arguments for our Phase V actions towards health and health equity in all local policies (see no. 8) but also gives us an opportunity to add our voices to national and global efforts to address social injustice.

**Box 2. Commission on Social Determinants of Health: overarching recommendations and principles for action**

- Improve daily living conditions: the circumstances in which people are born, grow, live, work and age
- Tackle the inequitable distribution of power, money, and resources: the structural drivers of the conditions of daily life – globally, nationally, regionally and locally
- Measure and understand the problem and assess the impact of action: expand the knowledge base, develop a workforce that is trained in the social determinants of health and raise public awareness about the social determinants of health.

**Commitments and themes in Phase V of the WHO European Healthy Cities Network**

8. We hereby pledge to strengthen political commitment and solidarity to achieve health and health equity in all local policies as the overarching goal of Phase V of the WHO European Healthy Cities Network (2009–2013) and agree that our Phase V action priorities will be geared towards:
  - making **health, health equity, social justice** and **sustainable development** key values in our vision for developing our cities and introducing appropriate processes to assess health impact and ensure capacity-building to enable all sectors to maximize their contribution to this goal;
  - promoting **ethical governance** through value-based policies and strategies and supported by strong mechanisms for transparency and accountability;
  - using our **civic leadership** to bring together and improve communication between strategic partners and stakeholders and combined organizational resources to improve living, social, economic and environmental circumstances resulting in risk conditions that adversely affect physical and mental health and well-being;
  - **leading by example** and advocating and actively promoting health and health equity in all local policies and action plans initiated by the public, corporate and voluntary sectors; and
  - **promoting integrated and systematic approaches** with specific objectives and measurable outcomes, where appropriate, to developing health and institutional changes that support interdisciplinary and intersectoral work.
9. We pledge to focus our efforts to address the core themes of Phase V of the WHO European Healthy Cities Network (Box 3) supported by WHO and collaborating institutions and to share our learning to benefit all cities in Europe and beyond.

**Box 3. Core themes of Phase V of the WHO European Healthy Cities Network**

The choice of core themes offers the opportunity to work on priority urban health issues that are relevant to all European cities. Topics that are of particular concern to individual cities and/or are challenging and cutting edge for innovative public health action are especially emphasized. Healthy Cities encourages and supports experimentation with new ideas by developing concepts and implementing them in diverse organizational contexts.

**1. Creating caring and supportive environments**

*A healthy city is a city for all its citizens: inclusive, supportive, sensitive and responsive to their diverse needs and expectations.*

**2. Healthy living**

*A healthy city provides conditions and opportunities that encourage, enable and support healthy lifestyles for people of all social groups and ages.*

**3. Healthy urban environment and design**

*A healthy city offers a physical and built environment that encourages, enables and supports health, recreation and well-being, safety, social interaction, accessibility and mobility, a sense of pride and cultural identity and is responsive to the needs of all its citizens.*

**Partnership**

10. Cities cannot act alone. Within the European Region of WHO, national and regional governments have a key role to play. They influence the pace and sustainability of modernization, multifaceted economic development and the pattern of urban development. They also provide the fiscal and legislative framework for health and the determinants of health. We therefore, call on:
- **national and regional governments in the European Region:**
    - to recognize **the importance of the local dimension** of national health policies and acknowledge that cities can significantly contribute to developing and achieving national strategies for health, health equity and sustainable development;
    - to use, in their national health strategies, **the experience and insights of cities** in analysing and responding to local health conditions using intersectoral and participatory approaches;
    - to examine how **additional resources** and legal instruments, where appropriate, could be made available to support health equity and sustainable development policies;
    - **to support national Healthy Cities networks in Europe** in their coordinating and capacity-building role; and
    - to encourage the participation of **local government representatives** in Member States' delegations to meetings of WHO's governing bodies and other relevant international forums;

- **the WHO Regional Office for Europe:**
  - to provide strategic leadership and technical support for action towards the goals of Phase V (2009–2013) of the WHO European Healthy Cities Network;
  - to encourage, enable and coordinate capacity-building and networking for healthy cities in **all Member States of the European Region**, especially those that have not been involved so far in the Healthy Cities movement; and
  - to promote and encourage the development of **local action components** and recognize the role of local governments in all relevant WHO strategic objectives and technical areas;
  - to encourage increased involvement of other professions and disciplines in the Healthy Cities agenda, recognizing their critical contribution to health and well-being.

We, the mayors and senior political representatives of European cities gathered at the 2008 International Healthy Cities Conference in Zagreb on 18 October 2008 are convinced that our implementation of the commitments to the values, principles and actions outlined in this Zagreb Declaration for Healthy Cities will bring about changes that will substantially improve the health and well-being of our citizens and significantly reduce the social injustice that costs so many lives and is responsible for so much human misery in Europe and beyond.



Report of	Meeting	Date
Director of Partnerships, Planning and Policy (Introduced by the Executive Member for LDF and Planning)	Executive Cabinet	13 December 2012

## **OPEN SPACE AND PLAYING PITCH SUPPLEMENTARY PLANNING DOCUMENT**

### **PURPOSE OF REPORT**

- To seek Member endorsement for the attached draft Open Space and Playing Pitch Supplementary Planning Document (SPD).

### **RECOMMENDATION(S)**

- It is recommended that:
  - Executive Cabinet endorses the draft Open Space and Playing Pitch Supplementary Planning Document, as detailed in Appendix 1, and approves it for consultation.
  - Authority be delegated to the Executive Member for LDF and Planning to approve minor changes and amendments prior to the consultation.

### **EXECUTIVE SUMMARY OF REPORT**

- Five Supplementary Planning Documents were adopted by Chorley Council on 30<sup>th</sup> October for the following key topic areas: affordable housing, design, the re-use of employment premises, rural development and access to healthy food.
- This report explains the purposes and objectives of the Open Space and Playing Pitch SPD, the broad timetable and mechanism for its approval, and the intended route to its adoption and use.

<b>Confidential report</b> Please bold as appropriate	Yes	<b>No</b>
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<b>Key Decision?</b> Please bold as appropriate	Yes	<b>No</b>
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### **REASONS FOR RECOMMENDATION(S)**

#### **(If the recommendations are accepted)**

- To ensure that further guidance is produced to supplement and provide advice on how the open space and playing pitch policies as set out in the Core Strategy and Chorley Local Plan are to be implemented.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

- 6. None.

**CORPORATE PRIORITIES**

- 7. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities	✓	An ambitious council that does more to meet the needs of residents and the local area	

**BACKGROUND**

- 8. Supplementary Planning Documents (SPDs) offer local planning authorities the opportunity to add guidance in specific policy areas. They are documents that must be prepared in consultation with interested parties, and must be subject to a screening process to discover whether a sustainability appraisal would be required. Unlike Development Plan Documents (DPDs) SPDs do not require independent examination before they are adopted.
- 9. The text of the Core Strategy identifies the six areas where SPDs will be required across Central Lancashire, and the aim is to apply the SPDs consistently to all three local authority areas. The SPDs are:
  - Affordable Housing
  - Access to Healthy Food
  - The Re-use of Employment Premises
  - Rural Development
  - Design
  - Open Space and Playing Pitch
- 10. The first five of these SPDs were adopted by Chorley Council on 30<sup>th</sup> October 2012. The Open Space and Playing Pitch SPD is being prepared separately, following the completion of the Open Space Study and Playing Pitch Strategy.
- 11. The guidance in this document expands upon Core Strategy Policy 24 on Sport and Recreation and Local Plan Publication policies HS4A: Open Space Requirements in New Housing Developments and HS4B: Playing Pitch Requirements in New Housing Developments. These policies set out the minimum provision standards for different typologies of open space and playing pitches.
- 12. The SPD provides further guidance on the implementation of these policies and how the standards will be applied. Details are provided on determining whether a residential development will have to contribute towards the different typologies of open space, and if so whether the provision should be on-site or by way of a financial contribution for off-site provision or improvements.
- 13. A separate charging schedule is being prepared which will identify the amount of financial contribution that will be required from a residential development for each typology for off-site provision or improvements. The charges vary for each of the three authorities as the Open Space Study sets different provision standards for each authority. A draft is included in Appendix 2.
- 14. The financial contributions are in addition to the CIL charges and will be secured through section 106 agreements.



**NEXT STEPS**

15. The draft SPD will be reported to the Central Lancashire Joint Advisory Committee (6<sup>th</sup> December 2012). Chorley Council will approve the text of the document at Executive Cabinet on 13<sup>th</sup> December 2012, whilst Preston and South Ribble will do so over their next committee cycles so that it can be published for consultation in January 2013.
16. Following consultation, all comments and suggestions will be evaluated prior to the preparation of the final version which will be placed before Members for approval at the 9<sup>th</sup> April Full Council meeting and will be adopted following a further 4 week consultation period.

**IMPLICATIONS OF REPORT**

17. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

18. The policy refers to a cost per acre in terms of off sire section 106 provision which the Council will seek to recover from developments. The scale of that provision will be determined by the level of development which cannot be accurately forecast.

**COMMENTS OF THE MONITORING OFFICER**

19. None, although I may be required to comment further following receipt of the consultation responses.

LESLEY-ANN FENTON  
 DIRECTOR OF PARTNERSHIPS, PLANNING AND POLICY

<b>Background Papers</b>			
Document	Date	File	Place of Inspection
Central Lancashire Core Strategy	July 2012		<a href="http://www.centrallancashire.com">www.centrallancashire.com</a>
Chorley Local Plan 2012-2026: Publication version	September 2012		<a href="http://www.chorley.gov.uk">www.chorley.gov.uk</a>
Central Lancashire Open Space Study: Policy Implications and Recommendations.	May 2012		<a href="http://www.centrallancashire.com">www.centrallancashire.com</a>
Central Lancashire Open Space Study: Final Open Space Audit Report.	May 2012		<a href="http://www.centrallancashire.com">www.centrallancashire.com</a>
Central Lancashire Playing Pitch Strategy and Action Plan.	June 2012		<a href="http://www.centrallancashire.com">www.centrallancashire.com</a>
Central Lancashire Final Playing Pitch Assessment Report.	June 2012		<a href="http://www.centrallancashire.com">www.centrallancashire.com</a>

<b>Report Author</b>	<b>Ext</b>	<b>Date</b>	<b>Doc ID</b>
Katherine Howarth	5295	16/10/12	***

Central Lancashire

Supplementary Planning Document

**Open Space and Playing Pitch**

Draft Consultation Version: November 2012



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- A. Introduction
- B. Planning Policy
- C. Evidence Base
- D. Open Space and Playing Pitch Standards
- E. Applying the Standards
  - i. Deciding whether open space and playing pitch contributions are required from the development
  - ii. Determining whether the provision should be on-site or off-site
  - iii. Calculating the amount of on-site provision required
  - iv. Financial contributions required for off-site provision or improvements
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- F. Sustainability Appraisal and Habitats Regulations Assessment
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## **A. Introduction**

1. Supplementary Planning Documents (SPDs) were introduced by the Planning and Compulsory Purchase Act 2004 as part of the reforms to the planning system. Although not forming part of the statutory development plan, one of the functions of an SPD is to provide further detail on policies and proposals within the development plan. SPDs must be consistent with national and regional planning policies as well as the policies set out in the development plan.
2. The Central Lancashire SPDs have been prepared in accordance with the Local Development Regulations and the National Planning Policy Framework (the Framework), conforming and responding to all relevant local and national policies and are based on a robust and up-to-date evidence base. SPDs do not seek to allocate land but are to be considered alongside policies in the Central Lancashire Core Strategy and Local Plan Documents. Their guidance should therefore be taken into consideration from the earliest stages of the development process of any site, including any purchase negotiations and in the process of development schemes.
3. The purpose of this SPD is to provide advice on how the Councils' open space and playing pitch policies, as set out in the Local Plans, are to be implemented. This includes guidance on provision standards and how they will be applied.
4. Once adopted, this document should be afforded significant weight as a material consideration in determining planning applications.

## **B. Planning Policy**

### **National Policy**

5. Guidance on planning policy is issued by central Government in the form of the National Planning Policy Framework (the Framework). Local Planning Authorities have to take the contents of the Framework into account as a material consideration when determining planning applications and when preparing their Local Plans.
6. The requirements of the Framework in relation to open space are set out in section 8: Promoting Healthy Communities. These are as follows:
  - Planning policies should be based on robust and up-to-date assessments of the needs for open space, sports and recreation facilities and opportunities for new provision.
  - Existing open space, sports and recreational land and buildings, including playing fields should not be built on unless:
    - An assessment has been undertaken which has clearly shown the open space, buildings or land to be surplus to requirements; or
    - The loss resulting from the proposed development would be replaced by equivalent or better provision in terms of quantity and quality in a suitable location; or
    - The development is for alternative sports and recreation provision, the needs for which clearly outweigh the loss.

**Regional Policy**

7. The North West Regional Strategy 2008 is the Regional Plan for the North West to the period 2021 and covers the Central Lancashire area. The Government has made a policy commitment in the Localism Act to revoke the Regional Strategy. This SPD is consistent with Policy EM3: Green infrastructure of the Regional Strategy.

**Local Policy**

8. The adopted Central Lancashire Core Strategy is the key policy document as it sets the overarching vision for the area. It will be underpinned by Local Plans for each of the three Local Authorities. These documents will include policies and proposals allocating some land for development whilst protecting other areas from inappropriate development. The Local Plans will conform to the Core Strategy and will supersede, respectively, the adopted Preston Local Plan 2004, South Ribble Local Plan 2000 and Chorley Borough Local Plan Review 2003.
9. The Central Lancashire Core Strategy was adopted in July 2012. Core Strategy Policy 24: Sport and Recreation sets out ways of ensuring that everyone has the opportunity to access good sport, physical activity and recreation facilities. Of particular relevance to this SPD is:
  - Devising robust minimum local standards based on quantified needs, accessibility and qualitative factors, and seeking developer contributions where new development would result in a shortfall in provision.
10. This SPD sets out the minimum local standards and how they will be applied, along with the accessibility and qualitative assessments, to determine the amount of new open space and playing pitch provision or appropriate financial contributions required from new residential developments.

**C. Evidence Base**

11. The Framework requires planning policies to be based on robust and up-to-date assessments of the needs for open space, sports and recreation facilities and opportunities for new provision.
12. In May and June 2012 a Central Lancashire Open Space Study and Playing Pitch Strategy were published respectively. Both documents were produced in accordance with the companion guide to Planning Policy Guidance Note 17 (PPG17) 'Assessing Needs and Opportunities'. Although PPG17 has been superseded by the Framework, its companion guide is still relevant. The approach taken is also consistent with the Framework.

**Open Space Study**

13. The Open Space Study is an assessment of the quantity, quality and accessibility of open space provision in the three Local Authority areas. The Study covers the following typologies:

PPG17 Typology	Primary Purpose
Amenity greenspace	Opportunities for informal activities close to home or work or enhancement of the appearance of residential or other areas.
Provision for children and young people	Areas designed primarily for play and social interaction involving children and young people such as equipped play areas, ball courts, skateboard areas and teenage shelters.
Parks and gardens	Accessible, high quality opportunities for informal recreation and community events. Does not include Country Parks due to their more natural characteristics. They are included in natural and semi-natural greenspaces.
Natural and semi-natural greenspaces	Wildlife conservation, biodiversity and environmental education and awareness. Includes urban woodland and Country Parks.
Allotments	Opportunities for those people who wish to do so to grow their own produce as part of the long term promotion of sustainability, health and social inclusion.
Green corridors	Walking, cycling or horse riding, whether for leisure purposes or travel and opportunities for wildlife migration.
Cemeteries/churchyards	Quiet contemplation and burial of the dead, often linked to the promotion of wildlife conservation and biodiversity.
Civic spaces	Providing a setting for civic buildings, public demonstrations and community events.

14. The Study sets new quantity standards for the provision of open space for each Local Authority and applies the standards on a settlement or ward basis to identify where there are deficiencies in provision in relation to quantity.
15. An assessment of the quality and value of each area of open space is also included within the Study. The quality assessment includes criteria such as access, equipment and facilities, parking, site problems and maintenance. The assessment of value includes criteria such as the level of use and ecological, educational, economic, health and amenity benefits. A threshold was applied to the results to identify whether the site is of high or low quality and value.
16. The Study sets accessibility standards for the different typologies of open space in order to identify areas that are not currently served by existing facilities. They are based on distances residents would be willing to travel to access different types of open space.

**Playing Pitch Strategy**

17. The Playing Pitch Strategy assesses existing pitch provision and is a demand led assessment. It also provides a strategic framework for the maintenance and improvement of existing playing pitches and ancillary facilities between 2012 and 2026. It covers the sports of football, rugby, cricket and artificial grass pitches. It also sets out an approach to securing new outdoor sports facilities through new housing development.
18. The Strategy identifies how future provision of playing pitches should be secured and where new provision is needed. It also includes an Action Plan which identifies any surpluses or deficiencies in playing pitch provision and recommends actions relating to individual sites

that are identified as having issues e.g. the pitch is overplayed, is of poor quality or changing facilities are required.

19. These documents form part of the evidence base for the Local Plans and have informed the relevant policies within them as well as this SPD, which supplements these policies and provides further guidance on how they will be implemented.

## D. Open Space and Playing Pitch Standards

20. The Open Space Study and Playing Pitch Strategy set standards of provision for each Local Authority. These quantity standards are a guideline as to how much open space, sport and recreation provision per 1,000 people is needed to strategically serve the area. The standards are as follows:

Typology	Standard: Hectares per 1,000 population		
	Preston	South Ribble	Chorley
Amenity greenspace	0.54	1.33	0.73
Provision for children and young people	0.02	0.06	0.08
Parks and gardens	1.81	0.66	1.91
Natural and semi-natural greenspaces	1.78	1.98	4.64
Allotments	0.17	0.08	0.07
Playing pitches	1.01	1.14	1.21

21. The Open Space Study does not set quantity standards for cemeteries/churchyards or civic spaces as the need for cemeteries/churchyards is determined by the demand for burial space and civic spaces are normally provided on an opportunistic and design led basis. Residential developments will therefore not be required to contribute towards the provision of these typologies.
22. The Study also does not set a quantity standard for green corridors due to their linear nature, however residential developments will be required to provide new green corridors where appropriate.
23. These standards are included in policies within the Site Allocations DPDs. The next section of this SPD provides further guidance on how these standards will be applied to new residential developments and how the level of contribution towards open space and playing pitch provision will be determined.

## E. Applying the Standards

24. All new residential development will be required to contribute towards open space and playing pitch provision with the exception of the following:
  - Nursing/rest homes
  - Sheltered accommodation
  - Replacement dwellings
25. In South Ribble, open space and playing pitch provision will only be required on residential developments resulting in a net gain of 5 or more dwellings.



**(i) Deciding whether open space and playing pitch contributions are required from the development**

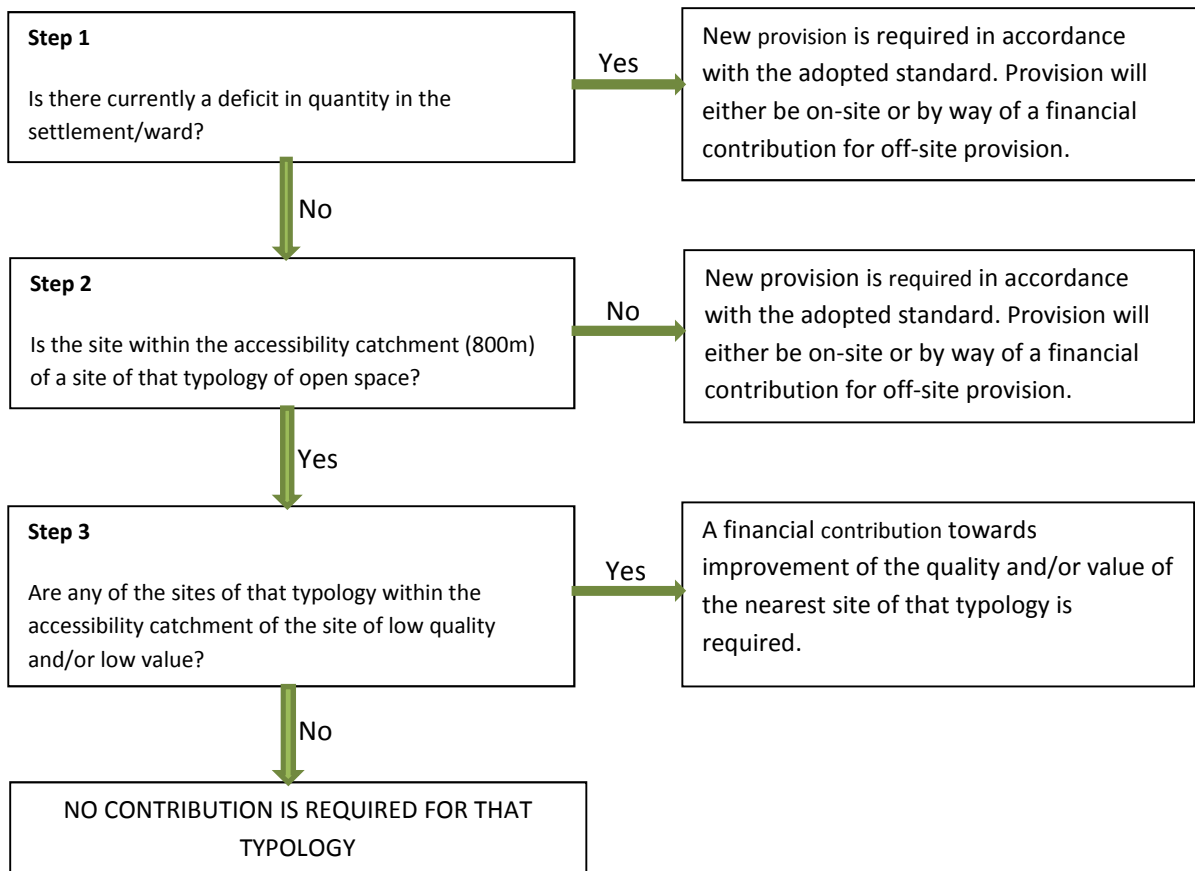
- 26. In accordance with the Framework, and the recommendations in the Open Space Study and Playing Pitch Strategy, contributions towards new provision or improvements to existing sites will be required where there are identified local deficiencies in the quantity, accessibility or quality and/or value of open space and recreational facilities.
- 27. The approach to determining whether a contribution is required varies for each typology. The approach for each typology is set out below.

Amenity greenspace

Residential developments will be required to contribute towards the provision of amenity greenspace if there is an identified local deficiency in quantity, accessibility or quality/value.

- 28. The process for determining whether a residential development is required to contribute towards the provision of amenity greenspace is set out in Diagram 1 below. The process for determining whether a contribution towards the provision for children/young people is the same, therefore Diagram 1 and the explanatory text is also applicable to this typology.

**Diagram 1: Process for determining amenity greenspace and provision for children/young people contributions.**



*Step 1*

29. The first step in determining whether a contribution is required is to identify whether there is a deficit in quantity of that typology in the settlement or ward as identified in the Open Space Study. In Preston and South Ribble quantity is assessed on a ward basis whereas in Chorley it is assessed on a settlement basis. Because of the rural nature of Chorley Borough, it is considered more appropriate to assess provision on a settlement basis. For residential developments in Chorley Borough falling outside of the defined settlements and in the Green Belt, the quantity for the ward will be used. Where there is an existing deficit in quantity in the settlement/ward in relation to the proposed standards, new provision will be required in accordance with the proposed standards. Section (ii) identifies how this provision is to be made i.e. on site or a financial contribution for off-site provision. If provision is on-site, section (iii) identifies how the amount of provision will be calculated.

*Step 2*

30. If there is no deficit in quantity in the settlement/ward then step 2 applies and involves assessing the accessibility of existing provision. The Open Space Study sets accessibility standards of 800 metres (10 minutes' walk time) for both typologies. If there is existing provision of both typologies within 800 metres of the proposed development then new provision will not be required. If not then new provision will be required in accordance with the proposed standards. Section (ii) identifies how this provision is to be made i.e. on site or a financial contribution for off-site provision. If provision is on-site, section (iii) identifies how the amount of provision will be calculated.

*Step 3*

31. If there is no deficit in quantity and accessibility then step 3 applies. If any of the sites within the accessibility catchment are identified as being of low quality and/or low value for each typology then a financial contribution will be required for the improvement of those sites. Section (iv) sets out the amount of financial contribution required per dwelling.

Provision for children/young people

Residential developments will be required to contribute towards the provision for children/young people if there is an identified local deficiency in quantity, accessibility or quality/value.

32. The process for determining whether a residential development is required to contribute towards the provision for children/young people is the same as the approach for amenity greenspace and is set out in Diagram 1 above.

Parks and gardens

New residential developments will not be required to contribute towards the provision of new parks and gardens. Instead, financial contributions will be required to improve the quality and/or value of existing provision if there is a park/garden within the accessibility catchment (1,000m) of the development that is identified as being low quality and/or low value in the Open Space Study.

33. The Open Space Study does not consider it appropriate for new provision of parks and gardens to be provided on-site within new residential developments. Instead it is more appropriate to seek to enhance the existing quality of provision and/or improve access to sites.
34. Financial contributions will therefore be secured from residential developments to improve the quality and value of parks and gardens identified as being low quality and/or low value in the Open Space Study. Financial contributions will only be required from residential developments that fall within the accessibility catchment of a park/garden identified as being low quality and/or low value.
35. The Open Space Study sets an accessibility catchment of 1,000 metres (12 minutes' walk time) for parks and gardens in urban areas and 15 minutes' drive time for rural areas. As the accessibility catchment for rural areas covers a wide area, it is considered more appropriate to apply the accessibility catchment for urban areas to all developments when determining whether a contribution towards improvements is required.
36. Section (iv) sets out the amount of financial contribution required per dwelling for improvements.

Natural/semi-natural greenspace

New residential developments will not be required to contribute towards the provision of new natural/semi-natural greenspace. Instead, on-site provision of features associated with this typology will be required in accordance with Core Strategy Policy 17: Design of New Buildings. Financial contributions will be required to improve the quality and/or value of existing provision if there is a natural/semi-natural greenspace within the accessibility catchment (800m) of the development that is identified as being low quality and/or low value in the Open Space Study.

37. The Open Space Study does not consider it appropriate for new provision of natural/semi-natural greenspace to be provided on-site within new residential developments. Instead it considers it more appropriate to require some on-site provision of features associated with natural/semi-natural greenspace i.e. trees and hedgerows where appropriate and seek to enhance the existing quality of provision and/or improve access to existing sites. Core Strategy Policy 17: Design of New Buildings requires landscaping to be provided as an integral part of the development, which will include features such as trees and hedgerows.
38. Financial contributions will be secured from residential developments to improve the quality and value of natural/semi-natural greenspaces identified as being low quality and/or low value in the Open Space Study. Financial contributions will only be required from residential

developments that fall within the accessibility catchment of a natural/semi-natural greenspace identified as being low quality and/or low value.

39. The Open Space Study sets an accessibility catchment of 800 metres (10 minutes' walk time) for natural/semi-natural greenspaces in all areas apart from the Preston urban area where the accessibility catchment is 15 minutes' drive time. As the accessibility catchment for the Preston urban area covers a wide area, it is considered more appropriate to apply the 10 minute walk time accessibility catchment to all developments when determining whether a contribution towards improvements is required.
40. Section (iv) sets out the amount of financial contribution required per dwelling for improvements.

#### Allotments

All new residential developments within the accessibility catchment (10 minutes' drive time) of a site of low quality and/or low value or a proposed new allotment site will be required to pay a financial contribution towards either new allotment provision or improvements to existing allotments.

41. The Open Space Study sets an accessibility catchment of 10 minutes' drive time for allotments. All residential developments within the accessibility catchment of an allotment identified as being of low quality and/or low value will be required to pay a financial contribution towards improvements to existing allotments.
42. The Open Space Study identifies areas in Central Lancashire where new allotment provision should be located. In those areas, sites have been allocated for new provision in the relevant authority's Local Plan. Residential developments within the accessibility catchment of a proposed allotment site will be required to pay a financial contribution which will be used to bring these sites forward.
43. Section (iv) sets out the amount of financial contribution required per dwelling for both improvements and new provision.

#### Green corridors

New residential developments will be required to incorporate green corridors into the design of the development where appropriate to link the site to existing green corridors, open spaces, cycle routes, community facilities, employment etc.

44. The Open Space Study does not set a quantity standard for green corridors due to their linear nature. Residential developments will therefore not be required to provide a set amount of green corridors in the development. Instead the use of green corridors will be promoted in the design of new residential developments to link the site to existing green corridors, cycle routes and other facilities.

Playing Pitches

All new residential developments will be required to pay a financial contribution towards either new playing pitch provision or improvements to existing playing pitches identified in the Playing Pitch Strategy Action Plan.

45. All residential developments will be required to contribute towards playing pitch provision. The Playing Pitch Strategy does not identify deficiencies on a settlement or ward basis as it is not considered appropriate. Rather it assesses provision on a Borough basis and identifies that there is a deficit of provision in all three Borough's. The amount of deficit identified for each Borough does not necessarily equate to new provision as some can be addressed through improvements to existing playing pitches. The Strategy identifies where new provision is needed based on demand and in those areas sites have been allocated in the relevant authority's Local Plan. The Strategy also includes an Action Plan which identifies sites where improvements/facilities are needed to improve capacity. Financial contributions will be used to bring forward sites allocated for new provision and to improve the sites identified in the Action Plan, which will be reviewed continually.
46. Section (iv) sets out the amount of financial contribution required per dwelling for both improvements and new provision.

**(ii) Determining whether provision should be on-site or off-site**

47. The only typologies that a developer may be required to provide on-site are amenity greenspace and provision for children/young people.

The following thresholds for on-site provision will be used:

- Amenity greenspace - all residential developments of 10 or more dwellings.
- Provision for children/young people - all residential developments of 100 or more dwellings.

Residential developments below these thresholds will be required to pay a financial contribution for off-site provision.

48. The Open Space Study recommends a minimum size of 0.04 hectares for provision for children/young people. However, the Councils acknowledge that play areas can cause some nuisance to residents. Only providing play areas on developments of 100 or more dwellings will allow schemes to be designed in such a way to allow the play area to have a degree of separation from the nearest houses. In certain circumstances it may be acceptable to include provision for children/young people on-site on residential developments of less than 100 dwellings subject to a satisfactory layout which prevents nuisance to residents.
49. Where a contribution is required for any of the other typologies, this will be by way of a financial contribution for off-site provision or improvements to existing provision. The amount of financial contribution required is set out in section (iv).

**(iii) Calculating the amount of on-site provision required**

50. The only typologies that a developer may be required to provide on-site are amenity greenspace and provision for children/young people.

51. If on-site provision is required then the following calculation should be used for each typology:

$$\text{Number of dwellings} \times \text{Local standard} / 1000 = \text{Hectares required for proposed development}$$

x 2.32\*

\*2.32 is the average household occupancy in the 2001 Census. Multiplying this by the number of dwellings gives the estimated population of the proposed development.

**(iv) Financial contributions for off-site provision or improvements**

52. The same amount of financial contribution will be required for both off-site provision and improvements.

53. A separate charging schedule has been published which sets out the financial contribution required per dwelling for each typology. This will be updated annually in line with inflation.

54. Where a financial contribution is required for off-site provision the first priority will be to provide new provision within the accessibility catchment of the proposed development. If this is not possible then the next priority will be to spend the money on improving or expanding existing provision in the accessibility catchment. If this is also not possible then the money will be spent on new provision or improvements elsewhere in the settlement or ward.

**(v) Maintenance costs**

55. Where provision is made on-site, a financial contribution towards maintenance will be required.

56. A separate charging schedule has been published which sets out the financial contribution required for maintenance per dwelling. This will be updated annually in line with inflation.

**F. Sustainability Appraisal and Habitats Regulations Assessment**

57. Given the relationship between this SPD, the Core Strategy and the Local Plans and the level of Sustainability Appraisal (SA) that these documents have undergone together with the anticipated absence of any significant environmental effects arising from this proposal, an independent SA of this Planning Framework SPD is not required. In addition, the Core Strategy has undergone a Habitats Regulations Screening Assessment to determine the likely significant effects of the plan on sites of international nature conservation value. Given the SPD is in conformity with the policies contained within the Core Strategy, a full Screening Assessment of this SPD is not required.

## G. Monitoring and Review

58. The Councils will monitor the effectiveness of this guidance including Core Strategy key indicators and review as appropriate in the light of its performance and future changes in planning law and policy guidance.

## H. Further Information

59. The SPD will primarily be implemented through the development management process and the determination of planning applications. Charges may apply for pre-application consultations, please see websites for details. Planning Officers will be pleased to provide advice and guidance on planning matters regarding open space and playing pitch provision. They can be contacted on:

Local Authority	Website	Telephone	Email
Preston City Council	<a href="http://www.preston.gov.uk">www.preston.gov.uk</a>	01772 906949	<a href="mailto:devcon@preston.gov.uk">devcon@preston.gov.uk</a>
Chorley Council	<a href="http://www.chorley.gov.uk">www.chorley.gov.uk</a>	01257 515151	<a href="mailto:dcon@chorley.gov.uk">dcon@chorley.gov.uk</a>
South Ribble Borough Council	<a href="http://www.southribble.gov.uk">www.southribble.gov.uk</a>	01772 421491	<a href="mailto:planning@southribble.gov.uk">planning@southribble.gov.uk</a>

## I. References

60. The following documents form the evidence base for this SPD and are available to view at [www.centrallancashire.com](http://www.centrallancashire.com):

- Central Lancashire Core Strategy – July 2012.
- Central Lancashire Open Space Study, Policy Implications and Recommendations – May 2012.
- Central Lancashire Open Space Study, Final Open Space Audit Report – May 2012.
- Central Lancashire Playing Pitch Strategy and Action Plan - June 2012.
- Central Lancashire Final Playing Pitch Assessment Report - June 2012.

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## OPEN SPACE AND PLAYING PITCH SPD - FINANCIAL CONTRIBUTIONS FOR NEW PROVISION/IMPROVEMENTS

### Off-site provision and improvements

The same amount of contribution will be required for both off-site provision and improvements.

Costs for the typologies of open space identified in the table below have been calculated per dwelling using average costs per m<sup>2</sup> rounded to the nearest pound for each typology. The cost per dwelling for playing pitches is based on the average costs of grass pitches and changing rooms as identified by Sport England and included in the Playing Pitch Strategy.

The cost per dwelling varies for each authority as the standards are different.

Typology	Cost per m <sup>2</sup>	Cost per dwelling		
		Preston*	South Ribble*	Chorley
Amenity greenspace	£8	£100	£247	£135
Provision for children/young people	£70	£32	£97	£130
Parks and gardens	£32	£1344	£490	£1,418
Natural/semi-natural greenspace	£5	£206	£230	£538
Allotments	£9	£35	£17	£15
Playing pitch	£55	£1,546	£1,546	£1,546

### Maintenance costs

Where provision is made on-site, a financial contribution towards maintenance will be required. The only typologies that a developer may be required to provide on-site are amenity greenspace and provision for children/young people.

The cost per dwelling varies for each authority as the standards are different.

Typology	Cost per m <sup>2</sup>	Cost per dwelling		
		Preston*	South Ribble*	Chorley
Amenity greenspace	£4	£50	£123	£68
Provision for children/young people	£7	£3	£10	£13

The above cost per dwelling needs to be multiplied by 10 to give the 10 year maintenance costs.

\* Figures subject to approval at relevant Council.

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Report of	Meeting	Date
Director of Partnerships, Planning and Policy (Introduced by the Executive Member for Homes and Business)	Executive Cabinet	13 December 2012

## **ADOPTION OF CHORLEY COUNCIL'S TENANCY STRATEGY**

### **PURPOSE OF REPORT**

1. To advise Executive Cabinet of the results of the consultation exercise following presentation of the draft Tenancy Strategy on 21 June and to seek adoption of the revised Tenancy Strategy – copy attached.

### **RECOMMENDATION**

2. Executive Cabinet are asked to approve the attached Tenancy Strategy.

### **EXECUTIVE SUMMARY OF REPORT**

3. Localism Act 2011 requires each Local Authority to publish a Tenancy Strategy and Registered Providers of social housing must have regard to the strategy when developing their tenancy policies.
4. The Council's Tenancy Strategy seeks to both highlight and mitigate the risks posed by Affordable rents in terms of higher costs, consequent affordability issues and reduced security. In addition the strategy looks to influence the provision and delivery of affordable housing in the borough by setting out the Council's aims and expectations and ensuring that best use is made of the social housing stock.
5. The principles of the Tenancy Strategy and Council's expectations are as follows:
  - that existing Social rent properties provided with either developer or Council contributions will remain as Social rent and will not be converted to Affordable rent
  - that all new social housing provided via developer or Council contributions will be for Social rent not Affordable rent, for example, section 106 sites
  - the majority of social housing stock will remain at Social rents ,exceptions to this will be where conversions to Affordable rent have been agreed as part of the 2011-2015 Affordable Housing Programme with individual Registered Providers(RPs) and the Homes and Communities Agency (HCA).The HCA has made Affordable rent a condition of all grant funding.
  - that in the interests of the creation of sustainable communities Affordable rent fixed term tenancies will be for a minimum of five years and that fixed term tenancies will be offered in exceptional circumstances

- that where support is a condition of the tenancy Affordable rent will not apply
- that fixed term tenancies will not be used for designated older persons' accommodation
- that Affordable rent levels will not exceed Local Housing Allowance levels.
- that RPs will allocate all new properties and relets via Select Move

In addition to the above RPs are expected to advise the Council on an annual basis how additional monies generated by Affordable rents have been, or are intended to be, utilised for new affordable housing in the borough.

5. The above expectations seek to minimise any negative impact on affordability and homelessness in the borough by making clear the Council's position with regard to the tenure of Affordable rent.

**RESULTS OF CONSULTATION**

6. The consultation period ran for six weeks 26 June to 7 August 2012 and all RPs with stock in the borough were invited to comment. Comments were received from three RPs – Adactus /CCH, Places for People and New Progress.
7. Generally RPs agreed with most of the principles of the Tenancy Strategy. RP's concerns were mainly around flexibility in terms of conversions from Social rent to Affordable rent in order to allow them to generate funds to help them deliver more affordable homes. In order to address these concerns the strategy has been amended to allow some consideration and flexibility by discussion with and consent of the Council. One RP asked if the Chorley strategy was linked to the Lancashire strategy. There were also some comments and points of clarification and the text of the document has been changed accordingly. For example, New Progress noted that do not intend to use affordable rent for older persons' accommodation. One RP expressed concern at the Local Housing Allowance being considered as a ceiling, this comment has been noted but the text at paragraph 7.1 remains unchanged.
8. On approval the agreed strategy will be issued to each partner RP. Those who have commented will be advised as to if and how the strategy has been amended, with thanks for their contributions.

<b>Confidential report</b> Please bold as appropriate	Yes	<b>No</b>
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<b>Key Decision?</b> Please bold as appropriate	Yes	<b>No</b>
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**REASONS FOR RECOMMENDATION**

9. It is important that the Tenancy Strategy is adopted in a timely manner in order to comply with legislation and to influence and inform the tenancy policies being developed by Registered Providers.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

10. The Localism Act 2011 requires local authorities to publish a Tenancy Strategy consequently no other options were considered.

**CORPORATE PRIORITIES**

11. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious Council that does more to meet the needs of residents and the local area	x

**BACKGROUND**

- 12. The Localism Act allows Registered Providers (RPs) who have a development agreement and contract with the HCA to use the tenure option of Affordable rent. An Affordable rent is one which is set at 80% of the market rent for the area. Affordable rents in Chorley are in most cases higher than Social rents. In allowing RPs to charge higher rents the government expects that the additional income generated will be used to deliver more affordable housing. When an Affordable rent is offered the RP can choose to issue either a fixed term tenancy (minimum 5 years) or a lifetime tenancy. RPs have indicated that will offer lifetime tenancies wherever possible.
- 13. As detailed in the Executive Summary the Localism Act 2011 requires local authorities to have a Tenancy Strategy. The strategy needs to make clear the Council's position with regard to Affordable rents and how it plans to promote affordable housing as well as assisting in the creation of sustainable communities. Prior to the adoption of the Tenancy Strategy the Council is required to consult with RPs. Following presentation of the draft tenancy strategy to Executive Cabinet in June the document was put out for consultation. The consultation period ran for six weeks.
- 14. Early in 2012 a number of local authorities across Lancashire got together to develop a Lancashire wide tenancy strategy. Officers from Chorley attended the meetings which were held to formulate this county wide strategy but it was made clear that Chorley would be developing its own strategy in accordance with Members' wishes. The draft Lancashire Tenancy Strategy was put out for consultation in the summer and is due for adoption by a number of Lancashire authorities in the coming months. Once approved and adopted Registered Providers will be informed that the Chorley Tenancy Strategy is the one they must have regard to in terms of their stock and development plans in Chorley and that the Lancashire Strategy applies to those other authorities who have specifically agreed and signed up to the same.

**IMPLICATIONS OF REPORT**

15. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	x	Customer Services	
Human Resources		Equality and Diversity	
Legal	x	Integrated Impact Assessment required?	Yes
No significant implications in this area		Policy and Communications	x

**COMMENTS OF THE STATUTORY FINANCE OFFICER**

16. There are no financial implications.

**COMMENTS OF THE MONITORING OFFICER**

16. The duty of local authorities contained in the Localism Act 2011 to introduce a Tenancy Strategy following consultation is addressed within the body of the report.

**COMMENTS OF THE HEAD OF POLICY AND COMMUNICATIONS**

17. The Tenancy Strategy has the potential to impact upon people with protected characteristics. An integrated impact assessment has been completed and indicates that the strategy should support the needs of tenants with protected characteristics, such as older people and disabled people. The impact assessment will be reviewed in 12 months, when it will be possible to assess how the strategy is having an impact.

LESLEY-ANN FENTON

DIRECTOR OF PARTNERSHIPS, PLANNING AND POLICY

Report Author	Ext	Date	Doc ID
Kath Knowles	5320	20/11/12	KK/Execab13.12.12

Background Papers			
Document	Date	File	Place of Inspection
Chorley Council's Draft Tenancy Strategy – report	21 June 2012	<a href="http://cbc-us-mod/documents/s26550/Chorley%20Councils%20Draft%20Tenancy%20Strategy%20Executive%20Cabinet%20Report.pdf">http://cbc-us-mod/documents/s26550/Chorley%20Councils%20Draft%20Tenancy%20Strategy%20Executive%20Cabinet%20Report.pdf</a>	Web
Chorley Council's Draft Tenancy Strategy	21 June 2012	<a href="http://cbc-us-mod/documents/s26551/Chorley%20Councils%20Draft%20Tenancy%20Strategy.pdf">http://cbc-us-mod/documents/s26551/Chorley%20Councils%20Draft%20Tenancy%20Strategy.pdf</a>	Web
The Localism Act 2011	2012	<a href="http://www.legislation.gov.uk/uksi/2012/2420/made">http://www.legislation.gov.uk/uksi/2012/2420/made</a>	Web

# Tenancy Strategy

December 2012



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## Chorley Council's Tenancy Strategy

### 1.0 Introduction, Background and Expectations

#### 1.1 Introduction

The Localism Act 2011 requires each Local Housing Authority to prepare its own Tenancy Strategy, and Registered Providers of social housing are required to have regard to the strategy when developing their own tenancy policies. The Localism Act 2011 allows Registered Providers of social housing to use a new housing product for social tenants called Affordable Rent which permits rents to be charged of up to 80% of local market rents, and gives the landlord scope to offer flexible/fixed term tenancies as opposed to the usual lifetime tenancies associated with Social Rent tenancies.

The scope of the Tenancy Strategy as defined by the Localism Act 2011 includes:

- The types of tenancies offered;
- Where fixed term tenancies are offered , the length of the term;
- The circumstances under which tenancies of a particular type will be granted;
- The circumstances under which a tenancy may or may not be reissued at the end of the fixed term, in the same property or in a different property.

Registered Providers in the borough must have regard to the Council's Tenancy Strategy when developing their own tenancy policies.

#### 1.2 Aims of the Strategy

The strategy seeks to influence the provision and delivery of housing in the borough and works towards achieving the following aims:

- Ensuring that vulnerable people are granted tenancies which offer a stable environment and are conducive to meeting their support needs.
- Ensuring that fixed term tenancies do not increase the number of households threatened with homelessness in the borough.
- Making best use of the social housing stock in Chorley
- Encouraging continuation of high delivery of affordable housing in Chorley

### **1.3 Summary of Chorley Council's Expectations**

The following is a summary of the Council's expectations:

- that existing traditional Social Rent properties provided with either developer or Council contributions will remain as Social Rent and therefore will not be converted to Affordable Rent;
- that all new social housing provided via developer or Council contributions will be for Social Rent not Affordable Rent;
- that the majority of the social housing stock within the borough will remain at Social Rent levels, and any conversions to Affordable Rent will have been formally agreed as part of the 2011-15 Affordable Housing Programme;
- that in the interests of sustainable communities, lifetime tenancies will be offered when the Affordable Rent tenure is granted, except in exceptional circumstances;
- that any fixed term tenancies will be for a minimum of five years;
- that where support is a condition of the tenancy Affordable Rent will not be applied;
- that fixed term tenancies will not be used for designated older persons' accommodation;
- that Affordable Rent levels will not exceed Local Housing Allowance rates.

### **1.4 Housing Tenure and Allocations in Chorley**

As of the 1<sup>st</sup> April 2012, the total housing stock in Chorley was 46,868, with a relatively low 13% of the total, around 6,100 being social housing. The Council transferred all its housing stock through a Large Scale Voluntary Transfer (LSVT) to Chorley Community Housing (CCH) in April 2007 and therefore no Local Authority managed or owned housing stock remains in the borough. Consequently this strategy only refers to Registered Providers who currently are Housing Associations in the borough. The private rented sector in the borough is relatively small at 9% with owner occupation at 78%.

The Council has a number of key responsibilities regarding the allocation of social housing (these are set out in Part VI of the Housing Act 1996 as amended by the Homelessness Act 2002) including a statutory duty to have a published Allocations Policy and to allocate social housing in accordance with certain prescribed conditions. Since March 2011, Chorley Council has participated in a sub-regional Allocations Policy, which is operated via the Central Lancashire Sub-Regional Choice Based Lettings (CBL) partnership known as 'Select Move', in order to allocate social housing.

Select Move is a partnership comprising of the majority of Registered Providers in Central Lancashire and the three Local Authorities in the area - Chorley, Preston and South Ribble. Select Move provides the common housing register for the Central Lancashire councils which no longer keep separate housing registers. On the 1<sup>st</sup> April 2012 there were 1,450 'active' applicants living in Chorley and registered on the Select Move housing register. On average from 2008 to 2011 there have been 433 social lets per year. With supply unable to meet demand for social housing it is important that all areas of allocating social housing are managed effectively to meet the needs of the borough's residents.

The majority of Social Rent properties in Chorley are let through Select Move, using the joint Allocations Policy to ensure fairness and transparency. The Council expects that any properties let via Select Move with the Affordable Rent tenure will clearly state this on the advert, and that fixed term tenancies will also be clearly indicated along with the length of the fixed term. Registered Providers should also ensure that Affordable Rent properties are clearly distinguishable from traditional Social Rent properties on the adverts.

### **1.5 Nominations**

As a non stock holding authority, the Council relies on Registered Providers to make available nominations for a proportion of their stock in order to meet its obligations under homelessness and allocations legislation. The Council expects that for its LSVT partner Chorley Community Housing (CCH), nominations would be provided for 75% of their vacant stock if at any time in the future the Council or CCH are not members of Select Move choice based lettings scheme.

For all other Registered Providers with stock in the borough, the Council expects these partners to provide nominations to 50% of their vacant stock if they are not members of Select Move choice based lettings scheme.

The Council promotes and supports the use of Select Move choice based lettings as an effective and transparent way of allocating social housing and therefore expects all Registered Providers in the borough to participate in this. Partners in the Select Move choice based lettings scheme are required to commit to allocating 100% of lets via this mechanism. The Council uses Select Move as its principle method of meeting its obligations when it has a "main homelessness duty" to an individual household.

## **2.0 Affordable Rent and Fixed Term Tenancies**

### **2.1 Affordable Rent**

A recently introduced tenure option available to Registered Providers is Affordable Rent which allows rent to be set up to 80% of local market rents (providing they have a delivery agreement with the Homes and Communities Agency). In most cases Affordable Rents will be above the 'target' or Social Rents. The extra money

generated by Affordable Rents is expected to fund more affordable housing. The Council expects Registered Providers to inform it how this additional revenue is to be utilised within the borough on an annual basis. The majority of new rented affordable housing financed by the Homes and Communities Agency (HCA) in the 2011-15 round is intended to be for Affordable Rent. In May 2011 as well as new build properties, Registered Providers incorporated proposals for a number of their existing Social Rent properties to be converted ,at re-let stage, to Affordable Rent as part of their offer to the HCA for Affordable Homes Programme funding. In effect, the 'conversions' to Affordable Rent have assisted the Registered Providers to demonstrate better value for money by reducing the level of grant required to provide each new unit of affordable housing. The Council engaged in discussions with Registered Providers to ensure there was agreement and clarity regarding proposed conversions in Chorley. The Council expects there to be conversions only where these have been previously agreed with the Council.

As well as the extra revenue for affordable housing development, the other main feature of Affordable Rent is the choice given to landlords regarding the type of tenancies they grant. Affordable Rent allows flexible or fixed term tenancies to be granted. This is considered to make best use of social housing which is a scarce resource in high demand. Fixed term tenancies may be granted in order for Registered Providers to manage their housing stock more effectively to meet housing need.

One of the key disadvantages of the Affordable Rent model is that in most situations these rents are higher than target or Social rents, and this can present a disincentive for those who are looking to move into paid employment.

## **2.2 Fixed Term Tenancies**

The Council expects that for the majority of Affordable Rent properties 'lifetime' tenancies will be offered in the interest of building sustainable communities. The Council understands that housing stock of a particular type which is in short supply and high demand may present a strategic case for fixed term tenancies. However, generally the Council does not want to see an increase in the levels of turnover created by a disproportionate amount of fixed term tenancies or worse, an increase in homelessness. Any increase in fixed term tenancies in the borough may be a risk to the Council in terms of increased demand for housing options services, and this needs to be balanced against the benefits of such flexibility.

Fixed Term tenancies are expected to be for a minimum of 5 years, however in exceptional circumstances they may be for as little as two years. Registered Providers are required to set out in their tenancy policies the lengths of fixed term tenancies they grant, and the exceptional circumstances under which they may grant a tenancy of less than 5 years.

At the end of a fixed term tenancy, the Council expects the Registered Provider to follow their policies and procedures in determining whether or not to renew the tenancy.

The Council expects Registered Providers to make transparent and balanced decisions regarding tenancy renewals and to consider partner's views in ensuring decisions are objective and comprehensive.

In cases where a tenancy is not renewed the Council would expect the Registered Provider to find the household an alternative tenancy, if possible and appropriate. If an alternative tenancy is not possible or appropriate, then advice and assistance must be given at the earliest stage, not less than six months (minimum notice period) before the tenancy ends.

If a household is at risk of losing their tenancy because it is being ended without renewal and there is no offer of an alternative property then the Registered Provider must refer the household to the Council's Housing Options Team as soon as possible (this would be expected to be at least 6 months before the end of the tenancy). In all circumstances, the Registered Provider and the Council should work together to prevent households who are coming to the end of fixed term tenancies being threatened with homelessness.

### **2.3 Introductory or Starter Tenancies**

For new social tenants it is common practice for Registered Providers to offer a fixed term introductory or starter tenancy as good housing management practice. The revised tenancy standard allows introductory and starter tenancies to precede a fixed term tenancy, and the probationary period can be extended up to a period of 18 months by the Registered Provider.

### **3. The End of a Fixed Term Tenancy**

Registered Providers are required to specify in their tenancy policies the circumstances which determine whether or not they would grant another tenancy at the end of a fixed term.

The Council expects that a household would be granted a further fixed term tenancy towards the end of their current tenancy unless there has been a significant material change which affects their housing requirements, which may include:

- The household has become smaller and the household is under-occupying their current home by one bedroom or more;
- There has been a significant relative increase in income which negates any need for social housing;

- The property has become unsuitable for the household's need due to major adaptations or accessibility features which are no longer needed.

The Council expects tenancy breaches such as anti-social behaviour, damage, unauthorised works and rent arrears to be managed through existing mechanisms and not by ending fixed term tenancies. The Council expects tenants to be supported by the Registered Providers to successfully maintain their tenancies, either by their own staff or by referrals to appropriate partner agencies who can provide support.

Cases of over or under occupation should also be dealt with using existing mechanisms. The Council expects to be consulted by the Registered Provider before any decision is made not to grant a further tenancy. The inclusion of the Council in the decision making processes for granting and renewing tenancies is very much encouraged by the Council and regarded as best practice.

In cases of under-occupation and unsuitability, the Council expects the Registered Provider to offer a suitable tenancy in an alternative property, if there is still a need for social housing. If an alternative tenancy is not possible or appropriate, then advice and assistance should be given at the earliest stage, which would be at least six months (minimum notice period) before the tenancy ends. This advice and assistance should be set out in the Registered Provider's tenancy policy.

If a household is under threat of their tenancy ending without renewal or an alternative tenancy being offered, the Registered Provider should refer the household to the Council's Housing Options teams as soon as possible. In all circumstances the Registered Provider and the Council should work together to prevent households who are coming to the end of fixed term tenancies being threatened with homelessness.

There is no statutory provision to allow tenants to give notice to end a fixed term Affordable Rent tenancy; however the Council expects a contractual provision written into the tenancy agreement which allows the tenant to give reasonable notice. The notice period is expected to be 4 weeks in line with Local Authorities' flexible tenancies.

#### **4. The Appeals Procedure**

Registered Providers must include in their tenancy policies, a clear appeals procedure which gives the opportunity for tenants to respond to a decision not to renew their fixed term tenancy (similar to the Review Procedure required by law for Local Authorities). The procedure should include:

- The right for the tenant to appeal the decision to end a fixed term Affordable Rent tenancy in writing within 21 days of the first notice;

- The right for the tenant to request an oral hearing;
- Someone senior to the original decision maker to deal with the appeal;
- The appeal process should be completed before the tenancy is due to expire and the decision notified;
- A full written explanation of the outcome of the appeal.

It is expected that Registered Providers would allow appeals if the length of a fixed term Affordable Rent tenancy is less than stated in the Registered Provider's policy.

Tenancy Policies should have regard to the Human Rights Act Article 6 and Article 8, and therefore ending a tenancy should be a proportionate means of achieving a legitimate aim.

## **5. Tenancy Types**

As part of their tenancy policies Registered Providers are required to set out what types of tenancies they will offer. The Council has consulted with Registered Providers in the borough and following these discussions expects the majority of tenancies in the borough to be Social Rent lifetime tenancies with a minority of Affordable Rent lifetime tenancies. Affordable Rent fixed term tenancies are not indicated as being popular with Registered Providers in the borough. It is expected that the above tenancy types will usually follow an introductory or starter tenancy for new social tenants.

Registered Providers are required to set out in their tenancy policies the circumstances under which certain tenancy types will be offered. Following Registered Provider feedback, the Council expects that the vast majority of relets will be Social Rent tenancies (or leading to the same after a probationary period). However, the Council recognises the commitment Registered Providers have made in their Affordable Homes Programme offers to convert a limited amount of tenancies to Affordable Rent. The Council also recognises that HCA funded social housing in the current Affordable Home Programme will be offered on the basis of Affordable Rents.

Registered Providers are required to set out in their tenancy policies the circumstances under which fixed term tenancies will be granted. After the probationary period, the Council expects fixed term tenancies to be the exception from Registered Providers feedback, but also expects Providers to make it clear the exact circumstances in which a fixed term tenancy will be offered under the Affordable Rent model.

## **6. Tenancy Conversions**

A key principle of the Affordable Rent tenure is to allow the new development of affordable housing through the conversion of tenure from Social Rent to Affordable Rent when properties are re-let. Registered Providers have indicated that the majority of Social Rent properties in the borough will not be considered for conversion.

Where Social Rent properties have been provided through Section 106 agreements, Unilateral Undertakings, or similar legal agreements (including but not limited to all types of developer contributions) between the Council, a developer or Provider, Chorley Council will require these properties to remain as Social Rented and not be converted to Affordable Rent. If the Council has contributed either land or capital to subsidise the provision of Social Rent properties the Council also expects these properties not to be converted to Affordable Rent.

The Council is mindful that previous agreements may have referred to 'rented' or 'affordable rented' (lower case 'a') or similar, when only Social Rent existed, but was not explicitly stated. The Council expects all previous agreements concerning rented properties that do not state Affordable Rent (upper case 'A' meaning the new tenure) should be considered as Social Rent and therefore not converted to Affordable Rent.

The Council expects that a Registered Provider will not convert any Social Rent property to Affordable Rent if the acquisition, development or improvement of the property was contributed to by a developer through planning obligations or the Council through land contribution (nil receipt or discounted) capital contribution, or any similar assistance, for example, the developer preparing the land, surrounding land or facilities to assist the development. In exceptional circumstances Registered Providers may seek written consent off the Council for the conversion to Affordable Rent of properties referred to in this section.

## **7. Further Affordability and Tenure Considerations**

### **7.1 Affordable Rent Levels**

The Council expects that when setting Affordable Rent levels as well as being a maximum of 80% of the local market rent the Local Housing Allowance should also be considered as a ceiling. There are many, often rural areas, and other areas of high environmental quality in the borough where market rents would be significantly higher than the average for the housing market area. However, setting rent levels above Local Housing Allowance rates is likely to make the Affordable Rents unaffordable to households in need of social housing in the more expensive areas of the borough. Rents higher than Local Housing Allowance rates could also be a barrier to newly forming households, i.e. younger people wishing to remain in the rural community where they have grown up.

### **7.2 Future Developments**



The Council will endeavour to ensure that future developments with a developer contribution or Council contribution will include Social Rent and Intermediate Home Ownership tenures as the affordable housing provision. Affordable Rents will not be permitted to be used to substitute for either Social Rent or any Intermediate tenure.

However, the Council recognises that through current funding arrangements for Government/HCA funded social housing will almost exclusively be for Affordable Rent, and the Council fully supports Affordable Rent developments funded by the HCA or Recycled Capital Grant Funding providing they accord with Planning policy.

### **7.3 Bedroom Sizes**

Registered Provider modelling has suggested that the discrepancy between Target or Social Rents and Affordable Rents increases in line with the number of bedrooms provided. Therefore the Council would expect that for properties that have four bedrooms or more Registered Providers give careful consideration with regard to tenure. Whilst it is recognised that larger properties may be the type in short supply and that fixed term tenancies could be aimed at fully utilising, there may be affordability issues. Housing Benefit changes due in April 2013 discourage under-occupation however they would not affect a lot of economically active households who do not receive help with housing costs, which may make fixed term tenancies appear useful to mitigate under-occupation in certain circumstances.

### **7.4 Vulnerable People**

The Registered Providers' tenancy policies should take into account the needs of vulnerable households and in doing so ensure tenancies granted provide a reasonable degree of stability. According to the Regulatory Framework vulnerability can be due to a household containing children, having a disability or illness or by virtue of age. However, there are other vulnerable households who receive housing related support via the Supporting People programme (or self-payers through the same or similar providers) who are not explicitly stated in the above groups.

The Council expects that most vulnerable households would not be suitable customers for the Affordable Rent tenure if they are in supported accommodation for which support is a condition of the tenancy. In most cases, the accommodation will be classed as 'exempt accommodation' and the rents would be higher than what would be achieved with an Affordable Rent, therefore Affordable Rents would be likely to lose money for the Registered Provider and would not be appropriate.

Short Term Supported Accommodation is usually required under the Supporting People programme to be for a *maximum* of 2 years, and therefore not compatible with the *minimum* term (in exceptional circumstances) for an Affordable Rent fixed term tenancy, as the aim of the support service is to support the client to more independent living in less than 2 years. Therefore Affordable Rent is not suitable for short term support based accommodation.

Vulnerable Households in need of support are likely to be in need of a stable environment and therefore in most cases, fixed term tenancies would not be appropriate for long term accommodation based supported households. It is important that client groups such as people with learning disabilities or physical disabilities have a high level of security of tenure due to the nature of their support needs.

Older Persons' accommodation is the only long term Supporting People client group where setting the rent at 80% of local market rents is likely to generate an increase in rent. However, in older people's schemes with communal facilities and/or support provided on site, setting the rent at Affordable Rent levels may not be entirely feasible. Where support charges are included in the rent, this would go against the principles of personalisation and choice. Therefore it may be that the Affordable Rent model is unlikely to be used for older people's sheltered schemes with support on site due to rent complications.

For older people's accommodation where support is not a condition of the tenancy, for example, new bungalows built with HCA grant, it may be necessary to use the Affordable Rent tenure. However, it should be ensured that rents are affordable for the target client group and would therefore not be expected to exceed the Local Housing Allowance. However, in line with all long term Supporting People client groups, fixed term tenancies could cause unnecessary uncertainty which would not be conducive to the wellbeing of older people.

Therefore the Council would not consider fixed tenancies to be appropriate for the Supporting People client groups listed above whether older people, people needing short or long term accommodation based support. In most cases the Affordable Rent tenure would not be feasible, although it is recognised it may be necessary for some older people's new build accommodation.

## **8. Further Tenancy Policy Considerations**

### **8.1 Succession of Tenancy**

Under the Localism Act 2011 statutory succession rights have been preserved which Registered Providers must comply with. The Localism Act 2011 also allows Registered Providers to express terms in tenancy agreements to give assured tenants additional succession rights if they so wish. The Council expects Registered Providers to make clear their policy regarding the granting of discretionary succession rights and in particular take account of the needs of vulnerable household members when doing so.

### **8.2 Right to Buy and Acquire**

Affordable Rent and flexible/fixed term tenancies will not affect any household's Right to Buy in the borough as there have been no Council housing stock tenancies granted in the borough since 2007. The Right to Acquire option will be available to

tenants paying Affordable Rent whether they have lifetime or flexible/fixed term tenancies, providing they meet the qualifying criteria.

### **8.3 Mutual Exchange**

Affordable Rent tenants have the same rights as other social tenants to exchange their property. The exact specifications are set out in the Localism Act 2012 and the Transfer of Tenancies and Right to Acquire (Exclusion) Regulations 2012.

### **8.4 Complaints**

It is expected that Registered Providers comply with the revised complaints procedures introduced by the Localism Act 2011 for complaints made against a Social Landlord. Registered Providers should deal with complaints in accordance with their own complaints procedures, and should co-operate with the Council if complaints are made by a Councillor or other designated person.

## **9. Risks, Equality Consultation & Review Process**

### **9.1 Risks**

The following risks have been identified:

- Affordable Rents may not be affordable to social tenants in some areas of the borough where market rents are highest;
- Affordable Rent fixed term tenancies may lead to an increase in the numbers of households put at risk of becoming homeless.

It is hoped through this strategy and by working in partnership with Registered Providers in the borough these risks can be mitigated.

### **9.2 Equality Impact**

An Integrated Impact Assessment has been undertaken and completed on 12<sup>th</sup> October 2012. The Integrated Impact Assessment will be reviewed on an annual basis

### **9.3 Consultation and Review Process**

This strategy was the subject of a formal consultation process which ran for six weeks from 26<sup>th</sup> June to 7<sup>th</sup> August 2012.

The document was amended following the above consultation and will be reviewed on an annual basis.

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