

NOTICE OF MEETING

East Pallant House East Pallant Chichester West Sussex PO19 1TY

Telephone: 01243 785166

Website: www.chichester.gov.uk

| | |
|-----------|---|
| MEETING | OVERVIEW AND SCRUTINY COMMITTEE |
| DATE/TIME | Thursday 11 September 2014 at 10:00 |
| VENUE | Committee Room One East Pallant House East Pallant Chichester West Sussex PO19 1TY |
| | Lisa Higenbottam – Member Services Assistant Direct line: 01243 534684 E-mail: lhigenbottam@chichester.gov.uk |

Monday 1 September 2014

JOHN WARD
Head of Finance and Governance Services

AGENDA

*There will be a pre-meeting briefing at 09:30 on the day of this meeting
for the members of the Overview and Scrutiny Committee*

This agenda should be retained for future reference with the minutes of this meeting

The venue for this meeting is on the lower ground floor of East Pallant House

PART I

1 **Chairman's Announcements**

Any apologies for absence that have been received will be noted at this point.

2 **Approval of Minutes** (pages 1 to 15)

The Overview and Scrutiny Committee is requested to approve the minutes of its meeting on Thursday 3 July 2014 and the special meeting on Tuesday 22 July 2014.

3 **Urgent Items**

The chairman will announce any urgent items that due to special circumstances are to be dealt with under agenda item 10 (b).

4 **Declarations of Interests**

These are to be made by members of the Overview and Scrutiny Committee or other Chichester District Council members present in respect of matters on the agenda for this meeting.

5 **Public Question Time**

The procedure for submitting public questions in writing by no later than 12:00 on Wednesday 10 September 2014 is available upon request to Member Services (the contact details for which appear on the front page of this agenda).

MONITORING AND REVIEW

6 **Development Management Service Performance Review** [Mr A Frost (Head of Planning Services) and Mr T Whitty (Development Manager (Applications))] (pages 16 to 21)

The committee is requested to review the progress made since the restructure of the Development Management service and to consider current performance.

7 **Housing Strategy Delivery Plan 2013-18 Review** [Mrs L Grange (Housing Delivery Manager)] (pages 22 to 33)

The committee is requested to review the progress made in delivering the Housing Strategy Delivery Plan, to endorse the new target dates and to raise any areas of concern to Cabinet. The committee is also requested to note the housing delivery achievements during 2013/14.

POLICY DEVELOPMENT

8 **The adoption of new models of affordable housing delivery including shared equity** [Mrs L Grange (Housing Delivery Manager)] (pages 34 to 45)

The committee is asked to consider the proposed Intermediate Housing Policy and to recommend it to Cabinet for approval.

9 **Overview and Scrutiny work programme** [Mr S Hansford (Head of Community Services), Mrs B Jones (Principal Scrutiny Officer) and Mrs P Dignum (Member of the Overview and Scrutiny Committee)]

Education review – scope and outline plan (pages 44 to 45)

The committee is requested to agree the scope and outline plan for this review and to confirm the membership and Chairman of the group.

Corporate Plan mid-year progress review – scope and outline plan (pages 46 to 47)

The committee is requested to agree the scope and outline plan for this review and to confirm the membership and Chairman of the group.

Feedback from the meeting of District and Borough Members of the WSCC Health and Social Care Select Committee (HASC) and their officers with the Chairman of the Committee – 3 September 2014.

Mrs P Dignum and Mr S Hansford will report back on the outcomes from this meeting which was held to discuss ways of working together, HASC roles and responsibilities and how Districts/Boroughs can feed into the HASC work programme.

WSCC HASC meeting 2 October 2014

Members of this committee have been invited to attend this meeting of HASC to hear the debate regarding stroke performance at St Richards, which the committee raised to HASC as a concern some months ago.

10 Late Items

- (a) Items added to the agenda papers and made available for public inspection
- (b) Items that the chairman has agreed should be taken as a matter of urgency by reason of special circumstances to be reported at the meeting

PART II

[Items for which the press and public are likely to be excluded]

The public and press may be excluded from the meeting during any item of business whenever it is likely that there would be disclosure of 'exempt information' as defined in section 100 I of and Schedule 12A to the Local Government Act 1972

11 Community Advice Services – joint scrutiny review [Mr S Hansford (Assistant Director Communities) and Mrs C Apel (Chairman of the Overview and Scrutiny Committee)]

The draft report from the Joint Scrutiny Task and Finish Group has been circulated to Members in confidence as it has not yet been finalised. Members are asked to comment on the report in advance of Cabinet consideration of the final report on 14 October 2014.

NOTES

With the aim of reducing paper consumption, certain restrictions have been introduced on the distribution of paper copies of longer appendices to reports where those appendices are circulated separately from the agenda:

- (1) **Members of the Overview and Scrutiny Committee, the Cabinet and Senior Members** They receive paper copies of the separate appendices with their copy of the agenda
- (2) **Other Members of the Council** The appendices may be viewed via the Members Desktop and a paper copy will also be available for inspection in the Members Room at East Pallant House
- (3) **The Public and Press** The appendices relating to reports listed under Part I of the agenda which are not included with their copy of the agenda can be viewed as follows:
 - (a) on the Council's website at www.chichester.gov.uk select **Committee papers** from the **Quick links** menu in the bottom right-hand corner of the home page and on the **Committee papers** page that appears next select the link to **Overview and Scrutiny Committee – 11 September 2014** from the list of **current committee papers**
 - (b) at the main reception desk at East Pallant House Chichester or at the Council's Area Offices at Midhurst and Selsey
 - (c) by contacting Lisa Higenbottam (Member Services Assistant) on 01243 534684 or lhigenbottam@chichester.gov.uk

MEMBERS

Mrs C M M Apel (Chairman)
Mr R J Hayes (Vice-Chairman)

| | |
|---------------------|-------------------|
| Mr A D Chaplin | Mr G V McAra |
| Mr P Clementson | Mr H C Potter |
| Mrs P Dignum | Mrs J A E Tassell |
| Mrs N Graves | Mr N R D Thomas |
| Mrs E Hamilton | Mrs B A Tinson |
| Mr G H Hicks | Mr M Woolley |
| Mr S Lloyd-Williams | |

Minutes of a meeting of the **Overview and Scrutiny Committee** held in Committee Room 1 East Pallant House Chichester West Sussex on Thursday 3 July 2014 at 10:00am

Members (15)

Mrs C M M Apel (Chairman)
Mr R J Hayes (Vice-Chairman)

| | |
|-----------------|---------------------|
| Mr A D Chaplin | Mr S Lloyd-Williams |
| Mr P Clementson | Mr G V McAra |
| Mrs P Dignum | Mrs J A E Tassell |
| Mrs N Graves | Mr N R D Thomas |
| Mrs E Hamilton | Mrs B A Tinson |
| Mr G H Hicks | Mr M Woolley |

were present (14)

Overview and Scrutiny Members Absent

Mr H C Potter

Chichester District Council Members Present as Observers or Contributors

Mr M A Cullen
Mr S Oakley
Mrs C Purnell

Officers Present for All or Specific Items

Mrs S Archer – Enforcement Manager
Mr A Frost – Head of Planning Services
Ms C Hakes – Museum Manager
Mr S Hansford – Head of Community Services
Miss L Higenbottam – Member Services Assistant
Mrs J Hotchkiss – Head of Commercial Services
Mrs B Jones – Principal Scrutiny Officer
Mr S Oates – Economic Development Manager
Mr P Over – Executive Director

192 Chairman's Announcements

Mrs Apel welcomed everyone to the meeting. She advised that she had agreed a late item – Overview and Scrutiny Committee work programme - and that agenda item 6 would be moved to the end of the agenda with the late item following.

Apologies for absence had been received from Mr Potter.

193 Approval of Minutes

RESOLVED

That the minutes of the Overview and Scrutiny Committee's meeting on Tuesday 8 April 2014 are approved as a correct record.

Accordingly, Mrs Apel signed and dated the official version of the minutes.

194 Urgent Items

There were no urgent items to be considered at this meeting.

195 Declarations of Interest

Mr Woolley declared a personal interest as a Chichester City Councillor in relation to the Part II item 11 on the Novium.

196 Public Question Time

No public questions had been submitted for this meeting.

197 Feedback from the Centre for Public Scrutiny Annual Conference

Mrs Apel reported her findings from the Centre for Public Scrutiny Annual Conference and advised the committee that the conference had reinforced the importance of scrutiny and that good things were happening in scrutiny throughout the country.

RESOLVED

That the Chairman's findings be noted.

198 Review of Planning Enforcement Strategy

Mrs Archer introduced the review of the Planning Enforcement Strategy (copy attached to the official minutes). She explained the new strategy was clearer in presentation and updated the relevant legislation. She highlighted one of the key changes was the introduction of a proactive approach to checking that conditions have been complied with, particularly for major applications.

Mr McAra asked for clarification on the employment and retention of staff. Mr Frost replied that the recruitment and retention of qualified planning officers was a challenge but that this approach was preferred due to the improved case management that results.

Mr Thomas asked whether timescale for completing investigations was an issue. Mrs Archer explained that the enforcement process and associated legal processes are complex and can extend over a long period. It is important that notices are carefully drafted so as to reduce the risk of a successful appeal later on.

Mrs Tassell noted the enforcement team had been quick at dealing with issues. She asked if the cost of housing put people off applying for jobs. Mr Frost replied that it was likely to be a contributory factor.

Mrs Hamilton asked for clarification on the conditions monitoring of development sites. Mrs Archer explained that a case officer was allocated to each case to oversee its handling to completion.

Mr Hayes acknowledged that performance and progress reporting to the Planning Committee had been much improved.

Mr Clementson suggested the Planning Committee be encouraged not to place too many conditions that are unenforceable. He suggested the use of more experienced planning officers who wished to re-engage, rather than less experienced officers or police officers who had less understanding of planning law. Mr Frost acknowledged Mr Clementson's suggestion and explained that vacant posts within the team were open to any applicant that wished to apply.

Mr Hicks asked Mrs Archer how many complaints were received per year. Mrs Archer replied that there were approximately 590 complaints per year (including South Downs National Park and the Chichester District), but only around 20 notices were issued per year as breaches were frequently resolved through planning applications and voluntary compliance.

Mrs Dignum complimented the calm nature of the team in dealing with complaints. She asked why there were no penalties in retrospective applications. Mrs Archer replied that the Planning Act allows for applications to be submitted retrospectively without penalty. Mr Frost added that retrospective applications have to be dealt with in the same way as other applications.

Mrs Graves congratulated Mrs Archer. She asked how difficult other authorities found staff retention. Mrs Archer explained it was difficult to benchmark. Arun rely on unqualified enforcement officers and East Hampshire use a different job title of 'Development Compliance Officer'.

Mrs Tassell asked how alterations and destruction of an historic feature could be proven. Mrs Archer explained that the Council had two Historic Building Advisors who used a range of records and photographs to date aspects of the historic environment.

Mrs Apel asked if more staff would be recruited if the Local Plan was adopted. Mr Frost replied that the housing sites in the Plan would be expected to come forward over a number of years and so the impact on resources should not be significant in the short term but may need to be reviewed in due course.

RESOLVED

That the changes to the Planning Enforcement Strategy be endorsed.

RECOMMENDED TO CABINET

That the revised Planning Enforcement Strategy be recommended to Cabinet for approval.

199 Tourism Task and Finish Group – Progress Report

The Tourism Task and Finish Group Chairman, Mr McAra, introduced the item. Mr McAra informed the Committee that tourism is the largest private sector industry in the district and all parts of the district benefit from the visitor economy. He explained that the management and co-ordination of the tourism offering in the district is poor and, as

examples, cited the lack of signage in the Chichester City Centre and the state of the bus and train stations in Chichester. He added that, unlike other areas seeking to attract visitors, no one organisation oversees the visitor economy. The Task and Finish Group is seeking to understand where the problems are, the opportunities being missed and how matters might be improved.

Mr Oates explained that tourism is essential to the economy directly and indirectly, quoting the south east as attracting the largest tourism spend outside London. In Chichester District there are some 5 million day trips and around 1.3 million overnight stays. He explained that the Task and Finish Group had received presentations from a number of business representatives involved in the visitor economy, and had met with a number of tourism businesses, (copy of report attached to official minutes). Members had also attended a conference on culture and tourism.

Mr Oates explained that, when considering a destination to visit, visitors do not concern themselves with administrative boundaries when making their choices, and that there are core issues surrounding the viability of the district as a destination. He suggested Visit Chichester do not manage and promote the area effectively. In presenting the progress report, he asked the committee to consider whether the Council could be the catalyst for bringing together tourism businesses and organisations to create a stronger partnership to better manage and promote the area and to look at where funding might come from.

Mr Lloyd-Williams explained the environment in the centre of Chichester was poor and needed inward investment for the Cross and pedestrian walkways. Mr Oates replied that this is an area the BID is working on alongside the Council. He added that developing the visitor economy should attract investment into the district, including new businesses, hotels, restaurants and shops. Mr Lloyd-Williams asked for clarification of who was responsible for the pedestrian precincts in Chichester's North and East streets. Mr Oates confirmed this was West Sussex County Council Highways.

Mrs Apel asked what was being done about the signage issue as maps in Oaklands Park still had moss coverage. Mrs Hotchkiss replied that signage was due to be replaced within two weeks. Mrs Apel asked how long the process had taken. Mr Oates replied that he had first been shown drafts of the maps in August 2013.

Mr Hayes commended the report and the concerns about Visit Chichester, explaining that the pedestrian precincts and pavements did not prove a good experience for wheelchair users.

Mr Thomas noted that Visit Chichester had a £70,000 per year budget whereas York has a £750,000 budget. He asked whether the private sector could input financially. Mr Oates replied that the starting point had to be attracting private sector input and developing new and additional business for the private sector. Destination Management had been developed elsewhere in the country with private and public sector partnerships working well together. Investing in a Destination Management Organisation (DMO) would provide the strategy, passion and desire required in order to get the input needed.

Mrs Hamilton suggested that bed and breakfasts could be an area of expansion in summer. She explained that Visit Chichester worked well with the internet page for visitors to find a place to stay. She suggested that West Wittering beach should be mentioned in the report due to its vast amount of visitors. Mrs Hamilton disclosed a personal interest as a shareholder of the West Wittering Beach Management Company. She suggested that motorhome provision was also a potential area of growth if holiday makers could use the Festival Theatre car park. Mr Oates replied that bed and breakfast

accommodation and motorhomes sites are certainly considerations for the future. He said that the Group had not met with the West Wittering company but would like to in the future.

Mr Woolley suggested finding ways to attract hotels into the district. Mr Oates acknowledged bed space was limited. Mr Woolley explained in Chichester's twinned city illuminated buildings at night attracted business.

Mrs Graves explained that there was a strong case for a DMO. She described areas in the district that were difficult for walkers to access and should be maximised in areas such as the gateway to the National Park. She explained buses were appalling for visitors and families. Mr Oates said that a change of culture and attitude to focus on needs from the customer's perspective is essential to managing the visitor economy. In relation to the bus station Economic Development could lobby Stagecoach but a DMO with Stagecoach on board would work better long term.

Mrs Dignum described the railway station behind the River Lavant. The Canal had been doing very well. The state of the water of the River Lavant between the station and Waitrose was not visible and there were items in the water. She had told the relevant authorities and said that if the Council owned the land behind the town walls it would look completely different. Incoming groups would be put off as maintenance had not been carried out. She suggested compiling a list for a potential DMO. Mrs Hotchkiss replied that cultural change was required to look at how the district is presented to tourists, including the entrance points to the city and sponsorship of the roundabouts.

Mrs Graves asked if the National Trust would be involved. Mr Oates replied if taken forward the National Trust would be a potentially key member of a DMO.

Mr Clementson suggested West Wittering beach was very well managed although visitors caused traffic issues on the A27 and there was a lack of spend apart from in the car park. In comparison Goodwood events provided additional spend. Mr Oates acknowledged this was a key issue to turn day visitors into overnight stay visitors. Overnight visitors made up 15%-20% of all visitors, but could account for some 50% of tourism revenue. All hotels were filled during Goodwood events from Southampton through to Brighton. He added that, in relation to West Wittering, improving visitor facilities such as shower blocks and toilet blocks by the beach would encourage people to stay longer and spend more in the district.

Mr Chaplin agreed the area by Waitrose was very poor. He suggested reviewing the function of the City Centre Partnership. Mrs Hotchkiss replied that the City Centre Partnership were due back to the Committee in the autumn. Mr Oates is meeting with them monthly to assist with driving actions forward.

Mrs Tassell suggested the possibility of an exhibition hall in the district. Mr Oates replied this would be an area for a DMO to consider.

Mr Hicks asked what would happen next. Mrs Hotchkiss replied there would be a presentation by the Chief Executive of Visit County Durham on 22 July and the Task and Finish Group report would come back to Committee in September.

Mr Cullen congratulated the Task and Finish Group for starting to deal with this difficult task.

Mr Over joined the committee and declared a personal interest as the Council's representative on Visit Chichester. Mr Over explained that all points were well known to Visit Chichester. He informed the Committee that the current structure of Visit Chichester was what had been set up by the Council. He acknowledged there had not been the investment in tourism. The original plan had been for the Council to set up Visit Chichester with a strategy and then reduce involvement over time. Mr Over suggested Visit Chichester had been doing the right thing in its actions with the budget it had. He explained there had been no choice but to focus on marketing. He suggested that more financial support was needed in order to achieve more. He summarised that choice of direction for the future was either to help Visit Chichester or to start afresh. He hoped the Committee would pick the former. Mr McAra replied that as Chairman of the Task and Finish Group he had looked at Visit Chichester in depth and was very unhappy with Mr Over's summary. Mr Clementson and Mrs Tinson asked for it to be noted that they did not agree with the manner of Mr McAra's comment to Mr Over.

RESOLVED

1. That the Council should be the catalyst for bringing together businesses and organisations in the tourism sector and wider visitor economy to create a stronger partnership.
2. That the feasibility of establishing a well-resourced new model, as well as the challenges involved in refreshing the current model and making it work, be examined.
3. That a special meeting of the committee be held on 22 July 2014 to hear a presentation from Ms Melanie Sensicle, Chief Executive of Visit County Durham.
4. That sources of Council or other public funding which might be available and could be used to leverage significant additional sums from the private sector be considered.
5. That the above findings be reported back to the next meeting of this committee in September 2014.

200 Late Items

Late items to be considered at the end of the meeting.

201 Exclusion of the Press and Public

RESOLVED

That in accordance with section 100A of the Local Government Act 1972 (the Act), the public and the press be excluded from the meeting during the consideration of the following items on the agenda for the reason that it is likely in view of the nature of the business to be transacted that there would be disclosure to the public of 'exempt information' being information of the nature described in Paragraphs 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) and 5 (legal professional privilege)) of Part I of Schedule 12A to the Act and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

202 Draft Novium Business Strategy

Mrs Apel introduced the item informing the Committee that it was important to look forward. Mrs Hotchkiss introduced the Draft Novium Business Strategy. She explained the Strategy and the key areas of work contained within the document. The proposals were based on thorough research and analysis.

Mrs Hakes explained to the Committee that there was nothing fundamentally wrong with the museum but barriers to local people using the museum. She had received positive feedback from local Worthing, Bognor and Portsmouth school groups. Visitors had fed back that the museum was welcoming. There was opportunity for the museum to be a great place. Mrs Hakes encouraged people to come into the museum and share their thoughts and ideas. She also referred to the positive press and awards won for the exterior of the building, and the importance of dementia groups, children and university placements being actively involved in the museum.

Mr Woolley congratulated Mrs Hakes and asked for clarification on the function of the museum, whether it was a tourist attraction, for educational purposes or to act as guardian of the local heritage. Mrs Hakes replied it was all these things, which is why the action plan was written in sections. She explained that learning was key. Learning sessions at the museum were in demand including academic lectures and informal lectures for the Festival of Chichester. She explained that the museum was a visitor attraction for both overseas and British visitors. The museum also carried out collection research, putting Chichester on the international map.

Mr Hayes commented that the science museum in Winchester was very interactive. The space at the Novium museum was only good for accessibility.

Mr Clementson suggested the removal of the name 'Novium', as it is unclear for visitors. He suggested that although it was logical to have a Tourist Information Centre in the museum there was an issue with tourists struggling to find it as it is located on a side street. He suggested Mrs Hakes investigated an education grant from West Sussex County Council. Mrs Hotchkiss informed the Committee that the name 'Novium' had come from branding presentation to the Members of the Project Board. She explained that Tourist Information Centres work well when combined with a museum. The internal layout and retail area were being addressed. She explained that most visitors accessed the Tourist Information Centre via the internet first and acknowledged the importance of having a good leaflet. Mrs Hakes added that grants can be accessed now that the museum has become accredited.

Mrs Dignum praised the review of ideas particularly encouraging dementia awareness groups and university placements and the reorganisation of the cafe and larger information centre. She asked for clarification of how the room hire for a wedding venue would work alongside paying visitors and fit temporary exhibitions in. Mrs Hakes replied that space was at a premium. The cafe would, initially, be self-service, with a bigger operation to be considered when footfall increased. The Woolstaplers Room would be used for small weddings, and could be used in conjunction with the Guildhall and a potential package with other providers. For touring exhibitions one gallery would be more flexible and funding opportunities for changing galleries were a possibility.

Mr Thomas described the ideas as an outstanding way ahead and very encouraging. He asked what would happen with staffing and continuity going forward. Would there be links with Pallant House Gallery and Chichester Festival Theatre support groups and volunteers. Discussions had taken place with Pallant House Gallery regarding their

'Outside In' education programme and use of the Woolstaplers Room at the Museum. Secondary spend could increase if the products are reviewed along with suppliers. Mrs Hakes added that a friends group was needed as volunteers were the key. She was looking at how volunteers could be used most effectively.

Mrs Graves congratulated the staff at the museum. She noted the importance of the museum sleepover event to encourage schools and children to use the museum. She also noted the outreach work with Fernhurst and Midhurst which encouraged families to be more involved with the museum. She explained the museum entrance was an issue as visitors enter the Tourist Information Centre, not the museum. She suggested relocating the shop to the exit point of the museum.

Mr Lloyd-Williams asked for clarification on the objectives of the five year plan. Mrs Hakes replied that it was to increase the access to the Novium for local people and expand the range of income generating services available. Mr Lloyd-Williams asked what the cost to the tax payer would be over the five years. Mr Lloyd-Williams suggested it would cost £3.5 million over five years which was a difficult figure. Mrs Hotchkiss stressed that the Novium was a service that would attract a cost. However, the Strategy was designed to bring more footfall and generate additional income. Mr Lloyd-Williams asked if there were any radical solutions. Mrs Hotchkiss replied that there was a lot of work to do to get the museum on a sustainable footing.

Mrs Tassell asked what friends of the museum could be offered. Mrs Hakes replied that there were options for discounts on the hire of facilities and private access to exhibits. Mrs Hakes would speak to Pallant House Gallery and Chichester Cathedral to see what had worked for them.

Mr Woolley asked in relation to the Tourist Information Centre were the Committee aware that the City Council had ambitions to take over the Tourist Information Centre and move it to the Council House at North Street. He added that this would allow focus for the museum and would give more space for expansion plans. He suggested that the Novium could signpost other attractions in Chichester on wet days.

Mrs Apel asked if there would be Arts Council funding and what could be done about blank walls. Mrs Hakes replied that funding was possible now the museum has become accredited by the arts council. Mrs Apel suggested opening up the front of the museum rather than keeping it covered away. Mrs Hakes explained the frontage protects the archaeology. In relation to the blank walls concrete vinyl could be used to enable displays to be wall mounted. Some displays would be made using this method shortly.

Mr Cullen added that a year was needed for testing, development and time to get the ideas started.

RESOLVED

That the vision, aims and objectives in the draft Strategy be endorsed.

RECOMMENDED TO CABINET

That the revised draft Strategy be approved.

203 Re-opening the meeting to the Press and Public

RESOLVED

To reopen the meeting to the public and press during the consideration of the following item for the reason that it is unlikely, in view of the nature of the business to be transacted, that there would be disclosure to the public of 'exempt information'.

204 Overview and Scrutiny Committee 2013/14 annual report and 2014/15 work programme

Mrs Apel and Mrs Jones introduced the 2013/14 Overview and Scrutiny annual report and 2014/15 work programme (copies attached to the official minutes).

Minute 191 – Overview & Scrutiny Committee minutes 8 April 2014

The committee's concerns regarding stroke services had been forwarded to the WSCC Health & Adult Social Care Select Committee (HASC)'s Senior Advisor. A response was received saying that stroke services were being kept under review and HASC had asked for a briefing from NHS Coastal West Sussex, Crawley and Horsham and Mid-Sussex Clinical Commissioning Groups following up on a number of issues raised at the March 2014 HASC meeting. The HASC meeting on 2 October 2014 was due to receive an update on the Stroke Services review.

Chichester Wellbeing annual report 2013/14

This was emailed to all committee members for information and to raise any issues of concern. None were received.

RESOLVED

That the Chichester Wellbeing report be endorsed.

West Sussex Joint Scrutiny

A review of Community Advice Services is currently being carried out. One meeting had been held and another was due to take place on 21 July. The final Task and Finish Group report would be out in September and would come back to this committee.

Hyde

Following a request from Mr Chaplin to review housing repair and maintenance services at Hyde, an email had been sent to all members in mid-June with a briefing note from Hyde explaining the background and progress with issues experienced by local residents of Hyde properties. Jane Ball, Regional Director, had agreed to come and talk to members and a date was being sought for this to happen.

Secamb stakeholder briefing

An email from Secamb regarding a proposed new Make Ready Ambulance Centre for Tangmere had been sent to members and had been put onto the members' bulletin board for information. HASC had reviewed this proposal about two years ago and agreed

that the proposal was not considered as a major service change. Ambulances would still operate at depots across the district, only coming back to the Tangmere depot for a deep clean every evening. The committee had had concerns regarding Secamb response times in the past. Performance had been reviewed by HASC at the last meeting in June 2014 and a further report would come to the October 2014 HASC meeting.

RECOMMENDED TO COUNCIL

That the committee's 2013/14 Annual Report and work programme be noted.

[**Note** The meeting ended at 12:41]

CHAIRMAN

Date _____

Minutes of a meeting of the **Overview and Scrutiny Committee** held in the Council Chamber East Pallant House Chichester West Sussex on Tuesday 22 July 2014 at 11:30am

Members (15)

Mrs C M M Apel (Chairman)

| | |
|----------------|-----------------|
| Mr A D Chaplin | Mr G V McAra |
| Mrs P Dignum | Mr H C Potter |
| Mrs N Graves | Mr N R D Thomas |
| Mrs E Hamilton | Mrs B A Tinson |
| Mr G H Hicks | Mr M Woolley |

were present (11)

Overview and Scrutiny Members Absent

Mr P Clementson
Mr R J Hayes (Vice-Chairman)
Mr S Lloyd-Williams
Mrs J A E Tassell

Chichester District Council Members Present as Observers or Contributors

| | |
|------------------|------------------|
| Mr G A F Barrett | Mrs E P Lintill |
| Mr P J Budge | Mr D J Myers |
| Mrs H P Caird | Mr R T V O'Brien |
| Mr J L Cherry | Mrs L C Purnell |
| Mr J C P Connor | Mr J Ridd |
| Mr M A Cullen | Mr A M Shaxson |
| Mr A P Dignum | Mrs P M Tull |
| Mr J F Elliott | Mr B J Weekes |
| Mr A J French | |

Officers Present for All or Specific Items

Mr G Blackmore – Business Support Officer
Ms M Burgoyne - Rural Towns Coordinator
Mr S Hansford – Head of Community Services
Miss L Higenbottam – Member Services Assistant
Mrs J Hotchkiss – Head of Commercial Services
Mrs B Jones – Principal Scrutiny Officer
Ms K Neglia - Economic Development Planning Officer
Mr S Oates – Economic Development Manager
Mr P Over – Executive Director
Mrs D Shepherd – Chief Executive

Mr G Smith – Business Support Officer
Ms H Wassell - Front of House Officer

Outside Representatives for All or Specific Items

Dr A Clegg – Chairman Visit Chichester
Mrs M Sensicle – Chief Executive of Visit County Durham

205 Chairman’s Announcements

Mrs Apel welcomed everyone to the meeting and gave an overview of the work Mrs Sensicle, the Chief Executive of Visit County Durham (VCD), had been involved with. Mrs Sensicle previously worked in theatre, publishing and higher education. She then became Head of Marketing and Assistant Head of Tourism at Visit Brighton before moving north and helping to create VCD.

Apologies for absence had been received from Mr Clementson, Mr Hayes and Mrs Tassell.

206 Urgent Items

There were no urgent items to be considered at this meeting.

207 Declarations of Interest

There were no declarations of interests made at this meeting.

208 Public Question Time

No public questions had been submitted for this meeting.

209 Presentation on Tourism and Destination Management

Mr McAra, Chairman of the Tourism Task and Finish Group, introduced Mrs Sensicle.

Mrs Sensicle explained that she had a good understanding of the district having visited the local area on many occasions.

Mrs Sensicle gave the committee an overview of VCD. VCD was formed in 2006 as a public sector/private sector partnership. Funding was received from seven districts, one county council and a wide range of businesses including Durham Cathedral and the Durham County Cricket Club. VCD had between seven and nine staff until 2011 with a majority private sector board with two public sector members. VCD closed six tourist information centres as evidence showed that most visitors had carried out their research prior to travel electronically. They had, however, a number of visitor network points within the area.

Mrs Sensicle shared the following statements which reflect her view on destination management and tourism.

A destination is one that the consumer recognises and likes to visit. Destinations do not conform to boundaries. A successful destination has a good product to offer the customer. VCD divided visitors into like-minded groups. The place, image and identity

have to work. VCD divides Durham into Durham Dales, Valley of Durham, Durham City and Durham Coast.

Destination management only happens when the public sector is an investing partner. The public sector have long term interests in an area and take a holistic view. When destination management is a purely private sector organisation it becomes a product promotion and marketing organisation.

Destination management is best led by the private sector with significant public sector involvement. VCD had maintained its name and survived economically through public sector support. Durham County Council realised that credibility could be lost if the organisation was not privately run.

True Partnership means rarely getting your own way. Tourism is difficult to measure. Everyone thinks they can do tourism marketing. Partnership working is essential to create the best visitor experience. Visitors are involved in all aspects of an area.

An evidence base and putting your customers first is the best basis for a destination management organisation. Evidence is critical to partnership working. 'Favourite' projects are based on personal interest. VCD now has 10 years of data to base decisions on. To be engaged in destination management is to be aware of customer feedback and if customers are not happy they go elsewhere.

If a positive and proactive partnership is in place it will get the destination management it needs. VCD had only proactively encouraged tourism for 10 years. VCD received £1.2 million funding per year from the County Council, Department for Environment, Food and Rural Affairs (DEFRA), Visit England and the private sector.

VCD uses pre-arrival promotion through the website and press and provides information for people at the destination. Tourist information centres were closed as only 1% of visitors were using them. VCD dispersed the network to 16 main partners who provide visitors with information.

VCD runs a programme 'Welcome to Durham' which provides information and familiarisation to local workers. Ninety participants will have attended by the end of the year. VCD has developed its product in more rural areas with twenty dark sky discovery sites, an electric bike network and food trails. Product development has seen an increase in festivals and events such as Taste Durham.

VCD offers fundamental business support and business engagement visiting around 200 businesses each year and organising an annual networking garden party. A weekly e-bulletin is sent to 1000 businesses.

Mr McAra thanked Mrs Sensicle for her presentation. Mrs Sensicle answered members' questions as follows.

- How much financial support did Durham County Council provide to create VCD? *Durham County Council fund £800,000 per year to cover staffing, premises and some activities. Most activities are now self-funding. The Welcome to Durham programme receives £10,000 funding.*
- How did you get the private sector on board? *Much time was spent talking to people and encouraging them into the partnership. Visit England had provided £500,000 for marketing which was allocated by the Marketing Partnership. The destination management acts as a facilitator with the Partnership making the overall decision.*

VCD has a dedicated member of staff to deal with engagement. Businesses are interested in intelligence that destination management can offer.

- *Could you share some examples of figures which indicate how destination management has boosted the economy? An economic impact assessment is carried out each year alongside occupancy surveys. The visitor economy is worth £738 million, with 17 million visitors and 11,000 jobs created. Data has improved over a 10 year period.*
- *Has Durham's success led to more provision of 5* hotels or more bed and breakfasts? The first Radisson hotel opened in 2005 and the only other group hotel is the Marriott. A study was commissioned two years ago to analyse accommodation with findings showing an oversupply of self-catering accommodation. Durham needs a boutique hotel, 'glamping', inns with rooms and a holiday park. If conference facilities were improved Durham would hope to achieve two more hotels over eight years.*
- *Have more festivals been encouraged to Durham following the introduction of VCD? VCD has a Tourist Management Plan with eight key priorities. The Lumiere Festival has been held three times in Durham and is due again in 2015. The Local Authority and Arts Council both invested £500,000 as a result. Other events have included hosting an exhibition on loan from the British Library, walking festivals in rural areas and the Northern Festival of Steam.*
- *Have visitors been attracted to less obvious venues such as the Dales? The less obvious area of the Vale of Durham attracts the highest number of visitors to the area.*
- *Are visitors attracted to Durham in the winter? Most attractions close October to April or have partial opening hours with rural areas particularly struggling when there is heavy snowfall. The university calendar provides relief with 14,000 students who have visitors throughout the year. There is a growing inter-generational holiday market looking to rent properties for family occasions which providers could accommodate if they modernised to meet demand. The museum in Durham is now open all year round and holds special evenings at Christmas. A Polar Express runs on the railway in the winter. The Lumiere Festival in November attracted 175,000 people over four days.*
- *Where do you advertise and provide tourist information? VCD does not advertise in publications. Adverts are expensive and more people use online resources as a research tool. The creation of a contact database provides direct e-marketing to consumers. Social media, Twitter, Instagram and Facebook are also utilised to create a dialogue with the consumer. The destination is sold at the decision making point.*
- *If a family arrived at Durham station, following the closure of the tourist information centres how would they find out where to go (other than using online resources)? There are visitor information points across the county particularly at major attraction sites. Sixteen sites provide a level one service, offering face to face or enhanced online kiosk guidance and a specifically designed rack of literature. The rack provides the telephone number for VCD with a free point to make the call. There is a designated member of staff at VCD to support visitor information. Businesses decide if they want to come on board. There are over 300 outlets involved at different levels.*
- *Should Chichester District be working with its neighbouring authorities who surround the South Downs National Park? Visitors are not worried about boundaries and key partners should be considered from bordering authorities.*
- *Has the 'staycation' trend impacted on bed and breakfasts, and is it levelling off as prosperity returns? VCD relies on economic development staff for trends. Segmentation models were used to group people with similar values. People have become more interested in learning and improving themselves on holiday. Faith tourism has increased with visitors looking for meaningful visits, sampling multiple activities and places with some making modern day pilgrimages walking or cycling.*

- What are the car parking charges in Durham and have you had to close any public conveniences? *Parking charges are good value across the county. To stay in Durham city for a day costs £6 for a visitor. In Bishop Auckland parking is £1.50 for three hours. There have been no public convenience closures as there were not many to begin with.*
- With the increase interest in stargazing has the local authority stopped any lighting on new developments? *In some areas of the county lower light levels are used at certain times of the night and some lighting faces down rather than up. Northumberland has Dark Sky's Park Status and Durham has Dark Sky's Reserve Status.*
- How has Durham converted day trippers into overnight visitors? *Durham had 1.5 million staying visitors. To increase this number there needs to be more product in the city and improved conference facilities. The current main attractions are a castle, Cathedral and garden. A potential new attraction went elsewhere and the area is now a cinema screen for residents. The Bishop Auckland castle will be readily available from 2018 which could keep visitors longer. Self-catering numbers could improve if shorter breaks were offered. Many day visitors come to Durham 20 times a year.*
- How did VCD secure funding? *Funding required a level of credibility. Creating a tourism management plan with eight priorities helped. Investors needed to see the destination was worth investing in. The private sector provided the majority of marketing funding. Many VCD activities are now self-financing. VCD has removed its quality assurance which had disenfranchised 200 providers. Providers now feel involved. The university and Cathedral invest in the Lumiere event. There are new EU funding streams for tourism on the horizon.*

Mrs Apel thanked Mrs Sensicle for responding to the committee's request to come and speak to them and for her very inspiring presentation.

210 Late Items

There were no late items considered at this meeting.

[Note The meeting ended at 12:37]

CHAIRMAN

Date _____

Chichester District Council

OVERVIEW AND SCRUTINY COMMITTEE

11 September 2014

Development Management Service Performance Review

1. Contacts

Report Author:

Andrew Frost, Head of Planning Services

Tel: 01243 534892 E-mail: afrost@chichester.gov.uk

2. Executive Summary

Following a review of the development management staffing structure, Cabinet agreed a new structure in 2013. The structure comprises three teams; two within the CDC area focused on application type and a dedicated national park team. The teams have been operational for about a year and have settled down well.

The objectives of the review included enhancing case handling capacity within the teams (including admin); improving planning application and pre application enquiry performance and improving customer satisfaction. The review also addressed the changes to planning responsibilities arising from the designation of the South Downs National Park. The report concludes that the objectives of the review have been substantially met.

3. Recommendation

3.1. That the committee notes:

(a) That the revised staffing structure has been fully implemented; and

(b) The improved performance of the Development Management teams

4. Background

4.1. At its meeting on 9 April 2013, Cabinet agreed a new staffing structure for the Development Management applications teams. The review and subsequent implementation of the revised staff structure was a key part of the transition to a Development Management service. The new structure involved replacing the North and South area teams with three new teams: a CDC Majors and Business applications team, a CDC Minor applications team, and a dedicated national park team.

4.2. The adjustments made to the staffing structure included a team manager and principal officer in each team (with managers carrying a small caseload) and two additional case officers to provide improved case handling capacity and

enhanced customer satisfaction. One of these, a new senior officer post was to be dedicated to dealing with pre application enquiries, an important area of work in need of further improvement at that time. The post was to be funded for one year from additional planning fee income. The new staffing structure was introduced in July 2013 and following a recruitment process to fill the team manager posts and a number of ensuing vacancies, has now settled down.

4.3. In summary the new structure was expected to deliver:

- (a) A team manager and principal officer in each team
- (b) Two additional case officers
- (c) A dedicated officer to deal with pre application enquiries.
- (d) Dedicated and focused CDC teams and a national park team.
- (e) Smaller flexible teams resourced to handle the range of casework carried by the Service.
- (f) An enhanced Admin validation service.

4.4. Cabinet requested that the performance of the service be monitored and reviewed by the Overview and Scrutiny Committee after a year.

4.5. The enforcement service did not form part of the review.

5. Outcomes to be achieved

5.1. The staffing review was undertaken in light of the recently published (at that time) National Planning Policy Framework (NPPF) which makes it clear that the successful implementation of a Development Management approach involves increased emphasis on pre-application work and local planning authorities approaching decision making in a positive way, looking for solutions rather than problems.

5.2. The review recognised that in addition to dealing with planning applications, case officers' deal with casework falling into three other categories (a) requests for pre-application advice; (b) requests to discharge conditions attached to planning permissions; and (c) Appeals (Inquiries, Hearings and written representations). It was noted that whereas historically planning applications were the clear priority for staff, the increased focus on dealing with pre-application enquiries and discharging conditions efficiently was resulting in competing priorities. It was anticipated that this issue should be addressed by the restructure.

5.3. The main objectives of reviewing the staffing structure were therefore to enable increased focus and efficiency in the delivery of the Council's pre application service; to provide greater resource and resilience in dealing with major applications and to enable more efficient handling of minor and other applications to deliver quicker decisions. The review also provided the opportunity of addressing the consequences for the service of the agency arrangement with the South Downs National Park Authority.

Pre Application advice

5.4. As the Council provides a chargeable pre application advice service, it is important that we are able to meet the published service standards which

include the provision of advice within 25 days for all but major proposals where a bespoke service is generally more appropriate. The service also applies the SDNPA pre application advice scheme for development proposals within the national park where slightly different service standards apply. The development management teams also need to be capable of meeting the government's target periods for decision making on planning applications.

- 5.5. 236 requests for pre application advice within the CDC area were determined in 2013/14, a 17% increase on the previous year. 60 requests for advice have been determined so far this year (plus 71 within the national park). The scheme is, therefore, being well used by developers and agents but it should be noted that the introduction of a formal charging scheme with service standards has raised expectations regarding the quality and timeliness of the Council's response to enquiries. Details of the number of requests received and performance levels is set out in the table below:

| | CDC Pre App Scheme | | SDNPA Pre app Scheme | |
|-------------------|--------------------|---------------------------------------|----------------------|---------------------------------------|
| Period | CDC cases | No of cases determined within 25 days | SDNP cases | No of cases determined within 20 days |
| 2012/13 | 202 | 82 (41%) | 139 | 24 (17%) |
| 2013/14 | 236 | 76 (32%) | No data available | - |
| April - July 2014 | 60 | 45 (75%) | 71 | 36 (51%) |

- 5.6. It is evident that since the new staffing structure was introduced in July 2013 there has been a gradual improvement in the speed of advice being provided, particularly in the CDC area. Since April 2014 (and indeed from January), performance has significantly improved (within both the CDC and SDNP areas) and it is notable that the level of complaints about the quality and speed of the pre application advice service have tailed off.

Planning applications

- 5.7. The service received 1617 planning applications during 2013/14 within the CDC area, which represented a significant (12%) increase on the previous year. 565 applications have been submitted so far this year which would amount to a further annual increase if this trend continues. 734 applications were submitted within the SDNP area in 2013/14 whilst 294 have been received so far this year.
- 5.8. There is also significant pressure for major housing development within the district (outside the South Downs National Park) as a result of the Council's 5 year housing land supply position. Notably, 53 major applications were submitted in 2013/14 compared to 44 the previous year. 23 major applications have been submitted so far this year and so this pattern appears likely to continue in the short to medium term until the Council has an adopted and up to date Local Plan in place. Details of the percentage of applications determined within the target 8 or 13 week periods are set out below:

| App Type | Govt target | 2012/13 | 2013/14 | April-July 2014 CDC | April-July 2014 SDNP |
|----------|-------------|---------|---------|---------------------|----------------------|
| Majors | 60% | 35% | 67.3% | 100% | none |
| Minors | 65% | 38% | 66.6% | 72.6% | 80.6% |
| Others | 80% | 53.8% | 77.9% | 82.4% | 84% |

- 5.9. Notwithstanding the increased volume of major and other categories of application being submitted to the Council, performance (speed of decision) for 2013/14, measured against the national 8 and 13 week periods shows a significant improvement on the previous year with the national targets for majors and minors being met and that for others (mainly householder applications) missed by only 2.1%. The table also shows that performance so far this year has shown further improvement with all three national targets presently being exceeded.
- 5.10. These areas of work (together with planning appeals and discharging conditions) are high volume, time consuming and frequently complex and one of the objectives of the review of the staffing structure last year was to address performance and customer service issues. It is evident that the improved levels of planning performance are directly attributable to the new staffing structure and to more efficient use of the staff resources. The provision of a dedicated officer to handle pre application enquiries for all but major schemes is also a key part of the new staffing structure. Consequently, and in recognition of the value of this post in helping to maintain performance levels in respect of both pre application enquiries and planning applications, Cabinet agreed to this post being made permanent at its meeting on 8 July 2014, subject to it being funded from existing service budgets. It is also recognised that the changes made to the constitution last year in relation to officer delegation for householder applications is a contributory factor to improved performance.

Development Management Admin team

- 5.11. The key tasks of the DM Admin team include the registration and validation of new applications and experience has shown that the team are unable to cope with peaks in workload and periods of staff absence. This was addressed in the review with the addition of 1 fte via a member of staff being transferred from another service at no cost to the Council. Performance subsequently showed significant sustained improvement although this has been affected in recent months by IT related issues; the appointment and training of new staff including adjustments to the roles of the Team Support Officers, all of which has taken time to settle down and staff absence. The effect of these changes is that the team has gained an additional 2 fte's compared to the pre review position but has taken responsibility for the registration of pre application enquiries and discharge of condition and enforcement cases. A number of initiatives to improve the efficiency of the team are under consideration.

Concluding comments

- 5.12. Following the implementation of the new team structure, vacancies were advertised and have been largely filled. The two CDC teams are fully staffed. The national park team has for much of the last 12 months operated with one or two vacant posts due to difficulties in filling temporary posts arising from one member of staff being on maternity leave and another promoted into the

temporary senior officer post. During this period, the team was supported directly and indirectly by external consultants. These posts appear to have now been filled with new members of staff expected to commence employment in the coming months.

- 5.13. At the time of the staffing review, it was recognised that the balance between caseworkers and application workloads needed some adjustment to ensure that caseloads were manageable; to provide some resilience to peaks in workload and to enable performance improvement. The revised staffing structure appears to have addressed these issues successfully although it is noted that the number of applications being submitted, particularly major applications are continuing to increase. In this respect, the Council has little control over the number and type of planning applications that are submitted per year. Whilst the number of speculative applications for large scale housing schemes being submitted are likely to reduce once the Submission draft Local Plan is adopted, large scale applications are expected to come forward in the short to medium term for the strategic sites and for sites allocated in neighbourhood plans and in the Council's site allocation document, when adopted in due course. The resource implications of Hearings and Inquiries following the refusal of permission can also be significant. Given these matters, it is essential that effective workload monitoring continues to take place so that the balance between caseworkers and workloads can be kept under review and any necessary action taken. Planning application fee income is significantly up on budget (by £176,600) to the end of July and consideration may need to be given to using part of this to support further staff resources.
- 5.14. The provision of a dedicated national park team has given a clearer focus to national park work and the use of the SDNPA's IT systems. This division will become more important as the SDNPA progresses its own Local Plan as staff in the national park team will need to apply planning policies within that plan rather than the Chichester Local Plan to applications for development within the national park. These arrangements also enable a better understanding of the cost of national park work undertaken by CDC staff.
- 5.15. The Planning Services management team has recently been the subject of a restructure to reduce the number of direct reports to the Head of Planning Services. One of the outcomes is the appointment of a Development Management Service Manager to oversee the work and performance of the development management teams.

6. Alternatives that have been considered

- 6.1. None. The new teams have settled down well and are operating effectively.

7. Resource and legal implications

- 7.1. The net cost of the staffing restructure was identified at the time of the report to cabinet in 2013 to be £3,105.00 which was to be met from existing budgets. As indicated in paragraph 5.10 above, the temporary senior officer post has now also been made permanent resulting in an additional recurring cost of £37,640 which is also to be met from existing budgets.

8. Consultation

8.1. None.

9. Community impact and corporate risks

9.1. The restructuring of development management has resulted in a more effective service with enhanced case handling capacity and greater focus on the pre application stage. This is helping to ensure that community impacts are properly addressed in new development.

10. Other Implications

| Are there any implications for the following? | | |
|---|-----|----|
| | Yes | No |
| Crime & Disorder: | | X |
| Climate Change: | | X |
| Human Rights and Equality Impact: | | X |
| Safeguarding | | X |

11. Appendices

11.1. None.

12. Background Papers

12.1. Report to Cabinet 9 April 2013 on Restructure of Development Management Service

Housing Strategy Delivery Plan 2013-2018 Annual Review

1. Contacts

Report Author:

Linda Grange, Housing Enabling Manager,
Tel: 01243 534582 E-mail: lgrange@chichester.gov.uk

2. Recommendation

- 2.1. To note the progress achieved in delivering the milestones and targets in the Housing Strategy Delivery Plan, to endorse the new target dates and to raise any areas of concern to Cabinet.**
- 2.2. To note the housing delivery achievements during 2013/14 as detailed in the annual update at Appendix 2.**

3. Background

- 3.1. Last September the council adopted a new housing strategy covering the period 2013-2018 and a capital investment plan to support the priorities set out in the strategy. The new strategy took account of the main local and national issues likely to affect Chichester district over the strategy period, identified the key challenges and explained how the council intends to use its resources to address housing needs. Detailed targets for delivering the objectives were set out in the Housing Delivery Plan, and the committee requested to review the plan and its progress annually.
- 3.2. On 30 January 2014 the Secretary of State for the Department of Communities and Local Government and the Chief Secretary to the Treasury launched an independent review into the role that local authorities could play in increasing the supply of housing. The review is expected to report in December 2014 and is likely to feed into new government policy following the elections in May 2015.

4. Outcomes to be achieved

- 4.1. An updated Housing Strategy Delivery Plan which reflects changes over the past year.
- 4.2. Mitigation plans in place to resolve any risks in non-delivery of actions within timescales.

5. Proposals

- 5.1. **The Housing Strategy Delivery Plan.** It is proposed that the Housing Strategy Delivery Plan targets are endorsed and consideration given to a more extensive review of the housing strategy in 2015 to reflect any new government policy

following the election and taking into account the recommendations of the Housing Condition Stock Modelling.

- 5.2. The plan has been reviewed and Appendix 1 provides details of performance against milestones and targets. New targets and actions are proposed.

6. Resource and legal implications

- 6.1. None have been identified at this stage. A report is being taken to Cabinet in October which will seek to reallocate existing resources.

7. Consultation

- 7.1. Relevant officers have been consulted and their comments have been included in the Housing Strategy Delivery Plan review in Appendix 1.

8. Community impact and corporate risks

- 8.1. These proposals will have a positive impact on local people and communities through the provision of affordable housing and delivery of the housing strategy objectives.

9. Other implications

| Are there any implications for the following? | | |
|--|--|----|
| Crime & Disorder: | | No |
| Climate Change: | | No |
| Human Rights and Equality Impact: | | No |
| Safeguarding: | | No |

10. Appendices

Appendix 1 - The Housing Strategy Delivery Plan - Review of current performance September 2014.

Appendix 2 - Housing Delivery Annual Update 2013-14.




11. Background Papers









- 11.1. Housing Strategy and Capital Investment Programme, Cabinet, 3 September 2013.
- 11.2. Affordable Housing Delivery, Cabinet, 8 October 2013.








Appendix 1 to agenda item 7









THE HOUSING STRATEGY DELIVERY PLAN 2013-2018













Review of current performance September 2014









| Milestone Status | |
|---|--|
|  | Milestone has not been met / unlikely to be met |
|  | Milestone was not / unlikely to be met on time but has since been met or is due to be met / no-longer required |
|  | Milestone has been met /likely to be met on time |


| Housing strategy priority | Actions | Milestone | Status | Target for completion | Performance against milestones & target comments. |
|--|---|--|--|--------------------------------|--|
| Priority 1 Maximise the supply of Housing to meet local needs | 1. To put in place a Local Plan and policy base that delivers homes for local people and responds to local housing need. | <ul style="list-style-type: none"> Local Plan submitted for examination April 2014 Local Plan adopted December 2014 Site Allocation Development Plan Document December 2015 Consideration given to SHMA update December 2015 |     | 31 st December 2015 | <p>Local Plan was submitted 30th May 2014 and is expected to adopted December 2014 subject to successful examination</p> <p>The Site Allocation Document Plan Document now expected to be adopted 2017 as set out in the LDS approved by Council 20/05/14</p> <p>SHMA has already been partially updated to reflect 2011 census.</p> <p>New target date for completion 31st December 2017</p> |
| | 2. To address existing infrastructure issues and develop mechanisms to secure the infrastructure required to meet the future housing needs of the district. | <ul style="list-style-type: none"> Preliminary consultation of CIL April 2014 Draft schedule for consultation Sept 2014 Submission to Secretary of State December 2014 Examination February 2015 Adoption of CIL April 2015 |     | 30 th April 2015 | <p>Preliminary consultation of CIL & draft schedule was undertaken 17th March- 23rd April 2014.</p> <p>The timetable has been delayed due to substantive responses and changes in CIL regulations which have required consultants to provide an updated viability report.</p> <p>Revised timetable as follows: Draft Schedule for consultation 24 Nov – 5 Jan 2015</p> |

| Housing strategy priority | Actions | Milestone | Status | Target for completion | Performance against milestones & target comments. |
|---------------------------|--|---|---|---------------------------------|--|
| | | | | | <p>Submission to Secretary of State 12 March 2015</p> <p>Adoption of CIL July 2015</p> <p>The wording of the action should be changed as follows: "To develop mechanisms to secure the infrastructure required to meet the future housing needs of the district." CIL cannot be used to address existing infrastructure issues.</p> |
| | 3. To maximise delivery of affordable housing on market sites. | Minimum delivery of 550 affordable housing units over the strategy period. Average delivery of 110 per annum. |  | 31 st September 2018 | 91 affordable housing units were delivered on market sites in 2013/14. Although this is below the target annual average a number of sites were delayed and delivery in 2014/15 is expected to significantly exceed the target and make up for the deficit. |
| | 4. To boost affordable housing delivery where opportunities arise by utilising council funds and RP assets to lever in investment. | Delivery of an additional 150 affordable homes over the strategy period. Average of 30 per annum. |  | 31 st September 2018 | 13 affordable housing units were delivered as a result of the redevelopment of the ex-council hostel site, Tatchells, Midhurst. Although this is below the target annual average the number of sites delivered in 2014/15 as a result of council intervention is expected to significantly exceed the target and make up for the deficit. |
| | 5. Assess, identify and facilitate delivery of Gypsy & Traveller accommodation. | <ul style="list-style-type: none"> • Gypsy & Traveller Accommodation Needs Assessment completed April 2013 • Site study completed April 2013 • Site allocations and policies plan completed October 2013 <ul style="list-style-type: none"> • 37 pitches identified April 2014 • 37 pitches delivered December 2017 |      | 31 st September 2018 | <p>Both the needs assessment and site study were completed in April 2013.</p> <p>Instead of the site allocations and policies plan a Development Plan Document is currently being progressed as approved by Council on 20/05/14:</p> <ul style="list-style-type: none"> • Public consultation on preferred approach November 2014 • Submission to Secretary of State October 2015 • Estimated adoption March 2020 <p>The outstanding requirement for pitches not yet identified between 2014 and 2019 is now 9 pitches. Planning permission has been gained for a transit site, funding secured from the HCA and completion</p> |

| Housing strategy priority | Actions | Milestone | Status | Target for completion | Performance against milestones & target comments. |
|---|--|--|---|---------------------------------|--|
| | | | | | of the site is expected in March 2015. New target date for completion 31st March 2020 |
| | 6. Review the existing partnership arrangements and put in place a mechanism to continue to support local communities in making provision for local housing needs. | <ul style="list-style-type: none"> • August 2013 Dedicated Neighbourhood Planning officer recruited. • 31st December 2013 Review of Housing Partnerships • 31st March 2014 New arrangement in place |    | 31 st September 2018 | Neighbourhood Planning Officer appointed July 2013. The existing partnership arrangements were reviewed and approved by Cabinet in October 2013. The inaugural meeting of the new Housing Delivery Partnership was held on 4 th April 2014 and meetings are to be held every 6 months. Full details of HCA funding allocations for 2015-18 are awaited. Gaps in funding and new opportunities, including CLTs will then be considered and addressed. |
| | 7. Delivery of increases in smaller family housing to meet the needs of young forming households, downsizers and to retain & attract young working families and support economic growth. | On-going - 35% of market homes to be 1 or 2 bedroom and 50% 3 bedroom. |  | 31 st September 2018 | The housing delivery team are now proactive in seeking to increase the number of smaller market homes delivered in the district through the planning process. Unless there are exceptional circumstances the market mix is required to be in line with the SHMA recommendations as set out in the milestone. 3 sites have gone to appeal where the developer refused to comply with our requirements, 1 case gained the inspectors support and in the other 2 cases the inspector did not support our grounds for refusal. Further evidence and data is now being collected to justify our requirement and a policy dealing with this issue is included in the draft local plan. |
| Priority 2 Making the most effective use of existing stock, whilst maintaining sustainable communities | 1. To adopt new allocations scheme to ensure that affordable housing is fairly and effectively allocated. | <ul style="list-style-type: none"> • July 2013 Allocation policy approved by Cabinet • July 2013 new Allocation policy adopted. • July 2016 Review of allocation policy by Overview & Scrutiny committee. |    | 31 st September 2018 | The allocation policy was approved and adopted by Cabinet in July 2013. |
| | 2. Work with registered providers to monitor the effects of the benefit | <ul style="list-style-type: none"> • Develop a monitoring protocol via the Registered Providers Forum December 2013 |  | 31 st January 2014 | Registered providers have appointed their own tenancy sustainment officers and are unwilling to sign up to a common protocol. There is currently no |

| Housing strategy priority | Actions | Milestone | Status | Target for completion | Performance against milestones & target comments. |
|---|--|--|---|---------------------------------|--|
| | changes and ensure tenants are well informed. | <ul style="list-style-type: none"> Quarterly monitoring through forum. Report to Housing Standing Panel December 2014 |   | | evidence of any major impacts. It is suggested that the effects of universal credit are considered and reviewed when it has been fully implemented. New target date for completion 31st September 2018. |
| | 3. Work with partners to encourage residents to downsize where appropriate reducing under-occupation and improving the supply of larger homes for families. | <ul style="list-style-type: none"> Information & signposting on downsizing for all tenures to be made available on council's web site. March 2014 Identification of under-occupation through housing register and registered providers September 2014. Plan of action to Housing Standing Panel December 2014 |    | 31 st September 2018 | Registered Providers have taken direct action and have all relevant information available on their websites. All the appropriate links are in place. Registered Providers have also identified under-occupiers within their stock and provided them with all the relevant information. The new allocations scheme gives priority to households under-occupying. No further action. |
| | 4. Introduce guideline minimum space standards for all new homes | <ul style="list-style-type: none"> December 2014 Research and report to Housing Standing Panel. April 2015 Report to Cabinet June 2015 Adoption |    | 31 st July 2015 | This has been put on hold subject to the outcome of the Housing Standards Review which has considered the introduction of national space standards. To be put on hold and reviewed in 2015. |
| | 5. To use the findings of the Stock Condition Survey as a basis to review the Council's Private Sector Housing Strategy seeking to ensure that the housing stock in the district is well maintained and empty properties are bought back into use. | <ul style="list-style-type: none"> Completion of stock condition survey December 2013 Review of Private Sector Housing Strategy April 2014 Adoption of new strategy April 2014 |    | 30 th April 2014 | The stock condition survey and review of Private Sector Housing Strategy has been delayed pending BRE updating their records in-line with the latest census information. Report to cabinet and adoption of new strategy is now expected December 2014. New target date for completion 30th April 2015. |
| Priority 3 Enabling Local People to find their own | 1. Develop good practice to deal with benefit changes and introduction of fixed term tenancies. | <ul style="list-style-type: none"> Tenancy strategy adopted in January 2013 Review effects of fixed term tenancies & report to HSP March 2018 |  | 31 st September 2018 | The tenancy strategy was adopted in January 2013. A report on fixed term tenancies will go to OSC in March 2018. |

| Housing strategy priority | Actions | Milestone | Status | Target for completion | Performance against milestones & target comments. |
|--|--|---|---|---------------------------------|--|
| solutions | 2. Promote and increase opportunities for first time buyers and economically active households to access the housing market. | <ul style="list-style-type: none"> Equity loan scheme adopted January 2014. Provision of advice on low cost home-ownership options to employers in the district January 2014. 20 equity loans provided by original capital budget and revolving on-going scheme in place at no further cost to the council. September 2018 |    | 31 st September 2018 | <p>The equity loan contract with ParityTrust has now been agreed. All persons on the expressions of interest list have now been written to. Those confirming their interest will be referred to Parity. Details of low cost home-ownership options were sent out to employers in January 2014.</p> <p>It is suggested that the council consider setting up a referral system to the Help to Buy Agent for working households seeking housing advice who are unable to compete on the open market but are either in band D or ineligible to join the housing register.</p> |
| | 3. Effective targeting of discretionary housing allowance and emergency fund to those who most need it. | <ul style="list-style-type: none"> Targeting agreed with Housing Benefits and delivered by both the Housing Options Team and Homefinder lettings agency with the assistance of our partners September 2013. Review of targeting March 2014. |   | 31 st March 2014 | <p>All household affected were been written to and invited to one of two workshops to inform them of discretionary housing allowance.</p> <p>Targeting has been reviewed and it is considered that no further action is necessary.</p> |
| Priority 4 Additional support for those that need it | 1. Continue to work with other West Sussex authorities and Youth Homelessness Prevention Service to respond to the needs to homeless 16/17year olds. | On-going monitoring of homelessness applications for 16/17 year olds. |  | 31 st March 2018 | This is now dealt with by WSCC Youth Homeless Scheme. Regular meetings are attended and the scheme is monitored by the Housing Options Manager. |
| | 2. Encourage the provision of a range of accommodation to meet the varying needs of older persons including a supply of life-time homes on affordable housing sites to | <ul style="list-style-type: none"> Local plan policies to reflect the need April 2014 Requirement for life-time homes to be reflected in Housing Delivery Partnership March 2014 |   | 31 st March 2018 | Local plan policies drafted to reflect the housing needs for older persons and the draft supplementary planning document requires that on sites of more than 15 affordable homes 10% of the affordable rented housing is provided as disabled/ specially adapted housing subject to evidence of local need. |

| Housing strategy priority | Actions | Milestone | Status | Target for completion | Performance against milestones & target comments. |
|---------------------------|---|--|---|-----------------------------|---|
| | meet the need for adapted properties. | | | | |
| | 3. To continue to maximise the effectiveness of Disabled Facilities Grant & ensure private sector loans and fuel poverty advice are targeted at those most in need. | Expenditure and numbers are monitored and reported on a monthly basis. |  | 31 st March 2018 | The West Sussex Strategic Housing Group will be reviewing Disabled Facilities Grant in 2015 to determine whether more effective and efficient delivery processes can be implemented. The Housing Stock Modelling will provide information that will allow more effective targeting of private sector loans and fuel poverty advice. |

Housing Delivery – Annual Update 2013-14

1. Introduction

This report outlines the achievements made in the delivery of affordable housing in the district during 2013/14. The development programme is outlined, indicating that while the council did not achieve the district's affordable housing targets in 2013/14, the future programme is far more positive. The recession has had a severe impact on completions within the district since 2010 and changes to the National Affordable Housing Programme funding since 2011 have brought about further uncertainties in respect of grant funding, deliverability and affordability. Since 2011 government funding has been severely reduced and registered providers have had to adapt to a new funding regime. In 2013/14 the council published its new housing strategy in which the constraints to delivery were recognised and housing targets reassessed. This year new initiatives continue to be progressed to deliver affordable housing and to assist individuals experiencing housing difficulty in the current economic climate.

2. The five year affordable housing programme: delivery

- 2.1. Last year the new Chichester District Housing Strategy 2013-18 introduced new targets for the delivery of affordable homes within the district. The affordable housing target had been reviewed to take account of the level of housing that can be realistically delivered through the local plan. Delivery of affordable housing, through the quota, is now largely dependent on the delivery of market housing. There is a presumption that no government grant will be available to deliver affordable housing on market sites. Taking account of market conditions and projected delivery over the next five years, a new minimum target of 550 affordable homes to be delivered on market sites through the local plan was set over the strategy period. An additional 150 affordable homes are to be delivered through council intervention, using registered provider assets and council funding.
- 2.2. **Affordable housing delivery 2013-14.** 104 new affordable homes were provided (50 rented and 54 intermediate). 91 affordable homes were delivered on market sites and a further 13 were delivered as a result of council investment (see Appendix 1 for a full breakdown). Although this is below the target annual average, a number of site starts were delayed and delivery in 2014/15 is expected to significantly exceed the target and make up for the deficit.
- 2.3. **Additional households helped to access the housing market.** 14 households have been able to buy a home through the Government's Help to Buy equity loan scheme and a further three through a similar developer backed scheme.
- 2.4. **Council investment in affordable housing delivery** - As a result of the Council making the Tatchell's in Midhurst (an old homeless hostel) available for affordable housing £400,000 of Homes & Communities (HCA) grant was secured by Guinness for 13 affordable rented homes.
- 2.5. **Shared ownership sales.** Shared ownership homes throughout the district have continued to sell well, especially in Chichester city. Three bedroomed houses on

Graylingwell were especially popular, as a £290,000 property could be bought, on a 25% basis for £72,500, plus rent. One bedroom flats were available for £49,650 on a 30% share.

3. The five year affordable housing programme: the Capital Investment Programme

- 3.1. **Housing delivery funding and commuted sums.** At the beginning of the 2013/14 financial year the council held £1,142,216 of commuted sum money received in lieu of affordable housing. A further £207,415 including interest has been received during the year and £216,756 including monitoring fees has been spent as shown below. All commuted sums are monitored by the Section 106 Monitoring Officer and full details are included in the Corporate Governance Report.

| Affordable Housing Commuted sums | Received | Spent | Total |
|----------------------------------|----------|---------|-----------|
| 1st April 2013 | | | 1,142,216 |
| Long Meadow, Birdham | 61,815 | | |
| Land at Northmark, Hunston | 17,211 | | |
| Selsey Tram | 74,495 | | |
| The Regnum Club | 43,420 | | |
| Interest on reserves | 10,474 | | |
| The Heritage, Chichester | | 210,000 | |
| Monitoring officer charge | | 6,756 | |
| 31st March 2014 | | | 1,132,874 |

In October 2013 Cabinet approved the allocation of £1,097,383 of commuted sum funds to deliver 53 additional rented affordable homes and eight hostel spaces. This leaves £35,491 of commuted sums and £2 million of Housing Delivery partnership funds uncommitted at the end of 2013/14.

- 3.2. **The rural programme & Rural Housing Partnership** - The Rural Partnership was formally ended on 31st March 2014. 109 units have been completed to date and 30 units are currently under construction and will be completed by 31st March 2015. The delivery of 15 further units has been delayed due to site access issues. £676,954 remains in the budget to cover the remaining commitments.
- 3.3. **Hyde Martlet's Designated Reserve Account:** These are funds received by Hyde Martlet from various land, property and easement sales. The Large Scale Voluntary Transfer agreement requires these to be reinvested in new affordable housing within Chichester district. At the end of March 2013 there was a balance of £1,170,022. In October 2013 Cabinet approved the use of these funds towards the redevelopment of The Heritage site. There have been no further disposals resulting in a contribution to this fund during the year.
- 3.4. **Right to Buy Sales** – In 2013–2014, 14 ex-council properties were sold by Hyde Martlet, which resulted in a capital receipt to the Council of £1,011,136 which goes into the council's general capital budget.
4. **Future affordable housing delivery secured through S106 Agreements** – During the year the housing delivery team were involved in the completion of 16 Section 106 agreements which will result in the future delivery of 392 affordable homes and commuted sum payments of £566,400.

- 5. Market housing delivery** – The housing delivery team are now proactive in seeking to increase the number of smaller market homes delivered in the district through the planning process. Unless there are exceptional circumstances the market mix is required to be in line with the SHMA recommendations. Three sites have gone to appeal where the developer refused to comply with our requirements, one case gained the inspectors support and in the other two cases the inspector did not support our grounds for refusal. Further evidence and data is now being collected to justify our requirement and a policy dealing with this issue is included in the draft local plan.
- 6. Future affordable housing delivery** - More than 300 affordable housing units are expected to be delivered in 2014/15. This is largely a result of market schemes that stalled in the recession, now progressing. Delivery in 2015/16 is expected to meet the affordable housing target. Beyond 2016 there is likely to be a steady supply of sites for market housing. Affordable housing delivery will depend on grant availability, government policy and registered providers delivering under the current funding restraints. The Government has commissioned an independent review into the role that local authorities could play in the increasing the supply of housing, which is expected to be published in December 2014.

APPENDIX 1
Affordable Housing Completions 2013-14 1st April 2014

| Scheme Name | Parish | RP/Provider | Site Type | Programme | | | Affordable Unit Types | | | | | | | | | | | |
|---|------------|-----------------|----------------------|-----------|-----------|-----------|-----------------------|-----------|----------|----------|----------|----------|----------|----------|----------|-----------|----------|----------|
| | | | | Rent | SO | Equity | 1BF | 2BF | 3BF | 1BB | 2BB | 3BB | 1BH | 2BH | 3BH | 4BH | 5BH | |
| Longmeadow (Longmeadow) | Birdham | Guinness | s106 | 7 | | | 5 | | | | | | | | | 2 | | |
| | | | | | 3 | | | 3 | | | | | | | | | | |
| Roussillon (Triangle block) | Chichester | Hastoe | s106 | 6 | | | 5 | 1 | | | | | | | | | | |
| | | | | | 7 | | 1 | 6 | | | | | | | | | | |
| | | | | 6 | | | | | | | | | | | | 3 | 3 | |
| | | Radian | s106 | 4 | | | | | | | | | | | | 2 | 2 | |
| Marshall's (Lion Park) | Chidham | | | 6 | | | 6 | | | | | | | | | | | |
| | | Landspeed | s106 | | | | | | | | | | | | | | | |
| | | | | | | 11 | | 9 | | | | | | | | 2 | | |
| Graylingwell West Core (Ph. 2a tranche 2) | Chichester | Affinity Sutton | s106 | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| | | | | | | | 12 | | | | | | | | | | | |
| Graylingwell West (Ph. 2a tranche 3) | Chichester | Affinity Sutton | s106 | | | | 4 | 8 | | | | | | | | | | |
| Graylingwell West (Ph. 2a tranche 4) | Chichester | Affinity Sutton | s106 | | | | 1 | 4 | | | | | | | | | | |
| Graylingwell West (Ph. 2a tranche 5) | Chichester | Affinity Sutton | s106 | | | | | 4 | | | | | | | | | | |
| Grant for this year's units (SO £8,200 p.u.) | | | | | | | | | | | | | | | | | | |
| Selsey Tram | Donnington | Guinness | s106 | 8 | | | 4 | 4 | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | |
| Tatchell's | Midhurst | Guinness | Social - CDC enabled | 13 | | | | 2 | | | | | | | | 11 | | |
| | | | | | | | | | | | | | | | | | | |
| TOTAL | | | | 50 | 43 | 11 | 38 | 41 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 18 | 5 | 0 |
| OTHER - Developer First Buy, HomeBuy etc | | | | | | | | | | | | | | | | | | |
| Marshall's (Lion Park) | | N/A | s106 | | | 3 | | 3 | | | | | | | | | | |
| Help to Buy Equity Loans | | | | | | 14 | | | | | | | | | | | | |
| | | | | | | 17 | | | | | | | | | | | | |

Chichester District Council

OVERVIEW AND SCRUTINY COMMITTEE

11 September 2014

The adoption of new models of affordable housing delivery including shared equity

1. Contacts

Report Author:

Linda Grange, Housing Enabling Manager,
Tel: 01243 534582 E-mail: lgrange@chichester.gov.uk

2. Recommendation

- 2.1. **That the committee considers the proposed Intermediate Housing Policy and recommends it to Cabinet for approval.**

3. Background

- 3.1. The council is committed to delivering mixed and sustainable communities and seeks to deliver both affordable rented and intermediate housing on all sites wherever this best meets local needs. In the past the intermediate affordable housing delivered in the district has been largely in the form of the Homes & Communities Agency's (HCA) shared ownership (SO) model delivered by our registered provider (RP) partners. However there are a number of limitations and restrictions with this model referred to in the proposed policy.

4. Outcomes to be achieved

- 4.1. The proposed policy provides a more flexible approach which overcomes the restrictions of the traditional shared ownership model, supports the draft Planning Obligations and Affordable Housing Supplementary Planning Document and reflects current government policy direction, i.e. less reliance on government grant and registered provider provision of affordable housing.

5. Proposal

- 5.1. To adopt the draft policy which allows a range of options for the delivery of intermediate housing within the district, in line with the NPPF; and introduces an affordability formula to be applied to equity share / discounted sale models to ensure that intermediate housing is affordable to local people
- 5.2 The benefits include
- the ability to deliver intermediate affordable housing on all market sites where appropriate to best meet local need and community sustainability;

- the ability to deliver intermediate housing which is genuinely affordable to local people; and
- a greater choice of affordable housing providers.

5.2. Risks to be considered.

- Many of the for-profit providers are not registered and therefore not regulated by the HCA. This should make no difference to the build quality as following the Government's Housing Standards Review building standards of all housing are to be streamlined. The section 106 agreement will still set out the affordable housing requirements which are enforceable by the council. If an unregulated for-profit provider is bankrupted the receivers will be bound by the affordable housing requirements within the section 106 agreement.
- Inappropriate investors/ developers could enter this market. This risk can be minimized by basic background checks and/or references.

6. Alternatives that have been considered

- 6.1. The council has already piloted the discounted equity and equity share scheme. Further details and examples are included in Appendix 2.
- 6.2. The possibility of the council taking a direct involvement in the property disposal by either owning a share or having a charge over the property has been explored. However developers generally expect an up-front capital sum. With such a model they would incur more risk and marketing costs than if they were to transfer properties to an affordable housing provider. However this model will be kept under review and reconsidered should an opportunity arise.

7. Resource and legal implications

- 7.1. The council will not incur any additional costs as a result of this proposal and no public capital grant or subsidy is required. However additional resources are likely to be incurred by legal and housing officers in drawing up section 106 templates to ensure such housing is available to local people and remains affordable in perpetuity.

8. Consultation

- 8.1. There has been extensive research of models adopted by other councils, discussions with providers and advice sought from legal officers.
- 8.2. Senior managers have been consulted and their comments have been included within the policy.
- 8.3. The Cabinet member for Housing and Planning has also been consulted

9. Community impact and corporate risks

- 9.1. These proposals will have a positive impact on local people and communities through the provision of affordable housing.

10. Other Implications

| Are there any implications for the following? | | |
|--|-----|----|
| Crime & Disorder: | | No |
| Climate Change: | | No |
| Human Rights and Equality Impact: An Equality Impact Statement has been produced and is available on the Council's website as a background paper. | Yes | |
| Safeguarding: | | No |

11. Appendices

Appendix 1 - Chichester District Council Intermediate Housing Policy

Appendix 2 - Examples of Intermediate Housing for Sale.

12. Background Papers

12.1. Chichester District Housing Strategy 2013-18.

12.2. Draft Planning Obligations and affordable Housing supplementary Planning Document, Development Plan Panel, 17 July 2014.

12.3. Affordable Housing Delivery, Cabinet, 8 October 2013.

12.4. Equalities Impact Assessment

Appendix 1 to agenda item 8

New models of affordable housing delivery including shared ownership

CHICHESTER DISTRICT COUNCIL – INTERMEDIATE HOUSING POLICY

September 2014 (DRAFT for Overview and Scrutiny Committee consideration)

1.0 Introduction & background

The council is committed to delivering mixed and sustainable communities and seeks to deliver both affordable rented and intermediate housing on all sites wherever this best meets local needs. In the past the intermediate affordable housing delivered in the district has been largely in the form of the Homes & Communities Agency's (HCA) shared ownership (SO) model delivered by the council's registered provider (RP) partners. Nominees purchase a 30-70% equity share in the property (based on current market value) and pay rent on the remaining share (usually 2.75% p.a. of the value of the RP's share, divided over 12 months). The shared owners can usually staircase to 100% ownership (80% in rural parishes) in tranches, and the property is revalued each time.

There are however a number of limitations and restrictions with this model.

- Although a smaller mortgage is needed, enabling people to buy who could not afford a full mortgage, it is relatively expensive overall. Money for rent, which would otherwise be spent on mortgage payments, must be paid. SO purchasers are usually unable to benefit from the most competitive mortgage rates as lenders class them as a higher risk. This model is more affordable/ advantageous when interest rates are high and rents low. In the longer term it will cost the SO buyer much more than if they had been able to buy a property in the conventional way.
- This is a national model. The sale values of SO units are based on market values and do not take account of local affordability. Even with SO, property may be unaffordable for many local people as Chichester District is more expensive than neighbouring districts such as Arun or Havant.
- In the past developers and RPs have expected SO units to cross-subsidise the affordable rented units which is unfair to those in SO dwellings.
- HCA grant is no longer generally available for the delivery of new SO units, therefore there is less incentive for RPs to deliver this tenure.
- Section 300-302 of the Housing and Regeneration Act 2008 enabled the Secretary of State to designate "Protected Areas", ensuring SO dwellings are retained as such in areas where they would be difficult to replace. All rural parishes within the district are in Designated Protected Areas (DPAs). Although the council can request a waiver from the HCA, it is considered that this should only be done on a strategic site as identified in the local plan. Generally it is expected that such units in rural parishes would remain as affordable homes for local people. Many RPs are unwilling/ unable to take on SO units within DPAs either because of restrictions imposed by their lenders or because they consider that there is additional risk involved in developing such properties.
- Many RPs are unwilling to take on single affordable housing units or small developments in more remote rural areas as it is not cost-efficient in terms of development and management.

- Currently the HCA requires that rents on new affordable rented units are charged at 80% of market values unless there is robust justification for not doing so. As these rents are linked to market rents they do not take into account local incomes and affordability for people on the housing register.

Over the last 10 years the council has piloted a discounted sale scheme and used this model where a developer has been unable to find a RP to take on the SO units on a site. The developer sells the properties to people with a local connection at a discounted price, usually 50-75% of market value. The deeds of these properties contain a restrictive covenant ensuring that these properties can only be sold on, at the same percentage discount, to local people. A charge is registered with the Land Registry which requires the council to formally approve any future purchaser before the deeds of a property can be transferred. This scheme has proved a successful and effective alternative means of providing low cost home ownership, particularly where the affordable quota comprises of a single unit.

Officers have also explored various forms of equity share models with the council taking a direct involvement in the property disposal by either owning a share or having a charge over the property. This ensures that the properties remain affordable in perpetuity on DPA sites and allows the council to benefit from the sale proceeds of additional tranches of equity.. However, the council is unable to insist that developers provide the intermediate housing in this way. Developers generally expect an up-front capital sum, and under this model they also incur more risk and marketing costs than if the properties are transferred to an affordable housing provider. This will be kept under review and considered further should an opportunity arise.

Recently the council has had several approaches from “for-profit providers” of affordable housing and developers proposing shared equity models for the delivery of intermediate housing. They propose monthly outgoings less than those of traditional SO models and only marginally above affordable rents. Under the council’s existing planning policy and standard section 106 agreements it is a requirement for intermediate affordable housing that, “... the owner shall not dispose of the affordable dwelling units other than to an Approved Body previously approved in writing by the council.” An approved body is defined as one of the council’s preferred RP partners or another body acceptable to the council. In the past this has been restricted to housing providers registered with the HCA. However as the grant availability for intermediate housing from the HCA is now very limited, the Government encourages a more flexible approach and delivery by for-profit providers.

The National Planning Policy Framework sets out the following definitions.

Affordable housing: “Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision.”

Intermediate housing: “...homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the affordable housing definition above. These can include shared equity products (shared ownership and equity loans), other low cost homes for sale and intermediate rent but not affordable rented housing.”

2.0 Principles of the policy

The Intermediate Housing Policy is based on the following key principles;

- to provide a framework allowing a range of options for the delivery of intermediate housing within the district,
- to meet the requirements of the National Planning Policy Framework, March 2012,
- to support the delivery of affordable housing in line with the local plan submission and draft supplementary planning document,
- to provide clear and transparent guidance for the approval of new intermediate models of affordable housing,
- to provide clear and transparent guidance for the approval of approved bodies,
- to ensure that intermediate housing is affordable to local people who cannot compete in the open market, and
- to create sustainable communities by providing a mix of affordable housing tenures to meet local needs.

3.0 Acceptable Models of Delivery

Intermediate housing may be delivered by traditional shared ownership by RP's and regulated by the HCA. Alternatively, other models may be considered. These include;

- shared ownership or shared equity models provided by “not for profit” or “for profit” providers, including community land trusts.
- discounted sale, and
- other models of intermediate housing.

These alternative models must comply with the following principles.

- Where the owner/developer is unable to find a RP willing to take on the intermediate units they may dispose of them to any council approved provider (including for-profit providers) or to an eligible purchaser(s) with a local connection.
- An affordability formula is to be applied. This is calculated by multiplying the district average household earnings by 4.5, which is then divided by the average unit market value of that particular scheme and converted into a percentage for the discounted rate, e.g.:

$$£42,260 \times 4.5 = £190,170 \text{ divided by } £351,261 \times 100 = 54\% \text{ discount rate.}$$

This rate will apply to all future sales.

- An eligible purchaser(s) is a household unable to purchase a property to meet their needs on the open market, within Chichester District and with a local connection to the district as defined in the Chichester District Allocations Scheme.
- The section106 will require the units to remain as affordable housing for future local households, subject to statutory staircasing or mortgagee conditions. Any monies

resulting from the lifting of these restrictions are to be used towards the provision of affordable housing.

4.0 Approved providers of intermediate housing

The owner shall not dispose of the intermediate affordable dwelling units other than to:

- a registered provider (for profit/not for profit), preferably one of the following:

Hyde Group

Affinity Sutton

A2 Dominion

Chichester Greyfriars

Greenoak Housing Association

Guinness Hermitage

Hanover Housing Association

Hastoe Housing Association

Home Havant

Places for People

Radian Housing Association

Raglan Housing Association

Rogate and Terwick Housing

Southern Housing Group

or

- an approved body acceptable to the council. The Head of Housing & Environmental Services will approve, in consultation with the Head of Finance and Governance, after considering satisfactory references and accounts.

The adoption of new models of affordable housing

EXAMPLES OF AFFORDABLE HOUSING FOR SALE

The examples below illustrate the principles of the different schemes and the figures are illustrative only. A change in any of the variables, such as the share percentage, mortgage costs, service costs and ground rents will affect the differentials in costs.

1. Discounted Sale

In discounted sales the freehold (or long leasehold if a flat) is owned in its entirety by the purchaser, and sold to them by the developer at less than market value. The unit must always be sold on at the same reduced percentage to other local people.

The following table details both schemes that have already been sold as discounted sale and pipeline schemes.:

| Discounted Sales | | | |
|----------------------------------|--------------|-------------------|---|
| Address | No. of units | % of market value | Notes |
| Existing schemes (19) | | | |
| Hawker Close Tangmere | 6 | 72% | Key workers only. Resales/nominations done by Raglan HA |
| Fidler Close Selsey | 6 | 70% | |
| Berwick Gardens Chichester | 6 | 70% | |
| St. Martins Chichester | 1 | 70% | Not s106, but requirement on sale of CDC land |
| Pipeline Schemes (4) | | | |
| Regnum Club Chichester | 1 | 65% | |
| High St Selsey | 1 | 65% | |
| Fieldside, Chidham | 1 | 50% | |
| Chequers, Oving Rd Chichester | 1 | 50% | |

The earlier, more numerous, units were negotiated with the developer before the council had set quotas of affordable housing. More recent schemes have been for single affordable units that were uneconomic for registered providers to take on. Older schemes

(from 2001) were discounted to 70% of market value. Due to house price rises and increasing affordability issues, more recent schemes have been for 65% of market value and currently 50% is being sought.

Example:

Year 1:

- £250,000 market value property discounted to 70% £175,000
- Monthly mortgage (after allowing for 5% deposit) @ 4% £887

In future:

- E.g. valued at £300,000, sold on at 70% £210,000
- Original purchaser retains all the increase in value of £35,000

2. Equity Share

Current schemes in the district are:

| Equity Share | | | |
|--------------------------------|--------------|---------------------------|--|
| Scheme | No. of units | Buyer's % of market value | Notes |
| Existing schemes (17) | | | |
| Lion Park Chidham | 11 | 75% | |
| St Margaret's Convent Midhurst | 6 | | Buyer owns all property with Affinity Sutton providing a 35% equity loan at preferential rate (no interest for 5 years, then 1.75 increasing by RPI +5% p.a. after). |
| Pipeline Schemes (4) | | | |
| Birdham Rd Apuldram | 1 | Probably 75% | |
| Hunters Rest Lavant | 3 | 65% | |

There are several models of shared equity. The example shown below is where the buyer buys a freehold (or long leasehold if a flat) at a lower than market value from a CDC approved body. This company has a charge on the property so they benefit from increase in value when sold. No rent is payable on the retained equity.

Example:

Year 1

- Buyer buys freehold at 70% of £250,000 market value £175,000
- Approved body has a charge on the 30%, but buyer pays no rent or interest on this
- Monthly mortgage (after allowing for 5% deposit) @ 4% £887

In future

- Market value £300,000, buyer's 70% valued at £210,000
- Buyer staircases to 100% by paying a further sum of £90,000
- £45,000 each goes to approved body and the council

A purchaser can choose not to staircase at all, to partly staircase or to completely buy out. All receipts are split equally between the approved body and the council.

3. Shared Ownership:

Between 2001-2014, 343 units have been built and a further 138 are planned for 2014-16.

In shared ownership an approved body owns the freehold and sells a share to the buyer, who pays reduced rent on the retained share. The larger the share bought, the lower the rent is. Staircasing out will enable 100% ownership (except in rural areas where an 80% restriction may apply).

Example:

- 30% share of £250,000 market value unit £75,000
- Mortgage needed after 5% deposit £71,250

This is achievable for someone earning £23,750 (3x multiplier)

- Monthly mortgage payment @ 4% £380
- Rent @ 2.75% of 60% retained equity p.m. £401
- Total p.m., excluding any service charge and ground rent £781

Shared ownership is more expensive than other affordable housing for sale models, but it is more accessible for people who can only afford a comparatively small mortgage as a smaller share can be bought (30% rather than 70% in the above example). For many people a mortgage multiplier of 3x salary will not be enough for even 70% of market value.

EDUCATION REVIEW TASK AND FINISH GROUP**SCOPING DOCUMENT AND OUTLINE PLAN**

| Review topic | Education Review 2014 |
|--|---|
| TFG members | Five members of this task and finish group to be sought at OSC 11 September 2014. Chairman to be confirmed at this meeting. |
| Officer Support | Steve Hansford, Matt Gover, Bambi Jones |
| Background | Previous concern in 2012 re secondary school GCSE performance and uncertainty about future status of schools. Readiness for school has been a concern arising from task and finish group work. |
| Purpose of review | The task and finish group will consider the current performance of schools in the Chichester district, the current status of secondary schools and children's readiness for school (i.e the under 5s at first entry to primary school). |
| Outcomes to be achieved | Understand progress in GCSE performance. Understand relationship/role at WSCC with academy performance. Understand issues related to readiness for school. |
| Methodology/ approach | As set out in the project plan below. |
| In scope | Key stage results and CGSE performance Status of Chichester secondary schools WSCC role on academies Readiness for school |
| Excluded from scope | Youth Service review |
| Consultation | WSCC – primary and secondary education and early years provision – WSCC representative The Kemnal Academies Trust (TKAT) – TKAT regional manager |
| Evidence sources | Educational data – Ofsted |
| Site visits | N/A |
| Review completion date | Report to OSC 18 November 2014. |
| How does the review link to strategic aims and priorities? | Promote economic development; support vulnerable people and communities; |

PROJECT PLAN

The following Project Plan interprets the above action plan into a programme of work.

| | Action | Timescale |
|---|---|------------------|
| 1 | First meeting to consider education stats. | Late Sept |
| 2 | Second meeting as required to hear from education providers and WSCC. | Early to mid Oct |
| 3 | Final report to OSC 18 November 2014 | 31 Oct |

CORPORATE PLAN TASK AND FINISH GROUP

SCOPING DOCUMENT AND OUTLINE PLAN

| | |
|--|--|
| Review topic | Corporate Plan Mid-Year Progress Review 2014 |
| TFG members | Mr G McAra, Mr J Cherry (non-member), Mr S Lloyd-Williams and Mrs P Dignum. One further member is sought on this group (if any members want to drop out then we need to increase this number). A Chairman to be appointed (Mrs Dignum chaired this group in 2013). |
| Officer Support | Amie Huggett, Bambi Jones and service areas where necessary. |
| Background | The Council's Corporate Plan was reviewed earlier this year. A number of new project proposals were developed together with new actions to meet priorities within the plan. The Corporate Plan annual review 2014 was agreed by Council on 28 January 2014. It is timely that a review is undertaken mid-way through the year to ensure that the council is achieving satisfactory levels of performance against the key project areas in the plan. |
| Purpose of review | The task and finish group will consider a mid-year progress report for the period April to September 2014 and will identify any further action that needs to be taken to challenge poor performance and to reduce any risk to an acceptable level. |
| Outcomes to be achieved | The council's key projects are monitored for successful delivery. Action is taken to address any risks to the Council as a result of poor performance. |
| Methodology/ approach | As set out in the project plan below. |
| In scope | Review of progress against 2014/15 Corporate Plan projects. |
| Excluded from scope | Review of the council's priorities. Setting 2015/16 Corporate Plan. |
| Consultation | None required. |
| Evidence sources | A mid-year performance report against Corporate Plan projects printed from Covalent performance management software. Performance updates from services areas. Action plans to address failing performance. |
| Site visits | None. |
| Review completion date | Report to OSC 18 November 2014. |
| How does the review link to strategic aims and priorities? | Links to strategic priorities in the council's Corporate Plan. |

PROJECT PLAN

The following Project Plan interprets the above action plan into a programme of work.

| | Action | Timescale |
|---|---|--------------------|
| 1 | First meeting to consider progress against the Corporate Plan projects for the period April to September 2014 and to identify areas where poor performance or non-completion is posing a risk to the Council and to the achievement of the expected project outcomes. | Early October 2014 |
| 2 | Second (and possibly third) meeting should there be a need to hear from service managers and assistant directors as to progress and issues affecting non-delivery of projects. | Mid-October 2014 |
| 4 | Report to Overview & Scrutiny Committee | 18 November 2014 |