



Committee: CABINET

Date: TUESDAY, 8 AUGUST 2017

Venue: LANCASTER TOWN HALL

Time: 6.00 P.M.

A G E N D A

1. **Apologies**

2. **Minutes**

To receive as a correct record the minutes of Cabinet held on Monday, 26th June 2017 (previously circulated).

3. **Items of Urgent Business Authorised by the Leader**

To consider any such items authorised by the Leader and to consider where in the agenda the item(s) are to be considered.

4. **Declarations of Interest**

To receive declarations by Members of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 9 and in the interests of clarity and transparency, Members should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Members are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

5. **Public Speaking**

To consider any such requests received in accordance with the approved procedure.

Reports from Overview and Scrutiny

None

Reports

6. **Consultation on the Introduction of Selective Licensing in the Private Rented Sector (Pages 1 - 47)**

(Cabinet Member with Special Responsibility Councillor Warriner)

Report of Chief Officer (Health & Housing)

7. **Community Housing Fund (Pages 48 - 70)**

(Cabinet Member with Special Responsibility Councillor Hanson)

Report of Chief Officer (Regeneration & Planning)

8. **Strategic Planning and Budget Timetable 2018/19 to 2021/22 (Pages 71 - 76)**

(Cabinet Member with Special Responsibility Councillor Whitehead)

Joint Report of Chief Executive and Chief Officer (Resources)

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

This is to give further notice in accordance with Part 2, paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following item(s) in private.

Cabinet is recommended to pass the following recommendation in relation to the following item(s):-

“That, in accordance with Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item(s) of business, on the grounds that they could involve the possible disclosure of exempt information as defined in paragraph 3 of Schedule 12A of that Act.”

Members are reminded that, whilst the following item(s) have been marked as exempt, it is for Cabinet itself to decide whether or not to consider each of them in private or in public. In making the decision, Members should consider the relevant paragraph of Schedule 12A of the Local Government Act 1972, and also whether the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In considering their discretion Members should also be mindful of the advice of Council Officers.

10. **Chatsworth Gardens Housing Regeneration Project - Consideration of Phase 2 Proposals (Pages 77 - 129)**

(Cabinet Member with Special Responsibility Councillor Hanson)

Report of Chief Officer (Regeneration & Planning)

11. **Heysham Gateway (Pages 130 - 208)**

(Cabinet Member with Special Responsibility Councillor Leyshon)

Report of Chief Officer (Resources)

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Eileen Blamire (Chairman), Janice Hanson (Vice-Chairman), Darren Clifford, Brendan Hughes, James Leyshon, Margaret Pattison, Andrew Warriner and Anne Whitehead

(ii) Queries regarding this Agenda

Please contact Liz Bateson, Democratic Services - telephone (01524) 582047 or email ebateson@lancaster.gov.uk.

(iii) Apologies

Please contact Democratic Support, telephone 582170, or alternatively email democraticsupport@lancaster.gov.uk.

SUSAN PARSONAGE,
CHIEF EXECUTIVE,
TOWN HALL,
DALTON SQUARE,
LANCASTER, LA1 1PJ

Published on Friday 28th July, 2017.

CABINET**Consultation on the Introduction of Selective Licensing in the Private Rented Sector****8 AUGUST 2017****Report of the Chief Officer (Health and Housing)**

PURPOSE OF REPORT			
To advise Cabinet on the benefits of introducing a Licensing scheme for Private Rented Housing in a designated area of Morecambe, and to seek approval to begin a consultation on its introduction.			
Key Decision	X	Non-Key Decision	Referral from Cabinet Member
Date of notice of forthcoming key decision	6 July 2017		
This report is public.			

RECOMMENDATIONS OF COUNCILLOR ANDREW WARRINER:

1. **Approve the development of a Morecambe Licensing Scheme including the definition of a proposed designated area**
2. **Approve the commencement of a consultation exercise with all persons who are likely to be affected by the designation in accordance with the requirements of the Housing Act 2004.**
3. **Following the consultation exercise and prior to the Morecambe Licensing Scheme being implemented, bring a report back to Cabinet for final approval.**

1.0 Introduction

- 1.1 Selective and Additional Licensing were introduced in the Housing Act 2004 giving local authorities a discretionary power to require all private rented sector (PRS) landlords in a defined geographical area to be licensed under particular circumstances. The purpose of licensing is to regulate standards of property management in the PRS.
- 1.2 Lancaster City Council currently operates a mandatory licensing scheme but only for large houses in multiple occupation (HMOs). Selective and additional licensing allow councils to extend the benefits of licensing beyond large HMOs to enable a focus on improving the management of all privately rented properties in a selected area.

- 1.3 The West End of Morecambe has the highest level of private rented properties in the district at approximately 29-33%, with some areas having as much as 80% PRS, compared with a district average of 13% and a national average of 9%. Because of the housing market failure leading to low housing demand, and the high levels of renting and anti-social behaviour, it is considered that the scheme will have a significant positive impact on the West End and compliment regeneration efforts.

2.0 Background

- 2.1 Most landlords provide decent, well-managed accommodation and follow good management practices. However, in some circumstances poor management of properties can severely impact on the community of that area because of their general condition and the anti-social behaviour of some tenants.
- 2.2 Selective and Additional licensing requires landlords within the boundaries of a designated area to obtain a licence for every property they own and to meet specified criteria laid down by the council. If they fail to obtain a licence or meet acceptable management standards, the authority can take enforcement action. Licences are valid for up to five years.
- 2.3 Implementation is subject to consultation with all persons who are likely to be affected by the designation. Government guidance suggests that this consultation should include: tenants, landlords and managing agents, other members of the community who live or operate businesses or services in the proposed designated area; and local residents and businesses in the surrounding area who will be affected.
- 2.4 There are certain mandatory conditions which must be included in a licence, and the council also has the power to set additional conditions relating to anti-social behaviour and general management of the property. In confirming that satisfactory management arrangements are in place, the council must have regard to a range of factors including: the competence of the manager; management structures; and soundness of the financial arrangements. The proposed conditions for this scheme can be found in Appendix 2.
- 2.5 The legislation also states that the landlord must be a fit and proper person as defined by legislation. The council must have regard to any previous convictions and must be assured that the person to whom the licence is granted is the most 'appropriate' person – for example, taking into account whether they are locally resident and have management responsibility. This is designed to ensure that unfit landlords cannot apply for licenses using a third party.
- 2.6 If a landlord has breached licence conditions the council can issue a fine of up to £5,000 for each offence. Operating a property without a licence in a designated area can attract a fine of up to £20,000. The council is obliged to take reasonable steps to ensure that applications are made for all licensable properties.

Choosing the area for Licensing

- 2.7 In deciding if an area is suffering from low housing demand the council must take into account the following conditions:

- the value of properties in the area, in comparison with similar properties in comparable areas;
- the turnover of occupiers in an area;
- the number of properties available and the length of time they are unoccupied.

2.8 In addition, the 2015 amendment to the Housing Act adds several other conditions to permit licensing where:

- the authority intends to carry out inspection of a significant number of properties to determine the existence of category 1 and 2 hazards, with a view to taking any necessary enforcement action;
- the area has recently experienced or is experiencing an influx of migration into it;
- the area is suffering from a high level of deprivation, which affects a significant number of the occupiers of the properties;
- the area “suffers from high levels of crime”.

3.0 Outline Proposal

Area to be Licensed

3.1 Appendix 1 contains detailed consideration of data from Police, Fire, Housing and other agencies and will help shape the area selected. Much of the data presented in the report has been broken down to a Census Output Area level. This is due to the recognition that the larger the footprint, the less targeted Licensing will be. In short, choosing an entire Ward for licensing is likely to include areas with relatively low PRS housing, relatively low ASB, crime, deprivation and relatively high housing demand. Such designations are likely to be less effective in targeting resources and more likely to face public opposition. Additionally, in selecting the area some consideration is needed to the actual administration of the initial consultation and more latterly the physical inspection of the properties as this has cost, time and human resource implications. In simple terms, the larger the area subject to licensing, the more difficult it would be to administer the scheme.

3.2 Based on the evidence in Appendix 1, two separate geographical areas of Morecambe could be considered for licensing:

- West End – An area around the border of Heysham North and Harbour towards the sea front.
- Poulton – The area centred around Clarence Street, and bordered by Queen Street, and Poulton Square.

A full list of the Census Output Areas and the postcodes which they cover can be found in Appendix3.

3.3 As this is the first discretionary licensing scheme to be introduced in the district we will start by designating a small area to make it as manageable as possible. Our recommendation is to designate the area of Heysham North and Harbour for an initial selective and additional licensing scheme, with a further scheme to be introduced in Poulton once the initial scheme is underway.

Resourcing of a Licensing Scheme

- 3.4 Lancaster City Council was successful in bidding for additional resource as part of the Transformation Challenge Award (TCA). The feasibility study has been prepared by the TCA Project Manager (Lancashire County Council employed / TCA allocation), and the consultation will be resourced under Lancaster City Council's TCA allocation.
- 3.5 The consultation is a formal and prescriptive process which needs to follow the government guidance toolkit.
- 3.6 Initial implementation work will also be undertaken by the TCA Project Manager. As development work progresses to the formal stages of engagement and consultation with landlords, tenants, residents and other parties more staff time will be required from the Private Housing Team to administer, service and develop the scheme to tailor it to the needs of the area. An Anti-Social Behaviour Team is also currently being established on a 2 year pilot basis and it is currently expected that this will be further enhanced through TCA funding. This team will work with landlords at reducing ASB and enabling landlords to manage ASB more effectively, thereby providing additional support to the proposed selective licensing scheme.
- 3.7 A fee will be charged for the cost of the licence calculated to cover the council's costs of implementation and administration of the scheme. Licensing is designed to be self-financing and cost neutral. All fees must only be used for implementation and administration of the scheme.
- 3.8 To encourage the early completion of applications, it is proposed that discounts will be offered to landlords who return applications before the stated deadline. To encourage accreditation, discounts will also be offered to landlords who are already accredited with a nationally recognised Landlord Accreditation organisation.

Next Steps

- 3.9 A minimum 10 week consultation period is required and following this a final report will be submitted to Cabinet seeking a resolution to declare additional and selective licensing in Morecambe including a schedule of proposed fees.
- 3.10 Once a decision is made, the designation is published with a three month notice of implementation. Once implemented, the scheme lasts for five years, with fees being reviewed annually to ensure the council's costs are covered.

4.0 Details of Consultation

- 4.1 The local authority are required to take reasonable steps to consult persons who are likely to be affected by the designation, and consider any representations made in accordance with the consultation.

It should include consultation of local residents, including tenants, landlords and where appropriate their managing agents and other members of the community who live or operate businesses or provide services within the proposed designation. It should also include local residents and those who operate businesses or provide services in the surrounding area outside of the proposed designation that will be affected. Local housing authorities should ensure that the consultation is widely publicised using various channels of communication.

5.0 Options and Options Analysis (including risk assessment)

	OPTION 1	OPTION 2
	Not go ahead with a consultation on the introduction of licensing	Carry out a consultation exercise on the introduction of a licensing scheme in Morecambe
ADVANTAGES	The council operates a minimum service to meet its statutory obligation.	<p>A properly administered licensing scheme should be cost neutral to the council but deliver positive benefits to the housing stock and local area.</p> <p>Residents, potential residents and investors will be reassured of the council's commitment to making improvements to the private rented sector.</p> <p>A licensing scheme would complement existing regeneration programmes.</p> <p>Resources from the TCA grant will fund the consultation.</p>
DISADVANTAGES	<p>The council are not taking advantage of all statutory tools available to them to improve conditions in the private rented sector.</p> <p>The council are not maximising the funding offered by the TCA grant.</p> <p>The council are not taking advantage of a self-financing intervention that has been demonstrated to encourage housing regeneration</p> <p>Investors interested in Morecambe may not be reassured of the council's commitment to improvement of the area as a whole.</p>	There will be some officer time committed to the consultation exercise.
RISKS	<p>Failure to meet the corporate priority of improvements to the private rental sector.</p> <p>Failure to meet outcomes for TCA grant.</p>	Complaints from landlords about increased regulation.

6.0 Officer Preferred Option (and comments)

6.1 The recommendation is to approve a consultation exercise on the development of a Licensing Scheme in an area of the West End of Morecambe. The exact boundary is defined in Appendix 4.

7.0 Conclusion

7.1 The private rented sector is the only housing option available to some of the most vulnerable people in our society. However, in some areas, properties in this sector suffer from poor conditions, management and low-level anti-social behaviour. The introduction of a licensing scheme offers the opportunity to promote a successful private rented sector. This, alongside other interventions already in place in the renewal areas of Morecambe will bring about further benefits for the community.

RELATIONSHIP TO POLICY FRAMEWORK

Improvements in the private rented sector and housing renewal in the West End of Morecambe have been identified as priorities in the 2016 -2020 Corporate Plan to support positive improvements in the health and wellbeing of residents in the district. Completion of a feasibility study is one of the success measures to the outcome of improving the health and wellbeing of our citizens.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

Diversity – The consultation will seek views from all persons affected by the designation

Human Rights – There will be no impact if the consultation is undertaken correctly

Community Safety – The proposed licensing scheme should have a positive impact on community safety

Sustainability – none

Rural proofing - none

LEGAL IMPLICATIONS

The legal implications of this consultation are contained within the report.

FINANCIAL IMPLICATIONS

It is not expected that there will be any additional financial implications arising from the proposed consultation exercise as it will be co-ordinated by the current TCA Project Manager employed by Lancashire County Council, with all other associated consultation costs being met from the City Council's TCA grant allocation set aside for consultancy work.

There will be some impact on existing City Council resources as the Housing Standards Team will be required to participate in the consultation exercise by attending public meetings and responding to questions from all stakeholders, however this should be manageable.

As stated within the report, the Selective Licensing scheme is designed to be self-financing through its fees and so it is not expected that there will be any additional cost to the Council once implemented, however a further report will need to be brought back to Members for approval following the consultation exercise, including a full schedule of proposed fees prior to the scheme being implemented, with fees being reviewed thereafter on an annual basis in line with relevant legislation and the Council's Fees and Charges Policy, where appropriate.

OTHER RESOURCE IMPLICATIONS

Human Resources: From existing resources

Information Services: None

Property: None

Open Spaces: None

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments.

BACKGROUND PAPERS

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SELECTIVE AND ADDITIONAL LICENSING IN MORECAMBE: FEASIBILITY STUDY

Williamson, Jared
LANCASTER CITY COUNCIL

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1. Introduction

1.1. Feasibility study

In order to improve the health and wellbeing of the district's citizens, Lancaster City Council (LCC), through its Corporate Plan requires a study into the feasibility of applying Licensing to the Private Rented Sector (PRS). In 2014, LCC applied to the Department for Communities and Local Government (DCLG) for a Transformation Challenge Award grant. Within the bid, LCC stated that one of their service models would be the improvement of housing standards in the PRS through targeted enforcement and the introduction of licensing. This report will focus on three wards in Morecambe – Harbour, Heysham North and Poulton – chosen for their potential suitability for selective and additional licensing. The report will identify if any of the three wards meet the conditions for selective and additional licensing. If they do, it will also consider whether it would be appropriate to apply licensing to the whole of a ward or to parts of each ward.

1.2. An Overview of Selective Licensing and Additional Licensing

Mandatory licensing of the Private Rented Sector only extends to the licensing of particular Houses in Multiple Occupation (HMOs). However, local authorities (LAs) have been given the power to introduce extra mandatory licensing of the PRS, in the form of selective licensing and/or additional licensing for HMOs, in order to tackle problems such as low housing demand or significant anti-social behaviour (ASB). The specific criteria are listed later in this section.

Additional Licensing applies only to HMOs, and extends the definition of those already subject to mandatory licensing to cover a broader definition of HMOs, for example buildings converted into self-contained flats.

The Housing Act 2004 directs that for additional licensing to be introduced, the authority must consider that a significant proportion of the HMOs in the area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise to one or more particular problems for those occupying the HMOs or for members of the public.

Selective licensing allows Local Authorities to licence all private landlords in a designated area. Initial schemes for selective licensing introduced blanket licensing across entire districts. Since April 2015, authorities must obtain confirmation from the Secretary of State for schemes covering greater than 20% of a geographical area or constituting 20% or greater of the districts PRS. Schemes that fall below 20% coverage do not need this approval.

The Housing Act 2004 has two sets of general conditions that should be satisfied for an LA to designate an area for selective licensing. The first set of conditions can be found in Part 3 of, section 80, (3):

that the area is, or is likely to become, an area of low housing demand; and(b) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, contribute to the improvement of the social or economic conditions in the area.¹

¹ <http://www.legislation.gov.uk/ukpga/2004/34/part/3/crossheading/designation-of-selective-licensing-areas/enacted>

The second set of conditions can be found in Part 3 of the Housing Act 2004, section 80, (6):

(a) that the area is experiencing a significant and persistent problem caused by anti-social behaviour;

(b) that some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take; and

(c) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of, the problem.

“Private sector landlord” does not include [F1a non-profit registered provider of social housing or] a registered social landlord within the meaning of Part 1 of the Housing Act 1996 (c. 52).²

In March 2015, the government extended these conditions to permit licensing where:

The area contains a high proportion of properties in the PRS, being properties which are occupied under assured tenancies or licenses to occupy, and one or more of specified further conditions also apply:

Housing conditions: *the local housing authorities considers it appropriate and intends to carry out inspection of a significant number of properties to determine the existence of category 1 and 2 hazards, with a view to taking any necessary enforcement action;*

Migration: *the area has “recently experienced or is experiencing an influx of migration into it”; a significant number of properties are occupied by migrants; and the designation will assist the local housing authority to preserve or improve conditions in the area, ensure properties are properly managed, or prevent overcrowding;*

Deprivation: *the area is “suffering from a high level of deprivation, which affects a significant number of the occupiers of [the] properties” and the designation will contribute to a reduction in deprivation;[3]*

Crime levels: *the area “suffers from high levels of crime”; criminal activity affects persons occupying the properties; and the designation will contribute to a reduction in crime levels “for the benefit of those living in the area”.³*

This paper will consider evidence in support of these general conditions. As some of these conditions could be applied to a number of localities in a district, it is important to identify that there is a significant proportion of PRS housing in an area. Without making this distinction it is likely that the implementation would be inappropriate and the impact would be limited.

² <http://www.legislation.gov.uk/ukpga/2004/34/part/3/crossheading/designation-of-selective-licensing-areas/enacted>

³ http://www.legislation.gov.uk/uksi/2015/977/pdfs/uksi_20150977_en.pdf

2. Areas considered for Selective and Additional Licensing Feasibility

The following section will consider the composition of the area considered for licensing. Statistics regarding the geography, population and housing will be used in order to provide an overview of the area and its people. In addition, data on housing benefit numbers and the size and distribution of the PRS market will provide an indication of how appropriate a designation for licensing would be in this area. Information used in this section has been collated from the 2011 Census data⁴. In addition, housing benefit data has been provided by the Revenue Support Team at Preston City Council.



2.1. Geography

Our analysis is focussed on three wards - Harbour, Heysham North and Poulton. Geographically, the three wards lie side by side, with Heysham North to the south, Harbour central, and Poulton to the north. A significant part of the border between Harbour and Poulton is made up of the derelict Frontierland site, resulting in a largely unoccupied zone between the two wards.

⁴ <http://www.ukcensusdata.com/lancaster-e07000121#sthash.kjxKdIHZ.dpbs>

A large part of Poulton ward is made up of Morecambe's shopping district. Within this area can be found the Arndale Centre and three large supermarkets. Additionally, there are many cafes, restaurants and pubs and clubs. Conversely, Heysham North and Harbour are largely residential. However, there are a number of smaller shops, occupying the ground floor of buildings along the main roads, especially along Regent Road.

2.2. Population

The 2011 census, provides the following data for population in the three wards:

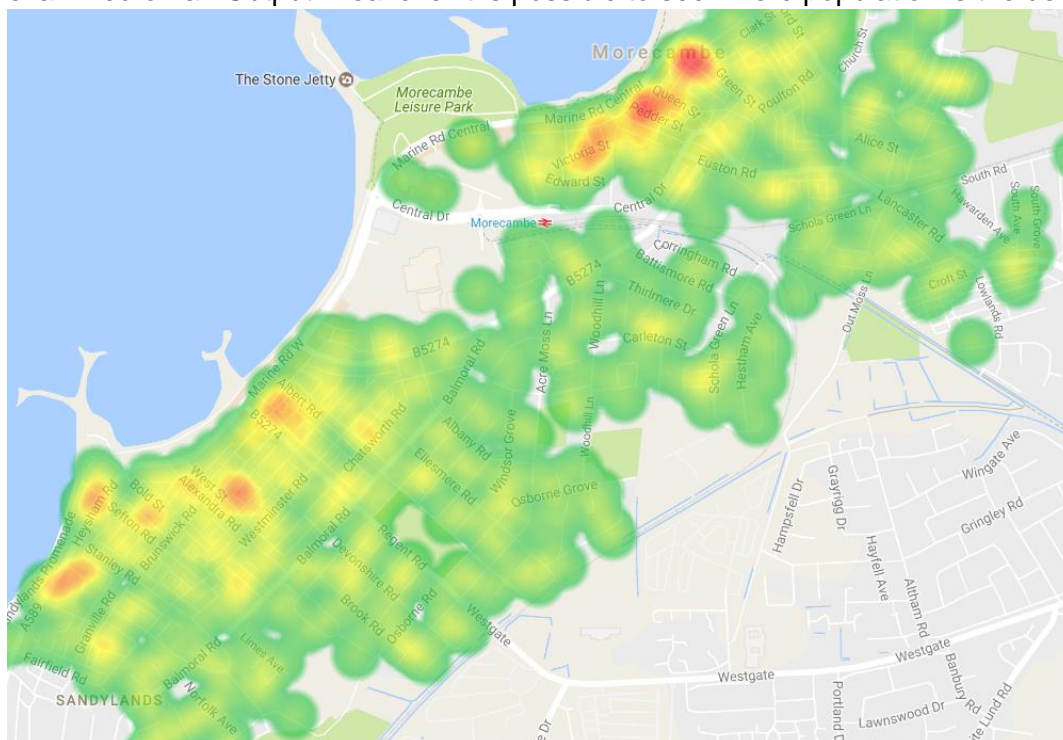
Ward	population	% of district population
Harbour	6399	4.60%
Heysham North	5274	3.80%
Poulton	7623	5.50%

The total population of the three Wards considered is 14% of the population of Lancaster District.

2.3. Population Density

area	hectares	people per hectare
district	57585.64	2.4
Harbour	108	59.1
Heysham N	79	67.1
Poulton	144	53

The three wards make up less than 1% of the districts area, yet contain 14% of its population. All three wards have a high population density. When the Census data is examined on an Output Area level it is possible to see where population is the densest:



The heat map demonstrates that the densest population for the three wards is based in two main areas – on the border between Harbour and Heysham North and in the centre of Poulton.

2.4. Mosaic data

Experian has used a variety of data sources, including credit scoring, to develop intelligence regarding demographics, lifestyles and behaviour. They have created 14 groups with 66 different categories and applied these categories to geographical areas. The wards considered for this study are all classed as ‘Transient Renters’ – single people privately renting low cost homes for the short term.

2.5. Housing

The 2011 census, provides the following data for the number of households in the three wards:

Ward	No. households	% of district households
Harbour	2843	5%
Heysham North	2334	4%
Poulton	3401	6%

Of the 57822 households counted in the 2011 census for the Lancaster District, 15% were listed in the area considered for licensing.

All three wards have a mixture of accommodation type:

Accommodation type	Poulton		Harbour		Heysham N		average
	no.	%	no.	%	no.	%	
Whole house or bungalow:							
detached	138	6%	95	5%	106	7%	5.90%
semi-detached	926	41%	1286	67%	764	48%	52.00%
terraced	1191	53%	531	28%	731	46%	42.10%
total	2255	66%	1912	67%	1601	69%	67.40%
Flat, maisonette or							
block of flats	648	60%	509	57%	392	57%	57.70%
converted house	333	31%	327	37%	277	40%	35.70%
commercial	108	10%	59	7%	22	3%	6.60%
total	1089	32%	895	31%	691	30%	31.00%

On average 67% of accommodation is listed as ‘Whole house or bungalow, with 31% listed as ‘flat, maisonette or apartment. All three wards have high concentrations of large terraced housing, formally used as holiday accommodation. The greater concentrations of these properties can be found in the West End of Morecambe, made up of the border between Heysham North and Harbour wards. A significant number of properties listed as flats or apartments have been converted from terraced properties to self-contained flats. The larger of these properties can contain as many as eight flats, though typically there will be three

flats per property. When considered at output area level, there are a number of postcodes within the three wards where over 70% of the accommodation is listed as a flat or apartment.

2.6. Tenure

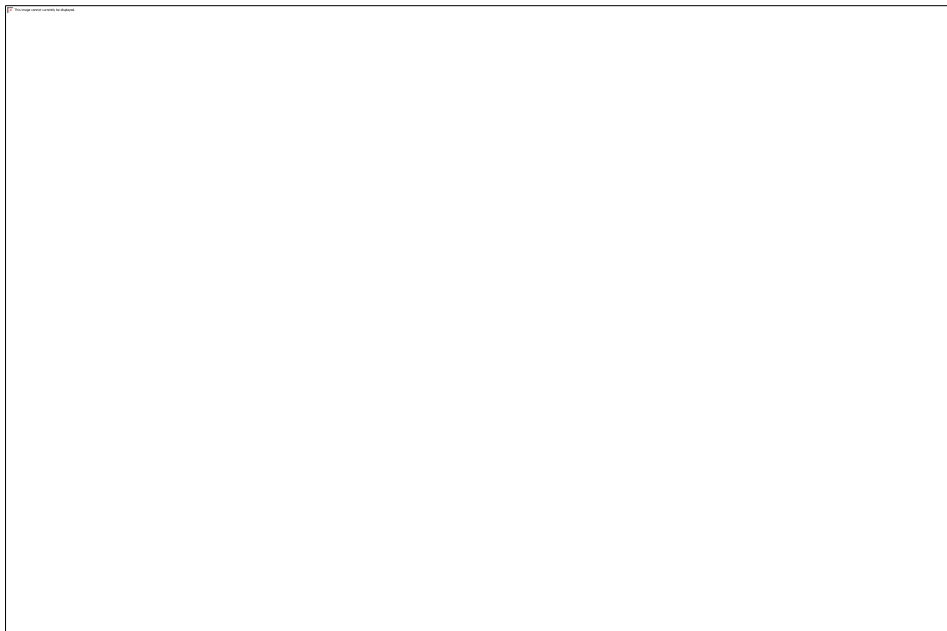
Census returns for tenure are broken down into three categories – Owner Occupier, Private Rent and Social Rent. A comparison of the 2001 and 2011* censuses provides the following data:

	% owner occupier			% private rent			% social rent		
	2001	2011	+/-	2001	2011	+/-	2001	2011	+/-
Harbour	56%	56%	0	26%	29%	3%	17%	11%	-6%
Heysham N	62%	58%	-4%	33%	38%	5%	5%	3%	-2%
Poulton	56%	53%	-3%	28%	35%	7%	15%	9.40%	-5.6%

*For 2011, the remainder of tenure stats, typically totalling 2-3%, was made up of 'other' types of tenure, such as living rent-free'.

In ten years, there has been a decrease in both the number of houses owned and in the amount of social housing. At the same time there has been an increase in the number of people living in private rented accommodation.

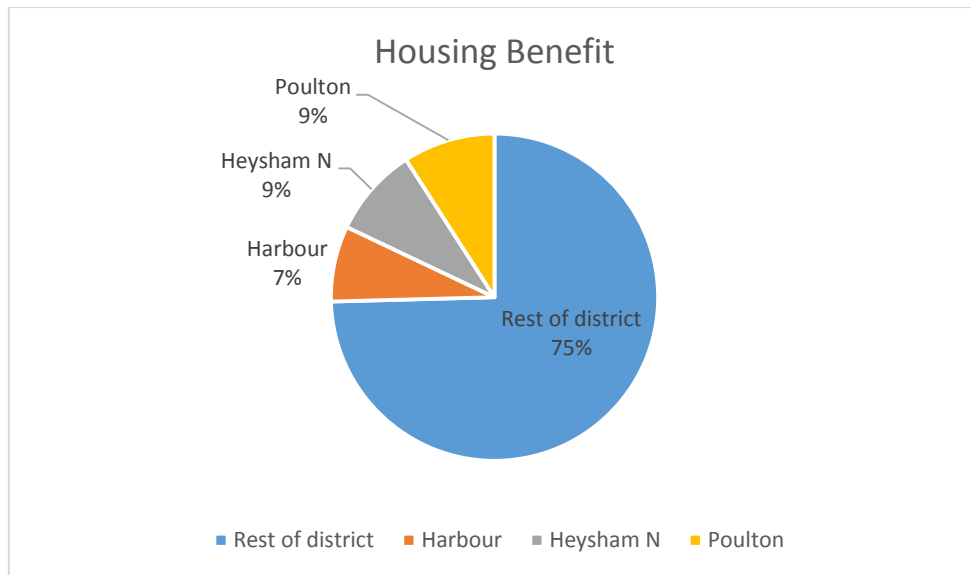
The percentages for private rented accommodation reveal more when they are considered at a Census Output Area (COA) level. By looking at the tenure statistics for private rented accommodation on a COA level, the percentage varies massively. For Harbour Ward alone, there is a range of between 5% - 80% of people living in PRS accommodation. The heat map below shows where the greatest concentrations of tenure listed as privately rented can be found:



The heaviest concentration of PRS housing can be found in two areas – the centre of Poulton ward and in the West End, covering Harbour ward and the border of Heysham North.

2.7. Housing Benefit

As of January 1st 2017, there are 6353 claimants of housing benefit for private rented properties in the district.



A high proportion of the districts PRS housing benefit claimants live within the three wards - 25% of PRS housing benefit claimants, compared to 14% of the districts population. A designation of licensing, made in this area is likely to contain a high proportion of PRS accommodation.

2.8. Summary

The three wards considered represent a relatively high proportion of the districts:

- Population
- Private rented sector housing
- Housing Benefit claimants

The decision to designate an area of Morecambe for licensing, whether it is the whole of a ward, or part of it, will have to take into consideration the information in this section, as context for the decision. A decision based on high instances of anti-social behaviour or crime, such as burglary, can only be made when considering the location in which the activity occurs. The licensing of private landlords, can only have an impact on areas with high concentrations of PRS housing. The data in this section clearly identifies that a substantial portion of the area considered is made of PRS housing.

3. Evidence in Support of Licensing in Morecambe

In order to identify the areas where licensing will be most effective and in order to provide adequate justification for a designation, we have considered a number of factors which come under the general conditions set out in the Housing Act 2004. This section will consider these factors under the following headings:

- Housing Demand
- Anti-Social Behaviour
- Housing conditions
- Migration
- Deprivation
- Crime levels

Where possible, data that has been used as supporting evidence, is current. However, in some instances the available data is from the last census. Where this is the case, there is an acknowledgement that the numbers quoted will have changed. In these instances, the data should be used as an indication rather than an accurate reflection of the situation.

3.1. Housing Demand

The first set of conditions that should be satisfied when making a designation for licensing are:

(a) that the area is, or is likely to become, an area of low housing demand; and

(b) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, contribute to the improvement of the social or economic conditions in the area.

In support of the first condition listed above we have considered data for the following:

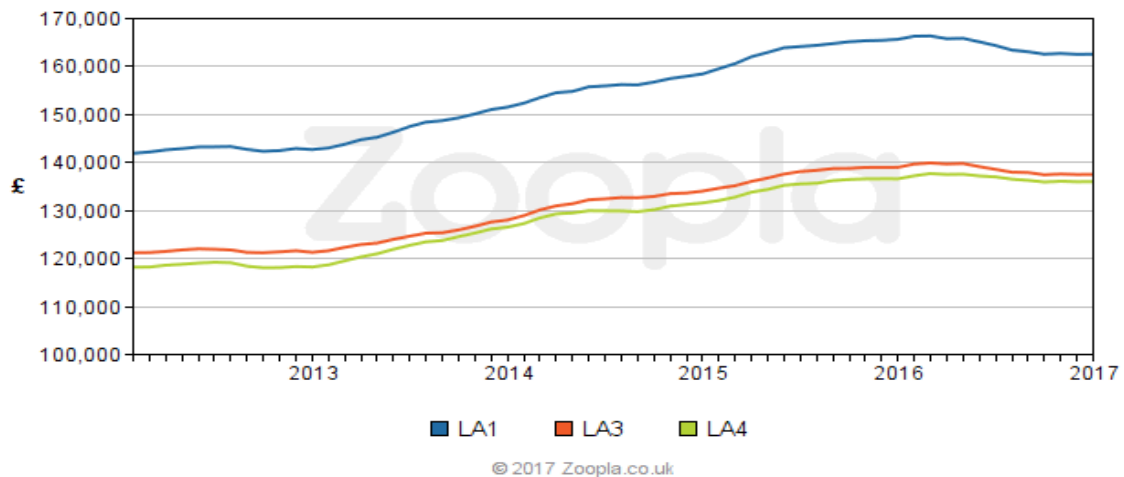
- House prices
- Number of empty homes

3.1.1. House Prices

House prices are a good indicator of housing demand. Areas of low housing demand will typically have lower than average house prices and fewer sales than other areas in a district. High instances of ASB, low employment or vagrancy will all have an impact on house prices.

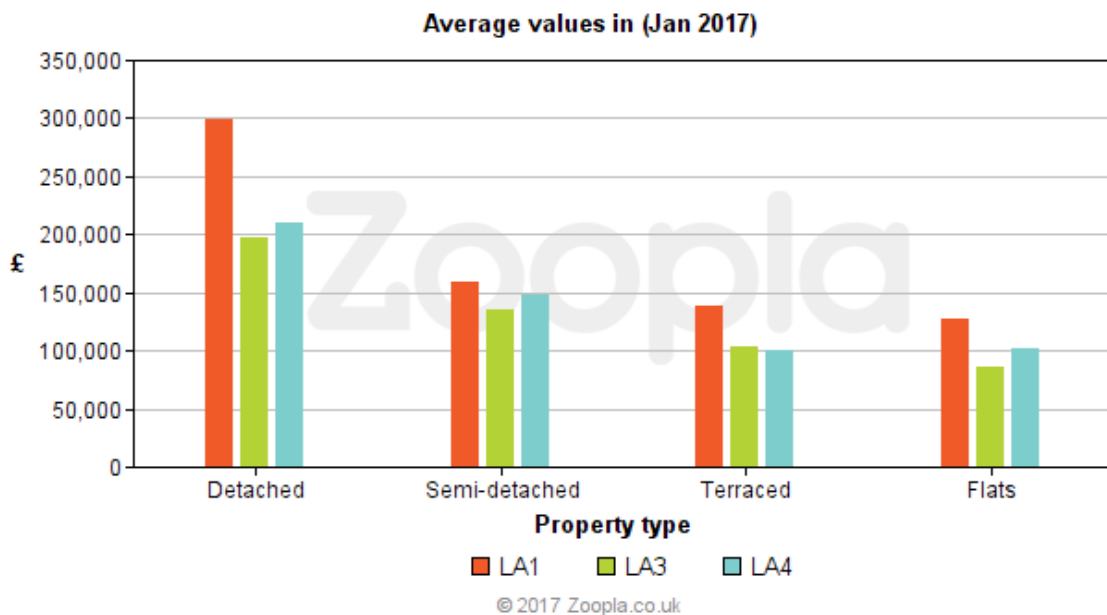
Using Zoopla⁵, we have made a comparison between the two largest population centres in the district – Lancaster and Morecambe, and specifically between the LA1, LA3 and LA4 postcodes. House prices in general are higher in Lancaster compared to Morecambe. The graph below shows a comparison of average house prices in LA1 (Lancaster), LA3 and LA4 (Morecambe and Heysham) over the last five years (to January 2017). The values for LA3 and LA4 include the whole of the area, not just the three wards considered for licensing.

⁵ <http://www.zoopla.co.uk/house-prices/>



House prices for all three postcode areas have increased at a similar rate, approximately 13%-15%. The average house price for Lancaster in 2017 is about £163,000; the average for Morecambe and Heysham is £136,000-£138,000. On average, LA1 house prices are 18% higher.

The average value can be broken down by property type:



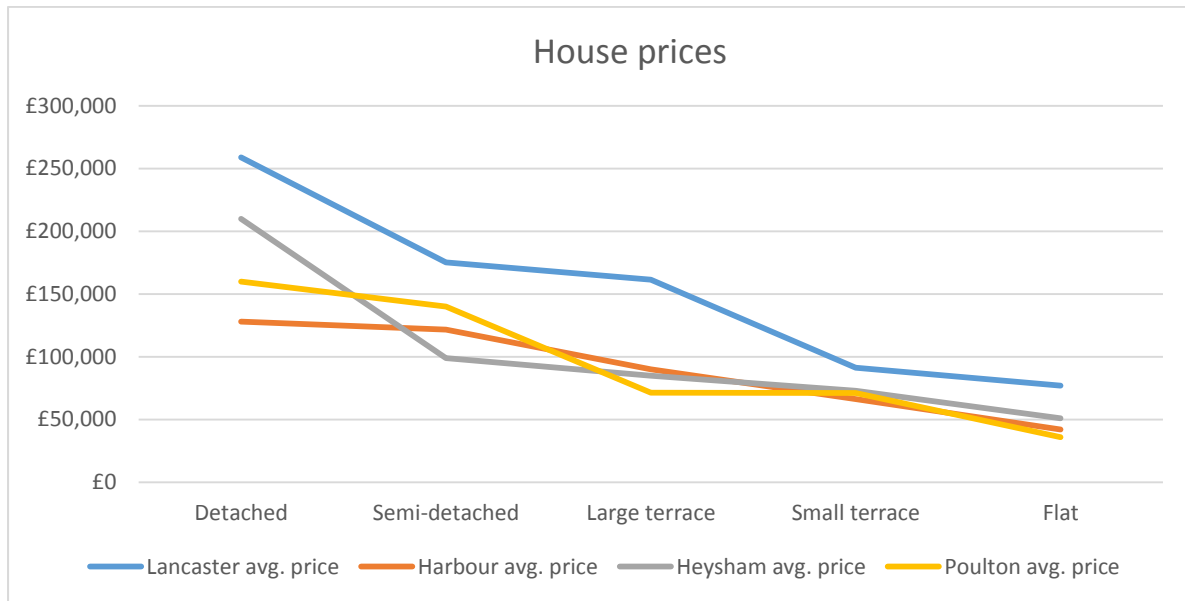
In each case, property in LA1 has a higher value. There is a very large difference in average value for detached houses in LA1. This could be attributed to the greater number of affluent areas within the LA1 postcode. There is less of a difference for the other property types, though still significant – a terraced house in the LA1 postcode is nearly 50% more valuable than one in the LA4 postcode.

A like-for-like comparison of house prices across the district, gives a better illustration of the disparity in house prices between Lancaster and Morecambe. We looked at the average house prices for a selection of property-types that are typical in the three wards:

- Detached
- Semi-detached
- Terrace
- Flat

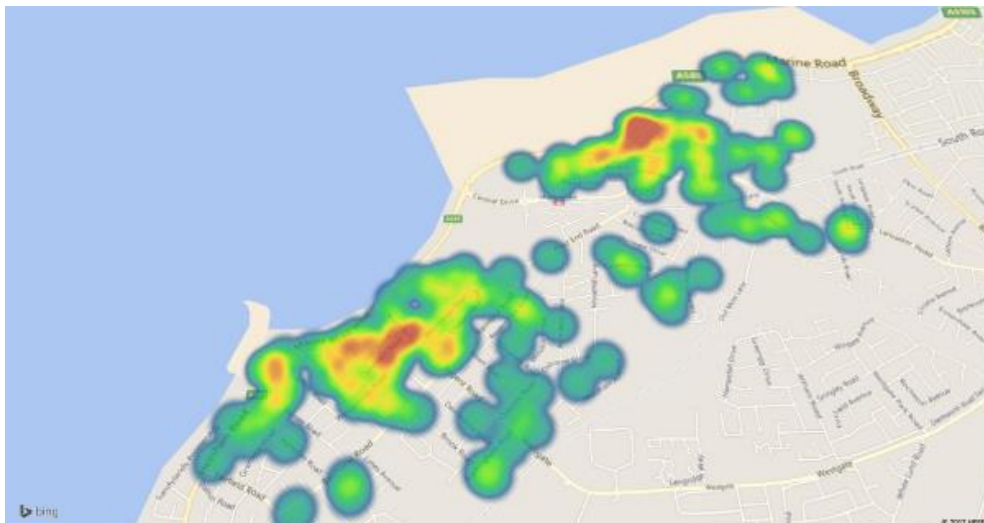
We compared these prices to a selection of similar sized properties from postcodes within the LA1 postcode:

Area	Detached		Semi-detached		Terrace		Flat	
Lancaster	LA1	£258,975	LA1	£175,086	LA1	£161,428	LA1	£77,000
Harbour	LA4	£128,000	LA4	£121,500	LA4	£90,000	LA4	£42,000
Heysham N	LA3	£210,000	LA3	£99,000	LA3	£85,000	LA3	£51,000
Poulton	LA4	£160,000	LA4	£140,000	LA4	£71,250	LA4	£36,000



House prices in Lancaster are consistently higher than in the three wards considered. The largest contrast that can be made is in the value of terraced properties, with the average price of properties in LA1 3AP being nearly twice the value of those in the three wards. This is an important contrast when consideration is made for the locality of large terraced housing in Morecambe. In all three wards, where there is a large amount of terraced housing, there are greater concentrations of population, which in turn has led to greater concentrations of ASB.

3.1.2. Empty Homes



Long term empty properties have a negative impact on a neighbourhood. If an empty property falls into a state of disrepair, problems such as damp and rot can spread to adjacent houses. Apart from the physical impact that this will have on properties in immediate vicinity, it will also affect the value of properties in the area and the overall desirability of the neighbourhood as a whole. Added to this, empty properties can quickly become a magnet for vagrancy and anti-social behaviour, such as vandalism and substance misuse.

In the district, there are currently 984 empty properties. In the three wards considered, there are 276 empty properties:

Ward	total empties	% for the district	average length of time empty (days)
Harbour	111	11.30%	1675.8
Heysham	53	5.40%	858.1
Poulton	112	11.40%	1074.5

The three wards have 15% of the housing for the district, however, they have 28% of all empty properties. The average length of time that properties are long-term empty in the district is 913 days. However, if the three wards are separated, the average length of time a property is empty is 773 days. The average length of time a property is long-term empty in Harbour ward is more than double that of properties elsewhere in the district. With 11% of all empties, and an average of 1676 days per empty property, there is a significant risk of a negative impact on housing demand and on the community.

3.2. Anti-Social Behaviour

Anti-social behaviour is the common term used to describe incidents or actions that cause damage or affect the quality of life of people, and includes activities such as:

- Fly tipping
- Graffiti
- Noise
- Vandalism

This section will explore trends between ASB and Private Rented Sector housing in the three wards. The Government’s guidance states:

‘In considering whether the area is suffering from anti-social behaviour which a landlord should address regard must be had as to whether the behaviour is being conducted within the curtilage of the rented property or in its’ immediate vicinity.’⁶

There is some difficulty in establishing this, as data on ASB doesn’t state where the activity has taken place and anecdotal evidence cannot be submitted as it is likely to identify individual people or landlords.

Another example which further illustrates the problem of linking ASB to PRS housing is where PRS housing is in proximity to pubs and clubs, where late night drinking will occur. There is likely to be a higher level of ASB, however it could be argued that responsibility lies with the owners of the licensed premises. It is very difficult to make a direct link between ASB and PRS housing. However, it is possible to make a comparison of the levels of ASB

⁶ <http://www.legislation.gov.uk/ukpga/2014/12/notes/division/3>

between areas with a large concentration of PRS housing, and areas of social housing or owner occupiers. Where there are incidents in social housing, the local authority or housing association have long-established mechanisms for dealing with ASB.

Information in this section has been collated from Lancashire's Multi-Agency Data Exchange (MADE)⁷ and is collected from a number of partners. It covers a number of indicators which partners can use to plan strategically in order to make Lancashire a safer place to live. We have considered the following indicators:

- Anti-Social Behaviour – Personal
- Anti-Social Behaviour – Nuisance
- Anti-Social Behaviour – Environmental

Private landlords are not directly responsible for the behaviour of their tenants. However, they are responsible for managing instances of ASB if they are caused by their tenants in the vicinity or 'curtilage' of their property.

3.2.1. Ward-level Anti-Social Behaviour

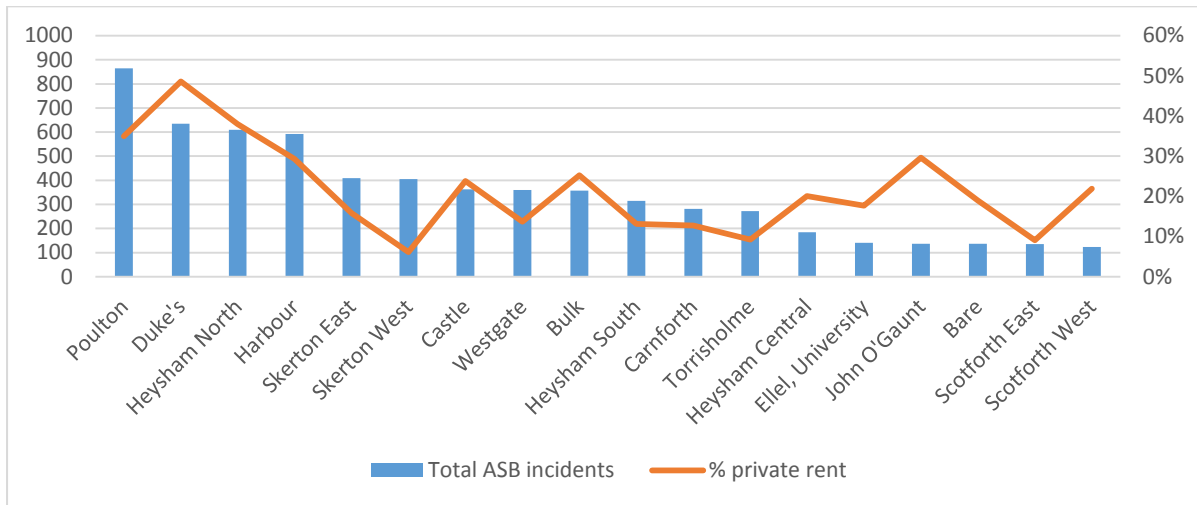
To explore a link between ASB and private rented property, we compared ASB data with census data for tenure. Initially, we viewed this on a ward by ward level, comparing all the wards in the district. Using MADE, we were able to compile the total number of ASB incidents in the calendar year 01/01/2016 - 31/12/16. This data was then cross-referenced against 2011 census data regarding tenure. The following table considers the data for Wards with more than 100 recorded ASB incidents:

Ward	Total ASB incidents	% private rent	% Social rent	%Owner Occupier
Poulton	864	35%	9%	53%
Duke's	635	49%	10%	39%
Heysham North	610	38%	3%	58%
Harbour	592	29%	11%	56%
Skerton East	409	16%	18%	63%
Skerton West	405	6%	35%	57%
Castle	362	24%	14%	60%
Westgate	360	14%	19%	66%
Bulk	357	25%	21%	52%
Heysham South	315	13%	8%	77%
Carnforth	282	13%	9%	76%
Torrisholme	272	9%	1%	88%
Heysham Central	184	20%	9%	70%
Ellel, University	141	18%	3%	76%
John O'Gaunt	137	30%	3%	66%
Bare	137	19%	1%	78%
Scotforth East	136	9%	16%	73%
Scotforth West	124	22%	7%	69%

Poulton and Duke's Wards had the highest totals for ASB incidents in 2016. However, it should be noted that both these wards cover the centre of Morecambe and Lancaster. A large proportion of the incidents recorded in these areas will be related to late-night drinking.

⁷ <https://lccsecure.lancashire.gov.uk/saferlancashire/made/apps/index.asp>

Other than Duke’s ward, the highest numbers of ASB incidents happened in the three wards under consideration for Licensing. However, a high number of ASB incidents is not justification for introducing licensing without there being some correlation with PRS housing.



The graph demonstrates a relationship between ASB and PRS housing – where there is a high percentage of PRS housing, there are greater incidences of ASB. However, the trend isn’t consistent throughout. There are exceptions that can be seen in the graph. For instance Skerton West ward had a relatively high number of incidents, but very low percentage of PRS housing. This can largely be explained by the fact that the area contains the Ryelands, Scale Hall and Vale estates - the highest percentage (38%) of social housing in the district. Elsewhere, there are instances where there is a high percentage of PRS but low ASB. This can be seen most obviously in the John O’Gaunt ward. This is an area with a large percentage of student lets. The relatively low amount of ASB could be explained by the rigorous and strict standards of Lancaster University.

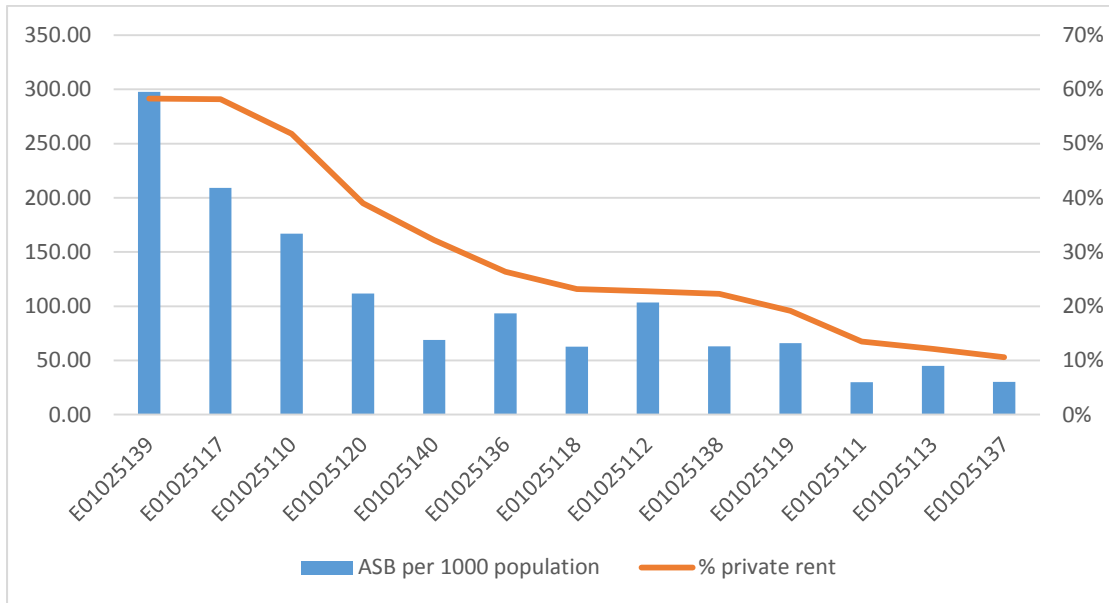
3.2.2. LSOA-level Anti-Social Behaviour

To discern whether the relationship between ASB and PRS housing is a consistent trend, or coincidental, we considered data for Lower Super Output Areas (LSOA), on a smaller geographical footprint. The three wards are made up of 13 LSOAs – 5 in Poulton, 4 each in Harbour and Heysham North. Again, data was compiled from MADE to show the total number of ASB incidents in a calendar year and the rate of incidence, per thousand people.

Ward	LSOA Code	population	All ASB	ASB per 1000 population	% private rent
Poulton	E01025139	1636	487	297.68	58%
Heysham	E01025117	1406	294	209.10	58%
Harbour	E01025110	1714	286	166.86	52%
Heysham	E01025120	1405	157	111.74	39%
Poulton	E01025140	1495	103	68.90	32%
Poulton	E01025136	1565	146	93.29	26%
Heysham	E01025118	1115	70	62.78	23%
Harbour	E01025112	1906	197	103.36	23%
Poulton	E01025138	1463	92	62.88	22%
Heysham	E01025119	1348	89	66.02	19%
Harbour	E01025111	1807	54	29.88	13%
Harbour	E01025113	1224	55	44.93	12%

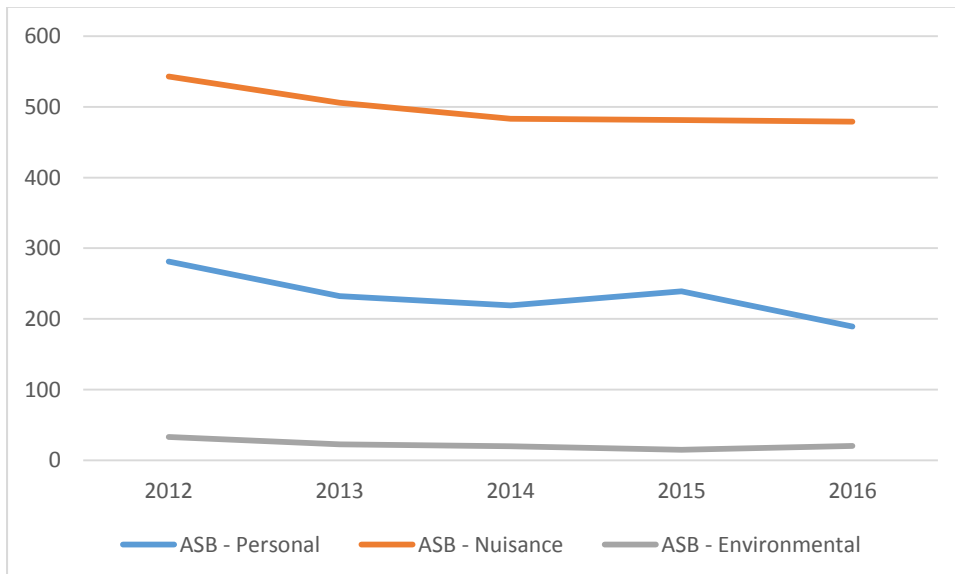
Poulton	E01025137	1192	36	30.20	11%
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The three LSOAs with the highest ASB incidence per 1000 population also have the highest percentage of PRS housing. Conversely, the three LSOAs with the lowest ASB incidence, also have the lowest percentage of PRS housing. The following graph illustrates the trend:



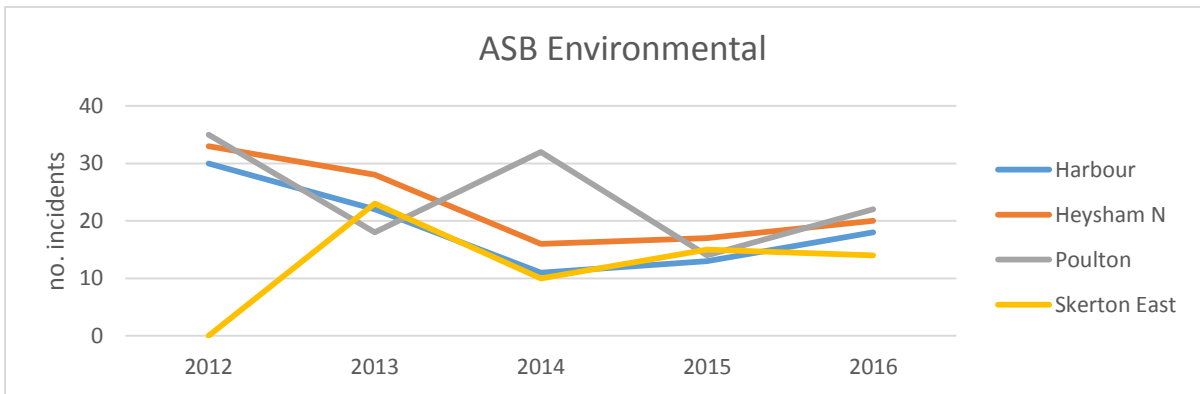
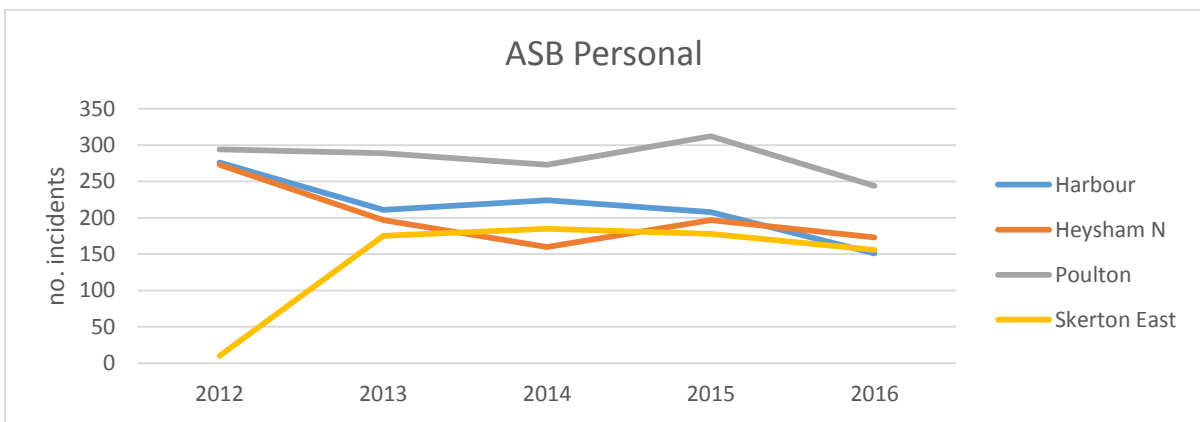
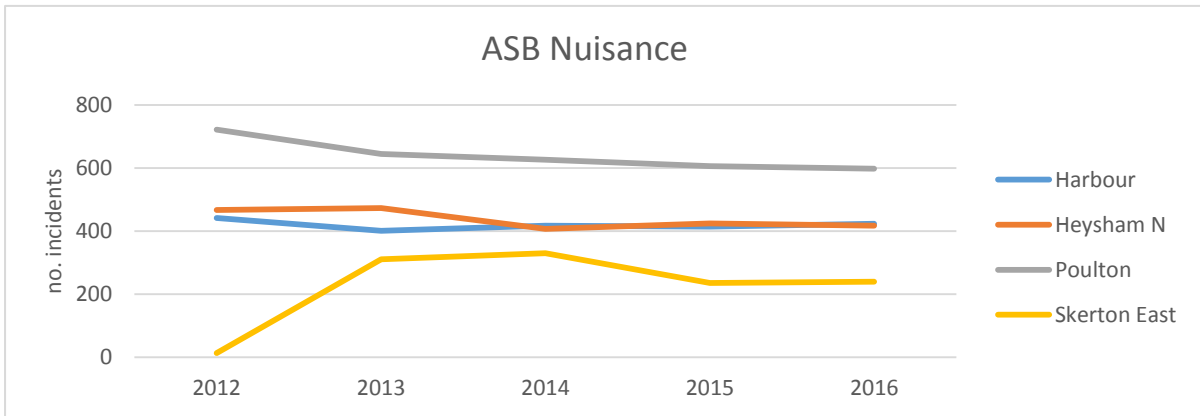
3.2.3. Levels of Anti-Social Behaviour over 5 years

We studied data for ASB levels in the three wards, over the last 5 years. The graph below shows the average number of incidents for each type of ASB, over a 5-year period.



In each case, there has been a steady decrease in reported ASB. ASB Personal reduced the most from around 280 incidents a year to approximately 180. ASB Nuisance also dropped, from around 540 to 480 incidents. Despite the progress achieved in tackling ASB, this should be viewed in context with the other wards in the district. Skerton East was the ward with

highest levels of ASB (not counting Duke's) outside the three wards considered. The following graphs illustrate how Skerton East compares to the three wards:



Levels of Environmental and Personal ASB are comparable between Skerton East and the three wards. However, the graph for ASB nuisance illustrates that there is a very large gap between Skerton East and the three wards. In fact, nearly half as many Nuisance ASB incidents were reported for Skerton East, which demonstrates, that despite progress made in reducing ASB, levels in the three wards are much higher than elsewhere in the district.

3.2.4. Nuisance Anti-Social Behaviour

Having established that the three wards (with the exception of Duke's ward) had the highest numbers of recorded ASB incidents, we looked at the type of ASB incidents that were recorded. The following table shows a breakdown of the types of ASB incident recorded across the three wards.

Ward	All ASB	ASB - Environmental	ASB - Personal	ASB - Nuisance
Harbour	592	18	151	423
Heysham North	610	20	173	417
Poulton	864	22	244	598

On average, 70% of all ASB incidents recorded for 2016 were ASB – Nuisance. Nuisance ASB is defined by the Metropolitan Police as ‘causing trouble, annoyance or suffering to the community at large rather than an individual or group.’ Therefore, the majority of ASB incidents that occurred in 2016 had an impact on the community as a whole, rather than being targeted at an individual. Examples of this type of ASB include:

- Rowdy or Inconsiderate Behaviour
- Rowdy/Nuisance Neighbours
- Street Drinking
- rubbish in front gardens

Whereas, ASB targeted at an individual can have a serious impact on that person, nuisance ASB can have a similar impact on the community as a whole. It can have an impact on the quality of life and the wellbeing of members of the community.

A number of the nuisance incidents listed above are likely to take place ‘*within the curtilage of the rented property*’. Where this is the case, landlords become responsible for the management of the anti-social behaviour of their tenants. Where the landlord is the local authority, it has a statutory responsibility to manage the ASB. Private landlords will usually address the situation by evicting the tenant. However, this would be dependent on the landlord being prepared to do so. The evidence presented above suggests that not all landlords have been effective or active in managing ASB. This could be because the landlord is absent or a rogue landlord.

3.3. Housing Conditions

The general conditions for selective licensing state:

the local housing authorities considers it appropriate and intends to carry out inspection of a significant number of properties to determine the existence of category 1 and 2 hazards, with a view to taking any necessary enforcement action;

For the criteria of this condition to apply, there would have to be significant evidence of landlords failing to manage their properties. Data was gathered from Lancaster City Council’s database covering the number of category 1 and 2 hazards reported or found by enforcement officers. Additional data covered the number of statutory notices issued and complaints to the city council regarding PRS housing.

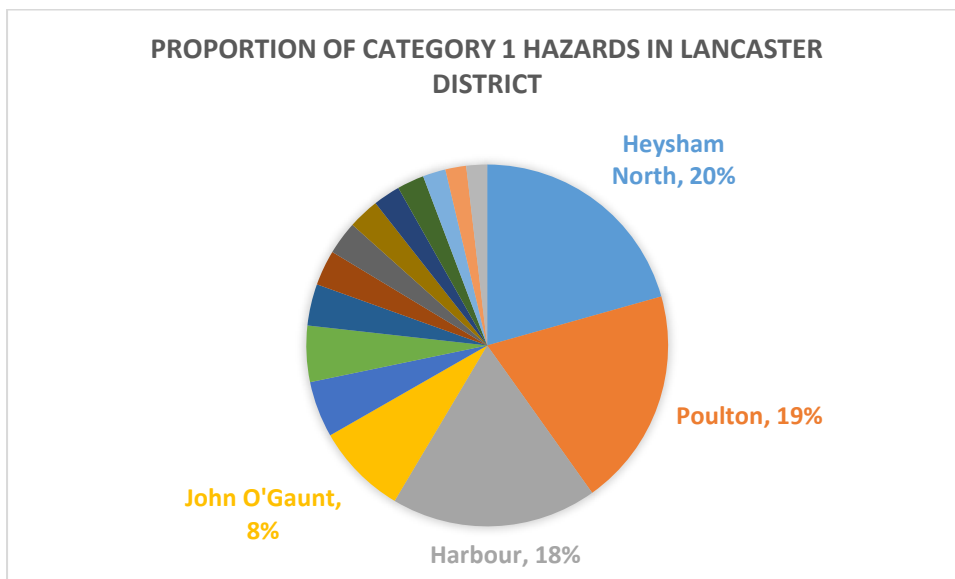
3.3.1. Category 1 Hazards

The Housing Health and Safety Rating System (HHSRS) is a risk-based evaluation tool that is used to protect against potential hazards in the home. HHSRS is used in rented property and assesses 29 housing hazards and the affect that they may have on the health and safety of occupants. If one of the hazards is spotted on an inspection, it is assessed in terms of the likelihood of an incident arising and the likely harmful outcome. Serious concerns will have a high score and are a category 1 hazard. The frequency of hazards in a property is a good indication of poor housing conditions overall.

Using data from Lancaster City Council’s Civica database we compiled data for Category 1 hazards that have been resolved in the district over the last 5 years. The data covers incidents reported for privately rented and housing association properties. The following chart shows only the wards where there have been 10 or more category 1 hazards resolved in the last 5 years. Entries regarding commercial properties have been omitted from the list:

ward	2012	2013	2014	2015	2016	total
Heysham North	24	28	18	17	24	111
Poulton	24	17	11	23	30	105
Harbour	23	16	8	27	25	99
John O’Gaunt	15	11	1	10	7	44
Castle	11	9	2	2	3	27
Skerton East	5	2	7	7	6	27
Bulk	4	5	2	6	3	20
Heysham South	8	3	3	0	3	17
Heysham Central	5	4	2	2	3	16
Bare	2	5	0	4	4	15
Dukes	3	2	0	3	5	13
Scotforth West	4	2	1	5	1	13
Westgate	2	2	3	4	0	11
Skerton West	3	3	0	2	2	10
Scotforth East	3	1	1	2	3	10

Harbour, Heysham North and Poulton had the highest instances of hazards in dwellings being serious enough to be category 1 hazards. Combined, the three wards had 56% of all category 1 hazards recorded in the last 5 years.



The ward with the fourth highest total, John O’Gaunt, had less than half the number of hazards as Harbour. All four wards have high percentages of PRS housing, however, it is noticeable how much less the occurrence of Category 1 hazards is in John O’ Gaunt. Again, this will largely be due to landlords in this area being associated with the university.

3.3.2. Category 2 Hazards

Again, data from Lancaster City Council's Civica database was used to compile data for Category 2 hazards that have been resolved in the district over the last 5 years. The following chart shows only the wards where there have been 20 or more category 1 hazards resolved in the period. Entries regarding commercial properties have been omitted from the list:

ward	2012	2013	2014	2015	2016	total
John O'Gaunt	42	36	6	39	11	134
Harbour	20	15	11	26	42	114
Poulton	21	14	7	31	29	102
Heysham North	23	13	14	14	38	102
Bulk	31	22	5	7	7	72
Castle	27	19	1	4	8	59
Dukes	27	10	0	4	5	46
Scotforth West	14	10	2	7	4	37
Skerton East	7	4	4	12	8	35
Skerton West	3	5	6	3	5	22
Heysham Central	5	3	3	5	5	21

Out of the four wards with the highest number of resolved category 2 hazards, three are the wards considered for licensing.

3.3.3. Tenant Complaints

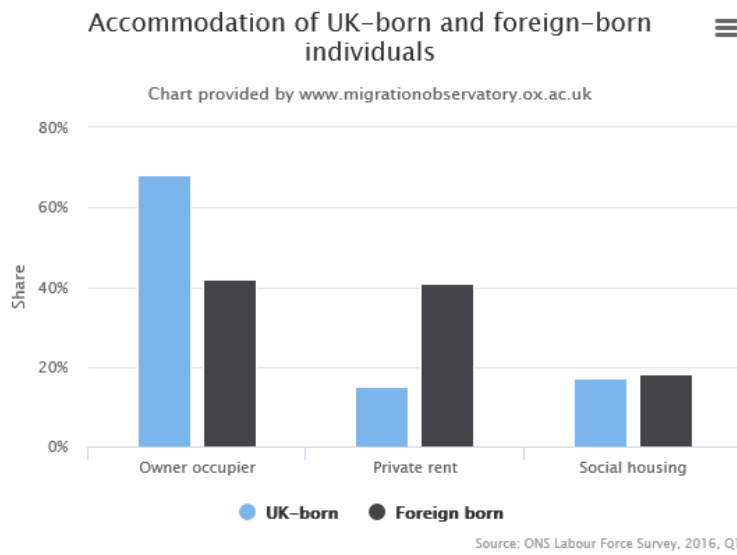
Number of complaints by year					
	2011/12	2012/13	2013/14	2014/15	2015/16
District	587	599	515	498	464
Harbour	87	103	80	71	80
Heysham N	91	82	90	79	77
Poulton	68	95	91	94	79
% complaints in 3	42%	47%	51%	49%	51%

The number of complaints across the district has steadily fallen. This reflects both a proactive approach by landlords and effective Housing Enforcement. However, despite the decrease in the number of complaints overall, where the majority of complaints arise has remained consistent. Around 50% of all complaints have come from the three wards.

3.4. Migration

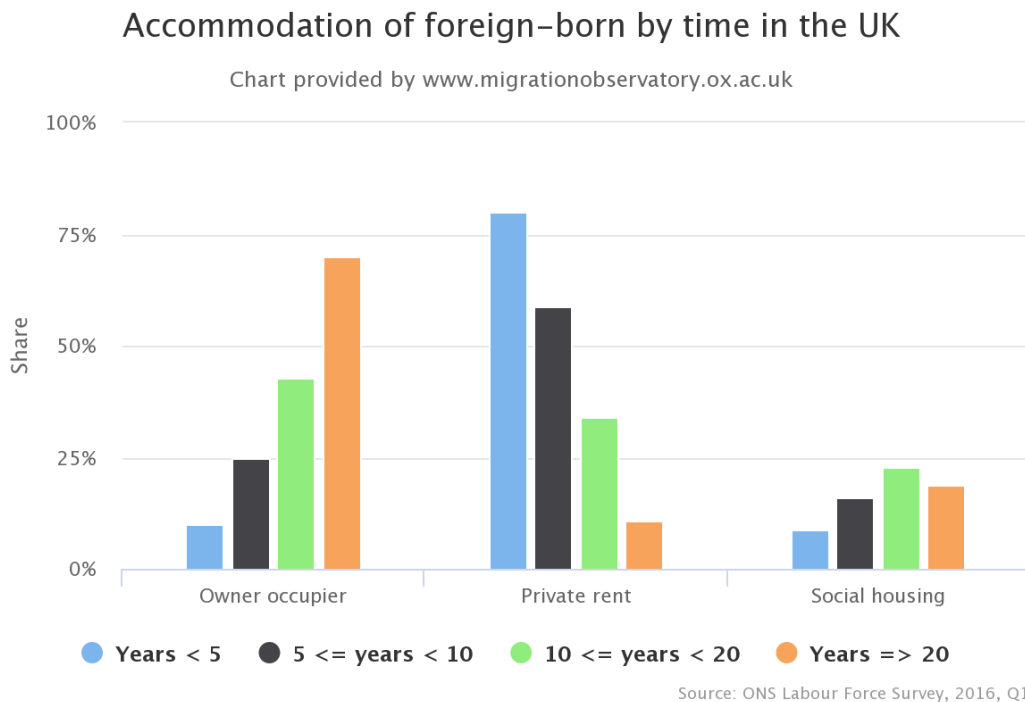
Migration refers to the movement of people from one area to another. It includes migration within a country and isn't restricted to migration from overseas. Movement of people into an area is likely to have an impact on services and accommodation in the area. Licensing would seek to ensure that the economic conditions are preserved or improved and that those who are moving into the area are not being forced into low quality accommodation or subject to over-crowding. This section will consider evidence regarding the movement of people into the area, from elsewhere in the UK, or from abroad.

The Migration Observatory⁸ provides some useful overview data for non-UK migration from the Labour Force Survey:



The survey shows that non-UK born individuals were about 25% less likely to be owner occupiers, and approximately 42% lived in private rented accommodation, compared to less than 20% of UK born individuals.

The survey goes on to show the likelihood of recent migrants renting compared to buying properties:



⁸ The Migration Observatory - <http://www.migrationobservatory.ox.ac.uk/resources/briefings/migrants-and-housing-in-the-uk-experiences-and-impacts/>

Migrants who have been in the UK for less than 5 years are overwhelmingly likely to live in private rented accommodation. This could be due to the reason for and length of the individual's stay in the UK.

3.4.1. County and District-level Data

Lancashire County Council provides some data through their Lancashire Insight⁹ webpage on the numbers of short-term migrants living in the county. The 2011 Census showed that 3600 non-UK short-term residents lived in Lancashire, with the majority living in Preston (1700) and Lancaster (1000).

For the years 2014-2015, Lancaster district recorded a 'net internal migration' of -802 and a 'net international migration' of 1667. Internal migration reflects movement between local authority areas, therefore showing more people moved out of Lancaster than arrived. By contrast, international migration, people from abroad, who have lived in Lancaster for at least a year, increased. Lancaster's international net migration is the largest in the county, and will largely be due to the prominence of Lancaster University.

3.4.2. Ward-level Migration Data

The 2011 Census provides some insight into non-UK migration into the three wards. As an overview, data for ethnicity can be seen in the following table:

2011 Ward	White - All groups	White: British	White: Irish	White: Gypsy or Irish Traveller	White: Other White	Total BME
University	79.52	67.9	0.3	0.1	11.2	20.48
Duke's	87.73	78.1	1	0.3	8.3	12.27
Ellel	88.88	83.9	0.3	0.1	4.6	11.12
Scotforth West	89.39	85	0.8	0.3	3.3	10.61
John O'Gaunt	92.74	86.9	0.9	0.1	4.8	7.26
Castle	92.79	87.9	0.8	0.2	3.8	7.21
Bulk	94.62	88.6	0.9	0.2	4.9	5.38
Heysham North	96.76	89.3	0.6	0.1	6.8	3.24
Harbour	97.09	90.7	0.6	0.2	5.6	2.91
Poulton	96.51	91.4	0.6	0.1	4.4	3.49

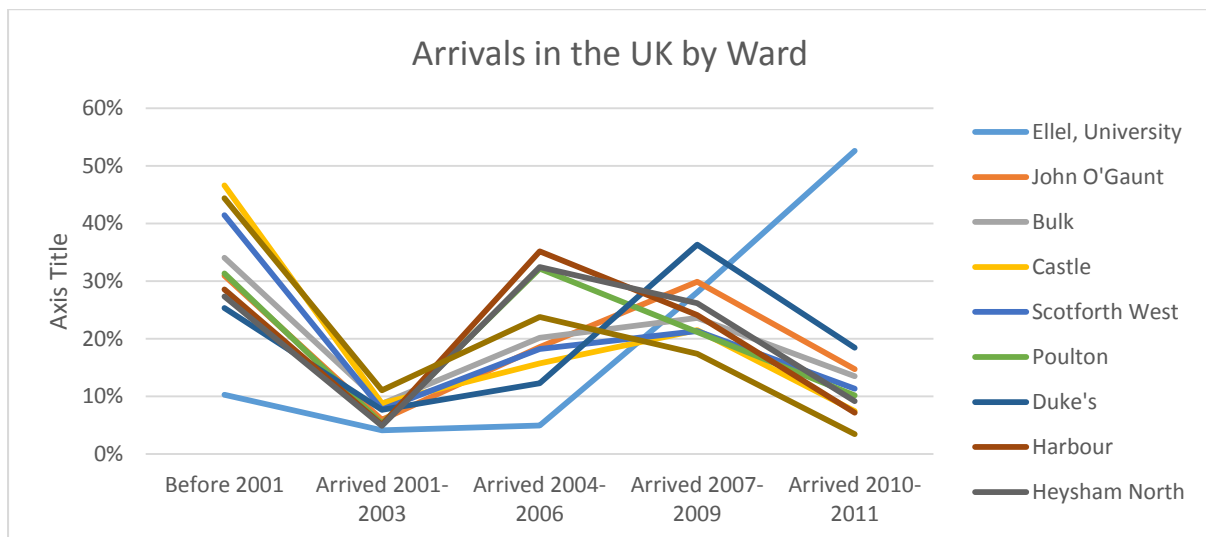
Of the 10 wards with the greatest ethnic variation, the three wards have the highest proportion of white ethnicity, and white British ethnicity, with a low percentage of people from Black or Minority Ethnic (BME) background. The other wards listed will have high percentages of foreign university students, academics and medical professionals attracted to work and study in Lancaster. For the category of 'Other White', Heysham North and Harbour have a relatively high percentage, ranking 3rd and 4th respectively, compared to the other wards.

The 2011 Census also provides data on arrival in the UK, by time period. Most migration to the UK comes from the EU and can be defined in periods of activity - Pre-2004, 2004 – 2006 with the accession of Eastern European countries, and 2007 onwards with the additions of Bulgaria, Romania and more recently, Croatia. The following table and chart show the ten wards with the most arrivals of non-UK born residents for periods roughly matching those

⁹ Lancashire Insight - <http://www.lancashire.gov.uk/lancashire-insight.aspx>

stated above. The level of migration for the three wards can be compared to the figures for elsewhere in the district:

Ward	total born outside the UK	Before 2001	Arrived 2001-2003	Arrived 2004-2006	Arrived 2007-2009	Arrived 2010-2011
Ellel, University	1994	10%	4%	5%	28%	53%
John O'Gaunt	760	31%	6%	19%	30%	15%
Bulk	690	34%	9%	20%	24%	13%
Castle	674	47%	9%	16%	22%	7%
Scotforth West	637	41%	8%	18%	21%	11%
Poulton	610	31%	5%	32%	21%	10%
Duke's	537	25%	8%	12%	36%	18%
Harbour	515	29%	5%	35%	24%	7%
Heysham North	512	27%	5%	32%	26%	9%
Skerton East	408	44%	11%	24%	17%	3%



Data for the ten wards shows that the major period for arrivals into the UK for most wards was before 2001. The majority of arrivals into the three wards were recorded in the period 2004-2006, coinciding with a major period of migration from EU accession countries. The comparison of EU migration data and arrival in the UK 2011 census data gives some indication of the ethnic origin of migrants in the three wards. This is also corroborated by the relatively high percentage of 'other white' ethnic origin for the three wards.

It should be noted that the movement of people into the three wards is relatively low compared to elsewhere in the district. Ellel ward, by comparison has had far more arrivals in total since 2001 (1789) than the three wards combined. However, Ellel is a ward with a high concentration of students, graduates and academics, who have, or are still attending Lancaster University.

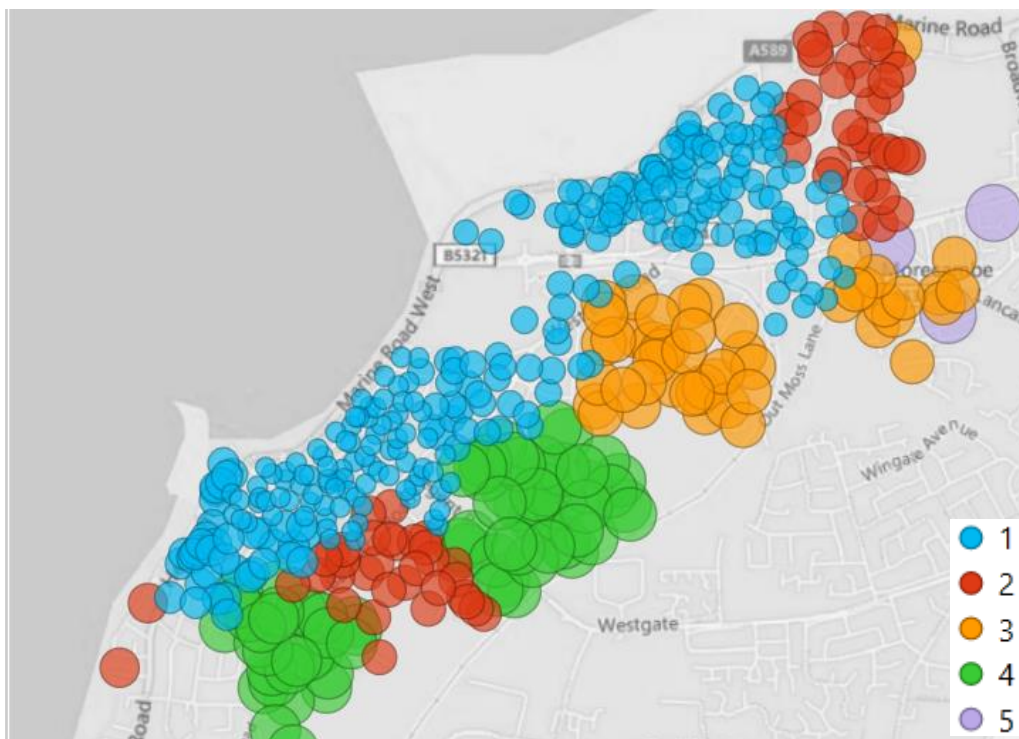
The majority of the migration for the three wards was between 2004-2009, this suggests that the reason may have been economic migration – non-UK individuals looking for short-term work. The abundance of relatively cheap private rented accommodation in Morecambe is likely to have been a significant pull-factor.

3.5. Deprivation

The Index of Multiple Deprivation is a government study of deprived areas in English local council areas. The study covers seven aspects of deprivation:

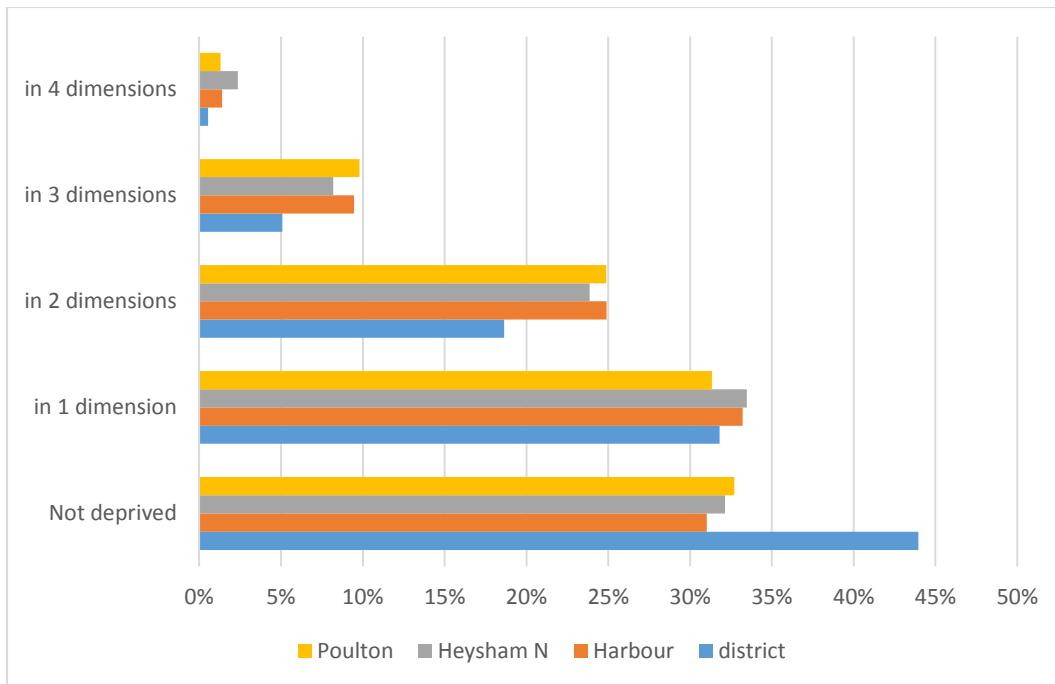
- Income
- Employment
- Health deprivation and Disability
- Education Skills and Training
- Barriers to Housing and Services
- Crime
- Living Environment.

The study breaks down the country into 32844 small areas or neighbourhoods, Lower Super Output Areas (LSOAs), and is able to rank them from most to least deprived. The rankings are made up of 10 equal groups or deciles. Within the area considered for licensing, there are 16 LSOAs. Of these, 6 LSOAs are ranked in the most deprived decile. The following map shows the geographical distribution of postcodes within LSOAs, with their decile ranking. The size of the dots indicate the individual ranking for the LSOA, with the smallest blue dots indicating the lowest ranked and therefore most deprived LSOA.



The greater concentrations of the most deprived LSOAs are grouped and are located towards the seafront in areas with a large proportion of terraced housing, many of which have been converted into self-contained flats.

The 2011 Census collected data on the number of deprivation dimensions, per household. The chart below compares the three wards with data for the district as a whole.



Lancaster District has approximately 45% of households without any measure of deprivation. However, the average for the three wards is approximately 32%. The percentage of households with 3 or more deprivation dimensions is double that of the district.

3.6. Crime

Regarding Crime, the March 2015 extension of conditions for Selective Licensing states:

“the area “suffers from high levels of crime”; criminal activity affects persons occupying the properties; and the designation will contribute to a reduction in crime levels “for the benefit of those living in the area”

High levels of crime in three wards would meet one of the required conditions for licensing. The government’s guidance doesn’t require a link to be made between high levels of PRS housing and crime, only that the area in question has a high level of crime.

In order to make this determination, data was collected from MADE. Similar to ASB, a comparison was made of crime levels across the district and within the three wards.

3.6.1. District level crime

Below is a comparison of recorded crimes for each ward, over a 4 year period. The table shows all recorded crimes, but makes no distinction between the category or severity of crimes committed.

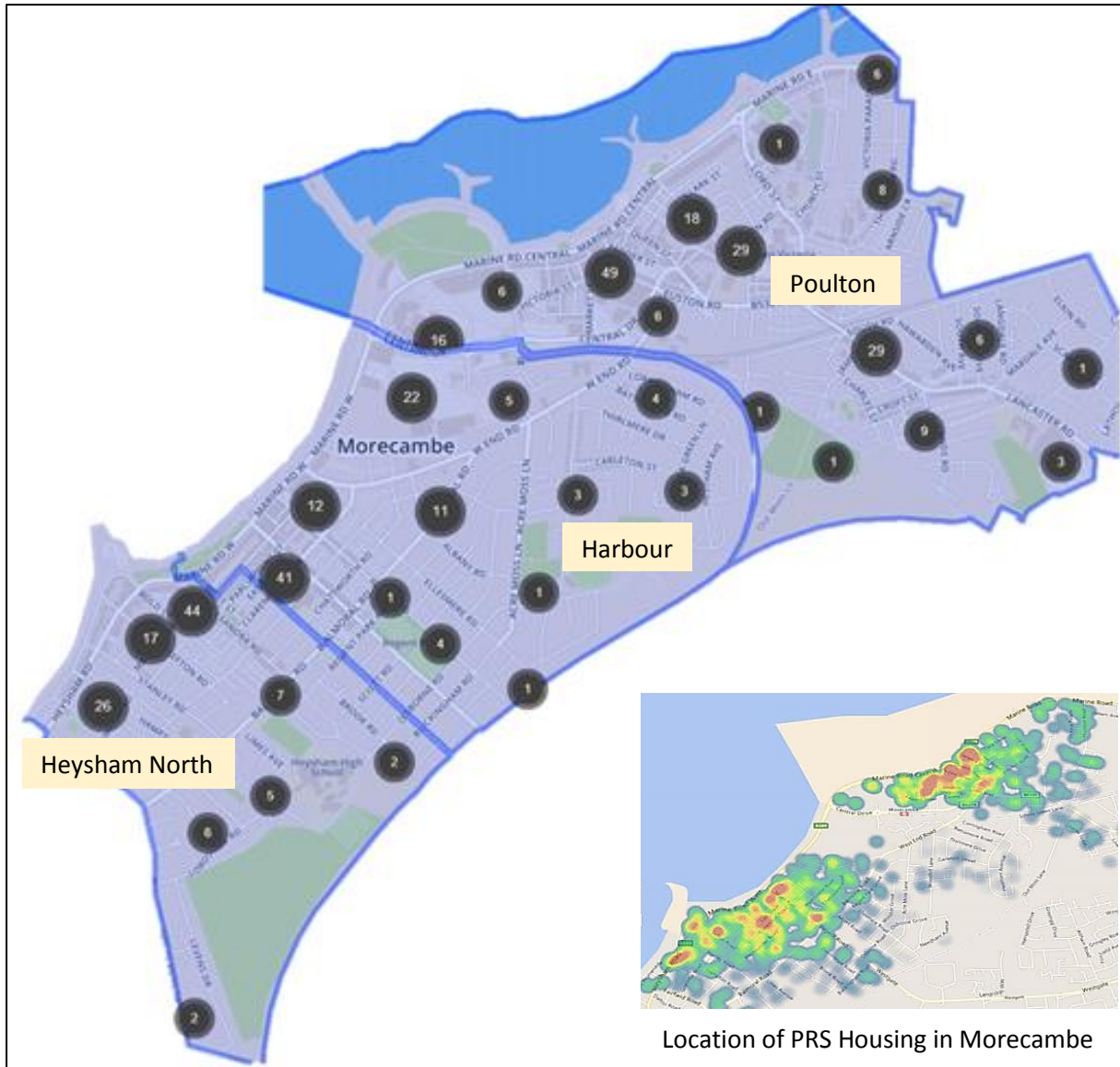
Ward	2013	2014	2015	2016
Poulton	804	1049	1169	1111
Duke's	694	1072	1054	1064
Harbour	583	705	725	729
Bulk	505	752	675	647
Heysham North	483	539	636	629
Skerton East	370	595	540	627
Westgate	453	630	558	561
Skerton West	381	505	571	534

Castle	366	414	465	425
Heysham South	264	292	348	401
Carnforth	166	231	244	255
Torrisholme	163	219	217	246
Heysham Central	148	206	239	231
John O'Gaunt	176	283	260	226
Scotforth West	193	208	237	206
Scotforth East	95	105	142	173
Ellel	107	182	171	172
Overton	131	151	132	153
Bare	132	146	153	141
Lower Lune Valley	64	134	124	106
Bolton-Le-Sands	73	99	71	100
Slyne-With-Hest	55	86	95	87
Halton-With-Aughton	54	73	47	56
Warton	49	55	81	52
Kellet	42	62	36	38
University	27	35	45	35
Silverdale	33	40	36	34
Upper Lune Valley	31	49	38	33

Of the 5 wards with the highest recorded crime in Lancaster, three are the wards considered for licensing.

3.6.2. Ward-level Crime

The UK Police Crime Map showed where most crimes are located in the three wards. The maps include ASB instances, so are a good indication of where disturbances are most likely to take place. The following map is a snapshot of recorded for the same month, January 2017:



The map shows that the majority of recorded crimes take place in two main areas – on the border of Harbour and Heysham North, close to the seafront, and in Poulton, around the town centre. It is noticeable that the number of crimes reduces dramatically as you move away from the sea front. This is the same pattern as can be seen with deprivation, ASB and long term empty properties.

4. Conclusion

The purpose of this report has been to determine whether there are areas within Lancaster district which meet the conditions for selective and additional licensing. In all three wards, there are areas of low housing demand, with large numbers of empty or derelict properties. House prices in Morecambe are generally lower than in Lancaster, however, this study shows that house prices in the three wards in particular are more depressed than elsewhere in Morecambe.

There are high levels of ASB and crime in all three wards. Within the three wards there are LSOAs and COAs with very high levels and in some of those areas, there is as much as 65-70% PRS housing. Overall, an area containing 14% of the districts population recorded 33%

of all ASB incidents. In addition, an average of 34% of housing is privately rented, compared to 19% for the district as a whole.

However, it could be argued that within the three wards there are areas of relatively low ASB crime and deprivation, with higher house prices and plenty of demand for housing. The implementation of selective licensing in areas such as these would be seen as unjustified, and an imposition. Also, in such areas there is a low proportion of PRS housing. Therefore, the designation for selective licensing shouldn't be made on a ward level, but of areas of those wards.

The evidence gathered in this report was largely presented on a COA or LSOA footprint. The preference was to use COA data as the most detailed level of scrutiny of information, short of being able to use data for postcodes or households. As a COA consists of 7 or 8 postcodes it is more likely that the data used is representative of that area, whereas using LSOA, Ward or District level data will inevitably involve looking at more general trends.

It is therefore recommended that any designation of a Selective and Additional Licensing area is made on a COA footprint. The evidence collected in this report demonstrates that there are areas within the three wards that meet the conditions for selective and additional licensing, though applying selective and additional licensing to a whole ward would be inappropriate.

LANCASTER CITY COUNCIL**Selective Licensing Conditions
(Housing Act 2004)**

In these conditions 'house' refers to the building or part of a building which is licensed in accordance with Part 3 of the Housing Act 2004.

1. Mandatory Conditions: Schedule 4 of the Housing Act 2004**1.1 Gas Supply**

If gas is supplied to the house the licence holder must provide to Lancaster City Council a gas safety certificate issued by a Gas Safe Registered engineer, within the previous 12 months at the time of the application and thereafter annually or on demand.

1.2 Electrical Appliances:

The Licence Holder must keep all electrical appliances and furniture supplied in a safe condition and must provide a declaration as to their safety at the time of application and thereafter on demand.

1.3 Furniture and Furnishings

The Licence Holder must ensure that furniture and furnishings supplied by them are compliant with the Furniture and Furnishings (Fire)(Safety) Regulations 1988 (as amended 1989 and 1993) and must provide a declaration as to their safety at the time of application and thereafter on demand.

1.4 Smoke Alarms

The Licence Holder must ensure that smoke alarms are installed in the property and kept in proper working order and provide a declaration as to their condition and positioning to Lancaster City Council on demand.

1.5 Tenant References

The Licence Holder must demand references from persons who wish to occupy the house and must provide evidence of pre-let reference checks undertaken to the Council upon request.

1.6 Terms of Occupation

The Licence Holder must supply to the occupiers of the house a written statement of the terms on which they occupy the property. A copy of the terms will be provided to the Council on demand.

Additional Conditions of Licence Imposed by Lancaster City Council.

The Licence Holder must ensure that the premises fully comply with the conditions set out below unless notified otherwise.

2 Notification/Consultation of Changes

The licence holder shall:

- inform Lancaster City Council (The Authority) if they no longer reside at the address given and provide The Authority with new address details within 21 days of a change.
- inform The Authority if there is a change in managing agent, within 21 days of such a change.
- If the licence holder is a managing agent they must inform The Authority if the person who is specified as the main contact ceases to be employed by them and inform the authority of a new contact, within 21 days of such a change.
- If the licence holder is a managing agent they must inform The Authority if they cease to have an interest in the property, within 21 days of such a change.

Fit and proper person

The licence holder shall:

- inform The Authority if since becoming the licence holder he contravenes any of the below sections 2.3(a) – (d). This must be done within 21 days of such a contravention.

The following are the criteria by which The Authority assessed whether the licence holder or manager is a fit and proper person.

- a) Committed an offence involving
 - I. Fraud
 - II. Dishonesty
 - III. Violence
 - IV. Drugs
 - V. Sexual Offences Act Schedule 3
- b) Practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in connection with a business.
- c) Contravened any provision of housing or landlord and tenant law. In particular:
 - I. subject to proceedings by a local authority
 - II. where the local authority has had to carry out works in default
 - III. subject to a management order under the Housing Act 2004
 - IV. Or been refused a licence or breached conditions of a licence.
- d) Acted in contravention of any Approved Code of Practice.

3 Management of the property

3.1 General

The licence holder shall:

- ensure that arrangements are in place for regular inspection of the premises to ensure that fire escapes and fire alarm systems are in good order and that common areas including external yard and garden areas are clean and tidy.
- Ensure that all repairs to the house or any installations, facilities or equipment within it are carried out by competent and reputable persons
- Ensure that if accommodation is provided on a furnished basis and includes electrical appliance, copies of user manuals or equipment provided as part of the agreement for occupation of the house are provided.
- Ensure that all occupiers are made aware of the licence and conditions.

3.2 Occupancy

The licence holder shall:

- Ensure that rooms other than bedrooms are not used for sleeping purposes
- not allow occupancy levels to exceed those set by The Authority and indicated on the licence.
- If the property is a house in multiple occupation (HMO), ensure that the house is compliant with Lancaster City Council's approved standards for Houses in Multiple Occupation. These standards will be reviewed periodically to ensure that they remain appropriate to the type of multi occupied housing within the Council's area and needs of residents. Copies can be obtained from Private Housing Services.

3.3 Safety

The licence holder shall:

- ensure that the installation of the automatic fire detection system and emergency lighting is in accordance with standards set by The Authority in consultation with the Fire Authority and appropriate to the design of the property.
- inform the authority of any changes to the positioning or type of some alarm fitted in the property.
- ensure that all means of escape from fire in the house and all apparatus, systems and other things provided by way of fire precautions are in and are maintained in good order and repair and are kept free from obstruction.
- ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance and to keep any such alarm in proper working order and to

supply the authority, on demand, with a declaration by him as to the condition and positioning of any such alarm.

- keep electrical appliances (supplied by him to the occupier) in a safe condition and supply to the authority at the time of application and thereafter on demand, with a declaration by him as to the safety of such appliances. This should be in the form of a test certificate from a competent electrician, a copy of which must be available for inspection by the tenants.
- supply to the authority at the time of application and thereafter on demand, a copy of a periodical electrical safety certificate for the electrical installation. This should be carried out by a competent electrician and a copy of this must be available for inspection by the tenants.

3.4 External areas, refuse and waste

The Licence Holder shall:

Ensure that the:

- a) the exterior of the property is maintained in a reasonable decorative order and state of repair and does not adversely affect the amenity or character of the area
- b) At all times any gardens, yards and other external areas within the curtilage of the house are kept in a reasonably clean and tidy condition and free from rodent infestation, and
- c) Suitable and adequate provision is made for storage of refuse generated in the property and that arrangements for storage, recycling and collection of refuse are as required to ensure compliance with local authority arrangements in that area, that occupants are made aware of those arrangements and that failure to comply with them is made a breach of the terms of their tenancy or licence.
- d) Access is available at all times to adequate, external, refuse storage.

3.5 Security.

The Licence Holder shall:

Ensure that the security provisions for the access to the dwelling (including but not limited to locks, latches, deadbolts and entry systems) must be maintained in good working order at all times.

- ensure that where window locks are fitted, keys are provided to the relevant occupant.
- ensure that where a burglar alarm is fitted to the house the occupant is informed in writing the details on how the code for the alarm can be changed and under what circumstances, and provide details when required on how this can be arranged.
- ensure that where previous occupants have not surrendered keys arrange for a lock change to be undertaken, prior to new occupants moving in.
- ensure that where alley gates are installed to the rear of the licensed property, take responsibility for holding a key and make satisfactory arrangements for the occupiers access.

3.5 Management of Anti-social behavior

The licence holder shall:

ensure that all steps as are reasonable and practical are taken to prevent either the existence of the house or the behaviour of the occupants from adversely affecting the amenity or character of the area in which it is situated, and use of the premises for illegal purposes.

The licence holder must:

- Provide a written action plan to Lancaster City Council outlining procedures for dealing with anti-social behaviour at the time of application. This must be reviewed annually and submitted on request.
- Obtain tenant references prior to granting a tenancy as to previous tenancy conduct, including behaviour of that of the proposed occupier and household.
- If a licence holder receives a reference request for a current or former tenant for the purposes of an application to rent a property from another Licence Holder he must respond to the request in writing within a reasonable period and either i) decline the request for a reference ; or ii) when giving a reference state whether or not he is aware of any allegations of anti-social behaviour made against the tenant and if such allegations have been made, give details of the same including details of whether (to his knowledge) the allegations have been admitted or have been found proven in any court or tribunal.
- Cooperate with Lancaster City Council, Lancashire Constabulary and other agencies in resolving complaints of anti-social behaviour. The Licence Holder and/or their nominated managing agent are required to undertake an investigation of any complaints regarding their tenants. Written records of these will be required.
- The licence holder/management agents must make regular (at least monthly) inspections of the property to ensure that the property is in a decent state of repair and that the occupiers are not in breach of tenancy terms and conditions.
- Ensure that each tenant is made aware that they are responsible for their own behaviour and the behaviour of other occupiers and visitors. Tenants must be made aware that if they, other occupiers, or their visitors:
 - Cause nuisance or annoyance to neighbours;
 - Use abusive or threatening language or behaviour to neighbours;
 - Fail to store or dispose of refuse properly; or cause damage to fixtures, fittings, fire prevention or alarm equipment or installations, or to the fabric of the premises;
 - Fail to give access to the landlord or his agent for the purpose of maintaining communal areas or, upon reasonable notice, to inspect or undertake works within their accommodation
 they will be liable to enforcement action which may include possession proceedings either under the terms of the tenancy, pursuant to s.21 of the Housing Act 1988 or pursuant to Grounds 13 or 14 of Schedule 2 to the Housing Act 1988.”

3.5 Information to be displayed

The licence holder shall:

- ensure that his/her name, address and telephone number or that of his manager are displayed in the property and in the case of an HMO in the common parts.
- have in place suitable emergency and other management arrangements in the event of their absence
- ensure that tenants are given clear advice on what action is to be taken in the event of an emergency and given contact details

- ensure that tenants are given clear advice on management arrangements in the event of their absence,

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Selective and Additional Licensing – Proposed Fees**Single Occupancy households**

	Accredited landlord	Non Accredited landlord
Standard Fee	500	600
Early Bird for new licence application fees	300	400

Self-contained flats

	Accredited Landlord	Non Accredited landlord
Standard Fee (first flat)	500	600
Standard fee (second flat in the same building)	150	250
Early Bird discount		
First flat	300	400
Second flat	50	150

House in multiple occupation

	Accredited Landlord	Non Accredited landlord
Standard Fee Property up to and including 5 units	550	650
Fee for each additional unit over 5 under the same control as the proposed licence holder	50	60
Early Bird for new licence within the additional licencing area of Morecambe	350	450

House in multiple Occupation (mandatory licensing)

Standard Fee Property up to and including 5 units	550	650
Fee for each additional unit over 5	50	60
Fee for re-licence	450	550

Penalties:

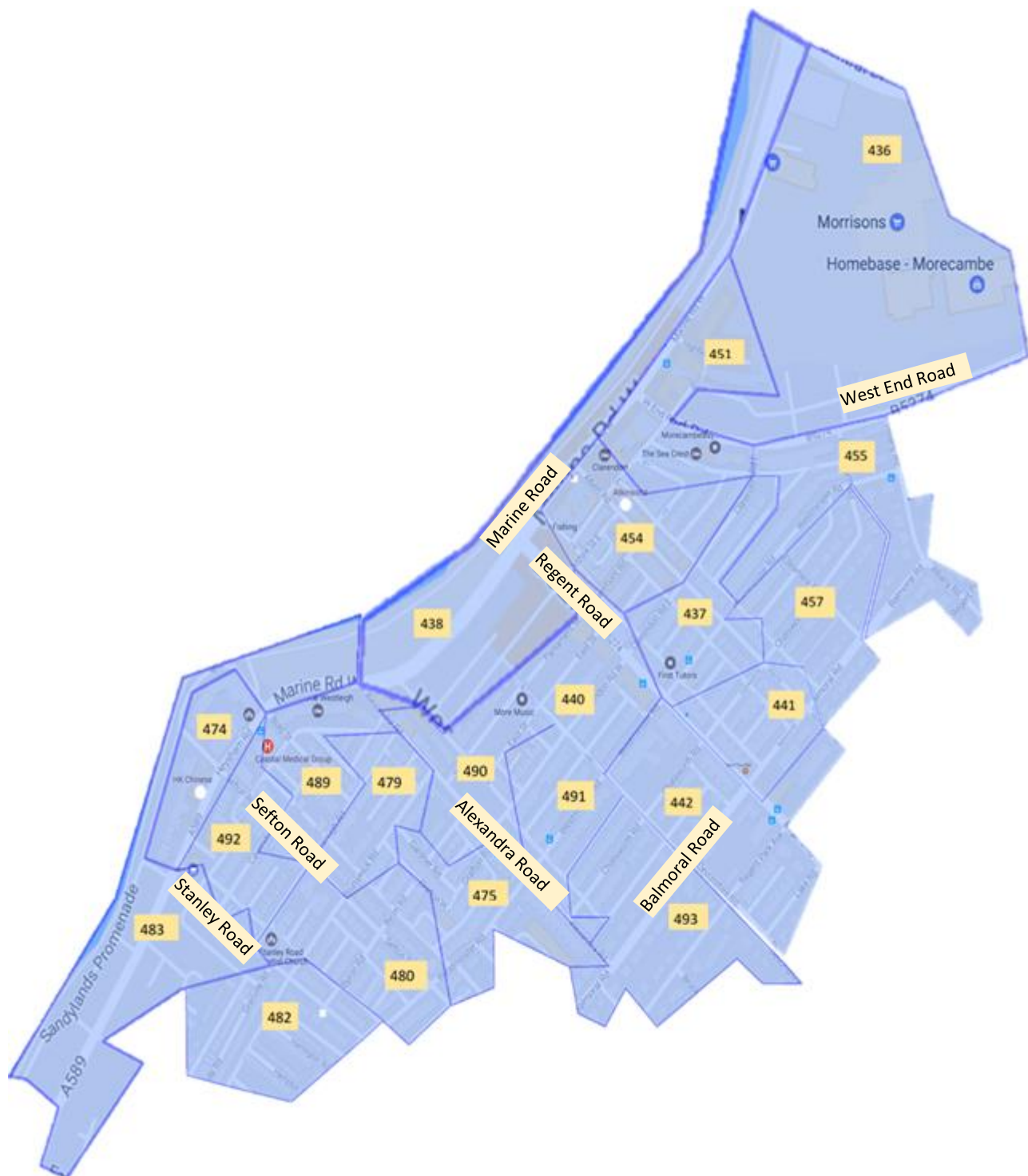
Incomplete application (the early bird discount is not available to incomplete applications)	Additional £100
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Finders Fee: Where landlords do not apply to licence and have to be found by the council. Landlords will be subject to prosecution.	Additional £200
Application to vary a licence	£50
Application for change of ownership If a licensed property is sold, the licence is not transferable and the new owner will need to apply for a new licence.	

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Proposed Selective and Additional Licensing Areas

The map below shows the proposed areas for the initial application of Selective and Additional Licensing. The numbers pertain to the Census Output Area (COA) codes and are shortened forms of these numbers. Each COA begins with E00127 and represents an area covering several postcodes. A list of the postcodes for each COA can be found on the next page.



List of Census Output Areas and postcodes

COA	Ward	Postcodes
E00127436	Harbour	LA4 4DS, LA4 4FD, LA4 4FE, LA4 4DD, LA4 4DL, LA4 4DY
E00127437	Harbour	LA4 4HX, LA4 4HY, LA4 4HS, LA4 4HT, LA4 4JE
E00127438	Harbour	LA4 4DP, LA4 4EY, LA4 4BU, LA3 1BY, LA3 1BZ, LA4 4EU, LA3 1RQ, LA3 1QG, LA3 1QE, LA3 1QF, LA4 4EZ
E00127440	Harbour	LA3 1QY, LA3 1QZ, LA3 1QX, LA3 1SF, LA3 1QN, LA3 1QQ, LA3 1TE, LA3 1SG
E00127441	Harbour	LA4 4HZ, LA4 4JS, LA4 4JH, LA3 1AE, LA3 1TF
E00127442	Harbour	LA3 1BW, LA3 1AS, LA3 1AT, LA4 4QP, LA3 1AD, LA3 1AF
E00127451	Harbour	LA4 4HH, LA4 4DH, LA4 4DQ, LA4 4ER, LA4 4DJ
E00127454	Harbour	LA4 4HB, LA4 4HD, LA4 4HE, LA4 4HF, LA4 4HJ, LA4 4HL, LA4 4HR, LA4 4ET, LA4 4HA
E00127455	Harbour	LA4 4DT, LA4 4JY, LA4 4JP, LA4 4JF, LA4 4DR, LA4 4DX, LA4 4JA
E00127474	Heysham North	LA3 1DG, LA3 1DQ, LA3 1DY, LA3 1DX
E00127475	Heysham North	LA3 1RR, LA3 1SW, LA3 1RX, LA3 1RZ, LA3 1SA, LA3 1SL, LA3 1SN
E00127479	Heysham North	LA3 1TQ, LA3 1TJ, LA3 1RU, LA3 1TB, LA3 1TL, LA3 1UA
E00127480	Heysham North	LA3 1UG, LA3 1UH, LA3 1UQ, LA3 1TR, LA3 1UD, LA3 1UB, LA3 1UN, LA3 1UL
E00127482	Heysham North	LA3 1EB, LA3 1EL, LA3 1EN, LA3 1UX, LA3 1UR
E00127483	Heysham North	LA3 1DE, LA3 1DH, LA3 1DB, LA3 1BS, LA3 1FL, LA3 1FR, LA3 1FN, LA3 1FP, LA3 1FS, LA3 1FT, LA3 1DW, LA3 1DN, LA3 1HQ, LA3 1DP, LA3 1DR, LA3 1DZ, LA3 1UP, LA3 1SP
E00127489	Heysham North	LA3 1TH, LA3 1TS, LA3 1TT, LA3 1BU, LA3 1TW, LA3 1TZ
E00127490	Heysham North	LA3 1RN, LA3 1RS, LA3 1RW, LA3 1TG, LA3 1RY, LA3 1QT, LA3 1QP, LA3 1RE, LA3 1RH, LA3 1RB, LA3 1RG
E00127491	Heysham North	LA3 1RT, LA3 1SB, LA3 1SD, LA3 1QR, LA3 1SH, LA3 1SJ
E00127492	Heysham North	LA3 1TU, LA3 1TX, LA3 1DA, LA3 1TP, LA3 1TY
E00127493	Heysham North	LA3 1SS, LA3 1ST, LA3 1BL, LA3 1AN, LA3 1AW, LA3 1AU, LA3 1BF

Equality Impact Assessment

This **online** equality impact assessment should:

An equality impact assessment should take place when considering doing something in a new way. Please submit your completed EIA as an appendix to your committee report. Please remember that this will be a public document – do not use jargon or abbreviations.

Service

Title of policy, service, function, project or strategy

Type of policy, service, function, project or strategy: Existing New/Proposed

Lead Officer

People involved with completing the EIA

Step 1.1: Make sure you have clear aims and objectives

Q1. What is the aim of your policy, service, function, project or strategy?

Q2.

Who is intended to benefit? Who will it have a detrimental effect on and how?

Step 1.2: Collecting your information

Q3. Using existing data (if available) and thinking about each group below, does, or could, the policy, service, function, project or strategy have a negative impact on the groups below?

Group	Negative	Positive/No Impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Faith, religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender including marriage, pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation including civic partnerships	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other socially excluded groups such as carers, areas of deprivation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rural communities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Step 1.3 – Is there a need to consult!

Q4. Who have you consulted with? If you haven't consulted yet please list who you are going to consult with? Please give examples of how you have or are going to consult with specific groups of communities

Equality Impact Assessment

A comprehensive consultation is planned following approval of this report. The consultation will include all stakeholders: landlords, private tenants, home owners, managing agents, police, fire service.

Step 1.4 – Assessing the impact

Q5. Using the existing data and the assessment in questions 3 what does it tell you, is there an impact on some groups in the community?

Age: None
Disability: None
Faith, Religion or Belief: None
Gender including Marriage, Pregnancy and Maternity: None
Gender Reassignment: None
Race: None
Sexual Orientation including Civic Partnership: None
Rural Communities: None

Step 1.5 – What are the differences?

Q6. If you are either directly or indirectly discriminating, how are you going to change this or mitigate the negative impact?

The consultation will be presented in a variety of formats.

Q7. Do you need any more information/evidence eg statistic, consultation. If so how do you plan to address this?

Comprehensive consultation planned.

Step 1.6 – Make a recommendation based on steps 1.1 to 1.5

Q8. If you are in a position to make a recommendation to change or introduce the policy, service, function, project or strategy, clearly show how it was decided on.

Not applicable at this point.

Q9. If you are not in a position to go ahead, what actions are you going to take?

Consultation

Q10. How do you plan to monitor the impact and effectiveness of this change or decision?

Comprehensive analysis of the consultation.

CABINET

**COMMUNITY HOUSING FUND
8 August 2017**

Report of Chief Officer (Regeneration and Planning)

PURPOSE OF REPORT			
To seek authority to establish a new governance and decision making framework for the allocation of the Community Housing Fund for Lancaster district.			
Key Decision	<input checked="" type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>
		Referral from Cabinet Member	<input type="checkbox"/>
Date of notice of forthcoming key decision	6 TH July 2017		
This report is public			

RECOMMENDATIONS OF Councillor Andrew Warriner

- (1) That the proposed governance framework for the allocation of £707,630 Community Housing Fund be approved.
- (2) That the draft Grant Policy for allocation of the Community Housing Fund be approved.
- (3) That funding from the Community Housing Fund be set aside to support a jointly funded officer post along with Fylde Borough Council to support and develop community led projects.
- (4) That Cabinet notes the receipt of 2 further grants totalling £29,645 for two new government initiatives, intended to support the council in preparation of and maintenance of a Brownfield Land Register and a Self and Custom Build Housing Register, and endorses their use to provide additional staff resources on a fixed term basis from the DCLG allocation.
- (5) That the Chief Officer (Resources) be authorised to update the General Fund Revenue Budget to reflect any decisions taken under recommendation 2 above and also 3 and 4 and 5, to be funded from the Revenue Grants Unapplied Reserve, and subject to there being a nil impact on the Council’s resources.

1.0 Introduction

- 1.1 On 23rd December 2016, the Department of Communities and Local Government (DCLG) announced the allocation of a £60M fund to support community-led housing developments in areas where the impact of second homes is particularly acute.
- 1.2 Lancaster City Council was successful in receiving an allocation of £707,630 for 2016/2017. The first tranche of funding (50%) was received in early January and the second tranche of funding was received at the end of March 2017 after officers completed a series of questions for DCLG on how the funding could be used to support community led developments. The guidance issued by DCLG is attached at Appendix 1.
- 1.3 Lancaster City Council is one of four districts in Lancashire to receive an allocation of funding to date along with Wyre, Fylde and Ribble Valley local authorities, although their funding has been allocated at a lower rate. Indications from DCLG suggest that further allocations of funding will be made in future years (potentially for up to 5 years) depending on how successful local authorities are in spending their allocations. It is not yet clear what arrangements will be in place to do so, and funding may, in the future, be allocated through the Homes and Communities Agency, potentially with a bidding process in place.
- 1.4 The council also received two further initial payments totalling £29,645 from DCLG in March 2017, which are intended to be used to support local authorities in providing additional resources needed to help address the delivery of two new government initiatives, i.e. Brownfield Land Register and Self and Custom Build Housing Register, noting that further allocations are expected in 2017/18, 2018/19 and 2019/20.

2.0 The purpose of the Community Housing Fund

- 2.1 The CHF funding is intended to support the delivery of affordable housing, although not exclusively. However, unlike other means of supporting affordable housing such as grant funding through the Homes and Communities Agency and the Section 106 developer contributions (also known as commuted sums) the funding must to be used to support projects that are community led – where the local community play a leading and lasting role in solving local housing problems and creating genuinely affordable homes in ways that could be difficult to achieve through mainstream housing.
- 2.2 Community-led schemes can offer the potential to generate benefits and efficiencies across the public sector, by meeting the needs of a specific group, for example, by providing housing and mutual support solutions through an active community, such as the elderly and vulnerable, and include models such as co-housing schemes as well as bringing forward development sites that could be unattractive to mainstream housebuilders. The funding could also support communities and groups registered for self-build and custom build housing.
- 2.3 With reference to the self and custom build housing above, it should be noted that since April 2017 local authorities are required to hold a register of people who want to acquire serviced plots of land for self and custom housebuilding purposes. Legislation enables local authorities to permission sufficient land suitable for self and custom build housing to meet the demands on their register within three years. Similarly, there is a legislative requirement for local authorities to prepare and maintain registers of brownfield land suitable for residential development (irrespective of their planning status) to help provide certainty for developers and communities, thereby encouraging investment in local areas.
- 2.4 Although the council has already established a Self and Custom Build Housing Register and published a map-based list of Brownfield Land using existing resources, in order to address the objectives set by Government for these new initiatives and

meet demand on the registers, using existing delegations Officers intend that the DCLG allocation be used to provide additional dedicated staff resource (through increasing the hours of two part-time officers) on an initial fixed term basis within the Planning and Housing Policy team to accommodate the initial demands associated with these new initiatives, with any continuation being subject to review and confirmation of further funding by DCLG. Cabinet is requested to endorse this.

- 2.5 Community led schemes may also generate added value to communities by providing skills, training and jobs for local people which could be targeted at vulnerable groups, by giving community organisations control over assets and revenue through appropriate management arrangements such as through a Community Land Trust model or through co-operative arrangements which allow residents to democratically control and manage their homes.
- 2.6 The funding is intended to support existing community groups who may have formed in response to local housing shortages or as an extension of a community based activity with local roots who then decide to provide housing in addition to their current activities and where this additional funding will allow them to access the technical support they require.

3.0 Progress to Date

- 3.1 In the short time that has elapsed between receiving the notification and initial allocation of funding, officers have engaged in the following activities to explore opportunities to utilise the Community Housing Fund. This has included:-
- 3.2 Some initial mapping of second homes ownership in Lancaster district has taken place. Unsurprisingly the rural areas most affected in terms of the percentage of second homes against the dwelling count in parishes were Silverdale and Cantsfield. It should be noted however that the actual numbers of second homes are relatively small.
- 3.3 Through ongoing engagement with Neighbourhood Plan Groups, Wray Parish Council had begun early discussion with Lune Valley Rural Housing Association to investigate feasibility of developing sites in Wray potentially through a Community Land Trust model, and this culminated in Wray Parish Council arranging a facilitated workshop on the 7th February 2017 by the Affiliated Adviser for the Community Land Trust Network, Andy Lloyd, and all parish councils and city council elected members were invited to attend.
- 3.4 A report was presented to Planning Policy Cabinet Liaison Group on the 16th February 2017.
- 3.5 A city council member briefing extended to parish councillors, was arranged for 6th April 2017 and facilitated again by Andy Lloyd.
- 3.6 Some initial engagement work and specialist advice has been offered to groups who are interested in accessing the funding. To date this has included a briefing session for Carnforth Town Council and a briefing session and further scoping work for Lancaster Cohousing Scheme in Halton, who have an ambition to extend their existing community led development. The provision of specialist advice to date has been a mixture of awareness raising and assistance with establishing the new framework for the Community Housing Fund.

4.0 Allocations from the Community Housing Fund –Administering the Fund

- 4.1 Members should note that there could be multiple applications received to request funding from the Community Housing Fund given the scope and wide remit of how the funding can be used. These are expected to be in the form of both revenue funding and/or capital funding, and a draft policy has been formulated to set out in what circumstances the council will provide grant funding at Appendix 2. In order to make allocations of the fund in a timely way, the grant policy sets out suggested

thresholds to fund any set-up costs (Stage 1) for newly forming community groups and initial feasibility work (Stage 2) for each potential scheme identified, which are not normally expected to exceed £20K for both elements. It is proposed, therefore, that payments for qualifying applications for Stage 1 and Stage 2 grants will be authorised through officer delegation and that any subsequent applications for additional funding for development costs (Stage 3) after initial feasibility work has been completed would require Cabinet approval.

- 4.2 Whilst acknowledging that the council has predetermined practices and financial thresholds as part of the procurement of services and contract monitoring, members should be aware that applying some of these practices when supporting and providing grant funding to community groups may sometimes need to be relaxed i.e. around the procurement of specialist advice and services. Any departure from the council's existing policies and procedures will be discussed with the council's Procurement Manager and where costs exceed £50K there may be a need to seek authorisation and apply for an Exception to Contract Procedures if and when required.
- 4.3 Progress and monitoring information on the Community Housing Fund will be reported at six monthly intervals to elected members through the Housing Regeneration Cabinet Liaison Group, and depending upon the type and frequency of applications for grants paid from the Community Housing Fund, the governance arrangements will be reviewed after the first year. Depending on the response to the Fund, consideration will be given to using the Liaison Group for consultation/engagement regarding specific scheme proposals if appropriate.

5. Officer Support

- 5.1 Whilst recognising the opportunities that may present themselves from the Community Housing Fund, it should be noted by members that unlike other funding received, these are normally made based on worked up bids with the support of members, where the resource implications are clearly identified at the outset. It has already become clear that there is insufficient officer capacity to undertake further awareness raising at a rate which offers value for money, and to properly support community groups to take potential projects forward and bring them to fruition. It should also be noted that the funding allocation is for one year only and with a degree of uncertainty about the length or rate of continued funding, although officers are reasonably optimistic that it will be forthcoming in future years.
- 5.2 An officer group meeting took place on 20th February 2017 of the Lancashire authorities who received an allocation of funding to discuss options going forward. Since then, Lancaster City Council and Fylde Borough Council have continued dialogue to investigate options to increase officer capacity. Given the temporary nature of the funding, and the level of funding secured by both local authorities, the creation of a new jointly funded officer post fixed for a period of 12 months initially has been investigated, subject to approval by both local authorities.
- 5.3 If supported, the post holder would be directly employed by Fylde Borough Council and would therefore be ultimately responsible for the appointment and management of the officer appointed following a joint selection process. The post holder's hours would be split equally between both local authorities and they will be based in each local authority's offices for equivalent amounts of time (the exact arrangements are still to be agreed). Lancaster City Council would be required to make a financial contribution of 50% of the cost and induction training required. The post holder's primary functions would be to undertake more detailed engagement work with local community groups for projects across both districts that have already been identified to date and

exploring pipeline schemes.

- 5.4 The associated benefits of a shared officer post is that the contribution required by the two local authorities is divided equally allowing a bigger percentage of the funding allocation to be used on other initiatives/projects. Fylde Borough Council’s allocation of Community Housing Fund is £440,381. Furthermore, it will allow both authorities to pilot the effectiveness of a shared resource, given this is a new area of work with some degree of uncertainty about the medium term resource implications and whether a shared post can provide the level of officer hours needed by each authority. If the pilot proves successful and further allocations of funding are forthcoming, then there are opportunities to review the arrangements, and increase the level of resources if it is found that a full time officer resource is required by each authority, it would offer value for money and the funding can be secured exclusively from a future Community Housing Fund allocation. The exact cost of the officer post has not yet been finalised but are not expected to exceed a financial contribution of £20K per local authority, and the actual costs will be confirmed once the job description has been completed and assessed through job evaluation by Fylde Borough Council.
- 5.5 The use of specialist advice is likely to be required for the provision of training for the appointed post holder and to provide ongoing support to groups until such time as the post holder has fully acquired the relevant skills and knowledge to work independently and this will be closely monitored by both local authorities. The costs incurred by Lancaster City Council to date for provision of specialist advice is less than £5K.

6.0 Emerging Proposals

- 6.1 A number of expressions of interest have been received to date for projects that would benefit from an element of funding. These include approaches made by ward councillors about specific projects that could potentially come forward as community led developments. Should the necessary officer resources become available, further investigation will be undertaken to explore the feasibility of these schemes working closely with the relevant ward members and community groups, and will be reported in detail if an application for funding is made.

7.0 Options and Options Analysis (including risk assessment)

	Option 1: Retain the DCLG funding and approve the framework and policy to allocate the Community Housing Fund and implement accordingly, and use the £29,645 to increase officer resources in the Planning Policy Team	Option 2: Do not approve the framework and policy set out in the report and either request officers to develop an alternative or hand the grant back to DCLG (if required)
Advantages	The proposed governance framework will allow the timely allocation of funding to investigate and bring community led developments into fruition. The approval of a jointly funded officer post will increase the officer resources available to	The DCLG funding allocations are non ring-fenced grants and were direct awards not subject to a bid process. There will be no officer resources required to implement and manage the Community Housing Fund.

	<p>Fylde and Lancaster on a pilot basis and will allow officers to review its effectiveness.</p> <p>The Grant Policy clearly sets out the circumstances that the council will support projects and how the fund will be allocated, administered and managed.</p> <p>The additional officer resources in the Planning Policy Team will ensure the Service can respond to the necessary legislative requirements, for a fixed period of time to run alongside whatever DCLG funding is provided and by virtue of extending the hours of two existing officer posts only.</p>	
<p>Disadvantages</p>	<p>The level of funding allocated will only provide a relatively small element of funding with pre-determined thresholds within the grant policy, which will require community groups to identify and pursue other forms of funding.</p>	<p>There would be a loss of opportunity to support potential projects that would benefit from an allocation of the Community Housing Fund, including the provision of affordable housing and residential schemes that could potentially meet a more diverse or more bespoke need that could directly benefit communities.</p> <p>If funding is available in future years, there would be limited/no opportunity to secure any further allocation of funding if the council cannot evidence the money has been put to good use and allocated in the way it is intended.</p> <p>There will still be legislative requirements around the development and maintenance of a Brownfield Register/Self and Custom Build Register</p>
<p>Risks</p>	<p>Given that the proposed jointly funded officer post will be directly employed by Fylde Council, this a more complex arrangement than employing a dedicated officer who is appointed by and reports solely to Lancaster City Council.</p> <p>Given the nature of the funding</p>	<p>Reputational damage upon the council if the funding is not utilised as Government intended / or if handed back.</p> <p>Could weaken relationships between the council and communities including those parishes currently developing Neighbourhood Plans.</p>

	<p>and its intended use, the fund could be incurring abortive costs in paying for up-front costs that may not be deliverable or come into fruition for a number of reasons.</p> <p>Some community groups may require extensive support to bring schemes into fruition and deliver schemes within the required timescales.</p> <p>It may be difficult for some groups to access the appropriate level of match funding required, much of which would be outside of the council's control.</p> <p>If groups do not fulfil their requirements there may be a need to reclaim the funding.</p> <p>There is no absolute certainty of how long the DCLG funding is being provided for and could be discontinued.</p>	<p>No real impact if funding was discontinued.</p> <p>Non-compliance of legislative requirements could lead to challenge.</p>
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8.0 Officer Preferred Option (and comments)

8.1 The officer recommendation is option 1 as it will provide a robust framework for the allocation of the Community Housing Fund and it will allow the funding to be put to good use and aligns to the guidance issued by DCLG.

9.0 Conclusion

9.1 The allocation of DCLG Community Housing Fund to Lancaster City Council is a very positive and welcome opportunity for the council to provide direct support to community groups to meet their own identified housing needs. The provision of additional officer resources should enable both Fylde Borough Council and Lancaster City Council to explore any potential projects, and evidencing this should improve the prospect of a future allocation of funding. Using the additional £29,645 DCLG funding will bolster the existing officer hours in the Planning Policy Team which will ensure the new legislative requirements to develop and maintain Brownfield/Self and Custom Build Registers are properly resourced.

RELATIONSHIP TO POLICY FRAMEWORK

Corporate Plan 2016-20:- links directly with improving the quality and availability of housing including the provision of affordable housing in some instances.

Draft Local Plan 2011-2031 – contributes to increasing the opportunities to bring new housing forward to meet the district's annual housing requirement.

Housing Strategy 2012-2017 – meeting the needs of all parts of the community by providing a more diverse housing offer through community led developments.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing):

An Equality Impact Assessment has been undertaken. The policy should have a positive impact overall, particularly for rural communities, but it is unclear to what extent groups with protected characteristics will benefit or be affected at this point. Should the report be approved, a key role of the new post holder will be to raise awareness and undertake a wide range of engagement work so that the policy is inclusive and will maximise opportunities. The council is currently undertaking a district wide Housing Needs Survey which may provide some indicators around unmet housing need for particular groups, and as the council is undertaking a review of the Housing Strategy and Action Plan, a further opportunity exists to engage with specific groups to understand their housing needs and how the council may be able to assist, to plan for and meet those needs in emerging planning and housing policies.

LEGAL IMPLICATIONS

Legal Services are to advise on the terms of any grant agreements that are entered into.

FINANCIAL IMPLICATIONS

The Community Housing Fund (CHF) and Self- Build and Custom Build Housing allocations received from DCLG in 2016/17 were transferred into the 'Revenue Grants Unapplied' Reserve during the recent 2016/17 annual closedown of accounts exercise, until such time that appropriate governance arrangements are established and agreed in respect of their use.

It is not expected that there will be any additional financial implications arising for the Council as any allocations to community groups / organisations or procurement of specialist advisors and associated costs, etc. will be fully funded from the DCLG CHF grant with any required staff resources (over and above the jointly funded officer post employed by Fylde Borough Council) being met from within existing resources.

As the CHF grant has been issued as a non-ring fenced grant, it is not clear whether there would be any clawback arising by the DCLG if not used in line with its intended use. At the very least, there is a real risk of significant reputational damage for the Council if the grant is not used as proposed (Option 1) and the Council should not expect to receive any further funding allocations in the future. If Cabinet was minded to support Option 2, advice would be sought from Government as appropriate.

It is proposed that allocations for Stage 1 and Stage 2 grant awards are authorised through officer delegation as these are not expected to exceed £20K per application, with subsequent allocations for Stage 3 development costs being brought back to Members for final approval prior to being awarded. Monitoring information will be provided at 6 monthly intervals to the Housing Regeneration Cabinet Liaison Group with overall governance

arrangements for the allocations being reviewed again after 1 year.

It is further proposed that the specific DCLG allocations for self-build and custom build housing be used to provide the additional dedicated staff resource needed to maintain and manage the demands arising from the two new government initiatives, noting that this will be for an initial fixed term period, to be further reviewed upon confirmation of subsequent funding in 2017/18, 2018/19 and 2019/20.

Subject to the preferred Option 1 being approved, the Chief Officer (Resources) under delegated authority would need to update the General Fund Revenue Budget as appropriate, to be funded from the Revenue Grants Unapplied Reserve, and subject to there being a nil impact on the Council's resources.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:

There are no HR liabilities due to the post holder being employed directly by Fylde Borough Council.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no further comments.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

None

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Ref:

Community-led housing: What is it and what can it offer your local authority?

Guidance from the community-led housing sector

This guidance has been prepared by the community-led housing sector for officers and elected members. It:

- explains what community-led housing is;
- highlights the benefits how community-led housing can deliver on your strategic aspirations;
- highlights the availability of substantial government funding aimed at promoting the sector; and
- explains where further advice can be obtained on how to make the best use of this funding, secure the second tranche of funding, and realise the benefits of community-led housing in your area.

Community-led housing is about local people playing a leading and lasting role in solving local housing problems, creating genuinely affordable homes and strong communities in ways that are difficult to achieve through mainstream housing.

Benefits for local authorities

Community-led housing can bring significant benefits to local authorities. These include:

- mobilising public support for new homes and regeneration initiatives;
- reducing reliance on public services, for example addressing social care through building communities with mutual support for the elderly and vulnerable, and involving homeless people in the renovation of homes;
- providing a range of genuinely affordable housing in perpetuity, and homes for those priced out of ownership;
- diversifying the local housebuilding market, and unlocking small sites and landowners that are not attractive or available to established housebuilders;
- supporting the implementation of duties such providing permissioned plots for individuals and groups on the Self and Custom Build Registers; and
- promoting community cohesion and resilience that can help tackle issues like antisocial behaviour.

Community-led housing approaches can also bring benefits to participants, including:

- skills, training and jobs, which can be targeted e.g. at care leavers and unemployed young people;
- a rewarding collective experience, improving their sense of community and connection;
- high quality and imaginatively designed homes and neighbourhoods;
- giving community organisations control over assets and revenue; and
- mutual support within communities, especially for older people and vulnerable young people.

Bringing resources into your area through community-led housing

The newly announced Community Housing Fund provides £60 million per year of revenue and capital funding for the sector. This will be a game-changing fund with significant opportunities for local authorities.

Community-led builders can access mainstream funding, such as the £3 billion Home Building Fund and money from the HCA's and GLA's affordable housing programmes.

Community-led groups have also brought in significant revenue and capital resources not accessible to other housing providers, including commercial lending, social finance, charitable funds, crowdfunding, community bond issues and labour. These cover seed-corn funding for new providers, and pre-development and development finance for schemes, as well as funds for associated aims such as skills training and community development. They can build up new resources and resilience in your communities.

Criteria for genuine community-led schemes

An alliance of community-led housing organisations has endorsed the following definition to ensure that schemes are truly community-led:

- a requirement that the community must be integrally involved throughout the process in key decisions (what, where, for who). They don't necessarily have to initiate and manage the development process, or build the homes themselves, though some may do;
- a presumption in favour of community groups that are taking a long term formal role in ownership, management or stewardship of the homes; and
- a requirement that the benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity.

Approaches to community-led housing

Community-led housing has a significant history accompanied by a range of distinctive terminology and practices. Over time a number of established approaches have developed which all have specific characteristics, yet overlap to the extent that the distinctions between them are becoming increasingly academic.

Communities can and do choose to combine approaches to meet their needs and aspirations, drawing on the principles of each approach as a component to achieve one of their aims.

The main aims that different approaches provide for are:

- **Stronger neighbourhoods, shared spaces, mutual support:** Cohousing principles can be used to achieve this. Households each have a self-contained home but residents come together to manage their community and share some facilities. Cohousing is increasingly becoming an attractive option for older people to create resilient mutual support, in both new developments and retrofit to sheltered housing, which can reduce their reliance on public services including social care.
- **Permanent affordability and local control of assets:** Community Land Trust principles offer a mechanism to provide genuinely affordable housing in perpetuity, both for rent and ownership. Low cost ownership homes can be designed to remain affordable even if the gap between local incomes and house prices widens.
- **Building neighbourhoods:** Group self-build and collective custom build are great ways of supporting groups of households to work together to build or directly commission their own homes. The emphasis is always on supporting one another through the process which not only creates strong communities, but also develops skills and delivers high quality housing.
- **Greater local accountability and control over housing management:** Co-operative and tenant management principles empower residents to democratically control and manage their homes, often leading to improved efficiencies and financial savings as well as increased skills and confidence within the community. Many housing cooperatives own their properties collectively which also offers opportunities to invest in wider socially beneficial activities.
- **Tackling empty properties:** Self-help housing offers people the chance to bring empty properties back into use, sometimes for their own use. It can be particularly effective in providing work experience and training to people from vulnerable backgrounds in a safe and supportive environment, and help to revitalise homes, streets and neighbourhoods. It can form part of a strategy to tackle homelessness.

Routes to delivery

For the most part, the routes to delivery for community-led housing schemes are the same as in any other industry-standard housing scheme. The difference is that the community takes central role. Communities may work in partnership with a local housing association or developer, or can work on standalone projects. They can provide affordable housing through a section 106 agreement and/or a Rural Exception Site.

There are three main ways in which community-led groups become involved in the process:

- **Group-led:** New community-led groups form in response to local housing need, or to deliver their own homes. They sometimes emerge from existing networks such as Neighbourhood Forums and parish councils. They access technical expertise to support the development and realisation of their ideas.
- **Extension of community based activity:** Existing community-based organisations with local roots decide to provide housing in addition to their current activities, accessing technical expertise to help them understand this new area of work.
- **Developer-led partnership:** A Local Authority, landowner, housing association or local developer wants to provide housing that incorporates a community-led element. They access technical expertise to recruit 'founder members' from within the community and support them to take over ownership and/or management of the homes. In this scenario it is essential that all of the community-led criteria (see below) are met to ensure genuine community benefit and involvement.

Support available for local authorities

The community-led housing sector can provide a range of technical support services for all approaches and all routes to delivery. These are best provided by local or sub-regional organisations with a strong understanding of the local housing market, and relationships and partnerships with local authorities, housing associations and developers. The Community Housing Fund can be used to create or grow this kind of enabling infrastructure in your area.

As a first step, the sector can provide you with advice and enabling services to help you make the best use of the Community Housing Fund and be in a strong position to secure the second tranche of funding. The package of specialist advice includes:

- an introductory session to understand community-led housing, how it might meet your authority's priorities, and how it can dovetail with other duties such as the Right to Build and Neighbourhood Planning;
- mapping existing community-led housing activities in your area and in neighbouring authorities, including groups, technical advisers and enabling organisations, and options for growing the sector locally and in partnership with neighbouring authorities;
- advice on internal policies, procedures and structures to best enable community-led housing and avoid unnecessary and expensive delays, such as asset disposals/leases, the planning system, local sales and lettings policies, and the use of self and custom build registers;
- nurturing a local enabling and support vehicle so that your use of the funding creates a legacy of delivery capacity within your authority and in the local community; and
- signposting further specialist support for each of these areas.

You will be signposted to appropriate online resources (existing or emerging) as part of the support on offer.

What happens next?

If you would like to arrange for an introductory session with a community-led housing adviser please send a brief email to communityledhousing@bshf.org and we will put you in contact with an appropriate specialist.

Further information about community-led housing support services, wider support organisations, and signposting to sample case studies can be found at:

<https://www.bshf.org/our-programmes/community-led-housing>



Lancaster City Council - Community Housing Fund Grant Policy

1. Introduction

Lancaster City Council has been allocated £707,630 funding from the Department of Communities and Local Government (DCLG) Community Housing Fund to support the development of community-led housing in Lancaster district. The DCLG funding has been allocated to those local authorities who are most affected by second homes ownership. The government expect that funding will continue in future years but at the time of drafting this policy, there are no details of how the funding will be allocated and at what rate.

The purpose of this policy is to set the criteria for the allocation of this year's funding. Please note that this is not an open grant fund which anyone can apply for. It will only be allocated for identified community-led schemes to ensure the successful delivery of those schemes.

Allocations from the fund must meet the following **basic principles** for a community-led housing scheme, which are derived from the Building and Social Housing Foundation (BSHF):-

- a requirement that the community must be integrally involved throughout the process in key decisions (what, where, for who). They don't necessarily have to initiate and manage the development process, or build the homes themselves, though some may do;
- a presumption in favour of community groups that are taking a long term formal role in ownership, management or stewardship of the homes; and
- a requirement that the benefits to the local area and/or specified community must be clearly defined and legally protected in perpetuity.

Lancaster City Council will not allocate funding to schemes which do not meet those basic principles.

2. Who will the fund be allocated to?

Funding will be allocated to support specific community-led housing schemes. Funding will be made available to the following types of organisations:-

Community Organisations: These will be community groups based in communities involved in the development of a community-led housing scheme. Community groups will need to be incorporated as a not-for-profit company or constituted to receive direct funding. The community group could be an existing charitable trust or development trust or similar body such as a Community Land Trust, Co-operative or a Co-housing scheme etc. Individual or group self-build can also be supported with each application for funding being determined on a case by case basis. Where a new community group is established to develop a scheme, then funding will be provided to help establish the group (see later section: "What can the fund be used for").

Registered Providers (formerly known as Housing Associations): Funding will be provided to Registered Providers who are involved in the development of an identified community-led scheme which meet the basic principles above. Funding for Registered Providers can be in the form of a grant in the same way as community groups. Funding from

the Community Housing Fund for Registered Providers can be made available in addition to funding from the Housing and Communities Agency (HCA) Shared Ownership and Affordable Homes Programme (SOAHP). Registered Providers can be involved in a community-led housing scheme in a number of ways. These can range from providing general advice, or providing project management for a community scheme, or developing on behalf of a community group through a development lease, or providing the on-going management of the housing. However, it is essential that whatever role a Registered Provider has in a community-led scheme that the community takes a long term role in the ownership, management or stewardship of the homes, for it to be a genuine community-led housing scheme.

Other development partners: In most cases, communities may work with Registered Providers as development partners. However, there may be situations where the community works with another development partner to deliver a community-led scheme. The Council may provide direct funding to alternative development partners in certain circumstances. An example of models used previously have included a Community Land Trust acquiring land and then leasing it to a Registered Provider or developer to build to the trust's requirements.

Direct recipients of funding through the scheme will be required to demonstrate they meet the following criteria:

- Be able to demonstrate strong governance arrangements by operating through open and accountable, co-operative processes, with strong performance and management systems
- Demonstrate it has the skills and capacity within the organisation, or available to the organisation
- Demonstrate clear, realistic financial plans for the management and development of the housing scheme where applicable
- Demonstrate community support for the proposals
- Be clear about how the organisation will comply with any relevant legislation and statutory requirements

In addition, community organisations will need to:

- Be a legal entity, or be part of a legally constituted consortia agreement
- Be appropriately constituted (examples might include; a registered charity, community interest company or charitable incorporated organisation, not for profit company or Industrial and Provident Societies for the Benefit of the Community)
- Have stated community benefit objectives
- Be non-profit distributing; any surpluses must be reinvested to further its social aims/community benefits

3. What can the fund be used for?

The fund can be used for the following broad categories:

Community Development Work: Funding will be used to support community engagement work with local communities to enable them to set up a community organisation and to develop the organisation. Specific community capacity working will include:

- Set up costs for the group including legal structures and governance
- Advising the group on community-led housing models and the most appropriate models and approaches for their community/development

- Any training requirements
- Identifying other funding opportunities
- Assistance with funding applications and other support
- Longer term group and business development
- Any other specialist support

Initial Feasibility Work: Funding will be allocated to undertake initial feasibility work to identify the potential to develop a community-led housing scheme. Initial feasibility work can include;

- Feasibility studies
- Identifying and assessing potential sites and opportunities, costs and values
- Local Housing Needs Surveys
- Developing the initial project proposal and pre-application advice where sites do not have an existing planning permission
- Advice on early project planning/management and business plan development

Project development costs: Costs will cover any work undertaken on a specific site prior up to and including start on site of a scheme. This will include:

- Project management – co-ordinating and managing the professionals, ensuring the business plan is current and deliverable reporting regularly to the community group.
- All professional costs: Design and Architectural costs, Quantity Surveyor, site surveys and investigations etc.
- Planning fees and any specialist planning advice.
- Legal costs.
- Procurement costs.
- Site Management costs.
- Site acquisition.
- Any abnormal costs: e.g .contamination, site clearance etc.
- Sales and marketing costs (depending on tenures).

Construction Costs: This will be for all the build costs associated with the construction including any off-site works that may be required for the development

Other costs: The Council will consider use of the fund for specific one-off costs for a particular site, without which the scheme could not be developed or be viable. This could include acquisition of particular sites, which could be “transferred” at a later date to a community-led housing group for development. The fund could also be used as gap funding to support viability of a particular scheme.

Tenure: Grants are not limited to schemes which exclusively provide affordable housing, but additional weighting will be given to schemes that generate a higher level of affordable housing than planning permission would normally require. For mixed tenure schemes, the grant agreement will contain an overage/clawback provision for any schemes that could potentially generate a surplus. The fund can also be used to support self-build/custom build schemes which will be assessed on a case by case basis depending on the scheme and level of funding required.

What the fund will not support: The fund cannot be for schemes that are not deemed to meet the basic principles set out in this policy, to any organisation that does not meet the criteria listed in the policy. The fund will not normally be used for any development that has already commenced or to fund retrospective costs, although the council may investigate the implementation of a policy that would allow community groups to purchase affordable units from developers through S106 planning obligations. This option would require a very

detailed analysis and understanding of the costs for all parties which would need to be undertaken as part of the council's Affordable Housing Viability Study.

4. Level of Funding allocated

There is a three stage process for grant funding set out below. Not all stages will be applicable as some community organisations may already be established and not require community development funding and in some cases may have already undertaken feasibility work in respect of a potential scheme, so may not require feasibility funding. Multiple applications can be made from the same community group, although if the fund is over-subscribed, the council will need to assess the merits of all applications being received, in order to ensure there is maximum coverage/outcomes across the district.

Stage 1: Community Development/Set-up Fund: Funding can be applied for to support the development of a specific community group and to ensure they fulfil the council's requirements and are a legal entity. Stage 1 costs are not expected to exceed £5K.

Constituted groups can seek grant funding to support more than project but it is not expected that the fund would provide set-up costs more than once without any justification for this.

Stage 2: Feasibility Fund: Funding can be applied for to support initial feasibility work for a potential community-led housing scheme. If the group is already constituted then the funding will either be paid directly to the community organisation or to the provider of the services. If the group is not yet constituted then the funding will be held by the Council and spent on feasibility costs until such time that the organisation is constituted. Stage 2 costs are not expected to exceed £15K.

Stage 3: Development Fund: Grant funding for capital costs to cover project management costs and construction costs will be made to up to 50% of the total development cost of the scheme. Subject to the amount of funding, capital funding will only be specifically granted to Registered Providers or other development partners and community organisations whose financial and organisational capacity meets the Council's procurement requirements. Funding from the Community Housing Fund can also be matched with funding from the Homes and Communities Agency (HCA). This can be done in one of 2 ways:

1. Community Housing Funding can be used in addition to HCA funding to top up the public subsidy to a maximum of 50% of the total development cost.
2. Community Housing Funding can be used to fund a specific one-off cost, such as site acquisition (including negotiating an option on a site), site clearance, any abnormal cost etc. or be used as gap funding to support viability. Specific one-off costs will be considered on a case by case basis depending on the specific issue. The amount and proportion of funding to support a specific one-off cost will depend on the actual issue.

In order to ensure the fund can support a number of projects, the development funding will only be provided up to a **maximum** of 50% of the total development cost for any scheme subject the funds being available and where a number of bids a received, the grant may be considerably lower than this. Communities will be required to find the remaining funding from other sources. This could be through a number of possible routes as follows:

- Through a loan, which is repayable over a fixed period through the rents. This is the traditional route undertaken by Registered Providers, usually combined with HCA grant. This would be a lower risk option for communities where they would utilise a Registered Provider as a full development partner.

- Through other sources of grant funding. Communities have access to a wider range of grant funding sources, which would not be available to Registered Providers or other public sector bodies, such as funding from the Community Land Trust Network. Support and advice will be provided to communities both through the Council and specialist advisors on alternative sources of funding for community organisations.

5. Grant application process

Funding will initially be made available to communities or organisations where they have expressed an interest in developing a community-led housing scheme. Work will be undertaken over the forthcoming months to identify further communities who are interested in developing a community-led housing scheme.

Assessment of applications to the Community Development Set-up fund will be undertaken by the Council's Housing Strategy Officer and Community Housing Fund Development Officer.

Assessment of applications to the Feasibility Fund will be undertaken by the Council's Housing Strategy and Community Housing Fund Development Officer.

The outcome of the feasibility work will determine whether the scheme will progress to the development stage. Determination of development funding for schemes will be subject to a more detailed appraisal process, which will comprise of the following:

- Where a scheme is likely to obtain planning permission and to fund pre-application advice
- Deliverability
- Value for money
- Eligibility, in terms of meeting the basic principles outlined in Section 1 and the wider criteria outlined in Section 3.
- Allocations Policy
- How the scheme will be managed and maintained
- Robustness of the business model and financial viability
- Other sources of funding and finance
- Additional weighing may also be given to proposals identified through a Neighbourhood Plan, or in a rural parish deemed to be a sustainable settlement where second homes ownership is often more prevalent or where added value is being provided i.e. where specialist housing is being delivered to meet the needs of a prescribed group.

Applicants will be required to complete and submit a development appraisal form, and may also be required to submit supporting information. The appraisal can be completed by the community organisation, development partner, registered provider or consultant acting on behalf of the community.

Initial assessment of the appraisal will be undertaken by the Council's Housing Strategy Officer and Community Housing Fund Development Officer. Recommendations will then be made to the Cabinet Member for Health and Housing (through the approved scheme of delegation) or to Cabinet.

6. Payment of Grant

Stage 1: Community development set-up costs: Where possible, grant payments may be paid on receipt of grant claim form on receipt of quotations/invoices for work either being commissioned or completed with prior agreement that the council will fund these costs. It is recognised that some community groups may not yet be fully constituted or have very limited cash resources. As a result then the funding will be held by the Council and spent on set-up costs until such time that the organisation is constituted and/or has appropriate cash reserves. The exact arrangements for payment of grant will be determined on a case by case basis depending on the funding in place and the level of grant funding being awarded and will be detailed in the grant agreement.

Stage 2: Feasibility costs: Grant payments will normally be paid on receipt of grant claim form along with quotations/invoices for work being commissioned or completed with prior agreement that the council will fund these costs. However, it is recognised that some community groups may not yet be fully constituted or have very limited cash resources. As a result then the funding will be held by the Council and spent on set-up costs until such time that the organisation is constituted and/or has appropriate cash reserves.

Stage 3: Development costs: Payments from the Community Housing Fund will normally be made on a staged basis as follows:

50% to be paid on start on site of the scheme

50% to be paid on scheme completion or through staged payments as deemed appropriate.

We will consider alternative/staged payments in cases where there may be cash flow issues and in order to allow groups to secure alternative development funding. However, it is expected that applicants will have sufficient development finance in place to ensure that they are able to manage their cash flow throughout the duration of the project.

Where the grant funding is being used to support a one-off specific cost such as site acquisition, site clearance or providing gap funding, then payment will normally be made to the applicant once that cost has been met by the applicant and upon receipt of evidence of payment of the cost by the applicant or direct to the service provider as appropriate and agreed with the council.

Cost overruns: Funding of cost overruns will only be considered in exceptional circumstances where costs are deemed unavoidable and unforeseeable. We will fund cost overruns only as a last resort and expect all other sources of potential funding to be exhausted.

There can be no guarantee that we will fund cost overruns and if we do, it will only be as a contribution so that it does not exceed 50% of the total scheme costs.

7. Grant Agreement

Grant recipients will be required to enter into a standard grant agreement with Lancaster City Council, which will stipulate a number of requirements including:

Monitoring Arrangements: Lancaster City Council will require grant recipients to provide regular monitoring information as per the grant agreement.

Use of Grant and details of works required: The grant agreement will set out what the grant can be used for and details of the works required.

Withholding, suspending and repayment of grant: The grant agreement will also set out the circumstances in which grant may be withheld, suspended or repaid., and use of grant for purposes other for which the grant has been awarded etc.

Overage/Clawback: The grant agreement will contain details of what overage/clawback will apply.

Procurement of services: The grant agreement will set out the arrangements and financial thresholds that will apply around procurement of services, recognising that there may need to be some relaxation of existing requirements due to the specialist nature of some of the services required, and these must be discussed and agreed with the council where there is a departure from the council's policy.

8. Review of the Community Housing Fund Grant Policy

This policy will be subject to review as required or in order to satisfy any new guidance issued by either the Department of Communities and Local Government, the Homes and Communities Agency or any other government body administering the grant funding.

Equality Impact Assessment

This **online** equality impact assessment should:

An equality impact assessment should take place when considering doing something in a new way. Please submit your completed EIA as an appendix to your committee report. Please remember that this will be a public document – do not use jargon or abbreviations.

Service

Title of policy, service, function, project or strategy

Type of policy, service, function, project or strategy: Existing New/Proposed

Lead Officer

People involved with completing the EIA

Step 1.1: Make sure you have clear aims and objectives

Q1. What is the aim of your policy, service, function, project or strategy?

Lancaster City Council received an allocation of £737K Community Housing Fund from the Department of Communities and Local Government for the period 2016/17. The level of funding allocated has been calculated by central government against the prevalence of second homes ownership nationally. There is a presumption in favour of supporting schemes in rural communities which are often the most affected by second homes ownership, but the funding is not restricted to rural areas. Subject to approval, the council has established its own policy in order to allocate the funding. It is envisaged that the grant funding will be used to support to community groups who require financial or officer support to investigate, develop and deliver community led housing developments. The grant funding could potentially be used to fund the cost of initial advice, steering group support and community consultation, incorporation, viability, predevelopment costs and construction costs.

Q2.

Who is intended to benefit? Who will it have a detrimental effect on and how?

The funding is intended to directly benefit community groups who are looking to bring forward and deliver housing projects that will meet their own identified need and in some instances a wider community need. It will only be clear to what extent proposals will directly benefit communities and community groups once each application is received and assessed and any evidence submitted to support proposals along with whatever data the council holds or has access to around need.

Step 1.2: Collecting your information

Q3. Using existing data (if available) and thinking about each group below, does, or could, the policy, service, function, project or strategy have a negative impact on the groups below?

Group	Negative	Positive/No Impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Faith, religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Equality Impact Assessment

Gender including marriage, pregnancy and maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Race	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sexual orientation including civic partnerships	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other socially excluded groups such as carers, areas of deprivation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Rural communities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Step 1.3 – Is there a need to consult!

Q4. Who have you consulted with? If you haven't consulted yet please list who you are going to consult with? Please give examples of how you have or are going to consult with specific groups of communities

Consultation has already taken place with a number of rural parishes, neighbourhood plan groups, a large number of city councillors and neighbouring local authorities. Subject to the draft policy being approved and implemented, a new officer post is being created which will be jointly funded through the Community Housing Fund allocations received by Lancaster City Council and Fylde Borough Council's and the appointed postholder will be responsible for awareness raising and engagement with a wide range of community groups across the two districts to formulate a pipeline of schemes to maximise future funding opportunities. This will allow detailed engagement with a wider range of community groups including groups with protected characteristics and the need and demand for community led housing schemes amongst these groups. However, in terms of the engagement work undertaken so far, and given that rural communities are often directly affected through second homes ownership, there has already been direct engagement with rural parishes in order and also to assist in the development of their neighbourhood plans where applicable.

Step 1.4 – Assessing the impact

Q5. Using the existing data and the assessment in questions 3 what does it tell you, is there an impact on some groups in the community?

Age: It is hoped the impact will be positive. The council recognises the need to plan for the ageing population and that proposals emerging from communities groups could be supported. To date, a proposal has already emerged to extend an existing community led development to provide an over 55's mixed tenure scheme. The biggest challenges in developing a scheme specifically for the elderly would include the actual development costs in ensuring that an appropriate design and layout is incorporated that is fit for the intended client group, and how the provision of any support related services are made available given that Lancashire County Council have recently decommissioned services/funding for older people. In the case of rented accommodation, there is an intention to review the existing funding framework for supported housing. Developing market housing for a fixed age group also poses some risks depending on the quality of data available about local demand. However, a community group should have a very clear idea about the perceived need that they are looking to meet. There are also examples of community led developments where the support element provided to residents is provided directly from the community rather than through state intervention, which is one of the drivers for the government allocating this funding.

Disability: It is again hoped the impact would be positive but there could be challenges around the level of funding that can be used to support projects and the degree of officer/specialist support that might be required to take schemes forward and deliver the right type of housing.

Equality Impact Assessment

This could vary depending upon the needs of the community group and the type of housing deemed necessary to meet the needs of that group. However, given the level of specialist housing that exists locally, the council will raise awareness about the type of housing required to meet a local need and explore opportunities with community groups to consider the merits of including property types that are accessible to people with disabilities.

Faith, Religion or Belief: Although LCC data suggests that the ethnic mix in Lancaster district is much lower than the national average, there are examples of schemes in neighbouring authorities (Cumbria) that have been taken forward by Faith Groups/Organisations that have recognised a local need in that group and had a desire to meet that need. Awareness raising would be required to understand whether similar needs exist in Lancaster district.

Gender including Marriage, Pregnancy and Maternity: The policy would have no bias towards any particular gender so a negative impact is not thought to apply.

Gender Reassignment: The policy would have no bias towards any particular gender so a negative impact is not thought to apply. Awareness raising would again be important to understand if there are groups that currently have an unmet need.

Race: The policy would have no bias towards any particular race so a negative impact is considered not to apply and again should provide an opportunity for the council to have better engagement with specific groups to understand an unmet need and whether there is potential to use the funding to support community led developments that would meet an existing/future need. Although it is envisaged that new schemes will provide an element of affordable housing, mixed tenure schemes will be considered and the flexibility around tenure could encourage proposals from groups that would not otherwise consider a community led development, particularly where certain ethnic groups normally have a preference for market housing.

Sexual Orientation including Civic Partnership: The policy should not have a detrimental effect but again the council will need to raise aware to understand the needs of this group and whether there is a need and demand for a community led development

Rural Communities: Access to housing in rural areas across tenures is often problematic either because of scarcity, due to affordability or depending on the level of services/infrastructure that exists which varies considerably across Lancaster district. Rural communities could potentially benefit the most from the Community Housing Fund given that the funding derives from the impact of second homes ownership which is most prevalent in rural areas and engagement with rural communities has already commenced because of the ongoing dialogue around development of neighbourhood plans. The council would like to support projects in rural communities particularly those that are linked to neighbourhood plans and would give additional weighting for this when applications are being assessed. One proposal has already been received from a rural community and more could follow.

Step 1.5 – What are the differences?

Q6. If you are either directly or indirectly discriminating, how are you going to change this or mitigate the negative impact?

Schemes emerging from rural communities are likely to receive additional weighting at the application stage but this is due to the nature of the funding and acknowledging that access to housing in rural communities is often more challenging. Also given the level of funding involved and the level of uncertainty about future funding (at what rate and for how long) the council may find the funding will be over-subscribed depending on how many applications are received. Engagement work with the other groups will be important to mitigate any negative funding and to try and support bids from other groups. However, schemes that are supported should be accessible and available to the widest possible range of groups within those communities. There are other funding streams available and greater opportunities to increase the provision of housing

Equality Impact Assessment

in urban areas (given that the Local Plan has identified a number of strategic housing sites in the main urban areas rather than in rural areas, the overall impact should still be positive. It could be argued that smaller sites that are better suited to community led projects are more likely to come forward in rural areas and this is referred to in the DCLG guidance issued.

Q7.

Do you need any more information/evidence eg statistic, consultation. If so how do you plan to address this?

The results from the recently commissioned Housing Needs Survey 2017 should assist in having up to date information about the housing needs of specific groups. As the council is also commissioning an affordable housing viability study, this work will explore the opportunities that might exist to develop planning policies which will include affordable housing provision through community led developments. Data should also be collected from the engagement work that will be undertaken through the new officer post, and as part of drafting a new Housing Strategy for Lancaster district, there is an intention to consult a range of groups and stakeholders to establish how the council can best meet their housing needs.

Step 1.6 – Make a recommendation based on steps 1.1 to 1.5

Q8. If you are in a position to make a recommendation to change or introduce the policy, service, function, project or strategy, clearly show how it was decided on.

The policy relates directly to the allocation of government funding, which was received by local authorities at very short notice and was a direct allocation rather than a bid process. Had the funding not been received, the policy would not be implemented. Notwithstanding this, the council has consulted other local authorities that were eligible for funding in order to develop a framework for the Community Housing Fund, and is working in partnership with Fylde Borough Council

Q9.
If
you
are

not in a position to go ahead, what actions are you going to take?

N/A.

Q10. Where necessary, how do you plan to monitor the impact and effectiveness of this change or decision?

It is likely that as a condition of the grant funding, some regular monitoring of how the funding is being used will be undertaken annually by DCLG. The council will maintain monitoring statistics of the number of applications received and correlations between groups with protected characteristics. Assumptions cannot be made about unmet need until the engagement work and awareness raising has taken place and some conclusions can be drawn. There was no opportunity to do this work prior to receiving the funding, and as DCLG will be expecting to see progress and delivery, delaying the implementation of the policy could weaken the position and likelihood of securing future funding (if available). It should also be noted that the level of funding could fluctuate depending on future methodology used and this could impact upon the number of projects that can supported and type of projects that can be supported. If the funding reduces and depending upon take-up of grants, the policy may need to be reviewed.

CABINET

**Strategic Planning and Budget Timetable
2018/19 to 2021/22**

08 August 2017

**Joint Report of Chief Executive and Chief Officer
(Resources)**

PURPOSE OF REPORT				
To gain Cabinet's approval for the approach and outline timetable for the strategic planning and budget setting process.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>	Referral from Cabinet Member / Officer X
Date of notice of forthcoming key decision	N/A			
This This report is public.				

RECOMMENDATIONS OF COUNCILLOR WHITEHEAD

- (1) That the approach and outline timetable for the 2018/19 to 2020/22 strategic planning and budget setting process be approved.

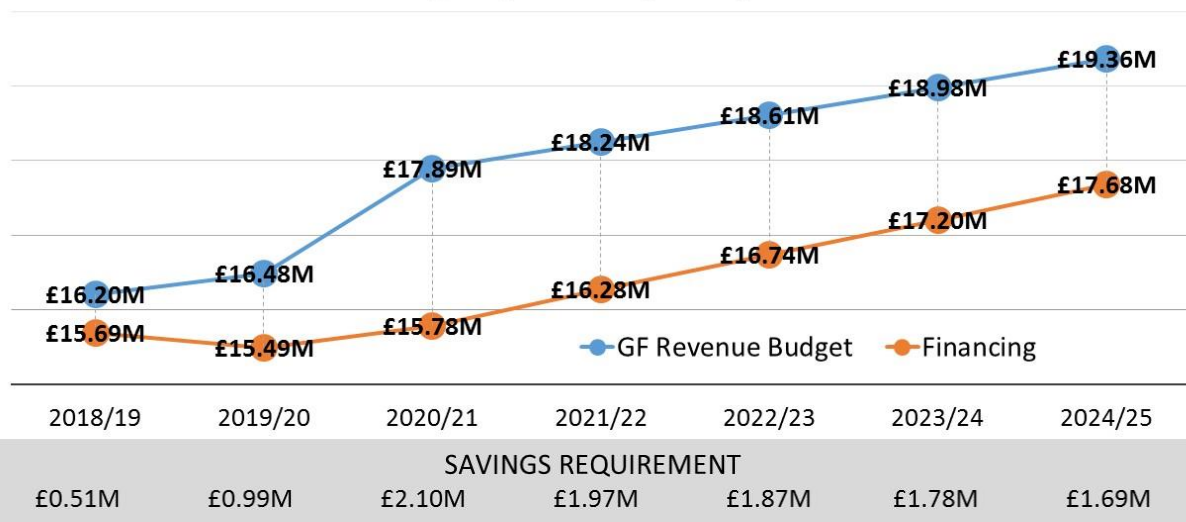
1.0 Introduction and Context

1.1 Under the Constitution, Cabinet has responsibility for developing budget and corporate planning proposals for Council's consideration. During the last budget the Council committed to a more strategic approach being taken, the key elements being:

- A major review of the Council's Corporate Plan (all aspects, including vision and priorities) and the supporting Policy Framework, culture and risk appetite.
- Completion of other major policy and strategy reviews (such as economic growth, corporate property, ICT/digital/customer service, HR/workforce planning, procurement, etc).
- Consideration of major transformational / innovative budget options for implementation from 2018/19 onwards.
- Consideration of any emerging national policy implications, ranging from Brexit to 100% Business Rates Retention.

- 1.2 The aim is to establish a clearer priority-driven and policy-led approach to budgeting and resource allocation for delivering clear outcomes for the district, with a firm basis on which to build on in the coming years.
- 1.3 The proposed main principles underpinning the proposed approach are as follows:
- **Outcome-Based**, with clearly stated ambitions for the district
 - **Evidence-Informed**, to prioritise in a transparent way, drawing on statistics and intelligence at a local level
 - **Stakeholder Engagement**, working in partnership both within and outside the Council to deliver agreed outcomes for the place.
- 1.4 As national context, the outcome of the recent General Election and the need to address Brexit create significant uncertainty in terms of the Government's future policy direction on many key issues, and the Council will need to keep these matters under close review, in order that it can plan and respond accordingly in light of future developments. A good example of this relates to the planned introduction of 100% Business Rates Retention. Primary legislation is needed to introduce such a scheme, but as the required Finance Bill was omitted from the Queen's Speech it is far from clear whether any reforms will ever be implemented – or indeed what the alternatives might be.
- 1.5 As well as national matters, the Council will need to take some key strategic decisions in the coming months, such as the Local Plan and Canal Corridor North redevelopment proposals, which in turn could impact significantly upon other strategic/financial planning aspects.
- 1.6 To provide some high level financial context, the Council's budget forecasts included in its Medium Term Financial Strategy (MTFS) have been projected forward to 2024/25, albeit very simplistically by applying 2% inflation and estimated council tax base growth. The following graph summarises the position:

Funding Gap - Savings Requirement



- 1.7 The projections indicate that the Council's budget gap (or savings requirement) could peak in 2020/21, and might then narrow slightly year on year. This is primarily because of the simplicity of the projections, in that some annual growth is provided in terms of the council tax base (i.e. the number of chargeable homes is expected to grow each year), whereas other than inflation, no general provision has been made for increasing service pressures.
- 1.8 Fundamentally, however, even on a very simple basis, the indicative projections highlight the ongoing impact of austerity. The Council cannot expect to be financially sustainable without taking action to balance its ongoing budget.
- 1.9 The following list summarises the key issues and actions that will undoubtedly impact either positively or negatively on the Council's financial outlook, and which needed to be reflected and/or addressed within the forthcoming budget:
- Future Plans for Local Government Finance – Retained Business Rates (in whatever form) and the Fair Funding Review.
 - Brexit; what it may mean for the economy, for public spending, and the regulatory framework that the Council operates in.
 - Other future changes in Government policy.
 - Income and cost pressures on Council services from new homes being built in the district.
 - Canal Corridor North.
 - The outcome of the strategic review: other priority led budget growth proposals, and current and new savings proposals.
 - Other Member decisions.
 - On-going savings resulting from the 2016/17 outturn and current year monitoring.

2.0 Proposed Approach and Timetable

- 2.1 Drawing on the above points, **Appendix A** sets out a summary of the planned approach and timetable and the key features are described below.

Prioritisation

Early facilitated sessions have recently taken place with Cabinet Members to begin forming priorities based on the evidence available, and these will continue as need be over the period.

Corporate Plan

The proposed content for a new Corporate Plan will be developed based on strategic priorities, with a finalised version to align with budget proposals for 2018/19 onwards.

Strategy / Policy Review

Consideration of a list of potential policies and strategies up for review will be considered, to inform and be informed by emerging strategic priorities. A

programme of policy review will then be initiated to deliver on agreed priorities and outcomes.

Business Planning

The success of any strategic planning activity is dependent on effective planning and implementation at the operational level. A revised approach to operational business planning 2018/19 is being carried out across the Council to streamline with the developing strategic priorities. Final business plans will then be completed according to budget decisions.

Performance Management

Measuring outcomes in a dynamic and intelligent way will equip managers with the necessary information to deliver agreed priorities and outcomes. A draft set of performance indicators has recently been presented to Members, and once formalised these will form the backbone for ongoing performance management across the organisation, as well as publicising the Council's progress against its plans and strategies.

Budget Planning and Preparation

It is proposed that the four-year horizon for detailed budgeting be retained, but to assist with strategic decision-making, an overview of the Council's outlook beyond that timeframe will be developed as appropriate - recognising that gaining information on Government's intentions on local government finance will be central to that aim.

Financial planning will be informed by national policy prospects, emerging strategic priorities and associated business planning, and by financial outturn and monitoring information. The development of budget options for progression or implementation in any year up to 2021/22 will be initiated either by Officers or Cabinet members, for consideration in a 'Star Chamber' process.

In view of all other work underway, the base budget will continue to be prepared on an incremental basis, but the prioritisation and policy development work underway will assist in achieving a more policy-led, focused budget. Where warranted, different approaches to budget preparation will be adopted.

Star Chamber

Decision-making on budget options will be informed as far as possible by draft service business plans, base budgets and strategic priorities. Cabinet Members will engage with officers to review and challenge proposals.

Consultation and Engagement

As strategic and budget proposal develop, more detailed plans for both internal and external consultation and engagement will be agreed and implemented.

3.0 Option and Options Analysis (Including Risk Assessment)

- 3.1 In essence Cabinet may approve the proposals as set out, or require changes to be made to the suggested approach. The overriding aim of any corporate planning and budget setting process is to approve a balanced budget by statutory deadlines, allocating resources to help ensure delivery of the Council's corporate and service objectives to achieve clear outcomes for the district. The proposed approach is in line with that broad aim, drawing on the time and other resources available to the Council, to help ensure a robust

approach, whilst giving flexibility to respond to any changing needs and circumstances.

- 3.2 Any changes that Cabinet puts forward should be framed in that context. The proposals are designed to help develop and improve the management of the many risks facing the Council – as well as taking advantage of opportunities – and key strategic and other risks will be reported for consideration as part of the process.

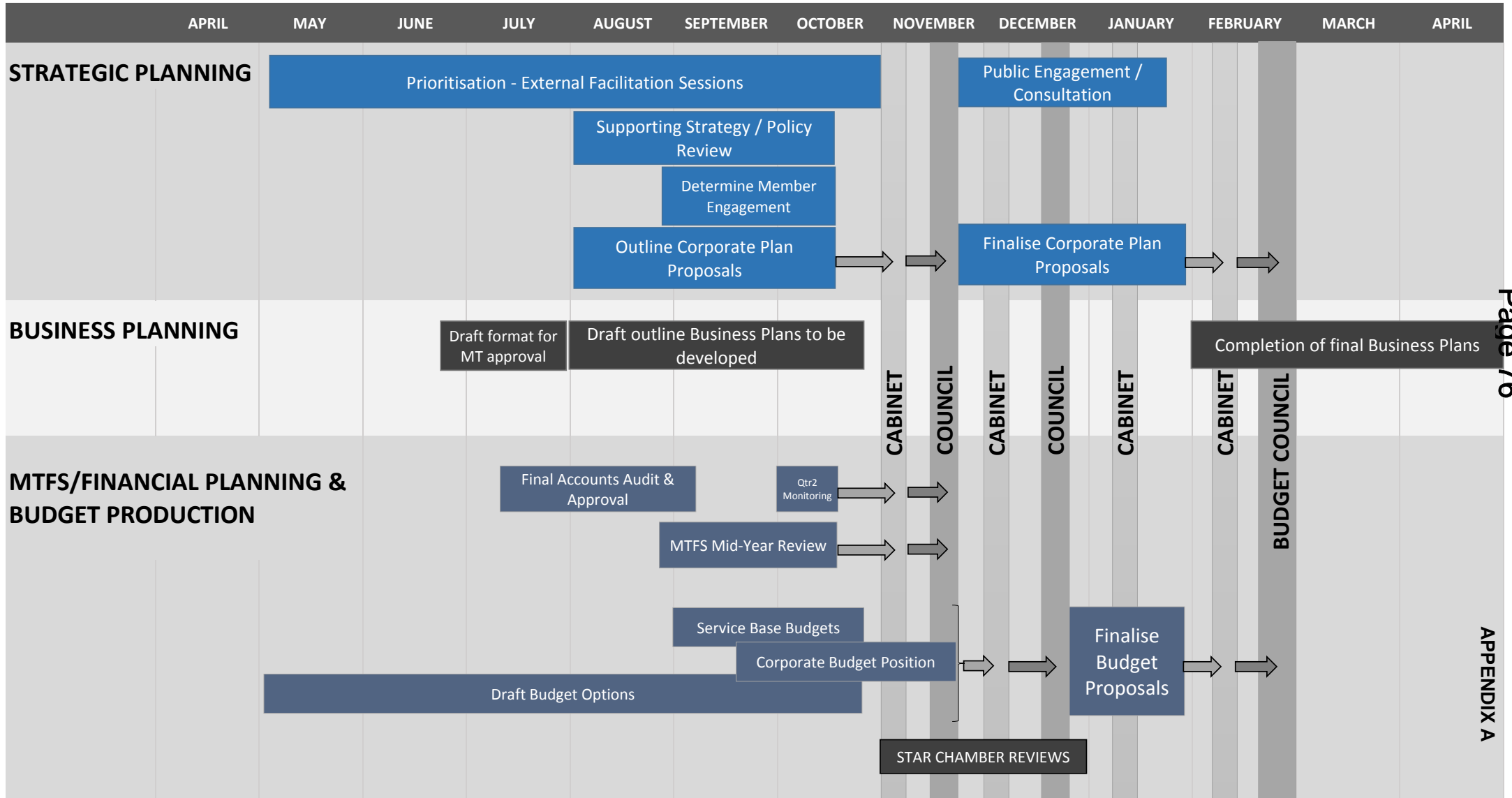
4.0 Officer Preferred Option and Conclusion

- 4.1 A strategic, multi-level approach to operational and financial planning will assist the Council in delivering positive outcomes for the district, whilst helping to achieve financial sustainability. Cabinet is therefore asked to approve the proposed approach as set out.

<p>RELATIONSHIP TO POLICY FRAMEWORK This report incorporates arrangements for reviewing relevant aspects of the Policy Framework.</p>	
<p>CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability etc) None directly arising in terms of the corporate nature of this report – any implications would be considered as part of the decision-making on specific policy or budget proposals, for example.</p>	
<p>FINANCIAL IMPLICATIONS As set out in the report.</p>	
<p>SECTION 151 OFFICER’S COMMENTS The section 151 Officer (as Chief Officer (Resources)) has contributed to this joint report, as part of her responsibilities.</p>	
<p>LEGAL IMPLICATIONS There are no legal implications arising as a result of this report.</p>	
<p>MONITORING OFFICER’S COMMENTS The Monitoring Officer has been consulted and has no comments to add.</p>	
<p>BACKGROUND PAPERS None. Background information has previously been published as part of earlier committee reports, as appropriate.</p>	<p>Contact Officers: Susan Parsonage /Nadine Muschamp Telephone: 01524 582011 / 582117 E-mail: sparsonage@lancaster.gov.uk nmuschamp@lancaster.gov.uk</p>

DRAFT BUDGET AND STRATEGIC PLANNING TIMETABLE

For Consideration by Cabinet 08 August 2017



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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Equality Impact Assessment

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Service

Title of policy, service, function, project or strategy

Type of policy, service, function, project or strategy: Existing New/Proposed

Lead Officer

People involved with completing the EIA

Step 1.1: Make sure you have clear aims and objectives

Q1. What is the aim of your policy, service, function, project or strategy?

The objectives of the proposal are as follows: Attract families and long-term residents to live and work in and near the town; Create a more balanced community; Reverse the negative perception of Morecambe's West End as a place to live; Reduce the number of HMOs (Houses in Multiple Occupation); Kick-starting public/private investment in the area; Creating confidence in the market – to show that family housing is possible and have a catalytic effect (along with the other interventions); Deliver quality housing stock; Address crime and social conditions in the area; Act as a demonstration to the market in terms of the standard and quality of housing that should be delivered in the Masterplan area

Q2.

Who is intended to benefit? Who will it have a detrimental effect on and how?

In January 2011 council resolved that housing regeneration be included as a theme in its corporate priorities. The Council's 2016-20 Corporate Plan notes that the Council's Vision for Morecambe and Heysham is: a confident community with a regenerated living, working and leisure environment, acting as a focal point on Morecambe Bay to enjoy and interact with the wider landscape. The Chatsworth Gardens Project is a key element of the West End Masterplan and was ranked as a high priority by Cabinet as part of review and refresh exercise carried out on the Masterplan in 2009. The council has been working with the Homes and Communities Agency (HCA), formerly known (prior to December 2008) as English Partnerships, to deliver the Chatsworth Gardens Housing Exemplar scheme. As 40% of the district's homelessness derives from failed private sector tenancies in the West End, these schemes will help reduce homelessness, enable housing supply imbalances to be corrected and help stabilise a transient community. There is a relationship between bringing empty homes back into use and the allocation of proposed sites for housing in the Local Plan. Empty property reuse is a significant element of providing for the District's housing needs.

Step 1.2: Collecting your information

Q3. Using existing data (if available) and thinking about each group below, does, or could, the policy, service, function, project or strategy have a negative impact on the groups below?

Equality Impact Assessment

Group	Negative	Positive/No Impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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Faith, religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender including marriage, pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation including civic partnerships	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other socially excluded groups such as carers, areas of deprivation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rural communities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Step 1.3 – Is there a need to consult!

Q4. Who have you consulted with? If you haven't consulted yet please list who you are going to consult with? Please give examples of how you have or are going to consult with specific groups of communities

Extensive consultation established the original project objectives and principles. The planning application for Phase 2 was widely publicised and received no objections

Step 1.4 – Assessing the impact

Q5. Using the existing data and the assessment in questions 3 what does it tell you, is there an impact on some groups in the community?

Age: None
Disability: None
Faith, Religion or Belief: None
Gender including Marriage, Pregnancy and Maternity: None
Gender Reassignment: None
Race: None
Sexual Orientation including Civic Partnership: None
Rural Communities: None

Step 1.5 – What are the differences?

Q6. If you are either directly or indirectly discriminating, how are you going to change this or mitigate the negative impact?

Not Applicable

Q7. Do you need any more information/evidence eg statistic, consultation. If so how do you plan to address this?

No

Step 1.6 – Make a recommendation based on steps 1.1 to 1.5

Equality Impact Assessment

Q8. If you are in a position to make a recommendation to change or introduce the policy, service, function, project or strategy, clearly show how it was decided on.

No changes intended

Q9. If you are not in a position to go ahead, what actions are you going to take?

Not applicable

Q10. Where necessary, how do you plan to monitor the impact and effectiveness of this change or decision?

Not applicable

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Equality Impact Assessment

This **online** equality impact assessment should:

An equality impact assessment should take place when considering doing something in a new way. Please submit your completed EIA as an appendix to your committee report. Please remember that this will be a public document – do not use jargon or abbreviations.

Service

Title of policy, service, function, project or strategy

Type of policy, service, function, project or strategy: Existing New/Proposed

Lead Officer

People involved with completing the EIA

Step 1.1: Make sure you have clear aims and objectives

Q1. What is the aim of your policy, service, function, project or strategy?

Q2. Who is intended to benefit? Who will it have a detrimental effect on and how?

Step 1.2: Collecting your information

Q3. Using existing data (if available) and thinking about each group below, does, or could, the policy, service, function, project or strategy have a negative impact on the groups below?

Group	Negative	Positive/No Impact	Unclear
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Faith, religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender including marriage, pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sexual orientation including civic partnerships	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other socially excluded groups such as carers, areas of deprivation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rural communities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Step 1.3 – Is there a need to consult!

Q4. Who have you consulted with? If you haven't consulted yet please list who you are going to consult with? Please give examples of how you have or are going to consult with specific groups of communities

Equality Impact Assessment

Step 1.4 – Assessing the impact

Q5. Using the existing data and the assessment in questions 3 what does it tell you, is there an impact on some groups in the community?

Age: N/A
Disability: N/A
Faith, Religion or Belief: N/A
Gender including Marriage, Pregnancy and Maternity: N/A
Gender Reassignment: N/A
Race: N/A
Sexual Orientation including Civic Partnership: N/A
Rural Communities: N/A

Step 1.5 – What are the differences?

Q6. If you are either directly or indirectly discriminating, how are you going to change this or mitigate the negative impact?

N/A

Q7. Do you need any more information/evidence eg statistic, consultation. If so how do you plan to address this?

No

Step 1.6 – Make a recommendation based on steps 1.1 to 1.5

Q8. If you are in a position to make a recommendation to change or introduce the policy, service, function, project or strategy, clearly show how it was decided on.

No

Q9. If you are not in a position to go ahead, what actions are you going to take?

N/A

Q10. Where necessary, how do you plan to monitor the impact and effectiveness of this change or decision?

N/A
