



**TRAFFORD
COUNCIL**

**AGENDA PAPERS FOR
EXECUTIVE MEETING**

Date: Monday, 19 March 2018

Time: 6.30 p.m.

**Place: Committee Room 2 and 3, Trafford Town Hall, Talbot Road, Stretford
M32 0TH**

A G E N D A	P A R T I	Pages
1. ATTENDANCES		
To note attendances, including officers, and any apologies for absence.		
2. DECLARATIONS OF INTEREST		
Members to give notice of any interest and the nature of that interest relating to any item on the agenda in accordance with the adopted Code of Conduct.		
3. MINUTES		
To receive and, if so determined, to approve as a correct record the Minutes of the following meeting:		
(a) Executive Meeting 26/2/18		1 - 4
4. MATTERS FROM COUNCIL OR OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)		
To consider any matters referred by the Council or by the Overview and Scrutiny Committees.		
(a) Scrutiny Committee Task and Finish Group Review of the Council's Scrutiny Function (Pages 5 - 16)		5 - 16
To consider a report of the Scrutiny Committee. The report is to be referred to Scrutiny Committee at its meeting on 14/3/18; any additional observations / recommendations arising from the Committee's consideration will be reported to the Executive.		

5. **STRATEGIC LAND REVIEW PROGRAMME** 17 - 26
- To consider a report of the Executive Member for Investment.
Note: A related report is to be considered in Part II of this agenda.
6. **HIGHWAYS CAPITAL PROGRAMME 2018/19** To Follow
- To consider a report of the Executive Member for Highways, Parks and Environmental Services.
7. **GREENSPACE CAPITAL PROGRAMME 2018/19** To Follow
- To consider a report of the Executive Member for Highways, Parks and Environmental Services.
8. **HOUSES IN MULTIPLE OCCUPATION - SUPPLEMENTARY PLANNING DOCUMENT - ADOPTION** 27 - 50
- To consider a report of the Executive Member for Housing and Strategic Planning.
9. **BUSINESS RATES DISCRETIONARY RATE RELIEF POLICY 2017 REVALUATION - FURTHER AMENDMENTS TO MAXIMISE FUNDING** 51 - 58
- To consider a report of the Executive Member for Corporate Resources.
10. **FAIR PRICE FOR CARE - OUTCOME OF THE REVIEW OF THE PRICE FOR HOMECARE AND RESIDENTIAL AND NURSING CARE** To Follow
- To consider a report of the Executive Member for Adult Social Care.
11. **UNIVERSITY ACADEMY 92 UPDATE** 59 - 64
- To consider a report of the Leader of the Council.
12. **BUDGET MONITORING 2017/18 - PERIOD 10 (APRIL 2017 TO JANUARY 2018)** 65 - 80
- To consider a report of the Executive Member for Corporate Resources and Chief Finance Officer.
13. **AGMA COMBINED AUTHORITY / EXECUTIVE BOARD: FORWARD PLANS AND DECISIONS**
- None currently to be considered.

14. URGENT BUSINESS (IF ANY)

Any other item or items which by reason of:-

- (a) Regulation 11 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Chairman of the meeting, with the agreement of the relevant Overview and Scrutiny Committee Chairman, is of the opinion should be considered at this meeting as a matter of urgency as it relates to a key decision; or
- (b) special circumstances (to be specified) the Chairman of the meeting is of the opinion should be considered at this meeting as a matter of urgency.

15. EXCLUSION RESOLUTION

Motion (Which may be amended as Members think fit):

That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

PART II

16. STRATEGIC LAND REVIEW PROGRAMME

81 - 86

To consider a report of the Executive Member for Investment.

Note: A related report is to be considered in Part I of this agenda.

THERESA GRANT
Chief Executive

COUNCILLOR SEAN ANSTEE
Leader of the Council

Membership of the Committee

Councillors S.B. Anstee (Chairman), A.P. Williams (Vice-Chairman), S.K. Anstee, Mrs. L. Evans, D. Hopps, J. Lamb, P. Myers, B. Shaw and M. Whetton

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Further Information

For help, advice and information about this meeting please contact:

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This agenda was issued on Thursday 8th March 2018 by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH.

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EXECUTIVE

26 FEBRUARY 2018

PRESENT

Leader of the Council (Councillor Sean Anstee)(in the Chair),
Executive Member for Investment (Councillor A. Williams),
Executive Member for Adult Social Care (Councillor Stephen Anstee),
Executive Member for Children and Families (Councillor M. Whetton),
Executive Member for Communities and Partnerships (Councillor L. Evans),
Executive Member for Corporate Resources (Councillor P. Myers),
Executive Member for Health and Wellbeing (Councillor J. Lamb),
Executive Member for Highways, Parks and Environmental Services (Councillor B. Shaw),
Executive Member for Housing and Strategic Planning (Councillor D. Hopps).

Also present: Councillors Adshead, Blackburn, Bowker, Brotherton, Butt, Carter, Cordingley, Fishwick, Freeman, Harding, Hynes, Procter, Taylor (part only), Walsh, A. Western and M. Young.

In attendance:

Chief Executive (Ms. T. Grant),
Corporate Director, Transformation and Resources (Ms. J. Hyde),
Corporate Director, Children, Families and Wellbeing (Ms. J. Colbert),
Chief Finance Officer (Ms. N. Bishop),
Director of Growth and Regulatory Services (Mr. R. Roe),
Principal Solicitor (Ms. D. Adcock),
Democratic and Scrutiny Officer (Mr. J.M.J. Maloney).

1. DECLARATIONS OF INTEREST

No declarations were made by Executive Members.

2. MINUTES

RESOLVED – That the Minutes of the meeting held on 29th January 2018 be approved as a correct record.

3. MATTERS FROM COUNCIL OR OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)

Councillor M. Young, as Chairman of Scrutiny Committee, thanked the Executive for its response to the Budget Scrutiny Report. It would be formally considered at the Scrutiny Committee's next meeting; and the Committee would refer any observations accordingly to the Executive in due course.

4. PROPOSED COMPULSORY PURCHASE ORDER, CHARLTON HOUSE

The Executive Member for Housing and Strategic Planning submitted a report which set out proposals for the delivery of the first phase of student accommodation in Stretford to support the opening of University Academy 92 (UA92). It sought approval to the use of compulsory purchase powers to support the delivery of the proposals if required. Financial details related to the proposal were set out in a report considered in Part II of the agenda. (Minute 8 below refers.) Members were advised that further reports would be submitted, if required.

RESOLVED -

- (1) That in principle support be provided for the making of a compulsory purchase order under section 226 of the Town and Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to enable the redevelopment and regeneration of the site shown edged red on the plan in Appendix One to the report.
- (2) That authority be delegated to the Director of Growth and Regulatory Services in consultation with the Director of Legal and Democratic Services to take all steps necessary to enable a compulsory purchase order to be made including but not limited to:
 - a) the carrying out of land referencing including without limitation the service of notices under section 16 of the Local Government (Miscellaneous Provisions) Act 1976 and/or section 5A of the Acquisition of Land Act 1981;
 - b) the entry onto the Land and other land for the purpose of carrying out surveys pursuant to section 15 of the Local Government (Miscellaneous Provisions) Act 1976;
 - c) the preparation of a draft statement of reasons;
 - d) the preparation of a draft Order and Order Schedule; and
 - e) the preparation of notices to owners, lessees and occupiers, site notices and any other notices required to be served and/or advertised in accordance with the Acquisition of Land Act 1981 should the Executive authorise the making of a compulsory purchase order.
- (3) That authority be delegated to the Director of Growth and Regulatory Services to negotiate for the voluntary acquisition of land and rights over land needed to enable the Scheme to be delivered in advance of confirmation of a CPO, as if such CPO had been confirmed.
- (4) That authority be delegated to the Director of Growth and Regulatory Services in consultation with the Director of Legal and Democratic Services to consider alternatives to the use of compulsory purchase powers.
- (5) That it be noted that before a compulsory purchase order is made a further detailed report will be drafted seeking authority for the making of an Order and that such a report will need to address a number of issues including:

Executive (26.2.18)

- a) that the compulsory acquisition is necessary to facilitate the carrying out of development, redevelopment or improvement on, or in relation to, the land being acquired;
- b) that the Scheme complies with planning policy and the Refreshed Stretford Masterplan (2018);
- c) that there is a compelling case in the public interest for the land to be acquired which outweighs the interference with the human rights of those with an interest in the land affected;
- d) that the Scheme will contribute to the promotion or improvement of the economic and/or social and/or environmental well-being of the local area;
- e) that the Scheme is viable and that there is a reasonable prospect that the Scheme can be implemented within a reasonable timescale;
- f) that agreements have been entered into with a private sector partner that provides for the delivery of the Scheme and indemnifies the Council in respect of its costs of making the order, seeking its confirmation and compensation payments to affected owners, lessees, occupiers and any other potential claimants;
- g) that there are no physical or legal impediments to the Scheme proceeding;
- h) that all reasonable steps have been taken to acquire land and rights over land needed to deliver the Scheme by negotiation and voluntary agreement;
- i) that alternatives to the use of compulsory purchase powers have been considered; and
- j) that the compulsory acquisition would not infringe the Council's equality duty.

5. ANNUAL DELIVERY PLAN 2017/18 (THIRD QUARTER) PERFORMANCE REPORT

The Executive Member for Corporate Resources and Corporate Director, Transformation and Resources submitted a report which provided a summary of performance against the Council's Annual Delivery Plan, 2017/18. The report covered the period 1st October to 31st December 2017. An opportunity was provided for Members to ask questions in relation to the report's content. These centred on sickness absence levels and targets; highways cleanliness; third sector organisations receiving intensive support; attainment levels of disadvantaged pupils; children in receipt on multiple Child Protection Plans; and children's development at Early Years Foundation stage. A number of responses were provided by Executive Members; and it was agreed that further information would be provided on the results of "Keep Britain Tidy" research and the One Trafford Partnership Improvement Plan.

RESOLVED – That the content of the Annual Delivery Plan Third Quarter Performance Report be noted.

6. AGMA COMBINED AUTHORITY / EXECUTIVE BOARD: FORWARD PLANS AND DECISIONS

The Executive received for information details of decisions taken by the GMCA and AGMA at their meetings held on **Page 3** 30 January 2018.

RESOLVED – That the content of the decision summaries be noted.

7. EXCLUSION RESOLUTION

RESOLVED - That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of “exempt information” which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

8. PROPOSED COMPULSORY PURCHASE ORDER, CHARLTON HOUSE

The Executive Member for Housing and Strategic Planning submitted a report which set out confidential financial details of proposals for the delivery of the first phase of student accommodation in Stretford to support the opening of University Academy 92 (UA92) and the use of compulsory purchase powers to support the delivery of the proposals if required. A substantive report had been considered in Part I of the agenda (Minute 4 above refers); and any details of substantive resolutions associated with this item are set out in that minute.

The meeting commenced at 6.00 p.m. and finished at 6.38 p.m.

TRAFFORD COUNCIL

Report to: Scrutiny Committee
Date: 14 March 2018
Report for: Approval
Report of: Scrutiny Committee Task & Finish Group: Review of the Council's Scrutiny Function

Report Title

Scrutiny Committee Task & Finish Group Review of the Council's Scrutiny Function.

Purpose

Following the publication of the Communities and Local Government Committee's First Report of Session 2017-19 on the Effectiveness of Local Authority Overview and Scrutiny Committees, Trafford's Scrutiny Committee committed to conducting a local review of the Authority's Scrutiny arrangements. A Task and Finish group was formed to review the published report and its recommendations, with a view to applying this to improve Scrutiny within the Council. Whilst the DCLG report explicitly stated that it was focused only upon Overview and Scrutiny; Trafford's Scrutiny Committee feel that many of the recommendations within this report are equally relevant to the Trafford Health Scrutiny Committee.

Recommendations

That the recommendations set out below be endorsed by the Scrutiny Committee for referral to the Executive:

Recommendation 1 – That the Member Development Steering Group create a Scrutiny Member Induction, Training and Engagement Programme, and that Scrutiny Members are encouraged to take advantage of this.

Recommendation 2 – That the role of Statutory Scrutiny Officer be highlighted in the Council's Constitution along with the other main designated Council Officers (the Head of Paid Service, Monitoring Officer and the Statutory Chief Finance Officer).

Recommendation 3 – That the annual Scrutiny report includes a review of the Council's Scrutiny process, assessing how it has performed over the year and identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them.

Recommendation 4 – That a regular Scrutiny report replaces the verbal update on the full Council agenda, confirming the work of Scrutiny over the period, including any formal recommendations made by Scrutiny to the Executive (where applicable) and the Executive's formal response(s) to these

recommendations.

Recommendation 5 – That the Scrutiny Chairs and Vice Chairs work with Democratic Services to create a more clearly defined programme for Scrutiny’s expected activities over a municipal year.

Recommendation 6 – That the Executive acknowledges that Scrutiny has an automatic ‘need to know’ status, and supports its request that it be provided with the appropriate information in a timely fashion when this is requested.

Recommendation 7 – That the Council support Scrutiny’s request that all items considered at Scrutiny Committee meetings be presented in the form of a written report and that the report contains performance data to show current performance and trends, unless stated otherwise.

Recommendation 8 – That Trafford’s representatives on the GMCA Scrutiny Committees provide periodic updates to Trafford’s Scrutiny Committee on any relevant information.

Recommendation 9 – That the Scrutiny Chairs meet with the Leader at the beginning of the municipal year to discuss any emerging issues / topics that the Committees may want to consider.

Recommendation 10 – That an annual review of the resources required to support Scrutiny be conducted by the Statutory Scrutiny Officer, and included as part of the annual report to Council.

Recommendation 11 – That a budget be made available to Scrutiny for the hiring of external experts when necessary.

Recommendation 12 – That Trafford commits to webcasting its Scrutiny meetings to increase Scrutiny’s visibility to Trafford residents and boost public engagement.

Recommendation 13 – That Trafford’s dedicated Scrutiny Twitter profile be better utilised, providing followers of the account with information regarding Scrutiny Committee meetings and reviews.

Contact person for access to background papers and further information:

Name: Chris Gaffey

Extension: 2019

Background Papers: None

1. Background

Following the publication of the Communities and Local Government Committee's First Report of Session 2017-19 on the Effectiveness of Local Authority Overview and Scrutiny Committees, Trafford's Scrutiny Committee resolved to conduct a local review of the Authority's Scrutiny arrangements. A Task and Finish group was formed to review the published report, with a view to improve Scrutiny within the Council in line with the Select Committee's recommendations.

The DCLG report is currently with the Government and a formal response to the report's recommendations is expected in due course. Scrutiny is aware that the Government may not accept all the recommendations in the report and any which are accepted would mainly constitute a change to the guidance provided to Local Authorities (which the Council is not legally obliged to adopt). However, it is felt that the recommendations in the current DCLG report raise legitimate questions on how Trafford can improve its Scrutiny at a local level.

The full report and its recommendations can be found in Trafford's Scrutiny Committee [meeting agenda](#) for 10 January 2018 (agenda item 8).

2. Review Approach

Following the consideration of the DCLG report at the Scrutiny Committee meeting on 10 January 2018, a Task and Finish group was formed to review the published report and its recommendations. Members held a number of meetings to discuss the issues raised in the DCLG report which culminated in this report and its recommendations.

The Committee asks that Council considers this report and agrees to adopt its recommendations.

3. Membership of the Scrutiny Task and Finish Group

The review was carried out by

Councillors: M. Young, Carter, Cordingley, and Harding.

4. Current Scrutiny Arrangements in Trafford

Trafford currently operates two Scrutiny Committees: the Scrutiny Committee, and the Health Scrutiny Committee. Both hold approximately five to six Committee meetings each municipal year, as well as forming Task and Finish Groups outside of the usual Committee meetings to focus on specific topics as agreed by the Committee(s).

The Centre for Public Scrutiny (CfPS) defines the four principles of good scrutiny as:

- Provides a constructive "critical friend" challenge;
- Amplifies the voices and concerns of the public;
- Is led by independent people who take responsibility for their role;
- Drives improvement in public services.

Members feel that the Committees adhere to these principles to some extent, but that the Scrutiny function is not fulfilling its duties as well as it could. The comments and recommendations set out in section 5 of the report aim to remedy some of these issues, and put a process in place to ensure the Council continually improves its Scrutiny arrangements.

5. Proposed Improvements

5.1 Member Training and Engagement

Member engagement is of the utmost importance for effective Scrutiny, and to ensure Scrutiny Members have all the necessary skills and support, the Committee feel that a dedicated training programme / schedule for Scrutiny Members would be beneficial. Training is currently offered on an ad-hoc basis, but the Committee feel that a dedicated, annual programme would provide Scrutiny Members with the required skills and confidence to conduct effective Scrutiny, benefiting the Committee, the Council, and its residents as a whole.

Paragraph 76 of the DCLG report states:

“It is incumbent upon councils to ensure that scrutiny members have enough prior subject knowledge to prevent meetings becoming information exchanges at the expense of thorough scrutiny. Listening and questioning skills are essential, as well as the capacity to constructively critique the executive rather than following party lines.”

It is clear that the DCLG feels that training is important; however the report also raises concerns around the training offered, stating also in paragraph 76:

“... we are not satisfied that the training provided by the LGA and its partners always meets the needs of scrutiny councillors, and call on the Department to put monitoring systems in place and consider whether the support to committees needs to be reviewed and refreshed. We invite the Department to write to us in a year’s time detailing its assessment of the value for money of its investment in the LGA and on the wider effectiveness of local authority scrutiny committees.”

With the above in mind, the Scrutiny Committee still feels that its Members would benefit from a dedicated training programme. However, the Committee will keep a close eye on developments to the training courses on offer following the Government’s response to the DCLG report’s recommendations.

Recommendation 1 – That the Member Development Steering Group create a Scrutiny Member Induction, Training and Engagement Programme, and that Scrutiny Members are encouraged to take advantage of this.

5.2 Parity of Esteem

The DCLG report raises the notion that the Scrutiny function should have ‘parity of esteem’ with the Executive, and should be considered as important a function as the Executive itself. Page 3 of the report reads:

“... in many authorities, there is no parity of esteem between the executive and scrutiny functions, with a common perception among both members and officers being that the former is more important than the latter. We argue that this relationship should be more balanced and that in order to do so, scrutiny should have a greater independence from the executive. One way that this can be achieved is to change the lines of accountability, with scrutiny committees reporting to Full Council meetings, rather than the executive.”

Although Scrutiny feels that it does have independence from the Executive, it is felt that the ‘parity of esteem’ itself needs to be improved in Trafford. This would allow Scrutiny to have a more prominent and effective position within the Council, ensuring that Scrutiny can adequately act as the Executive’s ‘critical friend’ and provide even more valuable input to the decision making process.

One suggestion made in the DCLG report is that the Statutory Scrutiny Officer should have the adequate seniority and profile to raise Scrutiny issues at a corporate level. Section 65 of the report reads:

“We recommend that the Government extend the requirement of a Statutory Scrutiny Officer to all councils and specify that the post-holder should have a seniority and profile of equivalence to the council’s corporate management team. To give greater prominence to the role, Statutory Scrutiny Officers should also be required to make regular reports to Full Council on the state of scrutiny, explicitly identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them.”

In Trafford’s Constitution, the Head of Governance is listed as the Statutory Scrutiny Officer; however, it is not listed with the other main designated Council Officers. The Committee feels that amending this would reflect the Statutory Scrutiny Officer’s seniority and importance.

Scrutiny currently provides an annual report to full Council advising of the Committees’ work over the year. Going forward, the Committee recommends that this report includes a review of the Scrutiny process, assessing how it has performed over the year and identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them.

Recommendation 2 – That the role of Statutory Scrutiny Officer be highlighted in the Council’s Constitution along with the other main designated Council Officers (the Head of Paid Service, Monitoring Officer and the Statutory Chief Finance Officer).

Recommendation 3 – That the annual Scrutiny report includes a review of the Council’s Scrutiny process, assessing how it has performed over the year and identifying any areas of weakness that require improvement and the work carried out by the Statutory Scrutiny Officer to rectify them.

The Committee feels that Scrutiny’s current profile and visibility within the Council could be further improved. Aside from the annual reports Members only receive a short verbal update at full Council meetings on a bimonthly basis. The Committee feels that all Members should be more apprised of the work of Scrutiny and propose that a short written report be presented at full Council meetings.

Paragraph 23 of the DCLG report states:

“To reflect scrutiny’s independent voice and role as a voice for the community, we believe that scrutiny committees should report to Full Council rather than the executive and call on the Government to make this clear in revised and reissued guidance. When scrutiny committees publish formal recommendations and conclusions, these should be considered by a meeting of the Full Council, with the executive response reported to a subsequent Full Council within two months.”

The Committee agree with this point that Scrutiny should report directly to full Council in order to reflect their independent role. As mentioned earlier in the report the Committee currently provides regular updates to full council but the Committee feels that the work of Scrutiny requires a more prominent position within full Council meetings.

Recommendation 4 – That a regular Scrutiny report replaces the verbal update on the full Council agenda, confirming the work of Scrutiny over the period, including any formal recommendations made by Scrutiny to the Executive (where applicable) and the Executive’s formal response(s) to these recommendations.

5.3 Scrutiny Programme and Schedule

Scrutiny’s current processes and arrangements are relatively fluid, with work programmes discussed and agreed at the beginning of the municipal year and topics added throughout the year as the Committees see fit. Scrutiny feel that a more formal process and schedule is required, including processes for adding items to the work programme, the introduction of overview reports, and building in a formal reporting process to the wider Council as mentioned in section 5.2 of the report.

Consideration will be given to creating a pro-forma to allow Scrutiny Members to submit requests for items to be added to the work programme, with specific criteria in place to determine whether the request(s) would be accepted. This would give the work programme a larger input from the Committee Membership, increase Member engagement, and be a more democratic system for creating the work programme. However, the Chairman and Vice Chairman of the Committee would continue to have the final say on the work programme. It has also been suggested that the Committee include a standing annual item at the first meeting of each municipal year, reviewing the Council’s annual objectives, as well as its performance during the previous year.

The Group also recommends that an annual Scrutiny review be conducted to ensure that the Scrutiny processes remain relevant and up to date, thereby allowing the Committee to assess its requirements on a regular basis. It is suggested that this be included as part of the Annual Scrutiny Report to Council, and should include performance information in relation to Scrutiny.

Recommendation 5 – That the Scrutiny Chairs and Vice Chairs work with Democratic Services to create a more clearly defined programme for Scrutiny’s expected activities over a municipal year.

5.4 Reporting to the Scrutiny Committee / Access to Information

Effective Scrutiny requires access to good quality and complete information. Scrutiny acknowledges that for the most part they receive good quality, informative and accurate reports, and thank the Executive and Council Officers for their hard work in producing these. However, it is felt that some improvements could be made surrounding reports to the Committee and access to certain information.

As stated in section 37 of the DCLG report:

“Scrutiny committees that are seeking information should never need to be ‘determined’ to view information held by its own authority.”

And section 41 of the DCLG report reads:

“Councils should be reminded that there should always be an assumption of transparency wherever possible, and that councillors scrutinising services need access to all financial and performance information held by the authority.”

Scrutiny Members feel that, on a small number of occasions, they have been unable to access the information they require for the reason that the information is commercially sensitive. But on the whole, they receive good quality, timely information.

Section 42 of the DCLG report states:

“We do not believe that there should be any restrictions on scrutiny members’ access to information based on commercial sensitivity issues. Limiting rights of access to items already under consideration for scrutiny limits committees’ ability to identify issues that might warrant further investigation in future, and reinforces scrutiny’s subservience to the executive. Current legislation effectively requires scrutiny councillors to establish that they have a ‘need to know’ in order to access confidential or exempt information, with many councils interpreting this as not automatically including scrutiny committees. We believe that scrutiny committees should be seen as having an automatic need to know, and that the Government should make this clear through revised guidance.”

And the above links into section 90 of the DCLG report, which reads:

“Scrutiny committees must be able to monitor and scrutinise the services provided to residents. This includes services provided by public bodies and those provided by commercial organisations. Committees should be able to access information and require attendance at meetings from service providers and we call on DCLG to take steps to ensure this happens. We support the CfPS proposal that committees must be able to ‘follow the council pound’ and have the power to oversee all taxpayer-funded services.”

With the changing landscape of Local Government, and the increased working with private and partner organisations, the Local Authority’s Scrutiny function needs to be considered in this context.

Following a Task and Finish Group review into the Joint Venture Contract between Trafford Council and Amey conducted during the 2016/17 municipal year, Scrutiny made recommendations on how to improve transparency and communication with Members on the contract's performance. It was agreed that a report on the contract's performance would be presented to the Executive on a quarterly basis, which Scrutiny Members would have access to. Scrutiny is disappointed that since the Executive's formal response agreeing to this on 26 June 2017, this report has still not materialised. This is one of a small number of examples where Scrutiny Members feel they have not received the information requested.

Recommendation 6 – That the Executive acknowledges that Scrutiny has an automatic 'need to know' status, and supports its request that it be provided with the appropriate information in a timely fashion when this is requested.

Scrutiny also feels that, on occasion, the quality of the reports brought to Committee meetings has not been adequate. This has been particularly true of the Health Scrutiny Committee, which regularly receives presentations as opposed to written reports. This often turns Committee meetings into 'learning sessions' for Members, with the presentations not including the required quantitative information and data for adequate and robust Scrutiny.

Since the start of the current municipal year, updates to the Health Scrutiny Committee have been provided in the following formats:

Meeting	Reports	Presentations	Verbal update
27 June 2017	1	4	
12 September 2017	2	4	
31 October 2017	4	1	
12 December 2017	2	8	
23 January 2018	3	3	1
Total	12	20	1

As the table above demonstrates, almost 64% of the updates to the Health Scrutiny Committee were not in a report format. Although it is acknowledged that on some occasions a presentation might be suitable, it does not usually allow for the appropriate level of scrutiny and consideration by Members in advance. Presentations usually result in 'information exchanges' or 'learning sessions', but this is not the purpose of scrutiny. The Group feels that substantive reports should be provided as default, including all the relevant data to allow Members to perform adequate Scrutiny.

The recent CQC inspection on Delayed Transfers of Care suggested that Health Scrutiny Committee needs to be provided with better quality data so that it can fulfil its challenge function more effectively.

This is also true of the Budget Scrutiny process, which usually involves the Committee receiving a presentation on the day of the sessions. This does not give Members the required time to prepare and usually results in Scrutiny being unable to ask the in depth questions that good, robust scrutiny requires.

Recommendation 7 – That the Council support Scrutiny's request that all items considered at Committee meetings be presented in the form of a written report

and that the report contains performance data to show current performance and trends, unless stated otherwise.

Another aspect considered by the Group is Scrutiny within the wider Greater Manchester Combined Authority (GMCA) context. Trafford has 4 representatives (and 1 substitute) over the 3 Scrutiny Committees operated by the GMCA. The Group feels that Trafford's Scrutiny Members would benefit from more knowledge about what is happening in a regional context, and request that Trafford's representatives provide an update on relevant information from each of the GMCA Scrutiny Committees.

Recommendation 8 – That Trafford's representatives on the GMCA Scrutiny Committees provide periodic updates to Trafford's Scrutiny Committee on any relevant information.

5.5 Scrutiny's Role in Decision Making

The Committee feels that Scrutiny's current role in the decision making process is not prominent enough, with many decisions being initially made without Scrutiny's input. Recent examples of this would be the Council's planned integration with the Trafford Clinical Commissioning Group, the UA92 Proposals, and the work of the Investment Management Board, where Scrutiny has had little or no input prior to the initial decisions being made. Scrutiny appreciates that they will have the opportunity to provide their input following the announcement of these changes, however it is felt that the Committee's input should be sought at an earlier stage of the process.

Recommendation 9 – That the Scrutiny Chairs meet with the Leader at the beginning of the municipal year to discuss any emerging issues / topics that the Committees may want to consider.

5.6 Resources (Including the use of External Experts)

The Select Committee referred to the lack of resources for the Scrutiny function in many Councils. Trafford's Scrutiny Committees are currently supported by two Scrutiny Officers who dedicate circa 0.5FTE each of their capacity to support the two separate Committees. Scrutiny feels that additional resources may be required to improve Scrutiny's effectiveness, but acknowledge that this would only be necessary with increased Member engagement and an increased workload.

It is suggested that as part of the annual Scrutiny review mentioned in section 5.2 of the report, resources will be considered based on the work generated by Scrutiny Members during the previous year. If the view is taken that additional resources are required, it would be raised as part of this review.

Recommendation 10 – That an annual review of the resources required to support Scrutiny be conducted by the Statutory Scrutiny Officer, and included as part of the annual report to Council.

Another resource which is often overlooked is the use of external experts. Scrutiny feels that the Committees do not utilise any external experts, and feels that this should be done more regularly where appropriate to help assist Scrutiny with its work.

Section 44 of the DCLG report reads:

“We are concerned that too many committees are overly reliant upon the testimonies of council officers, and that they do not make wider use of external witnesses. Very few councils have the resources to provide independent support to both the executive and scrutiny, and in light of the uneven balance between the two functions discussed earlier, most resources are prioritised upon the executive. This means that officers working in a service department are supporting executive members to develop and implement decisions, and the same officers are then supporting scrutiny committees as they seek to understand the impact of decisions and performance of departments. Whilst departmental officers may be able to distinguish the two roles and cater their support accordingly, we are concerned that too few councils are hearing alternative perspectives.”

Followed by section 45:

“We note that few committees make regular use of external experts and call on councils to seek to engage local academics, and encourage universities to play a greater role in local scrutiny.”

The Group feels that seeking alternative perspectives where appropriate would allow for more balanced and effective Scrutiny. The use of external experts would require additional resources, and the Committee feels that a dedicated budget for this should be made available. As mentioned in section 5.2 of this report, the DCLG report refers to parity of esteem, and Scrutiny should have access to the required resources to perform its duties effectively.

Recommendation 11 – That a budget be made available to Scrutiny for the use of external experts when necessary.

5.7 Public Engagement

Scrutiny acknowledges that engagement with the public is currently very low, with the vast majority of Committee meetings having no members of the public in attendance. It is not always easy for members of the public to travel to the Town Hall, so providing an option for the public to view meetings online would improve transparency and boost public engagement.

Trafford Council already has a dedicated Trafford Scrutiny Twitter profile, however this has been underutilised. Members feel that some relatively simple changes could improve public engagement with Scrutiny.

Paragraph 82 of the DCLG report reads:

“The Government should promote the role of the public in scrutiny in revised and reissued guidance to authorities, and encourage council leaderships to allocate sufficient resources to enable it to happen. Councils should also take note of the issues discussed elsewhere in this report regarding raising the profile and prominence of the scrutiny process, and in so doing encourage more members of the public to participate in local scrutiny. Consideration also needs to be given to the role of digital engagement, and we believe that local

authorities should commit time and resources to effective digital engagement strategies.”

Recommendation 12 – That Trafford commits to webcasting its Scrutiny meetings to increase Scrutiny’s visibility to Trafford residents and boost public engagement.

Recommendation 13 – That Trafford’s dedicated Scrutiny Twitter profile be better utilised, providing followers of the account with information regarding Scrutiny Committee meetings and reviews.

6. Summary

Members acknowledge that Local Authority Scrutiny arrangements are determined by each Council individually. However, Members feel that Government guidance is in place to assist shape these arrangements and any central recommendations as part of the guidance should be adopted where possible.

The Task and Finish Group Members feel that Scrutiny in Trafford is currently performing to an adequate standard. However, adopting the recommendations set out in the report would allow for better and more robust Scrutiny, as well as providing a platform to allow the Council to continually improve its Scrutiny arrangements.

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TRAFFORD COUNCIL

Report to: Executive
Date: 19 March 2018
Report for: Decision
Report of: The Executive Member for Investment

Report Title

Strategic Land Review Programme 2018/19.

Summary

To advise Members of the outcome of the 2017/18 Land Sales Programme
To propose a Strategic Land Review Programme for the disposal or development of land and buildings during the financial year 2018/19 and to seek the necessary delegations.
To advise as to proposals for 2019/20 and 2020/21

Recommendation(s)

1. Note the outcome of the 2017/18 Land Sales Programme.
2. Approve the Strategic Land Review Programme for 2018/19 as set out in the report.
3. Approve that the Council pursue direct development of sites, subject to a suitable options appraisal and business cases on a site by site basis.
4. Delegate authority to the Corporate Director, EGEL to:
 - a. negotiate and accept bids.
 - b. engage external resources where this will assist in implementing the programme.
 - c. Commission, submit and/or authorise as appropriate:
 - i. any applications for planning permission on any properties included in the programme where this will assist in marketing and /or add value.
 - ii. commission as necessary any surveys / investigations where such surveys will reduce the risks associated with redevelopment and/or add value to the capital receipt /revenue return.
 - iii. Any design for the site and or premises in association with either obtaining a planning consent or as part of options in respect to either direct or development in partnership.
 - iii. Any demolitions or physical alterations this will either reduce the risks associated with holding the premise or accelerate the redevelopment and/or add value to the capital receipt /revenue return.
 - d. offset eligible disposal costs against capital receipts in accordance with capital regulations
 - e. advertise the intention to dispose of a site in the event that it comprises open space as defined by the Town and Country Planning Act 1990, in accordance with the relevant statutory procedure, and if any objections

- are received, to refer to the relevant portfolio holder for consideration in consultation with the Executive Member for Highways, Parks and Environmental Services.
- f. To acquire adjacent land or property where the acquisition will either add value to the overall development or derisk the disposal /development of the Council asset.
 - g.
 - i) add to or substitute sites into the programme during the year.
 - ii) commission security services.
 - iii) authorise alternative methods of disposal where appropriate.
5. That the Director of Legal and Democratic Services in consultation with the Corporate Director, EGEI and where appropriate, the Chief Finance Officer be authorised to finalise and enter into all legal agreements required to implement the above decisions.

Contact person for access to background papers and further information:

Name: Richard Roe
 Extension: 4265
 Background papers: None
Implications

Relationship to Policy Framework/Corporate Changes	Supports policy for Economic Growth and Development
Financial:	The generation of capital receipts will support the capital investment programme or used to repay debt. Entering into direct development can increase the value of the eventual capital receipt or may produce a revenue stream which can be used to support wider Council objectives.
Legal Implications:	None
Equality/Diversity Implications:	None
Sustainability Implications:	None
Resources Implications: eg Staffing/ICT/Assets	Properties which are no longer required for operational purposes are identified and recommendations as to retention /disposal are made by the Corporate Landlord group, prior to being added to the Land Sales Programme.
Risk Management Implications:	The Key risk will be associated with holding property which is vacant.
Health and Wellbeing Implications:	None
Health and Safety Implications:	A reduction in health and safety issues by disposing of vacant buildings.

1. Background

- 1.1 The Strategic Land Review Programme sets out a list of land and buildings that the Council intends to either sell, develop in partnership or self-develop in the forthcoming year(s) together with a summary of the previous year's outturn. The details of these are set out in this report, with the actual and estimated sums against specific properties contained in the confidential Part II of the agenda.
- 1.2 The Strategic Land Review Programme is an integral part of the Council's asset strategy and is the conclusion of a corporate process of identification of surplus assets linked to service planning and an options appraisal process.
- 1.3 The Council strives to use its property assets in the most advantageous way possible for the community and to achieve its service delivery, financial, regeneration and economic growth objectives.

2.0 Council Strategies linkages with the Programme

- 2.1 The use and disposal of property is an important part of business planning and the delivery of efficiency targets across all service areas. In addition, the identification of a range of service delivery strategies across the Council has had implications for the use of property and its availability for disposal. These include:
 - **Corporate Landlord** – The adopted corporate landlord approach to managing the Council's property assets is improving the management of assets. Land Sales, as well as the corporate estate, are regularly monitored and reviewed. Through the One Trafford partnership all assets are reviewed as to their condition, value and potential to either reduce maintenance costs or be in a position to generate revenue income. The use of specialist software (CAFM / TRAMPS) is now enabling the Council to undertake better decisions in respect of retention / investment and disposals of operational assets. There will also be opportunities for further rationalisation of the property portfolio through efficiencies in terms of maximizing the capacity of buildings to be retained and partnerships with public, private and third sector partners.
 - **Collaboration and co-location** - Partnership working has led to greater shared use of accommodation. This is already producing more efficient use of assets and should lead to the release of further surplus assets across partners. The Council has initiated a One Trafford Estate project that is working across public sector partners to identify opportunities where shared use of assets is viable and in the right location. In addition the project is ensuring that Council assets are available where we have a suitable building for greater cross working and can ensure our estate strategies are aligned to those of our public sector partners. This has meant that Trafford Council has representation on key strategic estate bodies such as the GM Property and Estates Panel and the Strategic Estates Group.

2.2 A range of strategies affect the way in which assets are disposed of. These aim to use surplus and under-performing assets to assist in the delivery of wider objectives in addition to realising capital receipts. They include:

- **Investment opportunities** – the budget report to Council in February 2018 set out the Council's investment strategy. As part of this strategy the disposal route for any asset will be subject to a full options appraisal which will consider opportunities to develop the asset as part of our investment portfolio. Depending on the attributes of any particular asset, the options appraisal would consider site disposals on market, redevelopment potential, land assembly opportunities for enhanced redevelopment, longer term investment connections and potential social benefits to the council and the local residents.
- **Housing growth and affordable housing targets** are also supported by the Land Sales Programme, often in partnership with Registered Social Landlords. Disposals of land for nil or at below market value may be required if schemes are to be funded by the Homes and Communities Agency, however no such sites are identified on the current Programme. Development of sites for residential development also has the potential to attract the New Homes Bonus, which is a payment from central government for increasing the net number of homes above a threshold. GMCA has published ambitious housing targets and the disposal of publicly owned land is a critical component of the government's objectives to accelerate housing supply, home ownership and economic growth. It is anticipated that a significant proportion of the new homes required will be built upon surplus land released by the public and regulated sectors. In addition, increasing the number of housing units provides much needed housing supply and generates additional Council Tax.
- **Community Asset Transfer** - The Council supports, where appropriate, community organisations to deliver services in conjunction with the use of Council assets. Trafford has completed a review of leisure assets required to be able to deliver a suitable, efficient and wide ranging set of leisure services and will consider opportunities for Community Asset Transfer.
- **Economic Development and Regeneration** – Ongoing projects in town centres have presented opportunities for the regeneration through schemes including Council land, e.g. Regent Road, Altrincham. Where appropriate assets will be used to support /enable regeneration projects.

3. **Capital receipts in 2017/18 as of 1st March 2018 were as follows:-**

	Site	Capital receipt (£000s)
1.	Balmoral Road Car Park, Altrincham	450
2.	Beaconsfield Rd/Manchester Rd, Altrincham (land at).	24
3.	151 Stamford St, Old Trafford	150
4.	Sinderland Road, Altrincham	392
5.	12 Ayres Rd, Old Trafford	211
6.	Timperley Library, Timperley	158
7.	21 Great Stone Rd, Stretford	180.5
8.	57 Milner St, Stretford	145
9.	54 Thornbury Rd, Stretford	145
	Total receipts 2017/18	1,855.5

Table 1 – property asset completions and capital receipts for 2017/18

3.1 Table 1 above is the schedule of property assets sold in 2017/2018 financial year and the capital receipts received.

3.2 The Council is allowed to charge disposal costs against capital receipts. Under existing guidance this equates to a maximum of 4% on eligible receipts in accordance with Statutory Instrument 454 2010 section 23h.

4. Asset review approach

4.1 Previously the Council, in common with most public bodies, has sought to simply sell sites quickly to reduce potential risks and liabilities from holding vacant properties. This process may not always be the most appropriate for either the council, in terms of maximising the value it receives or purchasers who are acquiring risk. This often leads to delays in achieving financial completion and often slows down the delivery of new development.

4.2 The Council's approach reflects the GMCA objectives relating to its land holdings namely:

1. Being transparent about our landholdings and our disposal principles, and selling land in a way that creates a level playing field for potential end users to access sites when they are brought to market;
2. Carrying out disposals on terms that promote development, economic activity and growth; and
3. Disposing of land to accelerate the pace of delivery.

- 4.3 Property assets are generally disposed of on a competitive basis. This is most commonly through open market tender or where appropriate at auction. Some sites are sold by Private Treaty where there is a clear need and rationale to do so. All properties need to be sold in accordance with European Union procurement rules, Policy objectives and Best Value requirements.
- 4.4 Where appropriate to achieve wider objectives or a response to market conditions flexible disposal mechanisms such as deferred receipts can be offered, which improve developer cash flows and can make marginal sites viable, where it offers good value for money to do so.
- 4.5 Feedback from purchasers, especially developers is that they believe public bodies, especially local authorities need to undertake greater due diligence in respect of the sites that they bring to the market. This due diligence is essential in developers being able to properly identify and price risk.
- 4.6 Without sufficient information developers advise they will either significantly reduce the offer for a site or impose significant conditions upon a sale that will enable either a reduction in the price paid or enable withdrawal. These tend to add both time and expense to the delivery of a site. In assessing when and how to release a site for disposal the Council will consider the level of knowledge and potential risks associated with each site.

This will include:

- Planning risk
 - Site and/or Contamination risk
 - Legal interest risk for example title, restrictive covenants, legislative
 - Design risks for example site capacity
 - Neighbour risks
 - Delivery / finance risk
- 4.7 Where the most likely or desired reuse of a site is for redevelopment then it is likely that the site value could be enhanced through undertaking surveys in order to de-risk a site and accelerate development. The need and cost/benefit would be assessed on a site by site basis. However, in making such an assessment, regard should be had to the fact that some surveys, particularly those listed below, will often be required as part of the planning application and if not provided the associated costs will be deducted by developers from the offer price:-
- Preliminary risk assessment (often referred to as a desktop survey)
 - Environmental Surveys including ecological, arboricultural, drainage, bat, noise, air quality, GPR etc...).
 - Demolition survey (including type 3 asbestos survey)
- 4.8 There may also be benefits in the Council undertaking additional physical activities where these will reduce risk and or add value over and above the cost of undertaking the activity. Examples include:
- Complete or partial demolition, or strip out
 - Intrusive site investigations
 - Site reclamation /remediation

- Infrastructure provision /site service

4.9 As part of the review the Council will also consider whether there is benefit (over and above the associated risks) in developing the site either itself or through partnership. Potential benefits would include:

- Retaining or taking a share of the developers profit
- Greater control of the development and its delivery
- Potential to generate revenue streams through utilising capital reserves or borrowing through the PWLB.

4.10 Government guidance supported by the One Public Estate (OPE), programme promotes the use of multi-use/multi agency buildings and utilising a surplus asset to enable the service provision of other public sector bodies may provide a better option. This could promote the opportunity to generate revenue solutions from council assets that would otherwise have been sold. Adopting this approach, will however reduce the level of capital receipts available to support the financing of the Council's Capital Programme. This position will be monitored closely with any significant movements affecting the level of capital receipts available to finance the Capital Programme being reported to Members during the year.

5 Disposal programme for 2018/19 and beyond.

5.1 The report has split the property assets already identified for 2018/19 and beyond into three categories:

- Category 1 (table 2) are those sites where the Council is already committed to a disposal (for example Altair where the Council has exchanged contracts), where the disposal is on a statutory basis or where it has been assessed that there is no development potential or no benefit in undertaking direct development. Whilst these properties have been identified for disposal in 2018/19 some sites are on a phased payment basis and some on deferred payment basis meaning the capital receipts will be in 2019/20 or 2020/21. It is possible that some other sites may roll forward to next or future years should issues arise that delay the disposals (obtaining vacant possession, title issues, planning issues, consent issues etc.).
- Category 2 (table 3) are those property assets where an options appraisal will or has been undertaken to determine the most appropriate route to meet the Council's financial, economic and regeneration objectives. This could include direct development, utilising the asset as part of a wider development project either solely or through a partnership, or disposal as an enhanced asset (by for example securing planning permission). Opportunities for direct development, either solely or in partnership will generally take precedence, subject to a suitable business case.

5.2 As set out in paragraph 2.2 and the paragraphs above the investment opportunities related to each of these sites has been reviewed to determine the most appropriate and financially beneficial option for disposal, development or alternative use.

5.3 Category 1 – Sites identified for direct sale

5.4 The properties in this table have either advanced to a stage where the Council has or is about to enter into a binding legal commitment (e.g it has exchanged contracts) or the recommendation is that there is no financial or social benefit to be obtained from further investment.

	Category 1	Current status	notes
1	Ortonbrook, Oak Road, Partington	Terms agreed and Legal instructed	Private treaty disposal to adjoining landowner
2	12 Northumberland Close, Old Trafford (freehold enfranchisement)	Terms agreed and Legal instructed	Statutory acquisition by sitting tenant
3	Clarendon House, Altrincham	Terms agreed and Legal instructed	Lease re-gear
4	2a Houldsworth Avenue, Timperley	Currently occupied by operational department	Single dwelling to be sold as a single dwelling
5	Britannia Road, Sale	In negotiation	Private treaty disposal of Freehold to Head-leaseholder
6	Hale Library, Hale	Terms agreed and Legal instructed	Redevelopment and re-provision of library
7	Altair, Altrincham	Contracts exchanged	Town centre re-development

Table 2 – Proposed property interests to be sold in 2018/19 and beyond.

5.5 Category 2 – Sites subject to options appraisal

Category 2	
1	65 and 65a Roseneath Rd, Urmston
2	Sale Cemetery Lodge
3	Stokoe Avenue, Altrincham
4	The Gorse, Bowdon
5	Brentwood Special School, Timperley
6	190/192 Flixton Road, Flixton
7	2nd Avenue, Trafford Park (depot)
8	Higher Road Depot, Urmston
9	Riddings, Park Rd, Timperley
10	Denmark Street, Altrincham
11	Moss View Primary School
12	Cecil Road, Hale
13	Partington Town Centre site
14	Old Trafford Master Plan sites
15	Brown Street, Hale.
16	St. Mary's Road, Bowdon (Jubilee)
17	Warrener Street, Sale Moor
18	Friars Court, Sibson Road, Sale
19	Turn Moss – three pitches and premises to be provided for changing and ancillary facilities to be leased to Salford City FC, which in turn will provide an opportunity to improve community facilities on the site.

Table 3 – Proposed property interests to be subject to an options appraisal

5.6 Table 3 shows those sites which have the potential for generating additional financial return to the Council in line with our investment strategy through direct development or a partnership approach, both in terms of increased capital receipts and/or revenue streams.

5.7 For category 2 there will be costs associated with undertaking surveys, obtaining planning consent and undertaking development, whether directly or in partnership, and these will be assessed as part of the options appraisal and business case.

6. Additional Sites

6.1 New sites becoming surplus during the year will be added to the programme in consultation with the Executive Member, and where these involve the approval of a development brief, a formal decision will be requested of the Executive Member and a period of public consultation will be undertaken in the usual way.

7. Other Options

- 7.1 Retention of surplus property would have consequences for the resourcing of the Capital Programme, impact on revenue savings and the delivery of a range of Council objectives.
- 7.2 As set out above, alternative options are considered for each site before they are added to the Strategic Land Review Programme.

8. Consultation

- 8.1 With the development of the One Trafford Estate project linked to the wider One Public Estate the Council will now assess the availability of its assets in the context of any wider requirements alongside public sector partners.
- 8.2 This supports the view that assets should be looked at in supporting service delivery and seeing if greater disposal receipts across the public sector estate can be achieved where a local disposal strategy may not be the best answer. To achieve this consultation is undertaken across all service areas to ensure that there are no other appropriate uses for an asset, for the Council or its partners, prior to it being declared surplus. In some cases this will identify a specific future use following disposal, which will indicate the source of potential purchasers, such as Registered Social Landlords for affordable housing. Major disposals affecting a wider area are, as appropriate, subject to consultation with local stakeholders.

9. Reasons for Recommendation

The sale and or development of surplus assets reduces the Council's overall expenditure and backlog maintenance, generates capital receipts to support the capital programme, assists regeneration and facilitates residential development. There is a need to undertake a range of procedures to ensure that the best consideration for the sale is achieved including full exposure to the market and a transparent audit trail.

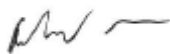
Key Decision

This is a Key Decision currently on the Forward Plan: Yes
If Key Decision has 28 day notice been given Yes

Finance Officer Clearance NB

Legal Officer Clearance JLF

DIRECTOR'S SIGNATURE



To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

TRAFFORD COUNCIL

Report to: Executive
Date: 19th March 2018
Report for: Decision
Report of: Executive Member for Housing and Strategic Planning

Report Title

Houses in Multiple Occupation Supplementary Planning Document - Adoption

Summary

Following the end of the public consultation period and consideration of the responses received, this report seeks approval to adopt a Supplementary Planning Document to support the implementation of an Article 4(1) Direction which removes permitted development rights for the change of a dwelling house (Use Class C3) into a House in Multiple Occupation (Use Class C4) across the borough.

Recommendation(s)

That the Executive:

- 1. Note the consultation responses and amendments made to the Houses in Multiple Occupation Supplementary Planning Document.**
- 2. Approve the Houses in Multiple Occupation Supplementary Planning Document (SPD6) for adoption as Council Policy.**
- 3. Delegate authority for approving any minor changes to the wording and/or layout of the Houses in Multiple Occupation Supplementary Planning Document prior to publication, and for the carrying out of all procedural actions related to the adoption process, to the Director of Growth and Regulatory Services**

Contact person for access to background papers and further information:

Name: Stephen James
Extension: 4330

Background Papers: None

Implications:

Relationship to Policy Framework/Corporate Priorities	The Houses in Multiple Occupation Supplementary Planning Document (HMO SPD) will assist in implementing the Article 4(1) Direction which seeks to control the numbers of houses in multiple occupation. The Article 4(1) Direction and the HMO SPD will therefore contribute to the Corporate Priority of: Improving health and wellbeing of residents and fighting crime.
Financial	None arising directly from the adoption of the HMO SPD but some financial implications may arise from the making of the associated Article 4(1) Direction referred to in this report i.e. compensation claims from owners/purchasers of properties in the 12 months following the Article 4(1) Direction coming into effect. This is limited to directly attributable losses where an application is refused or conditions applied under the Direction, e.g. abortive costs of preparing plans.
Legal Implications:	<p>Once adopted as Council policy, the HMO SPD will be a material consideration in determining relevant planning applications.</p> <p>Following the adoption of the HMO SPD, there will be a period of three months, during which time any person aggrieved by the SPD may apply to the High Court for permission to apply for judicial review of the decision to adopt the SPD.</p>
Equality/Diversity Implications	The HMO SPD is related to the implementation of an Article 4(1) Direction for HMOs. An EIA has been carried out in relation to the making of the Article 4 Direction and there are not considered to be any significant equality/diversity implications relating to that, therefore it follows that there will be none in relation to the HMO SPD.
Sustainability Implications	The main strategic objectives of the HMO SPD are the same as objectives in a number of Policies of the Trafford Core Strategy which were found to be sustainable.
Resource Implications e.g. Staffing / ICT / Assets	The making of the Article 4(1) Direction and the production of the HMO SPD have been carried out by staff within the Planning and Development and Strategic Growth Services. The adopted HMO SPD will be available to view electronically via the

	web.
Risk Management Implications	The HMO SPD will support the delivery of the Council's HMO Article 4(1) Direction and therefore its Development Management function. If the HMO SPD was not adopted it could undermine the delivery of Council policy.
Health & Wellbeing Implications	The HMO SPD will assist in implementing the Article 4 (1) Direction which seeks to control the numbers of houses in multiple occupation. The Article 4 (1) Direction will contribute to achieving an improvement in the health and wellbeing of residents in Trafford, therefore this HMO SPD will also assist in improving the health and wellbeing of residents in Trafford.
Health and Safety Implications	None

1.0 Background

- 1.1 A new University campus and associated student accommodation is proposed at a number of locations within Stretford (known as 'University Academy 92') with an anticipated opening date of September 2019. These proposals are likely to be accompanied by a significant number of students moving into the borough and the Stretford area in particular.
- 1.2 There is a need to appropriately manage the delivery of student housing both to ensure the provision of good quality accommodation, and to minimise any potential adverse effects on the local community and housing market. A new population of students in the area will lead to opportunities for landlords to offer 'student house' type accommodation as HMOs.
- 1.3 The Town and Country Planning (General Permitted Development) (England) Order 2015 (referred to hereafter as the GPDO) came into force on 15 April 2015. The GPDO deems a change of use from a dwelling house to a house in multiple occupation (HMO) of up to six people to be 'permitted development'; i.e. a planning application is not required to make this change.
- 1.4 Article 4(1) of the GPDO allows for a local planning authority to make a Direction that permitted development rights are withdrawn from certain use classes of development set out in the GPDO, meaning that any change of use would require a planning permission. The Planning and Development Management Committee will be asked, on March 8th 2018, to confirm the making of an Article 4(1) Direction in relation to HMOs for all land within the boundary of Trafford borough.
- 1.5 Although it is not a requirement that an SPD is produced to support an Article 4(1) Direction, it is considered to be best practice to ensure its effective implementation. The Houses in Multiple Occupation SPD (HMO SPD) – see Appendix 1 - would therefore be a material consideration in the determination of planning applications for changes of use to HMOs. HMOs accommodating more than six people are not included in the GPDO and therefore any change of use for a HMO of this size already requires planning permission in all circumstances. These HMOs are therefore not part of the Article 4(1) Direction, however guidance is included in the

HMO SPD in relation to these properties to have a holistic approach to aid development management decisions.

2.0 Purpose of the Supplementary Planning Document

2.1 The HMO SPD is required to ensure that guidance is in place against which planning applications for changes of use to HMOs can be assessed and to provide a policy basis on which applications may be refused. Once adopted as Council policy, it will be a material consideration in the determination of these applications, setting out the circumstances when HMOs are likely to be considered acceptable and unacceptable.

2.2 Supplementary Planning Guidance for HMOs in Trafford was adopted in 1992. This document no longer provides appropriate or up to date guidance and is not fit for purpose. Following adoption, the HMO SPD will supersede the Supplementary Planning Guidance and it will no longer be a material consideration in the determination of planning decisions.

2.3 Although the HMO SPD will assist the Council in influencing the location of new HMOs, the statutory powers under the planning system cannot act alone and address the existing problems in areas where high concentrations of HMOs prevail. The Council will therefore also use other statutory powers to control the potential nuisance caused by HMOs that include:

- the licensing of HMOs with three or more floors and with five or more tenants belonging to two or more households and;
- the monitoring and enforcement of local nuisance, including the impact from noise.

2.4 The SPD seeks to avoid high concentrations of HMOs within a particular area and avoid ordinary residential properties being 'sandwiched' between two HMOs.

2.5 It should be noted that existing Core Strategy Policies (in particular L4 and L7) would also be used to assess HMO applications in terms of detailed matters such as highway impacts and amenity issues, respectively.

3.0 The Outcome of the Public Consultation in Respect of the Draft HMO SPD

3.1 The draft HMO SPD was approved for public consultation purposes on 15th December 2017 and this took place between 15th January and 28th February 2018. A total of five responses were received (see Appendix 2 for summary). And the key issues raised are as follows:

- Reference should be made in the HMO SPD to the need for adequate bin storage.
- Reference should be made in the HMO SPD to the need to submit flood risk assessments with planning applications.
- Existing family housing areas should be protected from an increase in students because the houses and infrastructure will not be able to cope.

3.2 In light of the comments received, it is considered that only minor changes should be made to the HMO SPD in respect of the need to clarify the extent of existing Council policy contained in the Trafford Core Strategy, in relation to matters of design. These have been reflected in the attached HMO SPD as scored through or highlighted text as appropriate.

4.0 Next Steps

4.1 Following approval of the HMO SPD, the document will undergo the formal procedure for adoption as a supplementary planning document and it will supersede the Council’s outdated Supplementary Planning Guidance for HMOs. Although the adopted HMO SPD will not form part of the statutory development plan for Trafford, it will be a material consideration in determining planning applications.

5.0 Monitoring the SPD

5.1 The effectiveness of the HMO SPD will be monitored as part of the Authority Monitoring Report process, using information from planning applications and decisions. The outcome of this monitoring will help to inform decisions with regard to future revisions of the HMO SPD.

Other Options

It is possible to bring into force an Article 4(1) Direction without an accompanying SPD; therefore an alternative option could be to not adopt the SPD. However, this would result in a less robust policy framework and would leave the Council more vulnerable to appeal/challenge when determining planning applications for HMOs.

Consultation

As detailed above, the HMO SPD was subject to a six week public consultation period. This consultation took place in accordance with the Local Planning Regulations 2012 and the Council’s adopted Statement of Community Involvement. No further consultations are considered necessary prior to adopting the document.

Reasons for Recommendation

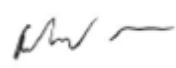
The recommendation will enable the Council to adopt the HMO SPD, thus enabling it to become Council policy and to aid the determination of planning applications for HMOs.

Key Decision (as defined in the Constitution): Yes /
If Key Decision, has 28-day notice been given? Yes

Finance Officer Clearance (type in initials)...PC.....

Legal Officer Clearance (type in initials)...CK.....

[CORPORATE] DIRECTOR’S SIGNATURE (electronic).....



.....
To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

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Appendix 1



Houses in Multiple Occupation – ~~Consultation Draft Revised~~ Supplementary Planning Document SPD6

~~Consultation Draft~~
~~January~~ March 2018

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1.0 Introduction

- 1.1 A new University campus and associated student accommodation is proposed at a number of locations within Stretford (known as 'University Academy 92') with an anticipated opening date of September 2019. These proposals are likely to be accompanied by a significant number of students moving into the Borough and the Stretford area in particular. The projected number of students attending UA92 is predicted to be 650 at year one (September 2019) increasing to a roll of 6500 by 2028, which will be the maximum number. As a result of these proposals, an increase in the number of Houses in Multiple Occupation (HMOs) within Trafford is anticipated.
- 1.2 Houses in Multiple Occupation provide much-needed housing accommodation. However, a large number of HMOs in one area can change the physical character of that residential area and this can lead to conflict with the existing community.
- 1.3 The planning system can assist in achieving a mix of households within the Borough's neighbourhoods, meeting different housing needs whilst protecting the interests of other residents, landlords and businesses. This can best be delivered by preventing the development of excessive concentrations of HMOs and thus encouraging a more even distribution across the Borough.
- 1.4 The making of an Article 4(1)¹ direction to remove the permitted development rights to convert a single dwellinghouse (class C3)² into an HMO was ~~approved~~ confirmed by Trafford's Planning and Development Management Committee on ~~14th December 2017~~ 8th March 2018; it applies to the whole Borough of Trafford. Planning permission is therefore now required to convert a dwellinghouse to a small/medium HMO as well as to convert a property into a large HMO for 7 or more occupants. This Direction is intended to enable the Council to better manage impacts arising as a result of the anticipated influx of students into the Borough.
- 1.5 An historic Supplementary Planning Guidance for HMOs was adopted in 1992. This historic document no longer provides appropriate or up to date guidance in terms of considering proposals for HMOs and therefore requires revision. Following the adoption of the Revised HMO SPD, the 1992 version ~~will be~~ has been superseded.
- 1.6 The 2008 Planning Act removed the requirement for a sustainability appraisal (SA) of supplementary planning documents that do not introduce new policies or proposals or modify planning documents which have already been subject to a sustainability appraisal. This SPD supports Policy L7 and other relevant policies in the Core Strategy³ that have been subject to SA as part of the Core Strategy process. The Inspector appointed to consider the soundness of the Trafford Core Strategy concluded in her report (November 2011) that the Core Strategy was adequate in terms of its appraisal of the environmental, economic and social effects of its policies. The Council is therefore

¹ The government introduced permitted development rights in October 2010 to change between use class C3 and C4. An Article 4 Direction allows the Council to remove these permitted development rights within the Trafford boundary.

² Single dwellinghouse is classed as C3 use under The Town and Country Planning (Use Classes) Order 1987 (as amended).

³ Trafford Local Plan: Core Strategy – Adopted January 2012.

satisfied that the impacts have been covered in the appraisal of the parent DPD and there is no further requirement for appraisal or screening of this SPD.

~~1.7 We want your views on the proposed content of this Revised SPD, ahead of its adoption.~~

~~1.8 Please return your comments to the following address, no later than 26th February 2018:
Houses in Multiple Occupation – Draft Revised SPD Consultation
Planning and Development
Trafford Town Hall, Talbot Road
Stretford, M32 0TH
Email: development.management@trafford.gov.uk~~

2.0 Purpose of the SPD

2.1 ~~Once adopted,~~ This SPD will forms part of the Council's overall planning policy framework. The document provides supplementary guidance for all parties involved in the planning application process for both small/medium and large HMOs, explaining how the Council will assess proposals to convert properties to HMOs.

2.2 Although the SPD ~~will~~ is not ~~be~~ part of the statutory development plan, it will be accorded significant weight as a material consideration in the determination of planning applications. ~~Until such time that this revised SPD is adopted, it will be a material consideration in the determination of planning applications for the changes of use to HMOs.~~

2.3 In broad terms, an HMO under planning legislation is defined as a house or flat occupied by a certain number of unrelated individuals who share basic amenities and is classified by the Uses Classes Order:-

- Class C4 – *between 3 and 6 residents*
- Sui generis (of its own kind) – *more than 6 residents*

2.4 Although the planning system can influence the location of new HMOs, the statutory powers under the planning system cannot act alone and address the existing problems in areas where high concentrations of HMOs prevail. The Council can use other statutory powers to control the nuisance caused by HMOs, as explained below.

2.5 The Housing Standards Team provides guidance to landlords and is responsible for the mandatory licensing of HMOs with three or more floors and with five or more tenants belonging to two or more households.

2.6 The Council's Pollution and Licensing Team provides guidance and assistance in the monitoring and enforcement of local nuisance, including the impact from noise. A statutory nuisance is defined as an act that causes unreasonable disturbance to the use and enjoyment of a neighbour. Where a statutory noise nuisance exists, is likely to happen, or is likely to be repeated, officers can serve a Noise Abatement Notice.

3.0 National and local policy background

3.1 All applications for planning permission for HMOs will be assessed against existing local and national planning policies and supplementary guidance, as well as this SPD.

- 3.2 Paragraph 50 of the National Planning Policy Framework (NPPF) states that local planning authorities should plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community. This also states that local planning authorities should identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand.
- 3.3 One of the core planning principles set out in paragraph 17 of the NPPF is that planning should always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings.
- 3.4 Policy L1 of the Trafford Core Strategy seeks to ensure that there is an adequate supply of housing throughout the plan period and that the right kind of homes are provided in the right locations.
- 3.5 Policy L2.1 of the Core Strategy states that all new residential development proposals will be assessed for the contribution that will be made to meeting the housing needs of the Borough and the wider aspirations of the Council's Sustainable Community Strategy. Policy L2.2 goes on to say that all new development will be required to not be harmful to the character of the immediately surrounding area.
- 3.6 Policy L4 of the Core Strategy refers to maximum parking standards which will be used in the assessment of development proposals. The adopted SPD3: Parking Standards and Design⁴ is used for this purposes.
- 3.7 Policy L7 of the Trafford Core Strategy *deals with matters of Design. It covers matters of design quality; functionality, protecting amenity, security and accessibility. Of particular note in relation to this SPD is the policy relating to the protection of amenity. Policy L7 states that "In relation to matters of amenity protection, development must: Be compatible with the surrounding area; and Not prejudice the amenity of the future occupiers of the development and / or occupants of adjacent properties by reason of overbearing, overshadowing, overlooking, visual intrusion, noise and / or disturbance, odour or in any other way".*

4.0 Policy

4.1 Planning permission will not normally be granted for changes of use to HMOs:

- i) Where the proportion of HMO dwellings will exceed 10% of all residential properties* within a circle of radius 40 metres** from the application site. This includes all properties where the curtilage of the residential property lies wholly or partly within this radius.***

Where the circle does not include a minimum of 10 residential properties, the threshold will apply to the 10 residential properties nearest to the application site** located on all frontages of the street (with the same street address).

⁴ Trafford Local Plan: Supplementary Planning Document 3 – Parking Standards and Design – Adopted February 2012

or

ii) Where it would result in any residential property (C3 use) being 'sandwiched' between two HMOs

4.2 When the threshold has been breached already, planning permission will only be granted in exceptional circumstances.

4.3 Notwithstanding the threshold limit and exceptional circumstances, other material considerations (such as intensification of use, highway safety, residential amenity of future and existing occupiers) arising from the impact of the proposal will be assessed in accordance with the Council's relevant development management policies and guidance, in particular Core Strategy Policy L7.

* Paragraph 5.2.1. explains how 'residential properties' are identified for the purposes of calculating the percentage concentration of HMOs.

** Measured from the midpoint of the main external doorway entrance to be used by all tenants as shown on the proposed plans submitted with the planning application.

5.0 Methodology

5.1 Approach to determining a planning application

5.1.1. Based on the information provided and on the Council's own records, the Council will calculate the number of HMOs in the relevant area for each individual planning application. The applicant should undertake their own estimate of the number of HMOs to accompany the planning application and provide all their supporting data. There is a variety of evidence sources on the location of HMOs as listed in section 5.2.2, and the applicant is advised to refer to these sources to build a body of evidence which will be assessed as a matter of fact and degree.

5.1.2. As part of an application for planning permission, applicants will be required to submit the necessary supporting information set out in the paragraph above as well as the Council's current adopted Validation Checklist. This includes a completed application form, location plan, site plan, existing and proposed floor plans and elevations (if required) and application fee.

5.2 How to apply the threshold

5.2.1. The percentage concentration of HMOs surrounding the application site will be calculated through three main stages:

Stage 1 – Identify residential properties

The residential properties identified are those located within the defined area of impact surrounding the application site i.e. the 40 metre radius or 10 nearest properties. The worked examples in Appendix 2 demonstrate this process. It should be noted that these examples are used for illustrative purposes only and do not necessarily relate to existing HMOs or planning applications. To be clear which residential properties are identified, all sub-divided properties including flatted blocks within the same curtilage are counted as one whole property at the first stage. Appendix 1 includes a list of properties from Schedule 14 of the Housing Act which

will not be identified as residential properties, for example student halls of residence, care homes and children's homes.

Stage 2 – Count HMOs

Using the HMO sources listed in section 5.2.2, the residential properties identified at stage 1 will be investigated to check whether they are an existing HMO or have HMO consent. All separate units forming part of the sub-divided residential properties (identified at the first stage as a whole property) which are 1 and 2 bed flats will not be investigated.

Stage 3 – Calculate concentration

The concentration of HMOs surrounding the application site is calculated as a percentage of the 'total estimated number of existing HMOs' against the 'total number of residential properties'. The total number of residential properties does not include those properties listed in Appendix 1 and all 1 and 2 bed flats which form part of the sub-divided properties (identified at the first stage). The final figure calculated is rounded up for a percentage of HMOs equal to or greater than decimal point 0.5, and rounded down when less than 0.5.

5.2.2. For the purposes of the threshold, HMOs can be identified from the following sources:

- Trafford Council planning register
- Trafford Council electoral register
- Trafford Council Tax records
- Trafford Council licensing register

5.2.3. The sources listed above are not a conclusive or exhaustive record of all HMOs in the relevant area. There may be existing HMOs which are occupied but unknown to the Council. In particular, on 6th April 2010 the Uses Classes Order introduced a class for HMOs to reclassify C3 dwellings to either the new C3 or C4 classes. The reclassification of existing dwellings to C4 use did not require planning permission at that time and therefore will not be registered on the Council's register of planning applications.

5.2.4. These sources will initially provide a reasonable indication of the numbers and location of HMOs in a particular area. Further investigation of individual properties may be required by the Planning Officer to provide greater confidence in the estimate, but it is emphasised that it will not be possible to guarantee a 100% accurate count in all cases. Where there is significant doubt as to whether a property is a HMO, it will not be counted towards the threshold.

5.3 The approach to sandwiching

5.3.1. Planning permission would not be granted where the introduction of new HMO would result in an existing dwelling being 'sandwiched' by any adjoining HMOs on both sides (see worked example 1 in Appendix 2). This would not apply where the properties are separated by an intersecting road or where properties have a back to

back relationship in different streets. Subdivided units will be considered on a case by case basis.

5.4 Large HMOs (more than 6 occupiers)

- 5.4.1. Planning applications for the change of use of properties into large HMOs will be assessed using the threshold limit.
- 5.4.2. Planning permission will be required to change the use of a small HMO to a large HMO, or to intensify the use of a lawful large HMO (even without any physical extension or external alteration to the property) by increasing the number of occupiers. In this instance the threshold limit will not be triggered as the HMO has already been established in the street and, therefore, has no further effect on the concentration of HMOs and balance and mix of households in the local community.
- 5.4.3. These types of planning applications will be assessed on their own individual merits on a case by case basis against the Council's relevant policies and guidance, *including Core Strategy Policies L4 and L7 and* Parking Standards set out in the adopted SPD3: Parking Standards and Design. Other impacts will be assessed as set out in the relevant policy text. Large HMOs are generally expected to have a greater impact individually on matters such as residential amenity.

5.5 Extensions to existing HMOs

- 5.5.1. When the Council considers a planning application for an extension to an existing lawful HMO, the threshold limit will not be a material consideration as the HMO has already been established in the street and therefore has no further effect on the concentration of HMOs and balance and mix of households in the local community.
- 5.5.2. The HMO does not materially change use within class C4 when intensifying the occupation up to 6 people and therefore only the physical impact of the extension will be assessed in accordance with the Council's relevant planning policies and guidance.
- 5.5.3. The Council does however recognise that the intensification of persons when existing C4 HMOs increase the number of bedrooms and become large HMOs can have a harmful impact on neighbouring occupiers. This is due to increased comings and goings, especially those associated with the independent lifestyle pattern of occupiers living individually of one another.
- 5.5.4. Where the extension would result in an increase of occupiers to more than 6 persons living in the HMO, planning permission must be sought in its own right for a change of use to a large HMO (see section 5.4). The threshold limit will not apply, though other impacts arising from the proposal will be assessed (see relevant policy text) including Parking Standards set out in the adopted SPD3: Parking Standards and Design.

6.0 **Regularising established HMOs**

- 6.1 All landlords that operated a small HMO prior to the Article 4 Direction coming into force are encouraged to submit an application for a 'Certificate of Lawful Use' to demonstrate that this can be operated lawfully and to regularise this use.

6.2 Subject to examination through the application process, the use of a property as a small C4 HMO occupied on or before the date when the Article 4 Direction became effective, or any HMO demonstrating ten years of continuous occupancy for this purpose at the time of application, will be deemed to be lawful. Satisfactory evidence will be required to demonstrate the lawful occupation of the HMO.

6.3 If a landlord does not wish to regularise their HMO, it is strongly recommended that they retain sufficient documentation to demonstrate lawful use as an HMO on the date when the Article 4 Direction became effective or demonstrating ten years of continuous HMO occupancy. This will reduce the owner's risk of the Council taking enforcement action against them.

7.0 Monitoring

7.1 The effectiveness of this Supplementary Planning Document will be monitored as part of the Authority Monitoring Report process using information from planning applications and decisions. The 10 year threshold referred to above will be monitored through revisions to Council Tax records and other sources of information highlighted in section 5.2.2. The Council will consider the findings of this monitoring work to determine whether or not to review this SPD.

8.0 Next Steps

~~8.1 After the consultation period closes, all representations received will be reviewed and consideration will be given as to whether any amendments to the SPD are necessary. The representations and the final version of the SPD will then be considered by the Council's Executive and a decision made as to whether or not to adopt the document.~~

Appendix 1 – HMO Definition

1. In broad terms, an HMO under planning legislation is defined as a house or flat occupied by a certain number of unrelated individuals who share basic amenities and is classified by the Uses Classes Order:-
 - Class C4 – between 3 and 6 residents
 - Sui generis (of its own kind) – more than 6 residents
2. For the purposes of Class C4 the occupation of an HMO dwelling has the same meaning as in section 254 of the Housing Act 2004 with exception of section 257 (relating to converted flats) and those buildings listed in schedule 14 (see paragraphs 3 and 4 below). In summary, an HMO is defined as a building or part of a building (i.e. flat) which:
 - is occupied by at least 3 persons not forming a single household; and
 - the HMO is occupied as the only or main residence; and
 - rents are payable or other consideration is provided in respect of at least 1 of those occupying the HMO; and
 - two or more households share one or more basic amenities (or lack such amenities).
3. The meaning of ‘basic amenities’ is defined under the Housing Act section 254(8):
 - a toilet;
 - personal washing facilities; or
 - cooking facilities.
4. Schedule 14 of the Housing Act includes a list of ‘buildings which are not HMOs’. It includes the following types which will not be identified as residential properties when calculating the proportion of HMOs in accordance with the methodology in the HMO SPD:
 - social landlord registered and local authority housing;
 - care homes;
 - bail hostels;
 - children’s homes;
 - occupied by students that are managed by an education establishment i.e. halls of residence;
 - occupied for the purposes of religious community whose main occupation is prayer, contemplation, education and the relief of suffering;
 - managed or controlled by ‘fire and rescue authority’ or ‘health service body’.
5. There will be a number of the HMOs identified by the Housing Standards Team in the category specified under section 257 of the Housing Act which do not fall under the planning definition of HMOs and, therefore, cannot be counted towards the threshold.
6. The Council will not count buildings containing ‘1 or 2 bedroom self-contained flats’, as these buildings are unlikely to accommodate the number of individuals which constitute an HMO.

7. For the purposes of defining the occupation of a 'sui generis' HMO dwelling, there is no meaning defined under planning legislation and therefore the Council will assess each case on an individual basis.

Appendix 2 – Examples for application of policy

Example 1 – Sandwiching

HMOs Restricted due to Sandwiching



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Example 2 – Separating Road

Sandwiched Property

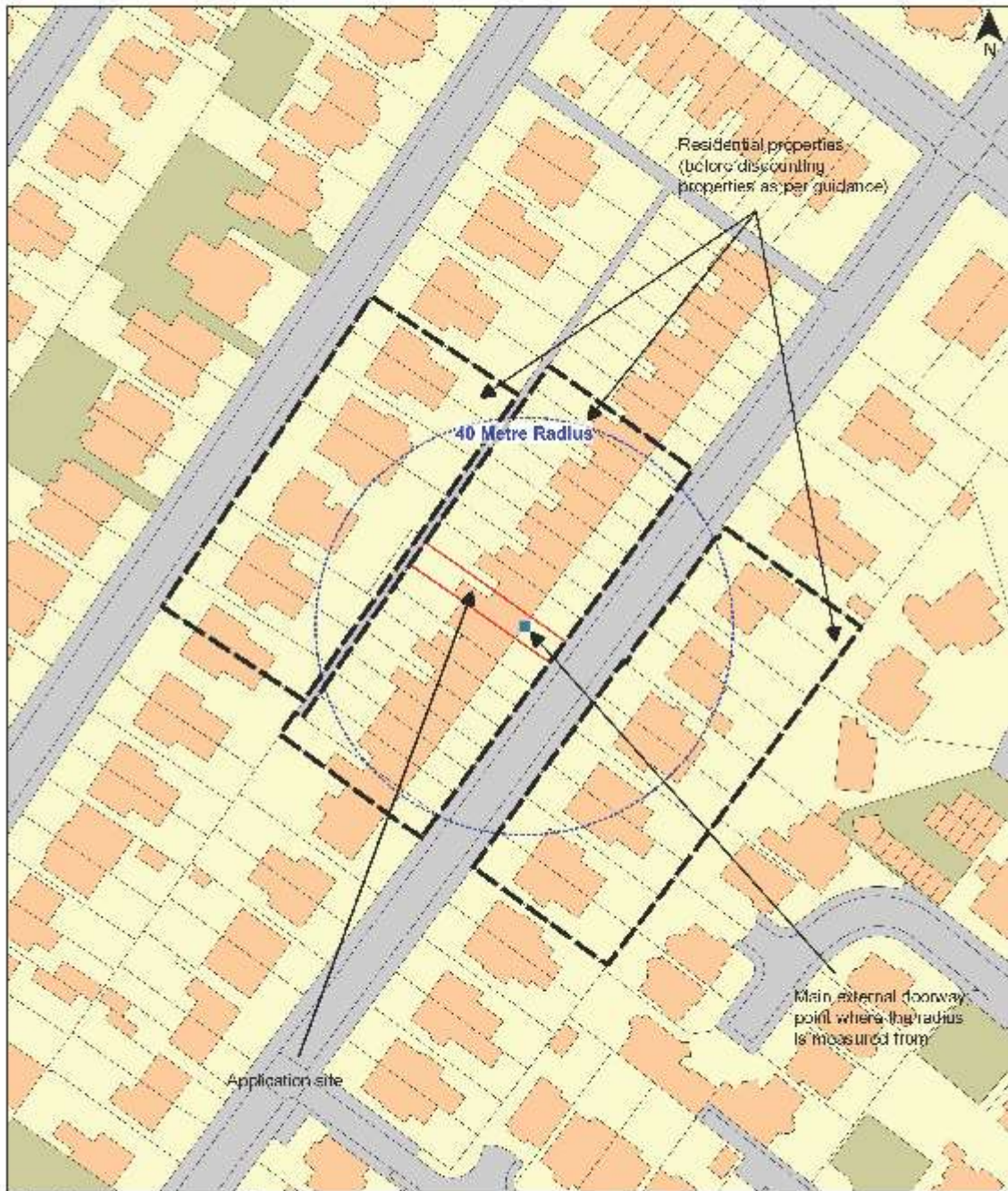


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Ordnance Survey 1000023172



Example 3 – Applying the 40m radius

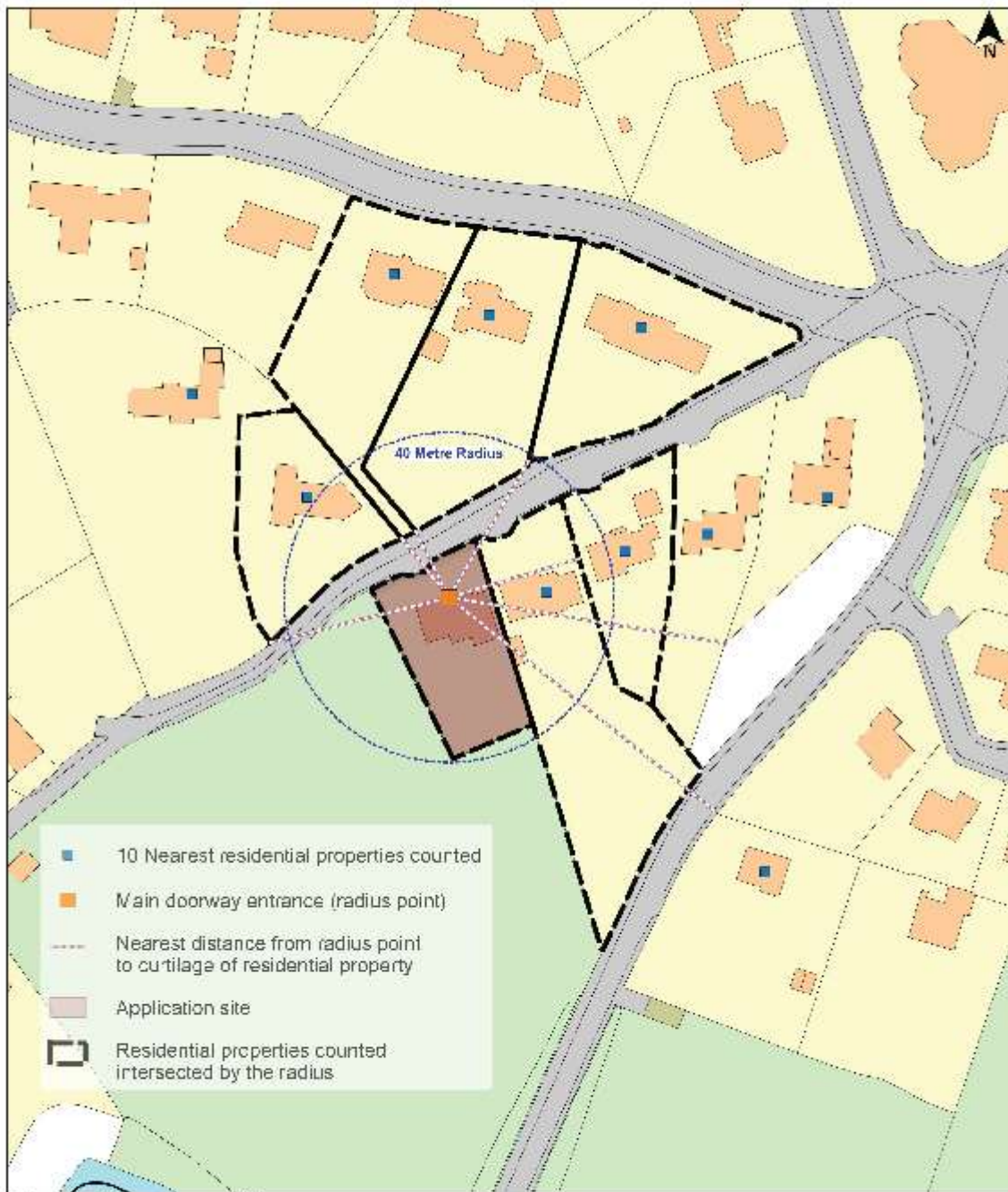
Applying the 40 Metre Radius



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Ordnance Survey 1000023172



Identifying 10 Nearest Residential Properties



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Appendix 3 – Glossary

The definitions contained in this glossary give general guidance only.

Article 4 Direction	An Article 4 Direction is made by the local planning authority. It restricts the scope of permitted development rights either in relation to a particular area or site, or a particular type of development anywhere in the authority's area. Trafford Council has made a Borough-wide Article 4 Direction in relation to permitted development rights for a change of use from a Class C3 (Dwellinghouse) to a Class C4 (small HMO). As a result of this Article 4 Direction, planning permission will be required for this type of development in Trafford.
Communal facilities/space	These are spaces or facilities shared by the tenants, for example; basic amenities (toilet, personal washing facilities, cooking facilities), living rooms, dining rooms, kitchens, gardens, cycle stores, parking spaces, etc.
Curtilage	This comprises of the property and area of land surrounding the property i.e. the garden/grounds.
House in Multiple Occupation (HMO)	A house or flat occupied by a certain number of unrelated individuals who share basic amenities. The property must be occupied as the main residence. There are 2 categories of HMOs under the use classes order; Class C4 otherwise known as a small/medium-sized HMO which is occupied between 3 and 6 residents, and large-sized HMO otherwise known as sui generis (of its own kind) which is occupied by more than 6 residents.
Permitted development rights or rules (PD)	The rules concerning certain types of development that can be carried out without the need for planning permission subject to following any conditions set out in the regulations. This can include changing the use of a building between use classes.
Radius	This is the circular area surrounding the application site where the threshold will be applied. The radius is measured from the midpoint of the proposed main doorway entrance to be used by the future tenants.
Sandwiching	This is the circumstance where there are adjoining HMOs directly on both sides of an existing dwelling. Where properties are separated by a road or where there is a back to back relationship in different streets then the approach will not apply.
Threshold	This is the set limit or level of the concentration of HMOs.

**Appendix 2 – Summary of Consultation Responses to the Draft SPD6: Houses in Multiple Occupation (HMOs):
Supplementary Planning Document**

Date Received	Respondent	Summary of Rep	Proposed Council Response
7-01-18	Environmental Services	Reference should be made to the need for adequate bin storage within the curtilage of the property.	<p>The HMO SPD makes reference to the fact that it supports the implementation of Policy L7 of the Trafford Core Strategy. Policy L7 of the Trafford Core Strategy requires development to provide appropriate provision of (and access to) waste recycling facilities, preferably on site.</p> <p>In light of this comment, it is proposed to make minor amendments to the HMO SPD, to refer more clearly to Core Strategy Policy L7, including reference to the “Functionality” section which deals with waste recycling.</p>
18-01-18	Historic England	No comments to make	N/A
22-01-18	Environment Agency	<p>It is requested that the following is added to Section 5 of the HMO SPD:</p> <p>Where a site is within a flood risk area the applicant will need to submit a Flood Risk Assessment detailing the risks associated with proposals within the floodplain areas.</p>	<p>Paragraph 5.1.2. of the HMO SPD states that, as part of an application for planning permission, applicants will be required to submit the necessary supporting information set out in the Council’s current adopted Validation Checklist.</p> <p>Section 7 of the Council’s Validation Checklist includes the requirement for developers to provide flood risk assessments as necessary.</p> <p>It is therefore considered that this matter is adequately addressed in the Council’s Validation Checklist and no change is required to the HMO SPD.</p>

Date Received	Respondent	Summary of Rep	Proposed Council Response
06-02-18	Local resident	A request is made to ensure that existing family housing areas, such as Gorse Hill, remain unchanged. Houses are not built to withstand the noise and car parking associated with students. Also, the existing infrastructure will not cope with an influx of students.	Comments noted; No change to the HMO SPD is proposed. The HMO SPD will provide the Council with a policy framework within which to control the change of use to houses in multiple occupation, thereby helping to protect residential areas.
12-0218	Natural England	<p>The topic of the Supplementary Planning Document does not appear to relate to Natural England's interests to any significant extent. Therefore it does not wish to comment.</p> <p>An SPD requires a Strategic Environmental Assessment only in exceptional circumstances as set out in the Planning Practice Guidance. While SPDs are unlikely to give rise to likely significant effects on European Sites, they should be considered as a plan under the Habitats Regulations in the same way as any other plan or project. If the SPD requires a Strategic Environmental Assessment or Habitats Regulation Assessment, the Council would be required to consult Natural England at certain stages as set out in the Planning Practice Guidance.</p>	It is not considered that the HMO SPD would have significant environmental effects. Therefore it is considered that a Strategic Environmental Assessment is not necessary in this particular instance. Neither is it considered necessary to carry out a Habitats' Regulation Assessment. Furthermore, the HMO SPD supports Policy L7 and other relevant policies in the Trafford Core Strategy which have been subject to Sustainability Appraisal as part of the Core Strategy adoption process. The Inspector appointed to consider the soundness of the Trafford Core Strategy concluded in her report (November 2011) that the Core Strategy was adequate in terms of its appraisal of the environmental, economic and social effects of its policies. Therefore it is considered that the impacts of the HMO SPD policies have been adequately covered in the appraisal of the parent DPD.

TRAFFORD COUNCIL

Report to: Executive
Date: 19 March 2018
Report for: Decision
Report of: Executive Member for Corporate Resources

Report Title

Business Rates Discretionary Rate Relief Policy 2017 Revaluation – Further Amendments to Maximise Funding

Summary

Government funding is available through a discretionary fund over four years from 2017/18 to support those businesses most affected by an increase in rating valuations as a result of the 2017 revaluation. The Council agreed a revised policy in September 2017, however, there is still funding available in 2017/18 for businesses and therefore further changes are required to the existing policy to ensure that the Council maximises the funding available

Recommendation(s)

To recommend:

1. That the Executive approves the proposed amendments to the Business Rates Discretionary Rate Relief Policy 2017

Contact person for access to background papers and further information:

Name: Louise Shaw
Extension: 3120
Background Papers: None.

Relationship to Policy Framework/Corporate Priorities	Key Priorities: Strong economy
Financial	The amendments are within the allocated DCLG funding and a provision has been made regarding appeals.
Legal Implications:	The Localism Act 2011 provides local government

	with greater flexibility with regards to discretionary relief and exemptions for Business Rates.
Equality/Diversity Implications	The proposal will have positive outcomes and ensure government funding is maximised and targeted at those businesses who have been most adversely impacted by the national revaluation exercise.
Sustainability Implications	None
Resource Implications e.g. Staffing / ICT / Assets	None
Risk Management Implications	None
Health & Wellbeing Implications	None
Health and Safety Implications	Not applicable

1.0 Background

- 1.1 At the Spring budget, the Government announced the establishment of a £300m discretionary fund over four years from 2017/18 to support those businesses in their area that have been those most affected by an increase in rating valuations as a result of the 2017 revaluation.
- 1.2 Each Local Authority was tasked with devising a scheme, which Trafford Council did based on assumptions known at the time.
- 1.3 Trafford Council's Executive approved a scheme in June 2017, which was further enhanced in September 2017 - see Appendix A for the scheme's qualifying criteria. These criteria were devised to ensure the reliefs were targeted to those who most needed it and equate scheme costs with the amount of funding available.

2.0 Introduction

- 2.1 The approved Council's scheme is working largely as intended but there are 2 main contributing factors as to why the 2017-18 funding amount (£346k) hasn't been maximised, they are:
- Some Rateable Values have been reduced following an in-year appeal and therefore the businesses no longer fall into the eligibility criteria and;
 - The application form for the relief has not been returned from a large number of businesses, despite a targeted up-take campaign which included additional contact by phone or personal visit
- 2.2 Officers have reviewed the operation of the scheme and have revisited the scheme criteria and business rates data to establish how to maximise the government funding, in particular in relation to Year One (2017-18) where the funding is at its highest level, awarded to Trafford businesses.

3.0 Proposed Amendments

3.1 In order to ensure funding is utilised it is therefore proposed that the policy is amended to change the qualifying criteria, below are the changes proposed, for the full proposed scheme see Appendix B:

- **All Years – Eligibility Criteria**
- Remove the requirement to complete and submit an application form – to ensure the state aid rules are adhered to, an award letter will be sent clearly stating the value of the relief and to advise the Council without delay if the business already has been awarded maximum relief
- Multiple property owners and/or occupiers **will** be eligible for relief (previously excluded, national property owners remain excluded)
- **In Year One (2017/18) – Maximum Funding £346k**
- Remove the requirement of a rateable value increase of more than 12.5% and an increase in the billing amount of more than 12.5% when compared to 2016-17 for properties that have a rateable value of between 15,001 and 50,999 **only** (to support the smaller businesses that do not qualify for Small Business Rates Relief)
- **In Year Two (2018/19) – Maximum Funding £168k**
- Subject to maximum funding levels, apply the above Year One amendment (due to on-going rateable value and liability changes it is not possible to be accurate on spending levels for this change at this time).

Other Options

The Council could maintain its existing policies and not make the amendments but due to the funding constraints this would mean returning government funding meant for local businesses.

Consultation

No formal consultation has taken place.

Reasons for Recommendation

The reason for the recommendations is as set out at the beginning of the report

Key Decision Yes

If Key Decision, has 28-day notice been given? Yes

Finance Officer Clearance NB
Legal Officer Clearance DA

CORPORATE DIRECTOR'S SIGNATURE 

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

Appendix A

Trafford Council's Business Rates 2017 Revaluation Support Eligibility Criteria as approved in September 2017

All Years

- the rateable property has a rateable value for 2017-18 that is less than £200,000;
- the rateable value has increased by more than 12.5%;
- the ratepayer must have been in occupation continually since pre 1 April 2017
- after all other reliefs have been applied, the increase in the billing amount is more than 12.5% in 2017-18;
- the ratepayer must have employees based in the hereditament on which relief is being sought;
- Ratepayers operating an intermittent occupation tax mitigation/avoidance scheme will not be eligible for any relief;
- Ratepayers with an outstanding appeal will not be eligible for any relief (as the Council will be unable to determine the financial impact on the business until the appeal is concluded) – any backdated requests once the appeal has been settled will be limited to the financial year in which the application is received due to the way in which the government is funding the scheme;
- National companies, national charities and public bodies will not be eligible for any relief;
- Multiple property owners and/or occupiers will not be eligible for any relief; and
- Hereditaments wholly or mainly being used as betting shops, payday loan shops, pawnbrokers or shisha bars will not be eligible for relief.
- a discretionary award must only be applied after all other reliefs have been applied and cannot exceed the maximum liability due
- refunds will not automatically be issued - any credits due resulting from a relief being applied will be credited to future years accounts unless a request is received

Year One (2017/18)

- Subject to the qualifying criteria being met, a maximum relief of £3k will be awarded.
- for schools and private day nurseries, award the full difference between the 2016/17 and 2017/18 charge even where that exceeds £3k
- remove the £50 per month cap, therefore eligibility for small businesses subject to a <£50 increase

Year Two (2018/19)

- Subject to the qualifying criteria being met, a maximum relief of £1.5k will be awarded.

- for schools and private day nurseries, award the full difference between the 2017/18 and 2018/19 charge even where that exceeds £1.5k
- remove the £50 per month cap, therefore eligibility for small businesses subject to a <£50 increase

Year Three (2019/20)

- Subject to the qualifying criteria being met, a maximum relief of £750 will be awarded.
- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses)
- if the pub relief is extended then those with a rateable value of less than 100k will not be eligible as they will get the £1k

Year 4 (2020/21)

- Subject to the qualifying criteria being met, an individual business can apply for a maximum relief of £500 in writing clearly stating why they remain adversely affected by the 2017 revaluation. Each case will be considered on its own merits in line with the Council's discretionary rate relief policy.
- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses)
- if the pub relief is extended then those with a rateable value of less than 100k will not be eligible as they will get the £1k

Appendix B

Trafford Council's Proposed Revised Business Rates 2017 Revaluation Support Eligibility Criteria for approval by Executive in March 2018

All Years

- the rateable property has a rateable value for 2017-18 that is less than £200,000;
- the rateable value has increased by more than 12.5%;
- the ratepayer must have been in occupation continually since pre 1 April 2017
- after all other reliefs have been applied, the increase in the billing amount is more than 12.5% in 2017-18;
- the ratepayer must have employees based in the hereditament on which relief is being sought;
- Ratepayers operating an intermittent occupation tax mitigation/avoidance scheme will not be eligible for any relief;
- Ratepayers with an outstanding appeal will not be eligible for any relief (as the Council will be unable to determine the financial impact on the business until the appeal is concluded) – any backdated requests once the appeal has been settled will be limited to the financial year in which the application is received due to the way in which the government is funding the scheme;
- National companies, national charities and public bodies will not be eligible for any relief;
- Hereditaments wholly or mainly being used as betting shops, payday loan shops, pawnbrokers or shisha bars will not be eligible for relief.
- a discretionary award must only be applied after all other reliefs have been applied and cannot exceed the maximum liability due
- refunds will not automatically be issued - any credits due resulting from a relief being applied will be credited to future years accounts unless a request is received

Year One (2017/18)

- Subject to the qualifying criteria being met, a maximum relief of £3k will be awarded.
- for schools and private day nurseries, award the full difference between the 2016/17 and 2017/18 charge even where that exceeds £3k
- remove the £50 per month cap therefore eligibility for small businesses subject to a <£50 increase
- Remove the requirement of a rateable value increase of more than 12.5% and an increase in the billing amount of more than 12.5% when compared to 2016-17 for properties that have a rateable value of between 15,001 and 50,999 **only** (to support the smaller businesses that do not qualify for Small Business Rates Relief)

Year Two (2018/19)

- Subject to the qualifying criteria being met, a maximum relief of £1.5k will be awarded.
- for schools and private day nurseries, award the full difference between the 2017/18 and 2018/19 charge even where that exceeds £1.5k
- remove the £50 per month cap therefore eligibility for small businesses subject to a <£50 increase
- Subject to maximum funding levels, Remove the requirement of a rateable value increase of more than 12.5% and an increase in the billing amount of more than 12.5% when compared to 2017-18 for properties that have a rateable value of between 15,001 and 50,999 **only** (to support the smaller businesses that do not qualify for Small Business Rates Relief)

Year Three (2019/20)

- Subject to the qualifying criteria being met, a maximum relief of £750 will be awarded.
- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses)
- if the pub relief is extended then those with a rateable value of less than 100k will not be eligible as they will get the £1k

Year 4 (2020/21)

- Subject to the qualifying criteria being met, an individual business can apply for a maximum relief of £500 in writing clearly stating why they remain adversely affected by the 2017 revaluation. Each case will be considered on its own merits in line with the Council's discretionary rate relief policy.
- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses)
- if the pub relief is extended then those with a rateable value of less than 100k will not be eligible as they will get the £1k

TRAFFORD COUNCIL

Report to: Executive
Date: 19 March 2018
Report for: Information
Report of: The Leader of Trafford Council

Report Title

University Academy 92 Update

Summary

The report provides a progress update on the work being undertaken to establish University Academy 92 (UA92) in Trafford.

Recommendation(s)

It is recommended that the Executive notes the contents of this report.

Contact person for access to background papers and further information:

Name: Richard Roe, Director of Growth and Regulatory Services
Mike Reed, Strategic Growth Manager

Extension: x 4265
x 4924

Background Papers:
None

Implications:

Relationship to Policy Framework/Corporate Priorities	The delivery of UA92 will contribute to the Council's vision for "no one held back, no one left behind" and the Corporate priorities for economic growth and development, excellence in education and low Council Tax and value for money.
Financial	The regeneration of the Stretford and Old Trafford area will increase the business base of the area and act as a catalyst for growth. The development of the former Kellogg's site in partnership with Bruntwood will generate an income for the council.
Legal Implications:	None as a direct result of this report
Equality/Diversity Implications	UA92 are committed to widening access to higher education and attracting students who may not have considered university study before.
Sustainability Implications	The Council has completed an independent Economic Impact Assessment of the UA92 proposals which set out the outcomes that will be achieved. The Refreshed Stretford Masterplan contains a series of sustainability principles that development of buildings and facilities associated with UA92 should be in accordance with.
Resource Implications e.g. Staffing / ICT / Assets	Existing resources have been identified to support the delivery of the project and related activity across all the partners.
Risk Management Implications	The delivery of the project is supported by a risk plan setting out the key risks to delivery and proposed mitigation measures.
Health & Wellbeing Implications	The potential delivery of an enhanced Stretford Leisure Centre and provision of other facilities as part of the proposed developments will support improved health and wellbeing.
Health and Safety Implications	None as a consequence of this report.

1.0 Background

- 1.1 The Council's Refreshed Stretford Masterplan was approved by the Executive in January 2018 following a ten week public consultation. It sets a bold vision for the future of Stretford:

'To transform Stretford Town Centre and the wider Stretford area into a prosperous and vibrant place with attractive communities and a wide range of facilities throughout the day and evening that realises the full potential of existing assets'.

- 1.2 University Academy 92 (UA92) is a ground breaking new university being delivered in Trafford through a unique partnership between Trafford Council, the Class of 92, Lancaster University, Microsoft, Bruntwood and Trafford College. UA92 is also supported by Manchester United and Lancashire County Cricket Club. UA92 will not only provide an innovative alternative to the traditional university degree course focused on the subjects of business, media and sports, students will also be taught the emotional, physical and social intelligence skills needed to succeed in the workplace.
- 1.3 The establishment of UA92 in Stretford/Old Trafford will provide a catalyst for significant further investment in the area and deliver an iconic higher education facility. The UA92 Campus Quarter will be established on the site of the former Kellogg's office on Brian Statham Way providing a step change in the regeneration of the local area. The significant economic, social and community benefits that will be delivered through these regeneration proposals are set out in the Refreshed Stretford Masterplan.
- 1.4 This report provides an update on the progress since October 2017 in establishing UA92.

2.0 UA92 Campus Quarter

- 2.1 The new UA92 Campus Quarter will be located on the former Kellogg's office site on Brian Statham Way/Talbot Road and is being delivered by the Council in partnership with Bruntwood.
- 2.2 The Council acquired the former Kellogg's office site in 2017 and will secure vacant possession in April 2018 now that Kellogg's have relocated from the site. Detailed design work is currently being finalised for the full refurbishment of the current building to provide the education campus building for UA92 prior to the submission of a planning application in Spring 2018. The campus building will be leased by the Council/Bruntwood JV to UA92 and Microsoft. Subject to planning approval, refurbishment works to enable the opening of phase one of the campus building will complete in Summer 2019.
- 2.3 Development at this location will ensure active uses in this prominent gateway site and office block. The development will not only generate jobs during the construction period, but will also support local employment directly in the new facilities and generate additional spend in the local area.
- 2.4 The refurbishment of the former Kellogg's office building and development of the UA92 Campus Quarter will support the delivery of new development in the wider Civic Quarter area, which also includes Emirates Old Trafford, Trafford Town Hall,

the existing leisure centre site and White City Retail Park. Further masterplanning work on the Civic Quarter area will be completed in 2018. It is proposed that a new leisure centre will be developed within this area. The new leisure centre will be operated by Trafford Leisure and designed to have sufficient capacity to meet the future needs of all users. More detailed proposals for the new leisure centre and the facilities it will contain are being prepared in 2018, and it is expected to open in early 2020.

- 2.5 The Council is continuing to work with UA92 and partners to maximise the benefits of the project, including the availability of permanent jobs and construction jobs to local people. Further reports will be presented to the Executive in future to provide updates on activities associated with the delivery of UA92, such as student accommodation, masterplanning, employer and community engagement and student recruitment.

3.0 UA92 Prospectus

- 3.1 UA92 launched their undergraduate prospectus in February 2018 for the academic year 2019/2020. The following three year undergraduate courses will be available for applications from 1 September 2018:

- Media and Communications BA (Hons)
- Journalism BA (Hons)
- Business Studies BA (Hons)
- Accounting and Finance BA (Hons)
- Sports and Exercise Science BSc (Hons)
- Physical Education BA (Hons)
- Psychology BSc (Hons)

- 3.2 The degrees will be awarded by Lancaster University who will ensure the quality and standards of the degrees and that UA92 students will acquire the required subject knowledge and skills.

- 3.3 As part of their commitment to widening access to higher education and attracting students who may not have considered university study before, UA92 will aim to be as flexible as possible with their entry criteria. The typical entry offer will be 104 UCAS points from a recognised level 3 qualification (this equates to A level grades BCC). The application process will look at students individually considering both education and personal achievements, including any work or volunteer experience.

- 3.4 As part of their Target Talent Curriculum UA92 will provide preparation for life developing the emotional, physical and social intelligence of students. UA92 students will be offered secured placements with selected companies giving them Preferred Graduate Status within UA92's employer network, meaning that the relevant employers will guarantee to review their application on the completion of their degrees.

- 3.5 UA92 will be holding a series of open days in 2018. These will include talks on topics such as what is different about studying at UA92 alongside information and advice on accommodation, student finance, grants and bursaries. The first open day will take place on 21 July 2018 at Emirates Old Trafford.

3.6 The first students are scheduled to be admitted to UA92 in September 2019. The projected number of students attending UA92 is predicted to be 650 at year one, increasing to a maximum roll of 6,500 by 2028.

4.0 Other Options

4.1 The Council could choose not to support the delivery of UA92 in Trafford, however this would not realise the significant economic, social and community benefits associated with the project.

5.0 Consultation

5.1 The Council undertook a formal ten week public consultation on the draft Refreshed Stretford Masterplan from 10 October 2017. Five general and themed public consultation events were held, including a dedicated public meeting on UA92 and the university offer held on 8 November 2017. The Refreshed Stretford Masterplan was updated to reflect the feedback received and was approved by the Council Executive in January 2018. Development proposals, as set out in this report, will be subject to planning permission, and will be consulted on in the usual way.

5.2 UA92 are committed to a process on continued engagement to build strong links with local schools and widen participation generally.

Reasons for Recommendation

The Executive is asked to note the contents of this report and the progress to date in the establishment of UA92 to provide a new higher education facility in Trafford and deliver significant regeneration.

Key Decision No

If Key Decision, has 28-day notice been given? N/A

Finance Officer Clearance ...NB.....
Legal Officer Clearance ...JLF.....

DIRECTOR'S SIGNATURE 

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

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TRAFFORD COUNCIL

Report to: Executive

Date: 19 March 2018

Report for: Information

Report of: The Executive Member for Corporate Resources and the Chief
Finance Officer

Report Title:

Budget Monitoring 2017/18 – Period 10 (April 2017 to January 2018).

Summary:

The purpose of this report is to inform Members of the current 2017/18 forecast outturn figures relating to both Revenue and Capital budgets. It also summarises the latest forecast position for Council Tax and Business Rates within the Collection Fund.

Recommendation(s)

It is recommended that the Executive notes the report, in particular:

- a) the forecast revenue budget underspend of £404k;
- b) the changes to the Capital Programme as detailed in paragraph 19.

Contact person for access to background papers and further information:

David Muggeridge, Finance Manager, Financial Accounting Extension: 4534

Background Papers: None

Relationship to Policy Framework/Corporate Priorities	Value for Money
Financial	Revenue and Capital expenditure to be contained within available resources in 2017/18.
Legal Implications:	None arising out of this report
Equality/Diversity Implications	None arising out of this report
Sustainability Implications	None arising out of this report
Resource Implications e.g. Staffing / ICT / Assets	Not applicable
Risk Management Implications	Not applicable
Health & Wellbeing Implications	Not applicable
Health and Safety Implications	Not applicable

Other Options

Not Applicable

Consultation

Not Applicable

Reasons for Recommendation

Not Applicable

Finance Officer ClearanceNB.....

Legal Officer ClearanceDA.....

CORPORATE DIRECTOR'S SIGNATURE

REVENUE BUDGET

Budget Monitoring - Financial Results

1. The approved budget agreed at the 22 February 2017 Council meeting is £160.83m. In determining the budget an overall gap of £25.37m was addressed by a combination of additional resources of £9.80m, including projected growth in business rates, council tax and use of general reserve and £15.57m of service savings and additional income.
2. Based on the budget monitoring for the first 10 months the year-end forecast outturn is an underspend of £404k, a favourable movement of £188k since Period 8. This position takes into account planned additional investment in the Council's highways of £2.0m due to the positive position of the EGEI and C-W budgets (See Table 2). At this stage caution should still be exercised as the projections continue to be based on a number of assumptions including delivery of the remaining savings programme in year (see para. 8) and the stability of demographic pressures in social care.
3. Detailed below in Table 1 is a summary breakdown of the service and funding variances against budget, with Table 2 providing an explanation of the variances:

Table 1: Budget Monitoring results by Service	2017/18 Revised * Budget (£000's)	Forecast Outturn (£000's)	Forecast Variance (£000's)	Percentage
Children's Services	31,291	31,647	356	1.1%
Adult Services (Inc. Public Health)	57,792	59,837	2,045	3.5%
Economic Growth, Environment & Infrastructure	38,318	37,921	(397)	(1.0)%
Transformation & Resources	16,893	16,163	(730)	(4.3)%
Total Directorate Budgets	144,294	145,568	1,274	0.9%
Council-wide budgets	16,531	14,853	(1,678)	(10.2)%
Net Service Expenditure variance	160,825	160,421	(404)	(0.3)%
Funding				
Business Rates (see para. 14) **	(67,462)	(67,462)	-	
Council Tax (see para. 12)	(88,630)	(88,630)	-	
Reserves	(3,058)	(3,058)	-	
Collection Fund surplus	(1,675)	(1,675)	-	
Funding variance	(160,825)	(160,825)	0	0.0%
Net Revenue Outturn variance	0	(404)	(404)	(0.3)%
Dedicated Schools Grant	124,519	125,075	556	0.4%
Public Health	12,178	12,178	0	0.0%

* There have been no budget virements since the Period 8 Budget Monitoring Report.

** Additional one-off income relating to the Business Rate retention scheme of £0.413m due to a release of the share of funds retained by GMCA that is no longer required. This will be transferred to a new earmarked reserve to mitigate future business rates funding risks (in addition to the extra one-off income previously reported – see Para 17).

Main variances, changes to budget assumptions and key risks

4. Corporate Leadership Team are regularly reviewing the situation with regard to vacancies and are engaging a task and finish group to do some detailed work around resourcing and recruitment.
5. The main variances contributing to the projected underspend of £404k, a movement of £188k since Period 8, any changes to budget assumptions and associated key risks are highlighted in the table below.

Table 2: Main variances	Forecast Variance (£000's)	Explanation/Risks
Children's Services	356	<p>Outturn variance £356k adverse:</p> <ul style="list-style-type: none"> ➤ £1.267m overspend in Children's placements Budget (Note 1); ➤ savings of £911k from vacancies, restructures and additional income (Note 2). <p>Period movement £285k favourable:</p> <ul style="list-style-type: none"> ➤ additional savings of £226k from vacancies, restructures and additional income; ➤ reduction in the overspend on Children's placement costs of £59k. <p>Note 1 - An estimated gross overspend of £699k is partly offset by a one-off underspend of £180k on the Regional Adoption Agency resulting in a net overspend of £519k.</p> <p>Despite £1.78m being delivered in savings, £748k will not be delivered in 2017/18.</p> <p>This gives an overall variance of £1.267m, a decrease of £59k from that reported previously. The variance is as a result of delays in the implementation of some savings schemes.</p> <p>The area of most significant pressures continues to be for placements for children age 14+ who need specialist care. There is an ongoing lack of capacity in placements for young people age 14+ with in-house foster carers and external provision. The recruitment of more in-house carers is in hand but will take time.</p> <p>We are continuing to work with the Family Placement team and with Healthy Young Minds to develop comprehensive training and support interventions to increase our internal provision and capacity.</p> <p>The number of children in care as at the end of January 2018 is 373, a decrease of 14 from that last reported. Within this projection a contingency of £414k remains in the event of additional placements over the next two months.</p> <p>Note 2 - The above adverse variance has been offset by underspends and additional income within the overall service. These include vacancies of £334k, additional grant/income £337k, underspend due to restructures £182k, and general underspends across the service of £58k.</p>

<p>Adult Services / Public Health</p>	<p>2,045</p>	<p>Outturn variance £2.045m adverse:</p> <ul style="list-style-type: none"> ➤ £2.254m overspend in Adults Client budget (Note 1); ➤ £333k overspend on Deprivation of Liberties (DOLS) (Note 2); ➤ partly offset by £542k from vacancies and one-off savings (Note 3). <p>Period movement £247k adverse:</p> <ul style="list-style-type: none"> ➤ £135k increased projection on Adults Client budget; ➤ £76k increase In DOLS projection; ➤ £36k minor adverse movements. <p>Note 1 - The main budget pressure is in the Adult Client budget in which there is an estimated gross overspend of £1.721m, partly offset by one-off underspends on grant funding and Transition budgets totalling £896k, giving a net overspend of £825k.</p> <p>Estimated savings of £4.754m are forecast to be delivered in year, although this is £1.429m short against target; an increase of £135k from that reported previously.</p> <p>This overall position reflects an increase in the cost per person of care due to increased complexity of cases, an absence of Council rate homecare and residential & nursing care provision (to the extent required) in the borough which has also impacted on the savings programme.</p> <p>The lack of affordable nursing care beds in the borough is increasing the number of top-up fees payable by the Council, as is the higher rate of home care packages. The accelerated work on delayed transfers of care is also increasing the financial pressure in this area as residents are brought out of hospital quickly to assess their needs in the community.</p> <p>Within this forecast £250k remains within a contingency budget to help to offset potential pressures for the remaining 2 months.</p> <p>What is being done to address this?</p> <p>The service is actively undertaking a programme of reassessments to ensure that care packages are in line with client needs.</p> <p>Commissioners continue to increase the capacity of Homecare available to the council, and have brought another SAMS provider on board; this will ensure that some clients can increase/retain their independence in their own home therefore reducing demand for residential/nursing placements.</p> <p>The service are exploring alternative contracting arrangements particularly in the form of block contracting in order to achieve value for money and to provide security for both the Council and providers.</p>
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Adult Services / Public Health (cont.)		<p>Note 2 - Included within the forecast is a £333k overspend on Deprivation of Liberty fees due to activity well in excess of expected levels, an increase of £76k since last period.</p> <p>Note 3 - The overall position is partly mitigated by vacancies of £337k, a one-off VAT refund of £235k and minor adverse variations across the service of £30k.</p>
Economic Growth, Environment & Infrastructure	(397)	<p>Outturn variance £397k favourable:</p> <ul style="list-style-type: none"> ➤ staff cost savings of £185k; ➤ net income savings from property rents, planning, car park and other fees of £615k; ➤ partly offset by a net overspend in running costs of £403k across all services, including an increase in the Waste Disposal Levy of £248k and other areas of £155k, <p>Period movement £53k adverse:</p> <ul style="list-style-type: none"> ➤ additional income £58k (net); ➤ increased running costs £77k (including £60k on Waste Disposal Levy); ➤ reduced underspend on staff costs £34k. <p>The above figures exclude the new income from the garden waste collection service which has exceeded budgeted levels by £600k, as previously reported at Period 4. This money will be used to support additional investment in the Council's highways.</p>

Transformation & Resources	(730)	<p>Outturn variance £730k favourable:</p> <ul style="list-style-type: none"> ➤ staff cost savings of £864k (Note 1); ➤ additional income and reduced running costs saving a further £136k (Note 2); ➤ partly offset by a shortfall in the savings associated with school crossing patrols of £270k, albeit other funding sources will be pursued where available. <p>Note 1 - forecast staff costs are £864k less than budget across the Directorate based on actual and projected vacancies, which is 4.3% of the total staffing budget. This is a favourable movement since Period 8 of £80k, mainly within Finance Services. This is marginally lower than the average level experienced in 2016/17 of 4.6%, and reflects the ongoing efforts to fill outstanding vacant posts.</p> <p>Note 2 - Running costs are now projected to be £36k above budget, an adverse movement of £98k since Period 8 mainly in Bereavement Services and Waterside Arts Centre, but these are more than offset by projected income levels which have increased by a net £19k to £172k.</p>
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Council-wide budgets	(1,678)	<p>Outturn variance £1.678m favourable:</p> <ul style="list-style-type: none"> ➤ Treasury Management savings of £848k (mainly airport dividend above budget of £816k as previously reported); ➤ part release of Contingency budgets of £570k; ➤ Overpayment recovery of previous years' Council Tax Benefit, £65k; ➤ Members allowances and running cost savings, £20k and Apprenticeship Levy saving against budget of £31k; ➤ A final one-off rebate from the Public Sector Audit Appointments (PSAA) relating to historic external audit fees, £18k; ➤ partly offset by a projected shortfall in the savings associated with the 'Advance contributions to GM Pension Fund' project of £165k and an expected overspend in Coroners and Mortuary fees of £37k; ➤ Investment Strategy – new income from commercial properties £328k with full year impact supporting future years' budgets. <p>Period movement £202k favourable:</p> <ul style="list-style-type: none"> ➤ A number of Council-wide contingencies and provisions relating to service savings not being achieved and doubtful debts have been reviewed and it is considered appropriate at this stage of the year to release a further £190k, in addition to the £380k already released at Period 8. This leaves £188k remaining. ➤ Other minor changes of £12k.
Dedicated Schools Grant	556	<p>The decrease of £83k in the projected overspend from £639k to £556k relates mainly to a reduction in the projected overspend within the High Needs Block due to the recovery of 6th form grant funding from Brentwood School.</p> <p>This overspend will be financed from the DSG reserve.</p>

Progress against Locality Plan

6. A key element of the Health and Social Care devolution agenda is the submission of a Locality Plan setting out the Council and CCG vision for the greatest and fastest possible improvement in the health and wellbeing of our residents by 2020. This improvement will be achieved by supporting people to be more in control of their lives by having a health and social care system that is geared towards wellbeing and the prevention of ill health; access to health

services at home and in the community; and social care that works with health and voluntary services to support people to look after themselves and each other.

7. Work is ongoing on the locality plan and it is anticipated that further work will be required in the coming months to understand how any budget gaps will be addressed. Financial performance against the locality plan is highlighted below in Table 3.

Table 3: Locality Plan Update	2017/18 Budget (£000's)	Outturn (£000's)	Variance (£000's)	Percentage
Public Health	12,178	12,178	0	0.0%
Adult Social Care	57,180	59,225	2,045	3.6%
Children and Families	31,960	32,316	356	1.1%
Total	101,318	103,719	2,401	2.4%

*The figures in the above table have been collated using a different rationale incorporating wider budget elements not included in the CFW budget.

MTFP Savings and increased income (Vision 2031 Portfolio)

8. The 2017/18 budget is based on the achievement of permanent base budget savings and increased income of £15.57m (see para. 1 above). In addition a number of savings initiatives which underachieved in 2016/17 have been rolled over to the 2017/18 programme totalling £1.36m, giving a total savings target of £16.93m.
9. The latest forecast indicates that total savings of £14.81m have been or are projected to be delivered by 31 March 2018. This represents an underachievement against target of £2.12m and includes £14.01m already achieved (94.6%) and £0.80m (5.4%) still to be achieved. At this stage the projected under-performance on savings can be financed from other savings and additional income across the rest of the revenue budget in 2017/18. The impact of the shortfall has been taken into consideration when setting the 2018/19 budget.

RESERVES

10. The audited General Reserve balance brought forward is £6.00m, the approved minimum level agreed by Council in February 2017.
11. Service balances brought forward from 2016/17 were a net £4.11m and are largely allocated to support Vision 2031 Portfolio projects in 2017/18 and later years, however before making firm commitments to utilise these resources consideration will be given to the overall projected outturn position in each directorate.

	b/f April 2017 (£000's)
Table 4: Service balances	
Communities, Families & Wellbeing	(793)
Economic Growth, Environment & Infrastructure	(1,205)
Transformation & Resources	(2,113)
Total (Surplus)/Deficit	(4,111)

COLLECTION FUND

Council Tax

12. The 2017/18 surplus on the Council Tax element of the Collection Fund is shared between the Council (84%), the Police & Crime Commissioner for GM (12%) and GM Fire & Rescue Authority (4%). The total surplus brought forward as at 1 April 2017 was £2.54m.
13. As at January 2018 the end of year surplus balance is forecasted to be £1.54m, after the application of £1.55m of brought forward surplus and addition of an in-year surplus of £549k. The Council's share of this is £1.30m, and is planned to support future budgets in the MTFP.
14. Council Tax collection rate as at 31 January 2018 was 95.48% compared to the targeted collection rate of 95.74%.

Business Rates

15. The 2017/18 budget included anticipated growth in retained business rates and related S31 grants of £5.46m and at this stage it is still anticipated that this will be achieved in year, albeit the risk of appeals still remains.
16. During the course of the year a number of additional benefits have already been reported to Executive:-
 - £1.276m being the Council's share from the 2016/17 Growth Pilot
 - £5.1m representing the share of benefits from the first year of the 100% Retention Pilot

17. In addition GMCA has indicated that it will redistribute £4.9m of its share of benefits it had received from previous years pooling arrangements. Trafford's element of the returned income is £413k. However given the overall risk faced by Trafford due to its large business rates baseline and volatility from business rate appeals, it is prudent that this amount be transferred to the business rate smoothing reserve and used to offset any fluctuation in the significant level of business rate income that will be supporting the budget in 2018/19 and later years. It will also provide a cushion in the event of any changes to business rate baselines when the system is reset in 2020/21.
18. Business Rates collection rate as at 31 January 2018 was 90.02% compared to a targeted collection rate of 90.70%.

CAPITAL PROGRAMME

19. The value of the indicative 2017/18 Capital Programme set in February 2017 was £65.74m which was updated as a result of 2016/17 outturn and reported in the P8 monitor at £355.22m. Taking into account the increase to the Highway Maintenance Programme and additional grants and contributions the budget is currently estimated at £355.16m. The changes are summarised as follows with details below:

Table 5 - Capital Investment Programme 2017/18	Period 8 Programme £m	Changes £m	Current Programme £m
Service Analysis:			
Children, Families & Wellbeing	15.62		15.62
Economic Growth, Environment & Infrastructure *	37.82	(0.06)	37.76
Transformation & Resources *	6.78		6.78
General Programme Total	60.22	(0.06)	60.16
Capital Investment Fund **	295.00	-	295.00
Total Programme	355.22	(0.06)	355.16

* The remaining £5m has been rephased to 2018/19.

20. Amendments to Capital Programme

Resourcing of the capital investment programme is made up of both internal and external funding. Details of this are shown in the table below.

Table 6 - Capital Investment Resources 2017/18	Period 8 Programme £m	Changes £m	Current Programme £m
External:			
Grants	20.14	-	20.14
Contributions	10.27	(0.06)	10.21
Sub-total	30.41	(0.06)	30.35
Internal:			
Receipts	16.42	-	16.42
Borrowing	10.50	-	10.50
Reserves & revenue	2.89	-	2.89
Sub-total	29.81	0.00	29.81
General Programme Total	60.22	(0.06)	60.16
Borrowing – Capital Investment Fund	295.00	-	295.00
Total Programme	353.22	(0.06)	355.16

General Programme - Status and progress of projects

21. This section aims to give certainty about delivery and the level of outturn performance that can be expected in 2017/18 on the general capital programme.
22. As part of the monitoring process a record of the “milestones” reached by each project is kept to show the progress of the scheme from inclusion in the programme through to completion. The table below shows the value of the programme across the milestone categories.

Table 7 - Status on 2017/18 Projects	Current Budget £m	Percentage of Budget
Already complete	22.17	37%
On site	21.71	36%
Programmed to start later in year	13.01	22%
Not yet programmed	3.27	5%
Total	60.16	100%

23. There are a number of schemes which, whilst they have started or are still due to start in year, are not now expected to complete until 2018/19. As a result the outturn projection is now estimated to be £51.44m (86%) in 2017/18. The table below provides a summary with scheme details shown in the following paragraph.

Table 8 – 2017/18 Outturn Projection	£m
Current General Programme	60.16
Actual spend to date	31.37
Expected spend for P11-P12	20.07
Outturn Projection	51.44
Variance to current budget	(8.72)
Major Areas which require re-phasing to 2018/19	
- Schools related projects	2.27
- Public Building Repairs	0.30
- City Cycle Ambition Grant	1.25
- Cycle Link schemes	0.52
- Altrincham – Library / Community Facility	1.74
- Additional Burial Land	0.44
- Flexible use of Capital Receipts	1.80
- SAP Development / Replacement	0.40
Total re-phasing requirement	8.72

24. For those schemes where delivery is not expected to either complete or commence in 2017/18 and budgets will be rephased as part of the budget setting report in February 2018, £7.90m of the £8.72m was explained in the previous monitoring report with the additional £0.82m being:

- **City Cycle Ambition Grant – £819k** : Transport for Greater Manchester have, with agreement from the Department of Transport, agreed that the deadline for using the grant can be extended to 2019/20. The major projects included are the Stretford Road / Talbot Road Cycleway scheme and the WestPoint Junction, Old Trafford and the opportunity has been taken to ensure that budgets are phased to ensure proper delivery of the proposed projects.

Capital Investment Fund

25. The Council's Investment Strategy was approved by the Executive in July 2017 when approval was given to increase the Capital Investment Fund to £300m, supported by prudential borrowing, to support the approach. To date five transactions have been agreed at a total capital cost of £90.68m with others currently under consideration. This investment will provide a net benefit to support the revenue budget in 2017/18 and later years.

Table 6 : Capital Investment Strategy	2017/18 £m	2018/19 £m	Total £m	
Total Investment Fund	295.00	5.00	300.00	
Activity to date :				Average 10 yr.net return (%)
Projected Cost				
K Site, Stretford (*)	1.13	11.38	12.51	n/a
Sonova House, Warrington	12.17		12.17	0.69
DSG, Preston	17.39		17.39	2.60
Grafton Centre incl. Travelodge Hotel, Altrincham	10.81		10.81	1.28
Provision of debt financing for residential development	37.80		37.80	6.00
Total investments	79.30	11.38	90.68	
Balance available			209.32	

(*): Projected costs include £450k for the capitalisation of temporary borrowing for the period covering the development of the site.

Issues / Risks

26. The main risk in the area of the capital programme is the timely delivery of the programme and this situation will continue to be closely monitored and any issues will be reported as and when they arise.

Recommendations

27. That the Executive notes the report, in particular:
- a) the forecast revenue budget underspend of £404k;
 - b) the changes to the Capital Programme as detailed in paragraph 19.

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

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