



Exeter City Council

To the Chair and Members
of the Executive

Please ask for: Rowena Whiter
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Our ref:
Your ref:

A meeting of the **EXECUTIVE** will be held in the Rennes Room, Civic Centre, Paris Street, Exeter at **5.30 pm** on **TUESDAY 20 NOVEMBER 2012** to consider the following business. If you have an enquiry regarding any items on this agenda, please contact Rowena Whiter, Member Services Manager on **Exeter 265110**.

Entry to the Civic Centre can be gained through the Customer Service Centre, Paris Street.

Pages

AGENDA

Part I: Items suggested for discussion with the press and public present

1 **APOLOGIES**

To receive apologies for absence from Committee members.

2 **MINUTES**

To sign the minutes of the meeting held on 18 September and 2 October 2012.

3 **DECLARATIONS OF INTEREST**

Councillors are reminded of the need to declare any disclosable pecuniary interests that relate to business on the agenda and which have not already been included in the register of interests, before any discussion takes place on the item. Unless the interest is sensitive, you must also disclose the nature of the interest. In accordance with the Council's Code of Conduct, you must then leave the room and must not participate in any further discussion of the item. Councillors requiring clarification should seek the advice of the Monitoring Officer prior to the day of the meeting.

4 **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 -
EXCLUSION OF PRESS AND PUBLIC**

It is considered that the Committee would be unlikely to exclude the press and public during consideration of any of the items on the agenda, but if it should wish to do so, the following resolution should be passed:-

Office of Corporate Manager Democratic & Civic Support			
Civic Centre, Paris Street, Exeter, EX1 1JN	Tel: 01392 277888	Fax: 01392 265593	www.exeter.gov.uk

RECOMMENDED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the consideration of the particular item(s) on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1, Schedule 12A of the Act.

- 5 **PARKING TARIFFS**
- To consider the report of the Assistant Director Public Realm. 1 - 6
- (Report circulated)
- 6 **SUPPORT FOR BUSINESS - CHRISTMAS PERIOD**
- To consider the report of the Assistant Director Economy. 7 - 8
- (Report circulated)
- 7 **WELFARE REFORM**
- To consider the joint report of the Assistant Director Housing and Contracts and the Assistant Director Business Transformation. 9 - 36
- Scrutiny Committee – Community considered the report at their meeting on 6 November and comments will be reported.
- (Report circulated)
- 8 **PROPOSED LOCAL COUNCIL TAX SUPPORT SCHEME**
- To consider the report of the Assistant Director Business Transformation. 37 - 110
- (Report circulated)
- 9 **TECHNICAL REFORMS TO COUNCIL TAX**
- To consider the report of the Assistant Director Finance. 111 - 116
- (Report circulated)
- 10 **TENANCY STRATEGY AND TENANCY POLICY**
- To consider the report of the Assistant Director Housing and Contracts. 117 - 142
- Scrutiny Committee – Community considered the report at its meeting on 6 November 2012 and comments will be reported.
- (Report circulated)

11 **PROPOSAL TO DE-ACCESSION ITEMS FROM RAMM'S COLLECTION**

To consider the report of the Assistant Director Economy. 143 - 154

Scrutiny Committee – Community considered the report at its meeting on 6 November 2012 and comments will be reported.

(Report circulated)

12 **EXETER ST JAMES FORUM NEIGHBOURHOOD PLAN**

To consider the report of the Assistant Director City Development. 155 - 164

(Report circulated)

13 **TEIGNBRIDGE LOCAL PLAN DEVELOPMENT PLAN DOCUMENT
CONSULTATION ON DRAFT SUBMISSION**

To consider the report of the Assistant Director City Development. 165 - 178

(Report circulated)

14 **DRAFT REVISED PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING
DOCUMENT**

To consider the report of the Assistant Director City Development. 179 - 202

(Report circulated)

15 **APPOINTMENT OF REPRESENTATIVES TO SERVE ON OUTSIDE BODIES**

To consider the appointment of representatives to serve on the outside bodies set out in the attached schedule. 203 - 204

(Schedule circulated)

DATE OF NEXT MEETING

The next scheduled meeting of the Executive will be held on **Tuesday 4 December 2012** at 5.30 pm in the Civic Centre.

A statement of the executive decisions taken at this meeting will be produced and made available as soon as reasonably practicable after the meeting. It may be inspected on application to the Customer Service Centre at the Civic Centre or by direct request to the Member Services Manager on 01392 265110. Minutes of the meeting will also be published on the Council's web site as soon as possible.

Membership -

Councillors Edwards (Chair), Denham, Fullam, Hannaford, Mrs Henson, Martin, Sheldon and Sutton

Find out more about Exeter City Council services by looking at our web site

<http://www.exeter.gov.uk>. This will give you the dates of all future Committee meetings and tell you how you can ask a question at a Scrutiny Committee meeting. Alternatively, contact the Member Services Officer on (01392) 265115 for further information.

Individual reports on this agenda can be produced in large print on request to Member Services on 01392 265111.

EXETER CITY COUNCIL

EXECUTIVE 20 NOVEMBER 2012

PARKING TARIFFS

1.0 PURPOSE OF REPORT

- 1.1 To seek Members' agreement to the proposed changes to the 'banding' of parking tariffs set out in this report and annex, and to any consequent changes in tariff levels with effect from 21 January 2013.

2.0 BACKGROUND

- 2.1 Executive normally reviews car parking tariffs annually in November, with any changes coming into effect the following January. Last year, Members agreed a targeted increase in tariffs limited to four car parks only, leaving the large majority of charges unchanged. A further adjustment was made to tariff levels at John Lewis and Mary Arches Street car parks with effect from 3 September this year to bring these into line with Guildhall car park in accordance with the recommendations of the all-party Car Parks Task and Finish Group.
- 2.2 Parking income represents one of the Council's most significant revenue streams and is likely to become increasingly central to the authority's overall financial strategy in light of declining revenue support from government. In reaching a view on tariff levels for the coming year, it will be important for Members to balance this fact against the continuing weakness in the overall economy and pressures faced by consumers and businesses. The Council's ongoing commitments to carbon reduction and the encouragement of more sustainable forms of transport also remain relevant policy considerations.

3.0 PROPOSALS

- 3.1 Given the challenges and competing policy objectives referred to in paragraph 2.2, officers are again recommending a very measured approach to tariff charges for 2013. It is proposed that Executive simply implements the recommendations of the Car Parks Task & Finish Group to create four tariff bands with some consequent changes to tariffs (both up and down) in individual car parks. Because of the complexity of the present tariff structure, the overall effects of moving to the bands recommended by the Task & Finish Group are very difficult to summarise, but essentially there will be some increases in tariffs where car parks have been 'rebanding' (mainly to the short stay shoppers' band) and some reductions in individual tariffs where there is a need to harmonise charges (mainly in long stay visitors' car parks but also in some local car parks). The headline impact is that tariffs would remain unchanged in ten car parks, nine would see some increase in individual tariffs, and seven would see a decrease in individual tariffs. Tariff bands and proposed (and current) charges are detailed in Annex A.
- 3.2 No changes are proposed in season ticket prices, although as a consequence of Magdalen Road (Fairpark), Howell Road and Parr Street being reclassified as short stay car parks it is recommended that they be excluded from the quarterly

season ticket for commuter car parks and that Haven Banks be added. It is also recommended that the cost of the 24 hour parking permits made available to the Clarence Hotel be increased from £9.50 to £10.50, which still represents a substantial discount on the daily parking charge at Mary Arches Street. Finally it is proposed to increase the charges for coach parking at Haven Banks from £3.00 to £5.00 for any period and to remove the maximum stay limitation at Gordons Place (Fore Street Heavitree) to bring this into line with other local car parks. In addition to the recommended changes to the tariff regime, it is further proposed that officers be authorised to make minor technical amendments to the Parking Places Order in order to restrict the class of vehicles that are allowed to park at the John Lewis multi-storey car park now that a barrier system has been installed.

- 3.3 It is recommended that the changes proposed in this report and annex take effect from 21 January 2013. The process for implementing any agreed changes will be via an amendment to the Parking Places Order. This will need to be formally advertised and, as is the usual practice, it is recommended that authority to consider any objections be delegated to the relevant Strategic Director in consultation with the Leader of the Council and Portfolio Holder for Sustainable Development and Transport.

4.0 FINANCIAL IMPLICATIONS

- 4.1 Car parking revenues in 2012/13 are currently slightly in excess of the profiled budget. With the John Lewis car park reopened, and the store itself expected to attract increased numbers of visitors to the city, that situation is forecast to improve further. Budgeted fee income for 2012/13 is £5,159,990 and the current forecast outturn is £5,219,990. While the impact of the proposed tariff changes is very difficult to calculate precisely, it is nevertheless anticipated that present levels of income will be sustained or exceeded.

5.0 RECOMMENDATION

- 5.1 It is recommended that:
- (i) notice of intention be given to make a Parking Places Amendment Order to revise the City of Exeter (Civil Enforcement Off Street Parking Places) Order 2012 to enable all the changes proposed in this report and annex to come into effect on 21 January 2013;
 - (ii) authority to consider any objections be delegated to the relevant Strategic Director in consultation with the Leader of the Council and the Portfolio Holder for Sustainable Development and Transport; and
 - (iii) subject to consideration of any objections, the Order be made and sealed.

ROGER COOMBES
ASSISTANT DIRECTOR PUBLIC REALM

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

ANNEX A

TARIFF BAND 1 : PREMIUM CAR PARKS

	Length of Stay	Current	Proposed
Guildhall Mary Arches Street John Lewis	0-1 hour	£1.80	No change
	1-2 hours	£2.60	No change
	2-3 hours	£3.50	No change
	3-4 hours	£6.50	No change
	4-5 hours	£8.80	No change
	5-6 hours (over 5 hours)	£11.80	No change

TARIFF BAND 2 : SHORT STAY SHOPPERS' CAR PARKS

	Length of Stay	Current	Proposed
Bampfylde Street Bartholomew Terrace Harlequins Matthews Hall Topsham Princesshay 3 (Broadwalk House) Smythen Street Topsham Quay	0-1 hour	£1.20	No Change
	1-2 hours	£2.20	
	2-3 hours	£3.30	
	3-4 hours	£5.70	
	4-5 hours	£7.70	
	Over 5 hours	£10.80	
Princesshay 2 (Civic Centre) Magdalen Street King William St/Leighton Terrace	0-1 hour	£0.90	£1.20
	1-2 hours	£1.50	£2.20
	2-3 hours	£2.40	£3.30
	3-4 hours	£4.90	£5.70
	4-5 hours	£6.80	£7.70
	Over 5 hours	£10.80	£10.80
Magdalen Road (Fairpark) Howell Road	0-1 hour	£0.80	£1.20
	1-2 hours	£1.20	£2.20
	2-3 hours	£1.70	£3.30
	3-4 hours	£3.80	£5.70
	4-5 hours	£6.20	£7.70
	Over 5 hours	(over 4 hours) -	£10.80
Parr Street	0-1 hour	£3.00	£1.20
	1-2 hours	(0-4 hours) -	£2.20
	2-3 hours	-	£3.30
	3-4 hours	-	£5.70
	4-5 hours	£6.20	£7.70
	Over 5 hours	(over 4 hours) -	£10.80

TARIFF BAND 3 : LONG STAY VISITORS' CAR PARKS			
	Length of Stay	Current	Proposed
Cathedral & Quay	0-1 hour	£0.80	£0.80
	1-2 hours	£1.20	£1.20
	2-3 hours	£1.80	£1.80
	3-4 hours	£2.60	£3.20
	4-5 hours	£3.80	£5.00
	5-6 hours	£4.40	£6.20
	Over 6 hours	£6.20	£6.20
Haven Banks	0-1 hour	-	£0.80
	1-2 hours	£1.00	£1.20
		(0-4 hours)	
	2-3 hours	-	£1.80
	3-4 hours	-	£3.20
	4-5 hours	£1.60	£5.00
Coach Parking	Over 5 hours	(over 4 hours) -	£6.20
	Any period	£3.00	£5.00
Belmont Road Bystock Terrace Richmond Road	0-1 hour	£0.80	£0.80
	1-2 hours	£3.00	£1.20
		(1-4 hours)	
	2-3 hours	-	£1.80
	3-4 hours	-	£3.20
	4-5 hours	-	£5.00
	Over 5 hours	£6.20 (over 4 hours)	£6.20
Triangle	0-1 hour	£0.80	£0.80
	1-2 hours	£1.20	£1.20
	2-3 hours	£1.70	£1.80
	3-4 hours	£3.80	£3.20
	4-5 hours	£6.20	£5.00
		(over 4 hours)	
	Over 5 hours	-	£6.20

TARIFF BAND 4 : 'LOCAL' CAR PARKS

	Length of Stay	Current	Proposed
Gordons Place (Fore Street Heavitree)	0-1 hour	£0.30	£0.60
	1-2 hours	£0.80	£0.80
	2-3 hours	£1.00	£1.00
	3-4 hours	-	£1.20
	Over 4 hours	-	£1.80
Holman Way Tappers Close	0-1 hour	£0.80	£0.60
		(0-2 hours)	
	1-2 hours		£0.80
	2-3 hours	£1.00	£1.00
		(2-4 hours)	
	3-4 hours		£1.20
	Over 4 hours	£1.80	£1.80
Okehampton Street	0-1 hour	£0.80	£0.60
	1-2 hours	£1.20	£0.80
	2-3 hours	£1.70	£1.00
	3-4 hours	£1.70	£1.20
	Over 4 hours	£2.70	£1.80

SEASON TICKETS

	Current	Proposed
Quarterly season tickets for commuter car parks	£260.00	No change
Residents Annual Season Ticket	£125.00	No change
Bartholomew Terrace Annual Business Parking permits	£205.00	No change
Cathedral & Quay Annual Business Parking permits	£565.00	No change

STAFFED EVENING PARKING

	Current	Proposed
Mary Arches Street - between 6pm and Midnight	£2.00	No Change

CLARENCE HOTEL

	Current	Proposed
24 hour parking permits for use by hotel guests	£9.50	£10.50

CREDIT CARD ONLY

Bampfylde Street/Princesshay 3/Guildhall/Magdalen Street/ Mary Arches/Smythen Street/Howell Road/John Lewis	For Tariffs over £7.00
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EXETER CITY COUNCIL

EXECUTIVE 20 NOVEMBER 2012

SUPPORT FOR BUSINESS – CHRISTMAS PERIOD

1. PURPOSE

- 1.1 To approve expenditure on a promotional programme to support smaller independent businesses during the important period leading up to Christmas.

2. BACKGROUND

- 2.1 The Christmas period is a critically important trading period for many small businesses in the city, whether directly or indirectly involved in retail. Estimates of the value of this period to annual business turnover regularly assess it as providing up to 40% of the year's takings.
- 2.2 This sector, particularly those businesses that add variety, distinctiveness and interest to complement the High Street stores, provide important economic benefits through employment, multiplier effects through consequent expenditure, and add to the attraction of the city.
- 2.3 In this continuing difficult economic climate and despite the headlines highlighting the relative resilience of the city's economy, it will come as no surprise that many smaller businesses have little if any resources to promote themselves. There is a need to support them where possible in looking to make the most of this trading period.
- 2.4 The City Council has been working in partnership with the Cathedral, Chamber of Commerce and others to ensure the new Christmas Market is an added attraction this year, to draw in more visitors to the city. It is important to complement this with promotional activity and also to draw attention to those other areas of the city away from the Cathedral Green and the High Street.

3. PROPOSAL

- 3.1 It is proposed to support a programme of additional marketing activity aimed at attracting additional visitors from outside the city. The primary element of this will be contributing to the costs of a publication which will be distributed externally outside the city in Devon and promotion of the guide and its contents via web-based and social media.
- 3.2 Content of the guide and additional focussed advertising over a three week period in the local papers will focus on providing the more "independent" shopping areas of the city.

4. FINANCIAL IMPLICATIONS

- 4.1 The costs of this promotional campaign are £12,500. There is no budget approved for this in the current financial year. It is proposed that it is funded from monies not yet allocated from the New Homes Bonus.

5. RECOMMENDED that:-

- 5.1 The programme of additional promotional activity to support the City's independent traders be approved.

**RICHARD BALL
ASSISTANT DIRECTOR, ECONOMY**

**Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling the report:**

None.

EXETER CITY COUNCIL

SCRUTINY COMMITTEE 6 NOVEMBER 2012

EXECUTIVE 20 NOVEMBER 2012

WELFARE REFORM

1 PURPOSE OF REPORT

- 1.1 To identify the anticipated impact of the proposed welfare reforms and to approve the activities identified in the risk assessment to mitigate the impact of the changes.

2 BACKGROUND

- 2.2 The Government's aim to reduce the national welfare budget by means of a series of far-reaching welfare reforms is in the process of implementation. So far the changes that have been introduced, while affecting some individuals significantly, have had a relatively low-level impact on benefits claimants in Exeter and on their interaction with the services that the council provides. These changes are:

- Removal of the Local Housing Allowance excess of £15 from those paying less than LHA-level rent
- Removal of the Local Housing Allowance rate for a 5 bedroom house
- Reduction of Local Housing Allowance rates from median rents to 30th percentile rents
- Increases to non-dependant charges
- Loss of extra benefit to households with children under 12 months old
- Shared room rate extended to single people between 25 and 35 years old

- 2.3 From April 2013 a raft of new changes to benefits will be introduced. These are set out in Appendix A, together with the anticipated impact on both the Council and our benefits claimants, but in summary they are:

- Council Tax Benefit to be abolished and replaced with a local scheme
- Local Housing Allowance to be increased by Consumer Price Index not Retail Price Index
- Benefit reductions for working-age social housing tenants under-occupying their homes
- Community Care Grants and Crisis Loans to be abolished and replaced with a local scheme
- Introduction of Universal Credit between 2013 and 2017 which rolls together separate benefits into a single payment

- 2.4 The impacts of these changes could be serious and far-ranging, impacting on claimant's income in general and specifically on their ability to meet the cost of the house they currently live in. There are potential implications for the Council's general fund and housing income and on the demand for certain services such as the debt-collection, debt advice, council tax, benefits, housing options and homelessness and tenants' services.

2.5 The risk assessment attached at Appendix B identifies the key risks for the Council and its residents and sets out suggested interventions to mitigate the risks.

3 RESOURCE IMPLICATIONS

3.1 The risks of the welfare reform changes impacting on the Council's income and staff resources have been identified and mitigated but will need to be closely monitored. Many of the suggested interventions can be resourced within existing budgets and some transitional funding is available.

4 RECOMMENDED

4.1 That the Committee notes the implications of welfare reform for the Council's services and our benefits claimants and request Executive to approve the proposed interventions.

SARAH WARD
ASSISTANT DIRECTOR HOUSING AND CONTRACTS

BINDU ARJOON
ASSISTANT DIRECTOR BUSINESS TRANSFORMATION

S:PA/LP/Cttee/1112SCC7
29.10.12

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

Proposed Government Changes Impacting Council Tax, Benefits and Housing

APPENDIX A

Date being introduced: 01 April 2013

Change	Impact on Local Authority	Impact on claimants
<p>1 Council Tax Benefit is to be abolished and replaced with a localised scheme.</p> <p>The local scheme, although subject to fluctuating demand, will be funded from a fixed non-ring fenced grant payment. Overall, council tax benefit expenditure is to be reduced by 10%.</p> <p><u>Principles of the scheme</u></p> <ul style="list-style-type: none"> • Pensioners have no change in the current level of award. • Vulnerable to be protected (Child Poverty Act 2010, the Disabled Persons Act 1986, the Chronically Sick and Disabled Persons Act 1970 and the Housing Act 1996). • Local schemes need to support work incentives. • Requirement to meet our general equalities duty. <p>Protection for pensioners will be achieved by keeping in place the current national rules used for determining eligibility. Therefore, pensioners will not gain or lose because of the new scheme.</p> <p>In order to achieve a 10% saving on current expenditure, savings of more than 10% will be required from working age claimants.</p> <p><u>Consultation</u> The Local Authority is required to consult with the major precepting authorities before a scheme is designed and then to consult with the public before a scheme can be adopted.</p> <p><u>Adoption of the scheme</u> The scheme must be in place by 31 January 2013 otherwise a default scheme</p>	<p>Local scheme needs to be agreed by full Council in December 2012 at the latest, in order to meet current budget setting timetable.</p> <p>Will be running two schemes – one for pensioners and one for working age.</p> <p>Also ongoing maintenance of Council Tax Benefit legacy claims and ongoing Housing Benefit claims – 4 benefit schemes in total.</p> <p>ECC working with authorities across Devon to develop similar schemes for year one. This process will have to continue for future years.</p> <p>Scheme adopted for 2013 in order to meet timescales, likely to change each following year.</p> <p>Ongoing consultation with major precepting authorities. Public consultation running 6 August to 1 October 2012. This process will need to be repeated every time the scheme is revised.</p>	<p>Current caseload is 9900 at an annual cost of £8.1m</p> <p>Pensioner caseload 4500 cost of £3.8m</p> <p>Working age caseload 5400 cost of £4.3m</p> <p>Reduction in funding equates to over £1m.</p> <p>Reduction in grant of 10% whilst protecting pensioners (who will neither gain nor lose from the changes) could require all working age claimants to pay up to 30% of their CT liability.</p> <p>Working age claimants could have less income.</p> <p>Could create a greater number of working age claimants going into debt.</p> <p>Working age claimants will have little time to prepare for the cut in their current</p>

<p>based on current Council Tax Benefit legislation will be imposed. This will be a more costly option.</p> <p><u>Revisions to the scheme</u> Local authorities will be able to revise schemes between years and be able to make transitional provisions as they see fit.</p> <p><u>Funding</u> The grant will be paid to the billing and precepting authorities in proportion to their share of council tax. After the first year, allocations for Council Tax Support will not be identified within overall settlement.</p> <p>Grant allocations to be published Autumn/Winter 2012</p> <p><u>Risk sharing</u> Where demand for support increases or falls below local forecasts, billing authorities will collect less or more council tax than has been estimated at the start of the financial year. This will result in a deficit or surplus to the collection fund.</p> <p>The risk will be shared amongst the precepting authorities. The Government is looking to enable billing authorities to vary the amount of precept to be paid in year to reflect fluctuations in collection levels, so cash flow risks do not fall solely on the billing authority.</p> <p><u>Administering local schemes</u> Local Authorities to define the application process</p> <p>Appeals to be considered first by Local Authority then by Valuation Tribunal in common with Council Tax appeals.</p> <p><u>Legislation</u> Primary legislation due Summer 2012 Secondary legislation due Autumn/ Winter 2012</p>	<p>All existing letters, leaflets, bills, website, etc that refer to 'Council Tax Benefit' will need to be rewritten before 1 April 2013.</p> <p>Scheme documentation will have to be changed each time scheme is revised.</p> <p>Forecasting demand on the available budget will be difficult and could result in surplus /deficits, which will impact on budgets & cash flow.</p> <p>Collection rates are likely to suffer and will result in having to recover small amounts of council tax that will be administratively expensive to collect.</p> <p>Any legal challenge against the scheme will fall to the local authority.</p> <p>Central government funding may not cover the full cost of setting up and administering the scheme.</p> <p>Provision of work focussed support and on-line inclusion for affected claimants.</p> <p>Increased hardship, resulting in greater demand for debt and counselling services.</p> <p>Will take money out of the local economy as affected claimants have</p>	<p>entitlement.</p> <p>Working age vulnerable groups will be protected by retaining the framework of the CTB means test.</p> <p>All equality groups will be equally impacted by the reduction.</p> <p>A new fund for cases of exceptional financial hardship is proposed.</p>
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2	<p>Housing Benefit (HB) - Local Housing Allowance (LHA) for private sector tenants are to be uplifted on the basis of Consumer Price Index (CPI)</p> <p>LHA rates will be uplifted on the basis of CPI rather than by reference to local rents. As CPI excludes housing costs and rent inflation it therefore generally runs at a much lower rate than normal inflation.</p> <p>From April 2012 LHA rates have been changed annually rather than monthly.</p> <p>In the South West of England between 1994 and 2008 the average annual increase in private rents was 5.45%. In the same period the average annual increase in CPI was 1.75%.</p> <p>Currently LHA rates make 30% of private tenancies affordable on Housing Benefit. If rents continue to increase by more than CPI, this change will mean that LHA rates fall below the bottom 30% of rents.</p>	less to spend.	<p>Increased numbers of claimants seeking social housing if private sector becomes unaffordable.</p> <p>Increased hardship, resulting in greater demand for debt and counselling services.</p> <p>Will take money out of the local economy as affected claimants have less to spend.</p> <p>Benefit claimants could become increasingly confined to low cost areas.</p> <p>Greater demand on homelessness and housing services. – NB it is estimated that housing a single homeless person costs the council £2k over the period where they require temporary housing and it costs at least £2.5k to accommodate a homeless family.</p> <p>Requirement for increased intervention in landlord / tenant disputes with arrears and rent shortfalls.</p> <p>Greater levels of overcrowding.</p> <p>Increased applications for Discretionary Housing Payments (DHPs) to meet shortfall or fund moves to affordable</p>	<p>We currently have 2363 claimants claiming HB under the LHA scheme.</p> <p>Where there is a shortfall claimants will either need to move to a cheaper home or will have to make up the difference using other sources of income.</p> <p>Claimants at increased risk of becoming homeless or getting into debt.</p> <p>Not all claimants have the capacity to increase their income by working.</p>
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3	<p>HB restrictions - Social Housing</p> <p>Size restrictions will be introduced for working age tenants on HB in the social sector. The new rules will apply to council tenants and housing association tenants and will include properties that have been adapted for the tenant's needs.</p> <p>Claimants who have one spare bedroom will see a 14% reduction in the rent allowed for HB. Claimants with two or more spare bedrooms will have 25% of their rent disallowed when calculating HB.</p> <p>Size restrictions already apply to private sector tenants claiming HB.</p> <p>This change does not apply to pensioners.</p>	<p>accommodation.</p> <p>Increased rent arrears affecting local authority rent collection.</p> <p>This in turn could lead to higher demand on homelessness services including temporary accommodation.</p> <p>Increased hardship, resulting in greater demand for debt and counselling services.</p> <p>Will take money out of the local economy as affected claimants have less to spend.</p> <p>Higher demand for smaller properties.</p> <p>Changes to Housing Policy may be necessary as it becomes less desirable to allow people to under occupy.</p> <p>Increased applications for DHPs to meet shortfall.</p> <p>New data required for size of social housing properties. Will have to be gathered for existing claims and system updated.</p> <p>The local authority will be responsible for administering this as the cap will be applied to the HB.</p>	<p>ECC owns 5038 properties and has 919 leasehold properties. There are just over 3000 housing association properties in the city.</p> <p>We currently have 6254 claimants on HB in the social sector. Of these 4000 (64%) are working age claimants.</p> <p><u>Working age on HB</u></p> <ul style="list-style-type: none"> • Council tenants – 1990 • Housing associations – 2010 <p>We have approx 329 council properties that are under occupied by working age claimants.</p> <p>Where there is a shortfall claimants will either need to move to a smaller home or will have to make up the difference using other sources of income.</p> <p>Claimants at increased risk of becoming homeless or getting into debt if they do not wish to move.</p> <p>This is likely to affect larger families rather than smaller families.</p>
4	<p>HB - Household Benefit Cap</p> <p>There will be a total maximum amount that can be claimed in all benefits for</p>		

<p>non- working families. It is proposed that the threshold will be set at the median net earnings for working age households:</p> <ul style="list-style-type: none"> • £500 per week (£26,000 p.a.) for couple and lone parent households • Lower rate of £350 per week will apply for single adult households. <p>Final details of this change will not be known until regulations are laid later this year. However draft regulations indicate:</p> <ul style="list-style-type: none"> • a 39 week 'grace period' where claimants who lose their jobs through no fault of their own will not be subject to the cap • Any families entitled to Disability Living Allowance will be exempt from the cap. <p>Local Authorities will initially be responsible for administering the cap which is to be applied to HB until the move to Universal Credit is complete. This responsibility could stay with local authorities until 2017 which is the anticipated migration end date to universal credit.</p>	<p>This means that when processing a HB claim details of the total value of the all the Benefits will need to be known so the cap can be applied.</p> <p>Increased applications for DHPs</p> <p>Will take money out of the local economy as affected claimants have less to spend.</p> <p>Increased hardship, resulting in greater demand for debt and counselling services.</p> <p>Increased rent arrears affecting local authority rent collection.</p> <p>This in turn could lead to higher demand on homelessness services including temporary accommodation.</p> <p>Difficulty in sourcing affordable private rented accommodation for larger households meaning a reliance on social housing as the only means of housing large families.</p> <p>If Housing Associations wish to offer their properties at an affordable rent level (80% of the market rent) this may well take them out of the reach of large families in receipt of benefit.</p>	<p>Currently we have approximately 587 families with 3 or more children on HB of which 334 (57%) neither partner is working.</p> <p>Without knowing the individual make-up of income /circumstances it may be that some of these will be affected by the cap.</p> <p>As of April 2012 there were 47 households expected to be affected by this change. This figure will change as the caseload make up changes.</p> <p>Claimants affected will have to less income and may have to move to cheaper accommodation. This could mean moving to a different area or moving to smaller accommodation.</p> <p>Where there is a shortfall claimants will either need to move to a smaller home or will have to make up the difference using other sources of income.</p> <p>Claimants at increased risk of becoming homeless or getting into debt or further debt.</p>
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5	<p>Community Care Grants and Crisis Loans for living expenses (part of the Discretionary Social Fund) will be abolished and replaced with a locally-based provision.</p> <p><u>Current scheme</u></p> <p>Community Care Grants are non-repayable grants awarded for a range of expenses including household equipment. They are primarily to help vulnerable people live an independent life.</p> <p>Crisis loans for general living expenses are interest-free loans available to anyone (whether on benefit or not) who cannot meet their immediate short term needs in an emergency or as a consequence of a disaster.</p> <p>Repayments are made directly from benefit where possible. DWP are currently responsible for administering these. This also includes an out of hours service (via referrals from Police or Social Services) in emergency situations.</p> <p>Currently these payments are repayable via deductions from welfare benefits, under Universal Credit these payments cannot be deducted, the Government suggest that local authorities do not administer a loan system</p> <p>DWP currently receive 11,000 applications across Devon per year of which 3,600 applications are for community care grants with a total cost of £907,000 and 7,500 applications for crisis loans with a total cost of £411,000</p> <p><u>Proposed New Scheme</u></p> <p>New support to replace Community Care Grants and the general living expenses of Crisis Loans will end in April 2013. The current annual funding of £178m will be allocated to Local Authorities who will be responsible for administering a new scheme. This will be a non-ring fenced payment.</p> <p>It is expected that new assistance will be aligned with existing local services.</p>	<p>Devon County Council are working with the district LAs and other interested groups to establish the nature of a local scheme. Work is still at an early stage. Contact Chris Hancock for more information.</p> <p>There is appetite from DCC that districts administer this fund, which would provide increased opportunities for us to manage the fund to prevent homelessness.</p> <p>However the scheme works it is likely to need additional resources including changes to working environment, methods of working, fraud awareness considerations, an out of hours service and increased security due to intimidation of staff from current DWP experience.</p> <p>*The pressure on this type of support is likely to be exacerbated at least in the short term as people adjust to the new welfare agenda. Therefore the level of need for this form of temporary support can be expected to increase across all low income groups</p> <p>*Of all the Devon district local authorities the highest demand for 2010/11 came from Exeter at 21%.</p>	<p>Under the current scheme administered by DWP the majority of crisis loan applications are made by the under 35's in receipt of JSA</p> <p>A local scheme will be more reflective of the needs of our claimants and provide a better targeted service than the current remote telephone service.</p> <p>It will enable a more holistic approach when dealing with claimants.</p>
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6	<p>Local authorities that were consulted were clear that emergency provision would not be in the form of cash payments.</p> <p>Single Fraud Investigation Service</p> <p>The service will operate from April 2013 and will investigate and sanction all benefit and tax credit offences which combine resources across Local Authorities, HMRC and DWP. The service will investigate Universal Credit as well as legacy benefit and Tax Credit offences.</p> <p>For an interim period 2013 -2015, Council Fraud employees will remain an employee of the Council but will be required to work in accordance with DWP requirements, Policies, targets, etc.</p>	<p>*DSF Discussion Paper August '12</p> <p>Loss of investigation capacity for Council fraud, such as Council Tax Support (from April 2013).</p> <p><u>Management issues</u></p> <ul style="list-style-type: none"> Local Authority management of DWP Policies and procedures. Staffing resources as currently only one permanent Fraud officer. <p>Long term uncertainty for fraud employee.</p>	<p>If compliance & investigation activities are not undertaken, income for the CTS scheme will be compromised.</p>
<p>Council Tax Changes</p>			
<p>Page 17</p>			
<p>Council Tax discount and exemption reform</p> <p>The Government proposes to change the following:</p> <ul style="list-style-type: none"> Billing Authorities to be able to charge up to 100% on second homes (currently the maximum is 90%). Allow Billing Authorities to levy an 'empty homes premium' (1.5 times over and above full council tax charge where they have been left empty for two years or more. Replace existing Class A and C exemptions* with discounts up to 100%, the amount of discount will be for the Billing Authority to determine. <p><i>*Class A = Unfurnished & unoccupied properties requiring/undergoing major repair/structural alterations. Maximum period 1 year. Class C = Unoccupied & unfurnished for up to 6 months since last occupied.</i></p> <p>It is not clear whether the Billing Authority will benefit from a higher proportion (currently 8.5% of tax base) of the additional revenue that could be generated as a result of implementing these changes once they become a discretionary discount.</p> <p>Second homes - 483 properties currently subject to 90%. Removing the 10% discount would generate approximate £63k additional council tax.</p> <p>Long term empty – 241 properties. By charging the empty homes premium could generate approximate £183k. However, this would be subject to properties remaining as long term empty.</p> <p>Class A Exemption – 55 properties. The current value of this exemption is in the region of £57k.</p>			

			<p>Class C Exemption – 153 properties. The current value of this exemption is in the region of £97k.</p>
8	<p>Council tax instalments will be available by right over 12 months instead of the current 10.</p> <p>The current scheme of 10 monthly instalments remains with the option of 12 monthly instalments by request.</p>	<p>Will need to communicate this change to existing claimants.</p> <p>This is likely to have an adverse impact on collection levels and could reduce income received from interest.</p>	<p>All tax payers will have the option to spread instalment amounts over the 12 month period</p>
Date to be introduced: 01 October 2013 to 2017			
1	<p>Change</p>	<p>Impact on Local Authority</p>	<p>Impact on claimants</p>
90	<p>Introduction of Universal Credit (UC)</p> <p>The aim of UC is to simplify the benefits system by bringing together a range of working-age benefits into a single streamlined payment. It aims to:</p> <ul style="list-style-type: none"> • Simplify the system, making it easier for people to understand, and easier and cheaper for staff to administer • Improve work incentives • Smooth the transitions into and out of work • Reduce in-work poverty • Cut back on fraud and error. <p>UC replaces:</p> <ul style="list-style-type: none"> • Income related Job Seeker's Allowance • Income related Employment & Support Allowance • Income Support • Child Tax Credits • Working Tax Credits 	<p>No longer responsible for processing HB once claims migrated to UC.</p> <p>Migration timetable still unclear on how HB cases will be transferred which makes it difficult to plan staffing especially when dealing with other changes.</p> <p>No details on staff TUPE arrangements, etc.</p> <p>If Local Authorities are given responsibility for face to face enquiries but without the ability to</p>	<p>Difficulty accessing the on-line claim channel.</p> <p>Applying on-line is likely to cause delays in claimants getting paid if they have not completed the application form correctly or provided the required supporting evidence, etc.</p> <p>Hardship for the customer when chasing progress, repeating previously submitted information or not understanding what is required.</p>

<p>• Housing Benefit</p> <p>On-line will be the main channel of contact for UC claimants with DWP estimating around 75% using this method.</p> <p>UC will be administered by the DWP although there may be a role for Local Authorities in delivering face to face support. However, it is unlikely that Local Authorities will be able to process claims.</p> <p>Entitlement will be based on the whole household with payment going to one individual.</p> <p>Payments likely to be calendar monthly and paid in arrears.</p> <p>Payments to go to the tenant not the landlord, unless vulnerable.</p> <p>Payment on account will be available to support claimants where there are delays in assessing eligibility for UC.</p> <p><u>Migration arrangements for claimants moving on to UC</u></p> <p>Implementation from October 2013 and roll out to be completed by October 2017</p> <ul style="list-style-type: none"> • New Claims – will start in October 2013. • Natural changes - these claims to UC occur when someone undergoes a change of circumstances, for example when finding a job or the birth of a first child. These will start in April 2014. <p>Migration of people already on benefits whose circumstances do not change will start from April 2014 and is planned to be complete by 2017 when 12 to 13 million tax credit and benefit claims will have been transformed into 8 million households receiving Universal Credit by</p>	<p>process this does not allow authorities to be able to control or influence demand.</p> <p>Provision of work focussed support and assistance with on-line inclusion for UC claimants.</p> <p>Local Authorities will not be able to make payments of UC.</p> <p>Paying the tenant direct could result in higher levels of rent arrears and increase administrative costs in collection.</p> <p>Greater demand placed on Housing Services.</p> <p>Risk of increased hardship, resulting in greater demand for debt and counselling services.</p> <p>Increased rent arrears affecting local authority rent collection.</p> <p>This in turn could lead to higher demand on homelessness services including temporary accommodation.</p>	<p>Claimants will need to budget very carefully as will only get one payment whereas currently will get paid separately for HB, tax credits, job seekers allowance.</p> <p>Claimants who currently have their HB paid direct to the landlord, may have to make this payment themselves from their UC payment.</p> <p>Claimants at increased risk of becoming homeless or getting into debt or further debt.</p>
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	<p>2017.</p> <p><u>Pilots</u></p> <p>A Universal Credit pathfinder will begin in April 2013 in the north west of England ahead of national rollout. Pilot schemes are already operating to look at the impact of making single payments in arrears to claimants. In Autumn this year a further pilot will begin looking at the role that LAs may play in supporting the delivery of UC.</p>		
<p>Other changes</p>			
<p>The changes below do not directly affect our service provision but may affect the same customers impacted by the changes detailed above. This could therefore also reduce their ability to meet their rent and Council Tax liabilities and reduce their disposable income. Their impact should not be underestimated.</p>			
10	<p>Child Support Fees Regulations 2013</p>	<p>The introduction of fees for users to access the statutory services of the Child Support Agency.</p>	<p>April 2013</p>
11	<p>Independent Living Fund</p>	<p>This national fund provides money to help people with disabilities live independently in the community. The fund has already closed to new applicants and in 2015 will transfer responsibility for meeting the care and support needs of ILF users within a single care and support system. This would be administered by local authorities.</p>	<p>Now impacting on new claimants New responsibility for LAs from 2015</p>
12	<p>Sure Start Maternity Grant</p>	<p>Eligibility criteria extended to recognise that even where there are already children in the family, additional items will be needed where there is a subsequent multiple birth. A Sure Start Maternity Grant will be provided for these requirements.</p>	<p>13 August 2012</p>

13	<p>In Work incentives</p> <p>The following payments are being withdrawn to prepare for the introduction of Universal Credit.</p> <p>Job Grant Payments – one off payment to eligible claimants who have been on benefits for at least 26 weeks</p> <p>In Work Credit – 52 weekly payments made to lone parents leaving benefits to start work</p> <p>Return to Work Credit – 52 weekly payments made to disabled claimants who leave benefits to start work</p>	<p>April 2013</p> <p>October 2013</p> <p>October 2013</p>
15	<p>Personal Independence Payments</p> <p>Disability Living Allowance for working age claimants is being replaced beginning in April 2013. DWP estimate that this will reduce the number of qualifying claimants by over 20%¹. As well as the direct monetary loss there will be knock-on effects accessing other help and support for customers who lose their entitlement to DLA.</p> <p>¹ http://www.dwp.gov.uk/docs/dla-reform-wr2011-ia.pdf</p>	<p>April 2013</p>

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Key to Risk Ratings:

Likelihood (L)	Impact (I)	Risk Level (likelihood x impact)
Very Likely (75%+)	Very Serious	12-16 = High
Probable (50%+)	Major	6-9 = Medium
Possible (10%+)	Material	1-4 = Low
Unlikely (<10%)	Minor	

(NB: risk levels shown INCLUDE existing risk mitigation measures but are assessed BEFORE any proposed additional actions have been implemented)

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
1.	New CAPITA system for the Council Tax Support Scheme is not operational by April 2013 (Council Tax)	<p>Exeter City Council will not be able to reduce council tax bills.</p> <p>There will be delays in the collection of information from customers.</p> <p>The expected income stream from council tax will be less than predicted.</p>	2	4	8 (Medium)	<p>Exeter City Council is relying on the software being available. CAPITA are working on the system for every administering authority so the required changes are not unique to Exeter. The risks that they do not deliver on time are minimal.</p> <p>If required, the residual benefits system could be utilised if there are any delays in the software.</p> <p>Assess the Revs and Bens CAPITA system in line with system review principals to establish where the system can be slimmed down and savings made to assist with its smooth running.</p>	Dec 2012 when release available from CAPITA

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
2.	Working age clients now required to pay up to 30% of their council tax bill do not pay (Council Tax)	Exeter City Council collect on behalf of Devon County Council, Police and Fire so income from council tax for ECC could be reduced Increased staff resources required to collect council tax from individuals who have never had to pay before. Council Tax collection procedures will need to change to effectively collect smaller amounts	4	3	12 (High)	Revisit and revamp procedures to encourage those who have not had to pay council tax before to pay in line with learning from systems review work. Council tax systems need to be set up to take payments using as many methods as possible.	Start planning Nov 2012
3.	Systems review of benefits is not completed in time to put systems in place for April 2013 (Council Tax)	Exeter City Council will not be prepared for the abolition of council tax benefits	4	3	12 (High)	Anticipate and act to change the processes before the end of the systems review.	Ongoing

Likelihood	Impact	Risk Level (likelihood x impact)
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Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
4.	Universal Credit forces claimants to choose between paying their rent or council tax (Council Tax / Universal Credit)	Increased council tax and rent arrears for those who have never had to pay either and for those who are now required to pay a rent and council tax top-up. As of September 2012 there were 2,507 individuals of working age who were on current council tax benefits so will be required to top up and circa 3,202 people who have never had to pay before.	3	2	6 (Medium)	Identify individuals' affected, particularly vulnerable individuals, and provide appropriate help, advice and support to assist them with payments. This may include direct payments. Increase self-service capacity for customers to be able to access accounts online if they choose to do so. Increase availability of direct debit payments for rent and council tax. Proactively help residents to set up payment frequencies which help them pay rent and Council Tax in amounts that residents will be able to make.	Jul 2013 in readiness for UC go live in Oct 2013
5.	Literature for new council tax support systems is not ready in time for April 2013 (Council Tax)	No information to provide the public over the changes from April 2013.	2	2	4 (Low)	Literature and new bills are being developed and should be complete by April 2013.	Dec 2012
6.	The amount required to budget for council tax support is unknown (Council Tax)	Funding runs out and no more council tax support claims can be processed. Increased financial hardship for individuals who would normally receive support.	2	2	4 (Low)	Modelling has allowed for a projected surplus at the end of the first year therefore it is unlikely there will be a deficit in 2013.	Changes announced by Govt on 13.10.2012 require re-modelling of the budget Oct 2012

Likelihood		Impact	Risk Level (likelihood x impact)	
Very Likely (75%+)	4	Very Serious	12-16 = High	
Probable (50%+)	3	Major	6-9 = Medium	
Possible (10%+)	2	Material	1-4 = Low	
Unlikely (<10%)	1	Minor		

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
7.	Exeter City Council receives successful legal challenges from claimants or advocacy groups acting on the claimants behalf regarding their personal council tax support allocations (Council Tax)	The Council is required to change the individual council tax support offered to the individual in light of a court decision. Increased resources required to deal with appeals. Negative publicity.	3	2	4 (Low)	The Council has already engaged with local advocacy groups through the impact assessment process to ensure the correct information is available and to take their concerns into account. Work with the Job Centre+, registered providers and customer representation groups to assess the needs of vulnerable customers and provide necessary support. Using established Council Tax Benefit Regulations framework for Council Tax Support scheme rules that have been subject to legal challenge from 1992. Using established Council Tax Benefit Regulations framework for Council Tax Support scheme rules that have been subject to legal challenge from 1992.	In place for April 2013
8.	Exeter City Council receives a successful legal challenge over the new council tax support system (Council Tax)	The Council is required to change the scheme in light of a court decision, incurring further administrative costs. Negative publicity.	2	4	8 (Medium)	The Council can evidence robust scheme modelling and audit files and have worked closely with advocacy groups when setting the scheme. Every scheme around the country will be different so case law from other areas should not affect Exeter unless the schemes are identical.	In place for April 2013

Likelihood		Impact	Risk Level (likelihood x impact)
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Unlikely (<10%)	1	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
9.	Central government funding does not cover the full cost of the Council Tax Support Scheme (Council Tax)	Funding runs out and no more council tax support claims can be processed. Increased financial hardship for individuals who would normally receive support.	1	4	4 (Low)	Full grant figures will be available in November 2012 but the modelling has been based on indicative figures released so far therefore should cover the amount required to subsidise the scheme for 2013.	Changes announced by Govt on 13.10.2012 require re modelling of the budget Oct 2012
10.	Exeter City Council does not take advantage of the changes to council tax discounts and exemptions (Council Tax)	Loss of revenue for Exeter City Council	1	2	2 (Low)	It is anticipated that the Council will take advantage of the changes to Council Tax discounts and exemptions which will increase Council Tax revenue. A report seeking Members' approval will go to Executive.	Jan 2013
11.	Individuals decide to pay their Council Tax over 12 months instead of 10 months (Council Tax)	Income lower than predicted until the end of the year. Reduced income from interest on council tax payments. Any arrears will run into the next year instead of being resolved during the two months at the end of the financial year.	2	2	4 (Low)	There is nothing the Council can do with regard to these issues – legally we will have to offer 12 instalments from 1 April 2013. With regard to arrears we will continue to recover as normal but accept that there will be arrears that may now take longer to collect.	March 2013

Likelihood	Impact	Risk Level (likelihood x impact)
Very Likely (75%+)	Very Serious	12-16 = High
Probable (50%+)	Major	6-9 = Medium
Possible (10%+)	Material	1-4 = Low
Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
12.	A substantial minority cannot access support and benefit systems electronically through lack of access to the internet or knowledge of information technology (Council Tax / Universal Credit)	Older and more vulnerable clients are disadvantaged. Delays in processing support claims. Increased financial hardship for individuals who would normally receive support. Increased resources required to help individuals access support systems and use the internet	4	2	8 (Medium)	Access to the systems will be provided in the civic centre reception, with customer service advisors on hand to help those who require it. This will be a gradual change where Universal Credit is concerned. ECC are working closely with the Exeter CVS to provide extra support for people who are not confident with computers. Look at setting up community hubs in strategic locations in the community where people can go to access computers and the support systems.	Start work on this now & review at regular frequencies
13.	Increased demand for debt and counselling services (Council Tax / Universal Credit / LHA reforms)	Current service cannot cope with the number of debt referrals. Increased costs for Exeter City Council when resourcing these services. Costs for Homemaker are currently £10,000 per year for a quarter of a post per week.	4	4	16 (High)	Closer working with partners to increase the provision of debt advice and provide pro-active offers of help. Develop a corporate debt policy to consider types of debt, recovery methods and write-off values. Investigate links to credit unions and support people to set up and manage bank accounts. Investigate corporate support available such as mortgage rescue schemes and continue to fund.	Start work on this now and review at regular frequencies

Likelihood	Impact	Risk Level (likelihood x impact)
Very Likely (75%+)	Very Serious	12-16 = High
Probable (50%+)	Major	6-9 = Medium
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Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
14.	Increased number of claimants seeking social housing when private sector housing rents in Exeter become unaffordable (LHA reforms)	Decrease in local housing allowance from the 30 th percentile to the Consumer Price Index (CPI) will further contribute to the private sector being unaffordable for individuals on benefits. Increase in numbers on the Devon Home Choice list for Exeter.	2	2	4 (Low)	Exeter City Council has a finite amount of homes available every year, currently around 300 lets per year. The Housing Service will continue to negotiate securing affordable homes in Exeter through private development. Increase number of EXtraLet properties available. Support work incentives and create new working opportunities within Exeter to increase earnings through partnership working with Jobcentre+ etc.	Monthly review
15.	Greater demand for homelessness and housing advice services (LHA reforms / Universal Credit)	Exeter City Council's temporary accommodation costs increase Greater demand on staff resources to assess homelessness and provide housing advice	4	3	12 (High)	Systems review is looking at the housing advice service to increase efficiency and customer focus. Increase number of EXtraLet properties available. Further negotiations with private sector landlords to prevent evictions and advertise service to landlords. Continue to update and maintain staff skills to ensure quality of advice and service. Increase pro-active work to target households likely to be affected. Build on outreach work at JobCentre+ and identify other places where early intervention work can be achieved, e.g. Children's Centres.	Needs monthly review

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Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
16.	Discretionary Housing Payments (DHP) do not meet customer shortfalls (Council Tax / Universal Credit / LHA Reforms)	DHP will no longer apply to council tax therefore more individuals may be threatened with court action. Staffing resource implications for advice and debt counselling	3	2	6 (Medium)	Investigate a bond or guarantee scheme and a social fund and explore the opportunities to administer this in a targeted way. Liaise with other organisations and companies to help maximise claimant's income as opposed to financial payouts. Raise awareness and utilise initiatives such as Wessex Home Improvement loans to help address fuel poverty and energy efficiency.	Start work on Nov/Dec and review at regular frequencies

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Probable (50%+)	Major	6-9 = Medium
Possible (10%+)	Material	1-4 = Low
Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
17.	Loss of benefits for under-occupation of social housing (LHA Reforms)	Increased rent arrears affecting the repairs, improvements and neighbourhood management programmes. Increased number of tenants seeking to downsize to a smaller home.	4	2	8 (Medium)	Contact the 326 families this affects in ECC properties and explore the issue on a one-two-one basis. Place more emphasis on the downsizing scheme and explore employing a dedicated officer to guide individuals through the process. Explore increases to the downsizing budget. This is currently £50,000 per year and once it is spent the scheme is unavailable until the beginning of the next financial year. Provide additional priority for tenants of working age wishing to downsize. Establish what action will be taken if tenants cannot move to more suitably sized accommodation and begin to build up arrears.	Ongoing review
18.	Registered providers do not provide the data required on the size of their social homes (LHA Reforms)	Staffing resource implications for information collection. Exeter City Council cannot accurately assess the families in the social sector impacted on by welfare changes.	1	2	2 (Low)	Ongoing cooperation and contact with registered providers in Exeter to increase information sharing.	Contact already made and data received from most HAs review Dec 2012

Likelihood		Impact	Risk Level (likelihood x impact)	
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Probable (50%+)	3	Major	6-9 = Medium	
Possible (10%+)	2	Material	1-4 = Low	
Unlikely (<10%)	1	Minor		

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
19.	Universal Credit benefit caps increase homelessness (Universal Credit)	10 families in Exeter City Council stock and 47 Exeter families overall will see increased financial hardship. Increased staff resources required to give housing advice	4	2	8 (Medium)	All affected families have been written to with offers of advice on work and budgeting. The risks for the individual are serious but for Exeter City Council, the numbers are so small that this does not present a significant risk. Mike Hopton will liaise with Chris Hancock over further contact with the 10 Exeter City Council households.	Ongoing review
20.	Larger families not yet housed through Devon Home Choice may not be able to afford 'affordable rent' properties due to benefit caps (Universal Credit)	Larger families may wait longer to be housed, leaving them in overcrowded and unsuitable conditions Larger homes may fall into the E to H council tax bands, making them more expensive to live in	3	3	9 (Medium)	Exeter City Council will seek to charge rent based on the individual's ability to pay. Therefore families in this situation may be assessed for social rent levels. <i>Note: Affordable rent is any figure up to 80% of market rent. Typically though the figures are around 67% of market rent.</i>	Ongoing review
21.	Uncertainty over how many housing benefit cases will switch to Universal Credit (Universal Credit)	Inability to plan staffing levels. As more claimants switch to Universal Credit, staffing levels will need to reduce. This will be a gradual process.	4	1	4 (Low)	If required, explore a similar housing support scheme.	Review DWP updates on progress to Oct 2013

Likelihood	Impact	Risk Level (likelihood x impact)
Very Likely (75%+)	Very Serious	12-16 = High
Probable (50%+)	Major	6-9 = Medium
Possible (10%+)	Material	1-4 = Low
Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
22.	Lack of access to the new Universal Credit system for Exeter City Council (Universal Credit)	<p>Public service dissatisfaction will increase incrementally as new claims are made.</p> <p>Increased public anxiety over the status of their claims.</p> <p>Possible verbal abuse to staff.</p> <p>Housing no longer able to access the system to assess the levels of tenant debt and offer advice. This will increase as new claimants come forward.</p> <p>Increased staff to cope with the increased number of tenant in arrears and the labour-intensive process this will become without access to benefit systems.</p>	4	4	16 (High)	<p>Limited information will be available from DWP database if tenants are claiming council tax support.</p> <p>Increased need for contact with residents to collect rent and offer debt advice.</p>	Review DWP updates on progress & data sharing to Oct 2013

Likelihood	Impact	Risk Level (likelihood x impact)
Very Likely (75%+)	Very Serious	12-16 = High
Probable (50%+)	Major	6-9 = Medium
Possible (10%+)	Material	1-4 = Low
Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
23.	Universal Credit payments made direct to the tenant (Universal Credit)	<p>Increased rent arrears for Exeter City Council. 1,414 working age tenants will be expected to pay rent where they have not done so before.</p> <p>Payment dates will not be aligned to rent due dates, which will increase evictions in both the social and private rented sectors</p> <p>Increased staff costs chasing payments.</p>	4	4	16 (High)	<p>Increased negotiations with private rented landlords to prevent evictions.</p> <p>Housing Service to consider charging rent over 52 weeks of the year and not 48 weeks as part of a systems review; abolish the rent free fortnight to cope with arrears.</p>	<p>Review DWP updates on progress to Oct 2013</p> <p>Review DWP pilot sites feedback</p>
24.	Increased rent collection costs for Exeter City Council (Universal Credit)	<p>£16,000 per year extra collection costs once everyone on benefits has switched to Universal Credit. This will be a gradual change.</p>	4	4	16 (High)	<p>Publicise payment by direct debit, including the use of paperless direct debits and increase the flexibility on processing direct debits.</p> <p>Encourage tenants to set up basic bank accounts.</p> <p>Consider implications on current IT systems and assess changes required.</p>	Ongoing review

Likelihood	Impact	Risk Level (likelihood x impact)
Very Likely (75%+)	Very Serious	12-16 = High
Probable (50%+)	Major	6-9 = Medium
Possible (10%+)	Material	1-4 = Low
Unlikely (<10%)	Minor	

No.	Risk	Possible consequences	L	I	Risk	Mitigation	Target / review date
25.	Exeter City Council to administer Community Care Grants and Crisis Loans	The crisis service may deal with more chaotic individuals. This increases staff protection issues. Staff resource implications as the service will require a 24 hour on call availability.	3	3	9 (Medium)	No cash would be handled on the premises, crisis payments would be offered through vouchers for services e.g. food. Or potential for payments into bank accounts or use of credit unions. Administering this fund ourselves would give us better identification of customers to understand whether currently duplicate payments are being made from DWP and ECC to same customers – so potential for savings to be made. Additional savings to be made on void costs / temporary accommodation costs as this fund will allow us to expedite moves into more suitable accommodation by covering removals / furniture costs.	Devon Leaders and Chief Executive meeting on 19 October 2012
26.	Loss of in-house staff with the introduction of the Single Fraud Investigation Service	No in-house capacity to check for fraud.	1	2	2 (Low)	The scheme has slipped and it is unlikely that any impact will be seen until April 2014. Fraud investigations for the Council Tax Support Scheme will not be included in the service; therefore the current support will remain in place for at least the first year.	Review information & updates from SFIS

Likelihood	Impact	Risk Level (likelihood x impact)
Very Likely (75%+)	Very Serious	12-16 = High
Probable (50%+)	Major	6-9 = Medium
Possible (10%+)	Material	1-4 = Low
Unlikely (<10%)	Minor	

EXETER CITY COUNCIL

EXECUTIVE
20 NOVEMBER 2012

COUNCIL
11 DECEMBER 2012

PROPOSED LOCAL COUNCIL TAX SUPPORT SCHEME

1. PURPOSE OF THE REPORT

- 1.1 To seek Members' approval of the proposed scheme for Local Council Tax Support Scheme ('the Scheme') due for implementation from April 2013.
- 1.2 To make Members aware of the components of the Scheme

2. BACKGROUND

- 2.1 The Government's aim to reduce the national welfare budget by means of a series of far-reaching welfare reforms is in the process of implementation. The changes are the subject of a separate report to this Committee. The changes that have been introduced so far have had a significant impact on some individuals but have had a relatively low impact on residents who claim benefits. However, changes that will come into effect from April 2013 are expected to have a greater impact on claimants' incomes as well as a greater impact on the Council. One of these changes is the abolition of Council Tax benefit and its replacement with a Local Council Tax Support Scheme, effective from 1 April 2013.
- 2.2 Local authorities will receive a grant for the new Scheme based on 10% less than the government's estimation of what Council Tax Benefit (CTB) expenditure would have been in 2013-14.
- 2.3 CTB is a means tested benefit, which, when awarded, reduces the applicant's Council Tax bill. It has been administered by local authorities (along with a housing benefit scheme), since the introduction of Council Tax in 1993. The purpose was to assist those on low income to pay their Council Tax, and Councils have administered the scheme in accordance with national legislation, under the direction of the Department for Works and Pensions (DWP).

3. PRINCIPLES OF THE LOCAL COUNCIL TAX SUPPORT (LCTS) SCHEME

- 3.1 Help with Council Tax will be a local authority responsibility and will not become part of Universal Credit.
- 3.2 Support for pensioners will not be affected by this reduction in funding. National rules will be used to administer a scheme for pensioners but Local authorities are free to establish, subject to any restrictions set by government, whatever rules they choose for their schemes for working aged claimants.
- 3.3 Central government will provide a grant to local authorities to operate their new Schemes. Unlike current arrangements, this grant will not be ring-fenced and will not vary according to demand. Local authorities will be able to keep any underspend, but will have to fund any overspend themselves.

3.4 Vulnerable residents must be protected (being mindful of the Child Poverty Act 2010, the Disabled Persons Act 1986, the Chronically Sick and Disabled Persons Act 1970 and the Housing Act 1996).

3.5 There is a requirement to meet Section 149 of the Equality Act 2010.

4. ESTABLISHING A LOCAL SCHEME

4.1 It is intended that support for council tax will become fully integrated into the council tax system, with support being offered as a reduction on council tax bills. It will no longer be a “benefit” subject to Social Security Legislation.

4.2 Billing authorities will be the default lead authority for council tax support schemes, but they can collaborate with other local authorities to develop schemes together.

4.3 The grant will be paid to the billing and major precepting authorities in proportion to their previous shares of expenditure, thereby reducing each authority’s council tax requirement.

4.4 Billing authorities will be required to develop a scheme which will set out the categories of claimants entitled to a council tax reduction, and the amount of reduction that applies to each category. The Secretary of State will also have the power to prescribe categories of persons who must be included in the scheme, and the reductions which must apply to them.

4.5 The local authority will need to set out the application process, appeals process and council tax reduction offered by the scheme.

4.6 The local authority is required to consult on the scheme with the major precepting authorities before a scheme is designed. They will then need to consult with the public and other agents once the scheme has been established.

4.7 Local authorities will be able to revise schemes between years and able to make transitional provisions as they see fit.

4.8 Where demand for support increases or falls below local forecasts, billing authorities will collect less or more council tax than had been estimated at the start of the financial year. This will result in a deficit or surplus in the collection fund. This deficit or surplus should be shared between the billing authority and major precepting authorities at the beginning of the following financial year, but the Government is looking at the possibility of varying the precept payments to major precepting authorities. This would protect small billing authorities from the financial pressure of funding the whole of any shortfall.

4.9 A Devon Benefit Officers Group (DBOG), comprising officers from all the Devon District and Unitary authorities and Devon County Council have been working collaboratively since January 2012. This has enabled sharing publicity and forms to save money and time, agreeing to use the same application process and evidence verification, agreeing a Devon- wide definition of vulnerable and considering how the scheme can build in vulnerability classifications while also making it possible to make local discretionary decisions.

4.10 There is a collective agreement that all Devon authorities want a single shared scheme, working from the principle of cost neutral i.e. to look to save the 10% reduction in grant by reducing the amount of council tax support for working age customers.

5. THE PROPOSED SCHEME

5.1 As indicated in 3.5 above, the Council will receive a fixed grant to be used to provide council tax support. The exact amount that we will receive is expected to be confirmed in December;

however we have been given an indicative figure for Exeter City Council of £588,000. Compared to a share of projected CTB expenditure for 2013-14 of £680,378, this is a likely reduction in funding of 14%. Devon County Council has made it clear that they cannot subsidise the shortfall in grant, and with no funds available from within Exeter City Council, the reduction in support must be passed on to working age claimants as pension age claimants are protected under national rules. Increases in Council Tax charges, proportion of pension age claims and working age caseload will all increase the savings to be made. Therefore, a 14% cut in funding for the Council means an average reduction in support for working age claimants of 24%.

In order to understand where the required savings could be made, the Council has undertaken extensive modelling of its current caseload. In determining the components of the proposed Scheme, the following have been considered:

- Other aspects of the Government's Welfare Reform changes are due to be implemented in the same timescale and will impact on the same residents as the proposed Scheme.
- Exeter City Council must have a robust scheme as all aspects could be open to legal challenge.
- The current means-test in the Council Tax Benefit scheme includes well established work incentives and protection for vulnerable groups through income disregards and premiums. For instance, a disabled customer would have a higher level of income disregarded as part of the calculation. A couple with children would have a higher level of income disregarded as part of the calculation compared to a couple without children. Keeping the means-test in its current form within our proposed Scheme preserves those protections, so satisfying our requirement to protect vulnerable people.
- Many recipients of Council Tax Support will also be receiving Housing Benefit until the move to Universal Credit is complete in 2017. Having a similar Council Tax Support scheme to the current Council Tax Benefit scheme will make it easier for the customer to understand the changes and will allow the Council to realise efficiencies in administration.

5.2 Components of the Proposed Scheme

- 5.2.1 The most significant component of the proposed Scheme is the level of support offered to working aged claimants. At present we have approximately 9,922 customers in receipt of council tax benefit at a current projected cost of £8,037,927. Of these, 58% are of working age and 42% are of pension age. The estimated savings requirement for the Exeter area £1,091,341, of which the City Council's share is £92,378.

The need to ensure equality, protect vulnerable groups, account for work incentives and make appropriate savings, creates a serious challenge for the Council.

Our modelling has assumed that there will be an overall increase in Council Tax for 2013-14 of 0.49%, based on the County Council freezing Council Tax and Exeter City Council and the other precepting authorities increasing Council Tax by 2% each.

Many options have been modelled, but the only way to realise the level of required savings is to limit support to all working age claimants. Currently, based on the indicative grant figure, this limitation needs to be in the region of 80%.

By adopting the option of restricting liability to a prescribed percentage, the Council maintains all of the core elements of the current Council Tax Benefit Scheme. That scheme has been in place since 1993 and regulations have been developed and updated since and will have been subject to many legal challenges. It can be assumed therefore that the current council tax benefit scheme is a robust and proven system.

By limiting support to all working age claimants, the burden of meeting these savings is borne by everyone and no one group is disproportionately affected.

5.2.2 The additional components of the Scheme are:

1. No Second Adult Rebate scheme for working age claimants
2. Removing entitlement where working age claimant capital exceeds £6k.
3. Having an Exceptional Hardship Fund

Additional options explained

1. A single taxpayer loses their 25% discount if there is another adult occupier in the property. The taxpayer can apply for Second Adult Rebate (2AR) if the other adult occupier is on a low income, doesn't pay rent to the liable person and isn't a partner, dependant or disregarded for council tax purposes. The 2AR scheme therefore enables a Council Tax payer with a generous income and savings who could afford to pay their bill in full to get a reduction up to the equivalent of 25% and so pay less.

2. In the current CTB scheme only claimants with more than £16,000 in savings or counted capital are prevented from receiving CTB. Currently where a customer has between £6,000 and £16,000 in capital there is a prescribed formula that is used to determine the amount of income this would generate. This is then taken into account as part of the calculation for CTB. Capital below £6,000 is completely disregarded. The proposal is to reduce the capital limit to £6000.

3. Major preceptors have indicated that they are willing to contribute to a fund for exceptional hardship cases. All the Devon group representatives felt that in order to protect the most vulnerable we should have an exceptional hardship fund to act as a safety net. As this would form part of our local scheme it would be funded through the collection fund. Cases would be considered on an individual basis and the principles are shown in the Exceptional Hardship Policy, which is appendix 5 of this report.

5.2.3 The consultation on the proposed Scheme included an additional component related to restricting support to specific Council Tax Bands which is now not being recommended for inclusion in the Scheme. 98% of current working age CTB claimants live in properties in Bands A to D. Capping the maximum Council Tax Support available at the Band D level would reduce the amount of support given to the 70 claimants who live in properties in Band E and above. Capping at Band E would reduce the amount of support given to the 25 claimants who live in Band F and above. This component is further explained in Appendix Seven to this Report.

5.2.4 In summary

Exeter City Council's proposed Scheme would be the existing Council Tax Benefit Scheme with the following amendments:

- i) Limit support to 80% for all working age customers
- ii) No Second Adult Rebate for working age claims
- iii) Removing entitlement to support where working age claimant capital exceeds £6k
- iv) Having an Exceptional Hardship Fund

5.2.5 There is a list of essential documents which form the Scheme that members are asked to approve and these are attached as appendices to this report. The documents are:

Appendix One:	The full S13a Policy, which is the legal framework for the Scheme
Appendix Two:	Response to Consultation
Appendix Three:	Full Equality Impact Assessment
Appendix Four:	Amendments to the Constitution
Appendix Five:	Exceptional Hardship Policy
Appendix Six:	Vulnerability Statement
Appendix Seven:	Band Restriction Report

6. RESPONSE FROM CONSULTATION

- 6.1 A summary report of the consultation on the Proposed Scheme is attached at Appendix Two of this Report, with the full report available on request.
- 6.2 A total of 1336 surveys were completed and returned before the consultation closed. Detailed responses were also received from Exeter CAB and Sovereign Housing Association. 1081 (81%) of the responses came from people in receipt of Council Tax Benefit and 1275 (95%) were from people aged less than 66. This represents a significant proportion of the responses from those most likely to be affected by the proposed changes.
- 6.3 51% of respondents describe themselves as having a long standing illness or disability and 25% are in full or part time employment.
- 6.4 Whether a respondent receives CTB or not has a marked impact on their feelings about the proposed scheme. For example 74% of respondents not in receipt of CTB either agree or strongly agree with the principle that all working age people should pay something towards their Council Tax. That figure falls to 39% amongst those who receive CTB.
- 6.5 Having been part of the Devon Benefit Officers Group since the beginning of the project, Devon County Council, Devon and Cornwall Police Authority and Devon and Somerset Fire and Rescue have been consulted, and are in agreement with the proposed scheme for Exeter City Council, as it fulfils the principle of cost neutral i.e. only spending the grant we're getting.

7. FINANCIAL IMPLICATIONS

- 7.1 The information below will give an overview of likely impact on the number of customers who could be affected, and the financial implication of the grant reduction of 10%.
- 7.2 Our modelling is based on a CTB caseload of 9,922 of which 4,213 are of pension age (42%) and 5,709 are of working age (58%).
Of the total CTB expenditure of £8,037,927, £3,519,167 is spent on pension age claimants (44%) and £4,518,760 is spent on working age claimants (56%).
The calculated grant for Exeter for 2013-14 is £6,946,586.
By limiting support to working age claimants to 80%, with a capital limit of £6k and no SAR for working age claims, our proposed scheme will potentially cost £6,956,350 or £6,995,161 if council tax is increased overall by 0.49%. Although this is slightly more than the grant, we have seen a decrease in caseload over the last three months. If this trend continues, and the Government indicated it was likely to when allocating the grant, there is a potential reduction in expenditure of £60k which more than covers the shortfall.
- 7.3 Members are asked to note that the figures presented above take no account of any potential increase in pension age claimants, caseload, an increase in council tax above 0.49%, applicable amounts increased by DWP, or working age claimants with capital just above £6k spending the excess in order to then qualify for council tax support. These are all potential risks to the scheme.

- 7.4 As at August 2012, 71% of Working Age Council Tax Benefit (CTB) claimants were receiving 100% CTB and so had no council tax to pay. The table below shows how much they will pay if support is limited to 80% and council tax is increased by 0.49%.

No. of Working Age 100% CTB cases in each property band		Amount to pay if support limited to 80%					
		Annually		Monthly		Weekly	
Band	Cases	Full charge	* With 25% discount	Full charge	* With 25% discount	Full charge	* With 25% discount
A	1,900	£197.61	£148.21	£16.47	£12.35	£3.79	£2.84
B	1,413	£230.54	£172.91	£19.21	£14.41	£4.42	£3.32
C	569	£263.48	£197.61	£21.96	£16.47	£5.05	£3.79
D	150	£296.42	£222.31	£24.70	£18.53	£5.68	£4.26
E	19	£362.29	£271.71	£30.19	£22.64	£6.95	£5.21
F	12	£428.15	£321.12	£35.68	£26.76	£8.21	£6.16
G	5	£494.03	£370.52	£41.17	£30.88	£9.47	£7.11
Total	4,068						

* single occupiers get a 25% discount off their council tax and therefore pay less than a household with two or more adult occupants.

8. POTENTIAL IMPACT ON WORKING AGE CUSTOMERS AND COLLECTION

- 8.1 Working age customers who may up to now have received 100% CTB will have to pay Council Tax for the first time. The majority of customers currently getting CTB are in properties in Band A or B. As the table above shows, those in Band A properties face having to pay £16.47 per month or £3.79 per week. This equates to having to pay £19.21 per month in Council Tax for Band B or £4.42 per week.
- 8.2 These are substantial sums to residents on low incomes and Members are reminded that these figures assume no other groups except pensioners being protected, no increase in Council Tax above 0.49%, no caseload increase and no increase in pension age claimants.
- 8.2 The major preceptors have recognised that collection and recovery will be difficult, and in principle have agreed to support two business cases that the Devon Benefit Officers Group has put before them. These being the provision of an exceptional hardship fund, and funding resources to improve collection. The aim is to protect the collection fund and assist the exceptionally vulnerable. By including the exceptional hardship fund in our scheme, it can be funded by the preceptors as well, rather than solely by Exeter City Council.
- 8.3 Members should note that payment transaction costs fall on the billing authority only, therefore there may be an increase in that expenditure due to more customers needing to pay council tax.

9. OTHER RELEVANT INFORMATION

- 9.1 On 18 October 2012, Communities and Local Government (CLG) published a Transitional Grant Scheme ("the Grant"). This Grant consists of a fund of £100m and authorities are required to bid for a predetermined share. Exeter City Council is able to apply for £187, 900.

- 9.2 To apply for the grant, Exeter City Council would have to adopt a scheme which ensures that:
1. Those who would be entitled to 100% support under current council tax benefit arrangements pay between zero and no more than 8.5% of their net council tax liability
 2. The taper rate does not increase above 25%. (The taper rate in our proposed scheme is 20%. This is the rate that is applied when income earned is above the amount that it is determined that an individual needs to meet their living costs. This applicable amount is based on household circumstances. A taper of 25% would mean that for every additional £1 earned over the applicable amount, 25p would be paid by the individual towards their Council Tax.)
 3. There is no sharp reduction in support for those entering work
 4. There are no large additional increases in non-dependant deductions.
- 9.3 The Government has made clear that this funding is for 2013-2014 only. Therefore, Councils who opt to apply for this funding will need to meet the full cost of the Scheme in future years if they choose to continue to operate a Scheme that meets the Government's criteria. If they choose to vary the Scheme after the initial year, a new Scheme would have to be developed, consulted on and agreed by Council, all in time for implementation on 1 April 2014.
- 9.4 Councils are not allowed to apply for this funding until after 31 January 2013, which is the date by which the new Scheme has to be agreed. There is a possibility that the Council may set a Scheme which it feels meets the Government's criteria; but subsequently is unsuccessful in securing the funding, meaning that the extra costs would need to be met by the City Council and major preceptors.
- 9.5 By increasing the level of support from 80% to 91.5%, even taking into consideration the extra grant for Exeter of £187,900, there is still a shortfall to be met of £417,105, of which Exeter City Council's share would be approximately £36k (not allowing for any increase in council tax).
- 9.6 Devon County Council would be required to meet most of the shortfall, which for the 8 District Authorities amounts to more than £2m. At the DBOG meeting of 29 October, County advised that this was unaffordable and that they favoured the cost neutral solution which is the local Scheme that the City Council consulted on. If the City Council was to attempt to meet the shortfall, for example, by reducing our taper rate to 20%, this would effectively change the Scheme that we consulted on and we would need to amend the draft Scheme, consult with local preceptors and the public.
- 9.7 A cap of 8.5% means that the majority of claimants who currently do not have to pay council tax because they get 100% CTB, would be required to pay amounts in the region of between £5 and £8 per month. Whilst this may be more beneficial to those on low incomes, because the funding is only for a year they could face steep increases in required payments from year two. Small amounts of Council Tax are challenging to collect, and the cost of collection activity compared to the income likely to be generated needs to be considered.
- 9.9 It is for the reasons above that, in consultation with the Leader and Portfolio Holder, the City Council has not applied for the transitional grant.

10. RECOMMENDATION

- 10.1 That Council notes the documents attached as Appendices to this Report; and
- 10.2 That Council agreed the amendments to the Constitution; and

10.3 That Executive recommends to Council the approval of the proposed scheme for Local Support for Council Tax, to be introduced on 1 April 2013.

BINDU ARJOON

ASSISTANT DIRECTOR BUSINESS TRANSFORMATION

CHIEF EXECUTIVE'S DEPARTMENT

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling the report:

None



Exeter City Council

Proposed local scheme for
Council Tax Support

Consultation report

October 2012

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Summary of responses

The consultation

The period of consultation ran from 6 August to 1 October 2012. All working age Council Tax Benefit (CTB) claimants (around 5500 households) were sent a paper survey along with a description of the scheme. A further 1000 letters were sent to Council Tax charge payers not in receipt of CTB and over 400 members of the Wavelength panel were emailed advising of the consultation.

Responses

A total of 1336 surveys were completed and returned before the consultation closed. Detailed responses were also received from Exeter CAB and Sovereign Housing Association. 1081 (81%) of the responses came from people in receipt of Council Tax Benefit and 1275 (95%) were from people aged less than 66. This represents a significant proportion of the responses from those most likely to be affected by the proposed changes.

51% of respondents describe themselves as having a long standing illness or disability and 25% are in full or part time employment. Overall 3713 comments were made in response to the free text questions. These have been individually analysed and categorised. Due to the inexact nature of the classification, caution should be exercised when considering the data derived from the free text comments.

Whether a respondent receives CTB or not has a marked impact on their feelings about the proposed scheme. For example 74% of respondents not in receipt of CTB either agree or strongly agree with the principle that all working age people should pay something towards their Council Tax. That figure falls to 39% amongst those who receive CTB.

Change one - restricting maximum help for all working age customers

This proposal attracted the most responses (1322) and the most comments (828). Only 40% of respondents disagreed or strongly disagreed with the principle of everybody contributing. However only 30% agreed or strongly agreed that maximum support should be limited to 70%.

78% of comments from people who said they would be affected by change one raised concerns that people would not be able to pay the extra. Various groups of customers were suggested to need additional support and protection from a reduced award. This included people in work, people looking for work, the self employed and those nearing retirement; however the most frequently mentioned groups were the disabled, carers, single parents and others incapable of working or increasing hours.

Change 2 - restricting eligible council tax for properties in Band E and above

244 respondents indicated that they would be affected by this. Caseload modelling suggest the number of households affected to be around 70. Comments from those who believed they would be affected were overwhelmingly against the proposal (91%), focusing on the financial hardship it would cause and perceived unfair consequences for large families. Exeter CAB also highlight in their response "*The limit on Band D is potentially discriminatory given sections of the population which are more likely to have many occupants and therefore live in larger homes.*" The

suggestion from CAB, echoed by other respondents was to consider a reduction only where large properties are under occupied.

Change three - reducing the capital limit

This did not provoke especially strong views either in favour or against the proposal. Typical comments opposed to the change considered it unfair to penalise people who had tried to be responsible by putting money aside. Exeter CAB suggest that having a different rule for passported customers may discriminate against those with a work history and act as a barrier to taking up work in the future. (The difference in treatment is necessary because information is not held on capital levels for customers receiving Income Support, Income Based Jobseekers Allowance or Income Related Employment and Support Allowance.)

Change four - the removal of Second Adult Rebate

This question seems to have caused some confusion. 104 respondents believed they would be affected by the change whereas our data suggests the total is only 60 across the entire caseload. Opinion was reasonably well split between support for and opposition to the change, with 34% neither agreeing nor disagreeing.

Change five - the introducing a fund for cases of exception financial hardship

This proposal was supported by 82% of respondents. Comments highlighted that the fund would be essential for the most vulnerable customers.

The overall scheme

380 comments were made concerning the scheme as a whole of which only 72 (19%) were broadly supportive of the proposals. Specific areas of concern were the likelihood of financial hardship for those affected, vulnerable groups needing protection from cuts and the amount of support being cut.

Results tables

Change one: all working age people should pay something towards their Council Tax

Q1a How strongly do you agree or disagree that all working age people should pay something towards their Council Tax?

Question 1a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Strongly agree	94	99	7	200
Tend to agree	65	319	8	392
Neither agree nor disagree	9	183	6	198
Tend to disagree	15	168	5	188
Strongly disagree	31	303	10	344
<i>Not answered</i>	1	9	4	14
Grand Total	215	1081	40	1336

Question 1a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Agree / strongly agree	74%	39%	42%	45%
Neither agree nor disagree	4%	17%	17%	15%
Disagree / strongly disagree	21%	44%	42%	40%

Q1b How strongly do you agree or disagree that all working age people should pay a minimum of 30 per cent of their Council Tax?

Question 1b	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Strongly agree	63	70	4	137
Tend to agree	53	193	7	253
Neither agree nor disagree	24	193	4	221
Tend to disagree	36	223	7	266
Strongly disagree	38	392	15	445
<i>Not answered</i>	1	10	3	14
Grand Total	215	1081	40	1336

Question 1b	Claiming CTB?
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	No	Yes	Not answered	Grand Total
Agree / strongly agree	54%	25%	30%	30%
Neither agree nor disagree	11%	18%	11%	17%
Disagree / strongly disagree	35%	57%	59%	54%

1c Would this change have an effect on your household?

Yes	878	65.7%
No	401	30.0%
Not answered	57	4.3%

If you have said that this change would affect you, please tell us how:

	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Concern people would not be able to pay	8	625	11	644
General - disagree		116	3	119
General - agree	1	19		20
Impact on particular groups		13		13
Too high @ 30%		11		11
Unfair on poor/disadvantaged people		10		10
Change other policy		3		3
Work disincentive		3		3
Change scheme		3		3
Wider impacts		2		2
Grand Total	9	805	14	828

Responses from those affected by change one who consider they will suffer financial hardship as a result of the change.

Demographic	Question		Survey
	Count	% of question responses	% of all responses
What was your age on your last birthday?			
18-25	46	7.3%	5.4%
26-35	117	18.5%	17.4%
36-45	166	26.3%	24.2%
46-55	191	30.3%	29.7%

56-65	103	16.3%	18.7%
Over 65	0	0.0%	2.2%
Not answered	8	1.3%	2.3%
Are you male, female or transgender?			
Female	377	59.7%	55.5%
Male	232	36.8%	39.1%
Transgender	2	0.3%	0.4%
Not answered	20	3.2%	5.0%
Are you providing unpaid care to an ill, frail or disabled person?			
No	496	78.6%	79.8%
Yes	101	16.0%	14.1%
Not answered	34	5.4%	6.1%
How many children aged 16 or under are living in your household?			
More than four	5	0.8%	0.5%
Four	12	1.9%	1.3%
Three	28	4.4%	3.4%
Two	73	11.6%	11.9%
One	110	17.4%	14.7%
None	378	59.9%	62.9%
Not answered	25	4.0%	5.3%
Which of these activities best describes what you are doing at present?			
Employee in full time job (30 hours or more per week)	17	2.7%	10.7%
Employee in part time job (under 30 hours per week)	89	14.1%	13.9%
Full time education at school, college or university	3	0.5%	0.3%
Looking after the home	41	6.5%	5.8%
On a government supported training scheme	9	1.4%	0.8%
Permanently sick/disabled	254	40.3%	33.5%
Self-employed full or part time	39	6.2%	5.8%
Unemployed and available for work	94	14.9%	12.6%
Wholly retired from work	2	0.3%	3.4%
Doing something else	63	10.0%	7.1%
Not answered	20	3.2%	6.0%
Do you have a long standing illness, disability or infirmity?			
No	241	38.2%	44.8%
Yes	370	58.6%	50.9%
Not answered	20	3.2%	4.3%

1d Do you have any further comments about this change?

Question 1d	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Concern about financial hardship	22	130	5	157
Introduce exceptions to proposal	11	64		75
Unfair on poor/disadvantaged people	9	47	1	57
Reduction is too high at 30%	15	25	3	43
Generally agree all should contribute	18	24	1	43
General comment disagreeing with proposal	3	38	1	42
Working / capable of work should pay		20	1	21
Change government / other policy	2	15		17
Wider impacts highlighted	2	15		17
Existing benefits too generous	9	6		15
Change council tax	5	5		10
Pensioners should pay	3	4		7
Work disincentive	3	2		5
Grand Total	102	395	12	509

Change two: limiting the amount of Council Tax support for working age people to a Band D charge

Q2a How strongly do you agree or disagree that working age people living in properties with a higher Council Tax charge who currently receive Council Tax Benefit should pay more?

Question 2a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Strongly agree	91	170	8	269
Tend to agree	60	288	6	354
Neither agree nor disagree	19	230	9	258
Tend to disagree	31	168	4	203
Strongly disagree	14	208	8	230
<i>Not answered</i>	0	17	5	22
Grand Total	215	1081	40	1336

Question 2a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Agree / strongly agree	70%	43%	40%	47%
Neither agree nor disagree	9%	22%	26%	20%
Disagree / strongly disagree	21%	35%	34%	33%

Q2b How strongly do you agree or disagree with us limiting the amount of Council Tax Support to a Band D charge for working age people?

Question 2b	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Strongly agree	65	125	6	196
Tend to agree	73	261	7	341
Neither agree nor disagree	21	300	10	331
Tend to disagree	31	159	2	192
Strongly disagree	24	212	11	247
<i>Not answered</i>	1	24	4	29
Grand Total	215	1081	40	1336

Question 2b	Claiming CTB?		
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	No	Yes	Not answered	Grand Total
Agree / strongly agree	64%	37%	36%	41%
Neither agree nor disagree	10%	28%	28%	25%
Disagree / strongly disagree	26%	35%	36%	34%

2c Would this change have an effect on your household?

No	920	68.9%
Yes	244	18.3%
Not answered	172	12.9%

If you have said that this change would affect you, please tell us how:

Question 2c	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Concern people would not be able to pay	4	111	1	116
Unfair on large families & others	1	21	1	23
General comment disagreeing with proposal		10	1	11
Generally agree larger homes should be capped	1	10		11
Introduce exceptions to proposal		10		10
Working / capable of work should pay		5		5
Existing benefits too generous		5		5
Grand Total	6	172	3	181

2d Do you have any further comments about this change?

Question 2d	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Generally agree larger homes should be capped	20	31	2	53
General comment disagreeing with proposal	8	28	3	39
Unfair on large families & others	9	20	2	31
Introduce exceptions to proposal	9	21		30
Concern people would not be able to pay	5	20	2	27
Agree if over-accommodated	5	15		20

Change council tax	4	5		9
Change other policy	2	6	1	9
Wider impacts	2	4		6
Working / capable of work should pay		5		5
Existing benefits too generous	1	2		3
Grand Total	65	157	10	232

Change three: reduce the savings limit from £16,000 to £6,000 for working age people

3a How strongly do you agree or disagree that Council Tax Support should not be paid to working age people with savings or investments?

Question 3a	Claiming CTB?			
	No	Yes	Not answered	Grand Total
Strongly agree	60	218	5	283
Tend to agree	54	299	10	363
Neither agree nor disagree	24	233	10	267
Tend to disagree	38	157	5	200
Strongly disagree	39	164	6	209
<i>Not answered</i>	0	10	4	14
Grand Total	215	1081	40	1336

Question 3a	Claiming CTB?			
	No	Yes	Not answered	Grand Total
Agree / strongly agree	53%	48%	42%	49%
Neither agree nor disagree	11%	22%	28%	20%
Disagree / strongly disagree	36%	30%	31%	31%

3b How strongly do you agree or disagree with us reducing the savings and investments cut off limit from £16,000 to £6,000 for working age people?

Question 3b	Claiming CTB?			
	No	Yes	Not answered	Grand Total
Strongly agree	61	201	5	267
Tend to agree	48	250	10	308
Neither agree nor disagree	20	235	8	263
Tend to disagree	45	191	7	243
Strongly disagree	41	193	6	240
<i>Not answered</i>	0	11	4	15
Grand Total	215	1081	40	1336

Question 3b	Claiming CTB?			
	No	Yes	Not answer	Grand Total

			ed	
Agree / strongly agree	51%	42%	42%	44%
Neither agree nor disagree	9%	22%	22%	20%
Disagree / strongly disagree	40%	36%	36%	37%

3c Would this change have an effect on your household?

No	1115	83.5%
Yes	96	7.2%
Not answered	125	9.4%

If you have said that this change would affect you, please tell us how:

Question 3c	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Unfair on people with savings	1	23		24
Wider impacts	1	13		14
Concern people would not be able to pay	1	12		13
Generally agree with the proposal		11	1	12
£6,000 is too low for the limit		6	1	7
Generally disagree	1	4		5
Introduce exceptions to proposal		4		4
Inconsistent with DWP limit	1	1		2
Pensioners should pay		1		1
Grand Total	5	75	2	82

3d Do you have any further comments about this change?

Question 3d	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Generally agree with proposal	19	72	1	92
Unfair on people with savings	22	43	3	68
Too low @ £6k	18	36	2	56
Generally disagree with proposal	7	21	2	30
Introduce exceptions to proposal	2	10	1	13
Wider impacts highlighted	4	7	1	12
Change other policy	1	8		9

Inconsistent with DWP limit	4	2		6
Concern people would not be able to pay		4		4
Grand Total	77	203	10	290

Change four: abolishing Second Adult Rebate for working age people

4a How strongly do you agree or disagree with us abolishing Second Adult Rebate for working age people?

Question 4a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Strongly agree	79	133	4	216
Tend to agree	67	193	7	267
Neither agree nor disagree	32	399	10	441
Tend to disagree	17	154	2	173
Strongly disagree	20	168	7	195
<i>Not answered</i>	0	34	10	44
Grand Total	215	1081	40	1336

Question 4a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Agree / strongly agree	68%	31%	37%	37%
Neither agree nor disagree	15%	38%	33%	34%
Disagree / strongly disagree	17%	31%	30%	28%

4b Would this change have an effect on your household?

No	1093	81.8%
Yes	104	7.8%
Not answered	139	10.4%

If you have said that this change would affect you, please tell us how:

Question 4b	Claiming CTB?		
	No	Yes	Grand Total
Concern people would not be able to pay	1	23	24
Wider impacts highlighted		7	7
Change council tax	1	3	4
Generally disagree with proposal		4	4
Introduce exceptions to proposal		3	3
Proposal is unfair		3	3
Grand Total	2	43	45

4c Do you have any further comments about this change?

Question 4c	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Generally agree	20	32	1	53
Modify Second Adult Rebate instead	9	14	1	24
Wider impacts highlighted	5	14	1	20
Generally disagree with proposal	7	8		15
Proposal is unfair	4	8	1	13
Concern people would not be able to pay	1	6		7
Change other policy	2	3	1	6
Grand Total	48	85	5	138

Change five: additional support for cases of exceptional financial hardship or vulnerability

5a How strongly do you agree or disagree with the proposal of setting up a fund so that working age people who receive Council Tax Support could apply for additional help towards their Council Tax?

Question 5a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Strongly agree	106	628	16	750
Tend to agree	63	257	10	330
Neither agree nor disagree	11	118	2	131
Tend to disagree	14	26	1	41
Strongly disagree	20	37	1	58
Not answered	1	15	10	26
Grand Total	215	1081	40	1336

Question 5a	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Agree / strongly agree	79%	83%	87%	82%
Neither agree nor disagree	5%	11%	7%	10%
Disagree / strongly disagree	16%	6%	7%	8%

5b Do you have any comments about this change?

Question 5b	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Generally agree	28	189	3	220
Will be essential for vulnerable customers	10	57	1	68
Criteria for awards should be clear	8	41	3	52
Don't change the scheme	3	35		38
Concern over cost of administering scheme	1	6		7
Change another policy	1	5		6
Grand Total	51	333	7	391

6 Whole scheme

We want to make our scheme as fair as possible within the funding available. Do you have any comments about the scheme as a whole, which would be all five changes together?

Question 6	Claiming CTB?			Grand Total
	No	Yes	Not answered	
Generally disagree with the proposals	12	79	2	93
Generally agree with the proposed scheme	18	53	1	72
Concern people would not be able to pay	6	58	1	65
Protection should be included for vulnerable	1	33	1	35
Change another policy, use or create revenue from another source	13	19	1	33
Scheme and customers should meet different criteria	3	24		27
30% reduction is too high	2	14		16
Don't change the scheme		13		13
More clarity needed	1	8		9
Fund is essential	2	6	1	9
Ease of application, administration costs	2	2		4
Pensioners should be made to pay	4			4
Grand Total	64	309	7	380

Demographics

7 Are you completing this questionnaire as:

A resident of Exeter	1290	96.6%
A landlord	6	0.4%
An organisation	1	0.1%
A voluntary/community group	1	0.1%
A business	1	0.1%
Other	13	1.0%
Not answered	24	1.8%
Grand Total	1336	100.0%

8 Do you pay Council Tax to Exeter City Council?

No	504	37.7%
Yes	782	58.5%
Not answered	50	3.7%

9 Does your household currently receive Council Tax Benefit from Exeter City Council?

No	215	16.1%
Yes	1081	80.9%
Not answered	40	3.0%

10 Has your household received Council Tax Benefit from Exeter City Council within the last two years?

No	240	18.0%
Yes	1047	78.4%
Not answered	49	3.7%

11 What was your age on your last birthday?

18-25	72	5.4%
26-35	233	17.4%
36-45	323	24.2%
46-55	397	29.7%
56-65	250	18.7%
over 65	30	2.2%
Not answered	31	2.3%

12 Are you male, female or transgender?

Female	742	55.5%
Male	520	38.9%
Male, Female	2	0.1%
Male, Transgender	1	0.1%
Transgender	4	0.3%
Not answered	67	5.0%

13 Which ward do you live in?

Alphington	52	3.9%
Cowick	20	1.5%
Duryard	11	0.8%
Exwick	92	6.9%
Heavitree	60	4.5%
Mincinglake	81	6.1%
Newtown	76	5.7%
Pennsylvania	32	2.4%
Pinhoe	42	3.1%
Polsoe	54	4.0%
Priory	124	9.3%
St. David's	79	5.9%
St. James'	29	2.2%
St. Leonard's	49	3.7%
St. Loyes	39	2.9%
St. Thomas	128	9.6%
Topsham	32	2.4%
Whipton Barton	114	8.5%
Not answered / outside Exeter	222	16.6%

14 Are you a carer (providing unpaid support to an ill, frail or disabled family member, partner or friend who could not manage without this help)?

No	1066	79.8%
Yes	189	14.1%
Not answered	81	6.1%

15 How many children aged 16 or under are living in your household?

More than four	7	0.5%
Four	17	1.3%
Three	46	3.4%
Two	159	11.9%
One	196	14.7%
None	840	62.9%
Not answered	71	5.3%

16 Which of these activities best describes what you are doing at present?

Permanently sick/disabled	445	33.3%
Employee in part time job (under 30 hours per week)	191	14.3%
Unemployed and available for work	170	12.7%
Employee in full time job (30 hours or more per week)	145	10.9%
Self-employed full or part time	77	5.8%
Looking after the home	112	8.4%
Wholly retired from work	47	3.5%
Carer	35	2.6%
Temporarily sick	26	1.9%
Volunteer	13	1.0%
On a government supported training scheme	11	0.8%
Full time education at school, college or university	4	0.3%
Doing something else	14	1.0%
No response	46	3.4%

17 Do you have a long-standing illness, disability or infirmity?

No	599	44.8%
Yes	680	50.9%
Not answered	57	4.3%

If yes does this illness or disability limit your day to day activities in any way? For example, reading, using a telephone, using public transport

No	471	35.3%
Yes	516	38.6%
Not answered	349	26.1%

Detailed responses

Exeter CAB



Letter to ECC re CTB
consultation.pdf

Sovereign Housing Association



ctax
response.exeter doc



Exeter City Council

Proposed local scheme for
Council Tax Support

Equality Impact Assessment

October 2012

Contents

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Background

The national Council Tax Benefit (CTB) scheme comes to an end on 1 April 2013 to be replaced by a locally determined system of Council Tax Support (CTS). The funding available for the new scheme will be cash limited; grant totals nationally will be around 10% less than currently spent on the CTB scheme. The scheme for pensioners will be prescribed nationally with entitlement protected at current levels.

Timescale

The new scheme comes into force on 1 April 2013. The legislation requires that it is agreed by full Council before 31 January 2013. In practice this means agreement of a final scheme will be needed at the full Council meeting of 11 December 2012. Public consultation on a proposed scheme will run for 8 weeks from 6 August 2012, allowing time for responses to be included in the final report to Council.

Financial impact – Exeter City Council

The final grant allocation will not be known until November or December 2012, however indicative figures were supplied by DCLG in May. This suggests a 14% reduction against projected spend on CTB. With a rise in Council Tax charges of 2.5% next year, that means a shortfall of £1.58M to preserve current levels of support for working age claimants or a percentage reduction of 35% from all working age claimants.

Data used in this report

The figures within this report are based on an extract from the Council Tax Benefit processing system on 30 August 2012. As caseload figures and expenditure fluctuates throughout the year it is not possible to be certain of the final figures until the end of the financial year.

Not all characteristics are recorded (and therefore available for this analysis) in every individual case; for example a disability characteristic does not always affect the amount of a CTB passported award.

This impact assessment will be reviewed at regular intervals and updated as key decisions & legislation changes, to ensure that all equality issues are addressed effectively. The data used may also change to reflect the caseload fluctuations as stated above.

Financial impact – Claimants

Exeter currently has 5709¹ Council Tax Benefit claimants below the age where the pensioner scheme would apply. To make the full savings from this group equates to an average of £277.33 per year (£5.32 per week) for each household.

Age	Cases	% of CTB caseload	Affected	Not affected
Working age	5709	57.54%	100%	0%
Pensioner age	4213	42.46%	0%	100%
Total	9922	100%	100%	100%

Protection of vulnerable customers

Central Government has not prescribed any specific groups within the working age caseload who must be given particular protection in a local scheme. They have however highlighted our existing duties in relation to²:

- The public sector Equality Duty (The Equality Act 2010)
- The duty to mitigate effects of child poverty (The Child Poverty Act 2010)
- The duty to prevent homelessness (Housing Act 1996 & Homelessness Act 2002)
- The Armed Forces covenant

Additionally Government expect local schemes to support the operation of work incentives in the wider welfare reform agenda.³

Protections in the existing CTB scheme

Council Tax Benefit has existed as a national scheme to provide assistance to low-income taxpayers since the introduction of Council Tax in 1993. It is a robust and

¹ Data as of 30 August 2012

² *Localising Support for Council Tax. Vulnerable People – key local authority duties*; DCLG, May 2012

³ *Localising Support for Council Tax. Taking work incentives into account*; DCLG, May 2012

complex legislative system with protections for vulnerable groups built in. It has been subject to repeated legal challenge ensuring it generally satisfies equality duties.

The structure of the means test ensures that vulnerable groups are recognised and protected. Specifically, this works in the following ways:

- Personal allowances are increased for families and all additional children
- Additional premiums for disabled household members and carers
- Income disregards for certain disability benefits, child benefit and child maintenance
- Earned income disregards; higher rates apply for full time work, disabled workers, certain part-time emergency workers and lone parent workers
- Childcare costs disregard for workers with children
- Local disregard of War Pension income

Preserving the means test in its current form allows a local scheme to maintain the protections and work incentives that have been refined over many years.

Modelling options for a local scheme

Extensive modelling of the existing caseload has been completed and is ongoing to establish options that could achieve the savings required.

It is apparent that in order to keep reductions to a manageable level, reductions would have to be made from all working age claimants. Exempting one group or another from a reduction means that even larger savings have to be found from the remaining claimants.

Making changes to the means test itself would result in relative disadvantage for one group against another. Such changes would alter the operation of the existing protections and would require significant equality impact assessments for each change proposed. With the tight timescale for agreement and implementation of a scheme in the first year, applying a percentage reduction across all claimants preserves the protections already in existence.

For example, we have 649 lone parent claimants with at least one child under the age of 5. To protect this group at current level of support would mean making the savings from our remaining 5060 claims, increasing the reduction by an average of over £30 per household to £313 per year.

Similarly we have 1739 working age households where the claimant, partner or a dependant child is disabled or a carer. To protect this group at current level of support would mean making the savings from our remaining 3970 claims, increasing the reduction by an average of over £120 per household to £399 per year. The means test recognises the additional support this group requires by allowing them to keep more income before withdrawing support and disregarding some of their benefit income.

The proposed scheme will result in working age customers who currently receive full CTB, for example those in receipt of a passporting benefit, having to pay for the first time towards their bill.

Caseload data is continually changing so the modelling of different options and their effects will be an ongoing process.

Characteristic	Working age claims	% of working age caseload	% of total savings from this group
Single	2564	44.91%	40.3%
Couple with no children	329	5.76%	7.4%
Lone parent	1866	32.69%	31.2%
Couple with children	950	16.64%	21.2%
Child in household	2816	49.33%	52.4%
Child under 5	1169	20.48%	21.4%
Lone parent child under 5	649	11.37%	10.4%
3 or more children	276	4.83%	5.6%
Male	1471	25.77%	21.9%
Female	2959	51.83%	49.5%
Couples	1279	22.40%	28.6%
Social Rented	3667	64.23%	61.4%
Private Rented	1413	24.75%	24.7%
Owner Occupier	629	11.02%	13.8%
CT Band A	2340	40.99%	33.8%
CT Band B	2073	36.31%	36.8%
CT Band C	966	16.92%	20.0%
CT Band D	260	4.55%	6.2%
CT Band E	45	0.79%	1.7%
CT Band F	18	0.32%	1.0%
CT Band G	7	0.12%	0.5%
CT Band H	0	0.00%	0.0%
Disabled child	158	2.77%	3.1%
Enhanced disability child	78	1.37%	1.5%
Disability premium (WA only)	939	16.45%	17.3%
Severe disability	469	8.22%	7.3%
ESA Support component	36	0.63%	0.7%
Carers premium	343	6.01%	7.3%
Disabled household member	1680	29.43%	29.8%
Severely disabled household member	469	8.22%	7.3%
Working	1701	29.80%	31.8%
Not working	4008	70.20%	68.2%
Passported	3202	56.09%	53.6%
Non Passported	2507	43.91%	46.4%
Income Support	1605	28.11%	27.1%
JSA(IB)	748	13.10%	12.3%
ESA(IR)	849	14.87%	14.2%

Effect of the proposed scheme on particular groups

Family characteristic

Local Authorities are under a duty to reduce and mitigate the effects of child poverty in their area. The proportion of cases affected by the changes where a child is present in the household is higher than within the overall CTB caseload. This is to be expected if generally more children in the population are resident in working age households than pensioner households and pensioner households are protected by national rules.

Family characteristic	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Single	5783	58.28%	2564	44.91%	3219	76.41%
Couple with no children	1271	12.81%	329	5.76%	942	22.36%
Lone parent	1880	18.95%	1866	32.69%	14	0.33%
Couple with children	988	9.96%	950	16.64%	38	0.90%
Total	9922	100%	5709	100%	4213	100%

Over half of the financial savings will come from households containing at least one dependant child. Preserving the means test from CTB ensures that households with children will be allowed to keep more income before awards are affected than a similar household with no children. In addition we are working as part of Devon Strategic Partnership's Welfare Advisory Group to look at the impacts of all welfare reforms and consider methods of mitigating the effects on vulnerable groups.

Single person households may face a greater challenge increasing their income or managing additional expenditure than households with more members who can contribute. The proportion of single person households affected by the changes is lower than in the overall CTB population.

Age	Neutral impact - it will not affect	Negative impact - it could disadvantage	Reason
Older people (born before 6 October 1951)	✓		Older people will not be affected by the proposed local scheme.
Younger people (born from 6 October 1951)		✓	5709 working age claim households will be asked to pay more towards their Council Tax. Over 3000 of these households do not currently pay anything and may be asked to make payments of Council Tax for the first time.
Under 18s	✓		Will not be liable for Council Tax and therefore unaffected.
Single people under 25		✓	The means test gives less support to this group than over 25s with the same circumstances. This accounts for 3% of our working age CTB caseload. They will therefore have lower disposable incomes to put towards their Council Tax bill.
Dependant children in household		✓	The means test allows additional amounts for each child in the household. All families will see a reduction in the help they receive with their Council Tax and some will be expected to pay for the first time. This will leave less of the family's income available to be spent on the children's needs.

Gender

Gender	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Male	2400	24.19%	1471	25.77%	929	22.05%
Female	5263	53.04%	2959	51.83%	2304	54.69%
Couples	2259	22.77%	1279	22.40%	980	23.26%
Total	9922	100%	5709	100%	4213	100%

Because single females make up over 51% of the current working age CTB caseload there is a bigger impact on this group in Exeter against the other gender groups.

There is no significant disadvantage to either gender relative to the overall caseload make up.

Tenure type

Tenure type	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Social Rented	5680	57.25%	3667	64.23%	2013	47.78%
Private Rented	1857	18.72%	1413	24.75%	444	10.54%
Owner Occupier	2385	24.04%	629	11.02%	1756	41.68%
Total	9922	100%	5709	100%	4213	100%

Tenants in both the private and social sectors may also see reductions in the amount of Housing Benefit available to them as a result of other welfare reforms. This includes the benefit cap and size restrictions in the social sector. These households could therefore face multiple pressures on their budgets. Nearly 90% of those affected by the changes will also have a rent liability. This compares to 76% of the total CTB caseload.

Council Tax Band

Council Tax Band	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
A	3910	39.41%	2340	40.99%	1570	37.27%
B	3469	34.96%	2073	36.31%	1396	33.14%
C	1862	18.77%	966	16.92%	896	21.27%
D	516	5.20%	260	4.55%	256	6.08%
E	113	1.14%	45	0.79%	68	1.61%
F	39	0.39%	18	0.32%	21	0.50%
G	13	0.13%	7	0.12%	6	0.14%
H	0	0.00%	0	0.00%	0	0.00%
Total	9922	100.00%	5709	100.00%	4213	100.00%

Less than 2% of working age cases will be affected by the proposal to restrict support to a band D level. The impact on those affected may be to encourage moving towards employment or increasing hours of work. Where this is not possible an alternative impact may see some households facing a move to accommodation with a lower council tax band. Over three quarters of those affected by the changes are in bands A and B. There is no significant difference between affected and not affected when considered by band.

Disabilities and carers

Disability	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Disabled child	160	1.61%	158	2.77%	2	0.05%
Enhanced disability child	79	0.80%	78	1.37%	1	0.02%
Disability premium (WA only)	939	9.46%	939	16.45%	0	0.00%
Severe disability	1021	10.29%	469	8.22%	552	13.10%
ESA Support component	36	0.36%	36	0.63%	0	0.00%
Carers premium	511	5.15%	343	6.01%	168	3.99%

The proportion of households affected by the change which include a disabled child is higher than in the overall CTB population. This mirrors the distribution of children between the two age groups as discussed above. Parents of disabled children could find their opportunities for increasing income more limited than other groups. Preserving the means test from CTB ensures that households with disabled children will be allowed to keep more income before awards are affected than a similar household without disabled children.

The data we hold does not allow us to identify the nature of individual disabilities and how this may impact their ability to manage a shortfall. It is likely that those in receipt of the severe disability premium will face more challenges increasing their income than those entitled to the disability premium alone.

People in receipt of the ESA support component have been assessed to have the highest level of disability and support need. This group are not required to take up any work or work related activity. They could therefore face more difficulty increasing their income to meet the shortfall.

The effect of a shortfall in Council Tax Support may be to encourage carers to relinquish caring responsibilities and take up work. This could create an additional burden on the state to replace the care provision. Carers may have less potential to find work or increase their hours of work due to their caring responsibilities. However if they increase their earnings to help make up the shortfall they could also lose their entitlement to Carers Allowance.

We have been able to identify households with multiple disability / carer characteristics. For example two households have at least one severely disabled adult, a disabled child and a carers premium payable. It may be that some of these households will face extra difficulty coping with the shortfall.

	Neutral impact - it will not affect	Negative impact - it could affect	Reason
Disability	-	-	Data not held on specific disability characteristics. Proposed scheme will have proportional financial impact across all groups. Individuals in all groups could find themselves liable to make payments of Council Tax for the first time.
Physical		✓	Ability to travel to make payments. Potentially less able to use online or telephone methods for payment and advice. Potential inability to increase income.
Sensory		✓	Ability to access the initial information advising of the change. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.
Learning		✓	Ability to access and understand initial information advising of the change. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.
Mental health		✓	Ability to access and understand initial information advising of the change. Potential difficulties accessing Council in person or by online / telephony routes for payments and advice. Potential inability to increase income.

It has become apparent that awards of full CTB may be masking some households entitled to a Council Tax exemption or discount. To ensure eligible households are protected from reduced CTS awards we will be undertaking a review of class U (severe mental impairment) exemption and the disabled band reduction.

Work status

Work status	All CTB cases		Working age (affected)		Pensioner (not affected)	
	Count	%	Count	%	Count	%
Working	1785	17.99%	1701	29.80%	84	1.99%
Not working	8137	82.01%	4008	70.20%	4129	98.01%
Total	9922	100%	5709	100%	4213	100%

Local schemes are expected not to discourage claimants from taking up employment or increasing hours of work. A higher proportion of households affected are in work compared to the overall CTB population. This is to be expected if, almost inevitably, most working households are in the working age population rather than the pension age population (who are protected by national rules).

Other protected characteristics

There is no data held by ECC Benefits Service for race, sexual orientation, religion or belief. We do not anticipate that there would be any specific impact on these groups compared to what we do know about the population make up of Exeter.

Additional protection in the proposed local scheme

It is recognised that reducing the level of support for all claimants will leave some households in significant financial difficulty. The draft scheme therefore proposes an additional fund be made available to support taxpayers facing exceptional hardship as a result of the reduced support. As a discretionary fund this will allow officers to target extra support towards those most in need.

Devon Strategic Partnership has established a working group to look at the impacts of all welfare reforms and consider methods of mitigating the effects on individuals. ECC has also established a Welfare Reform Action Group to consider the impacts of the welfare changes in 2013 for all Exeter residents.

Consultation

Major preceptors have been consulted throughout the process of developing a draft scheme. The legislation also requires us to consult the public on a draft scheme before it can be adopted. All existing working age CTB claimants have been contacted directly as well as other interested organisations. Publicity will ensure that all residents have the opportunity to contribute to the consultation process throughout August and September. The results of this consultation will inform the evolving impact assessment and the report to full Council for decision on the final scheme.

We have directly asked for feedback on our Equality Impact Assessment from a small group of Exeter advice organisations, we have received feedback from Exeter Citizens Advice Bureau.

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Amendments to the Constitution

Page	Part	Amendment
20	4.02	Add (t) agree the local scheme for Council Tax Support.
56	2.9	Amend to “To approve the Council’s policy framework, annual general fund budget, capital programme, housing revenue account budget, the setting of the council tax, and agreeing the local scheme for council tax support”
67	Within Executive Committee	Add “to recommend to the Council the local scheme for council tax support for the ensuing year”
89	Assistant Director Finance	Add “to operate and administer the local scheme for Council Tax Support for working age claimants on behalf of the Council, including taking all decisions or actions required under the Council’s local policy.” Add “ to operate and administer the scheme for Council Tax Support for pension age claimants on behalf of the Council, including taking all decisions or actions required under the provisions of statute and statutory instrument regulating the scheme” Amend 1. “to include residual council tax benefit.”

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Exeter City Council

Proposed local scheme for
Council Tax Support

Exceptional Hardship Fund Policy
October 2012

Contents

1. Background
2. Exceptional Hardship Fund and Equalities
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8. Change of circumstances
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10. Amount and duration of award
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12. Overpayments
13. Notification of an award
14. The right to dispute a decision
15. Fraud
16. Legislation
17. Complaints
18. Policy review

VERSION CONTROL

Version	Date	Notes
001	October 2012	

1. BACKGROUND

The Exceptional Hardship Fund covers the shortfall between Council Tax liability and payments of Council Tax Support.

It is a cash limited fund which has been set up from the revenue funds of Exeter City Council.

Every customer who is entitled to Council Tax Support and who has a shortfall is entitled to make a claim for help from the Fund.

The main features of the Fund are that:

- Exceptional Hardship Fund payments are discretionary
- Customers do not have a statutory right to a payment
- It is outside of the main Council Tax Support scheme
- It is a cash limited fund
- The Benefits Service will administer the fund
- Exceptional Hardship Fund payments are not a payment of main Council Tax Support
- Council Tax Support must be in payment within the week in which an Exceptional Hardship Fund payment is awarded or in exceptional circumstances where eligibility to Council Tax Benefit at 31 March 2013 has been lost due to the introduction of the Council Tax Support scheme
- Exceptional Hardship Fund payments cannot be awarded to settle arrears of Council Tax

In addition to this fund there is a Discretionary Housing Payments scheme which covers the shortfall between rent and Housing Benefit.

2. EXCEPTIONAL HARDSHIP FUND AND EQUALITIES

The creation of an Exceptional Hardship Fund meets Exeter City Council's obligations under the Equalities Act.

The Government has been clear that, in developing the local Council Tax Support scheme, vulnerable groups should be protected. Other than statutory protection for low income pensioners the Government has not prescribed other groups that local authorities should support. Exeter City Council has designed the Council Tax Support scheme to take account of the legislation that protects vulnerable people.

We recognise the importance of protecting our most vulnerable customers and also the impact these changes could have. We have created an Exceptional Hardship Fund to ensure that we protect and support those most in need. The Exceptional

Hardship Fund is intended to help in cases of extreme financial hardship, not to support lifestyle choices.

3. PURPOSE OF THIS POLICY

The purpose of this policy is to specify how Exeter City Council will operate the scheme, and to indicate some of the factors which will be considered when deciding if an Exceptional Hardship Fund payment can be made.

Each case will be treated on its own merits and all customers will be treated fairly and equally in relation to accessibility to the fund and also the decision making process.

Where a customer is not claiming a Council Tax discount or exemption to which they may be entitled or a welfare benefit or additional financial assistance, they will be advised, and where necessary assisted, in making a claim to maximise their income, before their claim for Exceptional Hardship Fund will be decided.

4. STATEMENT OF OBJECTIVES

The Benefits Service will seek through the operation of this policy to:

- Allow a short period of time for someone to adjust to unforeseen short-term financial circumstances to enable them to manage financially during this time.
- Support people in managing their finances
- Help customers through difficult events that affect their finances.
- Prevent exceptional hardship
- Support financially vulnerable young people in the financial transition to adult life.
- Help those who are trying to help themselves financially
- Alleviate poverty
- Sustain tenancies and prevent homelessness.
- Keep families together
- Encourage and support people to obtain and sustain employment.
- Give support to those who are financially vulnerable.

The Exceptional Hardship Fund is a short-term emergency fund, whilst the customer seeks alternative solutions.

It will not be awarded for the following circumstances:

- Where full Council Tax liability is being met by Council Tax Support
- For any reason, other than to pay Council Tax
- Where the council considers that there are unnecessary expenses and/or debts and that the customer has not taken reasonable steps to reduce these
- To reduce any Council Tax Support recoverable overpayment
- To cover previous years Council Tax arrears
- A shortfall caused by a Department for Work and Pensions sanction or suspension that has been applied because the customer has turned down work/interview/training opportunities
- When Council Tax Support is suspended

5. AWARDING AN EXCEPTIONAL HARDSHIP FUND PAYMENT

The Benefits Service will decide whether or not to award an Exceptional Hardship Fund payment, and how much any award will be.

When making this decision the Benefits Service will consider:

- The shortfall between Council Tax Support and Council Tax liability
- Checking that all eligible Council Tax discounts, exemptions and reductions are granted
- The steps taken by the customer to reduce their Council Tax liability
- Changing payment methods, reprofiling Council Tax instalments or setting alternative payment arrangements in order to make them affordable
- Steps taken by the customer to establish that they are entitled to other welfare benefits.
- Steps taken by the customer in considering and identifying where possible the most economical tariffs for supply of utilities and services
- Steps taken by the customer to identify and reduce non essential expenditure
- If a Discretionary Housing Payment has already been awarded to meet a shortfall in rent
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the customer, their partner and any other occupants of the customer's home

- The financial difficulty experienced by the customer, which prohibits them from being able to meet their Council Tax liability, and the likely length of time this difficulty will exist
- Shortfalls due to non-dependant deductions
- The income and expenditure of the customer, their partner and any other occupants of the customer's home
- All income of the customer, their partner and any other occupants of the customer's home, including those which are disregarded when awarding Council Tax Support
- Any savings or capital that might be held by the customer or their partner
- Other debts outstanding to the customer and their partner
- Whether the customer has already accessed or is in the process of engaging assistance with budgeting and financial/debt management advice. The award of Exceptional Hardship Fund payments may not be made until the customer has accepted assistance either from ECC or an appropriate advice service, and taken steps to manage their finances more effectively.
- The exceptional nature of the customer and/or their family's circumstances that impact on finances
- The length of time they have lived in the property
- The amount available in the Exceptional Hardship Fund at the time of the application

The list is not exhaustive and other relevant factors and special circumstances will be considered.

An award of Exceptional Hardship Fund does not guarantee that a further award will be made at a later date, even if the customer's circumstances have not changed.

The Exceptional Hardship Fund payment may be less than the difference between the Council Tax liability and the amount of Council Tax Support paid.

6. PUBLICITY

The Benefits Service will publicise this fund and will work with advice and other organisations to achieve this. A copy of this policy will be made available for inspection and will be published on Exeter City Council's website.

7. MAKING A CLAIM

A claim to the Exceptional Hardship Fund will be accepted in whatever format it is made, this may be in writing, by email, face to face or over the telephone. An application can be made by the applicant, a third party or advocate.

Applications to the Exceptional Hardship Fund may also be made by referral from a member of Exeter City Council staff or from an advice agency or organisation representative

Following the initial claim the applicant will be asked to complete a form detailing their income and expenditure for the decision making process to begin and additional information may be requested to support the application.

8. CHANGE OF CIRCUMSTANCES

The Benefits Service may revise an award of Exceptional Hardship Fund where the customer's circumstances have changed which either increases or reduces their Council Tax Support entitlement

9. DUTIES OF THE CUSTOMER

A person claiming an Exceptional Hardship Fund Payment is required to:

- Give the Council such information as it may require to make a decision.
- Tell the Council of any changes in circumstances that may be relevant to their ongoing claim.
- Give the Council such other information as it may require in connection with their claim.

10. AMOUNT AND DURATION OF AWARD

Both the amount and the duration of the award are determined at the discretion of Exeter City Council, and will be done so on the basis of the evidence supplied and the circumstances of the claim

- The start date of an award will usually be the Monday after the claim for an Exceptional Hardship Fund payment is received by the Benefits Service, although it may be possible to backdate this award, based upon the individual circumstances of each case.
- The Exceptional Hardship Fund will normally be paid for a minimum of one week
- The maximum length of the award will not exceed the end of the financial year in which the award is given.

11. PAYMENT OF AWARD

Any Exceptional Hardship Fund payment will be paid directly to the customer's Council Tax account, reducing the amount of Council Tax payable.

12. OVERPAID EXCEPTIONAL HARDSHIP FUND PAYMENTS

Overpaid Exceptional Hardship Fund payments will generally be recovered directly from the customers council tax account, increasing the amount of council tax due and payable.

13. NOTIFICATION OF AN AWARD

The Council will notify the outcome of each application for Exceptional Hardship Fund payments in writing. The notification will include the reason for the decision and advise the customer of their dispute rights.

14. THE RIGHT TO DISPUTE A DECISION

Exceptional Hardship Fund payments are not payments of Council Tax Support, and are therefore not subject to the statutory appeal process.

If the customer is not satisfied with a decision in respect of:

- an application for an Exceptional Hardship Fund payment
- a decision not to award an Exceptional Hardship Fund payment
- a decision to award a reduced amount of Exceptional Hardship Fund payment
- a decision not to backdate an Exceptional Hardship Fund payment
- a decision that there has been an overpayment of an Exceptional Hardship Fund payment

Exeter City Council will look at the decision again.

An officer, other than the original decision maker, will consider the dispute by reviewing the original application and any additional information and/or representation made and will make a decision within 14 days of referral or as soon as practicable thereafter. This decision will be final.

Any request for a review must be made in writing, within one month of the date of the notification letter confirming the original decision.

The outcome of the dispute will be in writing, detailing the reasons for a change in the original decision or upholding the original decision.

15. FRAUD

The Benefits Service is committed to protect public funds and ensure payments are paid to the people who are rightfully entitled to them.

A customer who claims an Exceptional Hardship Fund payment by falsely declaring their circumstances, providing a false statement or false evidence in support of their application, may have committed an offence.

Where Exeter City Council suspects that such an offence may have been committed, this matter will be investigated as appropriate and could lead to criminal proceedings.

16. LEGISLATION

Section 9 of the Local Government Finance Bill 2012 amends section 13A of the Local Government Finance Act 1992 and sets out the requirement for local authorities to develop and adopt a localised Council Tax Support Scheme. This Exceptional Hardship Fund Policy forms part of this scheme.

17. COMPLAINTS

Exeter City Council's 'Complaints, compliments and suggestions procedure' (available on our website at: <http://www.exeter.gov.uk/index.aspx?articleid=9261>) will be applied in the event of any complaint received about this policy.

18. POLICY REVIEW

This policy will be reviewed every 3 years and updated as appropriate to ensure it remains fit for purpose. However, the review may take place sooner should there be any significant changes in legislation or ECC policy.

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Exeter City Council

Proposed local scheme for
Council Tax Support

Vulnerability Statement

October 2012

CONTENTS

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- 2 Purpose of the vulnerability statement
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- 4 Statutory framework and other considerations
- 5 Local Government Finance Bill 2011 (Pensioners)
6. Equality Act 2010 (Protected characteristics including applicants defined as Chronically Sick and Disabled)
7. Child Poverty Act 2010 (Households with children)
8. Housing Act 1996 (Prevention of Homelessness)
9. Armed Forces Covenant
10. Work incentive
11. Council Tax Support Exceptional Hardship Fund

1. Introduction

Section 9 of The Local Government Finance Bill 2011 (which is currently passing through parliament) amends s.13A of the Local Government Finance Act 1992 and requires all local authorities working within this legislative framework to design their own Council Tax reduction scheme, Exeter City Council's scheme is called the Council Tax Support Scheme.

With effect from 1 April 2013 a local Council Tax Support scheme will replace the national Council Tax Benefit statutory scheme for working age people (S.I 2006/215) as the method of supporting low income households to pay their council tax. In designing this new scheme Exeter City Council has adopted the core elements of the Council Tax Benefit statutory scheme, which is a proven and robust system of support that gives financial support to the most vulnerable.

The Government has been clear that in developing a local Council Tax Support scheme, vulnerable groups should be protected. Other than statutory protection for low income pensioners the Government has not prescribed other groups that local councils should support. Exeter City Council has tailored their scheme to take account of the legislation that protects vulnerable people.

2. Purpose of the vulnerability statement

This statement sets out Exeter City Council's approach to defining and assisting those deemed as vulnerable. In doing so it seeks to:

- Protect those who are state pension credit age
- Help those who are trying to help themselves
- Encourage and support people both into employment and those already in employment

3. Accessibility of the Council Tax Support Scheme

In order to ensure that all customers have equal access to Council Tax Support, Exeter City Council is committed to ensuring that information is available through different communication channels and in a range of formats designed to engage all vulnerable and hard to reach customers within our community.

In doing this, we will ensure that:

- We aim to make all information about our Council Tax Support scheme available in alternative formats and languages.

- Claim forms for Council Tax Support will be available on line or by visiting our offices.
- Customers can contact us by telephone or email, or have face-to-face contact at our offices or by requesting a visit to their home.
- Additional information about our Council Tax Support scheme will be available on our website and will be publicised in additional media.
- We will work closely with welfare groups and other agencies who support our customers to ensure they can access the Council Tax Support they are entitled to.

4. Statutory framework and other considerations

In developing this policy Exeter City Council has taken account of the following statutes:

- Local Government Finance Bill 2011 (protection for low income pensioners)
- Equality Act 2010 (public sector equality duty)
- Child Poverty Act 2010 (duty to mitigate the effects of child poverty)
- Housing Act 1996 (duty to prevent homelessness)

It also takes account of:

- Work incentive principles set out in the Welfare Reform Act 2012
- Armed Forces Covenant 2011

5. Local Government Finance Bill 2011 – State Pension Credit Age Applicants

5.1 Definition

The Local Government Finance Bill 2011 prescribes protection for classes of people who must or must not be included in the scheme. The Draft Council Tax Reduction Schemes (Prescribed Requirements) Regulations prescribes the classes of pensioners entitled to a reduction under the statutory scheme. This aims to protect the support provided under the current Council Tax Benefit statutory scheme (S.I 2006/216) to low income pensioners.

5.2 Eligibility under the Local Government Finance Bill & Draft Council Tax Reduction Schemes (Prescribed Requirements) Regulations

- Applicants in receipt of guaranteed pension credit or who have income below their applicable amount will receive full council tax support subject to relevant non-dependent deductions (Class A)

- Those applicants who have income in excess of their applicable amount will have 20% of the excess income deducted from their maximum support and will also be subject to relevant non-dependent deductions (Class B).
- Someone who has attained the qualifying age for state pension credit and has at least one second adult living with them will qualify for Alternative Maximum Council Tax Reduction (Second Adult Rebate). A second adult is someone who is not the applicant's partner and not someone who pays rent on a commercial basis. Typically a second adult is an adult friend or relative who is on a low wage and/or other welfare benefits (Class C).
- Council Tax Support for state pension credit age applicants and Second Adult Rebate cannot be paid together; it will be the highest entitlement that will determine which support is paid.

6. Equality Act 2010 (Protected characteristics including applicants defined as Chronically Sick and Disabled)

6.1 Definition

As part of the Equality Act 2010 (section 149) the Council has paid due regard to the following in designing its Council Tax Support scheme:

- Eliminate unlawful discrimination (harassment, victimisation and any other prohibited conduct)
- Advance equality of opportunity between those people who share a relevant protected characteristic and people who do not share it
- Foster good relations between those who share a relevant protected characteristic and people who do not share it

The relevant protected characteristics, as defined by the equality duty, are:

- Age (including children and young people);
- Disability;
- Gender reassignment;
- Pregnancy and maternity;
- Race;
- Religion or belief;
- Sex;
- Sexual orientation.

Marriage or civil partnership status (in respect of the requirement to have due regard to eliminate discrimination)

In developing the Council Tax Support scheme and this statement, Exeter City Council has undertaken an Equality Impact Assessment (EIA) and given due regard to its findings to ensure it does not lead to unlawful discrimination.

The following pieces of legislation set out the council position and responsibility for those who are disabled:

- Chronically Sick and Disabled Persons Act 1970
- Disabled Persons (Services, Consultation and Representation) Act 1986
- Disability Discrimination Act 1995
- Equality Act 2010

6.2 How this statement addresses the issues of disability

Exeter City Council's Council Tax Support Scheme will maintain the key elements of the Council Tax Benefit statutory scheme, and as such provides protection in the overall calculation of support for disabled customers.

Our Council Tax Support Scheme will continue to disregard income received specifically relating to disability in the financial assessment as defined in the current Council Tax Benefit statutory scheme. This means that all income received from defined disability income will not be included. The affect of this is that these customers will be able to retain more of their income before their Council Tax Support is reduced.

In addition to this, the calculation of support will also include all of the premiums which existed under the Council Tax Benefit statutory scheme:

- Disability Premium – awarded when a customer or their partner (if any) is disabled and receive either a qualifying disability benefit or meet defined disability criteria
- Enhanced Disability Premium – awarded where either the customer or their partner or a dependent child is in receipt of a qualifying disability benefit or component.
- Severe Disability Premium – awarded when both customer or their partner (if any) are both severely disabled and receive either a qualifying disability benefit or meet defined disability criteria
- Work related activity component – where this component is awarded to a customer or their partner's Employment and Support Allowance
- Support component – where this component is awarded to the customer or their partner's Employment and Support Allowance
- Disabled Child Premium – awarded for all children in the household who receive a qualifying disability benefit.

In all situations where a customer or their partner (if any) is classed as disabled under the scheme, then no non-dependant deductions will be made where the customer or their partner is registered blind or where they are in receipt of the Care Component of Disability Living Allowance/future Personal Independence Payments.

7. Child Poverty Act 2010

7.1 Definition

The Child Poverty Act 2010 places the following duties on local authorities and their partners to:

- Co-operate to tackle child poverty in their area
- Prepare and publish a local child poverty needs assessment
- Prepare a joint local child poverty strategy
- Take child poverty into account when preparing or revising their Sustainable Communities Strategy

In partnership, Devon County Council and all the district councils, including Exeter City Council has signed up to the Devon Strategic Partnership's Child Poverty Strategy. In developing the Council Tax Support scheme and this statement Exeter City Council has taken into account the Local Child Poverty Needs Assessment and the Child Poverty Strategy.

Furthermore, Exeter City Council has taken account of the Government's National Strategy for tackling child poverty: *Tackling the causes of disadvantage and transforming families' lives published in April 2011.* (<https://www.education.gov.uk/publications/standard/publicationDetail/Page1/CM%208061>). The Council Tax Support scheme therefore supports the key measures within this strategy to strengthen families, encourage responsibility, promote work and guarantee fairness and provide support to the most vulnerable.

7.2 How this statement addresses the issue of child poverty

Exeter City Council recognises the importance of maintaining the components within the Council Tax Benefit statutory scheme that give additional protection to families.

These allow for the following incomes to be disregarded in the financial assessment of Council Tax Support:

- All Child Benefit
- All Child Maintenance
- All other income payable to children
- Up to £175.00 per week for one child and £300.00 per week for two or more children towards childcare payments, for working families under defined criteria.

When assessing a claim for Council Tax Support a family's income will be compared to their applicable amount (living allowances). The applicable amount will copy the provisions defined within the current Council Tax Benefit statutory scheme. The applicable amount will contain the following elements:

- Child personal allowance – an allowance for each dependant child in the applicant’s household
- Family Premium – where there is at least one child in the household
- Disabled Child Premium – where a child is in receipt of any component of Disability Living Allowance or a comparable component of Personal Independence Payments or is registered blind or is treated as blind.
- Enhanced Disability Premium – where a child is in receipt of the highest rate of the care component of Disability Living Allowance or the equivalent component of future Personal Independence Payments.

Child care disregards

To support families who are working and those going into work, allowances can be made from earnings in respect of eligible childcare costs when defined criteria (below) are met and the childcare is provided by a registered childcare provider or after school club.

A weekly childcare disregard will be applied under the following criteria:

Where a customer is a lone parent and works 16 or more hours each week

Where a couple both work 16 hours or more each week

Where one partner works 16 or more hours each week and the other partner is incapacitated, a hospital in-patient or is in prison.

8. Housing Act 1996 & Homelessness Act 2002

8.1 Definition

Under the Housing Act 1996 Exeter City Council has a duty to help homeless people defined as priority need and to prevent homelessness within vulnerable groups. Where people apply to Exeter City Council for assistance we will give careful consideration to the circumstances that have led to homelessness and make our decisions on accommodation provision accordingly. Under the Homelessness Act 2002 Exeter City Council has a duty to prevent homelessness and provide a homelessness advice service, further information on this can be found in Exeter’s Homelessness Strategy 2008 & Homelessness Strategy Action Plan Update 2011 at <http://www.exeter.gov.uk/index.aspx?articleid=10040&detailid=3641>

Exeter City Council has given consideration to the threat of homelessness in the development of the local Council Tax Support scheme.

8.2 How this statement addresses the issues within the Housing & Homelessness Acts

- Exeter City Council will ensure that any applicant who is supported under our Homelessness Strategy will also be supported to apply for Council Tax Support once they have secured accommodation
- Exeter City Council will ensure that any applicant at risk of homelessness and who is vulnerable will be assisted to apply for Council Tax Support

9. Armed Forces Covenant 2011

9.1 Definition

In 2011 the Government launched the tri-service armed services covenant which it intends to enshrine in the Armed Forces Bill

A Community Covenant is a voluntary statement of mutual support between a civilian community and its local Armed Forces Community. It is intended to complement, at local level, the Armed Forces Covenant, which outlines the moral obligation between the Nation, the Government and the Armed Forces.

The aims of the Armed Forces Community Covenant are to:

- encourage local communities to support the Armed Forces community in their areas
- nurture public understanding and awareness amongst the public of issues affecting the Armed Forces community
- recognise and remember the sacrifices faced by the Armed Forces community
- encourage activities which help to integrate the Armed Forces community into local life
- to encourage the Armed Forces community to help and support the wider community, whether through participation in events and joint projects, or other forms of engagement

(Above extract from <http://devonarmedforces.wordpress.com/covenant/>)

Exeter City Council has signed up to the Armed Forces Covenant and has considered this obligation in developing the Council Tax Support scheme

9.2 How this statement meets the Armed Forces Covenant

- Exeter City Council will continue to disregard War Disablement Pension and War Widows Pension payments from the calculation of Council Tax Support under the provision of s.139 of the Social Security Administration Act 1992 as currently applied locally under the Council Tax Benefit statutory scheme.
- A higher earnings disregard (£20.00 per week) for an applicant or their partner who is an Armed Forces reservist

10. Work incentive

10.1 Definition

As part of the Council Tax Support scheme Exeter City Council wishes to support and provide incentives for applicants to return to work or to support those already working to increase the hours they work, wherever possible.

The Council Tax Support scheme reflects the following principles:

- People should get more overall income in work than out of work.
- People should get more overall income from working more and earning more.
- People should be confident that support will be provided whether they are in or out of work that it will be timely and correct and that claiming will not be a complicated and frustrating experience.

10.2 How this statement provides work incentives

Exeter City Council wants to support applicants back into work & financial independence. The Council Tax Support scheme will achieve this by supporting both customers in receipt of benefits or on a low income.

We are retaining the core elements within the Council Tax Benefit statutory scheme which means that support is reduced based upon a 20% withdrawal rate. This means that where a customer's income exceeds their applicable amount a deduction of 20p for every £1 will be made from Council Tax Support.

- When calculating weekly earned income a net figure will be used, this will be gross earnings less all Income Tax, National Insurance contributions (not voluntary contributions) and half of any pension contribution. In addition one of the following disregards will be applied:
 - £5.00 of weekly earnings for single customers
 - £10.00 of weekly earnings for couples
 - £20.00 of weekly earnings for people who are disabled or long term sick, carers or part-time fire fighters, auxiliary coast guards, part-time life boat workers and members of the Territorial Army and other reserve forces
 - £25.00 of weekly earnings for lone parents
- Where the applicant or their partner is able to undertake work on or above a defined number of hours then an additional earnings disregard may be applied;
- A childcare costs disregard of up to £175.00 for one child or up to £300.00 for two or more children can be given where the applicant or their partner is working and meet specified criteria, please see childcare disregards above at 7.2.
- An additional four week extended payment of support can be awarded when the customer moves into work and meets specified conditions. The extended payment will give support at the pre work entitlement to allow for the additional costs incurred when starting work.

11 Council Tax Support Exceptional Hardship Fund

Exeter City Council recognises that there may be exceptional circumstances where customers are unable to meet the shortfall between their Council Tax liability and the Council Tax Support they receive.

Exeter City Council's Exceptional Hardship Fund Policy ensures that those who are most vulnerable and in greatest financial hardship can access additional financial assistance from the Exceptional Hardship Fund.

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Exeter City Council

Proposed local scheme for
Council Tax Support

Band D restriction report
October 2012

Impact on current Council Tax Benefit claims being reduced to Band D under the proposed Council Tax Support scheme

From the information gathered from our current case load on 19.09.2012, capping to a Band D would affect 70 claims (Appendix A).

Of these 70 cases, 14 (20%) would no longer be eligible for any Council Tax Support (CTS). From these ineligible cases, 8 (over 57%) are families with children of school age or younger.

A further 16 (over 22%) of claims would be affected because of the need for a larger property due to the number of people residing in the property. Not all of these have dependant children living with them, but need a larger home due to non-dependants or boarders/lodgers.

Example

Customer is a lone parent and has 2 non dependants living with her, one of which is a student. The other non-dependant has a child of her own. The customer also has a 19 year old currently in college so they are still classed as a dependant. For Housing Benefit (HB) purposes they have a Local Housing Allowance (LHA) need for a 5 bedroom property but they are living in a 4 bedroom house, the property is currently in a Band F.

The customer is receiving JSA (IB) restricting banding to a D and applying the 30% reduction reduces CTS to £19.80* from current Council Tax Benefit (CTB) of £40.86 per week, leaving a shortfall of £21.06 per week.

From the 70 cases, 29 (over 41%) are owner occupiers, claiming either because of low incomes, or they are on a benefit such as IS/JSA/ESA.

Example

Customer lives with partner. Mr is working and they do not currently receive Tax Credits, he is self employed and on a low income.

They have 4 children; two of these are non-dependants, one having a 2 year old child. The other 2 children are both in education and are treated as dependants. If claiming HB their LHA bedroom rate would be 6, they occupy a band G property. Restricting to a band D together with the 30% reduction would mean a new CTS entitlement of £9.95* a week, a loss of £27.34 per week.

One case affected is a household placed in accommodation by ECC as a homeless case.

Example

The customer, partner and 5 children have been placed in a Band E, five bedroom property that is over their LHA need of 4 bedrooms. From April 2013 they will receive a 14% reduction on their maximum rent for having one bedroom more than they need in social sector housing, restricting the HB they will receive. Restricting to a band D together with the 30% reduction would mean a new CTS entitlement of £4.11* a week, a loss of £14.77 per week.

Comparing to the rent that is charged, 55 cases (over 78%) of the 70 identified are within, or under their LHA rate, so it could be unlikely to find cheaper accommodation for their current needs.

Example

Customer, partner and 5 children have an LHA need of 5 bedrooms. They are currently living in a 4 bedroom property. The rent they are charged is £950 per calendar month (pcm), the LHA rate on the property is £950.00 pcm. The Council Tax charge is a Band E. Restricting their liability to a Band D and applying the 30% reduction will reduce CTS entitlement to £0.42* per week, a loss of £16.77 per week.

Restricting all the above cases could cause financial difficulty for current CTB customers who continue to claim under CTS. Customers could potentially have to prioritise paying Council Tax over other household expenses. It could cause families to consider splitting the family unit up in order to move to smaller properties. This could potentially cost more from ECC's CTS budget as Council Tax Support would need to be claimed for extra households.

Out of the 70 cases 15 (over 21%) are customers who have accommodation above their LHA bedroom need.

Example

Customer and partner live in a 5 bedroom property with their non-dependant student son, their LHA bedroom need is 2. The rent on the property is £1333.33 per calendar month and their Council Tax Band is G. They currently receive maximum CTB of £47.14 per week based on a standard claim, applying the Band D restriction and reducing liability by 30% would leave £27.34* to pay each week.

The savings identified by restricting just those cases that are over accommodated would be £10,792

*All calculations for CTS from April 2013 are based on the current year Council Tax charges and CTB applicable amounts.

This report data was compiled by Sharon Church, AssessmentTeam Manager.

CTS Consultation feedback:

We asked for views on limiting the amount of Council Tax Support for working age people to a band D charge as part of the full CTS consultation on proposed changes.

Q.2a - How strongly do you agree or disagree that working age people living in properties with a higher Council Tax charge who currently receive Council Tax Benefit should pay more?

Question 2a	Claiming CTB?			
	No	Yes	Not answered	Grand Total
Agree / strongly agree	71%	43%	38%	47%
Neither agree nor disagree	9%	21%	24%	20%
Disagree / strongly disagree	21%	35%	32%	33%

Q.2b - How strongly do you agree or disagree with us limiting the amount of Council Tax Support to a band D charge for working age people?

Question 2b	Claiming CTB?
-------------	---------------

	No	Yes	Not answered	Grand Total
Agree / strongly agree	64%	36%	35%	41%
Neither agree nor disagree	10%	28%	27%	25%
Disagree / strongly disagree	26%	35%	35%	33%

Q.2c - Would this change have an effect on your household?
(answer Yes or No)

If you have said that this change would affect you, please tell us how:

Categorised responses	Yes
Agree if over accommodated	1
Working / capable of work should pay	1
Benefits too generous	1
Make scheme more generous	2
Generally agree larger homes should be capped	3
General - disagree	6
Unfair on large families & others	13
Concern people would not be able to pay	98
Grand Total	125

Q, 2d – Do you have any further comments about this change?

Selection of comments:

- why should the size or what does the size of house have to do with the ability to pay if someone cannot genuinely afford to pay this should have no relevance
- Again - it is clearly ridiculous that someone is living in Band H in some huge house and yet the state is completely subsidising them whilst I am in a Band A flat and am paying £62/month as a single parent. Obviously they have the money tied up in a house - if they can't pay the council tax which goes along with it they should downsize so they can afford it - not expect everyone else to pay. I think this current situation is laughable and an insult to those working people who really find it hard just to get by on a day to day basis.
- As long as it is phased in, it looks reasonable to me. what is hard to justify is a sudden change allowing payers no chance to make the financial adjustment in a planned way.
- I don't think any benefits should cover people to live in very large properties. They always have the option to move somewhere smaller if they are unable to afford the bills. Its about managing on what income you have and making changes needed.
- I feel that there should be something in place for households where their requirement to claim benefits is short term. However in long term situations,

the household would be able to make choices about where they live, better suited to their income.

- i would hope that this change could perhaps take affect after a period of grace should peoples circumstances change, for them to get back on their feet
- In the example given suddenly having to find an extra £1400 per year for a low income household will be very challenging indeed. The value of a house is not necessarily an indicator of household income. Has any thought been given to a phasing of the new system?
- At first sight this change seems reasonable. However, it is not reasonable to expect a family to move home to reduce Council Tax, and in any case such a family would have trouble meeting all the costs of moving house. And a family whose income is so low that they qualify for CT Benefit would face severe hardship if they were forced to meet part of their Council Tax bill without assistance: benefit levels and the income level at which a household qualifies for means-tested benefits are very low in relation to the cost of living.

In conclusion, as an alternative to restricting to a Council Tax band D the council could consider restricting to band E or F to limit the effect of this proposal or to consider only restricting to cases where accommodation is under occupied. However we do not hold data to be able to determine under occupation, and our software system cannot cater for this at present. Alternatively ECC could consider not adopting this proposal within the Council Tax Support scheme.

APPENDIX A

	Original Annual Benefit	Savings	Band	Child Under 5	Number of Dependant Children	Family Characteristic	Loss with children
1	£1,604	£744	E		1	Couple with children	£744
2	£298	£298	E			Single no children	£0
3	£1,803	£744	E		2	Couple with children	£744
4	£2,458	£1,400	G		2	Couple with children	£1,400
5	£426	£426	E			Single no children	£0
6	£1,844	£1,050	G		1	Single with children	£1,050
7	£665	£558	E			Single no children	£0
8	£1,352	£558	E		1	Single with children	£558
9	£1,958	£1,176	F		1	Single with children	£1,176
10	£656	£558	E		1	Single with children	£558
11	£1,352	£558	E	Yes	5	Single with children	£558
12	£802	£372	E			Single no children	£0
13	£1,803	£744	E			Single no children	£0
14	£901	£372	E			Single no children	£0
15	£1,065	£536	F			Single no children	£0
16	£896	£744	E	Yes	4	Couple with children	£744
17	£794	£744	E			Single no children	£0
18	£2,130	£1,072	F		1	Single with children	£1,072
19	£1,803	£744	E	Yes	5	Couple with children	£744
20	£1,352	£558	E			Single no children	£0
21	£1,969	£1,072	F		2	Couple with children	£1,072
22	£1,736	£744	E	Yes	3	Couple with children	£744
23	£592	£558	E		2	Single with children	£558
24	£1,598	£804	F		2	Single with children	£804
25	£1,803	£744	E		2	Couple with children	£744
26	£436	£436	E		2	Single with children	£436
27	£973	£744	E		3	Couple with children	£744
28	£2,026	£1,072	F	Yes	5	Couple with children	£1,072
29	£2,130	£1,072	F		2	Couple with children	£1,072
30	£1,352	£558	E			Single no children	£0
31	£1,229	£700	G			Single no children	£0
32	£1,229	£700	G			Single no children	£0
33	£1,065	£536	F		2	Couple with children	£536
34	£666	£558	E		4	Single with children	£558
35	£1,631	£849	E		1	Couple with children	£849
36	£135	£135	E			Single no children	£0
37	£1,092	£558	E		3	Single with children	£558
38	£962	£558	E		1	Single with children	£558
39	£1,286	£1,286	E			Single no children	£0
40	£1,592	£744	E		1	Couple with children	£744
41	£2,130	£1,072	F			Couple no children	£0
42	£985	£744	E	Yes	5	Couple with children	£744
43	£1,352	£558	E		3	Single with children	£558
44	£1,803	£744	E		2	Single with children	£744
45	£1,598	£804	F		1	Single with children	£804
46	£1,803	£744	E	Yes	3	Couple with children	£744
47	£1,352	£558	E			Single no children	£0
48	£1,598	£804	F			Single no children	£0
49	£601	£248	E			Single no children	£0
50	£527	£527	E		1	Couple with children	£527
51	£144	£144	E		2	Couple with children	£144

52	£2,458	£1,400	G			Couple no children	£0
53	£1,352	£558	E			Single no children	£0
54	£139	£139	F			Single no children	£0
55	£1,598	£804	F		2	Single with children	£804
56	£1,944	£1,726	G		2	Couple with children	£1,726
57	£587	£587	E		2	Couple with children	£587
58	£811	£744	E		2	Couple with children	£744
59	£1,352	£558	E		4	Single with children	£558
60	£320	£320	F			Single no children	£0
61	£1,598	£804	F	Yes	3	Couple with children	£804
62	£207	£207	E		2	Couple with children	£207
63	£516	£516	G	Yes	4	Couple with children	£516
64	£320	£320	F			Single no children	£0
65	£1,352	£558	E		1	Single with children	£558
66	£1,571	£744	E		2	Couple with children	£744
67	£1,352	£558	E		1	Single with children	£558
68	£2,036	£2,036	F	Yes	3	Couple with children	£2,036
69	£683	£683	F		2	Couple with children	£683
70	£560	£558	E		1	Single with children	£558
Total Loss to homes with children							£35,754

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EXETER CITY COUNCIL

EXECUTIVE
20 NOVEMBER 2012

TECHNICAL REFORMS TO COUNCIL TAX

1 PURPOSE OF REPORT

1.1 This report sets out the Technical Reforms to Council Tax that the Government is introducing from April 2013. The reforms give billing authorities more flexibility on some of the discounts that can be granted which will provide the opportunity to generate additional income. This flexibility relates to:

- Second Homes
- Empty Properties
- Properties undergoing or requiring structural works

1.2 In addition, there are some other reforms which include;

- The right to pay council tax by 12 monthly instalments
- Enabling billing authorities to publish council tax information on their website rather than in paper format.
- Making the mortgagee (the lender) responsible for paying the council tax when a property is repossessed.

2 BACKGROUND

2.1 These reforms will provide billing authorities the opportunity to make local decisions on some of the council tax discounts and to generate additional income for all the precepting authorities. It should also encourage landlords and homeowners to bring properties into use more quickly.

2.2 The Government consulted on these reforms in October 2011 and published its summary of responses and conclusions in May 2012.

2.3 These reforms are now contained in the Local Government Finance Act 2012, which has recently gained Royal Assent. The regulations that will set out the technical changes are unlikely to be made until late November/December 2012.

3 SECOND HOME DISCOUNTS

3.1 Billing Authorities will be able to charge full council tax on second homes from 1 April 2013. Currently the maximum Billing Authorities can charge in council tax for a second home is 90%.

3.2 A second home for the purpose of council tax is a property that is unoccupied (not someone's sole or main residence) but is furnished. This means that properties that are being marketed for sale but are furnished are treated for the purpose of council tax as a second home. This would also apply to furnished tenancies where there are gaps in occupation.

3.3 As at 1 November 2012 the Council had 471 properties classified as second homes for the purpose of council tax. The additional income this could generate if the discount was set at 0% would be in the region of £59,000, with Exeter's proportion being about £5,000.

4 EMPTY PROPERTIES – CLASS C EXEMPTION

- 4.1 Properties that are empty (unoccupied and unfurnished) are currently eligible for up to six months' exemption. This is referred to as a Class C exemption. The Government is abolishing this exemption and replacing it with a discount, between 0% and 100%. There will also be flexibility over the time-period which allows billing authorities the ability to be able to retain a period where there is no charge being levied.
- 4.2 It is worth noting that the current Class C exemption is mainly granted for one of the following reasons:
- The property is empty between tenancies
 - The property is being sold and the owner has moved out
 - The property has been purchased and the owner or tenant has not yet moved in
 - Newly built properties after they have been completed but remain empty
- 4.3 The majority of the exemptions are for short periods and therefore the sums are relatively small. When the Government consulted on this reform the main argument against this measure came from landlords, who felt that it was unfair that they should instantly become liable for council tax when a tenancy ended.
- 4.4 The additional burden for Landlords where there are gaps between tenancies could potentially mean this cost being passed direct onto tenants in the form of higher rents. A number of our Landlords are also being impacted by other welfare changes.
- 4.5 From an administrative perspective it would not be cost effective in having to bill, collect and recover very small amounts of money and inevitably there would be challenges over liability.
- 4.6 However, in contrast 6 months exemption is more generous than what empty shops/offices get under business rates which is limited to 3 months.
- 4.7 As at 1 November 2012 the Council had 170 properties in receipt of the Class C Exemption for the purpose of council tax. It is proposed that from 1 April 2013, the discount be set at 100% for the first 2 months and then 0% for the next 4 months. The additional income this could generate would be in the region of £184,000, with Exeter's proportion being £16,000.

5 LONG TERM EMPTY PROPERTIES

- 5.1 The Government has introduced a provision whereby a billing authority can levy a premium of up to 50% of the council tax payable on top of the normal council tax for properties that have remained empty for a period of 2 years or more. For the purposes of council tax a property is classified as empty when it is unoccupied and unfurnished. The premium could not be applied to properties that are exempt from council tax.
- 5.2 The intention behind this change is to encourage owners of long term empty properties to return them into use.
- 5.3 The Government issued a further consultation document on 28 September 2012 where they believe that there are circumstances where a premium would be inappropriate to apply, these are:
- A dwelling which is genuinely on the market for sale or letting
 - A dwelling which is the sole or main residence of a member of the armed forces, who is absent from the property as a result of such service

- An annex deemed unoccupied because it is being treated by the occupier of the main dwelling, as part of that main dwelling
- 5.4 The consultation will close on 9 November 2012 and within the consultation document it states 'It is the Government's intention that the premium will be able to be levied from 1 April 2013 and properties which will not be liable for the premium will be finalised by this date'.
 - 5.5 Members may wish to consider whether there are other circumstances in which they would not wish to levy the Premium.
 - 5.6 The Council is committed to bringing empty homes back into use. The premium could provide the Empty Homes team with an important tool in achieving this aim.
 - 5.7 As at 1 November 2012 the Council had 223 long term empty properties and of these 61 had been empty for more than 2 years. The premium could generate additional income in the region of £65,000, with Exeter's proportion being £6,000.
 - 5.8 It is proposed that the premium of 50% be levied on empty homes from 1 April 2013 (excluding those that the Regulations will not apply to).
 - 5.9 It is also proposed that the 10% discount currently granted to long term empty properties be removed from the 1 April 2013. The Local Government Finance Act 2003 gave local authorities the powers to grant either no discount or a 10% discount. The Council previously agreed that from the 1 April 2004 the 10% discount would be granted on long term empty properties. By removing this discount additional income of £31,000 would be generated, with Exeter's proportion being £3,000.

6 PROPERTIES UNDERGOING STRUCTURAL/MAJOR REPAIR WORK – CLASS A EXEMPTION

- 6.1 Currently properties that are empty (unfurnished) and require or are undergoing structural or major repair works are eligible for a Class A exemption. This means that they are fully exempt from council tax for up to 12 months, or 6 months after the works are completed, whichever is shorter.
- 6.2 This exemption is being abolished and the Billing Authority is required to set its own level of discount, between 0% and 100% for the 12 month period. Unlike Exemption C the Government are not intending to allow Billing Authorities the flexibility of setting different levels of discount over the 12 month periods.
- 6.3 Members need to consider whether they should replicate the current level of relief or provide some level of discount in order to promote property development, particularly supporting major upgrading and improvements to poor quality housing stock or properties that are considered a blight in our communities.
- 6.4 If Members set the discount at lower than 100% this would mean that you would be introducing council tax bills from the start of their projects, therefore introducing extra overheads from the beginning.
- 6.5 It is proposed that Members set the discount at 50% from 1 April 2013. This percentage is what the majority of other Devon Authorities are proposing to their Councils for approval. As at 1 November 2012 the Council had 50 properties in receipt of the Class A Exemption for the purpose of council tax. The additional income this could generate would be in the region of £35,000, with Exeter's proportion being £3,000.

7 FINANCIAL SUMMARY

- 7.1 The following table shows the additional council tax income that could be generated by making the proposed changes:

Technical Reform	Additional income	Exeter's proportion
Second Homes	£59,000	£5,000
Exemption C	£184,000	£16,000
Long Term Empty Premium	£65,000	£6,000
Exemption A	£35,000	£3,000
Removal of Long Term Empty discount	£31,000	£3,000
TOTAL	£374,000	£33,000

8 OTHER REFORMS

8.1 Paying council tax over 12 months

8.1.1 The Government has given consideration to whether council tax should be payable over a 12 month period rather than 10. The Government intends to leave the default position at 10 months but allow council taxpayers the right to request to pay over 12 months. This is due to come in from April 2013.

8.1.2 Clearly if a significant proportion of our customers opted to pay by 12 instalments then this would cause a financial implication on interest received as the majority of council tax is collected by January of each financial year. It would also impact on how money is paid out to the major precepting authorities.

8.1.3 The Council has always allowed customers to pay by 12 instalments on request. This is not something that has been promoted on council tax bills, but is now likely to be made a legal requirement. It is expected that a number of working age benefit customers (because of localising council tax support /less funding) may opt to pay by 12 months, especially those that have never paid council tax before.

8.2 Publishing council tax information on our website

8.2.1 From next year it will no longer be a requirement to publish the quantity of information currently provided in the council tax leaflet that is sent out with the council tax bills. This can now be made available on-line, subject to the right of any customer, who requires a hard copy. The council will need to consider how best it wishes to communicate with householders in view of this change.

8.3 Mortgagee (lender) in possession

8.3.1 The current exemption Class L which applies to a Mortgagee in Possession is to be abolished and will mean the lender will be liable to pay the council tax. This only applies where the property is unoccupied. As at 1 November 2012 we had 4 customers in receipt of this exemption.

9 RESOURCE IMPLICATIONS

- 9.1 The reforms will initially be controversial and generate additional correspondence and telephone calls from those customers affected. However, it is expected that this work would be absorbed within the general work of the Council Tax Section.
- 9.2 In order to implement these reforms the Council will need to update council tax billing stationery, website and leaflets. We will also need to communicate the changes ahead of annual billing especially for those customers where they will see an increase in their bills.
- 9.3 Our software supplier has indicated that the software will be updated for these changes in January 2013, which should be in time for annual billing in February/March 201

10 RECOMMENDATION

It is recommended that the following changes to council tax are made from 1 April 2013:

- (1) Reduce the current Second Home discount from 10% to 0%.
- (2) For properties that would fall under Class C exemption set a discount of 100% for the first 2 months and then reduce the discount to 0% for the next 4 months.
- (3) Impose a premium levy of 50% council tax on properties that have been empty for more than 2 years.
- (4) Reduce the current long term empty property discount from 10% to 0%.
- (5) For properties that would fall under Class A exemption set a discount of 50%.

ASSISTANT DIRECTOR FINANCE

STRATEGIC DIRECTOR

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling the report:

None.

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EXETER CITY COUNCIL

SCRUTINY COMMITTEE - COMMUNITY 6 NOVEMBER 2012

EXECUTIVE 20 NOVEMBER 2012

TENANCY STRATEGY AND TENANCY POLICY

1 PURPOSE OF REPORT

- 1.1 To adopt a Tenancy Strategy and Tenancy Policy as required by the Localism Act 2011.

2 BACKGROUND

- 2.1 The Localism Act 2011 requires all local authorities to adopt a Tenancy Strategy by January 2013 to guide Registered Providers in developing tenancy policies for their own stock, especially around the use of fixed-term or flexible tenancies. Registered Providers are expected to have regard to the local authority's Tenancy Strategy when determining their own policies.
- 2.2 In addition, all Registered Providers, including Exeter City Council as a stock holding landlord, are expected by the Regulator to have a Tenancy Policy which details their approach to tenancy management. The regulation of Registered Providers is now undertaken by the Homes and Communities Agency. There is no statutory deadline for the introduction of a tenancy policy but it does make sense to introduce one alongside the tenancy strategy.
- 2.3 In summary, the Tenancy Strategy sets out our expectations for how all social tenancies in Exeter should be managed and the Tenancy Policy sets out how we will specifically use the new range of options available to us to manage our stock.
- 2.4 Our Tenancy Strategy is expected to:
- Describe the high level objectives that registered providers should have regard to in their tenancy policies
 - Have been developed in conjunction with the authority's allocations policy and homelessness strategy
 - Have been developed in consultation with registered providers
 - Be reviewed every five years
- 2.5 Our Tenancy Policy should include our approach to:
- The kinds of tenancies we will grant
 - The length of those tenancies
 - When tenancies will be renewed (and when not)
 - How tenants can appeal against negative decisions
 - How we will take into account the needs of vulnerable households
 - What housing advice we will give to people whose tenancies are not being renewed

- Our policy on discretionary succession rights
- How we will tackle tenancy fraud

2.6 The draft Tenancy Strategy and Tenancy Policy are attached at Appendix A and Appendix B respectively.

3 POLICY CONTEXT

3.1 The Government has identified a number of issues associated with the social housing sector, including:

- the sector is not being used as effectively as it might to meet housing need
- some low income households are living for too long a time in expensive temporary accommodation
- some households living in social housing no longer need it
- the housing benefit bill is increasing
- there are high levels of unemployment in the sector
- there are inflexibilities in meeting need and demand
- the sector has a poor reputation among the wider public
- more homes are needed but there is a lack of public investment to produce them

3.2 As the strategic housing authority we are required to take on a more significant role in setting the local agenda around deciding which families should live in the social sector and for how long. Social housing is expected to be a “a springboard into work and self-sufficiency for households in need, rather than encouraging welfare dependency.” (*Localism Bill: A Fairer Future for Social Housing, CLG 2011*)

3.3 With the other local authorities in Devon, we have agreed to a *Framework for Local Tenancy Strategies in Devon*. This document describes those areas of policy where broad principles are shared by some, or all, of the local authorities in Devon. Our own Tenancy Strategy is consistent with the Framework.

4 THE TENANCY STRATEGY

4.1 The Tenancy Strategy sets out broad principles and our expectations of Registered Providers but it cannot be prescriptive. Ideally, we would prefer an entirely harmonised array of rent levels, tenancy terms and conditions for tenancy renewal across the City which reflect local needs and conditions and which are easy to explain and understand. However, we recognise that Registered Providers are independent organisations often working across local government boundaries and we accept that they will have their own objectives and priorities. Nevertheless, we would expect them to follow the guidance in the Tenancy Strategy unless there was a very good reason for not doing so.

4.2 The principal objectives of the attached Tenancy Strategy for Exeter are to:

- Ensure that those most in need are housed
- Make the best use of our housing stock
- Offer tenancies which are compatible with the purpose of the housing and the needs of the household.
- Improve tenant mobility
- Encourage people who do not need social housing to leave or pay a higher rent
- Support Exeter’s communities and neighbourhoods

- Provide stability and security for vulnerable people
- Tackle worklessness
- Make managing rents and tenures as simple and straightforward as possible

4.3 The principal points of the Strategy are that:

- The Council supports the use of fixed term tenancies for most new tenants
- We expect five year fixed term tenancies to be the norm but we accept that there will be circumstances where a minimum of two years will be appropriate
- We consider 'lifetime' tenancies appropriate for people over 55 in older persons' accommodation and for people with disabilities in supported housing
- We support the charging of 'affordable rents' up to 80% of market rents so long as they do not exceed local housing allowance levels
- We set out the criteria to be taken into account when deciding to renew tenancies and under what terms. These criteria include:
 - The size of accommodation
 - The tenants' income
 - Adaptations made to the home
 - The previous behaviour of the tenants
 - We support incentives for downsizing
 - We encourage the provision of adaptations to properties for households who need them, but we also support the transfer of people from adapted properties who no longer need those adaptations
 - We support one right of succession to a spouse or partner and the granting of a two year fixed term tenancy to other relatives of the deceased who have been living in the property for five years

5 THE TENANCY POLICY

5.1 The Tenancy Policy is in line with the Tenancy Strategy but sets out in more detail how we will implement the guiding principles of the Strategy in our day to day housing management operations.

5.2 The main features of the attached Policy are:

- Flexible tenancies will be given to most new tenants in general needs properties. There will be some exemptions: e.g. some tenants with secure tenancies who are transferring properties or carrying out mutual exchanges
- Secure tenancies will be given to people aged 55 or older in older persons' accommodation and to disabled people in supported accommodation
- Most flexible tenancies will be for five year periods but some may be for two years (e.g. for those who have committed anti-social behavior, or for those with clearly identified temporary requirements)
- We will normally renew the flexible tenancy unless there are reasons not to
- Flexible tenancies will not be renewed on properties that are significantly (i.e. two or more bedrooms in excess of requirements) larger than the household needs
- All tenants whose tenancies are not to be renewed will be given help and advice to access alternative forms of accommodation
- If necessary, we will take steps to end the tenancy of a household who is living in an adapted property when no-one in that household any longer requires the adaptations

- The level of affordable rents charged will be determined once we have reviewed our Allocations Policy in line with the opportunities allowed by Government legislation
- A change in our succession policy to allow succession to a spouse or partner, but only to allow other successions on a discretionary basis: and then only to allow a fixed term tenancy of two years to family members who had been living in the property for five years

6 CONSULTATION

- 6.1 The Tenancy Strategy has been informed by, and is consistent with, the *Framework for Local Tenancy Strategies in Devon* which was widely consulted on, both with partner local authorities and Registered Providers between March 2011 and March 2012.
- 6.2 Council tenants were consulted on a range of tenancy matters, including the Strategy, at the last Tenants' Conference in September 2011. The Council's Resident Auditor Team (a group of residents who undertake independent research) interviewed over 70 residents face-to-face and by telephone in April 2012 in order to gather their views. Exeter's Tenant and Leaseholder Committee (TALC) were also consulted. Our tenants have not yet been consulted on the tenancy policy but it will be considered by the Tenant and Leaseholder Committee before the Executive meeting in November and their response will be reported to Members.
- 6.3 A group of Members and Council Managers discussed both Tenancy Strategy and Tenancy Policy in September 2012 and all Registered Providers in Exeter have been given a chance to comment on the Strategy.

7 EQUALITY AND DIVERSITY

- 7.1 A draft Equality Impact Assessment (EQIA) has been prepared which records all the potential impacts both positive and negative on the protected characteristic groups and the actions we intend to take to address these. The key aspects of the EQIA include:
- We have taken into account the different requirements of older and disabled people in granting secure tenancies rather than flexible ones
 - We will have a sophisticated and transparent process for reviewing flexible tenancies when they come to an end, including the provision of comprehensive housing advice
 - We will have open and fair procedures for managing under-occupied properties
 - Anyone asked to move as a result of changes to succession rights will have two years to find alternative accommodation
 - There will be a fair and open appeals procedure for people dissatisfied with our initial decisions
- 7.2 The completed EQIA will be presented to the next meeting of the Executive on 20 November.

8 RESOURCE IMPLICATIONS

- 8.1 The granting of flexible tenancies will create more work for the housing team in terms reviewing and renewing flexible tenancies when they are drawing to an end. However, at present, with only around 300 new lets a year, the extra work can be phased in gradually and delivered within existing resources.

9 RECOMMENDED

9.1 That the Committee approves the new Tenancy Strategy

9.2 That the Committee approves the new Tenancy Policy

SARAH WARD
ASSISTANT DIRECTOR HOUSING AND CONTRACTS

Local Government (Access to Information) Act 1972 (as amended)
Background papers used in compiling this report:-

None

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Exeter City Council Tenancy Strategy

1. Introduction

The Localism Act 2011 obliges all local authorities to develop a Tenancy Strategy to guide Registered Providers (including local authorities that retain their own housing) in developing tenancy policies for their own stock. Registered Providers (RPs) are expected to have regard to this Strategy when determining their own policies.

We consider “have regard to” in this context to mean that RPs should be aware of what this Strategy contains, and use it to inform their own purposes, business models and policies. This is not to say that every point in this Strategy should be followed without question, but if an RP wishes to depart from it, they should have good reasons for doing so. A strategy alone is never enough to guarantee purposes are achieved; we are also committed to effective working relationships with our partners and a continuing fruitful dialogue to ensure we are all working towards the same ends.

As the strategic local authority it is our responsibility to understand, plan for and manage (as far as we can) change in the City so that local needs are met and wider health, economic, social and environmental outcomes are achieved. These wider aims are set out in our **Corporate Plan 2012-2014**.

The Government has identified a number of problems with social housing, including:

- The sector is not being used as effectively as it might to meet housing need
- Some low income households are living for too long a time in expensive temporary accommodation
- The housing benefit bill is increasing
- There are high levels of unemployment in the sector
- There are inflexibilities in meeting need and demand
- The sector has a poor reputation among the wider public
- More homes are needed but there is a lack of public investment to produce them.

Broadly speaking, the Government wants to encourage local decision-making to determine which families should live in the sector and for how long. Social housing should be seen as “a springboard into work and self-sufficiency for households in need, rather than encouraging welfare dependency.”¹

Each local authority’s Tenancy Strategy is expected to:

- Describe the high level objectives that registered providers should have regard to in their tenancy policies
- Have been developed in conjunction with the authority’s allocations policy and homelessness strategy
- Have been developed in consultation with registered providers
- Be reviewed every five years.

¹ *Localism Bill: A Fairer Future for Social Housing. CLG 2011.*

Each Registered Provider's Tenancy Policy is expected to explain:

- The kind of tenancies they will grant
- When these tenancies will be granted
- The length of the tenancy terms
- When further tenancies will be granted.

Ideally we would prefer to see a harmonised array of rent levels, tenancy terms and conditions for tenancy renewal across the City which reflect local needs and conditions and which are easy to explain and understand. However, we recognise that RPs are independent organisations often working across local government boundaries. We acknowledge that changes to the funding of new affordable housing have led to RPs adopting a more business-focused approach which can impact on their ability to meet housing need. This Strategy, therefore, sets out broad principles and expectations rather than a set of prescriptive policies.

This Strategy will be complemented by the Council's Tenancy Policy which will have more detail about our approach as a landlord to granting and renewing council tenancies.

2. Devon-wide Tenancy Strategy

A Framework for Local Tenancy Strategies in Devon was adopted by the local authorities in Devon in February 2012. This Strategy complements the Framework but provides more detail specific to Exeter. Widespread consultation took place before the adoption of the Framework throughout Devon involving key stakeholders such as other local authorities, developers, the voluntary sector and registered providers.

3. The City of Exeter

According to the latest 2011 census, Exeter has a population of almost 118,000. The City has a healthy economy and is well connected by the M5 motorway, mainline rail stations and an International Airport.

These advantages attract people to the City and increase the pressure on existing housing stock. The city is compact with limited land available for new housing and with high densities in many of the existing built-up areas.

Exeter's black and minority ethnic (BME) population reached 7.3% in 2009². Largest minority groups are 'Asian/Asian British' and 'Chinese/Other'.

There are 50,725 dwellings in the City³. Currently social housing comprises nearly 18% of this figure. Exeter City Council owns and manages just over 5,000 properties; other RPs manage around a further 4,000 dwellings. Almost 14% of the City's population rent privately and around 66% are owner-occupiers.

² Office of National Statistics Resident Population estimate

³ Housing Strategy Statistical Appendix 2010

There were 7,238 households on the housing register on 31 March 2012; but only 1,455 in high or medium need. 1,176 people approached the Housing Options service last year, 793 households were prevented from becoming homeless and 99 households were accepted as homeless as per Part VII of the Housing Act 1996.

In November 2011 the average property price in Exeter was around £210,000 (around ten times average salary).⁴

For Exeter the weekly rental breakdown for a two bedroomed property is as follows:⁵

Market rent	£161
Local Housing Allowance	£138.46
80% market rent (highest level that can be classed as 'affordable')	£128.80
Average social rent	£71.45

The mean gross annual salary for those people resident in Exeter is £21,956.⁶

A household is often considered able to afford market rents in cases where the rent payable is up to 25 per cent of their gross household income.

Nationally the median length of residence in social housing was seven years (12 years for owner occupiers, one year for private renters). For Exeter City Council tenants the average figure for the last five years was also seven years.

4. Consultation

As mentioned above, this Strategy has been informed by, and is consistent with, the Framework for Local Tenancy Strategies in Devon which was widely consulted on during the period March 2011 to March 2012.

Council tenants were consulted on a range of tenancy matters, including this Strategy, at the last Tenants' Conference in September 2011. The Council's Resident Auditor Team (a group of residents who undertake independent research) interviewed over 70 residents face-to-face and by telephone in April 2012 in order to gather their views. Exeter's Tenant and Leaseholder Committee (TALC) were also consulted.

5. Objectives of the Tenancy Strategy

The principal objectives of the Strategy are to:

- Ensure that those most in need are housed
- Help others find somewhere suitable to live
- Make the best use of our housing stock
- Offer tenancies which are compatible with the purpose of the housing and the needs of the household

⁴ Hometrack January 2012

⁵ Figures from Devon Homechoice, Hometrack and Rightmove January 2012

⁶ ONS Annual survey of hours and earnings 2011

- Improve tenant mobility
- Support people's financial independence
- Support Exeter's communities and improve neighbourhoods
- Provide stability and security for vulnerable people
- Help reduce worklessness
- Make managing rents and tenures as simple, straightforward, and cost effective as possible.

6. Tenancies

The Council supports the use of introductory or probationary tenancies followed by fixed term tenancies for most new tenants. Fixed term or flexible tenancies provide a way of making the best use of limited stock and of linking tenancy renewal to status and conduct. Flexible tenancies will not apply to existing tenants.

Ideally all new social tenancies across the City should be on similar fixed terms, rather than there being a plethora of tenancies which would be difficult to explain to customers. In the same way, including too many options in a Devon Home Choice advert could well lead to confusion and a reluctance to bid.

Any 'introductory tenancy' period will be regarded as being in addition to the length of any flexible tenancy term.

Factors to be taken into account when determining the length of a flexible tenancy include:

- The security of the current tenancy and its affordability
- The need for tenants who are transferring to be no worse off after a move
- The need to make best use of existing stock by encouraging, for example, downsizing from larger under-occupied properties to smaller properties
- The age and health of the prospective tenant
- The vulnerability of the prospective tenant and their household.

Five year tenancies

These are expected to be the norm as they give a significant measure of security and provide a balance between stability for tenants and the ability of landlords to make the best use of their stock.

Two year tenancies

These should only be granted in exceptional circumstances, for example:

- Where a tenancy is being offered to a young person as part of training or an employment initiative
- Where a tenancy is being offered to someone not normally eligible for social housing
- As a short term measure for discretionary successors (see section on succession)
- Where a five year term is coming to an end but a further five year tenancy is not appropriate (if the previous tenancy has not been conducted well, for example)
- To address other specific short term issues or needs.

If an RP wishes to provide a tenancy for less than 5 years, it must demonstrate valid reasons for the shorter period. These should be agreed with the Council. The RP will be expected to demonstrate how any tenancy of less than five years can be managed in order to minimise adverse impacts on local community cohesion and the sustainability of that community. An equality impact assessment will also be required in order to show how any adverse impact on the equality groups will be prevented.

Lifetime tenancies

Appropriate for older people (over 55) in older persons' accommodation or people with disabilities in supported housing. Also appropriate for those who were secure or assured tenants before the Localism Act came into force; for those with secure or assured tenancies carrying out mutual exchanges or other reciprocal moves; and for those moving from secure/assured tenancies as a result of major works being carried out.

7. Rents

Affordability and rents are major issues in Exeter as a result of high house prices, high private rents and relatively low incomes. Affordability is a key issue for the local economy, particularly for low paid workers.

It is the Council's view that:

- Affordable rents should be such that they do not contribute to long term welfare dependency
- Although some variance may be required, the Council's preference is that rents and service charges should not exceed Local Housing Allowance (LHA) levels either now or in the future
- RPs should have regard to any requirements of section 106 agreements, nomination agreements, as well as wider welfare benefit issues when setting rents
- RPs need to carry out some form of assessment of affordability particularly where rents are at or close to LHA levels
- We will expect to benefit from development opportunities brought about through the adoption of affordable rents.

8. Tenancy renewal

Policies concerned with renewing tenancies must be clearly explained and available before any tenancy is signed. There should be a right of appeal against a negative decision.

New tenants should be encouraged to feel settled members of their communities and to be able to invest in their homes and contribute to their local neighbourhoods. However, social housing is an important benefit and holding a tenancy involves responsibilities and commitments on both sides.

Tenancies can be:

- Renewed on the same terms (e.g. for a further fixed term)
- Renewed on different terms (e.g. for a different length of time or rent)
- Ended but with the offer of alternative social housing elsewhere
- Ended with no alternative accommodation provided but with advice on the best options available.

The Council expects the following principles to apply to tenancy renewal:

- There should be a link between tenancy behaviour and renewal which should be explained at the start of a tenancy
- Tenancies should not be renewed if there have been serious breaches of the tenancy conditions
- There should be no disincentive to people to improve their financial situation
- If a tenancy is to be ended, a housing options assessment should be undertaken to include low cost home ownership, accessing the private rented sector and any other relevant options. These options should be offered in line with the agreed standard to be proposed under the Devon-wide Tenancy Strategy Framework
- Support should be given to enable tenants, especially vulnerable tenants, to sustain their tenancies
- Impact assessments should be carried out before deciding not to renew any tenancy (e.g. impact on family members, neighbours and the wider neighbourhood).

When deciding to renew a tenancy the following factors should be taken into account:

- **Size:** Tenancies should not normally be renewed for properties that are larger than the household requires unless this can be justified. Exceptions might include where it is necessary to accommodate a full or part-time live-in carer. Any under-occupation should have regard to local housing market conditions. Alternative options can be offered.
- **Income:** Income, capital and other assets should be taken into account along with other housing options. Over time tenants may well improve their individual circumstances but still wish to live in their local neighbourhood for family, employment, health or school reasons. They may still not have the resources to own their own homes, however. For these reasons it may be more appropriate to renew an existing tenancy but charge a higher rent rather than end a tenancy outright.
- **Extensive adaptations:** Tenancies should not be renewed if the properties include the provision of extensive adaptations that are no longer required (see section headed 'Properties with adaptations' below).

When offering advice and support to households whose tenancies are not to be renewed, RPs should consider:

- Identifying private landlords who accept tenants on housing benefit
- Supplying references (where appropriate)
- Providing loans (for deposits, rent in advance etc.)

- Providing financial incentives to tenants to move earlier.

Possession proceedings

Possession proceedings should start well before the date for renewal of a tenancy if breach of tenancy is to be a reason for non-renewal. Each case should be looked at individually on its own merits and other options and remedies should be explored.

9. Downsizing

'Downsizing' means tenants moving from properties which they are under-occupying, to smaller properties. Such tenants may be older people whose families have grown up and left the home or any other household that has reduced in size.

The Council supports the promotion of downsizing through incentives and active intervention including the award of extra priority under the Devon Home Choice scheme. We have our own downsizing policy which pays significant incentives to people to encourage them to move to smaller accommodation. We encourage RPs to adopt their own schemes and welcome working with them to promote downsizing in Exeter and throughout Devon.

We would not expect RPs to renew a fixed term tenancy where the property is under-occupied and where there is a reasonable possibility that alternative appropriate accommodation can be found for the household.

10. Properties with adaptations

There is always a balance to be struck between helping people in a vulnerable situation and making the best use of scarce resources. RPs should ensure that when tenants are first allocated an adapted property, they are notified of the possibility of being required to move to alternative accommodation should the household no longer require the adaptations. This would apply to extensive adaptations only (see definition below).

RPs are strongly encouraged to audit their adapted properties to determine whether they are occupied by households needing those adaptations. Where the household does not require those adaptations, RPs should offer every encouragement to that household to move voluntarily to an appropriate property. Where a voluntary move cannot be facilitated, landlords should consider using an appropriate discretionary ground for possession (e.g. Ground 13 for secure tenancies). This would have to be on a case by case basis, where adaptations are extensive (see paragraph below) and where suitable alternative accommodation can be provided, taking into account the:

- Circumstances of the tenant(s) and their entire household
- Needs of dependant children
- Disruption that could be caused, its effect on the stability of the household and the likely effect on the sustainability of the proposed alternative tenancy.

RPs who are considering possession proceedings on this basis should liaise with the Council. The court will want to see that the adapted property is needed for another household who requires those adaptations.

The phrase '**extensive adaptations**' usually means items such as permanent ramps, through-floor lifts or major changes to internal layouts. However, a combination of individual adaptations may well qualify. For example, having an adapted shower, a stairlift or a non-permanent ramp on its own would not qualify, but a combination of these items could. RPs should consult the Council where there is any doubt.

11. Transfers

The Localism Act 2011 requires landlords to offer existing tenants who are transferring to another social rent property, a tenancy with the same rights as their existing tenancy. This protection does not apply to existing tenants who choose to bid for a property let on affordable rent terms, or for new tenancies let after the Act became law. However, landlords have discretion to offer another similar tenancy where they choose to do so. Landlords should ensure that transferring tenants are well aware of the tenancy terms applying to their new homes.

The Council encourages landlords to offer transferring tenants a tenancy with the same rights and rent level as their existing tenancy wherever possible (it would be almost impossible, for example, to promote downsizing if tenants faced increased rents and a reduction in their security of tenure if they moved).

If required, the property the tenant is transferring from could be converted to affordable rent (see section below on Conversions to Affordable Rent).

12. Succession

The Council supports one right of succession to a spouse or partner. Where other immediate relatives of the deceased have been living in the household for at least five years we support discretionary succession to a suitable property for a non-renewable fixed term of two years maximum. This is to give sufficient time for the bereaved relatives to find more permanent accommodation elsewhere.

13. Disposals of Social Rented Housing Stock

The Council recognises that there may be occasions when it makes sense to dispose of property that has previously been available for social renting.

Registered Providers must work with the Homes and Communities Agency (HCA) if they wish to dispose of any stock (the HCA, acting through its Regulatory Committee, has now taken on the consent functions of the Tenant Services Authority). Where an RP intends to pursue this option, they should consider whether other RPs (including Exeter City Council) might wish to purchase this stock, before contemplating a disposal out of sector.

Any RP must consult with the Council if any major disposal is required. This is necessary to enable us to take into account the potential impact on meeting local housing need.

We will not support the disposal of the following types of housing without a very strong case being made:

- Larger homes, which are defined as:
 - Three bedroom houses with potential for use as 4 bedroom homes
 - Larger homes capable of accommodating 6 people or more
- Properties that may be suitable for downsizing initiatives (see section on Downsizing)
- Properties which have had extensive adaptations (see section on Properties with adaptations)
- Supported or specialist housing.

14. Conversions to affordable rent

The Council recognises that in practice the number of conversions has been pre-determined by the HCA through their National Affordable Housing Programme (NAHP) contracts with RPs. However, RPs do have some flexibility when considering which specific properties to convert.

RPs should have regard to the following when considering the proportion of properties which will be re-let at affordable rents:

- The pattern of re-lets by location, property size and type
- The need to ensure that under-occupiers wishing to downsize are not put off by having to pay a higher rent or by being offered reduced tenancy rights
- The need to ensure a reasonable supply of family-sized accommodation at social rents
- The shortage of wheelchair accessible accommodation.

We do not expect RPs to consult the Council over each conversion, but they should agree with us criteria for conversion or their overall approach.

RPs are reminded that they can offer flexible tenancies let at a social rent where this supports the aims of this Strategy: for example, offering a larger property for a fixed term in order to minimise future under-occupation.

15. Appeals and complaints

The housing regulator (now the HCA) has stated that RPs should explain how tenants or prospective tenants may appeal or complain about the type, and length, of the tenancy offered, and against a tenancy not being renewed.⁷

The Council expects RPs to:

- Have appropriate appeals procedures with timescales that clearly set out how tenants can appeal against decisions affecting their tenancies
- Make the appeal system simple and accessible

⁷ Regulatory Framework 2.1.6

- Have a system whereby appeals are made to officers or managers more senior and not involved in the original decision
- Link the appeal system to their complaints system so that tenants have the option to take their case further if they are dissatisfied with the result (e.g. a 'designated person' or tenant panel and ultimately the Housing Ombudsman from April 2013).

16. Equality and diversity

The Equality Act of 2010 places a duty on public bodies to consider the needs of all individuals in carrying out their day-to-day work. Specifically the duty covers the following protected characteristics:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race – including ethnic or national origins, colour, or nationality
- Religion or belief – including lack of belief
- Sex
- Sexual orientation
- Marriage and civil partnership (to the extent that public bodies should have due regard to the need to eliminate discrimination).

The duty comprises having due regard for the need to:

- Eliminate unlawful discrimination – e.g. harassment, victimisation
- Advance equality of opportunity for all
- Foster good relations – e.g. between people who share a protected characteristic and those who do not.

The Council expects all RPs to think consciously about the three aims of the equality duty and to consider equality issues when developing, evaluating and reviewing policy.

Producing an Equality Impact Assessment on each individual RP's Tenancy Policy would be helpful, but the emphasis should be on consciously thinking about the three aims of the equality duty whenever making policy or decisions, and evidencing that such thought has taken place.

17. Monitoring and Reviewing the Strategy

The Council will review this Tenancy Strategy every five years and report any issues or changes to our Scrutiny – Community Committee and Executive meetings. Any alterations to the Strategy will be publicised both on our website and elsewhere.

Exeter City Council Housing - Tenancy Policy

1. Introduction

- 1.1 Tenancy policies were introduced as part of the wider package of social housing reforms set out by the Government in "*Local decisions: a fairer future for social housing*". The reforms include the introduction of fixed term tenancies and affordable rent, changes to allocations and homelessness and the promotion of increased mobility for social tenants. These proposals are being implemented through the Localism Act and changes to the regulatory standards that all social landlords are expected to meet.
- 1.2 The Tenancy Policy, which the regulator's new tenure standard require all housing providers to publish, sets out how Exeter City Council (ECC) will use the new range of options that are available to us. It also clarifies how we will support tenancy sustainment and prevent unnecessary eviction, tackle tenancy fraud and grant discretionary succession rights. The purpose is to provide clarity to tenants, ensure consistency and transparency of approach protecting the Council from potential legal challenges. It has been written with reference to the ECC Tenancy Strategy.
- 1.3 It will be used to ensure that the right type of tenancy is allocated to each tenant, that the under-occupation of properties is addressed effectively and that we can provide family and/or adapted housing where this is required. It also sets out the circumstances in which we will charge affordable rents and use flexible tenancies.
- 1.4 The ways in which each type of tenancy can be let and brought to an end are set out in law (Housing Acts 1985 and 1996, and the Localism Act 2012.)
- 1.5 The Assistant Director Housing and Contracts will be responsible for applying this policy so as to ensure that the right people are placed in the right property on the right type of tenancy. The Tenancy Services Manager will also be responsible for ensuring that tenants are given support to maintain their tenancy and that the appropriate action is taken where problems occur and where tenancy fraud is suspected.
- 1.6 The Executive Committee will be responsible for sanctioning any changes to this policy.

2. Purpose

This policy aims to ensure that:

- The right people are living in the right property on the right type of tenancy
- Households can be moved from properties which are no longer suitable for their needs
- Tenants will be encouraged to move to more suitable accommodation if the property becomes too big or if their needs or circumstances change
- Tenants will be helped to sustain their tenancies for the fixed or long term, but where problems occur, particularly at the start of the tenancy, action can be taken quickly to either change the behaviour, or, failing that, the tenancy can be ended and the property offered to someone more likely to comply with the tenancy terms and conditions
- Tenancy fraud is identified and tackled
- We balance the needs of individual tenants against the need to manage a scarce public resource which is in high demand.

3. Policy Consultation

ECC has taken part in the Devon-wide consultation regarding the Tenancy Strategy. The Tenants have been consulted about the proposed policy through the tenants conference in September 2011 and through an extensive survey carried out by the Resident Auditor Team.

4. Related Policies and Strategies

This policy is related to the following Exeter City Council policies:

- Tenancy Strategy
- Allocations and Lettings Policy
- Neighbourhood Management Policy
- Devon Home Choice Policy
- Starting Tenancies Policy.

5. Tenancy Types and Conditions

Currently we have five different types of tenancies.

5.1 Introductory Tenancy

Generally all tenants new to ECC are initially given an introductory tenancy. The purpose of an introductory tenancy is to allow ECC to be satisfied that the tenant or tenants are suitable to have either a lifetime secure tenancy or a flexible fixed term tenancy.

However tenants transferring from another social landlord may go onto either a secure or flexible tenancy.

This does not apply to tenants given temporary accommodation who will be given a non- secure tenancy.

Introductory tenancies usually last for twelve months from the tenancy start date but if the tenants conduct raises concerns then the introductory tenancy can be extended for a further 6 months, giving 18 months in all.

Before the start of the introductory tenancy, tenants will be told which kind of tenancy (secure or flexible) they will be granted at the end of the introductory period.

After the introductory period the tenancy automatically becomes either a secure tenancy or a flexible tenancy, unless we have begun proceedings to end the tenancy due to a breach of the tenancy agreement.

Introductory tenants have most of the same rights as secure or flexible tenants but there are some rights that they do not have. They do not have right to:

- Take in lodgers
- Sublet part of the home
- Make any improvements to the property

- Be compensated for any improvements to the property
- Exchange their home with another tenant.

Introductory tenants do not have the Right to Buy their property, but the period spent as an introductory tenant will count towards the qualifying period for the Right to Buy.

5.2 Secure Tenancy

Most of our tenants have a secure tenancy. If ECC wish to end this type of tenancy then a ground for possession is needed (see Schedule 2 of the Housing Act 1985) followed by a possession order from the courts.

Under the Housing Act 1985 secure tenants have a number of rights which include:

- The right of succession
- The right of assignment in certain cases
- The right to take in lodgers and sublet part of the property
- The right to request a transfer to alternative accommodation
- The right to exchange their home with another council or housing association tenant
- The right to information
- The right to be consulted and involved
- The right to make improvements to their home
- The right to compensation for improvements
- The right to repair
- The Right to Buy in certain cases.

5.3 Flexible Tenancy

Introduced through the Localism Act, a flexible tenancy is one that is offered for a specific period of time, as opposed to the traditional 'lifetime tenancies'. The period of time is known as the 'fixed term'.

From **date to be agreed** ECC will start to grant its prospective tenants a flexible tenancy, rather than a secure tenancy, after the introductory tenancy has ended. These flexible tenancies will be granted to most tenants in general needs housing. There will be some exceptions: for example, certain tenants transferring from secure tenancies or some mutual exchanges, these people will be granted secure tenancies. Older tenants (that is tenants over 55 years old in older persons' housing) and disabled tenants in supported housing will also be granted secure tenancies.

The length of the flexible tenancy will be for five years in almost all cases. But the tenancy can be reissued for another fixed term at the end of this period. The first five year period will commence at the end of the introductory tenancy.

In exceptional circumstances we will consider offering a flexible tenancy on less than five, but more than two, years. The decision to do so will be made on a case by case basis. Examples of this may include where a tenant has committed anti-social behaviour and we are not able to put them on an introductory tenancy.

The length and terms of the flexible tenancy will be explained to all tenants concerned before they take on the introductory tenancy.

Tenants on a flexible tenancy have the Right to Buy their property (after a qualifying period).

Tenants on a flexible tenancy have the right to make improvements to the property if they have obtained written permission from the Council, or to be compensated for any improvements. The Council reserves the right to seek compensation from the tenant where no permission has been granted.

Flexible tenancies are subject to the same grounds for possession and succession as secure tenancies.

To end the flexible tenancy we must apply to the court for a possession order.

5.4 **Demoted Tenancy**

Where there have been incidents of antisocial behaviour we may elect to go to court to obtain a demoted tenancy. Demoted tenancies last for one year.

Where a secure tenancy is demoted and the demotion period completed successfully, the demoted tenancy will automatically become a secure tenancy.

Where a flexible tenancy is demoted and the demotion period completed successfully, the demoted tenancy will automatically become a secure tenancy. If a flexible tenancy is required, we must serve a notice on the tenant prior to the end of the demotion period, informing them that the tenancy is to be a flexible tenancy and specifying the length of the fixed term and other express terms of the tenancy. The length of the fixed term after the demotion period has ended will be determined as set out above.

Demoted tenants do not have the same rights as secure tenants. For example they do not have:

- The right to exchange
- The right to succession
- The right to take in lodgers
- The right to sublet.

Also the Right to Buy is suspended until the tenancy is no longer demoted. The time spent as a demoted tenant does not count towards any discount.

5.5 **Non-secure Tenancy**

Very few of our tenants will have a non-secure tenancy. These tenancies are only given to tenants living in temporary accommodation, such as private sector leased accommodation, in discharge of a homelessness duty or function under Part VII of the Housing Act 1996 (as amended).

These tenancies do not have the same security of tenure or rights as secure tenants.

6. Tenancy Agreements

- 6.1 Our tenancy agreements will be written in plain English, in a style easily understood by tenants. It has been accredited by the Plain Language Commission as a clear English Standard winning document. They will set out the rights and obligations of both the tenant and the landlord.
- 6.2 Tenants will be given a copy of the tenancy agreement at the start of the tenancy and will have the terms explained to them at the sign up meeting.

7. Affordability and Affordable Rent

7.1 Definition of affordability:

A household can be considered able to afford market renting in cases where the rent payable is up to 25 per cent of their gross household income (Communities and Local Government). The Tenants and Leaseholders Committee (TALC) has recognised the use of the Local Housing Allowance (LHA) as a standard definition of affordability. Service charges, if applicable, will be additional and reflect the cost of the service provided to each tenant.

7.2 Definition of social rent:

The level of rent that ECC charge for the majority of its properties (excluding those charged at 'affordable rent'). Social Rent is currently calculated using guideline target rents which are determined through the national rent regime. Currently the annual rent increase is based on RPI in September + 0.5% (+/- £2). It is anticipated that Exeter City Council will achieve target rents by 2015/16. Members approve any rent increase annually and are applied from April.

7.3 Affordable rent:

This is defined as up to 80% of market rent. ECC will charge affordable rent at levels no higher than the relevant Local Housing Allowance at the time as we believe that this is a fair reflection of affordability.

The level of affordable rent charged will be established once we have reviewed our Allocations Policy in line with Government legislation and the needs of the City.

8. Reviewing the tenancy

- 8.1 We will normally renew a flexible tenancy unless there are specific reasons not to.
- 8.2 We will begin the review period of all flexible tenancies at least 12 months prior to the end of the fixed term. We will write to tenants to tell them the outcome of the review. Where the tenant(s) circumstances have not changed significantly over the course of the fixed term we will renew the flexible tenancy for a further fixed term, which may or may not be for the same period, it could be more or it could be less depending on the circumstances of the household at the time of renewal.
- 8.3 A different rent may also be charged on a tenancy review depending on individual circumstances.
- 8.4 The following factors either in isolation or in combination will be taken into account in deciding whether to renew the flexible tenancy and on what terms:

- The property has become larger than the household requires (two or more bedrooms in excess of requirements)
- The property has become overcrowded
- The level of income of the household
- The property has adaptations which are no longer required by the current tenant or a member of their household
- The rent account is in arrears at the time of the review or has been in arrears for at least six out of the last twelve months. Exceptions can be made for tenants getting assistance with their rent from Housing Benefit, those who we consider to have only minor rent arrears, or those who have made an agreement to pay by instalments and have kept to this agreement
- There has been a serious breach or breaches of a tenancy condition or conditions
- We intend to demolish, redevelop or dispose of the property within the next five years. In these situations we will consider offering a short term tenancy of the property or suitable alternative accommodation.

8.5 In cases where the flexible tenancy is not being renewed, we will give at least six months notice that the fixed term is coming to an end, and a formal notice seeking possession will be served at least two months prior to the end date. We will make it clear that we do not propose to grant another tenancy and the reason or reasons for that decision.

9. Ending the tenancy

- 9.1 When the tenant gives notice or dies we carry out pre-termination visits with all our tenants, or with the next of kin. During this visit we:
- Check the condition of the property and garden
 - Ensure the rent account is up to date
 - Agree with the outgoing tenant which items can be left in the property and which must be removed
 - Ensure that the outgoing tenant is aware that the property must be left in a good and clean state, and all rubbish and personal items (except those agreed above) must be cleared from the property
 - Read the meters
 - Request a forwarding address, contact details and phone numbers
 - Determine any recharges that may be due.
- 9.2 If there is any rent due to the end of the tenancy we will inform the tenant and expect the amount due to be paid in full before the tenancy ends.
- 9.3 We will provide details for relatives of deceased tenants explaining to them the steps that need to be gone through to end the tenancy and the information we require from them.
- 9.4 All tenants whose flexible tenancies are not going to be renewed will be offered advice and assistance from the Council's Housing Options service. The factors set out at paragraph 8 will all be taken into consideration and where the tenancy is coming to an end through negative tenant behaviour (e.g. arrears or anti-social behaviour) the Housing Options Team will advise on options to secure private rented accommodation or to make a homeless application in line with our existing policy and procedures. If the tenancy is coming to an end as the property would be better used by another tenant (e.g. under-occupation, no longer requiring adaptations)

the Housing Options team/Tenancy Services Team will be make 3 reasonable offers of alternative accommodation (depending on the tenants circumstances) this could include:

- An alternative Exeter City Council property
- A property with a Registered Provider
- A Shared Ownership property
- Private Rented through the council's EXtraLet scheme.

9.5 If three reasonable offers are made and then refused we will then seek to take possession of the property.

9.6 We will give at least six months notice that the tenancy is coming to an end, and a formal notice seeking possession will be served at least two months prior to the end date. At the end of the tenancy we will carry out a pre-termination visit as outlined above.

10. Sustaining Tenancies

10.1 We are very keen that tenants are able to manage their tenancies properly. We are also keen that tenants do not breach the terms and conditions of their tenancy and that they do not get into rent arrears or carry out acts of anti-social behaviour.

10.2 We carry out an in-depth sign up interview with all new tenants. This covers:

- Ensuring the tenant understands the terms and conditions of the tenancy agreement
- Methods and frequencies for paying their rent and accessing benefits
- Checking if they have any particular support needs
- Highlighting opportunities to get involved
- Explaining how to report repairs and our service standards.

10.3 We aim to visit all new tenants within six weeks of moving into their property to check that everything is going well. We will check whether they are paying their rent regularly, whether they are receiving their benefits, and that they are keeping to the terms of their tenancy conditions.

10.4 When tenants move into one of our older persons accommodation we carry out an assessment with them to determine what they require and the level of individual support they might need, for example whether it is a visit every other day, or a phone call once a week.

10.5 We will visit or telephone any tenants who are identified as having problems managing their tenancy. We will seek to discuss the problems with them. We will seek to explain that it is important that they stick to the terms of the tenancy agreement.

10.6 For tenants who are struggling to pay their rent we will seek to discuss what options are available to help them, and put them in touch with other agencies that may also be able to help. With any reminder notices, or when notices for rent arrears are served, we send out contact details for our own Income Officers and other independent debt advice agencies. Our newsletters contain regular articles stressing the importance of contacting us as early as possible if a tenant is having difficulty in paying their rent.

- 10.7 Where we identify that a tenant needs particular support to manage in their home and tenancy we will put them in touch with the relevant agencies such as social services.
- 10.8 Where there are issues of anti social behaviour we will follow the guidelines set out in our Anti-Social Behaviour Policy and Procedure when dealing with and tackling reports of anti social behaviour.

11. Tackling Under-occupation

- 11.1 We recognise that we have a large number of family properties, particularly three bedroom properties, which are under-occupied.
- 11.2 Changes to Housing Benefit regulations through Welfare Reform where properties are under occupied could see restrictions to levels of housing benefit, resulting in tenants having a greater rent burden.
- 11.3 We have a downsizing scheme which provides financial assistance to people who move to a smaller property and so free up a family sized property. This scheme also provides help and support with moving arrangements.
- 11.4 We give priority on Devon Home Choice to people wishing to downsize. Anyone wishing to downsize will be placed into Band B.

12. Adapted Properties

- 12.1 Under our current secure tenancy agreement, if a tenant is living in a property which has been built or adapted for a person with a disability, and the tenant or their family no longer needs that type of home, we may take steps through the Courts to end the tenancy. We will offer the tenant other suitable accommodation.
- 12.2 For tenants on a flexible tenancy living in a property which has been built or adapted for a person with a disability, the presumption will be that we will only renew the tenancy if there is still a requirement within the household for that kind of property (subject to the points set out at paragraph 8 above). This is where an adaptation has costs more than £1000.

13. Transfers

- 13.1 For Exeter City Council secure tenants who transfer to another property, we will ensure that they are given another secure tenancy.
- 13.2 This does not apply to tenants who choose to move to accommodation let on affordable rent terms. In these circumstances existing tenants may be offered a flexible tenancy.

14. Mutual Exchanges

- 14.1 Mutual exchanges take place via a deed of assignment where each tenant steps into the other's shoes and takes over the other tenant's tenancy type and terms. New tenancies are not signed.
- 14.2 Under the Localism Act if at least one of the tenants has a secure tenancy begun before April 2012 and at least one of the tenants is on a flexible tenancy, then such exchanges must be done by surrender and granting of new tenancies.

- 14.3 In these circumstances, we will grant the tenant whose secure tenancy predated April 2012 a secure tenancy. This will ensure that existing tenants (before April 2012) retain similar security of tenure to that of their original tenancy.
- 14.4 As a landlord we can still refuse an exchange of this nature (see Schedule 3 of the Housing Act 1985). We have 42 days to make that decision.
- 14.5 We subscribe to Home Swapper; an internet based mutual exchange service.

15. Succeeding to a Tenancy

- 15.1 For our secure tenancy agreements that commenced before **date to be agreed** the following people can succeed to the tenancy, if they have been living in the property as their principal or only home:
- The tenant's spouse or civil partner; or
 - If no spouse or civil partner, another member of the tenant's family that has lived with the tenant throughout the period of twelve months ending with the tenant's death.
- 15.2 Only one succession is allowed by the Housing Act 1985.
- 15.3 If the property is not suitable for the relative, or it is under-occupied, we may request that they move to a more suitable property. We will provide advice and assistance with such a move in a sensitive manner but in line with our succession and assignment policies in such cases such as of extreme under occupation, a legal notice will have to be served between six and twelve months after the previous tenant's death, if agreement can not be reached.
- 15.4 For flexible tenancies and secure tenancies that commenced after **date to be confirmed** there will only be a statutory right of succession to a spouse or civil partner or co-habitee. Legislation gives Local Authorities the power to grant additional succession rights. As such we may allow a two year non-renewable fixed term tenancy to a family member who would have succeeded under the former system to give them sufficient time to find alternative accommodation.

16. Tackling Tenancy Fraud

- 16.1 It is important that the people living in our properties are those who need them most. We take various steps to ensure that this is the case, from ensuring we allocate the property to the most appropriate person, to following up allegations of alleged misuse.
- 16.2 For all new tenants we take copies of photo identification such as passport or driving licence. Where there is no available photo ID we will take a photograph of each tenant.
- 16.3 From time to time we may undertake an "illegal sub-letting tenancy audit" with a series of in-depth visits to a number of properties to check identification and to ensure that the occupant is indeed the tenant.
- 16.4 We follow up any reports of unoccupied properties or sub-letting and take action if cases of abuse are discovered. As well as this we carry out tenancy checks when visiting some of our properties. We encourage staff and tenants to report any suspected incidents of tenancy.

16.5 We issue press releases about tenancy fraud and have articles in our newsletters.

17. Appeals and requests for reviews of decisions

17.1 Tenants have the right to request a review of a decision, within 21 days, as to the length of the flexible tenancy being offered. Such a request should be made in writing to an independent and more senior officer who was not involved in the original decision.

17.2 Tenants have the right to request a review of a decision not to renew a flexible tenancy within 21 days of the first notice. Such a request should be made in writing to an independent and more senior officer who was not involved in the original decision.

17.3 The review procedure will be that as set out in the 'Flexible Tenancies (Review Procedures) Regulations 2012'.

18. Equality Impact Considerations

We will carry out an equality impact assessment of this policy.

19. Performance Monitoring

We will review the number of each type of tenancy annually. In the future we will review what happens at the end of a flexible tenancy, how many are terminated and for what reasons. We will also review the assistance given to these tenants.

20. Policy Review

The policy will be reviewed at least every three years or sooner if new guidance or legislation is published.

S:PA/LP/Cttee/1112SCC1 Appx B
18.10.12

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - COMMUNITY 6 NOVEMBER 2012

EXECUTIVE 20 NOVEMBER 2012

PROPOSAL TO DE-ACCESSION ITEMS FROM RAMM'S COLLECTION

1 PURPOSE OF REPORT

- 1.1 This report sets out proposals to de-accession selected items from RAMM's permanent collection. As RAMM's governing body, Exeter City Council must formally approve de-accessions. This report summarises the context, reasons and outcomes sought in de-accessioning these items.

2 BACKGROUND

- 2.1 Museum collections are held in trust for the community. Once an object is accessioned (formally accepted) into a museum collection, a museum has legal and ethical responsibilities in relation to the object. De-accessioning is the process by which museums permanently remove items from their collections. De-accessioned items may or may not be physically disposed of. Sometimes they are transferred to other institutions or to a different use.
- 2.2 Disposals and de-accessions are only normally undertaken under exceptional circumstances and are governed by the Museums Association's Code of Ethics. In 2007 the Museums Association changed its Code of Ethics to permit responsible, curatorially-motivated de-accessions as part of a museum's long-term collections policy, in order to maximise the public benefit derived from museum collections generally.
- 2.3. A Museum's approach to collecting and disposing of items from its collections is determined by its Acquisitions and Disposals Policy. In May 2012 Scrutiny Committee granted an extension of RAMM's Acquisitions and Disposal Policy 2005-2010 until December 2013, while a wholesale, strategic review of the collections is carried out. This review is progressing well and will provide an in depth assessment of the collections' strengths, weaknesses, gaps and potential.
- 2.4 An early outcome of the Collections Review has been the identification of certain material which falls outside the scope of the Acquisitions and Disposals Policy. In addition, there is little public benefit in these items remaining a legal part of RAMM's collections.
- 2.5 In recommending these items for de-accession, RAMM has identified a number of desired outcomes. These include improved public access to the items and improved context for them by relocating some objects to more relevant collections. In other instances the long-term storage, management and conservation needs of the items has also been balanced against the public benefit of retention. De-accessioning selected items from the collection is intended to free up resources for improved curation and usage of the majority of RAMM's collection.
- 2.6 In making these recommendations, RAMM has considered any risk to the public reputation of museums and adjudged the risk to be minimal.
- 2.7 RAMM has confirmed its legal ownership of the items proposed for de-accession.

3 CURRENT POSITION

3.1 230 items are recommended for disposal. These have been determined collectively by the curatorial team in accordance with the Museums Association's Code of Ethics. The 230 items are listed in Appendix I. In summary, they comprise:

- 159 birds eggs of unknown species. These unidentified specimens lack provenance and are damaged beyond the Museum's reasonable ability to repair. It is proposed that these are transferred to RAMM's handling collection or disposed of.
- Four commonly available antiquarian books which are outside the scope of RAMM's Acquisitions and Disposals Policy and were accessioned in error by previous staff members. It is proposed that these are transferred to RAMM's curatorial reference library.
- 44 reference books which are outside the scope of RAMM's Acquisitions and Disposals Policy and were accessioned in error by previous staff members. It is proposed that these are transferred to RAMM's curatorial reference library.
- 23 items relating to Iceland and the Victorian artist and writer William Morris. These items are not rare and are outside the scope of RAMM's Acquisitions and Disposals Policy. They are unlikely to be used by RAMM. It is proposed that these items are transferred to the William Morris Gallery, London.

3.2 It is anticipated that further de-accessions and disposals will be proposed as the Collections Review progresses.

3.3 For the future, the process of consideration and approval of de-accession could be streamlined by delegating it to the Assistant Director Economy in consultation with the Portfolio Holder responsible for the Museum unless the item concerned is of a significant nature or monetary value.

4 PROPOSAL

4.1 It is proposed to de-accession 230 items from RAMM's collection, these items being those listed in Appendix I.

5 RESOURCE IMPLICATIONS

5.1 The purpose of the current collections review, and the new Collections Development Policy which will result, is to re-examine the nature, extent and sustainability of our collecting activity. This exercise along with RAMM's approach to disposals and de-accessions is being undertaken with a very specific awareness of the long-term responsibilities and resource implications involved in housing, management, care and conservation of material now and in the future.

6 RECOMMENDED

- 1) That Committee Members approve the de-accessioning of the items listed.
- 2) That Executive be requested to approve the proposal that future recommendations and approval of items for de-accession be delegated to the Assistant Director Economy in consultation with the Portfolio Holder responsible for the Museum.

RICHARD BALL - ASSISTANT DIRECTOR ECONOMY

S:PA/LP/Cttee/1112SCC2
29.10.12

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:- None

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
NATURAL HISTORY SPECIMENS				
1	Bird eggs x 159	Improved public access to items Resources freed up	No reasonable expectation of items being used Damaged / deteriorated beyond reasonable ability to repair Insufficient / unsatisfactory relevant context for items	Transfer to handling collection
ANTIQUITIES: ANTIQUARIAN AND REFERENCE BOOKS				
2	3/1995 Book (reference): Remarkable Antiquities of the City of Exeter, 1681, Richard Izacke	Resources freed up	Falls outside ECC A & D Policy ¹ Accessioned in error	Transfer to RAMM Curatorial library
3	39/1927/34 Book (reference): John Hooker Chamberlain of the City of Exeter 1555, An Original MS (3520) now in possession of the Dean Chapter of Exeter Cathedral, 1883, Herbert Edward Reynolds	Resources freed up	Falls outside ECC A & D Policy Accessioned in error	Transfer to RAMM Curatorial library
4	186/2005 Book (reference): Shortt, W T P. 1841: Collectanea Curiosa Antiqua Dunmonia, London	Resources freed up	Falls outside ECC A & D Policy Accessioned in error	Transfer to RAMM Curatorial library
5	515/1987 Book (reference): Memorials of the City of Exeter, 1681, Izacke	Resources freed up	Falls outside ECC A & D Policy Accessioned in error	Transfer to RAMM Curatorial library
6	1/1948/3 Book (reference): Corpus of Prehistoric Pottery and Palettes, 1921, W M Flinders Petrie	Resources freed up	Falls outside ECC A & D Policy Accessioned in error	Transfer to RAMM Curatorial library

¹ Exeter City Council Acquisitions and Disposals Policy 2005-2010, extended to 2013

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
7	18/1975/8 Book (reference): Exeter Official Guide of the City Council (early 20 th century)	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
8	34/1971 Book (reference): Early Brittany, 1969, N K Chadwick	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
9	39/1927/27 Book (reference): The History of the City of Exeter, 1861, Rev. George Oliver	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
10	39/1927/32 Book (reference): Letters and Papers of John L Shillingford, Mayor of Exeter, 1447-50, 1871, S A Moore	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
11	41/1946/1 Book (reference): Ancient Stone Implements, Weapons and Ornaments of Great Britain, 1872, J Evans	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
12	41/1946/2 Book (reference): Ancient Bronze Implements, Weapons and Ornaments of Great Britain and Ireland, 1881, J Evans	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
13	43/1932 Book (reference): English coins from the seventh century to the present day	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
14	43/1972 Book (reference): Guide Catalogue to the Neolithic and Bronze Age Collections in Devises Museum, 1964, Stuart Piggot	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
15	49/1937/1 Book (reference): Rambles in Old Exeter, 1927, Beatrix F Cresswell	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
16	49/1937/2 Book (reference): The Churches of Exeter, 1908, Beatrix F Cresswell	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
17	50/1922 Book (reference): La Trouvaille de Deir-el-Bahari, 1881, Brugsch and Maspero	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
18	50/1968 Book (reference): Roman coins and their values, D R Sear	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
19	51/1968 Book (reference): Standard catalogue of British coins	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
20	52/1968 Book (reference): British copper coins and their values	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
21	53/1968 Book (reference): Coins and medals 1968 album	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
22	54/1970 Book (reference): Seventeenth century Exeter, 1958, W B Stephens	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
23	55/1970 Book (reference): The Ports of the Exe Estuary 1660-1860, 1960, E A G Clark	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
24	56/1970 Book (reference): The Maritime History of	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
	Devon, 1968, M M Oppenheim		Policy	Curatorial library
25	57/1969 Book (reference): Roman Exeter, Exeter, Excavations in the war damaged areas, 1952, Aileen Fox	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
26	57/1970 Book (reference): Industry, Trade & People in Exeter 1688-1800, 1935, W G Hoskins	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
27	78/1970 Book (reference): West Country Friendly Societies, 1964, M Fuller	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
28	80/1971 Book (reference): Metallurgical Reports on British and Irish Bronze Age Implements and Weapons at Pitt Rivers Museum, 1970, Allen, Britton and Coghlan	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
29	81/1939 Book (reference): Roman Coins, Harold Mattingly	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
30	83/1936 Book (reference): Exeter Civic Seals, Lloyd Parry	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
31	84/1969 Book (reference): Victorian Exeter, 1968, R Newton	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
32	89/1936 Book (reference): The History of the Exeter Guildhall and the Life within, 1936, H Lloyd Parry	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
33	94/1936 Book (reference): Barclay V Head, 1881, Ancient Coins in the British Museum	Resources freed up	Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
34	152/1970 Book (reference): The Pre Reformation History of St Katherine's Priory, 1934, E Lega-Weekes	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
35	156/1970 Book (reference): 32 Views of Exeter, Exmouth and South Devon [?1920s]	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
36	165/1970 Book (reference): Science in Archaeology, 1969, D Brothwell and E Higgs	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
37	216/1968 Book (reference): Greek Bronzes, 1962, J Charbonneau	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
38	218/1971/1 Book (reference): Dinas Powys: An Iron Age, Dark Age and Early Medieval Settlement in Glamorgan, 1963, L Alcock	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
39	219/1971/1 Book (reference): The Prehistory of Wales, 1951, W F Grimes	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
40	219/1971/2 Book (reference): Caerleon: Fortress of the Legions, 1970, D Moore	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
41	227/1970 Book (reference): The Archaeology of Exmoor, 1970, L V Grinsell	Resources freed up	Accessioned in error Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
42	284/1971 Book (reference): Council of British Archaeology Report 6: Romano-British Coarse Pottery, 1976, Ed. Graham Webster	Resources freed up	Accessioned in error	Transfer to RAMM Curatorial library
43	320/1971/1 Book (reference): The Saints of Cornwall, part 1, Gilbert H Doble, 1960	Resources freed up	Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
44	320/1971/2 Book (reference): The Saints of Cornwall, part 3, Gilbert H Doble, 1960	Resources freed up	Accessioned in error	Transfer to RAMM Curatorial library
45	320/1971/3 Book (reference): The Saints of Cornwall, part 4, Gilbert H Doble, 1960	Resources freed up	Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
46	320/1971/4 Book (reference): The Saints of Cornwall, part 5, Gilbert H Doble, 1960	Resources freed up	Accessioned in error	Transfer to RAMM Curatorial library
47	339/1971 Book (reference): Museum of London Medieval Catalogue, D B Harden and R E M Wheeler, 1954	Resources freed up	Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
48	357/1914 Book (reference): Royal Visits to Exeter, 1863, Gidley	Resources freed up	Accessioned in error	Transfer to RAMM Curatorial library
49	1001/1974 Pamphlet: History and description of the New Bampfyde copper mine, 1869	Resources freed up	Falls outside ECC A & D Policy	Transfer to RAMM Curatorial library
ETHNOGRAPHIC COLLECTION: MARY FRANCIS VIVIENNE LOBB COLLECTION (WILLIAM MORRIS ICELANDIC				

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
MATERIAL)				
50	23/1939 16 th Century Bible, Iceland	Improved public access to item Improved context for item Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
51	104/1939/1+2 Woven belts x 2, Iceland	Improved public access to items Improved context for items Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
52	104/1939/3/1 Bodice, Iceland	Improved public access to item Improved context for item Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
53	104/1939/4 Girdle, Iceland	Improved public access to item Improved context for item Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
54	104/1939/5/1 Cap, Iceland	Improved public access to item Improved context for item Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
55	Slippers, Iceland	Resources freed up Improved public access to items Improved context for items Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
56	Slippers, Iceland	Improved public access to items Improved context for items Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
57	Carved horn containers, Iceland	Resources freed up Improved public access to items Improved context for items	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
58	Carved drinking vessel, Iceland	Resources freed up Improved public access to item Improved context for item Resources freed up	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
59	Carved horn spoons, Iceland	Improved public access to items Improved context for items	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London

ACCESSION NUMBER	NAME	DESIRED DISPOSAL OUTCOME	REASON FOR DISPOSAL	PROPOSED METHOD OF DISPOSAL
60	Fork, Iceland	Resources freed up Improved public access to item Improved context for item	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
61	Corded sash, Iceland	Resources freed up Improved public access to item Improved context for item	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London
62	Apron string, Iceland	Resources freed up Improved public access to item Improved context for item	Falls outside ECC A & D Policy No reasonable expectation of item(s) being used.	Transfer to William Morris Gallery, London

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EXETER CITY COUNCIL

EXECUTIVE 20 NOVEMBER 2012

EXETER ST JAMES FORUM NEIGHBOURHOOD PLAN

1.0 PURPOSE OF REPORT

- 1.1 To inform Members about progress on the production of a Neighbourhood Development Plan for Exeter St James, to agree the Council's response to the consultation process and to grant delegated powers to take the process forward.

2.0 BACKGROUND

- 2.1 Members will recall that the Localism Act included measures relating to the introduction of Neighbourhood Planning, established to give members of the community a more hands on role in the planning of their neighbourhood. The measures that the Act introduced for Neighbourhood Planning, together with the accompanying Neighbourhood Planning Regulations, came into force on 6 April 2012.
- 2.2 The Localism Act introduced new rights and powers to allow local communities to shape new development by coming together to prepare neighbourhood plans and neighbourhood development orders. Neighbourhood planning is not led by the local authority; it is about letting the residential and business communities plan the areas they know.

3.0 PROGRESS SO FAR

- 3.1 Exeter St James Forum has completed the first of the five key stages of neighbourhood planning: Defining the Neighbourhood (see Appendix A for a summary of the Key Stages of Neighbourhood Planning). In accordance with the Regulations they made an application for the designation of the ward of St James as a 'Neighbourhood Area' to form the basis for neighbourhood planning. Next, again in accordance with the regulations, they submitted an application for the designation of Exeter St James Forum. No objections were received to either application and therefore under delegated powers the Council determined to approve these applications.
- 3.2 Exeter St James Forum has now moved on to the second key stage of neighbourhood planning: Preparing the Plan. Local people have established an evidence base, collected their ideas together and drawn up a Draft Neighbourhood Development Plan. The Forum has commenced consultation on the Draft Neighbourhood Development Plan; leaflets have been delivered to every house in the ward, posters and flyers have been distributed and the document is available to view on the Exeter St James Forum website. This stage of the process is aimed at letting local people make any comments to the Forum so that changes can be made prior to the submission of the document to the Council. Exeter City Council is also invited to make comments prior to the drafting of the final document. The consultation period ends on the 23 November 2012.
- 3.3 The Neighbourhood Development Plan will establish general policies for the development and use of land in the St James neighbourhood and it is this document that the Forum is currently consulting on. Forum members presented the Plan at the Planning Member Working Group on the 16 October 2012.

4.0 THE PLAN

4.1 The Neighbourhood Development Plan sets out a vision for St James Ward, projects to help deliver the vision and policies that on adoption will form part of the Development Plan. Policies cover the following areas:

- Environment
- Design
- Community
- Economy
- Sustainable Development
- Heritage
- Transport

The key policy issues in relation to each of these areas are summarised below.

4.2 Environment: The plan focuses on protecting and enhancing the natural environment. Policies are included that protect green spaces, Hoopern Valley, Queens Crescent, gardens, and trees.

Design: The Plan aims to ensure that new development reflects local character and historic interest while also encouraging innovative and cutting edge design. Policies cover good quality design, shop frontages, commercial and residential frontages.

Community: The Plan seeks to encourage development of appropriate housing to improve the social balance of the ward. Policies cover large scale purpose built student accommodation, small scale purpose built student accommodation, houses in multiple occupation (HMOs), St James Local Community Centre, and allotments.

Economy: The Plan supports local businesses, creates links to and co-operates with larger businesses, and encourages new businesses, home working and social enterprises that benefit the community. Policies cover employment and enterprise and neighbourhood retail.

Sustainable Development: The Plan works to encourage regeneration and appropriate new development that help achieve social, economic and environmental objectives. Policies cover Football Club/Yeo and Davey Site (the adjoining garage site), Exeter Cricket Club, Howell Road car park and adapting to climate change.

Heritage: The Plan seeks to protect and enhance the historic built environment and includes a policy requiring new development to pay special regard to this.

Transport: The Plan will work to create a movement network that reflects the predominately residential character of the area, serves local transport requirements and encourages more sustainable means of transport. Policies cover sustainable transport, strategic traffic, residential streets, short term parking for local businesses and accessibility for all.

4.3 The Draft Neighbourhood Plan is available to view on the Exeter St James web site: <http://www.exeterstjamesforum.org>

5.0 COMPULSORY PURCHASE ORDER

5.1 One of the main priorities of the Neighbourhood Plan is to create a heart for St James centred on Queens Crescent (this space is shown on the plan at Appendix B). The

main barrier to the improvement of Queens Crescent as a community green space is the uncertainty over ownership. This could be resolved through the Compulsory Purchase Order (CPO) of the land under S226 of the Town and Country Planning Act to “facilitate the carrying out of...improvement on or in relation to the land”. A CPO could also be useful to the Council in the event of any future highway improvements being required in this area. Accordingly authority is sought to take all measures necessary to proceed with preparing a Compulsory Purchase Order for Queens Crescent Gardens.

- 5.2 However, before beginning the CPO process the Council must ensure that the community are in a position to take on responsibility for the open space, and that the Council will not be left with management obligations in relation to the land. If the CPO is simple with no objections it is estimated that legal costs could be in the order of £5-10,000 if carried out externally; however, if the legal work could be conducted in-house this cost could be avoided. If an owner did come forward it is estimated that the maximum compensation would be in the order of £5-10,000 (based on land value).

6.0 CONSULTATION RESPONSE

- 6.1 The Exeter St James Forum and the residents of St James should be congratulated in regard to what they have achieved thus far. It has only been through the enthusiasm, expertise and experience of those involved that they have got to where they are now.
- 6.2 Exeter St James Forum has worked closely with the Council in bringing forward their Neighbourhood Plan. The policies have been developed in the context of the Core Strategy and should help to deliver its objectives.
- 6.3 Nevertheless there are a number of areas where further work is required to ensure that the policies are drafted in a manner that allows for easy and consistent interpretation and provides added value over and above the policies proposed in the Council’s Site Allocations and Development Management document. In particular further work needs to focus on ensuring there is clarity with regard to where the policies apply, what they cover, and on ensuring that the policies say something that is locally distinctive to St James (a schedule of issues to be addressed is attached at Appendix C). Exeter St James Forum is therefore asked to continue to work closely with the Council to ensure this Plan delivers sustainable development that is in accordance with Core Strategy policies.

7.0 WHAT NEXT?

- 7.1 The Forum will consider the representations made and make any necessary amendments to the Plan. The Plan is then submitted to the Council after which there follows a further 6 weeks of consultation undertaken, this time, by the Council. Once this consultation period is over, an independent examiner considers any representations made and checks that the Plan meets the right basic standards. The final two stages of the process are a community referendum, where 50% of the community that turn out to vote must be in favour of the neighbourhood plan for it to come into force and, lastly, adoption by the Council after which the Plan gains legal force as part of the Development Plan. This is important as Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires that applications for planning permission must be determined in accordance with the Development Plan unless material considerations indicate otherwise.
- 7.2 Once the examiners recommendations have been received a report will be brought back to Executive to consider the recommendations and to seek authority to carry out the referendum.

8.0 RECOMMENDATION

8.1 That Executive offers its congratulations to Exeter St James Forum on the production of the draft plan and delegates to the Assistant Director City Development authority or other appropriate officers:

- (i) to continue to negotiate with the Forum on how best to address issues regarding the content of the draft plan identified in Appendix C;
- (ii) to make any formal representations appropriate on the plan reflecting unresolved concerns;
- (iii) to undertake the necessary procedures to enable the plan to proceed towards adoption.
- (iv) to undertake the acquisition of the Queen's Crescent Gardens open space, by agreement with the owner if the owner is found. If the owner is not found, or terms are not agreed, that Executive authorises the acquisition of the land by making a Compulsory Purchase Order under Section 226 of the Town and Country Planning Act 1990 (as amended), on the basis that Executive thinks the acquisition will facilitate the carrying out of improvement on or in relation to that land; and
- (v) to undertake all necessary action to proceed with the Compulsory Purchase Order.

RICHARD SHORT
ASSISTANT DIRECTOR CITY DEVELOPMENT

Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:-

None

KEY STAGES TO NEIGHBOURHOOD PLANNING

There are five key stages to neighbourhood planning:

1. Defining the neighbourhood

Local people will need to decide which organisation should lead on coordinating the local debate. In some places, existing community groups may want to put themselves forward. In other places, local people might want to form a new group. In both cases, the group must meet some basic standards. It must, for example, have at least 21 members, and it must be open to new members.

Community groups will then need to apply to the local planning authority identifying the area and submitting information about the group. If the local planning authority decides that the community group meets the right standards, the group will be able to call itself a 'Neighbourhood Forum'. A Neighbourhood Forum can then get going and start planning for their neighbourhood.

2. Preparing the Plan

Next, local people will begin collecting their ideas together and drawing up their plans.

With a **neighbourhood plan**, communities will be able to establish general planning policies for the development and use of land in a neighbourhood.

With a **neighbourhood development order**, the community can grant planning permission for new buildings they want to see go ahead.

Local people can choose to draw up **either** a plan, **or** a development order, **or both**. It is entirely up to them. Both must follow some ground rules:

- They must generally be in line with local and national planning policies
- They must be in line with other laws
- If the local planning authority's says that an area needs to grow, then communities cannot use neighbourhood planning to block the building of new homes and businesses. They can, however, use neighbourhood planning to influence the type, design, location and mix of new development.

3. Independent Check

Once a neighbourhood plan or order has been prepared, an independent examiner will check that it meets the right basic standards.

4. Community Referendum

The local council will organise a referendum on any plan or order that meets the basic standards. This ensures that the community has the final say on whether a neighbourhood plan or order comes into force.

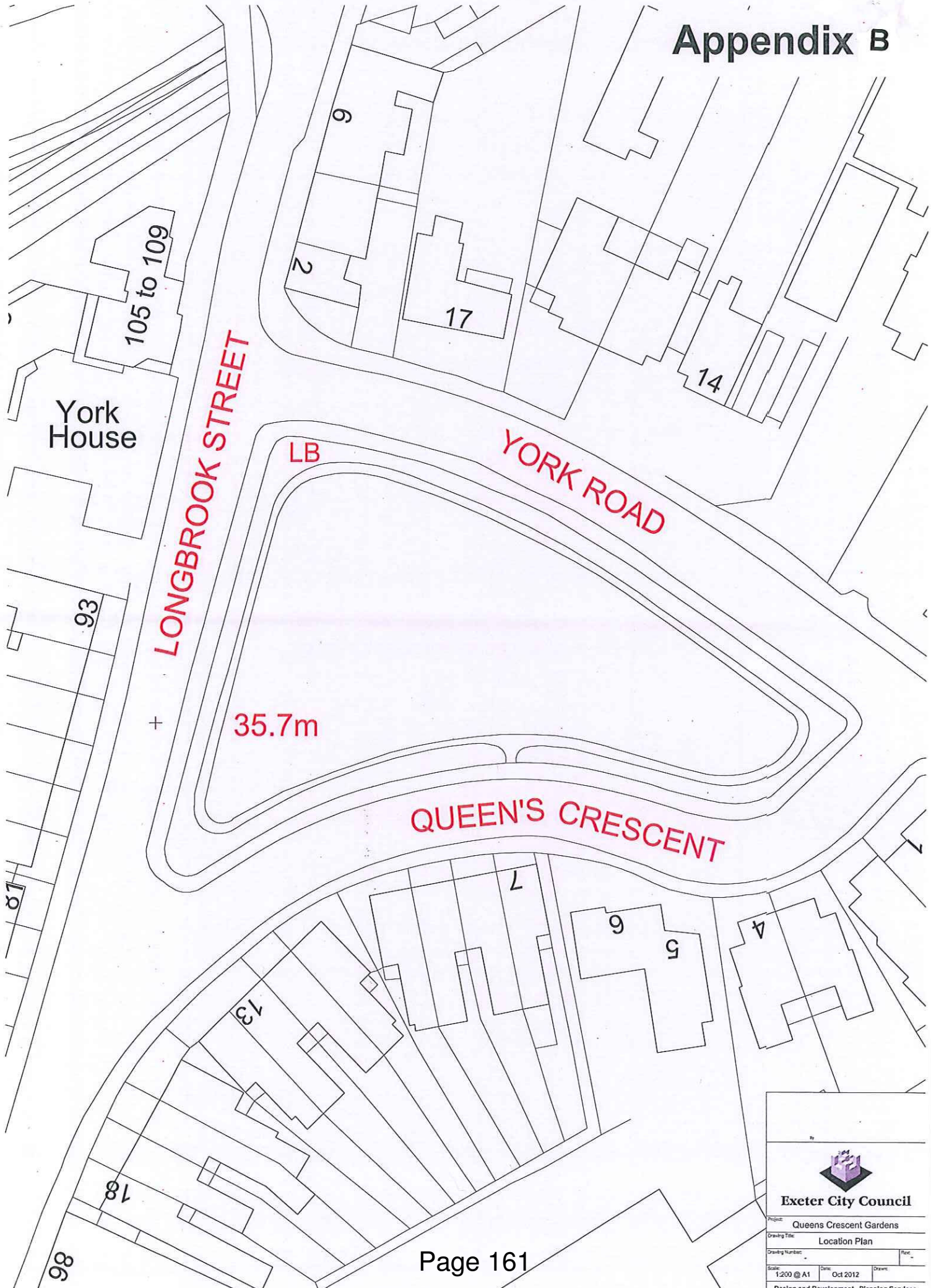
If more than 50 per cent of people voting in the referendum support the plan or order, then the local planning authority must bring it into force.

5. Legal Force

Once a neighbourhood plan is in force, it carries real legal weight. Decision-makers will be obliged, by law, to take what it says into account when they consider proposals for development in the neighbourhood.

A neighbourhood order will grant planning permission for development that complies with the order. Where people have made clear that they want development of a particular type, it will be easier for that development to go ahead.

Appendix B




Exeter City Council

Project: Queens Crescent Gardens
Drawing Title: Location Plan
Drawing Number: _____ Rev: _____
Scale: 1:200 @ A1 Date: Oct 2012 Drawn: _____
Design and Development Planning Services

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APPENDIX C**ISSUES TO BE ADDRESSED**

There is a need for more text up front on the legal status of document and a clear statement that explains that the policies will become part of Exeter's Development Plan.

There is a need for more text up front that explains how the Neighbourhood Plan fits with the Core Strategy and delivers sustainable development (perhaps with reference to the Sustainability Appraisal)

It needs to be clear where policies apply. The map on page 19 appears to show where policies apply but it does not show all policies and this could lead to confusion. It would be useful to have one map that shows all the policies.

A number of green areas are shown on the map on page 19 (under the heading EN1) that are not recognised as open spaces in our adopted plan – need to determine if ESJF intends to designate these areas as open space. Equally some of the areas that are currently designated as open space in the Development Plan are not shown on the map on page 19 – this also needs further discussion.

EN1: Protection of green spaces

The policy seems to focus on development adjacent to or affecting green spaces rather than development that results in the loss of green space. It may be worth looking again at the wording to ensure the meaning is clear.

EN2: Hoopern Valley

As worded any development would need to meet all criteria in order to be acceptable. This may prevent development that ESJF would like to see go ahead so it may be worth looking again at the policy wording.

Note: The designation covers land that is not currently protected in the adopted Development Plan.

EN3: Queens Crescent Garden Local Open Space

ESJF wish to designate Queens Crescent as a Local Green Space (a new designation introduced by the NPPF). In order to be clear the policy wording should use this same terminology.

EN4: Gardens

It is important that this policy achieves a reasonable balance between preserving gardens and allowing acceptable development.

C1: Large Scale Purpose Built Student Accommodation**C2: Small Scale Purpose Built Student Accommodation**

The text needs to include a clear explanation of what is meant by 'balanced community' and a definition of large and small scale student accommodation so that it is clear which policy applies.

C4: St James Local Community Centre and**E2: Neighbourhood Retail**

Need to be clear with regard to use of terminology: Heart for St James – Community Focus - St James Local Community Centre – Local Centre – Are all these one and the same? Or is the 'St James Local Centre' described in policy E2 something different? If all one area then the policy wording for E2 is a bit strange as it only refers to Well Street, Longbrook Street and Sidwell Street (and Sidwell Street is not included within this area).

H1: Heritage and SD4: Adapting to climate change

It may be that these policies can say something more locally distinctive to St James.

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EXETER CITY COUNCIL

PLANNING MEMBER WORKING GROUP 16 OCTOBER 2012

EXECUTIVE 20 NOVEMBER 2012

TEIGNBRIDGE LOCAL PLAN DEVELOPMENT PLAN DOCUMENT CONSULTATION ON DRAFT SUBMISSION PLANNING DOCUMENT

1 PURPOSE OF REPORT

- 1.1 To formulate a response to the 'Draft Submission' document that is being published by Teignbridge District Council.

2 BACKGROUND

- 2.1 Members will recall that Teignbridge District Council consulted on a Preferred Options Core Strategy earlier in the year. Executive approved a response to that document in February. Teignbridge have since taken an amended version of that document forward (including a change of name) and approved their Local Plan 2013 - 2033 for Draft Submission to the Secretary of State for public examination.
- 2.2 Teignbridge have made some significant changes in preparation of the Draft Submission document. Of particular note they now expect delivery of 620 dwellings per year as opposed to the figure of 740 that was previously consulted upon. This is explained by a reduction in proposed housing allocations in places like Newton Abbot, Teignmouth and Dawlish. However, the proposed allocation of 2,000 dwellings to the south of Alphington remains unchanged.
- 2.3 This paper concentrates on that proposal for growth adjoining the south western boundary of the City and associated matters. The economic prosperity of the sub region is inextricably linked to the growth of the City. Such growth is now, and will increasingly in the future, be dependent upon policies adopted in adjoining authorities.

3 SOUTH WEST OF EXETER URBAN EXTENSION

- 3.1 Whilst the majority of Teignbridge's proposed growth still centres on Newton Abbot, the Draft Submission Local Plan proposes a single urban extension on the south western boundary of Exeter. This comprises some 2,000 additional houses (more than 15% of the total level of growth proposed) with associated community facilities, approximately 5 hectares of employment land (5% of total employment growth); and 24 Gypsy and Traveller pitches (more than 30% of total provision). A plan showing the SW Exeter urban extension and an extract from the Draft Submission Document and are reproduced at Appendices 1 and 2.
- 3.2 At their Issues and Options Stage, Teignbridge proposed three alternative ways of delivering such development. The City Council expressed a preference for a single urban extension as offering the most sustainable method of delivering such growth. That view was carried forward in responding to Teignbridge's Preferred Options consultation and there appears little reason to deviate from it as the proposed overarching strategy for development at South West Exeter remains unchanged since then.

3.3 What has emerged since the Preferred Options stage is the South West Masterplan. Detail that has emerged since the Preferred Options Stage of consultation is addressed below.

3.4 **Infrastructure**

The Draft Submission Document explains an ongoing need to identify and meet infrastructure needs in order to support sustainable development growth. An Infrastructure Delivery Plan has therefore been prepared and can be expected to be revised from time to time. An extract of that Plan that relates to South West Exeter is reproduced at Appendix 3. Of particular note are four items of infrastructure:

- New Secondary School
- Ridge top Park
- 1,000 space park and ride / park and change
- New rail station at Marsh Barton

3.5 Teignbridge identify a potential 50% contribution towards each of these items through their 'infrastructure fund' and identify the City Council as a possible funding source for the residue. Devon County Council's South West Exeter Transport Access Strategy explains that the new rail station and park and ride must be in place to address the travel impacts of the full 2,500 dwellings (ECC 500 and TDC 2,000) that are proposed in the area. Similarly a new secondary school seems likely to result in direct benefits for residents (including occupants of new development) in Exeter and the potential value of a new park is outlined below. It seems reasonable that the City Council might help to facilitate investment in each of these but why, when and how much should be subject to scrutiny from an Exeter City Council investment board and, ultimately, Executive.

3.6 **Ridge top Park**

Proposals for a 70ha ridge top park between the proposed development area and the M5 motorway have been clarified. The new public park is identified as a recreation destination that might provide an alternative to the Exe Estuary and Dawlish Warren and therefore ease pressures (arising from new development) on the habitats of European protected species. Whilst the proposed park could result in significant benefits for the City, evidence is still emerging that will help to clarify its value compared to that of other possible European site mitigation measures. That evidence is expected to be published early next year and will help Exeter, East Devon and Teignbridge Councils to determine whether the park (amongst others) represents the best way of mitigating impacts on European designated habitats that result from new development.

3.7 **Employment adjacent to Peamore**

5ha of employment land is proposed adjacent to existing operations at Peamore. This is intended as land for the expansion of existing business and for start ups. The consultation document suggests that the expansion of Matford (which already has planning permission from the City Council) will be complimented by employment development on the proposed Peamore allocation. This may be the case but Matford would appear to be the more sustainable location for inward investment and new start up employment growth and one that might be more likely to reduce the need to travel by car. With significant existing employment land supply on that side of Exeter, it might therefore be appropriate to focus new employment development at Peamore more firmly on the expansion of existing businesses.

4 **PROPOSED RESPONSE TO TEIGNBRIDGE DISTRICT COUNCIL**

4.1 The City Council welcomes the recognition in the Draft Submission Local Plan of the

need for Teignbridge District Council to support the balanced growth of Exeter. The City Council supports additional housing growth in that part of Teignbridge adjoining the south western boundary of Exeter and continues to believe that a single strategic allocation located adjacent to the City Council's strategic allocation at Alphington represents the most sustainable form of development. To that end the Council broadly supports the Draft Submission Local Plan, particularly the strategic allocation proposed adjoining the south west of Exeter.

- 4.2 The City Council recognise the importance of joint working and cooperation on matters of strategic spatial planning and hope that Teignbridge District Council maintain the present close and cooperative working arrangements that exist between the two authorities. Cooperation will be integral to delivering the infrastructure that will be essential to enabling sustainable development in South West Exeter.
- 4.3 The Council understands that the Draft Submission Infrastructure Delivery Plan is a 'living' document that will be subject to review. The City Council will continue to work with Teignbridge District Council and other infrastructure providers in order to set investment priorities and agree a funding package for each.

5 ADVICE SOUGHT/RECOMMENDATION

- 5.1 Planning Member Working Group on 16 October noted and supported the report which will form the basis of the response to Teignbridge District Council.
- 5.2 Executive is asked to agree the proposed response to Teignbridge District Council set out in paragraphs 4.1, 4.2 and 4.3.

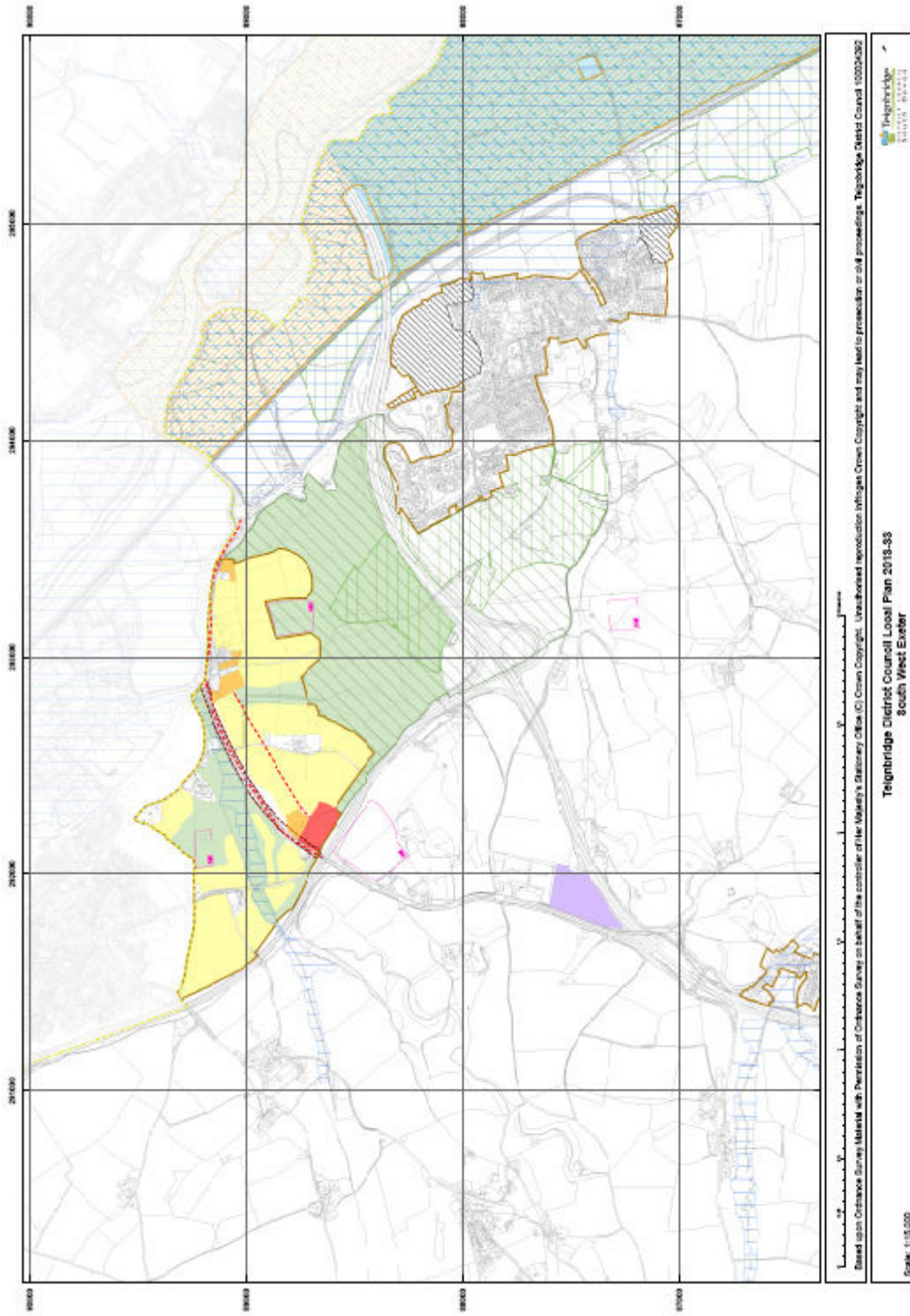
RICHARD SHORT
ASSISTANT DIRECTOR CITY DEVELOPMENT

Local Government (Access to Information) Act 1985 (as amended)

Background papers used in compiling this report:

None

APPENDIX 1 - SW EXETER URBAN EXTENSION



Teignbridge District Council Local Plan 2013-2033
Policies Map Key

Administrative	Allocations/Proposals
Local Plan Boundary	Mixed Use
Torbay District Boundary	Housing
Major Planning Permission	Employment
Policies	Leisure
Area of Great Landscape Value	Other Green Infrastructure
Undeveloped Coast	Roads and Road Improvements
Strategic and Local Break	South Devon Link Road
Settlement Limit	Car Park
Protected Public Open Space	School
Site of Special Scientific Interest	Community Facilities
European Wildlife Site	Seale Hayne
Local Nature Reserve	Environmental Enhancement
Historic Park and Garden	Marina
Conservation Area	
Ancient Monument	
County Wildlife Site	
Floodplain	
Town Centre	
Primary Shopping Area	
Primary Shopping Frontage	
Secondary Shopping Frontage	
Air Quality Management Area	

10. Edge of Exeter

- 10.1** Exeter is a key economic driver for the region and is a major Regional Centre for services, retailing and culture. It has high economic growth prospects, with a growing knowledge-based economy, including the University and Met Office, as well as proposed developments at Science Park and SkyPark. The city is also a key provider of high order services, such as shops, jobs and education for Teignbridge residents. The economic success of Exeter is vital to the region as a whole and Teignbridge residents in particular. It is, therefore, relevant to consider how the Local Plan can support this success.
- 10.2** The city's expansion over the years has brought its built form close to its administrative boundary and the Local Plan can play an important role in supporting the city's growth and function, by identifying opportunities to provide sustainable growth within the Teignbridge Plan area boundary.
- 10.3** Exeter's Adopted Core Strategy identifies the area to the north of Teignbridge District Council's boundary for 500 homes. Teignbridge District Council in partnership with Exeter City Council, Devon County Council and Exeter and East Devon Growth Point commissioned a masterplan for the South West of Exeter. The purpose of the joint masterplan is to help promote and encourage sustainable growth. The proposals put forward in that document have informed policies SWE1 and SWE3 in the Local Plan.
- 10.4** This approach supports sustainable growth by reducing the need to travel, focusing new housing, jobs and facilities into locations with existing infrastructure to cope with the increased demand.

Site Description

- 10.5** The site lies within the Teignbridge planning area but adjoins the Exeter City administration boundary. It is located on the western side of the Exe Valley, on land which rises up from the flat floor of the river floodplain to a series of low rounded hills, ridges and valleys, modified significantly in places by major road cuttings. The area lies north and south of the A379 and west of the B3123 (Bad Homburg Way), with the A30 forming the western boundary. The most visually prominent parts of the site comprise the upper slopes and top of the ridge of higher ground which visually separates the Exe floodplain from areas to the southwest. The area is predominately green field but also includes some existing residential and business facilities, a hotel, and an inert waste facility. The area benefits from scheduled monuments and wildlife designations. The site also straddles the Matford Brook a water watercourse that flows into the River Exe.
- 10.6** The provision of new housing and associated development on the edge of Exeter, close to the major employment location of Marsh Barton Trading Estate is a highly sustainable location and will support the continued successful expansion of the

City. To provide a balanced, sustainable community, consideration needs to be given to more than housing. Therefore, this strategic allocation requires a range of infrastructure elements that will need to be delivered in a timely manner.

SWE1 South West of Exeter Urban Extension (part amended)

The South West of Exeter will develop as a sustainable urban extension, resilient to climate change where new and existing residents will be able to access a range of community facilities, shops, jobs, recreation areas and public transport improvements. It will represent a new part of the City, south of the River Exe which will reinforce the importance of the southern approach. The aim is to establish a new area within the natural setting of Exeter, sitting below the ridgeline and benefiting from the backcloth of the hills that enclose the City.

A site of approximately 92 hectares is allocated to the south west of Exeter for a mixed use development including:

- a) **delivery of at least 2,000 homes with a target of 20% affordable housing;**
- b) **24 Gypsy and Traveller pitches;**
- c) **20 hectares of green space comprising formal and informal green space, active recreation space, children and young people's space, natural green spaces and allotments;**
- d) **land for primary and secondary education;**
- e) **a range of community facilities well related and accessible to all, including a multi-purpose community/sports building, youth and children's centre, health, police and faith provision, library, and shops, and small scale employment to provide a focus for neighbourhoods will be provided in mixed use local centres and hubs. The hubs will serve the day-to-day needs of nearby residents and act as the focal point for the community being well connected and permeable;**
- f) **opportunities for sustainable travel and lifestyles including a network of safe and convenient green routes and cycling links that bridge the barriers presented by transport infrastructure and which promote healthy living and a sense of well-being;**
- g) **public transport and highway improvements as required including an enhanced public transport route, 1,000 space park and ride hub, access to a new rail halt at Marsh Barton, improvements to Bridge Road, enhancements to the A379 from Chudleigh Road to Bridge Road, including improvements to existing junctions and new junctions to serve development and, remodelling of the Devon Hotel junction at the A379 and B3123; and**

- h) investigation of opportunities of utilising energy from waste from Marsh Barton into the development to comply with reductions in carbon generation as required**

Development and required infrastructure will be delivered on a phased basis in line with housing delivery.

Proposals will not be permitted where they would prevent a comprehensive approach to the development and infrastructure of the whole site.

- 10.7** Further detailed archaeological and biodiversity assessments will need to be undertaken by any potential applicant to record where appropriate and assess the relevant impacts and mitigation aspects. These are likely to be required before the planning application is submitted.
- 10.8** Development within the strategic allocation should have general regard to guidance contained within the South West Masterplan Masterplanning Study. It is expected that proposals will deliver a mixture of uses in each phase to avoid a domination of mono uses and ensure that community infrastructure and other requirements are not left until the end of the development.
- 10.9** The growth to the South West of Exeter will be a new mixed use area on an enhanced public transport route. It will comprise new neighbourhoods with a range of community facilities clustered together within the valley. New permeable and connected communities will be located on the valley sides facing the City leading to the ridge-top park with views across the Exe Valley towards the City and across the estuary.
- 10.10** Exeter experiences traffic congestion along its main arterial routes, particularly at peak hours. Any sustainable development looks to initiatives to reduce the need to travel and to encourage greater use of sustainable forms of transport. An enhanced public transport route is proposed to run from the Marsh Barton area. This will include regular, safe and local transport. A key part of this public transport network is the provision of a replacement park and ride facility within the new development. Ideally located to the south of the A379 at the intersection of the A30 and A379, it will serve existing commuters and help change the nature of the A379 and reduce traffic to Chudleigh Road. The Devon Metro scheme proposes a rail halt at Marsh Barton which will serve existing commuters and is fundamental in providing additional road capacity. This halt is not within the allocation but is imperative to it. Further investment in cycle routes and improved pedestrian links will also be required. These measures and others will need to be in place early in the development to facilitate a modal shift to remove some traffic from the existing network allowing sufficient capacity to support the development.
- 10.11** Improvements to the A379 are necessary to avoid this road becoming a barrier which could divide and prevent a well-connected and sustainable place. It will be

necessary to change the nature of the road so that it can begin to integrate with and become a functioning part of the development. The road will need to respond to its new environment and role within the city whilst also maintaining its current function and capacity. Changes to the nature of this road could include, for example, speed reductions, providing pedestrian crossings at key points, consideration of a footbridge. The masterplan has additional details on this.

- 10.12** The surrounding roads also generate noise and any development will need to consider the impacts of this on development. Appropriate design and planting will need to be incorporated to reduce noise to acceptable standards. Additional surveys may be required.
- 10.13** There is a need for a mix of housing types and sizes within the area. Density will need to respond to the topography and may be varied across the site as appropriate with higher density around the hubs.
- 10.14** The evidence for Gypsy and Traveller need in Teignbridge has been updated. 24 pitches will be required as part of this allocation. The pitches do not have to be delivered as one site and will count towards the affordable housing contribution from the site. Consideration may be given to off-site provision if more suitable alternatives are proposed. However, given the proximity to the M5, A30 and A38 corridors and proposed community facilities the preference is for pitches to form part of the new neighbourhood to the South West of Exeter and be part of an integrated, mixed community.
- 10.15** The community hubs will include some localised employment opportunities. This is likely to be in the form of B1, some retail or other employment generating uses from the community facilities.
- 10.16** As a result of development in this area there will be a need for additional primary and secondary school places, including suitable land to develop new provision. 2000 homes are likely to generate 500 primary age pupils and 300 of secondary age. This is in addition to any new pupils generated through growth within the Exeter City planning area. Consequently, a need is identified for a new primary school and an additional all through school. It is considered that a primary should be located south of the A379 and that the all through school should be located north of the A379. The preferred locations for these schools are identified on the masterplan. Devon County Council, Exeter City Council and Teignbridge District Council will work together in securing the appropriate CIL/Section 106 contributions.
- 10.17** An archaeology and cultural heritage assessment, including targeted geophysical survey and surface artefact collection has been undertaken. There are scheduled monuments present which are to be safeguarded. Where they are located near to development they will be required to have suitable non-development buffers

and should be incorporated into green open space with a naturalistic setting to any built development to protect their setting.

- 10.18** There are also seven Grade II listed buildings and a number of Grade II structures close to the survey boundaries. These, their settings and the wider historic landscape will need careful consideration.
- 10.19** The Strategic Flood Risk Assessment for Exeter (2008) states that the Matford Brook is a minor watercourse that flows into the River Exe to the south of the Alphin Brook. Its lower reaches are connected to a series of open drains and ditches that drain the low lying industrial/commercial area. The Matford Brook is not considered to pose any significant flood risk to most of the lower catchment although a large proportion of the catchment is shown to be within the indicative floodplain. Development is avoided in these areas which are identified for blue and green space for the proposed valley park.
- 10.20** The development will provide for 20 hectares of open space, potentially in a lower valley park incorporating landscape features and linking the proposed neighbourhoods, whilst at the same time protecting the schedule monument and its setting.
- 10.21** The urban extension will provide for key arrival points to reinforce the identity of the southern gateway of Exeter. Arrival points should be well designed, attractive and make it easy for people to orientate themselves.
- 10.22** To maintain viability, the urban extension should be delivered in phases to ensure sustainable growth and that the appropriate level of infrastructure is in place to accommodate it. It is proposed that there will be four phases, each delivering a portion of sustainable development in a way that should reduce up front infrastructure costs. Coordination of infrastructure delivery will be required across the area.
- 10.23** The associated masterplan contains phasing proposals in order to ensure that infrastructure is provided in step with development in an achievable manner. This indicates:
- a) 500 dwellings within Exeter as an early phase;
 - b) 500 dwellings with a primary school, Chudleigh Road upgrade and part of the Matford Valley Park;
 - c) 1,000 dwellings associated with public transport improvements, park and ride and signalled junctions, pedestrian enhancement of the A379 and part of the ridge-top park; and
 - d) 500 dwellings and the remainder of the required infrastructure.
- 10.24** Although considered a logical and deliverable sequence of development, this may not be the only order that development could be brought forward. However, any

development brought forward out of the sequence suggested will need to be considered carefully. This is to ensure that it does not impact upon the viability of subsequent growth and that development delivered is sustainable in its own right. As well as avoiding development that relies on the future provision of services and infrastructure that may not happen. In this instance a phasing strategy will be required for infrastructure and development across the whole site relating to SWE1 and SWE3.

- 10.25 Due to the scale of infrastructure and need for modal shift in transport provision, it is likely that the development within Teignbridge would come towards the latter part of the plan period.
- 10.26 All phases and all parties of the development would be expected to contribute to the necessary infrastructure required and any essential mitigation/compensatory habitat scheme via the Community Infrastructure Levy and/or planning obligations. Close co-ordination with Exeter City Council and Devon County Council will be required in delivering the required infrastructure as and when appropriate.

SWE2 Employment adjacent to Peamore (new policy)

A site of approximately 5 hectares is allocated adjacent to Peamore for employment land. This will provide a mix of predominantly B2 and B8 uses as appropriate to the site and its wider context, ensuring that there is also a mix of unit size to enable businesses to start up and expand.

- 10.27 Whilst there will be some localised employment within the community hubs, the main allocation will be adjacent to an existing employment area situated outside the masterplan area which could be delivered independently. This will facilitate growth in the existing businesses and the potential for other appropriate uses. It is not intended to compete with other areas in and around Exeter and is considered an appropriate location. It has the opportunity to be one of the key arrival points and should be designed appropriately to respond to its environment.
- 10.28 Due to the proximity to the M5/A38 junctions it is essential that development of this site does not create a conflict with the function of those roads, particularly in relation to any new access into the site from the A379.
- 10.29 Matford Business Park, within Exeter City Council's boundary, is a large employment area that is expanding and provides a range of additional employment opportunities. These along with the allocation at Peamore will offer a good range of opportunities to work close to the planned urban extension and reduce the need to travel by car.

SWE3 Ridge Top Park (new policy)

An area of approximately 70 hectares is allocated to the south of the A379 at the south west of Exeter as a ridge top park. This site will be suitable alternative natural green space which will include a mix of facilities for recreation purposes. It will be managed as a public park and may include:

- a) buildings of an appropriate scale for associated leisure, recreation and maintenance use; and**
- b) suitably located ancillary car parking provision**

Any proposals for development shall be accompanied by:

- c) wildlife assessments on the impact of new structures; and**
- d) assessment of the impact of any proposed lighting and potential mitigation**

10.30 The land is predominately farm land but also incorporates an inert landfill site, a Scheduled Monument and a County Wildlife Site.

10.31 Teignbridge District, Exeter City and East Devon District Councils all border the Exe Estuary. In partnership with Natural England and others it has been determined that housing and tourist accommodation developments in the stated local authority areas will have an in-combination likely significant effect on the Exe Estuary Special Protection Area (SPA) and Dawlish Warren Special Area of Conservation (SAC) through impacts from recreational use. The impacts are highest from developments within 10 kilometres of the SPA/SAC. It is therefore essential that mitigation is secured to make such developments permissible.

10.32 Mitigation for recreational impacts can take the form of access management within the European sites, or provision of substantial alternative recreation locations to draw users away from the European sites. Given the amount of development proposed in SWE1 and other nearby areas and the proximity to the designations it is considered most appropriate to provide suitable alternative natural green space (SANGS). This should be close to new development to attract recreation pressure away.

10.33 The ridge top park's main purpose is therefore to attract much of the new day-to-day recreation pressure away from the European sites, especially Exminster Marshes, the Exe Estuary SPA, Ramsar site and Dawlish Warren SAC. As such it is over and above that normally required by development.

10.34 The provision of a ridge-top park will also ensure that development is set within a high quality and diverse green space protecting the green ridge of the city. It will meet the needs of new residents as well as providing an asset for existing residents. The park, close to new development will improve leisure opportunities and should cater for frequent, regular uses such as dog walking, older children

APPENDIX 3 - DRAFT INFRASTRUCTURE DELIVERY PLAN EXTRACT

Name of settlement	Proj Ref Name and location of project or programme	Strategic Priority	Theme	Period of delivery	Key partners & Possible sources of funding (additional to CIL and NHB (to be agreed))	Total Estimated cost	Proposed Potential Infrastructure Fund Contribution
Edge of Exeter							
SW Exeter	New 420 place Primary School (or 2 x 210) and pre-school childrens centre (26 full time pre-school places).	(1) Critical	Education	6 - 10 years (2018 - 2023)	DCC / School Sponsor (Academy or Free) / Contributions from development within Exeter City Council boundary. Fully funded by developer contributions	£7,500,000	£0
SW Exeter	SW Exeter Secondary Education Secondary school	(1) Critical	Education	6 - 10 years (2018 - 2023)	DCC / School Sponsor (Academy or Free)	£12,000,000	£6,000,000
SW Exeter	SW Exeter Ridge-top park, including Suitable Alternative Natural Green Space (SANGS) and ongoing management.	(1) Critical	Green Infrastructure	6-10 (2019-2023)	TDC / Developer To be agreed with Exeter City Council, DCC, and Natural England	£4,600,000	£2,300,000
SW Exeter	Matford Valley Park including recreational space, allotments, natural green space;	(1) Critical	Green Infrastructure	6 - 10 years (2018 - 2023)	TDC / Developer DCC / Natural England / Sport England	£1,600,000	£800,000
SW Exeter	SW Exeter Bus Services including Intermodal Interchange Facility 1000 space car park, including park and ride, and park and change hub.. Also provide bus services and bus stops.	(1) Critical	Public Transport	6-15 (2019-2028)	TDC / DCC / ECC Exeter City Council.	£6,500,000	£3,250,000
SW Exeter	New Devon Metro rail station at Marsh Barton	(1) Critical	Public Transport	6 - 10 years (2018 - 2023)	DCC / Network Rail / Train Operators / Exeter City Council	£5,000,000	£2,500,000
SW Exeter	SWE Urban Extension drainage and water management	(1) Critical	Rivers & Flooding	6-15 (2019-2028)	Developer / TDC / DCC / EA	£3,500,000	£0
SW Exeter	Junction Improvements to 4 junctions and 2 new junctions including at A379 Bridge Road, A379 Chudleigh Road, and Devon Motel Junction at A379 / B3123	(1) Critical	Roads	6-15 (2019-2028)	DCC/ Fully funded by developer contributions including S106 / S278	£6,000,000	£0
SW Exeter	5 ha of employment uses, with mix of unit sizes to support business start ups and expansions.	(2) Important	Economy	11-20 (2024-2033)	Developer. Market Led	£2,400,000	£0
SW Exeter	Network of Cyclist and Pedestian Routes within SW Exeter extension and neighbouring areas.	(2) Important	Green Infrastructure	6 - 10 years (2018 - 2023)	Developers / TDC / Sport England / Charitable organisations	£250,000	£0
SW Exeter	SW Exeter biodiversity and wildlife Network including network wildlife habitats, open spaces, allotments, etc.	(2) Important	Green Infrastructure	6 - 10 years (2018 - 2023)	TDC / EA / Charitable organisations / Natural England.	£250,000	£0
SW Exeter	SW Exeter Health centre to accommodate 4 GPs.	(2) Important	Health	6 - 10 years (2018 - 2023)	Potential forward funding and/or rent funding by	£1,600,000	£1,000,000
					NHS Devon / GP Practice. (Cost estimate from SIF model).		
SW Exeter	Indoor sports, leisure and recreation facility serving SW Exeter.	(3) Desirable	Community	11-15 (2024-2028)	Developer / TDC Exeter City Council	£2,000,000	£1,000,000
SW Exeter	Multi-purpose community building, incorporating library facility.	(3) Desirable	Community	6 - 10 years (2018 - 2023)	Developer / TDC Fully funded by developer contributions including S106 / S278	£750,000	£0

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EXETER CITY COUNCIL

PLANNING MEMBER WORKING GROUP 20 NOVEMBER 2012

EXECUTIVE 20 NOVEMBER 2012

DRAFT REVISED PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING DOCUMENT

1 PURPOSE OF REPORT

- 1.1 To seek Members' approval for the draft revised Planning Obligations SPD at Appendix 1 to be published for public consultation. Main revisions to the existing, adopted, planning obligations document respond to planning system changes and anticipate a Community Infrastructure Levy for Exeter.

2 BACKGROUND

- 2.1 The Council's current Planning Obligations Supplementary Planning Document (SPD) was adopted in November 2009. The SPD offers guidance to applicants for planning permission, and other interested parties, on the negotiation and agreement of Section 106 planning obligations.
- 2.2 Since the current Planning Obligations SPD was published, the planning system has changed:

The **National Planning Policy Framework (NPPF)** has been introduced and provides up to date guidance on the importance of financially viable sustainable development to the application of section 106 planning obligations.

The **Community Infrastructure Levy (CIL) Regulations** explain that funding for one infrastructure project may not come from five or more Section 106 planning obligations upon the adoption of a CIL Charging Schedule or from April 2014 (whichever comes soonest).

A **Ministerial Statement on Housing and Growth** paves the way for earlier renegotiation of Section 106 planning obligations where circumstances (including financial) have changed.

3 MAIN UPDATES TO THE DOCUMENT

- 3.1 The draft revised Planning Obligations SPD at Appendix 1 accounts for these recent changes to the planning system and anticipates the adoption of CIL.
- 3.2 The limited role of planning obligations in securing strategic infrastructure in the future is made clear. The document explains that CIL is the intended mechanism for new development to contribute towards strategic infrastructure. This leaves only affordable housing and matters that are site specific to be accounted for through Section 106 agreements.
- 3.3 In response to consultation on the draft CIL Charging Schedule, there have been requests for greater certainty over planning matters that the Council will continue to address through Section 106 planning obligations, rather than CIL. The summary table on page four of the draft revised SPD has been reviewed and responds to this request as far as possible. However, the site specific nature of planning obligations in ensuring sustainable development means that it is not always feasible to assess, list and cost likely individual Section 106 agreement terms for prospective individual development sites across the city.

- 3.4 Naturally, the SPD also updates the local planning policy position. Whilst planning obligations may arise in response to other material considerations like access to adjoining sites (and the document makes this clear), local planning policy provides the backdrop to the most frequently agreed Section 106 terms. The SPD highlights emerging documents including the updated Affordable Housing SPD and Sustainable Transport SPD and underlines Core Strategy Policy CP18 on securing developer contributions.

4 IMPLEMENTING PLANNING OBLIGATIONS

- 4.1 The revised draft Planning Obligations SPD offers important guidance on the negotiation, agreement, implementation and enforcement of Section 106 terms. But on its own, the value of the document is limited - it is only guidance. At each stage of the process, dedicated resource is essential to ensuring sustainable development.
- 4.2 One strand of the Systems Review of City Development concerns the Council's approach to agreeing and applying Section 106 planning obligations. Whether current procedures are efficient and deliver good development is being assessed. The review could result in new procedures and a restructuring of resources to ensure that things like Council adoption of public open space (a common Section 106 obligation) can be delivered more expediently.

5 TIMETABLE AND CONSULTATION ARRANGEMENTS

- 5.1 Subject to consultation and future Executive approval, it is proposed that the SPD will be adopted at the same time as the emerging Exeter Community Infrastructure Levy Charging Schedule, which is anticipated around April 2013. Failure to adopt CIL would necessitate further changes to the appended version of this document.
- 5.2 It is now anticipated that the draft CIL Charging Schedule will be submitted to an independent person for public examination in December. It is proposed that advertisement and the start of consultation on the draft revised SPD should coincide with submission of the draft Charging Schedule.
- 5.3 If approved by Executive, the SPD will be made available to the public and interested organisations. The minimum regulatory timescale for SPD consultation is four weeks. Consultation on this SPD is intended to run over the Christmas period, so a consultation period of six weeks is proposed in this case. Representations received during that period will be considered and a further report presented to Planning Member Working Group and Executive.

6 ADVICE SOUGHT/RECOMMENDATION

- 6.1 Planning Member Working Group is asked to note and support this report and the draft revised Planning Obligations SPD at Appendix 1.
- 6.2 Executive is asked to approved the proposed draft revised Planning Obligations SPD at Appendix 1 for public consultation.

RICHARD SHORT
ASSISTANT DIRECTOR CITY DEVELOPMENT

Local Government (Access to Information) Act 1985 (as amended)

Background papers used in compiling this report:

None

APPENDIX 1



Exeter City Council

Supplementary
Planning Document

Planning Obligations



September 2012

Draft for Consultation

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Summary of Planning Obligations Sought

This summary table below applies to development proposal where planning obligations are necessary to accommodate their impact. Its contents will be subject to review.

Obligations		When Due
Affordable Housing (limited 3 year period)	25% on-site housing (as a proportion of the total number of units built) to be affordable on sites of more than 0.5ha or capable of accommodating 15 or more units. At least 70% social rented . See the Draft Affordable Housing Supplementary Planning Document .	In phase with the delivery of market dwellings
CCTV	Contributions will be sought towards the cost of installing CCTV equipment where the development has the potential to generate anti-social behaviour. These will be negotiated on a case-by-case basis.	Before development commences
Environmental Enhancements	Environmental enhancement contributions are negotiated on a case-by-case basis. Any contributions sought will be site specific. However, normally, these will relate to improvements to the public realm. They may be required, for example, for works to accommodate footfall growth in a particular area or to improve local shopping centres when large retail applications are involved.	Before development commences
Housing for Disabled People	The Council may seek to ensure that 5% of the total number of dwellings on a given site are wheelchair accessible, with 10% of the affordable housing element being wheelchair accessible. See Policy H7 of the Exeter Local Plan First Review 1995-2011 and the Draft Affordable Housing Supplementary Planning Document .	In phase with the delivery of market dwellings
Parks, Leisure and Open Spaces	The provision and maintenance of open spaces and play facilities is often secured by Section 106 agreement. See the Public Open Space Supplementary Planning Document for further details.	In-kind: In phase with development Financial: Before commencement
Public Art	Public art contributions are most frequently sought when new development occurs in the form of major schemes that occupy prominent locations.	Before development commences
Student Accommodation	Obligations are sought to ensure occupation of student accommodation by students, provide for continued site management and to prohibit residents of the development (other than Disabled Badge Holders) keeping vehicles on site.	Ongoing
Highways and Transport	Site specific highway and transport requirements are determined on a case-by-case basis. Obligations include traffic orders (around £3,000), highway and junction improvements, bus stops and walking and cycling facilities.	Before development commences
Skills and Employment	Local employment and skills obligations will be sought in promoting access to the jobs that new development creates amongst residents of the city and its travel to work area, particularly those that have difficulty entering or returning to the labour market.	Ongoing
Other Site Specifics	Other planning obligations may be negotiated on the basis of the individual circumstances of a development site. They could address site specific matters including flooding and on site green infrastructure, storage and display of archaeological finds and impacts of new retail development on existing centres.	Depends on the nature of the obligation

The table does not include strategic infrastructure such as education facilities, strategic transport improvements, strategic flood defences and mitigation of impacts on European protected habitats. It will be for the **Community Infrastructure Levy** to support such investments in order to help secure sustainable development.

1. Background

1.1 Purpose of this Supplementary Planning Document

1.1.1 Development often creates the need for additional facilities and mitigation. Without such provision, there could be negative implications for local amenity and the environment. Planning obligations provide the mechanism through which the impact of development is accommodated. In the form of a legal agreement, planning obligations are secured to ensure that developers mitigate the impacts of, and provide for the requirements arising from, development in a sustainable way.

1.1.2 This document offers guidance to applicants for planning permission, developers, and others on the planning obligations that may be required to satisfy planning policies and ensure that development results in sustainable outcomes. It also forms a material consideration in the determination of planning applications and achieving a consistent approach to mitigating the impact of development. A **Glossary of Terms** that offers a brief description of some of the words and acronyms that appear hereafter is available towards the end of this document.

1.2 Status of this Document

1.2.1 Supplementary Planning Documents (SPDs) amplify and provide a detailed explanation of existing planning policies. They are material considerations that are given substantial weight when planning decisions are made.

1.3 Community Infrastructure Levy (CIL)

1.3.1 The Community Infrastructure Levy is the Government's intended mechanism for new development to contribute towards investment in a wide range of infrastructure that is needed as a result of growth including transport facilities, flood defences, schools, sports facilities and open spaces.

1.3.2 This draft document has been prepared in anticipation of the introduction of a Community Infrastructure Levy 'Charging Schedule' for Exeter, which will have the effect of limiting the future use of planning obligations in respect of the provision of infrastructure that is not development specific.

1.3.3 Further information on the Community Infrastructure Levy is available at www.exeter.gov.uk/cil.

2. National Legislative and Policy Context

2.1 Town and Country Planning Act 1990

2.1.1 In accordance with Section 106 of the Town and Country Planning Act 1990¹ (as amended by Section 12(1) of the Planning and Compensation Act 1991²), planning obligations may:

- (a) restrict the development or use of the land in any specified way;**
- (b) require specified operations or activities to be carried out in, on, under or over the land;**
- (c) require the land to be used in any specified way; or**
- (d) require a sum or sums to be paid to the authority on a specified date or dates or periodically.**

2.1.2 Planning obligations are usually entered into in the context of planning applications to ensure that developers address additional community and infrastructure needs and mitigate the social, environmental and economic impacts of new development. Unless it is agreed otherwise, planning obligations run with the land in perpetuity and may be enforced against the original covenantor, and anyone else that acquires an interest in the land, until such time as they are discharged or otherwise modified. Planning obligations can be secured by:

- (a) Section 106 Agreements** between local planning authorities, persons with a legal interest in a piece of land and any other interested parties.
- (b) Unilateral undertakings** signed solely by parties with a legal interest in the land. These are appropriate when only the developer (and not the Council) needs to be bound by the agreement.

2.2 Community Infrastructure Levy Regulations

2.2.1 Further legislation is set out in the Planning Act 2008³ (as amended) and Regulations 122 and 123 of the Community Infrastructure Levy (CIL) Regulations 2010⁴, and the CIL (Amendment) Regulations 2011⁵.

2.2.2 Regulation 122 includes the following tests that must be satisfied in order for obligations to be secured in respect of development proposals. A planning obligation must be:

- (a) necessary to make the development acceptable in planning terms;**
- (b) directly related to the development;**
- (c) fairly and reasonably related in scale and kind to the development.**

2.2.3 CIL is the Government's intended mechanism for new development to contribute towards investment in a wide range of infrastructure that is needed as a result of growth including transport facilities, flood defences, schools, sports facilities and open spaces. Accordingly, from the point of Council adoption of a CIL 'Charging Schedule' or from April 2014 (whichever is sooner), the regulations prevent the pooling of Section 106 contributions from more than five developments for the provision of a single item of infrastructure.

2.2.4 Exeter City Council is progressing towards the adoption of a CIL 'Charging Schedule' for the city. Upon doing so, the use of planning obligations will be scaled back to cover only the provision of affordable housing and site specific measures required to mitigate the impact of development, including those indicated on page 4 of this document (where applicable). This draft document has been prepared on that basis.

2.3 National Planning Policy Framework⁶

- 2.3.1 The National Planning Policy Framework (NPPF) sets out the Government's planning policies for England and how these are expected to be applied. It explains that planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition.

2.4 Planning Obligations Practice Guidance⁷

- 2.4.1 Published in July 2006, this deals with issues including types of planning obligation, standard charges and formulae, standard agreements and undertakings and the implementation process.

2.5 Ministerial Statement: Housing and Growth

The Secretary of State for Communities and Local Government has announced proposals that would allow developers to renegotiate non-viable Section 106 agreements entered into prior to April 2010. These have been subject to public consultation. The Minister has also announced that Government will introduce legislation, to be effective in early 2013, which will allow any developer of sites which are unviable because of the number of affordable homes, to appeal with immediate effect. The Council will accord with these changes but will need to be clear that any renegotiated planning obligations continue to ensure that development is acceptable in planning terms.

3. Local Policy Context

3.1 Exeter Core Strategy⁹

- 3.1.1 The City Council adopted its Core Strategy in 2012 which sets out the vision, objectives and strategy for spatial development of Exeter. This SPD partly builds upon Policy CP18 of the Core Strategy in describing the Council's approach to securing planning obligations.

CP18: New development must be supported by appropriate infrastructure provided in a timely manner. The City Council will continue to work in partnership with infrastructure providers and other delivery agencies to keep an up to date infrastructure delivery plan that will enable proposals, in accordance with the spatial strategy, to be brought forward.

Developer contributions will be sought to ensure that the necessary physical, social, economic and green infrastructure is in place to deliver development. Contributions will be used to mitigate the adverse impacts of development (including any cumulative impact). Where appropriate, contributions will be used to facilitate the infrastructure needed to support sustainable development.

Exeter Core Strategy Policy CP18

3.2 Exeter Local Plan¹⁰

- 3.2.1 The Exeter Local Plan First Review 1995-2011 acknowledges the role of planning obligations in delivering sustainable development. It contains specific policies that are amplified by SPDs where necessary and offers guidance on the negotiation of Section 106 Agreements.
- 3.2.2 A Site Allocations and Development Management DPD is emerging. Until it does, policies contained within the Core Strategy and Exeter Local Plan First Review provide the policy basis that will inform all local planning decisions.

3.3 Affordable Housing SPD (draft)¹¹

- 3.3.1 Where there is an assessed need for affordable housing, the Government allows local authorities to deliver affordable homes by requiring developers to provide them within new housing schemes. Policy CP7 of the Core Strategy sets out the Council's overall approach towards achieving this. The draft Affordable Housing SPD provides more detailed guidance on how Policy CP7 will be implemented.

3.4 Open Space SPD¹²

- 3.4.1 In accordance with Local Plan policies L4 and DG5, development that creates additional demand for open space should ordinarily accommodate that demand on-site, or provide for new facilities and their maintenance nearby. Similarly, where development would lead to the loss of open space or leisure facilities, the provision of assets at suitable alternative locations will be sought.

3.5 Sustainable Transport SPD (Draft)¹³

- 3.5.1 Offers guidance to applicants for planning permission, developers, and others on the design features and contributions that may be required to satisfy planning policies and ensure that development results in sustainable travel outcomes

3.6 Trees in Relation to Development SPD¹⁴

- 3.6.1 Where planting or landscaping schemes form part of a development, planning obligations may be secured to ensure that a nominated officer from the Council and a representative of the developer visit an agreed plant nursery and select trees as the scheme is implemented.

3.7 Archaeology and Development SPG¹⁵

- 3.7.1 On some schemes, developers may be expected to provide for archaeological recording and publication, permanent public storage of records and finds and occasional display of special discoveries.

4. Development Management

4.0.1 In dealing with planning applications, Exeter City Council, as the Local Planning Authority (LPA) has regard to the provisions of the development plan (see Section 3), so far as material to the application, and to any other material considerations

4.1 Planning Conditions vs. Planning Obligations

4.1.1 Department of the Environment Circular 11/1995¹⁶ requires that whenever a development proposal would otherwise be refused, planning conditions should be attached to a grant of planning permission. The NPPF explains that planning obligations should only be used where it is not possible to address unacceptable impacts through a planning condition. The Council would not grant permission subject to a condition that the developer enters into a planning obligation as it would regard such a condition to be insufficiently precise. Additionally, a condition cannot require works to land outside the control of the applicant nor payment of financial contributions whereas a planning obligation can be applied for either purpose and, unless discharged, removed or altered, will remain binding indefinitely.

4.2 Identifying Planning Obligations

4.2.1 During pre-application discussions with developers, planning officers will, where necessary, identify a list of issues relevant to the development site to be considered in respect of planning obligations. The scope of this list will be informed by comments from formal consultees, local and national planning policy, and the location and characteristics of the site concerned.

4.2.2 With reference to each of the issues identified by the LPA, developers should assess the impact of their proposals and identify what mitigation measures might be taken to ensure the development's sustainability. Where necessary, planning officers will seek further guidance from the appropriate organisations and agencies in order to appraise the developer's assessments and agree the nature and extent of the obligations sought.

4.2.3 Developers will be expected to submit draft Section 106 Agreement 'Heads of Terms' in an electronic format at the same time as applying for planning permission and only once informal agreement on their content has been reached with the LPA. The Heads of Terms should explain what kind of and how much provision should be contained in resulting planning obligations.

4.3 Site Requirements

4.3.1 Site-specific circumstances often need to be addressed before, during and as a result of development. Where planning conditions cannot control issues that include flood risk, land contamination, long term storage and public display of important archaeological finds and disruption caused by construction works, planning obligations are likely to be sought. Failure to address such issues is liable to result in planning permission being refused.

4.4 Policy Requirements

4.4.1 Planning obligations may be required in order to ensure compliance with the local and national planning policies identified in Sections 2 and 3. Development should be sustainable and the City Council will negotiate planning obligations that help to secure this.

4.5 Financial Contributions

4.5.1 The Community Infrastructure Levy will be the usual mechanism for supporting growth through financial contributions from development that will be used to deliver infrastructure improvements. The Community Infrastructure Levy

Regulations^{4,5} significantly limit the Council's ability to secure financial planning obligations but there remain limited site-specific forms of provision where these will remain relevant. Note that, subject to the limitations referred to in paragraph 2.2.3 above, infrastructure (such as a junction improvement) can be site-specific while being necessary as a result of more than one development.

- 4.5.2 Planning obligations for such things as the maintenance of open space that has been provided on-site are usually agreed in the form of financial contributions. This is with provision for transfer of the open space to the Council where it is agreed that the Council, rather than the developer or a management company, is to be responsible for its long-term maintenance. Nearby open space improvements and maintenance might otherwise be contributed towards through a planning obligation.
- 4.5.3 The Planning Obligations Practice Guide⁷ explains that Section 106 agreements, rather than unilateral undertakings, are more likely to be appropriate where financial planning obligations are necessary because a commitment from the Council to spend the money on specified infrastructure or services is usually required.

4.6 Addressing Threshold Avoidance and Site Sub-division

- 4.6.1 Planning obligations for affordable housing will be sought from sites considered capable of accommodating 15 or more dwellings. This is to prevent planning obligation avoidance associated with reducing the scale of development proposals. In view of this, and based on a requirement for 25% of new housing to be affordable on sites with the potential to accommodate 15 or more units, the developers of a site with capacity for 16 houses will be expected to deliver 4 as affordable housing even when only 14 are proposed.
- 4.6.2 Where a site is divided into smaller parcels, the Council will require that for the purposes of a planning obligation, the individual parcels are treated as a whole. Normally this means that one Section 106 legal agreement will be negotiated for the entire site concerned. Where separate agreements are negotiated, the same planning obligations will be sought in aggregate as if only one agreement were involved and then divided to reflect the proportionate impact of development on each parcel of land. For example, 25% affordable housing will be sought where a site is split and two adjacent but separate planning applications, each for the construction of 10 houses.
- 4.6.3 Further guidance on the application of Exeter Core Strategy Policy CP7 on affordable housing is available from the Council's Affordable Housing SPD.

4.7 Viability

- 4.7.1 Developers should take potential planning obligations, and any identifiable exceptional site development costs, into account when acquiring land for development. If, during the identification of Heads of Terms, it is claimed that the economic cost of fulfilling certain planning obligations would prevent development from occurring, it is expected that developers will also submit detailed 'open book' information about the scheme's economics to the Council prior to the formal submission of a planning application. Before reviewing the nature of the planning obligations sought, the City Council may seek valuation advice from an independent third party. All costs incurred by the Council in validating viability claims will have to be met by the developer.
- 4.7.2 Where viability claims are upheld, planning applications will only be approved if the benefits resulting from the proposed development will outweigh the negative impact of reduced planning obligations. These costs and benefits will be measured against planning policy and site specific sustainability objectives.

Planning applications are likely to be refused, for example, where it would not be possible to meet requirements associated with contaminated land.

5. Finalising Planning Obligations

5.1 Before a Section 106 Agreement can be drafted

5.1.1 Before planning obligations can be agreed, the Council will require the following:

- (a) **Agreed heads of terms** supplied in electronic form for ease of circulation.
- (b) **Land Registry title documents** for the application site and any other land that needs to be bound by a planning obligation (for example where the use of adjoining land is to be restricted).
- (c) **A solicitor's undertaking to meet Exeter City Council's legal costs** in preparing and completing an agreement. The Council's Planning Solicitor will be able to provide an estimate of costs once the heads of terms have been broadly agreed. Where Devon County Council will be party to an agreement, its legal costs will also need to be paid. The Councils' costs are to be paid whether or not the agreement is actually completed.

5.2 Agreement Timetable (see also annex 1)

5.2.1 Developers are advised to enter into pre-application discussions in order to agree planning obligation heads of terms early and avoid an unnecessary refusal of planning permission. The Council is ordinarily required to determine major planning applications within 13 weeks and all others within 8 weeks¹⁷.

5.2.2 Major applications are defined as follows:

- **Residential - 10 or more units or a site of 0.5 hectares or more**
- **All other uses - the creation or change of use of 1000m² or more of gross floorspace.**

5.2.3 Where a planning obligation is required, the Council may refuse an application for planning permission if a legal agreement has not been completed by (or after) the date that the application is due for determination and the developer is responsible for agreement delays.

5.3 Covenanting Parties

5.3.1 The signatories of a Section 106 agreement will be those with a legal interest in the land, Exeter City Council and, when planning obligations associated with the provision of County Council administrated services are required, Devon County Council. Other agencies or parties, such as the providers of car club facilities, may also be included in the agreement where appropriate.

5.4 Model Agreements

5.4.1 The Council has prepared model Section 106 agreements that are available from its website¹⁸. These cover the types of obligations most commonly encountered but may not be appropriate in all cases, and it should be noted that these documents are liable to change from time to time.

5.4.2 It is not necessary for the developer's solicitor to prepare a draft agreement as it is usual for the Council's Planning Solicitor to do so. Developers that do instruct their solicitor to draft a Section 106 Agreement are strongly encouraged to use the Council's standard templates. Production of a draft in a different form is likely to result in additional costs being borne by the developer, and may result in a refusal of planning permission if the agreement's completion is subsequently delayed.

5.5 Planning Obligations, Planning Committee, Application Decisions and Appeals

- 5.5.1 Once heads of terms have been agreed and an undertaking given for costs, the Planning Solicitor is willing to start work on the s106 agreement as soon as other commitments allow, including prior to the application being reported to Planning Committee. However, negotiation of a Section 106 agreement does not indicate that the Council is minded to approve a planning application. When a planning application is referred to the Council's Planning Committee, the nature of the negotiated planning obligations will be explained in the Committee report. If the Committee decides that planning permission should be granted, a decision notice will not be issued until the agreement has been completed.
- 5.5.2 In the event that a planning application is refused and the developer appeals, the Council will encourage the developer to complete the Section 106 agreement in a form that is conditional upon the appeal being allowed. This is without prejudice to the Council's position in respect of those refusal reasons which are unrelated to the contents of the Section 106 agreement. Templates for this type of agreement are also available from the Council's website¹⁷.

5.6 Completing the Agreement

- 5.6.1 Upon the completion of a Section 106 agreement, the Council's legal fees associated with the agreement's preparation will be payable. The Council will register the agreement as a Local Land Charge and the developer may, if covenanted within the agreement, be required to register the agreement as a charge against the Title of the land. The Council will also update the statutory registers and send a copy of the completed agreement to all relevant parties including Council officers.

6. Implementing Planning Obligations

6.0.1 Having entered into the terms of planning obligations, developers are legally bound to observe them. It is expected that, having agreed to their terms, developers will perform their planning obligations without dispute. Where planning obligations are not adhered to, the Council is able to pursue enforcement action and, in accordance with the provisions of the Town and Country Planning Act 1990¹, recoup the associated costs of doing so.

6.1 Monitoring Planning Obligations

6.1.1 The Council has the procedures and a database in place to ensure that all planning obligations are adhered to by all parties. In the case of financial planning obligations, the database also ensures that developer contributions are spent by the Council in an efficient and timely manner, and for their agreed purpose.

6.2 Triggers for the Payment of Financial Planning Obligations

6.2.1 Beside the Council's legal costs, which are payable on the completion of a Section 106 agreement, other financial developer contributions will be 'triggered' for payment in accordance with the terms of the planning obligations contained in the agreement. These triggers will depend on the development concerned. Financial payments may be phased but should always be co-ordinated to ensure that facilities and amenities can be provided when they are required and in a sustainable way. Contributions towards the provision of play facilities, for example, will often be triggered prior to the commencement of development or, in the case of larger developments, upon the commencement of different phases of development. Meanwhile, maintenance payments for the same facilities will be sought prior to first occupation. In this way, the Council should be able to provide the play facilities that serve a development from the time that they are needed and the development first comes into use.

6.3 Price Index

6.3.1 Where financial contributions are not payable on the date of agreement, an inflation index will usually be applied. The index will normally be calculated monthly and based on the Building Costs Information Service Index of the Royal Institution of Chartered Surveyors (BCIS) or the Retail Price Index (RPI) published by the Office of National Statistics.

6.4 Council Expenditure of Financial Contributions

6.4.1 The purpose of planning obligations is to make acceptable development proposals that would otherwise be unacceptable. If development did not occur, the Council would not need to facilitate the expenditure of financial developer contributions; neither would it incur the costs of doing so.

6.4.2 Planning obligations that require financial developer contributions imply the use of Exeter City Council resources to enable the money's expenditure. Where, for example, contributions towards the provision of a piece of public art are received, Council officers will need to engage in public consultation and design work before the piece is commissioned. Because of this, where planning obligations require that financial contributions are payable to the Council, the amount will include an element for administration, including the work involved in receiving, managing and spending the money.

6.4.3 Annex 2 contains a table that indicates the maximum portion of individual financial contributions that the Council will retain for its part in administering the conversion of money into certain facilities and services. Its figures have

been determined and broken down to reflect the outcomes of a long-term assessment of costs for the various Council services in relation to which planning obligations are commonly negotiated. For example, a figure for receiving and ensuring that moneys are spent as agreed has been determined with reference to the average costs that the Council has incurred in this respect over the past 5 years. The table will be subject to Retail Price Indexation (RPI) and review.

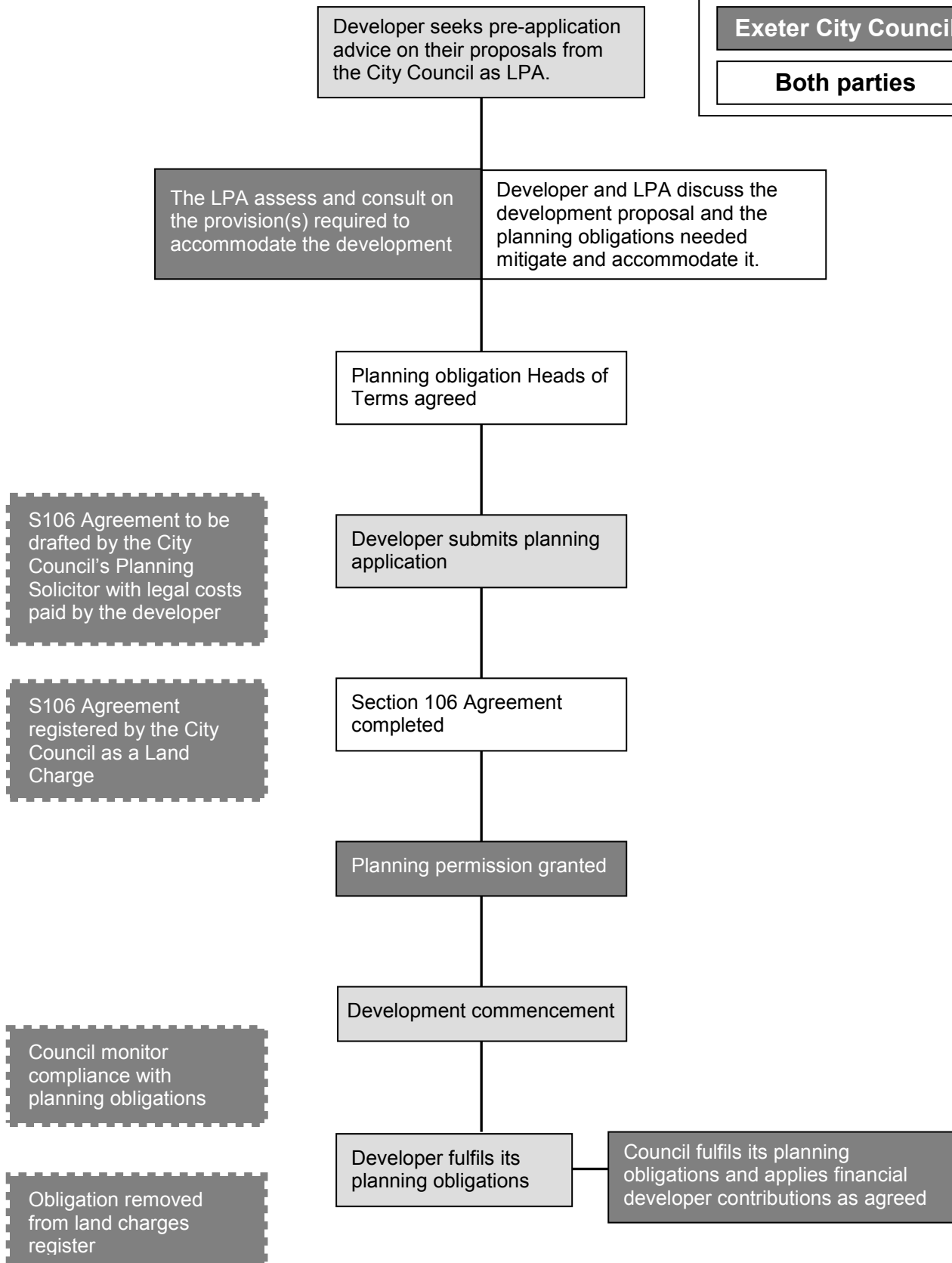
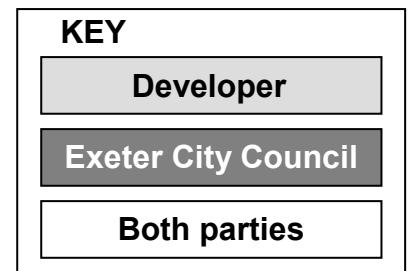
6.5 Modifying and Discharging Planning Obligations

- 6.5.1 In accordance with Section 106A of the Town and Country Planning Act 1990¹ (as amended²), a planning obligation may not be modified or discharged except by agreement with the Council acting in its power as LPA. 5 years after the obligation was entered into, a formal application may be made to the authority for its modification or discharge. If this is refused Section 106B provides for the right of appeal against the decision to the Secretary of State.
- 6.5.2 Further detail is provided by the Town and Country Planning (Modification and Discharge of Planning Obligations) Regulations 1992¹⁹.
- 6.5.3 Local planning authorities are encouraged to renegotiate planning obligations where circumstances may have changed. The Government is currently consulting on proposals to remove the 5 year modification timescale for planning obligations agreed before 6 April 2010.

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14. Trees in Relation to Development SPD	Exeter City Council www.exeter.gov.uk	May 2009
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17. The Town and Country Planning (Development Management Procedure) (England) Order 2010	HMSO www.legislation.gov.uk	Oct 2010
18. Exeter City Council planning obligations webpages	Exeter City Council www.exeter.gov.uk/planningobligations	Mar 2009
19. Town and Country Planning (Modification and Discharge of Planning Obligations) Regulations 1992	HMSO www.legislation.gov.uk	Dec 1992

Annex 1: Planning Obligations (Section 106) Procedure



Annex 2: Maximum Element of Financial Contributions Retained for Directly Related Professional Costs

Affordable Housing	<ul style="list-style-type: none"> - Receiving and ensuring that money is used for its agreed purpose - Designing, consulting on and commissioning works 	+ £180 10% of total sum agreed
CCTV	<ul style="list-style-type: none"> - Receiving and ensuring that money is used for its agreed purpose - Designing, consulting on and commissioning works 	+ £180 10% of total sum agreed
Environmental Enhancements	<ul style="list-style-type: none"> - Receiving and ensuring that money is used for its agreed purpose - Designing, consulting on and commissioning works 	+ £180 + 10% of first £40,000 5% of £40,000 - £100,000
Parks, Leisure and Open Spaces	<ul style="list-style-type: none"> - Receiving and ensuring that money is used for its agreed purpose - Designing, consulting on and commissioning works 	+ £180 10% of total sum agreed
Public Art	<ul style="list-style-type: none"> - Receiving and ensuring that money is used for its agreed purpose - Designing, consulting on and commissioning works 	+ £180 + 10% of first £40,000 5% of £40,000 - £100,000

For an explanation of this table's basis please see paragraphs 6.4.1 - 6.4.3

Annex 3: Glossary of Terms

Acronym	Term	Description
	Affordable Housing	As defined in the NPPF but, specifically, housing for local people within Exeter that cannot afford to buy or rent within the open housing market.
BCIS	Building Costs Information Service Index	A data source that provides a quarterly measure of construction industry costs.
	Car Club	Arrangements that offer access to a pool of cars for flexible periods of time (as little as an hour or up to 2-3 days), as and when required and on a pay as you drive basis.
	Circular	Government guidance on the implementation of national legislation.
CCTV	Closed Circuit Television	A video camera system that records everyday life. Primarily, it is used to deter people from, or record incidents of, criminal and anti-social behaviour.
CIL	Community Infrastructure Levy	A charge that allows local authorities to raise funds from developers undertaking new building projects in their area. The money collected can be used to help provide a wide range of infrastructure that is needed as a result of development.
	Consultee	In the case of planning obligations, this is a person, body or group consulted by the LPA to help determine heads of terms for planning obligations. These might include the Highways Authority and the Environment Agency.
	Core Strategy	A DPD that sets out the vision and strategic objectives for the spatial development of the city.
	Developer	In the case of planning obligations, and for the purposes of this SPD, the Developer is the proprietor of a piece of land. Planning obligations that apply to a developer run with the land and apply to successive proprietors unless otherwise agreed.
	Development	The carrying out of building, engineering, mining or other operations in, on, over or under land, or the making of any material change in the use of any buildings or other land (Town and Country Planning Act 1990, Section 55)
DPD	Development Plan Document	Local policy documents that form the policy basis upon which planning decisions are made.
	Enforcement action	The LPA may enforce a planning obligation by injunction or, where the developer is required to carry out works on the land and 21 days notice has been given, by entering the land, doing the works itself and recovering all reasonable expenses.
	Exeter Local Plan 1995-2011	Together with the Exeter Core Strategy, provides policies that inform land-use planning decisions in Exeter.

Acronym	Term	Description
	Heads of Terms	The key issues identified during the initial assessment of a development proposal that will need to be addressed through planning obligations.
	Infrastructure	Publicly accessible assets, systems and networks including roads, electricity, sewers, water and education services.
LDF	Local Development Framework	A portfolio of documents, including DPDs and SPDs, which set out the planning proposals for the area.
	Local Land Charge	A prohibition or restriction on the use of land, or a financial charge affecting the land, which is usually imposed by the Local Authority and binding on the successive owners of the land.
LPA	Local Planning Authority	Exeter City Council is the statutory provider of planning services in Exeter except in the case of development on land controlled by Devon County Council (highway, minerals, waste, and education).
	Material Consideration	Any issue that should be taken into account when deciding a planning application or an appeal against a planning decision. Planning policies will guide planning application decisions unless other material considerations associated with need, impact and local circumstance are considered to carry greater weight.
	Mitigate	In the case of planning obligations, actions to correct for the negative impacts and effects of a development.
NPPF	National Planning Policy Framework	Sets out the Government's planning policies for England and how these are expected to be applied through local planning policy and decision making.
	Perpetuity	Continuing indefinitely (in practice usually limited by law to 80 years).
	Planning Condition	Guided by Circular 11/95, planning conditions impose restrictions on the grant of planning permission. Planning obligations should only be agreed where planning conditions are not sufficient.
	Planning Obligation	In the form of a legal agreement, planning obligations apply to an area of land and are secured to ensure that developers mitigate for the impacts of, and provide for the infrastructural requirements arising from, development.
RPI	Retail Price Index	The most familiar measure of inflation in the UK.
	Spatial Planning	Addresses not only the physical development of land but its use and the activities undertaken on it.
SPD	Supplementary Planning Document	Amplify and provide more detail on the policies contained within DPDs. SPDs are subject to public consultation and are a material consideration in determining planning applications.
	Trigger	The point (in terms of time or the extent of development) at which a planning obligation should be completed.



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EXETER CITY COUNCIL

EXECUTIVE

20 NOVEMBER 2012

APPOINTMENT OF REPRESENTATIVES TO SERVE ON OUTSIDE BODIES

* Exeter Municipal Charities (General List) have merged with a smaller almshouses trust – the Lord Mamhead Homes (Min. No. 11 Executive 24 January refers) to form The Exeter Municipal Charity. A copy of the final scheme has been provided, the scheme including four Council nominated representatives together with the Lord Mayor as an ex officio member. It is proposed that the four City Council representatives on the Exeter Municipal Charities (General List) transfer across to the new Charity.

<u>BODY AND TERM OF OFFICE</u>	<u>PROPOSED REPRESENTATIVES</u>	<u>NUMBER OF MEETINGS PER ANNUM</u>	<u>TERMS OF REFERENCE</u>
The Exeter Municipal Charity * 4 years with expiry dates to be advised	The Lord Mayor Cllr Branston Cllr Robson Mr P. Wadham Cllr Winterbottom	12	The relief of poverty by the provision of housing accommodation for almshouses beneficiaries. Such charitable purposes for the benefit of the residents as the trustees decide.

CORPORATE MANAGER DEMOCRATIC AND CIVIC SUPPORT
13 OCTOBER 2012

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