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Thursday, 8 December 2016

Meeting of the Council – Revised Agenda

Dear Member

I am pleased to invite you to attend a meeting of Torbay Council which will be held in **Rosetor Room, Riviera International Conference Centre, Chestnut Avenue, Torquay, TQ2 5LZ** on **Thursday, 8 December 2016** commencing at **5.30 pm**

The items to be discussed at this meeting are attached.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Steve Parrock'.

Steve Parrock
Chief Executive

(All members are summoned to attend the meeting of the Council in accordance with the requirements of the Local Government Act 1972 and Standing Orders A5.)

A prosperous and healthy Torbay

For information relating to this meeting or to request a copy in another format or language please contact:

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Meeting of the Council Agenda

1. **Opening of meeting**

2. **Apologies for absence**

3. **Minutes**

To confirm as a correct record the minutes of the meeting of the Council held on 27 October 2016.

(Pages 5 - 26)

4. **Declarations of interests**

(a) To receive declarations of non pecuniary interests in respect of items on this agenda

For reference: Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda

For reference: Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(Please Note: If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)

5. **Communications**

To receive any communications or announcements from the Chairman, the Mayor, the Overview and Scrutiny Co-ordinator or the Chief Executive.

6. **Public question time**

To hear and respond to any written questions or statements from members of the public which have been submitted in accordance with Standing Order A24.

(Page 27)

7. **Members' questions**

To respond to the submitted questions asked under Standing Order A13.

(Pages 28 - 29)

- 8. Notice of motions**
To consider the attached motion, notice of which has been given in accordance with Standing Order A14 by the members indicated:
- (a) Notice of Motion - Petition Scheme (Council Decision) (Pages 30 - 31)
- 9. Revision of Council Tax Support Scheme** (Pages 32 - 122)
To consider the submitted report on a review of the Council Tax Support Scheme for 2017/2018.
- 10. Council Tax Base 2017/2018** (Pages 123 - 127)
To consider a report on the above.
- 11. Adoption of Planning Contributions and Affordable Housing Supplementary Planning Document** (Pages 128 - 233)
To consider the submitted report on the above Policy Framework document.
- 12. Special Responsibility Allowance Chairman of Investment Committee** (Pages 234 - 236)
To consider the submitted report on a proposed Special Responsibility Allowance for the Chairman of the Investment Committee.
- 13. Capital Plan Update 2016/2017 Quarter 2 and Mayor's Proposals for Capital Plan Revisions for Budget Process 2017/2018** (Pages 237 - 249)
To note the Capital Plan update report for 2016/17 under the Authority's agreed budget monitoring procedures and consider the Mayor's proposals for Capital Plan revisions for the budget process 2017/18.
- 14. Revenue Budget Monitoring 2016/2017 - Quarter Two (Mayoral Decision)** (Pages 250 - 259)
To note the report setting out the projected outturn for the Council's Revenue Budget for 2016/17 as at the end of Quarter 2.
- 15. Standing Order D11 (in relation to Overview and Scrutiny) - Call-in and Urgency** (Pages 260 - 261)
To note an Executive decision to which the call-in procedure does not apply as set out in the submitted report.
- 16. Summary of decision taken by the Mayor in accordance with Standing Order E15 - Access to Information (Special Urgency)** (Page 262)
To note the submitted report setting out details of a decision which was not included in the Forward Plan.
- 17. Exclusion of the Press and Public**
To consider passing a resolution to exclude the press and public from the meeting prior to consideration of the following item on the agenda on the grounds that exempt information (as defined in Part 3 of Schedule 12A of the Local Government Act 1972 (as amended)) is likely to be disclosed.

18. Proposed investment at Torbay Business Park

To consider the submitted report on the above.

19. Investment Committee Recommendation - Investment Opportunity

To consider the recommendations of the Investment Committee on a potential investment opportunity.

Note

An audio recording of this meeting will normally be available at www.torbay.gov.uk within 48 hours.



Minutes of the Council **(Council decisions shown in bold text)**

27 October 2016

-: Present :-

Chairman of the Council (Councillor Hill) (In the Chair)
Vice-Chairwoman of the Council (Councillor Brooks)

The Mayor of Torbay (Mayor Oliver)

Councillors Amil, Barnby, Bent, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Excell, Haddock, King, Lewis, Manning, Mills, Morey, Morris, O'Dwyer, Parrott, Robson, Pentney, Sanders, Stockman, Stocks, Stringer, Stubley, Sykes, Thomas (D), Thomas (J), Tyerman and Winfield

78 Opening of meeting

The meeting was opened with a prayer.

79 Apologies for absence

Apologies for absence were received from Councillors Kingscote and Tolchard.

80 Minutes

The Minutes of the meeting of the Council held on 22 September 2016 were confirmed as a correct record and signed by the Chairman.

81 Declarations of interests

Councillor O'Dwyer declared a non-pecuniary interest in respect of Minute 89 as he was a Board Member of Sanctuary Affordable Housing Ltd.

Councillor Thomas (J) declared a pecuniary interest in respect of Minute 90.

82 Communications

The Chairman thanked those members who attended his Civic Church service on Sunday 9 October 2016.

The Mayor:

- a) on behalf of the people of Torbay, paid tribute to Countess Raine Spencer who had recently passed away. Countess Spencer was an advocate for Torbay. The Council observed a minutes silence as a mark of respect; and
- b) advised members that Torbay's unemployment figures were at their lowest since records began in 1983. The Mayor referred to the implementation of the Torbay Growth Fund which had both helped businesses in Torbay to expand and encourage investment in the area, which was integral to creating more businesses and jobs.

83 Members' questions

Members received a paper detailing the questions and answers, as set out at Appendix 1 to these Minutes, notice of which had been given in accordance with Standing Order A13.

Written responses were circulated prior to the meeting. Supplementary questions were then asked and answered in respect of questions 1, 3 and 4.

84 Notice of Motion - Protecting Torbay's Position following the EU Referendum (Mayoral Decision)

Members considered a motion in relation to Torbay's position following the result of the national referendum to leave the European Union, notice of which was given in accordance with Standing Order A14.

Councillor Sanders proposed and Councillor Darling (S) seconded the motion as set out below:

That Torbay Council notes the result of the EU Referendum and now commits to doing everything that it can to protect, support and enhance the position of the residents of Torbay, in whatever new agreements are sought and reached with the European Union and its member countries and the rest of the world and otherwise, as a result of the Referendum decision to leave the EU.

In particular it believes:-

- (1) That the financial position of local authorities such as Torbay must not be further worsened and should, if possible, be improved.
- (2) That the Government must give an immediate guarantee that the existing rights of citizens of other European Union countries who are already living in Torbay will be protected.
- (3) That the importance of the Visitor economy and Hospitality Industry (including language schools and care homes) in Torbay must be recognised and their future protected.

- (4) That there must not be any weakening of environmental legislation, particularly relating to clean bathing waters, or employment rights that at present derive from EU directives.
- (5) That fisheries support for areas such as Torbay must be maintained by the Government following a withdrawal from the Common Fisheries Policy.
- (6) That convergence funding, European Social Funding, European Regional Development Funding and other EU derived funding must be replaced with funds from the UK Treasury.

This Council is further shocked by the reported increases in race hate crimes and antisocial behaviour directed at EU citizens in the UK and other ethnic minorities since the referendum result was announced, including in Torbay, and resolves to call an early meeting with the local police and other agencies to consider its response.

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor rejected the motion as he felt it was premature and referred to the role of the Local Government Association in representing Local Government at a national level with the Government, and also the potential review by the Overview and Scrutiny Board on the United Kingdom leaving the European Union. A record of his decision is attached to these minutes.

85 Notice of Motion - Policy Framework: Torbay Development Agency Business Plan (Council Decision)

Members considered a motion in relation to Torbay Development Agency Business Plan being included in the Council's Policy Framework, notice of which was given in accordance with Standing Order A14.

Councillor Tyerman proposed and Councillor Carter seconded the motion, which was agreed by the Council as set out below:

The Torbay Economic Development Company Limited (operating under the trading name Torbay Development Agency (TDA)) is Torbay Council's wholly owned and controlled economic development company. Established in 2011 the TDA is responsible for delivery of a range of services and outcomes for Torbay Council. It is also a trading business providing services to the broader public sector. The TDA's business plan sets out how the business will function over the business plan period and approval of the same is currently a Mayoral decision. However, given the length of plan, which provides a mandate to the company for the next 5 years, it is considered that this should be classed as part of the Policy Framework for the Council to determine.

Therefore, the Council is recommended:

That the Torbay Development Agency (TDA) Business Plan be included in the Council's Policy Framework and the Monitoring Officer be requested to update the Constitution accordingly.

86 Notice of Motion - Opposing Badger Culls (Mayoral Decision)

Members considered a motion opposing any further extension to the badger cull areas, notice of which was given in accordance with Standing Order A14.

Councillor Doggett proposed and Councillor Darling (S) seconded the motion as set out below:

This Council wishes it to be known that it is opposed to any culling of badgers on council owned land and land leased to third parties including the Torbay Coast and Countryside Trust. The recent badger culls have been a catalogue of errors, contradictions and last minute changes, deviating from expert advice from the start. No control zone studies were established for the pilot culls, no post-mortems were organised and no details of scientific monitoring established. There has been no proof established that badgers shot were infected ones.

In the cull, the cost of the cull has been established at £6,775 per Badger, this includes policing and equipment. It would be better for the police to be dealing with actual crime issues, and the money already wasted so far would be better used at Council level for helping our Residents problems! Undisturbed Badgers live in a stable close knit social group, which tend to have limited movement from one area to another and as a result, if a badger sett was harbouring TB, then it would tend to remain relatively isolated. Culling actions disrupt the social groups and opens up the territory, causing individuals to roam further afield and, if infected will pass this infection on to sets which are not infected! This is what is known and referred to as perturbation, and Government has already acknowledged that this is likely to have happened in the recent cull held in Gloucestershire!

This Council calls on our Members of Parliament to oppose any further extension to the cull to other areas and resolves not to allow any further pilot culls to take place within the boundaries of Torbay and instructs the Executive Lead for Environment to notify the Secretary of State for Environment, Food and Rural Affairs as well as our MP's accordingly.

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor requested the Overview and Scrutiny Board to consider undertaking a review on the issues raised in the motion and make recommendations to him on its findings.

87 Notice of Motion - Protecting Devon Dolphins (Mayoral Decision)

Members considered a motion in relation to a campaign to create a new Marine Conservation Zone in the south west of Lyme Bay to protect dolphins, notice of which was given in accordance with Standing Order A14.

Councillor Darling (S) proposed and Councillor Pentney seconded the motion as set out below:

This Council notes that Devon Wildlife Trust is calling on the government to create a protected area in the south west of Lyme Bay for dolphins, whales and seabirds. This area is home to white beaked dolphins, but these dolphins have no legal protection against damaging human activities here.

After years of campaigning, fifty Marine Conservation Zones have now been designated to help our marine environment recover from decades of decline. But there are many places and species that still need protection. Large marine animals, such as whales, dolphins and basking sharks are also at risk from damaging activities.

Although these species range across large areas, evidence from overseas shows that Marine Protected Areas - in places where animals gather to feed, breed and raise their young - can help to protect those at risk.

An area in the south-west of Lyme Bay is vital for a population of white beaked dolphins that spend much of their lives here, foraging for food and nursing their young.

This area is also important for bottlenose dolphins, minke whale, basking shark and thousands of seabirds.

Creation of a new Marine Conservation Zone here would protect marine animals against damaging human activities.

This Council resolves to support the campaign to create a 'Devon Dolphins' MCZ in the south-west of Lyme Bay.

This Council instructs the Chief Executive to write to the Secretary of State for the Environment, Food and Rural Affairs, Andrea Leadsom MP, advising of our support of this initiative.

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor requested the Harbour Committee to consider the implications of the issues raised in the motion and make recommendations to him on its findings.

88 Notice of Motion - King George V Memorial Playing Fields - Fields in Trust (Mayoral Decision)

Members considered a motion in relation to a proposal to undertake a Deed of Dedication to protect the King George V Playing Fields from development, notice of which was given in accordance with Standing Order A14.

Councillor Darling (S) proposed and Councillor Stringer seconded the motion, as set out below:

This Council notes the following extract taken from Torquay Council minutes and extracts from the local press of the time - from 1936-7. At that time land was purchased with funds from the Department of Health amounting to £19,000. At the time that the King George V (KGV) Foundation was set up, the Council decided to set aside 2 of the purchased acres specifically as part of the memorial.

Extract from Council meeting 6 October 1936:

6. Subject to Minute no 2580 (King George Memorial Fund Playing Fields, Watcombe) being amended to read as follows:-

NATIONAL TORQUAY MEMORIAL TO HIS LATE
MAJESTY KING GEORGE V
PROVISION OF PLAYING FIELDS AT WATCOMBE

The Mayor stated that out of the sum subscribed locally to the National Memorial to His Late Majesty King George V Fund, an amount of £500 is available for a Torquay National Memorial which he desired should take the form of Playing Fields for young children as well as for organised games. His Worship, therefore, suggested the setting aside of the two fields adjoining Easterfield Lane, numbered 162 and 163 on the Ordnance Map (consisting of about 12 ½ acres and forming part of the land at Watcombe now being acquired by the Corporation) in addition to the erection of a pair of ornamental iron gates at the entrance to such playing fields as per design now submitted.

Resolved – (1) That the proposal of the Mayor be adopted and that the two fields in question be allocated and dedicated for ever as playing fields for young children and organised games, as a Torquay National Memorial to his late Majesty King George V., it being understood that the sum above referred to will be expended in purchasing and erecting the gates and in laying out the grounds as playing fields.

(2) That the design of the gates is approved.

Research has also found newspaper articles, with pictures, covering the dedication of the gates at the entrance to the KGV memorial playing fields, plus the tree planting.

The article goes on to mention that £660 was raised from residents of Torquay, £100 of which was sent to the Mansion House in London so that Torquay might contribute towards the National Memorial in London.

Extract from Torquay Times, Friday, 8 October 1937

“Col. Ward then handed over a cheque for the amount to Mr Johns. The Town Clerk in exchange, gave Col. Ward a receipt and undertaking containing the terms under which the Corporation accept the donation”.

The Mayoress then formally unveiled the tablet. The Mayor’s Chaplain followed with the dedication. The party then entered the playing fields for other formal ceremonies. Mrs Ward and Mrs E Field (Vice-Chairman of the Parks Committee) each planted a fir tree.

This Council notes that these memorial fields were never registered as such with the national body.

This motion asks the Mayor to instruct officers to investigate the logistics and process to undertake a Deed of Dedication with the Fields in Trust to protect the King George V Playing Fields from development which will achieve the same level of protection as if they had originally been registered in 1936. That upon investigation the findings be reported to Council on 8 December 2016.

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor referred the motion to the Policy Development and Decision Group (Joint Operations Team) for public consultation (to include Torbay Sports Council and Torquay Golf Club).

89 Capital Plan Update - 2016/2017 Quarter 1

The Council considered the submitted report setting out an overview of the Council’s approved Capital Investment Plan for quarter one. The report provided details of capital expenditure and funding for the year compared with the latest budget position reported to the Council in February 2016. It was noted the Capital Plan budget totalled £81.7 million for the 4 year programme, with £33.3 million scheduled to be spent in 2016/17, including £4.6m on the South Devon Highway and £4.6m on Claylands Regeneration, with £1.6 million required from capital receipts and capital contributions over the life of the Capital Plan.

Mayor Oliver proposed and Councillor Manning seconded a motion as set out below:

- (i) that the latest position for the Council’s Capital expenditure and funding for 2016/17 be noted;

- (ii) that it be noted that the following grants are funded through grant applications and, whilst not legally ring fenced, the grants must be used for the purposes for which they were granted in order not to jeopardise future government grants;
- (iii) that the allocation of the following grants to services be approved:
 - (a) Department for Education: 2016/17 Condition Funding £0.448m to Children's Services;
 - (b) Department for Transport: 2016/17 Highways Maintenance Incentive Fund £0.082m to Highways Services; and
 - (c) Department for Transport 2016/17 Pothole Action Fund £0.071m to Highways Services; and
- (iv) that the draft Capital Plan Prioritisation Matrix includes reference to:
 - (a) where capital grants in the future are linked to specific outcomes, such expenditure will not be required to be prioritised through the Matrix; and
 - (b) the Matrix being applied prior to all grant applications if match funding from the Council's Capital Plan is required.

During the debate Councillor Darling (S) proposed and Councillor Carter seconded an amendment to the motion was set out below:

- (v) that the £1.9 uncommitted affordable housing budget be ring fenced for affordable housing.

The amendment was put to the vote and declared carried.

The amended (substantive) motion was then considered by members, which was agreed by the Council as follows:

- (i) that the latest position for the Council's Capital expenditure and funding for 2016/17 be noted;**
- (ii) that it be noted that the following grants are funded through grant applications and, whilst not legally ring fenced, the grants must be use for the purposes for which they were granted in order not to jeopardise future government grants;**
- (iii) that the allocation of the following grants to services be approved:**
 - (a) Department for Education: 2016/17 Condition Funding £0.448m to Children's Services;**

Councillor Thomas (D) proposed and Councillor Stocks seconded a motion, which was agreed by the Council as follows:

that the Outside Bodies Protocol (for inclusion in Standing Orders – Access to Information) set out at Appendix 1 to the submitted report be approved.

92 Town Councils

Members considered the submitted report on a proposal for the Council to conduct a Community Governance Review which could lead to the creation of town councils in Paignton and Torquay.

Councillor Mills proposed and Councillor King seconded a motion, which was agreed (unanimously) by the Council as follows:

that the Council conducts a Community Governance Review following the conclusion of the electoral review of Torbay's electoral boundaries being carried out by the Local Government Boundary Commission for England.

93 Mayor's Response to Council Objections to the Parking Strategy 2016-2021

Further to the Council meeting held on 22 September 2016, members considered the submitted report on the Mayor's response to the objections raised by the Council on the Parking Strategy 2016-2021.

Councillor Excell proposed and Councillor King seconded a motion as set out below:

- (i) that the Torbay Council Parking Strategy 2016-2021, as set out in Appendix 2 to the submitted report, be adopted;
- (ii) that the Parking Operations Panel and Members involvement in the decision making process be reviewed after one year; and
- (iii) that the Executive Head of Business Services be requested to explore other forms of camera technology, other than mobile camera enforcement vehicles, for example putting cameras on crossing patrol lollipops or permanent cameras outside schools (which would be funded by the schools) to address concerns about public safety, in particular road safety risks to children outside school entrances.

During the debate Councillor Thomas (D) proposed and Councillor Robson seconded an amendment to the motion as follows:

- (i) that the Council considers that the Mayor is attempting, within his proposed Parking Strategy (a Policy Framework document), to fetter his or a subsequent leader's discretion to make a decision to use mobile technology, which also results in an operational approach

rather than at a strategic level. Therefore, the Council amends the Mayor's proposed Parking Policy and adopts the Officer recommendation (as set out in (ii) below) to enable the Executive to introduce appropriate technology should they chose to do so;

- (ii) that the Torbay Council Parking Strategy 2016-2021, as set out in Appendix 2 to the submitted report, be adopted, except that the phrase "*However, this Strategy does not support the use of mobile enforcement cameras*" should be deleted on page 15 of the strategy, under the section marked 'Fair Enforcement', and replaced with the following statement :-

"In particular the use of mobile enforcement cameras can improve road safety for children outside school entrances and reduce the road safety risks presented to public transport users. Strict operating procedures should be applied to the use of any mobile technology to ensure that fair enforcement is undertaken and the law abiding motorist is not penalised."

- (iii) that the Parking Operations Panel and Members involvement in the decision making process be reviewed after one year; and

- ~~(iii) That the Executive Head of Business Services be requested to explore other forms of camera technology, other than mobile camera enforcement vehicles, for example putting cameras on crossing patrol lollipops or permanent cameras outside schools (which would be funded by the schools) to address concerns about public safety, in particular road safety risks to children outside school entrances.~~

A recorded vote was taken on the amendment. The voting was taken by roll call as follows: For: Councillors Barnby, Bent, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Haddock, Hill, Lewis, Morey, Morris, O'Dwyer, Parrott, Pentney, Robson, Sanders, Stockman, Stocks, Stringer, Stubley, Sykes, Thomas (D), Thomas (J), Tyerman and Winfield (28); Against: Mayor Oliver; Councillors Amil, Excell, Manning and Mills (5); Abstain: Councillors Brooks and King (2); and Absent: Councillors Kingscote and Tolchard (2). Therefore, as more than two-thirds of members present and voting had cast their vote in support of the amendment, it was carried.

The amended (substantive) motion was then considered by members.

A recorded vote was taken on the amended (substantive) motion. The voting was taken by roll call as follows: For: Councillors Barnby, Bent, Bye, Carter, Cunningham, Darling (M), Darling (S), Doggett, Ellery, Haddock, Hill, Lewis, Morey, Morris, O'Dwyer, Parrott, Pentney, Robson, Sanders, Stockman, Stocks, Stringer, Sykes, Thomas (D), Thomas (J), Tyerman and Winfield (27); Abstain: Mayor Oliver and Councillors Amil, Brooks, Excell, King, Manning, Mills and Stubley (8); and Absent: Councillors Kingscote and Tolchard (2). Therefore, as more than two-thirds of members present and voting had cast their vote in support of the amended (substantive) motion, it was carried as follows:

- (i) that the Council considers that the Mayor is attempting, within his proposed Parking Strategy (a Policy Framework document), to fetter his or a subsequent leader's discretion to make a decision to use mobile technology, which also results in an operational approach rather than at a strategic level. Therefore, the Council amends the Mayor's proposed Parking Policy and adopts the Officer recommendation (as set out in (ii) below) to enable the Executive to introduce appropriate technology should they chose to do so;
- (ii) that the Torbay Council Parking Strategy 2016-2021, as set out in Appendix 2 to the submitted report, be adopted, except that the phrase "*However, this Strategy does not support the use of mobile enforcement cameras*" should be deleted on page 15, under the section marked 'Fair Enforcement', and replaced with the following statement :-

"In particular the use of mobile enforcement cameras can improve road safety for children outside school entrances and reduce the road safety risks presented to public transport users. Strict operating procedures should be applied to the use of any mobile technology to ensure that fair enforcement is undertaken and the law abiding motorist is not penalised."
- (iii) that the Parking Operations Panel and Members involvement in the decision making process be reviewed after one year.

(Note: Councillor Stocks left the meeting after this item.)

94 Local Transport Plan Implementation Document

The Council considered the submitted report on an overarching strategy across Torbay and Devon for investing in the transport network for all modes of transport and set out how transport should be delivered in Torbay.

Councillor King proposed and Councillor Thomas (D) seconded a motion, which was agreed by the Council as follows:

- (i) the Torbay Local Transport Implementation Plan 2016-2021, as set out in the submitted report, is adopted;
- (ii) the Council supports a proportion of capital funding, sourced from the Integrated Transport Block, (£330,000) to develop new capital projects over the next 2-3 years, including the production of evidence and business cases to support those projects, as set out in the submitted report and the appended implementation plan; and

- (iii) **the Council supports the use of 'Integrated Transport Block' grant funding to become part of the Council's Capital Plan budget and for the use of the Capital Plan Prioritisation Matrix to be used to assess the development of capital transport projects.**

95 Children's Services Improvement Plan - Six Month Update

Members considered the submitted report which provided a six monthly update on the Children's Services Improvement Plan. It was noted the Improvement Plan set out activity in response to the Council's Children's Services being judged as inadequate in January 2016 following an Ofsted inspection.

Councillor Parrott proposed and Councillor Barnby seconded a motion, which was agreed (unanimously) by the Council as follows:

that the Council note the progress to date as set out in the Improvement Plan (Appendix 2 to the submitted report) and agree to receive updates on a regular basis.

96 Summary of decision taken by the Chief Executive accordance with Standing Order E15 - Access to Information (Special Urgency)

Members noted the submitted report on a urgent Council decision taken by the Chief Executive (appropriation of land at Bolton Cross for planning purpose) which had not been included in the Forward Plan.

Chairman

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Meeting of the Council

Thursday, 27 October 2016

Questions Under Standing Order A13

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| <p>Question (1) by Councillor Stocks to the Executive Lead for Planning, Transport and Housing (Councillor King)</p> | <p>I understand that there is a £250,000 back log of lining works with TOR2 to complete. This is resulting in some of our double yellow lines being unenforceable. When will this back log of works be cleared.</p> |
| <p>Councillor King</p> | <p>There is a backlog if lining works, but the exact costs have not been determined. With the current allocated resources I am not in a position to confirm when or if the backlog can be cleared.</p> |
| <p>Question (2) by Councillor Darling (M) to the Executive Lead for Adults and Children (Councillor Parrott)</p> | <p>On the 8 February 2016 the Director of Children’s Services advised Governance Support that the ‘Child Poverty Commission’ (a Council outside body) had been decommissioned. As the Executive Lead at this time can you explain the reason for such action?</p> |
| <p>Councillor Parrott</p> | <p>As Councillor Darling knows, I was a founder member of the Torbay Child Poverty Commission, contributing in particular to the research for, and drafting of, the section on housing needs for the report 'Torbay Gains'.</p> <p>I am sure that our then Director of Children’s Services (DCS) was totally focussed on the imperative of improvement in children's safeguarding following last November's Ofsted assessment of our services as 'inadequate', when he advised Governance Support. That said, I do not consider that the work of the Commission to have been adequately followed through.</p> <p>As you will know, there are a number of governance and improvement processes underway within Children’s Services including the Children’s Improvement Board, chaired by the DfE Commissioner, Torbay Public Service Trust, the Youth Trust and the work to progress the potential transfer of services to the Integrated Care Organisation. The new DCS has been tasked by me with reviewing these arrangements and ensuring that they develop in a manner that supports the service improvement programme to respond to the Ofsted Inspection. I have asked that he also considers the Child Poverty Commission within that context and come back to me with proposals on how this important initiative can be progressed.</p> <p>I look forward to updating you on those proposals in due course.</p> |

| | |
|--|---|
| <p>Question (3) by Councillor Darling (S) to the Executive Lead for Community Services (Councillor Excell)</p> | <p>Earlier this summer the memorial plaque at King George V playing field, Teignmouth Road was stolen. When does the Council plan to replace it?</p> |
| <p>Councillor Excell</p> | <p>Whilst it is unfortunate that the plaque has been stolen, the replacement of this plaque is not a priority given the current resource pressures. Officers will explore alternative funding options.</p> |
| <p>Question (4) by Councillor Sanders to the Mayor and Executive Lead for Regeneration and Finance (Mayor Oliver)</p> | <p>If he will set up a shadow administration from May 2018 consisting of the Leader and Cabinet model of local government voted for in the referendum of May 2016, to prepare the authority for the change in leadership arrangements and demonstrate that no elected Mayor means no elected Mayor.</p> |
| <p>Mayor Oliver</p> | <p>I was elected Mayor until 2019 and intend to undertake that role until that time. We have established a Constitution Working Party which will be reviewing and amending the constitution in order for the Leader and Cabinet model to be implemented and operating following the local election in 2019.</p> |
| <p>Question (5) by Councillor Doggett to the Executive Lead for Adults and Children's Services (Councillor Parrott)</p> | <p>Having read through the damning Western Rise Residential Home Serious Case Review Report a number of times, it seems the troubles started in March 2012, when a Resident with dementia choked to death. There then followed 5 inspections up to June 2014, when, due to the severity of the issues at the home, a Multi-Agency whole home large scale investigation was agreed on June 9th. This then quickly started, involving members of 18 different professions. A 6th Inspection took place in July, followed by 3 more up to January 2015! My concern is why, prior to June 2014, poor standards of care were not considered a concern, despite the regular visits of Healthcare Professionals, and can I and other Members of the Council be reassured that the 26 recommendations identified will be adhered to? Finally can we make sure that the Torbay Safeguarding Adults Board does hold agencies to account regarding their actions?</p> |
| <p>Councillor Parrott</p> | <p>I can assure you that the recommendations will be taken forward and adhered to. In any serious case review it is there in order to learn lessons and ensure these issues do not occur again. The Adults Safeguarding Board has an independent chair who is in a position to, and does hold agencies to account. The Safeguarding Adults Board is on a statutory basis following the care act legislation, and has the same profile and ability to hold the safety of vulnerable adults in the community to account.</p> <p>My role as Executive Lead for Adults is, of course, to ensure that our concerns are fully addressed in the work of the local Safeguarding Adults Board, through</p> |

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| | my direct challenge as a member of that Board. |
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Second Round

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| Question (6) by Councillor Darling (M) to the Council's Representative on the Devon and Cornwall Police and Crime Panel (Councillor Excell) | By rank, can you advise me of the number of police officers from PCSO upwards that are based in Torbay and by rank, the number of vacancies? |
| Councillor Excell | This information has been requested from Devon and Cornwall Police, however, the information was not available within the timescale required for this meeting. This information will be communicated to Elected Members in writing once it is received. |
| Question (7) by Councillor Sanders to the Mayor and Executive Lead for Regeneration and Finance (Mayor Oliver) | If he will list the dates, times and venues when and where he has met with officials of Torquay United AFC to discuss the future of Plainmoor and alternative ground locations since May 2015? |
| Mayor Oliver | 10/06/15 – Town Hall, 2.00pm 12/10/15 – Town Hall, 4.30pm 19/01/16 – Town Hall, 4.30pm 23/02/16 – Town Hall, 3.00pm 24/05/16 – Town Hall, 2.00pm 19/07/16 – Town Hall, 5.00pm 06/09/16 – Tor Hill House, 5pm 20/09/16 – Town Hall, 8.30am |

Third round

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| Question (8) by Councillor Sanders to the Mayor and Executive Lead for Regeneration and Finance (Mayor Oliver) | What is his latest estimate of the total gross costs incurred by a) the Air Show and b) the Screen on the Green? |
| Mayor Oliver | (a) The gross costs for the Air Show were reported to Full Council in July 2016. The figure is £543,000. (b) The gross cost to the Council for Screen on the Green was £10,000 which was the cost for the screen. |

Record of Decision

Mayor's Response to Notice of Motion - Protecting Torbay's Position following the EU Referendum

Decision Taker

Mayor on 27 October 2016

Decision

That the motion be rejected for the reasons given below.

Reason for the Decision

The Mayor considers it is premature and refers to the role of the Local Government Association in representing Local Government at a national level with the Government, and also the potential review by the Overview and Scrutiny Board on the United Kingdom leaving the European Union. The Mayor is also satisfied with the work being done by the Assistant Director of Community and Customer Services in connection with racism.

Implementation

This decision will come into force and may be implemented on 10 November 2016 unless the call-in procedure is triggered (as set out in Standing Orders in relation to Overview and Scrutiny).

Information

At the Council meeting held on 27 October 2016, the Mayor considered a motion in relation to Torbay's position following the result of the national referendum to leave the European Union, notice of which was given in accordance with Standing Order A14 by Councillors Sanders and Darling (S) as set out below:

That Torbay Council notes the result of the EU Referendum and now commits to doing everything that it can to protect, support and enhance the position of the residents of Torbay, in whatever new agreements are sought and reached with the European Union and its member countries and the rest of the world and otherwise, as a result of the Referendum decision to leave the EU.

In particular it believes:-

- (1) That the financial position of local authorities such as Torbay must not be further worsened and should, if possible, be improved.
- (2) That the Government must give an immediate guarantee that the existing rights of citizens of other European Union countries who are already living in Torbay will be protected.
- (3) That the importance of the Visitor economy and Hospitality Industry (including language schools and care homes) in Torbay must be recognised and their future protected.

- (4) That there must not be any weakening of environmental legislation, particularly relating to clean bathing waters, or employment rights that at present derive from EU directives.
- (5) That fisheries support for areas such as Torbay must be maintained by the Government following a withdrawal from the Common Fisheries Policy.
- (6) That convergence funding, European Social Funding, European Regional Development Funding and other EU derived funding must be replaced with funds from the UK Treasury.

This Council is further shocked by the reported increases in race hate crimes and antisocial behaviour directed at EU citizens in the UK and other ethnic minorities since the referendum result was announced, including in Torbay, and resolves to call an early meeting with the local police and other agencies to consider its response.

In accordance with Standing Order A14.3(a), the motion stood referred to the Mayor.

The Mayor responded to the motion at the meeting and gave further consideration to the issues in connection with racism after the meeting. His decision is set out above.

Alternative Options considered and rejected at the time of the decision

None

Is this a Key Decision?

No

Does the call-in procedure apply?

Yes

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

Published

2 November 2016

Signed: _____
Mayor of Torbay

Date: 2 November 2016

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Agenda Item 6

Public Question for Council Meeting on 8 December 2016

Tor2 Ltd run a very popular service collecting Christmas Trees at the Coach Station in Torquay, once the festivities are over. Sadly, over the past couple of years, Christmas Trees have been dumped outside of the collection times despite there being notices requesting that this does not happen.

What action are the Council and Tor2 Ltd putting into place to ensure that the flytipping of Christmas Trees does not take place after Christmas 2016?

Swithin Long

Meeting of the Council

Thursday, 8 December 2016

Questions Under Standing Order A13

A member may only submit three questions for consideration at each Council Meeting. Each member will present their first question in turn, when all the first questions have been dealt with the second and third questions may be asked in turn. The time for member's questions will be limited to a total of 30 minutes.

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| Question (1) by Councillor Darling (M) to the Executive Lead for Planning, Transport and Housing (Councillor King) | With the arrival of the first major winter storm, Angus, many residents have contacted me with concerns about flooding in their area. Can you please explain how Torbay Council in partnership with Tor2 have ensured that their gulley clearance has peaked in time to take account of the autumn leaf fall and storm season? |
| Question (2) by Councillor Darling (S) to the Chairman of the Overview and Scrutiny Board (Councillor Lewis) | Earlier this Autumn Overview and Scrutiny agreed to gauge the impact of Brexit on the Council, our partners, local businesses and our communities. Areas for exploration included: <ul style="list-style-type: none">• That the financial position of local authorities such as Torbay must not be further worsened and should, if possible, be improved.• That the Government must give an immediate guarantee that the existing rights of citizens of other European Union countries who are already living in Torbay will be protected.• That the importance of the visitor economy and hospitality industry (including language schools and care homes) in Torbay must be recognised and their future protected.• That there must not be any weakening of environmental legislation, particularly relating to clean bathing waters, or employment rights that at present derive from EU directives.• That fisheries support for areas such as Torbay must be maintained by the Government following a withdrawal from the Common Fisheries Policy.• That convergence funding, European Social Funding, European Regional Development Funding and other EU derived funding must be replaced with funds from the UK Treasury.• Reported increases in race hate crimes and antisocial behaviour directed at EU citizens in the UK and other ethnic minorities since the referendum result was announced, including in Torbay. |

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| | <p>The local government association have started to request evidence from Councils regarding this matter. Can you explain why the council have failed to gather such evidence?</p> |
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Second Round

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| <p>Question (3) by Councillor Darling (M) to the Mayor and Executive Lead for Finance and Regeneration (Mayor Oliver)</p> | <p>Torbay Council had originally given the developer of the Pavilion and Marina car park site a deadline of October, 2016 to have all appropriate plans submitted for consideration by the Development Management Committee. Can you please explain why the Local Authority have now allowed this to slip to January?</p> |
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Notice of Motion – Amendment to the Council’s Petition Scheme

Council Meeting 8 December 2016

The Council’s petition scheme requires a signature, address and postcode. By making petitioners provide a postcode can exclude people who may wish to sign petitions.

Therefore this Council resolves:

That the Monitoring Officer be instructed to amend the Council’s Constitution to remove the requirement for petitioners to include a postcode as part of their address when signing a petition to further support public involvement and engagement.

Proposed by Councillor Darling (S)

Seconded by Councillor Carter

Agenda Item 8a, Notice of Motion – Petition Scheme
(Council Decision)

Conservative Group Amendment

Council Meeting

8 December 2016

(Amendments shown in bold)

Proposed Amendment:

That the Monitoring Officer be instructed to amend the Council's Constitution to remove the requirement for petitioners to include a postcode **and that the requirement of 'full address' be amended to 'name or number, street and town' as part of their address** when signing a petition to further support public involvement and engagement.

Proposer Councillor Thomas (D)
Secunder Councillor Lewis

Meeting: Overview & Scrutiny Board

Date: 30 November 2016

Meeting: Council

Date: 8 December 2016

Wards Affected: All Wards

Report Title: Revision of Council Tax Support Scheme

Is the decision a key decision? Yes

When does the decision need to be implemented? 1 April 2017

Executive Lead Contact Details: Cllr Mark King, Executive Customer Services, mark.king@torbay.gov.uk

Supporting Officer Contact Details: Bob Clark, Executive Head Community and Customer Services, 01803 207420, bob.clark@torbay.gov.uk

1. Purpose and Introduction

- 1.1 Council Tax Support is a means tested discount to help low income households with the cost of Council Tax payments. This financial year the Council has awarded £11.8 million to around 15,000 households in Torbay.
- 1.2 Since the Government announced that Council Tax Benefit was to be localised from April 2013 every council has had the responsibility for designing its own Council Tax Support scheme. In localising support, the Department for Communities and Local Government also cut funding by 10 per cent in 2013/14.
- 1.3 In the first year of the scheme Torbay's funding was identified separately as £11.9m in the Council's financial settlement from Central Government. However, from 2014/15 funding was no longer separately identified and formed part of the Overall Settlement Funding Assessment (which includes the Revenue Support Grant) and subject to the same level of grant reductions.
- 1.4 The settlement grant has reduced by 23% since 2013/14, so it can be assumed that the amount of Council Tax Support funding has been cut to £9.2m for 2016/17, in line with the overall reduction.
- 1.5 When comparing the estimated cost of the scheme in 2016/17 to the level of funding received through the settlement grant there will be a deficit that will increase as the Councils Revenue and Support Grant is cut from £27m in 2015/16 to £6m in 2019/20.
- 1.6 The continued reduction in the grant resulted in a number of proposed changes to the current scheme to make it more affordable in relation to the competing demand of other services.

- 1.7 The Council is also proposing changes to bring the Council Tax Support scheme in line with the changes made by Central Government in Housing Benefit and Universal Credit. Government changes to both Housing Benefit and Universal Credit are to encourage work and reduce the levels of benefit available to some. This will be reflected in the Council Tax Support scheme if the proposed changes are made.
- 1.8 The changes should make it easier for applicants to understand the scheme, as there will be similar criteria in Housing Benefit, and Universal Credit. Additionally, using the same criteria in the Council Tax Support scheme should make it more efficient and less costly to run.
- 1.9 These changes have been undertaken in liaison with all Devon authorities, in order that there remains a common approach.

2. Reason for Proposal

- 2.1 The Local Government Finance Act 2012 requires that the Council Tax Support scheme is reviewed annually and where a council proposes changes to its scheme it must consult on the changes.
- 2.2 A draft scheme and public consultation was agreed by the Mayor's Executive on 26 July 2016 and ran for twelve weeks, from 8 August 2016 to 31 October 2016.
- 2.3 Following the consultation the scheme must be agreed by a full council meeting before 31st January in the year the changes take effect.
- 2.4 The final proposed scheme changes are based on the outcome of the consultation responses alongside the equality impact assessment.

3. Recommendation(s) / Proposed Decision

- 3.1 That, having considered the outcomes of the full consultation results and having due regard to the matters under the Public Sector Equality Duty (as set out in the Equality Impact Assessment) and the potential impacts on people with disabilities, carers, women and working age groups the proposed changes to the reviewed Council Tax Support Scheme as set out in section 11 to Appendix 1 to the submitted report be approved.
- 3.2 That Personal Allowances and Premiums for Council Tax Support are uprated from 1 April 2017 in line with the prescribed pensioner scheme and national working-age benefits, which are both set by the Government.
- 3.3 That the Discretionary Awards (Exceptional Hardship) fund of £80,000, which is used to top up Council Tax Support awards in appropriate cases, be continued.
- 3.4 That it be noted that the discretionary Awards (Exceptional Hardship) policy and fund will be reviewed during the new financial year, 2017/18.
- 3.5 That the Head of Finance, in consultation with the Executive Lead Member for Customer Services, be authorised to make final detailed changes to the Council Tax Support Scheme and to implement the scheme from April 2017.

Appendices

Appendix 1: Supporting Information

Appendix 2: Consultation Survey Results

Appendix 3: Equalities Impact Assessment

Appendix 4: Proposed Scheme Changes

Appendix 5: 2016/17 Council Tax Support schemes in Devon

Appendix 1

Supporting Information

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|---------------------------------------|--|----------------|------------------|
| Service / Policy: | Final Proposed Council Tax Support Scheme Changes | | |
| Executive Lead: | Cllr Mark King, Executive Customer Services, mark.king@torbay.gov.uk | | |
| Director / Assistant Director: | Bob Clark, Executive Head Community and Customer Services, 01803 207420, bob.clark@torbay.gov.uk | | |
| Version: | 1.3 | Date: | 30 November 2016 |
| | | Author: | Kevin Michell |

| Section 1: Background Information | |
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| 1. | <p>What is the proposal / issue?</p> <p>The Council is required to review its Council Tax Support scheme annually and consider both the application of the scheme itself and to take into account the financial implications of its administration.</p> <p>Based on forecasting that the Council's grant settlement will be reduced by over £20 million by 2020 it is considered reasonable that the Council look to review its spending in all areas. This includes a review of the Council's spending on the Council Tax Support scheme and designing a scheme that is more affordable.</p> <p>Council Tax Support is a discount, affecting the taxbase in the same way as any other Council Tax discount. The taxbase forms part of the Financial Plan, so Council Tax Support must meet the required budgetary constraints.</p> <p>There are also a number of other changes required to bring the scheme in line with the Housing Benefit changes announced in 2015 Summer Budget and Universal Credit legislation.</p> |
| 2. | <p>What is the current situation?</p> <p>Background</p> <p>In March 2012, the Welfare Reform Bill received Royal Assent and contained provisions for the abolition of Council Tax Benefit. In October 2012, the Local Government Finance Act became law and included the framework for localised Council Tax Reduction schemes which is known as the Council Tax Support scheme.</p> <p>Statutorily, Local Authorities were required to develop and adopt a Localised Council Tax Support scheme by 31 January 2013 with implementation on 1 April 2013. To an extent, Councils had been given autonomy to develop schemes that met the needs of their local area but were also prescribed a framework, where pensioners are protected. However, Local Authorities would only receive 90% of the funding received in the previous year (2012/13). It was up to Local Authorities to decide whether to absorb the ten per cent cut in funding or pass this onto Council Tax Support recipients.</p> <p>To enable this activity to be taken forward, the Government provided Local Authorities with a statutory framework that included the following:</p> |

- Local Authorities must have their new schemes agreed by 31st January 2013;
- Financial help with Council Tax will now be seen as a discount and not a benefit;
- There will be no change to the amount of help pension age claimants receive;
- Councils can decide the rules for their new schemes within a prescribed framework, but should consider the impact on the most vulnerable when designing their schemes;
- Guidance was given to encourage local authorities to ensure local schemes do not act as a disincentive to working.

The Government required that all pensioners are protected under the new scheme and the cut in funding should not apply to them. Working age households would therefore bear the full reduction in grant to cover future Council Tax Support scheme expenditure.

Torbay's Current Council Tax Support Scheme

Torbay's scheme was prepared as part of a Devon wide approach, where the overarching principle was to develop a cost neutral scheme. However, it was unlikely that each authority's scheme would be identical, or produce the same end result for residents across the county, because of the different local demographics and the constraints placed on the design of local schemes by the government.

Following a public consultation the current scheme was approved by members at full council on 6th December 2012.

For people of working age, the scheme has retained the characteristics of the old Council Tax Benefit scheme with the following changes:

- All awards are based on 75% of the Council Tax charge for the property, leaving households to pay a minimum of 25% of the Council Tax due;
- Second Adult Rebate for working age claimants is not available;
- No entitlement if working age claimants have savings over £6,000;
- Additional support for exceptional financial hardship is available through a hardship fund, that's funded by the Council.

The current scheme has remained unchanged since its introduction in 2013/14 apart from an additional clause to uprate personal allowances and non dependant deductions, on an annual basis.

Proposed Changes to Current Scheme

Following the changes to Housing Benefit regulations, announced in 2015 Summer Budget and Autumn Statement, Devon authorities agreed to review their schemes to align with these changes and Universal Credit legislation.

The review was undertaken by Devon's Revenue and Benefits managers during April

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| | <p>and May 2016, where eight changes to the current scheme were identified. Seven of these changes were taken forward as part of the Council’s proposed scheme changes.</p> <p>The change involving the removal of the additional earnings disregard, which is an alignment to Universal Credit, was not considered due to the potential impact on work incentives as the scheme should support people into work.</p> <p>On 21 June 2016 a meeting was held with senior managers to discuss the alignment and other potential changes to the Council Tax Support scheme.</p> <p>A report detailing the proposed changes to the current scheme and draft impact assessment was considered by the Mayor’s Executive on 26 July 2016.</p> <p>It was agreed that the public should be consulted on ten proposed changes to the current scheme.</p> <p>Following approval a draft scheme was published based on the proposed changes and the consultation commenced on 8 August 2016.</p> <p>The proposed changes that were consulted on are set out below;</p> <ol style="list-style-type: none"> 1. Limit maximum level of support to 55% of the Council Tax liability. 2. Restrict maximum level of support to a band C charge. 3. Savings limit cut to £3,000 from £6,000. 4. Remove Family Premium for all new working age applicants. 5. Restrict backdating to one month. 6. Minimum set income for self-employed after one year’s trading. 7. Reduce temporary absence from Great Britain to four weeks. 8. Remove the work related activity component in the calculation of entitlement for new Employment and Support Allowance applicants. 9. Limit Council Tax Support calculation to a maximum of two children. 10. Remove Severe Disability Premium where another person is paid Universal Credit (Carers Element). <p>The potential savings that could be realised through each proposal can be found at Appendix 3 (Equality Impact Assessment, paragraph 5).</p> <p>The Council’s consultation commenced on 8 August 2016 and ran for twelve weeks, until 31 October 2016.</p> <p>Following a consultation the scheme must be agreed by a full council meeting before 31st January in the year the changes take effect.</p> |
| <p>3.</p> | <p>Summary of Options</p> <p>Option One – No Change</p> <p>This would mean continuing with the current 2016/17 scheme, where working age households pay a minimum of 25% of the bill. It would not include any of the other proposed changes that would bring the scheme in line with the Housing Benefit changes or Universal Credit legislation.</p> <p>Personal Allowances and Premiums that are used to calculate Council Tax Support would continue to be updated, from 1 April 2017 in line with the prescribed pensioner</p> |

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| | <p>scheme and national working age benefits, which are both set by the Government.</p> <p>Option Two – Scheme Change</p> <p>As the Council faces £20m cut in grant funding by 2020 there is a need for the Council to consider all options available in relation to delivering these savings.</p> <p>The Council has already considered alternative and innovative ways of delivering services to reduce the overall cost, without reducing the level of service. The level of savings being achieved in this area is limited and therefore a revised Council Tax Support scheme must be considered.</p> <p>The proposed alignment changes should also make it easier for applicants to understand the scheme, as there will be similar criteria in Housing Benefit and Universal Credit. Additionally, using the same criteria in the Council Tax Support scheme should make it more efficient and less costly to run.</p> <p>In light of the consultation responses and impact assessment the changes initially proposed have since been reviewed, for full details see section 11.</p> |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>The council’s Corporate Plan for 2015-2019 sets the direction and priorities for the years ahead. It is based on the following principles:</p> <ul style="list-style-type: none"> • Use reducing resources to best effect • Reduce demand through prevention and innovation • Integrated and joined up approach <p>Aligning the scheme with the Housing Benefit changes and Universal Credit legislation ensures the scheme remains efficient and will not become overly complex for applicants.</p> <p>The scheme continues to support work incentives and avoids disincentives for those moving into work.</p> <p>Torbay’s most vulnerable groups will continue to be protected as the proposed scheme will retain the current scheme characteristics.</p> <p>The continuation of the hardship scheme will also help cushion the effect of the changes and should mitigate any adverse impacts where possible.</p> |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>The continuation of the hardship scheme will also help cushion the effect of the changes and should mitigate any adverse impacts where possible.</p> <p>The Council has a duty to consult on its Council Tax Support scheme and required by law to:</p> <ul style="list-style-type: none"> • consult any major precepting authority which has power to issue a precept to it; • publish a draft scheme in such manner as it thinks fit; • consult such other persons as it considers are likely to have an interest in the operation of the scheme. |

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| | <p>In line with the statutory requirements, the major preceptors, Police and Fire authorities, have been fully engaged through the monthly Devon Revenue and Benefits manager group meetings.</p> <p>The draft scheme was placed on the Council's website and referred to as part of the full consultation.</p> |
| <p>6.</p> | <p>Consultation</p> <p>The consultation approach aimed to ensure all residents in Torbay, including voluntary and representative groups, had the opportunity to have their say about the proposed scheme changes.</p> <p>All other Devon authorities consulted on the alignment to the Housing Benefit changes and Universal Credit between June 2016 and September 2016.</p> <p>The Council's consultation commenced on 8 August 2016 and ran for twelve weeks, until 31 October 2016 and included the following:</p> <ul style="list-style-type: none"> • An on-line questionnaire was available on the Council's website from 8 August 2016 until 31 October 2016, for a period of twelve weeks. The website also included the draft scheme, detailing the proposed changes and a list frequently asked questions, which was updated on a regular basis. • Paper versions of the questionnaire were also available at the Council's public access points. • Individual letters, outlining the proposed changes and guidance on how to take part in the consultation were sent 8,387 working age households receiving Council Tax Support as on 16 August 2016. • The same number was also sent to randomly selected households that were not receiving Council Tax Support. • Over 15,000 leaflets informing households of the consultation and how to take part were enclosed with all Council Tax bills and Benefit notification letters printed from 1 September 2016 to 21 October 2016. • A press statement was issued by our Communications team on 8 August 2016. • Social media feeds were introduced to maintain general awareness of the consultation and to encourage people to take part. • Three public events were held across the bay, which was initially promoted by a press release, issued on 14 September. • A total of 48 stakeholders were informed of the consultation and invited by email to attend the events being held - these events were held during September and October. • The Barton and Watcombe Community Partnership were informed of the proposed changes at an evening event held in October. • A briefing session was also held at the Town Hall for members on 28 |

September, which was very well attended.

- Social landlords were informed of the consultation and the proposed scheme changes.

Consultation Results

At the close of the consultation, on 31 October 2016, the Council had received 1,667 paper responses and 288 on-line responses (1,961 in total).

Due to the complex nature of the welfare system a number of questions were quite technical, which could have discouraged people from completing the questionnaire. However, the number of completed questionnaires exceeded expectations and the results have provided sufficient information to inform the outcome of this process.

Headlines from the Consultation

Based on responses from households that receive and do not receive Council Tax Support;

- The majority of responses agreed to proposals 2-9.
- Responses were divided for Proposal 1, limit maximum of support to 55% from 75%.
- Only proposal 10 saw a majority of responses against the proposed change.
- The highest level of support was in agreement to the proposal 7, restrict the period a person can be absent from Great Britain and continue to receive Council Tax Support to four weeks.
- Apart from proposals 1 and 10, the lowest level of support was proposal 4, removal of the Family Premium for all new applicants.
- In terms of disability, 34% of respondents were disabled.
- In terms of gender, 57% of respondents were female.
- In terms of age, 69% of respondents were of working age (16-64).

The results of the survey can be found at Appendix 2.

Section 2: Implications

7. What are the financial and legal implications?

Financial Implications

As mentioned earlier in this report, funding for Council Tax Support was reduced by 10% in 2013/14. Subsequently the Settlement Funding Assessment has reduced by 23% in cash terms in the three years up to 2016/17.

The Council has been required to make significant financial savings in recent years and faces further cuts in funding and increasing financial risks over the coming years.

The proposed changes may also impact on the demand for the Council Tax Discretionary Exceptional Hardship Fund from April 2018. Currently there is £80,000 in this fund to assist households facing exceptional hardship.

Collection Rates

Reducing the amount of Council Tax Support that is paid results in the poorest residents having to pay more Council Tax at a time when other welfare changes are also impacting on their income levels. Increasing the amount to pay increases the risks to collection levels and may mean that some of the Council Tax that is raised is not collected promptly.

The collection rate for 2015/16 for all Council Tax payers was 96% and for those in receipt of Council Tax Support 67%.

At the time the draft scheme was developed it was forecast that the Council Tax collection rate for those in receipt of Council Tax Support would be 60%.

The collection rate for those in receipt of Council Tax Support is currently up by 0.50% when compared to the same period last year (42.59% 07/11/16 and 42.08% 09/11/15).

Legal Implications

The legislative framework for Council Tax Support schemes is contained within the Local Government Finance Act 2012.

The 2012 Act amends the 1992 Act by adding a new section 13A to state that Council Tax will be reduced to the extent set out in an authority's Council Tax Support scheme and to such further extent as the authority sees fit (new s13A(1)(c) replicating the existing provision for authorities to adopt specified additional classes).

Local authorities must make a Council Tax Support scheme setting out the reductions which are to apply in its area by persons or persons in classes consisting of persons whom the authority considers to be in financial need.

Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992, as inserted by Schedule 4 to the Local Government Finance Act 2012, requires the authority to consider whether, for each financial year, the Council Tax Support scheme is to be revised or replaced. Where the scheme is to be revised or replaced the procedural requirements in paragraph 3 of that schedule apply. Any revision/replacement must be determined by 31st of January in the preceding year to the year which the changes

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| | <p>are to apply.</p> <p>The council must therefore consider whether the scheme requires revision or replacement and if so, consult with precepting authorities (Devon and Cornwall Police and Devon and Somerset Fire and Rescue Authority), publish a draft scheme and then consult with such persons as are likely to have an interest in the operation of that scheme prior to determining the scheme before 31st January. If any proposed revision is to reduce or remove a reduction to which a class of person is entitled, the revision must include such transitional provision as the Council sees fit.</p> <p>Case-law has determined the guiding principles for fair consultation, which we have followed. Regard was made to the rules around consultation laid out through the Supreme Court Ruling in the case of R (on the application of Moseley) v London Borough of Haringey (2014) and in particular, the need to set out alternative choices within the consultation.</p> |
| <p>8.</p> | <p>What are the risks?</p> <p>Failure to agree a scheme by 31 January 2017.</p> <p>The scheme could be open to challenge if it were considered that that we had not consulted properly with those who have an interest in the operation of the scheme.</p> <p>The continuing financial risk of further reductions in the overall settlement grant affecting the level of funding available when compared to expenditure.</p> <p>The majority of the options consulted upon are intended to align the scheme with the administration of Housing Benefit. Currently, the proposed change to limit Council Tax Support calculation to a maximum of two children has yet to be made within the Housing Benefit scheme.</p> <p>The changes could also create increased demand on the Discretionary Awards (Exceptional Hardship) fund, which is currently £80,000.</p> |
| <p>9.</p> | <p>Public Services Value (Social Value) Act 2012</p> <p>The procurement of services or provision of services is not relevant for this report.</p> |
| <p>10.</p> | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>There are now 259 (of 326) English authorities that require everyone to pay at least some Council Tax, regardless of income. The type of schemes differ greatly due to a number of different factors, that include; the local authorities' ability to afford or absorb the grant reduction, property values (numbers in various bands) and demographic information including benefits caseload data and the working/pension age caseload split.</p> <p>In general terms, the higher the pensioner caseload the greater the financial impact in the loss of grant on the remaining working age caseload.</p> <p>Across the country the current situation is as follows:</p> |

| | |
|-------------------|--|
| | <ul style="list-style-type: none"> • Around 2.2 million households have been adversely affected by the change from the old Council Tax Benefit scheme. They will be required to pay an average £169 additional council tax in 2016/17 in comparison to what they would have received under Council Tax Benefit. This is up from £145 in the first year of Council Tax Support. • The total number of households affected has slightly reduced as the number claiming Council Tax Support overall has fallen, largely as a result of changing circumstances, particularly falling unemployment, although in some cases former claimants will have become ineligible due to local changes, such as the introduction of a minimum Council Tax Support award or a change in the savings limit. • Around 340,000 low income households will see their council tax payments increase substantially because they live in one of the 39 areas where a minimum payment is being increased or introduced. 70,000 of these live in the areas where they were introduced for the first time and will pay on average £171 more council tax in 2016/17 than they would if Council Tax Benefit was still in place. • The most common financial impact of Council Tax Support changes on households in 2013/14 was an additional £50 to £100 per year to pay in council tax than they would have under Council Tax Benefit. In 2016/17 it's around £150 to £200. <p>Appendix 5 provides details of the 2016/17 schemes in Devon.</p> <p>All Devon authorities have consulted on changes that will align their Council Tax Support schemes to the Housing Benefit changes and Universal Credit legislation.</p> |
| <p>11.</p> | <p>What are key findings from the consultation you have carried out?</p> <p>The Council has throughout its consideration of its options looked at the equalities impacts of any proposals that could be put forward. The Council's current scheme is designed to minimise as much as possible the impact on particular groups. Likewise, regard has been made to wider decisions across the authority that may also impact on similar groups of service users for example, to assess any cumulative impact which should be taken into account in reaching the decision.</p> <p>Following the conclusion of the consultation the comments received in respect of each proposal were collated and analysed. The overall impact of the proposed changes was considered. This analysis was then used to form a view on whether the existing proposal should proceed as described, be varied in the light of the consultation feedback and impacts or withdrawn.</p> <p>Please refer to the consultation results (Appendix 2) and Equality Impact Assessment (Appendix 3).</p> <p>In light of the consultation responses and impact assessment the proposed scheme changes for working age households have been reviewed and are now as follows;</p> |

Proposal One – Limit maximum level of support to 55% from 75% of the Council Tax liability.

This change would result in over 8,000 working age households having a reduction in the amount awarded, with 400 no longer entitled.

The amount households occupying bands A to C would have to pay would increase by around £5 a week, impacting on all low income households.

This proposal has been changed to limit support by 5% and implemented over two financial years (2.5% per year).

From 1 April 2017

Limit maximum level of support to 72.5% from 75%

From 1 April 2018

Limit maximum level of support to 70% from 72.5%

The amount households occupying bands A to C would have to pay would increase by around £0.60 a week from April 17 and an increase by a similar amount from April 18.

This revised proposal has the potential to save £197,500 (2.5%) in 2017/18 and £395,000 (5%) from 2018/19.

Proposal Two - Restrict maximum level of support to a band C charge.

This change would affect 496 working age households, with the majority occupying band D (358) and E (107).

The amount households occupying bands D to E would have to pay would increase by an average of £1 a week.

It would have a disproportionate impact on lone parents and couples with children.

This proposal has been changed to restrict to a band D and deferred until 1 April 2018.

This change would affect 138 households. The amount households occupying bands E would have to pay would increase by £0.67 a week.

This revised proposal has the potential to save £38,000 from 2018/19

Proposal Three - Savings limit cut to £3,000 from £6,000.

This change would remove entitlement from 97 households that have over £3,000 in savings.

Removed from the proposed scheme changes

Proposal Four – Remove Family Premium for all new working age applicants.

This proposal will bring the Council Tax Support scheme in line with Housing Benefit and the Council Tax Support Prescribed scheme for pension aged households, which took effect from May 2016.

Remains in the proposed scheme changes

Proposal Five – Restrict backdating to one month

This proposal will bring the Council Tax Support scheme in line with Housing Benefit and the Council Tax Support Prescribed scheme for pension aged households, which took effect from April 2016.

Remains in the proposed scheme changes

Proposal Six – Minimum set income for self-employed after one year's trading

This proposal will bring the Council Tax Support scheme in line with Universal Credit legislation.

This change would affect 450 households with 67% either lone parents or couples with children. Nearly 75% of households with self-employed income earn less than £100 a week, which will increase to £252 a week after one year's trading.

This change will have a significant financial impact on these households.

Further information on self-employed households receiving Council Tax Support can be found at Appendix 3, pages 45 to 47.

Remains in the proposed scheme changes

Proposal Seven – Restrict period that a person can be absent from Great Britain and continue to receive support to four weeks.

This proposal will bring the Council Tax Support scheme in line with Housing Benefit.

Remains in the proposed scheme changes

Proposal Eight – Remove the Work Related Activity Component in the calculation of entitlement for new Employment and Support Allowance applicants.

This proposal will bring the Council Tax Support scheme in line with the proposed Housing Benefit changes, when approved by Central Government.

This change will affect 14 households that have a disability.

Removed from the proposed scheme changes

| | |
|-------------------|---|
| | <p>Proposal Nine – Limit the calculation to a maximum of two children.</p> <p>This proposal will bring the Council Tax Support scheme in line with the proposed Housing Benefit changes and Tax Credit legislation, when approved by Central Government.</p> <p>Remains in the proposed scheme changes</p> <hr/> <p>Proposal Ten – Remove entitlement to Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them.</p> <p>This proposal will bring the Council Tax Support scheme in line with Universal Credit legislation.</p> <p>Based on current data there are no households that could be affected by this proposal. However, it has the potential to impact on some carer's and disabled households.</p> <p>Removed from the proposed scheme changes</p> <p>In summary the final proposed changes are;</p> <p>From 1 April 2017:</p> <ul style="list-style-type: none"> • Reduction in the maximum level of support to 72.5% from 75% • Removal of the Family Premium for all new working age claims • Reduction of the period a claim can be backdated to one month • Minimum set income for self-employed earners after one year's trading • Reduction of the period a person can be absent from Great Britain to four weeks • Limit the calculation to a maximum of two dependant children – this would only be introduced if the change goes ahead in the Housing Benefit scheme. <p>From 1 April 2018:</p> <ul style="list-style-type: none"> • Reduction in the maximum level of support to 70% from 72.5%; • Restrict the maximum level of Council Tax Support payable to equivalent of an average Band D property charge <p>Further information on the final proposed changes can be found at Appendix 4.</p> |
| <p>12.</p> | <p>Amendments to Proposal / Mitigating Actions</p> <p>The council's Vulnerability Policy and Discretionary Reductions (Exceptional Hardship) Policy are mitigating features of the current Council Tax Support scheme, developed to manage any potential negative impacts mentioned in this report.</p> |

| | |
|--|--|
| | <p>These policies and fund will remain unchanged in 2017/18.</p> <p>During the financial year 2017/18 both policies and the fund will be reviewed and any changes, if appropriate, will be introduced from 1 April 2018.</p> |
|--|--|



Council Tax Support Survey Preliminary Results

November 2016

| Method | Number of questionnaires returned |
|------------------------------|--|
| Online | 288 |
| Paper - Valid | 1117 |
| Other Submissions | 6 |
| Paper - Invalid | 50 |
| Total Valid Responses | 1961 |

This survey was open between 8th August and 31st October 2016



Council Tax Support Survey 2016

1. Introduction

The survey was conducted to receive the views of the public in respect of ten proposed changes to the Council's existing Council Tax Support Scheme. The Council Tax Support Scheme is reviewed on an annual basis and this survey outlined proposed changes to the scheme which included changes to bring the scheme in line with changes which are happening across Housing Benefit and Universal Credit. These proposed changes were set out in the context of the Local Authority needing to fill an estimated funding gap of £18.5 million between the present and 2019/20.

Explicitly stated was that the proposed changes would not affect pension age claimants.

2. Methodology

The survey was conducted in two simultaneous ways between 8 August 2016 and 31 October 2016. Firstly by means of an online questionnaire and secondly by printed booklets containing the same details from which the answers were then manually entered into the database.

The questionnaire booklets were sent out to all customers currently receiving Council Tax Support (8,387 people) and to a matching number of non-recipients chosen at random.

Views were sought on the level of agreement or disagreement with the proposals, whether respondents would be affected and, if so, in what manner.

All responses were anonymous with the only respondent specific information being a coded serial number on the questionnaire booklets which indicated whether the recipient household currently received Council Tax Support according to the records held by the Council.

In a number of cases the coded serial numbers had been deliberately removed or redacted and there were also questionnaire booklets that were passed out by Councillors which bore no serial number at all. To split these appropriately the respondents answer to whether they received Council Tax Support was used where the coding was absent or illegible

4. Preliminary Results – Summary

The level of agreement or disagreement is set out by each proposal and the results have been broken down between those respondents receiving Council Tax Support and those who do not. In each case the figures for Strongly Agree and Agree have been added together as have those for Strongly disagree and Disagree.

To obtain the percentages the denominator has been taken throughout as the total number of responses (1961). The numerator however varies according to the number of responses received in respect of each of the particular questions. It should be noted that, where questions contained more than one part, the number of responses to the individual parts was not always the same.

Q1a. For those receiving CTS 6.8% of respondents were in agreement compared with 31.5% that disagreed. For those NOT receiving CTS 40.1% were in agreement compared with 10.8% that disagreed.

Q1b. For those receiving CTS 6.5% of respondents were in agreement compared with 31.7% that disagreed. For those NOT receiving CTS 37.9% were in agreement compared with 12.3% that disagreed.

Q2a. For those receiving CTS 16.4% of respondents were in agreement compared with 18.6% that disagreed. For those NOT receiving CTS 40.5% were in agreement compared with 8.7% that disagreed.

Q2b. For those receiving CTS 12.8% of respondents were in agreement compared with 31.5% that disagreed. For those NOT receiving CTS 33.8% were in agreement compared with 13.4% that disagreed.

Q3a. For those receiving CTS 14.7% of respondents were in agreement compared with 19.8% that disagreed. For those NOT receiving CTS 31.1% were in agreement compared with 17.1% that disagreed.

Q4a. For those receiving CTS 8.5% of respondents were in agreement compared with 20.8% that disagreed. For those NOT receiving CTS 28.8% were in agreement compared with 14.1% that disagreed.

Q5a. For those receiving CTS 15.4% of respondents were in agreement compared with 17.7% that disagreed. For those NOT receiving CTS 40.1% were in agreement compared with 7.1% that disagreed.

Q6a. For those receiving CTS 15.7% of respondents were in agreement compared with 9.6% that disagreed. For those NOT receiving CTS 38.0% were in agreement compared with 5.7% that disagreed.

Q7a. For those receiving CTS 29.2% of respondents were in agreement compared with 6.1% that disagreed. For those NOT receiving CTS 49.6% were in agreement compared with 3.1% that disagreed.

Q8a. For those receiving CTS 6.5% of respondents were in agreement compared with 13.3% that disagreed. For those NOT receiving CTS 29.6% were in agreement compared with 5.8% that disagreed.

Q9a. For those receiving CTS 19.6% of respondents were in agreement compared with 19.4% that disagreed. For those NOT receiving CTS 43.5% were in agreement compared with 7.5% that disagreed.

Q10a. For those receiving CTS 7.1% of respondents were in agreement compared with 23.5% that disagreed. For those NOT receiving CTS 22.0% were in agreement compared with 17.5% that disagreed.

5. Full Data Tables – Numbers and Percentages

Proposal One: Changes to council Tax Liability – all claimants pay more towards their council tax

Q1a. How strongly do you agree or disagree that all working age claimants should pay more towards their Council Tax?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 44 | 2.2% | 423 | 21.6% |
| Agree | 89 | 4.5% | 364 | 18.6% |
| Total Strongly agree or agree | 133 | 6.8% | 787 | 40.1% |
| Neither agree nor disagree | 80 | 4.1% | 86 | 4.4% |
| Disagree | 201 | 10.2% | 103 | 5.3% |
| Strongly disagree | 416 | 21.2% | 108 | 5.5% |
| Total Disagree or strongly disagree | 617 | 31.5% | 211 | 10.8% |
| Total | 830 | 42.3% | 1084 | 55.3% |

Q1b. How strongly do you agree or disagree that all working age people should pay at least 45% of their Council Tax bill?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 44 | 2.2% | 409 | 20.9% |
| Agree | 84 | 4.3% | 334 | 17.0% |
| Total Strongly agree or agree | 128 | 6.5% | 743 | 37.9% |
| Neither agree nor disagree | 74 | 3.8% | 98 | 5.0% |
| Disagree | 177 | 9.0% | 120 | 6.1% |
| Strongly disagree | 445 | 22.7% | 122 | 6.2% |
| Total Disagree or strongly disagree | 622 | 31.7% | 242 | 12.3% |
| Total | 824 | 42.0% | 1083 | 55.2% |

Q1c. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 716 | 36.5% |
| No | 1180 | 60.2% |
| Total | 1896 | 96.7% |

Proposal Two: Restrict the amount of Council Tax Support for working age claimants to the equivalent of a Band C property charge

Q2a. How strongly do you agree or disagree that all working age claimants living in properties with a higher Council Tax charge should pay more?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 128 | 6.5% | 415 | 21.2% |
| Agree | 194 | 9.9% | 380 | 19.4% |
| Total Strongly agree or agree | 322 | 16.4% | 795 | 40.5% |
| Neither agree nor disagree | 164 | 8.4% | 118 | 6.0% |
| Disagree | 143 | 7.3% | 97 | 4.9% |
| Strongly disagree | 185 | 9.4% | 73 | 3.7% |
| Total Disagree or strongly disagree | 328 | 16.7% | 170 | 8.7% |
| Total | 814 | 41.5% | 1083 | 55.2% |

Q2b. How strongly do you agree or disagree that we should limit the amount of Council Tax Support to a Band C property charge?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 83 | 4.2% | 341 | 17.4% |
| Agree | 168 | 8.6% | 322 | 16.4% |
| Total Strongly agree or agree | 251 | 12.8% | 663 | 33.8% |
| Neither agree nor disagree | 192 | 9.8% | 145 | 7.4% |
| Disagree | 162 | 8.3% | 148 | 7.5% |
| Strongly disagree | 203 | 10.4% | 114 | 5.8% |
| Total Disagree or strongly disagree | 365 | 18.6% | 262 | 13.4% |
| Total | 808 | 41.2% | 1070 | 54.6% |

Q2c. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 251 | 12.8% |
| No | 1576 | 80.4% |
| Total | 1827 | 93.2% |

Proposal Three: Reducing the savings limit from £6,000 to £3,000 for working age people

Q3a. How strongly do you agree or disagree that Council Tax Support should not be paid to working age claimants who have more than £3,000 in savings and / or investments?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 123 | 6.3% | 332 | 16.9% |
| Agree | 166 | 8.5% | 277 | 14.1% |
| Total Strongly agree or agree | 289 | 14.7% | 609 | 31.1% |
| Neither agree nor disagree | 137 | 7.0% | 134 | 6.8% |
| Disagree | 156 | 8.0% | 200 | 10.2% |
| Strongly disagree | 233 | 11.9% | 136 | 6.9% |
| Total Disagree or strongly disagree | 389 | 19.8% | 336 | 17.1% |
| Total | 815 | 41.6% | 1079 | 55.0% |

Q3b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 115 | 5.9% |
| No | 1755 | 89.4% |
| Total | 1870 | 95.3% |

Proposal Four: Removing the Family Premium for all new working age claimants

Q4a. How strongly do you agree or disagree with the proposal to remove the Family Premium when assessing a client's needs?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 60 | 3.1% | 274 | 14.0% |
| Agree | 107 | 5.5% | 291 | 14.8% |
| Total Strongly agree or agree | 167 | 8.5% | 565 | 28.8% |
| Neither agree nor disagree | 238 | 12.1% | 244 | 12.4% |
| Disagree | 148 | 7.5% | 160 | 8.2% |
| Strongly disagree | 259 | 13.2% | 116 | 5.9% |
| Total Disagree or strongly disagree | 407 | 20.8% | 276 | 14.1% |
| Total | 812 | 41.4% | 1085 | 55.3% |

Q4b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 189 | 9.6% |
| No | 1665 | 84.9% |
| Total | 1854 | 94.5% |

Proposal Five: Restrict backdating to one month

Q5a. How strongly do you agree or disagree with the proposal to restrict backdating claims to one month?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 104 | 5.3% | 396 | 20.2% |
| Agree | 198 | 10.1% | 391 | 19.9% |
| Total Strongly agree or agree | 302 | 15.4% | 787 | 40.1% |
| Neither agree nor disagree | 169 | 8.6% | 143 | 7.3% |
| Disagree | 148 | 7.5% | 73 | 3.7% |
| Strongly disagree | 200 | 10.2% | 66 | 3.4% |
| Total Disagree or strongly disagree | 348 | 17.7% | 139 | 7.1% |
| Total | 819 | 41.8% | 1069 | 54.5% |

Q5b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 103 | 5.3% |
| No | 1727 | 88.1% |
| Total | 1830 | 93.4% |

Proposal Six: Self-employed minimum hourly rate for claimants after one year

Q6a. How strongly do you agree or disagree with the proposal to use a set minimum income level for those claimants who are self employed?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 90 | 4.6% | 312 | 15.9% |
| Agree | 217 | 11.1% | 433 | 22.1% |
| Total Strongly agree or agree | 307 | 15.7% | 745 | 38.0% |
| Neither agree nor disagree | 309 | 15.8% | 228 | 11.6% |
| Disagree | 80 | 4.1% | 63 | 3.2% |
| Strongly disagree | 108 | 5.5% | 48 | 2.4% |
| Total Disagree or strongly disagree | 188 | 9.6% | 111 | 5.7% |
| Total | 804 | 41.0% | 1084 | 55.3% |

Q6b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 71 | 3.6% |
| No | 1749 | 84.6% |
| Total | 1820 | 89.2% |

Proposal Seven: Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Support to four weeks

Q7a. How strongly do you agree or disagree with the proposal to restrict the period for which a person can be out of Great Britain and still receive Council Tax Support to four weeks?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 344 | 17.5% | 681 | 34.7% |
| Agree | 229 | 11.7% | 291 | 14.8% |
| Total Strongly agree or agree | 573 | 29.2% | 972 | 49.6% |
| Neither agree nor disagree | 131 | 6.7% | 54 | 2.8% |
| Disagree | 43 | 2.2% | 26 | 1.3% |
| Strongly disagree | 77 | 3.9% | 34 | 1.7% |
| Total Disagree or strongly disagree | 120 | 6.1% | 60 | 3.1% |
| Total | 824 | 42.0% | 1086 | 55.4% |

Q7b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 32 | 1.6% |
| No | 1823 | 91.2% |
| Total | 1855 | 92.8% |

Proposal Eight: Remove the work related activity component in the calculation of the current scheme for new Employment and Support Allowance Applicants

Q8a. How strongly do you agree or disagree with the proposal to remove the work related activity component from the calculation for Council Tax Support?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 54 | 2.8% | 280 | 14.3% |
| Agree | 74 | 3.8% | 300 | 15.3% |
| Total Strongly agree or agree | 128 | 6.5% | 580 | 29.6% |
| Neither agree nor disagree | 293 | 14.9% | 366 | 18.7% |
| Disagree | 159 | 8.1% | 59 | 3.0% |
| Strongly disagree | 221 | 11.3% | 54 | 2.8% |
| Total Disagree or strongly disagree | 380 | 19.4% | 113 | 5.8% |
| Total | 801 | 40.8% | 1059 | 54.0% |

Q8b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 107 | 5.5% |
| No | 1640 | 83.6% |
| Total | 1747 | 89.1% |

Proposal Nine: limit the calculation to a maximum of two dependent children

Q9a. How strongly do you agree or disagree with the proposal to limit the calculation of award to a maximum of two dependent children?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 183 | 9.3% | 508 | 25.9% |
| Agree | 202 | 10.3% | 345 | 17.6% |
| Total Strongly agree or agree | 385 | 19.6% | 853 | 43.5% |
| Neither agree nor disagree | 171 | 8.7% | 81 | 4.1% |
| Disagree | 95 | 4.8% | 81 | 4.1% |
| Strongly disagree | 166 | 8.5% | 67 | 3.4% |
| Total Disagree or strongly disagree | 261 | 13.3% | 148 | 7.5% |
| Total | 817 | 41.7% | 1082 | 55.2% |

Q9b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 45 | 2.3% |
| No | 1785 | 91.0% |
| Total | 1830 | 93.3% |

Proposal Ten: Removing the entitlement within the Council Tax Support calculation for the Severe Disability Premium where another person is paid Universal Credit (Carer's Element) to look after them

Q10a. How strongly do you agree or disagree with the proposal that Severe Disability Premium will no longer be included when calculating Council Tax Support where another person is paid Universal Credit (Carer's Element)?

| | Those who receive support | | Not receiving support | |
|--|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Strongly agree | 45 | 2.3% | 211 | 10.8% |
| Agree | 94 | 4.8% | 221 | 11.3% |
| Total Strongly agree or agree | 139 | 7.1% | 432 | 22.0% |
| Neither agree nor disagree | 200 | 10.2% | 292 | 14.9% |
| Disagree | 151 | 7.7% | 202 | 10.3% |
| Strongly disagree | 310 | 15.8% | 142 | 7.2% |
| Total Disagree or strongly disagree | 461 | 23.5% | 344 | 17.5% |
| Total | 800 | 40.8% | 1068 | 54.5% |

Q10b. Would this proposal have an effect on your household?

| | Number | % |
|--------------|-------------|--------------|
| Yes | 126 | 6.4% |
| No | 1640 | 83.6% |
| Total | 1766 | 90.0% |

6. Demographics – Summary

The demographics of the respondents have been broken down in two ways. Firstly, overall which covers the responses given by each of the respondents and secondly by whether they are in receipt of Council Tax Support or not.

Overall Demographics

Gender

| | Number | % |
|--------------|-------------|--------------|
| Male | 811 | 41.4% |
| Female | 1088 | 55.5% |
| Total | 1766 | 96.9% |

Disability

| | Number | % |
|--------------|-------------|--------------|
| Yes | 625 | 31.9% |
| No | 1197 | 61.0% |
| Total | 1822 | 92.9% |

Age Groups

| | Number | % |
|--------------|-------------|--------------|
| 0 to 15 | 0 | 0.0% |
| 16 to 24 | 26 | 1.3% |
| 25 to 34 | 127 | 6.5% |
| 35 to 44 | 228 | 11.6% |
| 45 to 54 | 407 | 20.8% |
| 55 to 64 | 505 | 25.8% |
| 64 to 75 | 358 | 18.3% |
| 75 + | 218 | 11.1% |
| Total | 1869 | 95.3% |

Demographics broken down by Receiving / Not Receiving CTS Support

Gender

| | Those who receive support | | Not receiving support | |
|--------------|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Male | 341 | 17.5% | 470 | 24.1% |
| Female | 480 | 24.6% | 608 | 31.2% |
| Total | 821 | 42.1% | 1078 | 55.3% |

Disability

| | Those who receive support | | Not receiving support | |
|--------------|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| Disabled | 443 | 22.7% | 182 | 9.3% |
| Non-disabled | 330 | 16.9% | 867 | 44.4% |
| Total | 773 | 39.6% | 1049 | 53.7% |

Age Groups

| | Those who receive support | | Not receiving support | |
|--------------|---------------------------|--------------|-----------------------|--------------|
| | Number | % | Number | % |
| 0 to 15 | 0 | 0.0% | 0 | 0.0% |
| 16 to 24 | 19 | 1.0% | 7 | 0.4% |
| 25 to 34 | 83 | 4.3% | 44 | 2.3% |
| 35 to 44 | 150 | 7.7% | 78 | 4.0% |
| 45 to 54 | 237 | 12.1% | 170 | 8.7% |
| 55 to 64 | 260 | 13.3% | 245 | 12.6% |
| 64 to 75 | 31 | 1.6% | 327 | 16.8% |
| 75+ | 24 | 1.2% | 194 | 9.9% |
| Total | 804 | 41.2% | 1065 | 54.6% |

Text Responses

In addition to the scaled responses on a five point level from “Strongly agree” to “Strongly disagree” respondents had the opportunity to provide text responses to outline what impact they felt the proposals would have on their household.

There was a final provision for any further comments about the proposed changes and for other any suggestions on how Torbay Council could save money at the end of the survey.

The response level to these text options was significant in both number and length. To initially examine their content counts have been made of the numbers of times selected key words have appeared in the text responses to the different proposals and to Question 11, in overall comments. These are tabulated below followed by brief descriptions of the general sense and direction of the comments given by those in receipt of CTS and those who are not.

| Q1d | | Q1e | | Q2d | | Q2e | |
|------------------------|-----|------------------------|-----|------------------------|----|---------------------|-----|
| strugg (le or ling) | 121 | poor | 107 | strugg (le or ling) | 38 | property | 124 |
| disabl (e or ed) | 85 | strugg (le or ling) | 89 | disabl (e or ed) | 18 | can afford | 58 |
| food | 84 | hard | 65 | food | 16 | pay more | 54 |
| hard | 78 | pay more | 65 | hard | 11 | mean | 48 |
| struggle | 78 | struggling | 49 | struggle | 10 | poor | 28 |
| pay more | 77 | low income | 49 | pay more | 10 | hard | 27 |
| struggling | 43 | disabil (ity or ities) | 46 | struggling | 9 | unfair | 26 |
| mean | 42 | struggle | 40 | mean | 8 | penalis (e or ing) | 19 |
| low income | 37 | mean | 38 | low income | 8 | circumstance | 18 |
| disabil (ity or ities) | 35 | pension | 38 | disabil (ity or ities) | 7 | low income | 16 |
| difficult (y or ies) | 31 | vulnerable | 34 | difficult | 6 | disabl (e or ed) | 13 |
| health | 31 | debt | 28 | health | 5 | reason | 13 |
| carer | 25 | unfair | 28 | carer | 5 | good | 13 |
| less money | 22 | circumstance | 25 | less money | 5 | strugg (le or ling) | 12 |
| hardship | 21 | tree | 24 | hardship | 4 | choose | 12 |
| limited | 21 | can afford | 24 | limited | 4 | not afford | 11 |
| not afford | 20 | food | 22 | not afford | 4 | means test | 10 |
| pension | 19 | difficult | 21 | pension | 3 | struggling | 9 |
| debt | 18 | homeless | 20 | debt | 3 | choice | 9 |
| heat | 17 | target | 20 | heat | 3 | difficult | 8 |

| Q3c | | Q3d | | Q4c | | Q4d | |
|---------------------|----|---------------------|----|---------------------|----|---------------------|----|
| strugg (le or ling) | 13 | penalis (e or ing) | 63 | poor | 12 | poor | 26 |
| struggle | 12 | hard | 37 | strugg (le or ling) | 11 | penalis (e or ing) | 24 |
| hard | 9 | funeral | 34 | pay more | 8 | hard | 21 |
| mean | 6 | encourage | 32 | struggling | 7 | strugg (le or ling) | 20 |
| pay more | 5 | can afford | 27 | penalis (e or ing) | 7 | poverty | 16 |
| penalis (e or ing) | 5 | Emergenc (y or ies) | 27 | disabl (e or ed) | 6 | food | 15 |
| punish | 5 | poor | 25 | mean | 6 | choice | 15 |
| pension | 4 | mean | 24 | impact | 5 | responsib | 15 |
| repair | 4 | unfair | 19 | struggle | 4 | struggling | 14 |
| Emergenc (y or ies) | 4 | pension | 18 | worse off | 4 | low income | 13 |
| funeral | 4 | repair | 17 | low income | 3 | unfair | 12 |
| low income | 3 | reason | 15 | food | 2 | mean | 11 |
| poor | 3 | property | 14 | hard | 2 | punish | 10 |
| retire | 3 | good | 14 | less money | 2 | not afford | 9 |
| reason | 3 | strugg (le or ling) | 13 | pressure | 2 | can afford | 9 |
| food | 2 | punish | 12 | household income | 2 | small amount | 9 |
| limited | 2 | small amount | 12 | unfair | 2 | understand | 9 |
| property | 2 | pay more | 11 | choice | 2 | vulnerable | 8 |
| unfair | 2 | rainy | 11 | tree | 2 | line | 8 |
| can afford | 2 | retire | 10 | not sure | 2 | choose | 8 |

| Q5c | | Q5d | | Q6c | | Q6d | |
|---------------------|---|------------------------|----|------------------------|---|---------------------|----|
| reason | 7 | reason | 38 | disabl (e or ed) | 5 | understand | 24 |
| homeless | 6 | circumstance | 27 | mean | 4 | hard | 18 |
| property | 4 | line | 15 | circumstance | 4 | unfair | 12 |
| strugg (le or ling) | 3 | entitled | 14 | understand | 4 | reason | 12 |
| health | 3 | difficult | 13 | pay more | 3 | mean | 11 |
| debt | 3 | unfair | 12 | low income | 3 | good | 9 |
| poor | 3 | good | 12 | disabil (ity or ities) | 3 | penalis (e or ing) | 9 |
| line | 3 | genuine | 12 | unfair | 3 | strugg (le or ling) | 6 |
| entitled | 3 | poor | 11 | hard | 2 | difficult | 6 |
| hard | 2 | penalis (e or ing) | 11 | impact | 2 | struggling | 5 |
| struggle | 2 | hard | 10 | burden | 2 | pension | 5 |
| difficult | 2 | debt | 9 | not sure | 2 | poor | 5 |
| not afford | 2 | exceptional | 9 | fluctuat | 2 | ridiculous | 4 |
| circumstance | 2 | vulnerable | 8 | strugg (le or ling) | 1 | encourage | 4 |
| good | 2 | mean | 6 | food | 1 | low income | 3 |
| understand | 2 | illness | 6 | struggling | 1 | debt | 3 |
| not our fault | 2 | understand | 5 | health | 1 | impact | 3 |
| disabl (e or ed) | 1 | disabil (ity or ities) | 4 | carer | 1 | line | 3 |
| food | 1 | no fault | 4 | hardship | 1 | circumstance | 3 |
| pay more | 1 | ridiculous | 4 | survive | 1 | punish | 3 |

| Q7c | | Q7d | | Q8c | | Q8d | |
|---------------------|---|---------------------|-----|------------------------|---|---------------------|----|
| reason | 4 | can afford | 135 | disabl (e or ed) | 8 | understand | 67 |
| mean | 2 | out of the | 78 | less money | 6 | disabl (e or ed) | 20 |
| line | 2 | reason | 31 | poor | 6 | hard | 16 |
| out of the | 2 | circumstance | 28 | not sure | 5 | mean | 16 |
| can afford | 2 | good | 12 | strugg (le or ling) | 4 | poor | 14 |
| pay more | 1 | illness | 11 | health | 4 | strugg (le or ling) | 11 |
| health | 1 | entitled | 11 | survive | 4 | difficult | 10 |
| limited | 1 | mean | 9 | hard | 3 | penalis (e or ing) | 10 |
| heat | 1 | pension | 9 | struggling | 3 | do not know | 9 |
| impact | 1 | health | 8 | mean | 3 | illness | 8 |
| retire | 1 | not living | 8 | disabil (ity or ities) | 3 | line | 8 |
| court | 1 | property | 7 | don't know | 3 | struggling | 7 |
| property | 1 | choose | 7 | retire | 3 | don't know | 7 |
| unfair | 1 | not afford | 6 | understand | 3 | homeless | 7 |
| circumstance | 1 | exceptional | 6 | pay more | 2 | low income | 6 |
| good | 1 | pay more | 5 | difficult | 2 | health | 6 |
| not sure | 1 | penalis (e or ing) | 5 | debt | 2 | reason | 6 |
| break | 1 | ridiculous | 5 | worse off | 2 | not sure | 6 |
| penalis (e or ing) | 1 | understand | 4 | homeless | 2 | no idea | 6 |
| Emergenc (y or ies) | 1 | Emergenc (y or ies) | 4 | unfair | 2 | food | 5 |

| Q9c | | Q9d | | Q10c | | Q10d | |
|------------------------|---|---------------------|----|------------------------|----|------------------------|-----|
| hard | 1 | responsib | 24 | disabl (e or ed) | 42 | disabl (e or ed) | 130 |
| pay more | 1 | can afford | 20 | carer | 30 | carer | 106 |
| disabil (ity or ities) | 1 | not afford | 17 | disabil (ity or ities) | 10 | disabil (ity or ities) | 61 |
| limited | 1 | choice | 17 | hard | 8 | understand | 22 |
| don't know | 1 | penalis (e or ing) | 17 | strugg (le or ling) | 6 | vulnerable | 21 |
| pressure | 1 | poor | 15 | struggle | 5 | mean | 19 |
| poverty | 1 | hard | 14 | difficult | 5 | unfair | 18 |
| unfair | 1 | unfair | 14 | not sure | 5 | hard | 15 |
| good | 1 | reason | 13 | health | 4 | all the help | 14 |
| not sure | 1 | good | 13 | mean | 3 | penalis (e or ing) | 14 |
| discriminat | 1 | poverty | 11 | less money | 3 | genuine | 14 |
| strugg (le or ling) | 0 | punish | 10 | survive | 3 | difficult | 12 |
| disabl (e or ed) | 0 | strugg (le or ling) | 9 | penalis (e or ing) | 3 | choice | 11 |
| food | 0 | mean | 8 | pay more | 2 | target | 11 |
| struggle | 0 | line | 8 | low income | 2 | punish | 11 |
| struggling | 0 | choose | 8 | impact | 2 | strugg (le or ling) | 10 |
| mean | 0 | circumstance | 6 | poor | 2 | discriminat | 8 |
| low income | 0 | disabl (e or ed) | 5 | don't know | 2 | shame | 8 |
| difficult | 0 | food | 5 | unfair | 2 | worse off | 7 |
| health | 0 | struggling | 5 | Can afford | 2 | line | 7 |

| Q11 | |
|---------------------|----|
| poor | 77 |
| tree | 60 |
| hard | 58 |
| disabl (e or ed) | 48 |
| palm | 37 |
| strugg (le or ling) | 36 |
| pension | 35 |
| vulnerable | 35 |
| pay more | 34 |
| mean | 34 |
| good | 31 |
| mayor | 28 |
| food | 26 |
| can afford | 25 |
| air show | 22 |
| parking | 21 |
| health | 20 |
| target | 20 |
| penalis (e or ing) | 20 |
| low income | 19 |

As would be expected the context in which the words are used is of importance. For example “can afford” is used by respondents in the majority of cases to indicate that a different group to their own “can afford” to pay either more of what is needed to meet the shortfall or instead of themselves. Among those in receipt of CTS this generally refers to pensioners whilst for those who are pensioners it generally refers to people of working age. By contrast “not afford” is generally used by all groups to indicate that they themselves can “not afford” any additional payments.

More often than not text responses have been from those in receipt of CTS detailing that they are already in difficult circumstances and the reasons why they would struggle to find the money needed to pay any more.

Exceptions to this

Proposal 3 (Reducing the savings or investment limit) where both groups frequently commented that the £3,000 proposed was not enough to cover the cost of a funeral, property repairs or household emergencies. Also noted was that the government had consistently encouraged saving to fund old age and retirement. Those in receipt of CTS additionally stated that funds were needed for those purposes and also for deposits and fees if they were to move or try to purchase a property.

Proposal 5 (Restricting backdating) where those not in receipt of CTS stated that there was no perceivable reason for such a long period as at present. Those in receipt commented that the longer period was needed to deal with the length of time the council took to process claims.

Proposal 6 (Minimum hourly rate for self-employed). Both groups had divided opinions on this. On the one side was the judgement that the self-employed earned far more than was declared and could easily afford more. The opposing view held that self-employment did not guarantee even the minimum wage on a permanent basis. Both suggested that it would be hard to assess the level of income without strict checks and some advanced the suggestion of means testing.

Proposal 7 (Length of absence from GB). This was one of the few proposals on which both groups were in general agreement citing their opinions that lengthy periods of absence equated to having the capacity to pay more or all of the council tax due. Combined with this were comments that cases would need to be decided on their own merits as there were some acceptable reasons for being out of GB for extended periods – family illnesses overseas being the main one.

Proposal 9 (Limiting allowance to maximum of two children). This was another where both groups tended to agree that having children was a personal choice and that the responsibility for funding them rested with the parents rather than the council or state. A lesser number on both sides pointed out that having a greater number of children could precede the “hard times” which made claiming CTS necessary in which case the restriction could be unfair. Among those not in receipt of CTS was a widely held view of benefit claimants having more babies in order to claim extra benefits or better housing.

Proposal 10 (Removal of Severe Disability Premium). The majority of comments made by both groups were along the lines that those who were (genuinely) severely disabled needed all the help that they could get and that removing this was not a choice that they agreed with.

The further comments (Q11) noted several areas where it was felt more had already been “wasted”. These included palm trees, the Air Show and the continued office of Mayor. Others suggested that the overall thrust of the proposals would “penalise” the poor, vulnerable and disabled the hardest and for that reason they were not in favour of them.

Given the number and size of the text responses the above analysis can only be a very brief synopsis of the nature of their content.

Equality Impact Assessment

Directorate: Community and Customer Services

Service Area: Revenue and Benefits

Name of policy being assessed: Council Tax Support Scheme

Draft Version: 14 July 2016

Final Version: 14 November 2016

Signed off by: Bob Clark – Executive Head Customer Services

Date Signed Off: 21 November 2016

1. Overview

Although the law does not require public service providers to assess the likely impact of policy decisions on particular groups, the courts still place significant weight on the existence of some form of documentary evidence of compliance with the **Public Sector Equality Duty** when determining judicial review cases. This method helps us to make our decisions fairly, taking into account any equality implications.

The Public Sector Equality Duty is part of the Equality Act 2010 and this Duty requires us as a public body to have “**due regard**” to eliminating discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act. It requires us to advance equality of opportunity and foster good relations between people who share a “**relevant protected characteristic**” and people who do not.

Having “due regard” means:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics are:

- age
- disability
- women or men
- race
- religion or belief
- sexual orientation
- gender reassignment
- marriage and civil partnership
- pregnancy and maternity

In addition, this report also focuses on the impact of the proposed Council Tax Support scheme changes on employed and self-employed households.

2. How is the decision relevant to the three aims of the Public Sector Equality Duty?

The proposals for the new Council Tax Support scheme have been assessed to ensure that due regard has been given to the Public Sector Equality Duty as enshrined in the Equality Act 2010 using the process set out in the Corporate Plan 2015-19.

We have identified households who are most likely to be affected by the introduction of the proposed scheme changes and compared those to the make-up of our overall customer base to identify any equality groups that may be disproportionately affected.

3. Background

The Government administers welfare support through two different Departments; the Department for Work and Pensions (DWP), and the Department for Communities and Local Government (DCLG). The DCLG have driven the programme for the reform of Council Tax Benefit.

Under DCLG proposals, Council Tax Benefit (CTB) was abolished from April 2013, and by that time each Council needed to have in place a local scheme for the administration of Council Tax Support, as the replacement scheme is known.

Funding for Council Tax Benefit was designed to match actual expenditure and was claimed at the end of the year. In the first year of the new scheme funding was 10% less than the Council Tax Benefit scheme. However, from 2014/15 this was no longer separately identified within the grants given to the Council.

4. Current Scheme

During the summer of 2012, the Council used the impact analysis process to complete a series of models and to reach interim conclusions of the most appropriate approach for the Local Scheme. The Council's final proposed scheme was adopted for formal consultation on 6th August 2012.

Following the consultation process the current scheme was approved by members at Full Council on 6th December 2012 and formally adopted on 31st January 2013.

All working age claimants, including those with protected characteristics, have received a reduction in their entitlement since the current scheme was introduced in April 2013. Pension age claimants, who also have protected characteristics, have not received a reduction as they are protected from any changes by Central Government.

5. Proposed Changes to Current Scheme from 1 April 2017

The Council has a legal requirement to review its scheme each year. The following changes are being proposed to the scheme for the 2017/18 financial year.

As pension age claims are protected by legislation, these changes will only affect claims from those of working age:

Proposal 1 – Limit the maximum level of support to 55% of the Council Tax liability. The council currently assists working age households to pay up to 75% of their Council Tax. Under this proposal all working age households would have to pay 45% of their Council Tax bill.
This proposal, based on current data, has the potential to save approximately £1.6 million.

Proposal 2 – Restrict the maximum level of support to a property band C charge. There is currently no restriction to Council Tax band charges. Under this proposal all working age households currently receiving Council Tax Support and occupying a band D, E, F, G or H property would be restricted to a maximum band C charge.
This proposal, based on current data, has the potential to save approximately £90,000.

Proposal 3 – Reduce the capital/savings limit from £6,000 to £3,000. In the current scheme working age households that have £6,000 or more are not entitled to Council Tax Support. Under this proposal this will be reduced to £3,000 and households that have above this amount will not be entitled to Council Tax Support.
This proposal, based on current data, has the potential to save approximately £60,000.

Proposal 4 – Remove Family Premium for all new working age applicants (This change was introduced by Government for pension age claimants from May 2016). In the current scheme the Family Premium is awarded to households that have children. Under this proposal all new working age households would not be entitled to this premium.

This proposal would align the scheme with current Housing Benefit legislation and based on current data, has the potential to save approximately £26,000.

Proposal 5 – Restrict backdating to one month. In the current scheme claims from working age households can be backdated for up to 6 months where an applicant shows they could not claim at an earlier time. Under this proposal this would be reduced to one month.

This proposal would align the scheme with current Housing Benefit legislation and based on current data, has the potential to save approximately £7,000.

Proposal 6 – Minimum set income for self-employed after one year's trading. In the current scheme a minimum income level is not applied after one year's trading. Under this proposal the minimum income level would be based on the equivalent 35 hours per week at the national minimum wage for the age group.

This proposal would align the scheme with the Universal Credit scheme and based on current data, has the potential to save approximately £255,000.

Proposal 7 – Restrict the period that person can be absent from Great Britain and continue to receive Council Tax Support to four weeks. In the current scheme applicants can be temporarily absent from their homes for 13 weeks (or 52 weeks in certain cases) without it affecting the Council Tax Support. Under this proposal if an applicant is absent from Great Britain for a period of four weeks or more Council Tax Support will cease.

This proposal would align the scheme with current Housing Benefit legislation and based on current data, has the potential to save less than £5,000.

Proposal 8 – Remove the Work Related Activity Component in the calculation of the entitlement for new Employment and Support Allowance applicants. In the current scheme all working age households that fall into the Work Related Activity Group for Employment Support Allowance, receives the work related activity component in the calculation of Council Tax Support. Under this proposal all new working age households would not be entitled to this component.

This proposal would align the scheme with the proposed Housing Benefit legislation when approved by Central Government and based on current data, has the potential to save less than £5,000.

Proposal 9 – Limit the calculation to a maximum of two dependant children. In the current scheme households that have children are awarded a dependant's addition of £66.90 per child within the calculation of their needs. Under this proposal all new working age households would be limited to a maximum of two children.

This proposal would align the scheme with the proposed Housing Benefit and Tax Credits legislation when approved by Central Government and based on current data, has the potential to save approximately less than £10,000.

Proposal 10 – remove entitlement to the Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them. In the current scheme when another person is paid carers Allowance to look after someone receiving Council Tax Support the Severe Disability Premium is not included when working out their needs. Under this proposal this will be withdrawn so that it avoids paying for the same care twice.

This proposal would align the scheme with the Universal Credit scheme and based on current data, has the potential to save less than £5,000.

The potential impact of each of the consultation options on the protected characteristics, identified from claimant data and other considerations, is provided where available in section two of this report. All options could impact on working age claimants with one or more of the protected characteristics of disability, age or sex to varying degrees.

6. Reason for Proposed Scheme Changes

The Council's requirement to review its Council Tax Support scheme annually must consider both the application of the scheme itself and to take into account the financial implications of its administration.

Based on forecasting that the Council's grant settlement will be reduced by over £20 million by 2020 it is considered reasonable that the Council look to review its spending in all areas. This includes a review of the Council's spending on the Council Tax Support scheme and designing a scheme that is affordable.

Council Tax Support is a discount, affecting the taxbase in the same way as any other Council Tax discount. The taxbase forms part of the Financial Plan, so Council Tax Support must meet the required budgetary constraints.

There are also a number of other changes required to bring the scheme in line with the Housing Benefit changes announced in 2015 Summer Budget and the Universal Credit legislation.

3. Identify the potential positive and negative impacts on specific groups

The summary of impacts shown in this section is underpinned by data from the Council Tax Support processing system (Civica Open Revenues). The data from this system has enabled us to analyse household type by age, sex and disability for households currently receiving Council Tax Support.

Data regarding ethnicity, sexual orientation and religious beliefs is minimal as these characteristics are not relevant when assessing entitlement. Respondents to the consultation were given the option to provide ethnicity, age and disability in addition to their answers.

Case studies have been provided to illustrate how some of the proposed changes could affect households, at Appendix A.

There is also a report on working age employed and self-employed households receiving Council Tax Support, at Appendix B.

| Protected Characteristic: Age | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|---------------|--------------|-----------------------|--------------|-----------------------|-------|---|-------|-----|-----|-----|-------|---|-----|-----|-------|-----|-------|---|-----|----|-----|-----|-------|---|----|----|-----|-----|-----|---|----|----|----|----|-----|---|----|---|---|---|----|---|---|---|---|---|---|---|---|---|---|---|---|--------------|--------------|------------|--------------|--------------|--------------|
| Pension Age – No Impact | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Number of Cases: 6,699 Women: 5,420 Men: 3,574 | <p>Pension Credit age claimants will continue to be protected from any change under a nationally prescribed scheme.</p> <p>It is the Governments view low income pensioners would not be expected to work in order to increase their income and will be protected from any reduction in support.</p> <p>In Torbay pensioners represent 26.6% of the population (Census 2011).</p> <p>Pension age households represent just over 44% of the current Council Tax Support caseload and 55% of the total scheme expenditure.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Working Age – Negative Impact | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Number of Cases: 8,084 Women: 5,625 Men: 3,955 | <p>All working age households will be affected by the proposed scheme changes.</p> <p>As the government has protected pensioners, the impact will fall on working age groups. Within the working age group the calculation of Council Tax Support is not directly related to a person's age. It is therefore difficult to mitigate any potential adverse impacts on the basis of age alone. Any differences in entitlement will probably be the result of other factors, such as disability, a carer or children in the household.</p> <p>The biggest financial impact will be on single people with no children that do not fall into any protected characteristic.</p> <p>To mitigate the increased impact the Government's welfare reforms is intended to make working age people better off in work than in receipt of benefits. Accordingly, anyone affected by the additional contribution they have to make will be encouraged to seek employment to maximise their income wherever possible. Support to do this is available through the DWP's Job Centre Plus and Job Coaches.</p> <p>Resources will continue to be available to support the most vulnerable and this would be met through the Discretionary Reductions (Exceptional Hardship) scheme.</p> <p>Working Age Households Receiving Council Tax Support</p> <table border="1"> <thead> <tr> <th>Property Band</th> <th>Single</th> <th>Couples</th> <th>Lone Parent</th> <th>Couples with Children</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>2,638</td> <td>201</td> <td>634</td> <td>174</td> <td>3,647</td> </tr> <tr> <td>B</td> <td>851</td> <td>165</td> <td>1,143</td> <td>493</td> <td>2,652</td> </tr> <tr> <td>C</td> <td>318</td> <td>91</td> <td>577</td> <td>303</td> <td>1,289</td> </tr> <tr> <td>D</td> <td>76</td> <td>27</td> <td>148</td> <td>107</td> <td>358</td> </tr> <tr> <td>E</td> <td>27</td> <td>17</td> <td>37</td> <td>26</td> <td>107</td> </tr> <tr> <td>F</td> <td>12</td> <td>1</td> <td>4</td> <td>8</td> <td>25</td> </tr> <tr> <td>G</td> <td>1</td> <td>2</td> <td>1</td> <td>2</td> <td>6</td> </tr> <tr> <td>H</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>3,923</td> <td>504</td> <td>2,544</td> <td>1,113</td> <td>8,084</td> </tr> </tbody> </table> <p>Source: Revenue & Benefits Administration System</p> <p>Around 48% of all working age households receiving Council Tax Support are single people, with 31% lone parents, 14% couples with children and just over 6% are couples with no children.</p> | Property Band | Single | Couples | Lone Parent | Couples with Children | Total | A | 2,638 | 201 | 634 | 174 | 3,647 | B | 851 | 165 | 1,143 | 493 | 2,652 | C | 318 | 91 | 577 | 303 | 1,289 | D | 76 | 27 | 148 | 107 | 358 | E | 27 | 17 | 37 | 26 | 107 | F | 12 | 1 | 4 | 8 | 25 | G | 1 | 2 | 1 | 2 | 6 | H | 0 | 0 | 0 | 0 | 0 | Total | 3,923 | 504 | 2,544 | 1,113 | 8,084 |
| Property Band | Single | Couples | Lone Parent | Couples with Children | Total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | 2,638 | 201 | 634 | 174 | 3,647 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 851 | 165 | 1,143 | 493 | 2,652 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 318 | 91 | 577 | 303 | 1,289 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D | 76 | 27 | 148 | 107 | 358 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E | 27 | 17 | 37 | 26 | 107 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| F | 12 | 1 | 4 | 8 | 25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| G | 1 | 2 | 1 | 2 | 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| H | 0 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 3,923 | 504 | 2,544 | 1,113 | 8,084 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | <p>The highest proportion of households receiving Council Tax Support occupy band A at around 45%, with 33% in band B and 16% in band C. Just over 6% occupy bands D to G and none in H.</p> <p>72% of working age households occupying band A and receiving Council Tax Support are single people, with 17% lone parents, 5% couples with no children and 5% are couples with children.</p> <p>For band B the highest proportion are lone parents at around 43%, with around 32% single people, just over 18% couples with children and 6% are couples with no children.</p> <p>There is a similar trend for band C, where lone parents are around 45%, with around 24% single people, 23% couples with children and 7% are couples with no children.</p> <p>It is a similar trend for band D, where 41% are lone parents, with around 30% couples with children, 21% single people and 7% are couples with no children.</p> <p>For bands E to G, just over 56% are either lone parents or couples with children.</p> |
| | <p>Single People – No Children</p> <p>There are 3,923 single people receiving Council Tax Support, which represents 48.5% of all working age households.</p> <p>Women: 1,689 Men: 2,234 Disability: 2,847 Carers: 25 Owner/Occupiers: 501 Renting: 3,422</p> |
| | <p>Couples – No Children</p> <p>There are 504 couples receiving Council Tax Support, which represents 6% of all working age households.</p> <p>Disability: 393 Carers: 17 Owner/Occupiers 108 Renting: 396</p> |
| | <p>Lone Parents</p> <p>There are 2,544 lone parents receiving Council Tax Support, which represents 31.5% of all working age households.</p> <p>2,345 or 92% of lone parent households are women.</p> <p>Disability: 512 Disabled Child: 54 One Child: 1,271 Two Children: 763 Three Children: 364 Four Children: 104 Five Children or more: 42</p> |

| | <p>Carers: 57 Owner/Occupiers: 147 Renting: 2,397</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------------------|---|---------------------------------|---------------|------------------------------|--|------|---------------|------|---------------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|--------|---|-------|---|--------|
| | <p>Couples – With Children</p> <p>There are 1,113 couples with children receiving Council Tax Support, which represents 14% of all working age households.</p> <p>Disability: 387 Disabled Child: 64 One Child: 376 Two Children: 352 Three Children: 211 Four Children: 105 Five Children or more: 69 Carers: 44 Owner/Occupiers: 95 Renting: 1,018</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Proposed Scheme Changes | <p>Proposal One - Limit maximum level of support to 55% of the Council Tax liability</p> <p>Currently the maximum level of support is 75% of the Council Tax liability.</p> <p>The overall impact of this proposal will affect 8,084 households. Like the current scheme, this shares the burden amongst <u>all</u> working age households that receive financial help with their Council Tax. The extra amount that each person has to pay depends on the Council Tax band that their property is in and any extra discounts they receive, with those in higher band properties paying more.</p> <p>The table below shows the minimum weekly increase in Council Tax payments if the level of support is reduced from 75% to 55% for Torquay and Paignton households.</p> <table border="1"> <thead> <tr> <th colspan="2">Based on Single Adult Occupancy</th> <th colspan="2">Based on at Least Two Adults</th> </tr> <tr> <th>Band</th> <th>Weekly Amount</th> <th>Band</th> <th>Weekly Amount</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>£3.00</td> <td>A</td> <td>£4.00</td> </tr> <tr> <td>B</td> <td>£3.50</td> <td>B</td> <td>£4.67</td> </tr> <tr> <td>C</td> <td>£4.00</td> <td>C</td> <td>£5.33</td> </tr> <tr> <td>D</td> <td>£4.50</td> <td>D</td> <td>£6.00</td> </tr> <tr> <td>E</td> <td>£5.50</td> <td>E</td> <td>£7.33</td> </tr> <tr> <td>F</td> <td>£6.50</td> <td>F</td> <td>£8.67</td> </tr> <tr> <td>G</td> <td>£7.50</td> <td>G</td> <td>£10.00</td> </tr> <tr> <td>H</td> <td>£9.00</td> <td>H</td> <td>£12.00</td> </tr> </tbody> </table> <p>For households that have entitlement above these amounts Council Tax Support would remain in payment, but at the respective, reduced lower rate – not taking into account any further reductions in entitlement from the other proposed changes.</p> <p>There are currently 405 households receiving less entitlement than these amounts and as a result would no longer be entitled to Council Tax Support. The highest proportion affected would be lone parent households at 58% (237), with couples with children at 19% (77), single people 18% (71) and couples with no children 5% (20).</p> | Based on Single Adult Occupancy | | Based on at Least Two Adults | | Band | Weekly Amount | Band | Weekly Amount | A | £3.00 | A | £4.00 | B | £3.50 | B | £4.67 | C | £4.00 | C | £5.33 | D | £4.50 | D | £6.00 | E | £5.50 | E | £7.33 | F | £6.50 | F | £8.67 | G | £7.50 | G | £10.00 | H | £9.00 | H | £12.00 |
| Based on Single Adult Occupancy | | Based on at Least Two Adults | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Band | Weekly Amount | Band | Weekly Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A | £3.00 | A | £4.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | £3.50 | B | £4.67 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| C | £4.00 | C | £5.33 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| D | £4.50 | D | £6.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| E | £5.50 | E | £7.33 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| F | £6.50 | F | £8.67 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| G | £7.50 | G | £10.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| H | £9.00 | H | £12.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Proposal Two – Restrict the maximum level of support to a property band C charge

Currently there are no property band restrictions on Council Tax Support entitlement.

496 (6%) of all working age households receiving Council Tax Support would be affected by this proposal.

| Band | Number |
|-------------|---------------|
| D | 358 |
| E | 107 |
| F | 25 |
| G | 6 |
| H | 0 |

38% of working age households that occupy a band D property or above and receiving Council Tax Support are lone parents, with 29% couples with children, 23% single people and 10% couples with no children.

When analysed, households that occupy a band D or above consists of the following;

Disability: 185
Disabled Child: 23
One Child: 59
Two Children: 105
Three Children: 80
Four Children: 38
Five Children or more: 23
Carers: 12
Owner/Occupiers: 170
Renting: 326

Lone parents and couples with children will be affected more than any other group. The loss in residual income would be relative to the property band charge, plus any other further reductions in entitlement from the other proposed changes.

Proposal Three - Reduce the savings (capital) limit from £6,000 to £3,000

Currently, for working age, capital below £6,000 is not taken into account and if above this amount there is no entitlement to Council Tax Support.

Working Age Households with Savings (Capital)

| Savings Amount (£) | Single | Couples | Lone Parent | Couples with Children | Total |
|---------------------------|---------------|----------------|--------------------|------------------------------|--------------|
| 0 | 3,644 | 462 | 2,401 | 995 | 7,502 |
| 1 to 500 | 163 | 19 | 88 | 62 | 332 |
| 501 to 999 | 21 | 5 | 18 | 14 | 58 |
| 1,000 to 1,499 | 9 | 0 | 4 | 11 | 24 |
| 1,500 to 2,000 | 11 | 2 | 5 | 4 | 22 |
| 2,000 to 2,999 | 20 | 6 | 13 | 10 | 49 |

| | | | | | |
|----------------|--------------|------------|--------------|--------------|--------------|
| 3,000 to 3,999 | 13 | 2 | 4 | 5 | 24 |
| 4,000 to 4,999 | 17 | 2 | 4 | 4 | 27 |
| 5,000 to 5,999 | 25 | 6 | 7 | 8 | 46 |
| Total | 3,923 | 504 | 2,544 | 1,113 | 8,084 |

Source: Revenue & Benefits Administration System

Around 93% of all working age households receiving Council Tax Support do not have any savings or capital, with 4% up to £500 and around 3% between £500 and £5,999.

The highest proportion of households that have savings up to £5,999 are single people at around 48%, 24% are lone parents, 20% couples with children and 7% couples with no children.

This trend continues for households that have savings up to £2,999, where 46% are single people, 26% are lone parents, 21% couples with children and 7% couples with no children.

For households with savings between £3,000 and £5,999 around 57% are single people, 18% couples with children, 15% are lone parents and 10% couples with no children.

This change has a sharp cliff edge, as it will remove entitlement from 97 households that have over £3,000 in savings. 57% of households that have savings over £3,000 are single people.

It could be viewed that this proposal could also discourage people from saving or disclosing their savings.

Proposal Four – Remove Family Premium for all new working age applicants

This proposal will bring the Council Tax scheme in line with Housing Benefit and the Council Tax Support prescribed scheme for pension aged claimants, which took effect from 1 May 2016.

The Family Premium is one of the components awarded to people that have children. If removed potential entitlement would be, notionally, £3.49 per week lower when compared to those receiving the Family Premium.

Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.

Based on current data 580 new applications were received from working age households in the past year where the Family Premium was awarded.

Lone parent women and couples with children are more likely to be affected, as over 95% of those currently eligible for the Family Premium are in those groups.

It will not affect households receiving “passport” Council Tax Support.

Proposal Five – Restrict backdating to one month

This proposal will bring the Council Tax Support scheme in line with Housing Benefit, which took effect from 1 April 2016.

Currently claims for Council Tax Support can be backdated for up to six months where an applicant shows they could not claim from an earlier date (good cause).

Based on current data 109 households during the past year were entitled to backdating, for periods varying between one and six months.

Analysis showed that older working age households and disabled are more likely to be affected by this proposal.

Proposal Six – Minimum weekly set income for self-employed after one year's trading

This proposal would bring the Council Tax Support scheme in line with Universal Credit.

It is calculated by taking the National Minimum Wage for the age group and multiplied by 35 hours. It also includes a notional deduction for tax and national insurance.

To help new businesses there would be a twelve month start up period where the minimum income limit would not apply.

This minimum weekly income would be used to calculate Council Tax Support if the income from self-employment is less than this amount.

Working Age Households in Full and Part-Time Self-Employment

| Property Band | Single | Couples | Lone Parent | Couples with Children | Total |
|----------------------|---------------|----------------|--------------------|------------------------------|--------------|
| A | 66 | 11 | 24 | 17 | 118 |
| B | 18 | 12 | 62 | 57 | 149 |
| C | 17 | 8 | 40 | 52 | 117 |
| D | 7 | 1 | 16 | 24 | 48 |
| E | 4 | 3 | 2 | 5 | 14 |
| F | 1 | 0 | 0 | 2 | 3 |
| G | 0 | 0 | 0 | 1 | 1 |
| H | 0 | 0 | 0 | 0 | 0 |
| Total | 113 | 35 | 144 | 158 | 450 |

Source: Revenue & Benefits Administration System

5.5% of working age households receiving Council Tax Support are in self-employment.

There are 56 households in self-employment and have a disability, of which 26 have children and 30 with no children.

There are 5 households that are in self-employment, have a disability and have at least one disabled child.

There are 39 households that are in self-employment and receive a

carer's allowance.

98% of all households in self-employment are aged 25 and above and earn less than £252 per week (calculated by multiplying the National Minimum Wage rate (£7.20) by 35 hours) – for further information see Appendix B.

Introducing a minimum set income after 12 months of self-employment would remove entitlement to Council Tax Support from 334 households that earn less than £100 per week.

This combined with the proposed limit to 55% of the Council Tax charge would remove entitlement to nearly all households that are in self-employment.

It will not affect households receiving “passported” Council Tax Support.

Proposal Seven – Restrict the period that a person can be absent from Great Britain and continue to receive support to four weeks

This proposal will bring the Council Tax Support scheme in line with Housing Benefit legislation.

Currently, a household can be temporarily absent from their home for 13 weeks (or 52 weeks in certain cases) without it affecting Council Tax Support entitlement.

Introducing this proposal would remove entitlement after four weeks absence from Great Britain.

Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.

Based on current data this would affect households visiting relatives abroad for an extended period or those that would normally winter abroad.

Proposal Eight – Remove the Work Related Activity Component in the calculation of entitlement for new Employment and Support Allowance applicants

This proposal will bring the Council Tax Support scheme in line with proposed Housing Benefit legislation when approved by Central Government.

Currently, households receiving Employment and Support Allowance (ESA) who fall within the Work Related Activity Group receive an additional income disregard within the calculation of their Council Tax Support.

This proposal would affect all new applicants of ESA who fall within the Work-Related Activity Group. It applies to people that have a disability or health condition that limits their ability to work and assistance is provided to improve this. This involves attending a series of work-focused interviews and possibly taking part in a “work related activity”.

Generally, depending on the type of work, income up to £20 would no longer be disregarded but taken into account in the Council Tax Support calculation.

Proposal Nine – Limit the calculation to a maximum of two children

This proposal will bring the Council Tax Support scheme in line with proposed Housing Benefit and Tax Credits legislation when approved by Central Government.

Currently, households that have children are awarded a dependant's addition of £66.90 per child within the calculation of their needs (Applicable Amounts). There is no limit to the number of dependant's additions that can be awarded.

The Government has proposed to limit dependant's additions in Universal Credit, Housing Benefit and Tax Credits to a maximum of two. There will be exceptions where; there are multiple births and the household is not already at the maximum of two dependants, adopted children or households merge.

Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.

Based on current data, in the past year 68 children were born into working age households receiving Council Tax Support, where the dependants addition for two or more children was already awarded.

Limiting the dependant's addition to two children for households that have a third child after this proposal is introduced will have a negative impact on households that already have two children and not receiving "passported" Council Tax Support.

Proposal Ten – Remove entitlement to Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them.

This proposal would bring the Council Tax Support scheme in line with Universal Credit.

This would apply when another person is paid Carers Element in their Universal Credit to look after someone receiving Council Tax Support. The Severe Disability Premium, which is currently £61.15, would be removed from the Council Tax Support calculation.

Based on current data there are no households affected by this proposal.

It will not affect households receiving "passported" (Income Related Employment and Support Allowance).

| Protected Characteristic: Disability | |
|---|---|
| <p>People with caring Responsibilities</p> <p>Number of Cases:4,139 This consists of; Income Related Employment & Support Allowance (passport) cases 3,619 and Disability premium cases 520</p> | <p>The Council is required to consider the needs of disabled people within its proposed scheme. Under Government guidance, disabled people will face greater challenges to join the working population.</p> <p>In all cases the assessment and qualification of the disabled person for the qualifying benefit is completed by the DWP, not the Council.</p> <p>Relevant disability benefits will continue to be disregarded in the calculation of Council Tax Support, thereby protecting those with specific long term conditions who fall within this group. People with disabilities will continue to receive additional premiums as part of the calculation.</p> <p>To mitigate the impact of the proposed scheme changes residents from any group can apply for additional financial assistance through the council's Discretionary Reductions (Exceptional Hardship) scheme.</p> |
| | <p>Single People – No Children</p> <p>There are 2,847 single people with a disability receiving Council Tax Support, which represents 35% of all working age households.</p> <p>1,588 or 38% of households that have a disability are single men with no children.</p> |
| | <p>Couples – No Children</p> <p>There are 393 couples with no children and with a disability receiving Council Tax Support, which represents 5% of all working age households.</p> |
| | <p>Lone Parents</p> <p>There are 512 lone parents with a disability receiving Council Tax Support, which represents 6% of all working age households.</p> <p>457 or 11% of households that have a disability are lone parent women.</p> |
| | <p>Couples – With Children</p> <p>There are 387 couples with children and with a disability receiving Council Tax Support, which represents 5% of all working age households.</p> |
| <p>Proposed Scheme Changes</p> | <p>Proposal One - Limit maximum level of support to 55% of the Council Tax liability</p> <p>This proposal will affect all working age households with a disability (4,139). Like the current scheme, this shares the burden amongst <u>all</u> working age households that receive financial help with their Council Tax.</p> <p>It will also affect 118 households that have a disabled child and 143 households that have a carer.</p> <p>Proposal Two – Restrict the maximum level of support to a property band C charge</p> <p>496 (6%) of all working age households receiving Council Tax Support would be affected by this proposal.</p> |

It will affect 185 working age households with a disability, with 127 occupying band D, 43 in band E, 12 in band F and 3 in band G.

It will also affect 23 households that have a disabled child and 12 households that have a carer.

Proposal Three - Reduce the savings (capital) limit from £6,000 to £3,000

97 (1%) of all working age households receiving Council Tax Support would be affected by this proposal.

This proposal will affect 49 working age households with a disability.

It will also affect 2 households that have a disabled child and 0 households that have a carer.

Proposal Four – Remove Family Premium for all new working age households

The Family Premium is one of the components awarded to people that have children. If removed potential entitlement would be, notionally, £3.49 per week lower when compared to those receiving the Family Premium.

Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.

Based on current data 580 new applications were received from working age households in the past year where the Family Premium was awarded.

It is estimated that 14% of those potentially affected by this proposal are disabled. This is because households with a disability are more likely to be on “passported” Council Tax Support than households without a disabled person.

It will not affect households receiving “passported” (Income Related Employment and Support Allowance).

Proposal Five – Restrict backdating to one month

Based on current data 109 households during the past year were entitled to backdating, for periods varying between one and six months.

This proposal would have a negative impact on households that request backdating for more than one month.

Analysis showed that older working age households and disabled are more likely to be affected by this proposal.

Proposal Six – Minimum set income for self-employed after one year’s trading

5.5% of working age households receiving Council Tax Support are in self-employment.

There are 56 households in self-employment and have a disability, of which 26 have children and 30 with no children.

There are 5 households that are in self-employment, have a disability and have at least one disabled child.

There are 39 households that are in self-employment and receive a carer’s allowance.

It will not affect households receiving “passport” (Income Related Employment and Support Allowance).

Proposal Seven – Restrict the period that a person can be absent from Great Britain and continue to receive support to four weeks

Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.

Based on current data this would affect households visiting relatives abroad for an extended period or those that would normally winter abroad.

Proposal Eight – Remove the Work Related Activity Component in the calculation of entitlement for new Employment and Support Allowance applicants

Currently, households receiving Employment and Support Allowance (ESA) who fall within the Work Related Activity Group receive an additional income disregard within the calculation of their Council Tax Support.

This proposal would affect all new applicants of ESA who fall within the Work-Related Activity Group. It applies to people that have a disability or health condition that limits their ability to work and assistance is provided to improve this. This involves attending a series of work-focused interviews and possibly taking part in a “work related activity”.

Based on current data 14 households receive ESA and fall within the Work-Related Activity Group.

Generally, depending on the type of work, income up to £20 would no longer be disregarded but taken into account in the Council Tax Support calculation.

It will not affect households receiving “passport” (Income Related Employment and Support Allowance).

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| | <p>Proposal Nine – Limit the calculation to a maximum of two children</p> <p>Currently, households that have children are awarded a dependant’s addition of £66.90 per child within the calculation of their needs (Applicable Amounts). There is no limit to the number of dependant’s additions that can be awarded.</p> <p>The Government has proposed to limit dependant’s additions in Universal Credit, Housing Benefit and Tax Credits to a maximum of two. There will be exceptions where; there are multiple births and the household is not already at the maximum of two dependants, adopted children or households merge.</p> <p>Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.</p> <p>Based on current data, in the past year 68 children were born into working age households receiving Council Tax Support, where the dependants addition for two or more children was already awarded. As 6.4% of working age households receive the Disability Premium it can be estimated that 4 households will be affected in this category.</p> <p>It will not affect households that have a third child after this proposal is introduced and receiving “passport” Council Tax Support.</p> <p>Proposal Ten – Remove entitlement to Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them.</p> <p>This would apply when another person is paid Carers Element in their Universal Credit to look after someone receiving Council Tax Support. The Severe Disability Premium, which is currently £61.15, would be removed from the Council Tax Support calculation.</p> <p>Based on current data there are no households affected by this proposal.</p> <p>It will not affect households receiving “passport” (Income Related Employment and Support Allowance).</p> |
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| Protected Characteristic: Women or Men | |
|---|---|
| <p>Number of Cases: 8,084 Women: 5,625 Men: 3,955</p> | <p>The Council Tax Support scheme will not treat people of different genders any differently.</p> <p>Based on current data there is a higher percentage of working age women claiming Council Tax Support 4,034 (63%) when compared to their representation in the Torbay population (51.75%).</p> <p>Furthermore, 2,345 (93%) of working age lone parents are women compared to 199 men.</p> <p>Due to the higher proportion of women claimants the proposed scheme changes will have a greater impact on women.</p> <p>To mitigate the increased impact the Government’s welfare reforms is</p> |

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|--------------------------------|--|
| | <p>intended to make working age people better off in work than in receipt of benefits. Accordingly, anyone affected by the additional contribution they have to make will be encouraged to seek employment to maximise their income wherever possible. Support to do this is available through the DWP's Job Centre Plus and Job Coaches.</p> <p>Resources will continue to be available to support the most vulnerable and this would be met through the Discretionary Reductions (Exceptional Hardship) scheme.</p> |
| | <p>Single People – No Children</p> <p>There are 1,689 single women receiving Council Tax Support, which represents 21% of all working age households</p> <p>2,234 single men receive Council Tax Support, which represents 28% of all working age households.</p> |
| | <p>Couples – No Children</p> <p>There are 504 couples with no children receiving Council Tax Support, which represents 6% of all working age households.</p> |
| | <p>Lone Parents</p> <p>There are 2,544 lone parent households receiving Council Tax Support and the majority (2,345) are women, which represents 29% of all working age households.</p> <p>199 are lone parents are men, which represents 2% of all working age households.</p> |
| | <p>Couples – With Children</p> <p>There are 1,113 couples with children receiving Council Tax Support, which represents 14% of all working age households.</p> |
| Proposed Scheme Changes | <p>Proposal One - Limit maximum level of support to 55% of the Council Tax liability</p> <p>This proposal will affect all working age women and men households (8,084). Like the current scheme, this shares the burden amongst <u>all</u> working age households that receive financial help with their Council Tax.</p> <p>Proposal Two – Restrict the maximum level of support to a property band C charge</p> <p>This proposal will affect 64 single women, 52 single men, 177 lone parent women, 13 lone parent men and 190 couples.</p> <p>Proposal Three - Reduce the savings (capital) limit from £6,000 to £3,000</p> <p>This proposal will affect 24 single women, 31 single men, 14 lone parent women, 1 lone parent man and 27 couples.</p> |

Proposal Four – Remove Family Premium for all new working age households

Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.

Based on current data 580 new applications were received from working age households in the past year where the Family Premium was awarded.

Lone parent women and couples with children are more likely to be affected, as over 95% of those currently eligible for the Family Premium are in those groups.

It will not affect households receiving “passport” Council Tax Support.

Proposal Five – Restrict backdating to one month

This proposal notionally affects all working age households regardless of gender. However, as there are higher numbers of single and lone parent women receiving Council Tax Support this proposal could affect more women than men.

Proposal Six – Minimum set income for self-employed after one year’s trading

This proposal affects all working age self-employed households regardless of gender. However, as there are higher numbers of single and lone parent women receiving Council Tax Support this proposal could affect more women than men.

It will not affect households receiving “passport” Council Tax Support.

Proposal Seven – Restrict the period that a person can be absent from Great Britain and continue to receive support to four weeks

Based on current data this would affect households visiting relatives abroad for an extended period or those that would normally winter abroad.

As there are higher numbers of single and lone parent women receiving Council Tax Support this proposal could affect more women than men.

Proposal Eight – Remove the Work Related Activity Component in the calculation of entitlement for new Employment and Support Allowance applicants

This proposal will affect those that fall within the Work-Related Activity Group, regardless of gender. It applies to people that have a disability or health condition that limits their ability to work and assistance is provided to improve this.

As there are higher numbers of single and lone parent women receiving Council Tax Support this proposal could affect more women than men.

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| | <p>Proposal Nine – Limit the calculation to a maximum of two children</p> <p>Information on the protected characteristics of the precise group of households affected by this proposal in future is not available.</p> <p>Based on current data, in the past year 68 children were born into working age households receiving Council Tax Support, where the dependants addition for two or more children was already awarded.</p> <p>Limiting the dependant’s addition to two children for households <u>that have a third child after this proposal is introduced</u> will have a negative impact on households that already have two children and not receiving “passported” Council Tax Support.</p> <p>However, as there are higher numbers of single and lone parent women receiving Council Tax Support this proposal could affect more women than men.</p> <p>Proposal Ten – Remove entitlement to Severe Disability Premium where another person is paid Universal Credit (Carers Element) to look after them.</p> <p>This would apply when another person is paid Carers Element in their Universal Credit to look after someone receiving Council Tax Support. The Severe Disability Premium, which is currently £61.15, would be removed from the Council Tax Support calculation.</p> <p>Based on current data there are no households affected by this proposal.</p> <p>However, as there are higher numbers of single and lone parent women receiving Council Tax Support this proposal could affect more women than men.</p> |
|--|--|

| Protected Characteristic: Pregnancy and Maternity | |
|--|--|
| <p>Women who are pregnant/on maternity leave</p> | <p>Existing data on applicants receiving Council Tax Support does not give any clarification on pregnant women, those on maternity leave or having given birth within the last 26 weeks.</p> <p>The only information which is held relates to income from statutory maternity pay that is in payment at the point an application is made as this forms part of the income assessment for the means tested Council Tax Support.</p> <p>People who are in advanced stages of pregnancy or receiving maternity allowance are affected for a temporary period because they will have a finite income and will be unable to increase this by working.</p> <p>The proposal to limit the calculation of Council Tax Support to a maximum of two children would affect any female claimants who are pregnant before it’s introduced.</p> <p>To mitigate the impact of the proposed scheme changes residents from any group can apply for additional financial assistance through the council’s Discretionary Reductions (Exceptional Hardship) scheme.</p> |

| Protected Characteristic: Race | | |
|---|--|--|
| People who are black or from a minority ethnic background (BME) (Please note Gypsies / Roma are within this community) | Negative Impact & Mitigating Actions | Neutral Impact |
| | To mitigate the impact of the proposed scheme changes residents from any group can apply for additional financial assistance through the council's Discretionary Reductions (Exceptional Hardship) scheme. | <p>The eligibility criteria is neutral in relation to race, as it does not expressly include, exclude or otherwise identify any particular group.</p> <p>All awards are therefore neutral in that they are available equally to all applicants irrespective of race.</p> |

| Protected Characteristic: Religion or Belief (including lack of belief) | | |
|--|--|--|
| | Negative Impact & Mitigating Actions | Neutral Impact |
| | To mitigate the impact of the proposed scheme changes residents from any group can apply for additional financial assistance through the council's Discretionary Reductions (Exceptional Hardship) scheme. | <p>Existing data on applicants receiving Council Tax Support does not give any clarification on any religion or belief.</p> <p>The eligibility criteria is neutral in relation to religion or belief, as it does not expressly include, exclude or otherwise identify any particular group.</p> <p>All awards are therefore neutral in that they are available equally to all applicants irrespective of religion or belief.</p> |

| Protected Characteristic: Sexual Orientation | | |
|---|--|--|
| People who are lesbian, gay or bisexual | Negative Impact & Mitigating Actions | Neutral Impact |
| | To mitigate the impact of the proposed scheme changes residents from any group can apply for additional financial assistance through the council's Discretionary Reductions (Exceptional Hardship) scheme. | <p>Existing data on applicants receiving Council Tax Support does not give any clarification on sexual orientation.</p> <p>The eligibility criteria is neutral in relation to religion or belief, as it does not expressly include, exclude or otherwise identify any particular group.</p> <p>All awards are therefore neutral in that they are available equally to all applicants irrespective of sexual orientation.</p> |

| Protected Characteristic: Gender Reassignment | | |
|--|--|--|
| People who are transgendered | Negative Impact & Mitigating Actions | Neutral Impact |
| | To mitigate the impact of the proposed scheme changes residents from any group can apply for additional financial assistance through the council's Discretionary Reductions (Exceptional Hardship) scheme. | <p>Existing data on applicants receiving Council Tax Support does not give any clarification on gender reassignment.</p> <p>The eligibility criteria is neutral in relation to religion or belief, as it does not expressly include, exclude or otherwise identify any particular group.</p> <p>All awards are therefore neutral in that they are available equally to all applicants irrespective of gender reassignment.</p> |

| Protected Characteristic: Marriage and Civil Partnership | | |
|---|--|--|
| People who are in a marriage or civil partnership | Negative Impact & Mitigating Actions | Neutral Impact |
| | To mitigate the impact of the proposed scheme changes residents from any group can apply for additional financial assistance through the council's Discretionary Reductions (Exceptional Hardship) scheme. | <p>Existing data on applicants receiving Council Tax Support does not give any clarification on marriage or civil partnership.</p> <p>The eligibility criteria is neutral in relation to religion or belief, as it does not expressly include, exclude or otherwise identify any particular group.</p> <p>All awards are therefore neutral in that they are available equally to all applicants irrespective of marriage or civil partnership.</p> |

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|---|---|
| Socio-economic impacts (Including impact on child poverty issues and deprivation) | <p>The proposed changes will affect around 8,000 working age households, who are already liable to pay at least 25% of their Council Tax following the introduction of the current scheme in April 2013. This proposal will effectively reduce the amount awarded in Council Tax Support by a further 20%, resulting in an average increase in the amount to pay for working age households occupying property bands A to C by around £5 per week.</p> <p>Wards with the highest proportion of lone parents receiving Council Tax Support are Clifton with Maidenway, Shiphay with the Willows, Watcombe and Blatchcombe. The same also applies for couples with children. Conversely, Roundham with Hyde and Wellswood have the lowest proportion of lone parent households and couples with children.</p> |
|---|---|

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|---|--|
| | <p>Wards with the highest proportion of single people receiving Council Tax Support are Roundham with Hyde, Tormohun, Wellswood and Ellacombe.</p> <p>Other welfare reforms are affecting some groups such as large families, low income families, lone parents and disabled people combined with the increases in the cost of living will have a cumulative impact on people's income.</p> <p>It is acknowledged that even small changes in contributions could affect people's ability to pay their Council Tax. Therefore, the three options that have been proposed to offset the scheme deficit are considered to have a significant negative impact on groups with the protected characteristics.</p> <p>Some households will also be affected by more than one of the options presented for consultation. The greatest impact will be on households where the property band restriction applies and the self-employed. The impact will be disproportionate when combined with the limit on the maximum level of support, affecting around 60 households.</p> <p>To mitigate the impact affected by the proposed changes an easement in the Discretionary Reductions (Exceptional Hardship) policy will be recommended and by increasing the fund accordingly.</p> |
| <p>Public Health impacts (How will your proposal impact on the general health of the population of Torbay)</p> | <p>There are links between unemployment and poorer mental health, such as stigma, isolation, loss of self-worth and the material consequences of a reduced income.</p> <p>Unemployed individuals, particularly the long-term unemployed, have a higher risk of poor mental health compared with those in employment.</p> |
| <p>Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above)</p> | <p>The current scheme is well established and any changes are likely to give rise to more enquiries.</p> <p>The following departments may be affected:</p> <ul style="list-style-type: none"> • Customer Services and Revenue and Benefits Service <ul style="list-style-type: none"> - Increase in volume of customer enquiries - Dealing with more customers with financial difficulties - Increase in Council Tax debt recovery work • Housing Services <ul style="list-style-type: none"> - Increase in customers unable to afford their housing costs as they have to pay more Council Tax - Combined effect of the new scheme with other welfare reforms affecting people's ability to pay their housing costs |

| | |
|--|---|
| | <ul style="list-style-type: none"> • Children’s Services <ul style="list-style-type: none"> - Increase in referrals due to deprivation and poverty • Finance <ul style="list-style-type: none"> - Reduction in collection rates and income to the Council affecting cash flow |
| <p>Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above)</p> | <p>Any scheme change will affect the Major Precepting Authorities and will impact on Fire and Police by altering their taxbase, which may result in a reduction in income.</p> |
| <p>Equality Impact Main Conclusion</p> <p>All proposals will result in working age households, including those with protected characteristics, paying more towards their Council Tax from 2016-17. Pension age households, who also have protected characteristics, will not be affected as they are protected from any changes by Central Government.</p> <p>Some working age households will be affected by more than one of the proposals. This should be taken into account when deciding which proposals to take forward. Some proposals will affect existing households and others will affect new claimants from 2017.</p> <p>When deciding which proposal to take forward, the potential severity of impacts on households with protected characteristics needs to be weighed up against any potential financial savings to the Council. Proposals resulting in higher savings are likely to impact on more households or result in some households paying more towards their Council Tax bill.</p> | |

Case Study 1 - Limit Maximum Level of Support to 55%

Working Age – Employed Single Person

Claimant aged 58 and lives alone. They are currently employed and earning £86.40 net per week.

There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Earned income | £86.40 | Weekly Council Tax charge (Band C) with single persons discount | £20.00 |
| Housing Benefit entitlement | £100.96 | Rent | £114.23 |
| Council Tax Support after 25% and a reduction due to earned income | £13.34 | | |
| Total | £200.70 | Total | £134.23 |
| Income for living expenses (food, bills, clothing and shortfall in CTS.....) | | | £66.47 |

April 2017: 55%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Earned Income | £86.40 | Weekly Council Tax charge (Band C) with single persons discount | £20.00 |
| Housing Benefit entitlement | £100.96 | Rent | £114.23 |
| Council Tax Support after 45% and a reduction due to earned income | £9.34 | | |
| Total | £196.70 | Total | £134.23 |
| Income for living expenses (food, bills, clothing and shortfall in CTS.....) | | | £62.47 |

£4 per week worse off (6%)

Case Study 2 - Limit Maximum Level of Support to 55%

Working Age – Unemployed Single Person with Disability

Claimant aged 59 and lives alone. They are currently unemployed and receiving £105.35 per week Job seekers Allowance, £43.60 for DLA lower care and DLA lower mobility.

There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £148.95 | Weekly Council Tax charge (Band C) with single persons discount | £20.00 |
| Housing Benefit | £106.35 | Rent | £110.77 |
| Council Tax Support after 25% | £15.00 | | |
| Total | £270.30 | Total | £130.82 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £139.48 |

April 2017: 55%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £148.95 | Weekly Council Tax charge (Band C) with single persons discount | £20.00 |
| Housing Benefit | £106.35 | Rent | £110.77 |
| Council Tax Support after 45% | £11.00 | | |
| Total | £266.30 | Total | £130.82 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £135.48 |

£4 per week worse off (6%)

Case Study 3 - Limit Maximum Level of Support to 55%

Working Age – Couple Employed with Disability and No Children

Claimant aged 49 and partner 56, they have no children. They do not pay rent and occupy a Band C property.

They currently work 9 hours per week earning £58.50. They also receive a Carer's Allowance at £62.10 per week, DLA Mobility at £57.45, DLA Middle Care at £55.10, ESA at £73.10 per week and ESA at £36.20 a week.

There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £342.45 | Weekly Council Tax charge (Band C) | £26.74 |
| Council Tax Support after 25% and a reduction due to income | £17.10 | | |
| Total | £359.55 | Total | £26.74 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £332.81 |

April 2017: 55%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £342.45 | Weekly Council Tax charge (Band C) | £26.74 |
| Council Tax Support after 45% and a reduction due to income | £11.77 | | |
| Total | £354.22 | Total | £26.74 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £327.48 |

£5.33 per week worse off (1.6%)

Case Study 4 - Limit Maximum Level of Support to 55%

Working Age – Unemployed Couple with No Children

Claimant aged 58 and partner 57, they have no children. They do not pay rent and occupy a Band C property.

The claimant is currently unemployed and receives £107.34 per week Job Seekers Allowance and £21.80 Mobility Supplement.

There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £129.14 | Weekly Council Tax charge (Band C) | £26.74 |
| Council Tax Support after 25% | £20.00 | | |
| Total | £149.14 | Total | £26.74 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £122.40 |

April 2017: 55%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £129.14 | Weekly Council Tax charge (Band C) | £26.74 |
| Council Tax Support after 45% | £14.67 | | |
| Total | £143.81 | Total | £26.74 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £117.07 |

£5.33 per week worse off (1.6%)

Case Study 5 - Limit Maximum Level of Support to 55%

Working Age – Employed Lone Parent

Claimant aged 29 and lives with two children aged 8 and 4.

Claimant works 16 per week at £9.29 per hour (£144.51 per week net). They also receive child benefit of £34.40, working tax credit £65.47 and child tax credit £106.61 per week.

There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Total Income | £351 | Weekly Council Tax charge (Band C) with single persons discount | £20.00 |
| Housing Benefit entitlement | £95.60 | Rent | £168.46 |
| Council Tax Support after 25% and a reduction due to combined income | £4.97 | | |
| Total | £451.57 | Total | £188.46 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £262.54 |

April 2017: 55%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Total Income | £351 | Weekly Council Tax charge (Band C) with single persons discount | £20.00 |
| Housing Benefit Entitlement | £95.60 | Rent | £168.46 |
| Council Tax Support after 45% and a reduction due to earned income | £0 | | |
| Total | £447.57 | Total | £188.46 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £259.11 |

£4.00 per week worse off (1.31%)

Case Study 6 - Limit Maximum Level of Support to 55%

Working Age – Employed Couple with Children

Claimant aged 33 and Partner aged 40 live with three children aged 13, 11 and 7.

Claimant works 25 hours per week at £8.57 per hour (£201.42 per week net). They also receive child benefit of £48.10, working tax credit £42.48 and child tax credit £165.94 per week. There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £457.94 | Weekly Council Tax charge (Band C) | £26.74 |
| Housing Benefit | £120.69 | Rent | £156.92 |
| Council Tax Support after 25% and a reduction due to earned income | £10.05 | | |
| Total | £588.68 | Total | £183.66 |
| Income for living expenses (food, bills, clothing , rent top up and shortfall in CTS.....) | | | £405.02 |

April 2017: 55%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Total Income | £457.94 | Weekly Council Tax charge (Band C) | £26.74 |
| Housing Benefit | £120.69 | Rent | £156.92 |
| Council Tax Support after 45% and a reduction due to earned income | £4.72 | | |
| Total | £583.35 | Total | £183.66 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £399.69 |

£5.33 per week worse off (1.32%)

Case Study 7 - Band C Restriction and Limit Maximum Level of Support to 55%

Working Age – Couple Unemployed

Claimant aged 57 lives with partner aged 56, they have no children. The property is owned by the claimant.

The claimant is unemployed and receives Employment Support Allowance of £114.85 per week.

.August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £114.85 | Weekly Council Tax charge (Band E) | £36.76 |
| Council Tax Support after 25% | £27.50 | | |
| Total | £142.35 | Total | £36.76 |
| Income for living expenses (food, bills, clothing shortfall in CTS/mortgage.....) | | | £105.59 |

April 2017: 55% and Band C Restriction

| Household Weekly Income | | Household Weekly Outgoings | |
|--|----------------|------------------------------------|---------------|
| Total Income | £114.85 | Weekly Council Tax charge (Band E) | £36.76 |
| Council Tax Support (Based on band C £1,390.50) and 45% reduction | £14.67 | | |
| Total | £129.55 | Total | £36.76 |
| Income for living expenses (food, bills, clothing, shortfall in CTS/mortgage.....) | | | £97.79 |

£12.79 per week worse off (12.11%)

Case Study 8 - Band C Restriction and Limit Maximum Level of Support to 55%

Working Age – Lone Parent Employed

Claimant age 41 lives with their 11 year old child. The property is owned by the claimant.

They work 21 hours per week and earn £172.88 per week. They receive £20.70 Child Benefit, £46.61 Working Tax Credit and £157.17 Child Tax Credit.

They have no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|--|----------------|
| Total Income | £397.36 | Weekly Council Tax charge (Band F) with single persons discount | £32.50 |
| Council Tax Support after 25% reduction and deduction for excess income | £5.85 | | |
| Total | £403.21 | Total | £32.50 |
| Income for living expenses (food, bills, clothing, mortgage and shortfall in CTS.....) | | | £370.71 |

April 2017: 55% and Band C Restriction

| Household Weekly Income | | Household Weekly Outgoings | |
|--|----------------|--|----------------|
| Total Income | £397.36 | Weekly Council Tax charge (Band F) with single persons discount | £32.50 |
| Council Tax Support (Based on band C £1042.87 with SPD) and 45% reduction | £0.00 | | |
| Total | £397.36 | Total | £32.50 |
| Income for living expenses (food, bills, clothing, mortgage and shortfall in CTS.....) | | | £364.86 |

£5.85 per week worse off (1.58%)

Case Study 9 - Reduce Upper Savings Limit from £6,000 to £3,000

Working Age – Single Person Employed

Claimant aged 62 and lives alone. They are an owner occupier and live in Paignton.

The claimant is currently unemployed and receives £73.10 a week from Employment Support Allowance.

They have £4,752 in savings.

August 2016: £6,000

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|---------------|---|---------------|
| Total Income | £73.10 | Weekly Council Tax charge (Band B) with single persons discount | £17.55 |
| Council Tax Support | £13.13 | | |
| Total | £86.23 | Total | £17.55 |
| Income for living expenses (food, bills, clothing and shortfall in CTS/mortgage.....) | | | £68.68 |

April 2017: Capital Limit £3,000

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|---------------|---|---------------|
| Total Income | £73.10 | Weekly Council Tax charge (Band B) with single persons discount | £17.55 |
| Council Tax Support | £0 | | |
| Total Weekly Income | £73.10 | Total Weekly Outgoings | £17.55 |
| Income for living expenses (food, bills, clothing, and Council tax /mortgage | | | £55.55 |

£13.13 per week worse off (19%)

Case Study 10 - Reduce Upper Savings Limit from £6,000 to £3,000

Working Age – Couple Unemployed

Claimant aged 59 and partner aged 59, with no children. They do not pay rent.

The claimant is unemployed and receives £82.67 per week from an occupational pension.

They have £5,077 in savings.

August 2016: £6,000

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|---------------|---|---------------|
| Total Income | £82.67 | Weekly Council Tax charge (Band A) | £20.03 |
| Council Tax Support | £15.00 | | |
| Total | £97.67 | Total | £20.03 |
| Income for living expenses (food, bills, clothing and shortfall in CTS/mortgage.....) | | | £77.64 |

April 2017: Capital Limit £3,000

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|---------------|---|---------------|
| Total Income | £82.67 | Weekly Council Tax charge (Band A) | £20.03 |
| Council Tax Support | £0 | | |
| Total Weekly Income | £82.67 | Total Weekly Outgoings | £20.03 |
| Income for living expenses (food, bills, clothing, and Council tax /mortgage | | | £62.64 |

£15.00 per week worse off (19%)

Case Study 11 - Reduce Upper Savings Limit from £6,000 to £3,000

Working Age – Lone Parent Employed

Claimant aged 43 and lives with one child aged seven. They pay rent.

The claimant works 15 hours per week, earning £115.65. Also receives Child Benefit at £20.70, maintenance at £70.00 per week, Working Tax Credit at £76.32 per week and Child Tax Credit at £64.00 per week.

They have £5,894 in savings.

August 2016: £6,000

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £346.67 | Weekly Council Tax charge (Band C) with single persons discount | £20.05 |
| Council Tax Support | £0.30 | | |
| Housing Benefit entitlement | £80.41 | Rent | £144.23 |
| Total | £427.38 | Total | £164.28 |
| Income for living expenses (food, bills, clothing and shortfall in CTS/mortgage.....) | | | £263.10 |

April 2017: Capital Limit £3,000

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Total Income | £346.67 | Weekly Council Tax charge (Band C) with single persons discount | £20.05 |
| Council Tax Support | £0 | | |
| Housing Benefit entitlement | £80.41 | Rent | £144.23 |
| Total Weekly Income | £427.08 | Total Weekly Outgoings | £164.28 |
| Income for living expenses (food, bills, clothing, and Council tax /mortgage | | | £262.80 |

£0.30 per week worse off (0.11%)

Case Study 11 - Reduce Upper Savings Limit from £6,000 to £3,000

Working Age – Couple with children

Claimant aged 31 and Ptnr aged 35 live with 2 children aged 1.

Claimant is unemployed and receives child benefit of £34.40, working tax credit £46.37 and child tax credit £112.82 per week. The partner is self employed working 35 per week at £5.57 per hour (£194.97 per week net).

They have £5,988.96 in savings.

August 2016: £6,000

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Total Income | £388.56 | Weekly Council Tax charge (Band A) | £20.05 |
| Housing Benefit entitlement | £58.65 | Rent | £109.62 |
| Council Tax Support after 25% and a reduction due to combined income | £2.81 | | |
| Total | £450.02 | Total | £129.67 |
| Income for living expenses (food, bills, clothing, rent top up and shortfall in CTS.....) | | | £320.35 |

April 2017: Capital Limit £3,000:

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|---|----------------|---|----------------|
| Total Income | £388.56 | Weekly Council Tax charge (Band A) | £20.05 |
| Housing Benefit entitlement | £58.65 | Rent | £109.62 |
| Council Tax Support | £0 | | |
| Total | £447.21 | Total | £129.67 |
| Income for living expenses (food, bills, clothing, rent top up and Council Tax.....) | | | £317.54 |

£2.81 per week worse off (0.87%)

**Case Study 12 – Minimum Set Income for Self-Employed and
Limit Maximum Level of Support to 55%**

Working Age – Working Single Person

Claimant aged 59 and lives alone. They are currently self employed working 40hrs per week and earns £0.01 net per week. They also receive £51.73 working tax credit per week. There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings | |
|---|----------------|---|----------------|
| Total Income | £51.74 | Weekly Council Tax charge (Band A) with single persons discount | £15.04 |
| Housing Benefit entitlement | £95.00 | Rent | £95.00 |
| Council Tax Support after 25% | £11.25 | | |
| Total | £157.99 | Total | £110.04 |
| Income for living expenses (food, bills, clothing, and shortfall in CTS.....) | | | £47.95 |

April 2017: 55% and Minimum Set Income

| Household Weekly Income | | Household Weekly Outgoings | |
|---|----------------|---|----------------|
| Total Income | £51.74 | Weekly Council Tax charge (Band A) with single persons discount | £15.04 |
| Housing Benefit entitlement (unchanged as no wage restriction in HB regulations) | £95.00 | Rent | £95.00 |
| Council Tax Support (S/E based on £7.20ph x 40hrs = £257.79) | £0.00 | | |
| Total | £146.74 | Total | £110.04 |
| Income for living expenses (food, bills, clothing, and shortfall in CTS.....) | | | £36.70 |

£11.25 per week worse off (23.5%)

**Case Study 13 – Minimum Set Income for Self-Employed and
Limit Maximum Level of Support to 55%**

Working Age – Working Lone Parent

Claimant aged 44 lives with three children aged 7,10 and 18 in education. The property is owned by the claimant.

The claimant is currently self employed working 44hrs per week and earns £0.01 net per week. Also receives £48.10 child benefit, £146.44 disabled tax credit, £114.87 child tax credit, £55.10 PIP daily living and £21.80 PIP mobility per week. There are no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Total Income | £386.32 | Weekly Council Tax charge (Band B) with single persons discount | £17.55 |
| Council Tax Support after 25% and a reduction due to income | £13.13 | | |
| Total | £399.45 | Total | £17.55 |
| Income for living expenses (food, bills, clothing , and shortfall in CTS.....) | | | £381.90 |

April 2017: 55% and Minimum Set Income

| Household Weekly Income | | Household Weekly Outgoings before living expenses | |
|--|----------------|---|----------------|
| Total Income | £386.32 | Weekly Council Tax charge (Band B) with single persons discount | £17.55 |
| Council Tax Support after 45% and a reduction due to income (S/E based on £7.20ph x 44hrs = £278.24) | £0.00 | | |
| Total Weekly Income | £386.32 | Total Weekly Outgoings | £17.55 |
| Income for living expenses (food, bills, clothing, and shortfall in CTS.....) | | | £368.88 |

£13.135 per week worse off (3.54%)

**Case Study 14 – Removal of Family Premium and
Limit Maximum Level of Support to 55%**

Working Age – Lone Parent

Claimant aged 22 lives with his son aged 12. The property is in Torquay and is rented at £158.08 per week.

The claimant works 16 hours a week and receives Child Benefit and Tax Credits. His weekly income is £251.31.

The customer has no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings | |
|---|----------------|--|----------------|
| Total Income | £251.31 | Weekly Council Tax (Band C with 25% SPD applied) | £20.00 |
| Housing Benefit | £108.00 | Rent | £158.08 |
| Council Tax Support | £8.79 | | |
| Total | £368.10 | Total | £178.08 |
| Income for living expenses (food, bills, clothing, and shortfall in rent/ CTS.....) | | | £190.02 |

April 2017: 55% and Family Premium Removed (New Claim)

| Household Weekly Income | | Household Weekly Outgoings | |
|--|----------------|----------------------------|----------------|
| Total Income | £251.31 | Council Tax £1,911.93 | £20.00 |
| Housing Benefit | £108.00 | Rent | £158.08 |
| Council Tax Support (with family premium removed from applicable amount) | £1.15 | | |
| Total | £360.46 | Total | £178.08 |
| Income for living expenses (food, bills, clothing, and shortfall in rent CTS.....) | | | £182.38 |

£7.64 per week worse off (4.02%)

**Case Study 15 – Removal of Family Premium and
Limit Maximum Level of Support to 55%**

Working Age – Lone Parent

Claimant aged 22 lives with her son aged 7. The property is in Torquay and is rented at £158.08 per week.

The claimant works 16 hours a week and receives Child Benefit and Tax Credits. Her weekly income is £253.77.

The customer has no savings.

August 2016: 75%

| Household Weekly Income | | Household Weekly Outgoings | |
|---|----------------|--|----------------|
| Total Income | £253.77 | Weekly Council Tax (Band C with 25% SPD applied) | £17.50 |
| Housing Benefit | £106.41 | Rent | £148.45 |
| Council Tax Support | £6.42 | | |
| Total | £364.14 | Total | £165.95 |
| Income for living expenses (food, bills, clothing, and shortfall in rent/ CTS.....) | | | £198.19 |

April 2017: 55% and Family Premium Removed (New Claim)

| Household Weekly Income | | Household Weekly Outgoings | |
|---|----------------|--|----------------|
| Total Income | £251.31 | Weekly Council Tax (Band C with 25% SPD applied) | £17.50 |
| Housing Benefit | £106.41 | Rent | £148.45 |
| Council Tax Support (with family premium removed from applicable amount) | £0.00 | | |
| Total | £357.72 | Total | £165.95 |
| Income for living expenses (food, bills, clothing, and shortfall in rent/ CTS.....) | | | £191.77 |

£6.42 per week worse off (3.24%)

Working Age Population in Torbay

The following statistics provide an overview of the working age population in Torbay:

- In 2015/16, the number of working age residents aged between 16 and 64 was 76,800¹, which is 57.6% of Torbay's total population.
- During this period 58,700 residents were in employment, 3,300 unemployed and 14,800 economically inactive.

The table below shows employment by occupation during 2015/16.

| | Torbay (Numbers) | Torbay (%) | South West (%) | Great Britain (%) |
|---|---------------------|---------------|-------------------|----------------------|
| Soc 2010 Major Group 1-3 | 20,200 | 34.6 | 45.1 | 44.6 |
| 1 Managers, Directors and Senior Officials | 6,000 | 10.2 | 11.4 | 10.4 |
| 2 Professional Occupations | 8,000 | 13.6 | 19.4 | 19.9 |
| 3 Associate Professional & Technical | 6,300 | 10.7 | 14.2 | 14.1 |
| Soc 2010 Major Group 4-5 | 13,600 | 23.3 | 22.0 | 21.3 |
| 4 Administrative & Secretarial | 4,700 | 8.1 | 9.9 | 10.6 |
| 5 Skilled Trades Occupations | 8,900 | 15.1 | 12.0 | 10.5 |
| Soc 2010 Major Groups 6-7 | 13,500 | 23.1 | 17.0 | 16.9 |
| 6 Caring, Leisure and Other Service Occupations | 8,100 | 13.8 | 9.6 | 9.2 |
| 7 Sales and Customer Service Occupations | 5,400 | 9.2 | 7.3 | 7.6 |
| Soc 2010 Major Groups 8-9 | 11,100 | 19.0 | 16.0 | 17.2 |
| 8 Process Plant & Machine Operatives | 4,100 | 6.9 | 5.5 | 6.4 |
| 9 Elementary Occupations | 7,000 | 11.9 | 10.4 | 10.8 |

Source: ONS annual population survey

The table below shows the level of earnings during 2015/16.

| | Torbay (Pounds) | South West (Pounds) | Great Britain (Pounds) |
|--|--------------------|------------------------|---------------------------|
| Gross Weekly Pay | | | |
| Full-Time Workers | 421.6 | 498.8 | 529.6 |
| Men | 426.2 | 539.6 | 570.4 |
| Women | 414.1 | 440.1 | 471.6 |
| Hourly Pay – Excluding Overtime | | | |
| Full-Time Workers | 10.10 | 12.57 | 13.33 |
| Men | 10.04 | 13.24 | 13.93 |
| Women | 10.11 | 11.57 | 12.57 |

Source: ONS annual population survey of hours and earnings – resident analysis

¹ Source: ONS annual population survey

Working Age receiving Council Tax Support

This analysis focuses on working age people receiving Council Tax Support. The total count is broken down by household type and in some circumstances by age group.

It does not take into account households receiving DWP passported benefits that work under 16 hours a week, for this purpose these households will be treated as unemployed.

For classification reasons people that work 37 hours or more are treated as full time employees and less than 37 hours part time employees.

The figures are based on a database extract run in September 2016, showing a snapshot of claimants as on that date.

9,570 working age residents (8,084 households) receiving Council Tax Support, of which 1,866 (19.24%) were employed or in self-employment.

234 residents were contracted to work 37 hours or more per week (full time) and 1,632 less than 37 hours per week (part time).

From this the average weekly earnings for residents in full time employment was £160.59 and part time £114.89.

There are 157 households that are employed and have a disability, of which 85 have children and 72 with no children.

There are 14 households that are employed, have a disability and have at least one disabled child.

There are 74 households that are employed and receive a carer's allowance.

The table below shows the number of working age households receiving Council Tax Support in full and part time employment.

| Property Band | Single | Couples | Lone Parent | Couples with Children | Total |
|---------------|------------|-----------|-------------|-----------------------|--------------|
| A | 203 | 29 | 123 | 70 | 425 |
| B | 80 | 29 | 339 | 233 | 681 |
| C | 46 | 20 | 237 | 166 | 469 |
| D | 9 | 6 | 77 | 74 | 166 |
| E | 4 | 4 | 17 | 16 | 41 |
| F | 3 | 0 | 1 | 7 | 11 |
| G | 0 | 0 | 0 | 1 | 1 |
| H | 0 | 0 | 0 | 0 | 0 |
| Total | 345 | 88 | 794 | 567 | 1,794 |

Source: Revenue & Benefits Administration System

Around 76% of working age households receiving Council Tax Support and in full or part time employment are lone parents or couples with children.

The highest proportion of working age households in full or part time employment occupy band B at around 38%, with 26% in band C and 24% in band A. 12% occupy bands D to G and none in H.

The table below shows the number of full and part time jobs working age households have that receive Council Tax Support.

| Number of Jobs | Single | Couples | Lone Parent | Couples with Children | Total |
|----------------|------------|-----------|-------------|-----------------------|--------------|
| 1 | 334 | 77 | 754 | 484 | 1,649 |
| 2 | 11 | 10 | 37 | 81 | 139 |
| 3 | 0 | 1 | 3 | 2 | 6 |
| 4 | 0 | 0 | 0 | 0 | 0 |
| 5 | 0 | 0 | 0 | 0 | 0 |
| 6 | 0 | 0 | 0 | 0 | 0 |
| Total | 345 | 88 | 794 | 567 | 1,794 |

Source: Revenue & Benefits Administration System

This shows that lone parents and couples with children are more likely to have more than one job, which consists of 84% of all second and third jobs.

The table below shows the weekly average number of hours worked in full and part time employment for working age households receiving Council Tax Support.

| Hours Worked | Single | Couples | Lone Parent | Couples with Children | Total |
|--------------|--------|---------|-------------|-----------------------|--------------|
| Below 16 | 113 | 11 | 111 | 40 | 275 |
| 16 to 19 | 122 | 18 | 475 | 60 | 675 |
| 20 to 25 | 26 | 17 | 118 | 137 | 298 |
| 26 to 29 | 3 | 3 | 14 | 38 | 58 |
| 30 to 36 | 53 | 19 | 52 | 121 | 245 |
| 37 plus | 28 | 20 | 24 | 171 | 243 |
| Total | | | | | 1,794 |

Source: Revenue & Benefits Administration System

The highest proportion of working age households in full or part time employment and receiving Council Tax Support, work between 16 and 19 hours. From this around 70% are lone parents. The majority of single people also tend to work between 16 and 19 hours (68%).

However, around 60% of households that work 30 hours or more are couples with children.

The table below shows the number of working age households receiving Council Tax Support in full and part time employment and receiving Tax Credits.

| Hours Worked | Single | Couples | Lone Parent | Couples with Children | Total |
|--------------|--------|---------|-------------|-----------------------|--------------|
| Below 16 | 4 | 1 | 106 | 38 | 149 |
| 16 to 19 | 8 | 1 | 460 | 58 | 527 |
| 20 to 25 | 3 | 0 | 112 | 133 | 248 |
| 26 to 29 | 0 | 0 | 12 | 36 | 48 |
| 30 to 36 | 31 | 6 | 48 | 117 | 202 |
| 37 plus | 15 | 9 | 19 | 151 | 194 |
| Total | | | | | 1,368 |

Source: Revenue & Benefits Administration System

The highest proportion of working age households in employment, receiving Council Tax Support and Tax Credits, work between 16 and 19 hours. From this around 87% are lone parents.

Just over 95% of all working age lone parents receiving Council Tax Support, in full or part time employment, also receive Tax Credits.

It is also a similar trend for working age couples with children, in full or part time employment, as 94% also receive Tax Credits.

However, just 17% of single people and 19% of couples in full and part time employment receive Tax Credits.

The table below shows the claimant age by band for working age households receiving Council Tax Support.

| Age | Single | Couples | Lone Parent | Couples with Children | Total |
|--------------|--------------|------------|--------------|-----------------------|--------------|
| 18 to 20 | 64 | 2 | 52 | 16 | 134 |
| 21 to 25 | 152 | 34 | 377 | 99 | 662 |
| 26 to 34 | 317 | 38 | 802 | 367 | 1,524 |
| 35 to 49 | 1,260 | 119 | 1,068 | 506 | 2,953 |
| 50 plus | 2,130 | 311 | 245 | 125 | 2,811 |
| Total | 3,923 | 504 | 2,544 | 1,113 | 8,084 |

Source: Revenue & Benefits Administration System

This shows the majority of working age claimants receiving Council Tax Support are aged between 35 and pension age (90%). From this nearly half (48%) are single people and around 31% lone parents.

The table below shows the claimant age by band for working age households receiving Council Tax Support in full and part time employment.

| Age | Single | Couples | Lone Parent | Couples with Children | Total |
|--------------|--------|---------|-------------|-----------------------|--------------|
| 18 to 20 | 3 | 0 | 2 | 2 | 7 |
| 21 to 25 | 6 | 8 | 65 | 45 | 124 |
| 26 to 34 | 32 | 7 | 254 | 214 | 507 |
| 35 to 49 | 113 | 21 | 395 | 258 | 787 |
| 50 plus | 191 | 52 | 78 | 48 | 369 |
| Total | | | | | 1,794 |

Source: Revenue & Benefits Administration System

This shows the highest proportion of working age people receiving Council Tax Support in full or part time employment are lone parents and couples with children aged between 26 and 49 (62%).

Around 24% of all single people and couples without children are in full or part time employment.

However, the majority of people aged between 16 and 20 are not in full or part time employment (95%). It can be assumed that a high proportion of this group will be receiving a DWP passported benefit and in part time employment.

The table below shows the number of working age households receiving Council Tax Support in full and part time employment with savings (capital).

| Savings Amount (£) | Single | Couples | Lone Parent | Couples with Children | Total |
|---------------------------|---------------|----------------|--------------------|------------------------------|--------------|
| 0 | 274 | 70 | 685 | 461 | 1,490 |
| 1 to 500 | 45 | 8 | 66 | 57 | 176 |
| 501 to 999 | 9 | 3 | 13 | 13 | 38 |
| 1,000 to 1,499 | 2 | 0 | 4 | 8 | 14 |
| 1,500 to 2,000 | 3 | 2 | 4 | 3 | 12 |
| 2,000 to 2,999 | 3 | 1 | 12 | 10 | 26 |
| 3,000 to 3,999 | 3 | 0 | 4 | 5 | 12 |
| 4,000 to 4,999 | 4 | 1 | 2 | 4 | 11 |
| 5,000 to 5,999 | 2 | 3 | 4 | 6 | 15 |
| Total | | | | | 1,794 |

Source: Revenue & Benefits Administration System

Around 83% of working age households receiving Council Tax Support and in full or part time employment do not have any savings or capital and 17% have savings up to £5,999.

For households with savings, around 58% have savings up to £500 and 42% between £500 and £5,999.

The majority of households in this category that have savings are lone parents and couples with children at around 71%. From this 88% have savings up to £2,999 and 12% have savings between £3,000 and £5,999.

Self Employed

450 working age households receiving Council Tax Support are in self-employment.

There are 56 households that are in self-employment and have a disability, of which 26 have children and 30 with no children.

There are 5 households that are in self-employment, have a disability and have at least one disabled child.

There are 39 households that are in self-employment and receive a carer's allowance.

The table below shows the number of working age households receiving Council Tax Support in full and part-time self-employment.

| Property Band | Single | Couples | Lone Parent | Couples with Children | Total |
|----------------------|---------------|----------------|--------------------|------------------------------|--------------|
| A | 66 | 11 | 24 | 17 | 118 |
| B | 18 | 12 | 62 | 57 | 149 |
| C | 17 | 8 | 40 | 52 | 117 |
| D | 7 | 1 | 16 | 24 | 48 |
| E | 4 | 3 | 2 | 5 | 14 |
| F | 1 | 0 | 0 | 2 | 3 |
| G | 0 | 0 | 0 | 1 | 1 |
| H | 0 | 0 | 0 | 0 | 0 |
| Total | 113 | 35 | 144 | 158 | 450 |

Source: Revenue & Benefits Administration System

Around 67% of working age households receiving Council Tax Support and in full or part time self-employment are lone parents or couples with children.

The highest proportion of working age households in full or part time employment occupy band B at around 33%, with 26% in band A and 26% in band C. Around 15% occupy bands D to G and none in H.

The table below shows the average weekly earnings through self-employment for working age households receiving Council Tax Support.

| Weekly Income | Single | Couples | Lone Parent | Couples with Children | Total |
|----------------------|---------------|----------------|--------------------|------------------------------|--------------|
| 0.01 to 4.99 | 20 | 10 | 32 | 24 | 86 |
| 5.00 to 19.99 | 16 | 3 | 18 | 4 | 41 |
| 20.00 to 29.99 | 4 | 2 | 13 | 7 | 26 |
| 30.00 to 49.99 | 22 | 4 | 24 | 15 | 65 |
| 50.00 to 69.99 | 13 | 5 | 14 | 8 | 40 |
| 70.00 to 99.99 | 27 | 2 | 23 | 24 | 76 |
| 100.00 to 129.99 | 10 | 4 | 16 | 25 | 55 |
| 130.00 to 149.99 | 1 | 4 | 2 | 7 | 14 |
| 150.00 and above | 0 | 1 | 2 | 44 | 47 |
| Total | 113 | 35 | 144 | 158 | 450 |

Source: Revenue & Benefits Administration System

Around 48% of self-employed working age households earn less than £50 per week, with 26% between £50 and £100 per week and 26% above £100 per week.

18% of single people and couples with no children and 30% of lone parents and couples with children earn less than £50 per week.

10% of single people and couples with no children and 15% of lone parents and couples with children earn between £50 and £100 per week.

4% of single people and couples with no children and 21% of lone parents and couples with children earn above £100 per week.

The highest proportion of working age households earning more than £100 per week are couples with children at 17%.

The table below shows the average weekly earnings through self-employment for working age households receiving Council Tax Support aged between 21 and 24.

| Weekly Income | Single | Couples | Lone Parent | Couples with Children | Total |
|----------------------|---------------|----------------|--------------------|------------------------------|--------------|
| 0.01 to 4.99 | 0 | 0 | 0 | 1 | 1 |
| 5.00 to 19.99 | 1 | 1 | 0 | 0 | 2 |
| 20.00 to 29.99 | 0 | 0 | 0 | 0 | 0 |
| 30.00 to 49.99 | 0 | 0 | 0 | 0 | 0 |
| 50.00 to 99.99 | 0 | 0 | 1 | 1 | 2 |
| 100.00 to 149.99 | 1 | 1 | 0 | 0 | 2 |
| 150.00 to 234.49 | 0 | 0 | 0 | 1 | 1 |
| 234.50 and above | 0 | 0 | 0 | 0 | 0 |
| Total | 2 | 2 | 1 | 3 | 8 |

Source: Revenue & Benefits Administration System

There are no working age households in self-employment under 21 years of age.

2% of working age households in self-employment are aged between 21 and 24.

None earn above the set minimum income level of £234.50 for this age group (National Minimum Wage: £6.70 x 35 hours).

The table below shows the average weekly earnings through self-employment for working age households receiving Council Tax Support aged 25 and above.

| Weekly Income | Single | Couples | Lone Parent | Couples with Children | Total |
|----------------------|---------------|----------------|--------------------|------------------------------|--------------|
| 0.01 to 4.99 | 20 | 10 | 32 | 23 | 85 |
| 5.00 to 19.99 | 15 | 2 | 18 | 4 | 39 |
| 20.00 to 29.99 | 4 | 2 | 13 | 7 | 26 |
| 30.00 to 49.99 | 22 | 4 | 24 | 15 | 65 |
| 50.00 to 99.99 | 40 | 7 | 36 | 31 | 114 |
| 100.00 to 149.99 | 10 | 7 | 18 | 32 | 67 |
| 150.00 to 251.99 | 0 | 0 | 2 | 37 | 39 |
| 252.00 and above | 0 | 1 | 0 | 6 | 7 |
| Total | 111 | 33 | 143 | 155 | 442 |

Source: Revenue & Benefits Administration System

98% of working age households in self-employment are aged 25 and above.

Around 2% (7) earn above the set minimum income level of £252.00 for this age group (National Minimum Wage: £7.20 x 35 hours).

Final Proposed Scheme Changes

The proposed scheme from April 2017 onwards will be the scheme currently in place (2016/17) with the changes outlined below.

1 April 2017 - reducing the maximum level of support for working age customers from 75% to 72.5%

1 April 2018 - reducing the maximum level of support for working age customers from 72.5% to 70%

2016/17 Council Tax Reduction scheme, section 57, paragraph 57.1.

Torbay Council currently requires all working age recipients of Council Tax Support to make a minimum payment of 25% towards their Council Tax.

This would increase to 27.5% from 01/04/17 and 30% from 1 April 18.

1 April 2017 - Removing the Family Premium for all new working age applicants

2016/17 Council Tax Reduction scheme Schedule 1 Paragraph 3.

The removal of family premium from 1st April 2017 for new claims will bring the Council's Council Tax Support scheme in line with Housing Benefit. The family premium is part of how we assess the 'needs' (Applicable Amounts) of any claimant which is compared with their income. Family Premium is normally given when a claimant has at least one dependant child living with them. Removing the family premium will mean that when we assess a claimant's needs we would not include the family premium (currently £17.45 per week). This change would not affect those on Universal Credit, Income Support, Income Related Employment and Support Allowance or Income Based Jobseeker's Allowance.

1 April 2017 - Reducing Backdating to 1 month

2016/17 Council Tax Reduction scheme, section 69.9.

Currently claims for Council Tax Support from working age claimants can be backdated for up to 6 months where an applicant shows they could not claim at an earlier time. Central Government has reduced the period for Housing Benefit claims to one month. It is proposed that the Council's Council Tax Support Scheme be aligned with the changes for Housing Benefit.

1 April 2017- Reducing the period for which a person can be absent from Great Britain and still receive Council Tax Support to 4 weeks

2016/17 Council Tax Reduction scheme, section 8.0.

Within the current scheme, applicants can be temporarily absent from their homes for 13 weeks (or 52 weeks in certain cases) without it affecting Council Tax Support. This replicates the rule within Housing Benefit. Housing Benefit has been changed so that if a person is absent from Great Britain for a period of more than 4 weeks, their benefit will cease. It is proposed that the Council Tax Support scheme is amended to reflect the changes in Housing Benefit. There will be exceptions for certain occupations such as mariners and the armed forces. The 4 weeks can be extended to 8 weeks in special circumstances.

1 April 2017 - Minimum set income for self-employed earners after one year's trading

2016/17 Council Tax Reduction scheme, section 20.

In order to align Council Tax Support with Universal Credit, the Council proposes to use a minimum level of income (minimum income floor) for those who are self-employed. This would be in line with the National Living Wage for 35 hours worked per week. The income would not apply for a designated start-up period of one year from the start of the business. Variations would apply to any person who is both employed and self-employed.

For full details on this change see pages 3 to 7.

1 April 2017 - Limiting the number of dependant children within the calculation for Council Tax Support to a maximum of two

2016/17 Council Tax Reduction scheme, schedule 1 paragraph 2.

Within the current scheme, claimants who have children are awarded a dependant's addition of £66.90 per child within the calculation of their needs (Applicable Amounts). There is no limit to the number of dependant's additions that can be awarded. From April 2017 Central Government will be limiting dependant's additions in Universal Credit, Housing Benefit and Tax Credits to a maximum of two. This will only affect households who have a third or subsequent child on or after 1st April 2017. It is proposed that the Council Tax Support scheme is amended to reflect the changes in Housing Benefit and Central Government Benefits.

In the unlikely event that this proposed change is not effected by Central Government by 1st April 2017, the scheme will not be amended for 2017 but will be amended from 2018.

1 April 2018 - Restrict the level of support to a maximum of Council Tax band D

2016/17 Council Tax Reduction scheme, section 57, paragraph 57.1.

The current Council Tax Support Scheme uses the full amount of Council Tax charge irrespective of the band of the property. There are eight Council Tax Bands A to H with Band D being the national average. It is proposed that where an applicant lives in a property which is Band E, F, G or H then Council Tax Support will be calculated on the basis of a Band D charge.

Self Employed Minimum Set Income (Regulation Changes)

Regulations 27.0 to 29.6A would be applied

27.0 Earnings of self-employed earners

27.1 Subject to paragraph 27.2, 'earnings', in the case of employment as a self- employed earner, means the gross income of the employment plus any allowance paid under section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 to the applicant for the purpose of assisting him in carrying on his business unless at the date of claim the allowance has been terminated.

27.2 'Earnings' shall not include any payment to which paragraph 27 or 28 of Schedule 4 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor shall it include any sports award.

27.3 This paragraph applies to—

- a. royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
- b. any payment in respect of any—
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book of work concerned.

27.4 Where the applicant's earnings consist of any items to which paragraph 27.3 applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by

- (a) the amount of the reduction under this scheme which would be payable had the payment not been made, plus
- (b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 3 (sums to be disregarded in the calculation of earnings) as appropriate in the applicant's case.

28.0 Calculation of net profit of self-employed earners

28.1 For the purposes of section 20 (average weekly earnings of self- employed earners) the earnings of an applicant to be taken into account shall be

- a. in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- b. in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment,

less–

- i. an amount in respect of income tax and of social security contributions payable under the Act calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
- ii. one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.

28.2 There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in paragraph 1 to 14 of Schedule 3.

28.3 For the purposes of paragraph 28.1 a) the net profit of the employment must, except where paragraph 28.9 applies, be calculated by taking into account the earnings for the employment over the assessment period less

- a. subject to paragraphs 28.5 to 28.7, any expenses wholly and exclusively incurred in that period for the purposes of that employment;
- b. an amount in respect of;
 - (i) income tax, and
 - (ii) social security contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
- c. one-half of the amount calculated in accordance with paragraph (28.11) in respect of any qualifying premium.

28.4 For the purposes of paragraph 28.1b) the net profit of the employment shall be calculated by taking into account the earnings of the employment over the assessment period less, subject to paragraphs 28.5 to 28.8, any expenses wholly and exclusively incurred in that period for the purposes of the employment.

28.5 Subject to paragraph 28.6 no deduction shall be made under paragraph 28.3 a) or 28.4, in respect of–

- a. any capital expenditure;
- b. the depreciation of any capital asset;
- c. any sum employed or intended to be employed in the setting up or expansion of the employment;
- d. any loss incurred before the beginning of the assessment period;
- e. the repayment of capital on any loan taken out for the purposes of the employment;
- f. any expenses incurred in providing business entertainment, and
- g. any debts, except bad debts proved to be such, but this sub-paragraph shall not apply to any expenses incurred in the recovery of a debt.

28.6 A deduction shall be made under paragraph 28.3 a) or 28.4 in respect of the repayment of capital on any loan used for–

- a. the replacement in the course of business of equipment or machinery; and
- b. the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.

28.7 The authority shall refuse to make deduction in respect of any expenses under paragraph 28.3 a. or 28.4 where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.

28.8 For the avoidance of doubt–

- a. deduction shall not be made under paragraph 28.3 a) or 28.4 in respect of any sum unless it has been expended for the purposes of the business;
- b. a deduction shall be made thereunder in respect of–
 - i. the excess of any value added tax paid over value added tax received in the assessment period;
 - ii. any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
 - iii. any payment of interest on a loan taken out for the purposes of the employment

28.9 Where an applicant is engaged in employment, as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less an amount in respect of

- a. income tax; and
- b. social security contributions payable under the Act, calculated in accordance with section 29 (deduction of tax and contributions for self-employed earners); and
- c. one-half of the amount calculated in accordance with paragraph 28.11 in respect of any qualifying contribution

28.10 For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.

28.11 The amount in respect of any qualifying premium shall be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this section the daily amount of the qualifying premium shall be determined

- a. where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and divided the product by 365;
- b. in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.

28.12 In this section, 'qualifying premium' means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.

29.0 Deduction of tax and contributions of self-employed earners

29.1 The amount to be deducted in respect of income tax under section 28.1b) i), 28.3 b) i) or 28.9 a) i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act

1988(personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal reliefs deductible under this paragraph shall be calculated on a pro rata basis.

29.2 The amount to be deducted in respect of social security contributions under paragraphs 28.1 b)(i); 28.3 b) ii) or 28.9 a shall be the total of–

- a. the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the Act at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of the Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and
- b. the amount of Class 4 contributions (if any) which would be payable under section 15 of the Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits shall be reduced pro rata.

29.3 In this section 'chargeable income' means–

- a. except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph 28.3(a) or, as the case may be, 28.4 of section 28;
- b. in the case of employment as a child minder, one-third of the earnings of that employment

29 A.1 Where no start up period (as defined within 29A.2) applies to the applicant and the income from self employment of the applicant or partner as calculated by reference to parts 27 to 29 of this scheme is less than an amount to be determined as appropriate for the employment market that the claimant or partner is operating in, the income used by the Council in the calculation of their award will be substituted to that appropriate amount. This amount shall not be less than 35 x the hourly minimum wage for an ordinarily employed worker, or where higher the number of hours declared by the applicant multiplied by the minimum wage for an ordinary employed worker. From that the Council will deduct only an estimate for tax, national insurance and half a pension contribution (where a pension contribution is being made), as if estimating the income of an ordinarily employed worker.

29 A.2 The Council shall determine an appropriate start up period for the employment activity being conducted by the claimant or partner. This will normally be one year from the date of claim, or one year from the date of commencement of the employment activity, whichever is sooner. During this period no Minimum Income Floor shall be applied. The start-up period ends where the person is no longer in gainful self-employment.

29 A.3 Where a claimant or partner holds a position in a company that is analogous to that of a sole owner or partner in the business of that company, he shall be treated as if he were such sole owner or partner and in such a case be subject to the Minimum Income Floor where appropriate.

29 A.4 Ordinarily, no start-up period may be applied in relation to a claimant where a start-up period has previously been applied, whether in relation to a current or previous award of a Council Tax Relief or where one would have been applied, if not for the operation of Council Tax Benefit. The Council may allow a subsequent employment to qualify for a start up period based on the previous history of the claimant and an assessment of such evidence that would support a decision to allow for a subsequent start up period.

29 A.5 In order to establish whether to award a start up period, or at its discretion a subsequent start up period, the claimant must satisfy the Council that the employment is

- Genuine and effective. The Council must be satisfied that the employment activity is being conducted.
- Taking up at least 35 hours per week
- Being conducted with the intention of increasing the income received to the level that would be conducive with that form of employment.

29 A.6 For the purposes of determining whether a claimant is in gainful self-employment or meets the conditions for a start up-period, the Council will require the claimant to provide such evidence or information that it reasonably requires to make that decision, the Council may also require the self employed person to attend an interview for the purpose of establishing whether the employment is gainful or whether the conditions for a start up period are met.

Council Tax Support Schemes in Devon (2016/17)

All schemes are based on the Council Tax Benefit rules but with the changes shown below.

| Name of Authority | Limit Liability | Second Adult Rebate | Band Restriction | Capital Limit | Hardship Fund |
|------------------------------|------------------------|----------------------------|-------------------------|----------------------|----------------------|
| East Devon District Council | 80% | Withdrawn | Band D | £8,000 | Yes |
| Exeter City Council | 80% | Withdrawn | No restriction | £6,000 | Yes |
| Mid Devon District Council | 80% | Withdrawn | Band D | £8,000 | Yes |
| North Devon District Council | 75% | Withdrawn | Band D | £6,000 | Yes |
| South Hams District Council | 80% | Withdrawn | Band D | £16,000 | Yes |
| Teignbridge District Council | 100% | Withdrawn | Band D | £6,000 | No |
| Torridge District Council | 75% | Withdrawn | Band D | £6,000 | Yes |
| West Devon District Council | 80% | Withdrawn | Band D | £16,000 | Yes |
| Torbay Council | 75% | Withdrawn | No restriction | £6,000 | Yes |
| Plymouth City Council | 80% | Withdrawn | Band E | £6,000 | Yes |



Meeting: Council

Date: 8 December 2016

Wards Affected: All Wards

Report Title: Council Tax Base 2017/18

Is the decision a key decision? Yes

When does the decision need to be implemented?

Executive Lead Contact Details: Mayor, 01803 207001, mayor@torbay.gov.uk

Supporting Officer Contact Details: Martin Phillips, 01803 207285 and
Martin.Phillips@torbay.gov.uk

1. Proposal and Introduction

- 1.1 The Council is required to determine its Tax Base for Council Tax purposes for 2017/18 during the period 1 December 2016 to 31 January 2017 and the level of Council Tax subsequently set must use this base figure. A Tax Base calculation is provided in Appendix 1 for an appropriate decision to be made.
- 1.2 The Council, as a billing authority, is required to calculate a separate Tax Base for the Brixham Town Council area. A Tax Base calculation for the area is provided in Appendix 2 for an appropriate decision to be made.

2. Proposed Decision

- 2.1 **That the calculation of the Council Tax Base for the year 2017/18 be approved as shown in Appendix 1 to the submitted report.**
- 2.2 **That the calculation of the Brixham Town Council Tax Base for the year 2017/18 be approved as shown in Appendix 2 to the submitted report.**
- 2.3 **That, in accordance with the Local Authorities (Calculation of Tax base) (England) Regulations 2012, the amount calculated by Torbay Council as its Council Tax base for the year 2017/18 should be 44,049.22. (Dependant on approval of 2.1).**
- 2.4 **That, in accordance with the Local Authorities (Calculation of Tax base) (England) Regulations 2012, the amount calculated by Torbay Council as the Council Tax base for Brixham Town Council for the year 2017/18 should be 5,900.83. (Dependant on approval of 2.2).**

3. Reason for Decision

- 3.1 The calculation of the Council Tax Base for both Torbay and Brixham Town Council is a statutory requirement in the budget setting process.

For more detailed information on this proposal please refer to the supporting information.

Supporting Information

4. Position

A1. Taxbase

- A1.1 The Council is required by the 31st January to establish a base figure for the purpose of setting the level of Council Tax each year – the “Tax Base”. The calculation of this figure is prescribed by the Local Authorities (Calculation of Tax Base) (England) Regulations 2012.
- A1.2 The Regulations require this calculation to be made between 1st December 2016 and 31st January 2017 and for this figure to be notified to precepting authorities by the 31st January 2017. For the year commencing 1st April 2017 these will be the major precepting authorities of Police and Crime Commissioner for Devon and Cornwall, Devon and Somerset Fire and Rescue Authority and as a local precepting authority, Brixham Town Council.
- A1.3 Torbay Council, together with Police and Crime Commissioner for Devon and Cornwall, Devon and Somerset Fire and Rescue Authority and Brixham Town Council are required to use the tax base calculated by Torbay Council, as the billing authority, to determine their basic amounts of Council Tax for 2017/18.
- A1.4 The calculation of the tax base is prescribed by statute. It reflects the aggregate of the “relevant amounts” for each valuation band (including the impact from Council Tax Support Scheme) multiplied by the anticipated collection rate for the year. The calculation for the Council’s tax base is shown in Appendix 1 and the calculation for Brixham Town Council is shown in Appendix 2.
- A1.5 The calculation of the relevant amount begins with the actual number of dwellings on the “relevant date”. For 2017/18 this is the 30th November 2016 and this is the date that must be used. This number is adjusted to make allowance for estimated variations to the list in the course of the year and for the impact of allowed discounts to certain classes of dwellings.
- A1.6 The impact of the Council Tax Support Scheme including the impact of the exceptional hardship scheme, which is linked to claimants, is converted to an equivalent number of dwellings per band by dividing the estimated cost per band of the reductions divided by the estimated Council Tax for that band. Council is due to receive a proposal for the scheme in 2017/18 at its December meeting. The calculation of the tax base incorporates those proposals.
- A1.7 These are then converted into Band “D” equivalents to produce the “relevant” amounts prescribed by the Regulations.

- A1.8 The billing authority then estimates its Council Tax Collection Rate, which is the percentage of 2017/18 Council Tax demands which it predicts will be paid into the Collection Fund during 2017/18. The in year Collection rate estimated for 2017/18 is 96.0% and this is reflected in the Tax Base calculation. Any tax collected in excess of 96.0% for the billing year 2017/18 and prior years will be reflected in the annual Collection Fund surplus.
- A1.9 The calculated Council's tax base for 2017/18 of 44,049.22 compares with the 2016/17 tax base of 43,180.70 a 2.0% increase. This increase reflects the growth in the number of properties, which may be either new build or older properties, adapted and brought back in to use offset by the number of dwellings subject to an exemption, discount or a reduction and the impact of the Council Tax Support Scheme.
- A1.10 To calculate the council tax due to Brixham Town Council a Tax Base must be determined by Torbay Council, as the billing authority. The tax base for Brixham Town Council is and the calculation is shown in Appendix 2.
- A1.11 The calculated Brixham Town Council's tax base for 2017/18 of 5,900.83 compares with the 2016/17 tax base of 5,811.07 a 1.5% increase.

A2 Technical Adjustments

- A2.1 Within the taxbase calculation there are a number of exemptions and discounts for certain categories of dwellings. Some of these are set by central government and some the Council has discretion over. There are no new options available for discretionary technical adjustments and therefore no changes are proposed.

3. Possibilities and Options

- 3.1 None – calculation of taxbase is based on statute.

4. Fair Decision Making

- 4.1 Not applicable

5. Public Services (Social Value) Act 2012

- 5.1 Not applicable

6. Risks

- 6.1 If taxbase not approved by end of January 2017 then the Council is unable to set a budget and this will impact on other precepting bodies.

7. Appendices

- Appendix 1 The calculation of Torbay Council Tax Base 2017/18
Appendix 2 The calculation of Brixham Town Council Tax Base 2017/18

30th November 2016 - "Relevant date"

| TORBAY COUNCIL | | TAX BASE CALCULATION | | | | | | | | | | 2017/2018 | |
|---|---|----------------------|-----------|-----------|-----------|----------|----------|----------|--------|-----------|--|-----------|--|
| | BAND A <small>with disabled relief</small> | BAND A | BAND B | BAND C | BAND D | BAND E | BAND F | BAND G | BAND H | TOTAL | | TOTAL | |
| (H) CHARGEABLE DWELLINGS FOR BAND | 18.00 | 13,276.00 | 17,354.00 | 16,314.00 | 10,055.00 | 4,950.00 | 2,320.00 | 1,211.00 | 108.00 | 65,606.00 | | | |
| (C) Total Discounts | 2.44 | 2,229.54 | 1,820.74 | 1,377.44 | 709.77 | 295.65 | 131.84 | 74.79 | 6.98 | 6,649.19 | | | |
| (E) Long Term Empty Premium | - | 65.50 | 35.50 | 12.50 | 11.00 | 5.50 | 2.50 | 0.50 | 0.50 | 133.50 | | | |
| (J) Total Adjustments | 0.00 | 0.00 | 0.00 | 0.00 | 150.00 | 0.00 | 0.00 | 0.00 | 0.00 | 150.00 | | | |
| (Z) Local Council Tax Scheme Reductions | 0.00 | 3,424.83 | 3,069.14 | 1,862.03 | 748.58 | 184.49 | 51.38 | 11.25 | 0.00 | 9,351.70 | | | |
| TOTAL DWELLINGS | 15.56 | 7,687.13 | 12,499.62 | 13,087.03 | 8,757.65 | 4,475.36 | 2,139.29 | 1,125.46 | 101.52 | 49,888.61 | | | |
| (F) Ratio to Band D | 5.9 | 6.9 | 7.9 | 8.9 | 9.9 | 11.9 | 13.9 | 15.9 | 18.9 | | | | |
| (A) RELEVANT AMOUNTS' for 2017/2018 | 8.60 | 5,124.80 | 9,721.90 | 11,632.90 | 8,757.60 | 5,469.90 | 3,090.10 | 1,875.80 | 203.00 | 45,884.60 | | | |
| [(H+Q+E+J)-Z] x (F divided by G) [Section 4 (1) of The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012] | | | | | | | | | | | | | |
| (B) COLLECTION RATE | 96.0% | | | | | | | | | | | | |
| TAX BASE - (A) x (B) | 44,049.22 | | | | | | | | | | | | |

30th November 2016 - "Relevant date"

Brixham Town Council **TAX BASE CALCULATION** **2017/2018**

| | BAND A with disabled relief | BAND B | BAND C | BAND D | BAND E | BAND F | BAND G | BAND H | TOTAL |
|---|--------------------------------|---------------|-----------------|-----------------|---------------|---------------|--------------|-------------|-----------------|
| (H) CHARGEABLE DWELLINGS FOR BAND | 9.00 | 2,213.00 | 2,430.00 | 1,531.00 | 648.00 | 313.00 | 96.00 | 3.00 | 8,636.00 |
| (Q) Total Discounts | 1.70 | 213.28 | 192.38 | 101.59 | 36.86 | 16.84 | 7.45 | 0.50 | 789.77 |
| (E) Long Term Empty Premium | - | 7.50 | 0.50 | 1.50 | - | - | - | - | 14.50 |
| (J) Total Adjustments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (Z) Local Council Tax Scheme Reductions | 0.00 | 361.37 | 274.99 | 106.93 | 32.00 | 8.18 | 0.00 | 0.00 | 1,179.52 |
| TOTAL DWELLINGS | 7.30 | 825.85 | 1,963.13 | 1,323.98 | 579.14 | 287.98 | 88.55 | 2.50 | 6,681.21 |
| (F) Ratio to Band D | 5.9 | 6.9 | 7.8 | 9.9 | 11.9 | 13.9 | 15.9 | 18.9 | |
| (A) RELEVANT AMOUNTS' for 2017/2018 | 4.10 | 550.60 | 1,246.60 | 1,745.00 | 707.80 | 416.00 | 147.60 | 5.00 | 6,146.70 |

[Section 4 (1) of The Local Authorities
(Calculation of Council Tax Base)
(England) Regulations 2012]

[Section 3 (1) of The Local Authorities
(Calculation of Council Tax Base)
(England) Regulations 2012]

(B) COLLECTION RATE

96.0%

TAX BASE - (A) x (B)

5,900.83

Meeting: Council

Date: 8 December 2016

Wards Affected: All Wards

Report Title: Adoption of Planning Contributions and Affordable Housing Supplementary Planning Document

Is the decision a key decision? Yes

When does the decision need to be implemented? Immediately

Executive Lead Contact Details: Mark King, Executive Lead for Planning, Transport and Housing, 07873254117, mark.king@torbay.gov.uk

Supporting Officer Contact Details: David Pickhaver, Senior Strategy and Project Officer, (01803) 208815, david.pickhaver@torbay.gov.uk

1. Proposal and Introduction

- 1.1 Following adoption of the Torbay Local Plan 2012-30 and submission of Community Infrastructure Levy (CIL), the Council needs to review its Planning Contributions and Affordable Housing Supplementary Planning Guidance (SPD). The existing SPD was adopted in 2008, and has been updated several times (most recently in 2011). It is therefore in need of refreshing to reflect the priorities of the Corporate Plan and Local Plan.
- 1.2 The SPD sets out the Council's approach to developer contributions. The SPD cannot make policy but sets out how the policies in the Adopted Local Plan can be implemented. The SPD covers both residential and commercial development.
- 1.3 The Draft Planning Contributions and Affordable Housing SPD was the subject of public consultation between 19 September and 31 October 2016. This report recommends that the SPD is adopted with a number of modifications. These modifications are relatively minor in nature and do not affect the structure of the SPD.
- 1.4 A consultation statement setting out representations to the SPD, and the Council's response is set out at Appendix 3. The main issue to arise from the development industry is that S106 Obligations must meet the "test of lawfulness" and must not be applied as a roof tax.
- 1.5 The second major issue is whether the Council should adhere to the Local Plan threshold of 3 dwellings for greenfield sites or apply a higher threshold of 11 dwellings as per Government's Written Ministerial Statement of 28 November 2014. There is more information on this below and in Appendix 1.

- 1.6 The Council is proposing to implement CIL primarily on smaller sites. When CIL is implemented s106 Obligations will be scaled back for sites paying CIL. Wider “sustainable development” s106 contributions will not be sought from such sites. However they will still need to address matters necessary to direct site delivery, which may entail s106 Obligations.
- 1.7 The CIL Examination is still underway. Subject to the CIL Examiner’s Report, it is intended to seek infrastructure s106 contributions from large sites (15+ dwellings) within Future Growth Areas, and potentially other strategic sites.
- 1.8 The draft SPD prioritised S106 Obligations into three bands. This retains the broad approach of the existing (2007) SPD. It is recommended that this approach is retained. This respects the Council’s Corporate Priorities as well as the regulations governing the use of S106 Obligations.
- 1.9 **Priority 1: Site Delivery Matters:** (Note that this was formerly called “site acceptability” but it is recommended that it should be renamed “deliverability” following representations). This covers essential site-specific matters to mitigate the impact of development, without which planning permission should not be granted. Site delivery matters apply to all development. They cover matters such as access, flooding, drainage/sewer capacity, direct biodiversity and landscaping. In some instances, improvements to the public realm and urban regeneration will be central to the delivery of a site, particularly in town centres, conservation areas and community investment areas (see Local Plan Policies SS10 and SS11).
- 1.10 Planning conditions will be used for site delivery matters wherever possible. Works to the highway are often achieved through s278 Agreements, which are not subject to all of the restrictions affecting s106 Obligations. If the development is sufficiently viable, then issues in the next priority band are considered.
- 1.11 **Priority 2: Affordable Housing, employment and health infrastructure:** This includes employment provision and healthcare on developments giving rise to additional care needs. Affordable Housing is governed by Policy H2 of the Local Plan, and the SPD provided additional guidance on it. Affordable housing is generally given the highest priority after site delivery matters.
- 1.12 This category applies to housing developments above the threshold for affordable housing. The threshold for affordable housing is set out in Policy H2 of the Local Plan, which is 3 dwellings for greenfield sites and 15 dwellings on brownfield sites. The (previous) government has sought to impose a higher threshold of 11 dwellings. A full discussion of this is set out in Appendix 1. The Draft SPD recommended following a threshold of 11 dwellings, which the Government set in a Written Ministerial Statement (WMS) in November 2014. However representations argued that the Local Plan threshold should be binding and is not overwritten by the WMS. These also point out the high level of affordable housing need in Torbay. Officers agree with this view.
- 1.13 However, there is a legitimate alternative view, expressed by the Mayor, that the Council should apply the higher threshold of 11 dwellings, given that this is the view of Government.

- 1.14 This section of the SPD also seeks contributions to mitigate the loss of employment from applications which entail the loss of jobs. It also promotes local labour agreements to maximise the employment benefit arising from development.
- 1.15 Development giving rise to potential healthcare/social service demands, such as sheltered housing, will be expected to contribute towards the additional care needs arising from the development (although affordable housing will generally be prioritised).
- 1.16 This category has the next highest level of priority after site acceptability matters. If the development is sufficiently viable, then issues in the next priority band 'sustainable development' are considered.
- 1.17 **Priority 3: Sustainable development infrastructure from larger developments.** This applies to developments where CIL is not sought (i.e. larger residential developments in Future Growth Areas) and all commercial developments that have an impact which needs to be mitigated. These matters are still required to make development acceptable in planning terms, but are not essential to render the development physically safe or legal. Examples include education, lifelong learning, open space, recreation, wider environmental/green infrastructure, and waste management. As noted above, it is intended to clarify the SPD to emphasise that they cannot be sought as a "roof tax" but must relate to specific projects.
- 1.18 Where development creates a particular need to monitor its impacts, the SPD seeks a monitoring contribution towards the cost of this. Again this must relate to specific costs borne by the Council and cannot be applied as roof tax.
- 1.19 The approach to s106 Obligations is set out in Figure 1.

Figure 1: S106 Themes and prioritisation. This is the recommended approach.

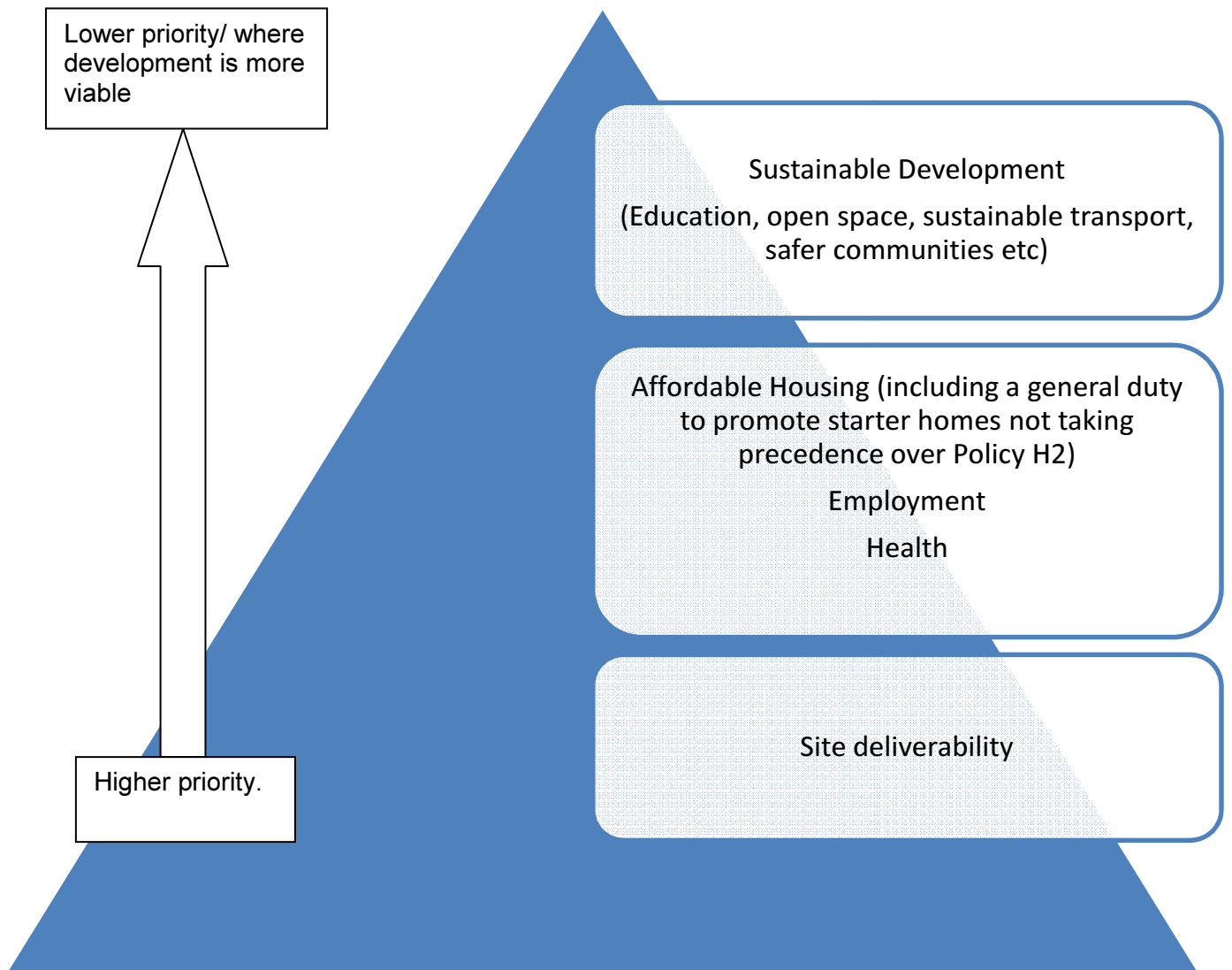


Figure 1

Notes to Figure 1

Note 1 - Affordable Housing. Affordable housing is defined in the National Planning Policy Framework. The Council will have regard to a general duty to promote starter homes but this will not take precedence over Policy H2 unless required to do so by Regulations or other legislation.

Note 2 - Community Investment Areas. Policy H2 and Policy SS11 of the Local Plan indicates that the Council may agree reduced affordable housing provision where this would secure significant benefits to disadvantaged areas, including enhancement of the local natural or built environment.

- 1.20 The SPD also sets out guidance on implementation, including the commissioning of independent viability assessments where developers seek to negotiate reduced s106 contributions to those set out in the SPD. It also sets out instances where mitigation of s106 obligations will be offered, and provides advice on clawback arrangements and timescales for renegotiation of Agreements.
- 1.21 The review of the SPD provides formulas for calculating the impact of development, for example upon the need for school spaces. The current SPD (Update 3, approved in 2011) formulas add up to about £5,800 for a 3-4 bedroom house (excluding affordable housing). The draft SPD indicates that contributions will be higher than this at around £10,000 for a 3-4 bedroom house. However the full range of contributions can only be applied to larger sites where CIL is not being levied. Moreover they must comply with the tests of lawfulness. In practice this means that specific projects must be identified that relate to the development and do not breach pooling limits.

2. Reason for Proposal

- 2.1 S106 Obligations are governed by a number of factors, including legislation, government policy, the Torbay Corporate Plan, the Local Plan, and proposals for CIL.
- 2.2 The structure recommended in Section 1 above sets a priority for seeking S106 Obligations, which follows Local Plan policies and Corporate Plan priorities of a Healthy and Prosperous Torbay.
- 2.3 In practice larger developments usually require independent assessment of viability, and the structure provides guidance on which matters will be prioritised. Site delivery matters will necessarily need to take priority and there is very limited scope to waive these matters for viability reasons. Affordable housing, employment and health items will be given the next highest level of priority, followed by the broader sustainable development contributions.
- 2.4 Each planning application must be determined on its merits and there may be specific material considerations that dictate that a different priority may need to be given to S106 Obligations.
- 2.5 The SPD must be kept up to date with evolving legislation and evidence. It may need adjustments depending on the CIL Examination's outcome.

3 Recommendation(s) / Proposed Decision

Mayoral Recommendation:

- 3.1 That following consideration of representations made on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document (SPD), the SPD be adopted, with minor modifications, as a Supplementary Planning Document as set out in Appendix 3 to the submitted report.
- 3.2 That the Executive Head of Business Services, in consultation with the Executive Lead for Planning, Transport and Housing, be given delegated powers to make minor amendments to the document to ensure legibility and clarity.

Officer Recommendation:

- 3.3 That following Consideration of representations received on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document (SPD), the SPD be adopted, with minor modifications, as a Supplementary Planning Document as set out in Appendix 3 to the submitted report except that the threshold for provision of affordable housing in paragraph 3.4 of the SPD, and accompanying text elsewhere, be amended to 3 instead of 11 to ensure that the document adheres to the affordable housing thresholds set out in Policy H2 of the Adopted Torbay Local Plan, i.e. 3 dwellings for greenfield sites and that the Written Ministerial Statement of 28 November 2014 should be noted in the SPD as a material consideration.
- 3.4 That the Executive Head of Business Services, in consultation with the Executive Lead for Planning, Transport and Housing, be given delegated powers to make minor amendments to the document to ensure legibility and clarity.

Appendices

- Appendix 1: Supporting statement and impact assessment
- Appendix 2 Consultation statement setting out representations, recommended response and proposed modifications where appropriate. (Note that this will follow, after the consultation period ends on 31 October 2016. This is likely to entail some modifications to the SPD).
- Appendix 3: Planning Contributions and Affordable Housing SPD. Wording recommended for approval. Note that this will incorporate recommended minor modifications in response to consultation on the SPD

Background Documents

Torbay Local Plan 2012-30 A landscape for success.

<http://www.torbay.gov.uk/newlocalplan>

Torbay CIL Viability Study –Economic Viability Update. Peter Brett Associates January 2016.

<http://www.torbay.gov.uk/index/yourservices/planning/strategicplanning/evidencebase.htm>

Community Infrastructure Regulations 2010 (as amended)

National Planning Policy Framework especially paragraphs 153, 173, and 203 to 206

(National) Planning Practice Guidance part 23b (updated 19/05/2016)

Housing and Planning Act 2016.

Starter Homes Regulations, Technical Consultation, DCLG March 2016.

Written Ministerial Statement dated 28/11/2014

Court of Appeal Judgement in the case of Secretary of State CLG verses West Berkshire District Council and Reading Borough Council [2016] EWCA Civ 441

Appeal decision APP/K3605/W/16/3146699, 26 The Avenue, Claygate, Esher, Surrey (The "Elmbridge decision")

Appeal decision APP/W0530/W/16/3142834. Land south of Kettles Close, Oakington, Cambridgeshire. ("The Cambridgeshire decision").

Supporting Information and Impact Assessment

| | |
|--------------------------------|--|
| Service / Policy: | Supplementary Planning Document |
| Executive Lead: | Mark King, Executive Lead for Planning , Transport , Housing and Waste |
| Director / Assistant Director: | Kevin Mowat, Executive Head, Business Services |

| | | | | | |
|----------|-----|-------|-----------------|---------|-----------------|
| Version: | 2.0 | Date: | 19 October 2016 | Author: | David Pickhaver |
|----------|-----|-------|-----------------|---------|-----------------|

| Section 1: Background Information | |
|--|---|
| 1. | <p>What is the proposal / issue?</p> <p>It is proposed to adopt the Planning Contributions and Affordable Housing Supplementary Planning Document (SPD). The draft document has been the subject of consultation between 19 September and 31 October and a number of modifications are proposed in response to issues raised. These modifications are not considered to be major.</p> <p>When adopted, the SPD will provide detailed advice on seeking s106 Planning Obligations. It will seek to ensure that development contributes to the infrastructure etc that the development generates a need for.</p> <p>The SPD cannot make policy but fleshes out policies in the Adopted Torbay Local Plan 2012-30.</p> |
| 2. | <p>What is the current situation?</p> <p>Adopted Torbay Local Plan Policies and existing SPD.</p> <p>The Torbay Local Plan 2012-30 was adopted on 10 December 2015. It contains a number of policies that seek Planning Obligations and affordable housing. A full list of these policies is set out in the SPD.</p> <p>The Council Minute which adopted the Local Plan retained the Planning and Contributions SPD pending its review or replacement.</p> <p>The current SPD was adopted in 2008 and updated in 2011 (Update 3). Whilst the broad approach taken remains appropriate, there has been significant legislative change to planning since 2008. In particular the CIL Regulations place legal restrictions on the use of s106 Obligations.</p> <p>There is a pressing need to review the SPD to ensure that it reflects current circumstances, legislation and Corporate Priorities.</p> |
| 3. | <p>What options have been considered?</p> <p>Relying on the current (2008) SPD is not an option because it is out of date</p> |

and does not reflect current legislation or Corporate priorities.

Relying just on the Policies in the Local Plan would result in uncertainty and be likely to result in fewer s106 obligations being negotiated successfully.

The Council has considered moving to a CIL only approach where a minimum use is made of S106 Obligations. This is likely to create uncertainties about funding for infrastructure serving strategic developments.

4.

How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?

The SPD has been drafted to prioritise the Council's Corporate goals of a Prosperous and Healthy Torbay. This is summarised in the nested table below.

| How S106 Obligations Deliver Corporate Plan Ambitions of a health and Prosperous Torbay | |
|--|--|
| Corporate Plan Action | How reflected in S106 |
| Protecting all children and giving them the best start in life | Affordable housing, education contributions |
| Working towards a more prosperous Torbay | Affordable housing, employment contributions to mitigate loss of employment. The SPD includes mechanisms to ensure that s106 obligations do not harm development viability. |
| Promoting healthy lifestyles across Torbay | Open space contributions, sustainable transport. Some site acceptability matters. Note that separate SPD is also being prepared on Health. |
| Ensuring Torbay remains an attractive and safe place to live and visit | Site acceptability matters e.g. biodiversity. Employment contributions. The SPD also promotes public realm improvements. |
| Protecting and supporting vulnerable adults | Health contributions where applications give rise to particular health issues e.g. Sheltered housing or care homes. The SPD aids the provision of affordable housing. |

The s106 SPD places a high priority on affordable housing, health and employment. Urban regeneration of the least prosperous areas is also promoted.

S106 contributions help to meet infrastructure and other costs arising from development, which would otherwise need to be funded from the Council's budget.

The SPD promotes healthy lifestyles in terms of the provision of open space, community facilities and decent affordable housing.

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| | <p>Amendments to the consultation draft SPD are recommended to strengthen the delivery of affordable housing. These include adhering to the lower threshold for affordable on greenfield sites of 3 dwellings, inclusion of additional text encouraging the provision of affordable houses suitable for children.</p> <p>The SPD also seeks contributions towards education and lifelong learning.</p> |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>S106 Obligations will affect the development industry, as well as the recipients of s106 funding. Departments within the Council and the Torbay Development Agency (TDA) who receive s106 funding will need to identify specific projects and ensure that no more than 5 Obligations are pooled where they are used for infrastructure.</p> <p>Internal officer consultation has taken place in late 2015 and throughout 2016. The draft document was approved by the Mayor at a meeting of the Policy Development and Decision Group as the basis for consultation, on 14 September 2016.</p> <p>The Draft SPD was the subject of public consultation between 19 September and 31 October 2016. Stakeholders who had asked to be consulted on planning documents received a specific notification. A wider newsflash was sent out to all planning agents. The draft documents are posted on the Council's consultations webpage and at www.torbay.gov.uk/CIL and advertised in the Herald Express.</p> <p>Note that the preparation of SPDs are governed by Part 5 of the Town and Country Planning (Local Planning) (England) Regulations 2012. Section 11 and 13 of the Regulations set out public participation arrangements for SPDs.</p> |
| <p>6.</p> | <p>How will you propose to consult?</p> <p>The SPD has been the subject of consultation as outlined in section 5 above.</p> |

Section 2: Implications and Impact Assessment

7. What are the financial and legal implications?

Section 106 obligations collect money for a range of services including affordable housing, education, open space, etc.

S106 Obligations are governed by Regulation, especially reg 122 of the Community Infrastructure Levy Regulations 2010 (as amended). These require s106 obligations to CIL Regulations 2010 and NPPF paragraph 204). They must be

- Necessary to make the development acceptable in planning terms.
- Directly related to the development.
- Fairly and reasonably related in scale and kind to the development.

Where S106 Obligations are collected for infrastructure that could be funded through CIL, no more than five obligations may be pooled for a single item of infrastructure. It is possible that pooling restrictions may be relaxed in the future. This would greatly help the Council in its use of s106 obligations.

Pooling restrictions do not apply where s278 Highways agreements are used to secure highways works or where the s106 Obligation is not infrastructure (e.g. for land management).

Where s106 Obligations are not spent within time (usually 5 years) or on the item they were collected for, there is a danger that the Council will be required to pay the money back.

Thresholds for Affordable Housing

The (former) Government had a long stated intention of limiting the use of “tariff style” S106 Obligations and affordable housing for smaller housing sites. This is set out in a Written Ministerial Statement of 28 November 2014 and in the Planning Practice Guide. The right of Ministers to set a threshold has recently been upheld by the Court of Appeal. Since the Court of Appeal Ruling, two Inspectors have ruled that (lower) affordable housing requirements in Local Plans should be applied (in Elmbridge, Surrey and Cambridgeshire).

On this basis, the Local Plan remains the starting point for the determination of planning applications; however, the Written Ministerial Statement is also a material consideration.

The weight attached to the Local Plan versus the Written Ministerial Statement/PPG was the subject of representations on the SPD. Policy H2 of the Local Plan sets a threshold of 3 dwellings for greenfield sites (and 15 dwellings for brownfield sites). The Local plan is up to date and reflects significant local need for affordable housing in Torbay.

On this basis it is recommended by Officers that the draft SPD is amended to adhere to the threshold for affordable housing set out in Policy H2 (i.e. 3 dwellings for greenfield sites). Reference will also be made to the Written Ministerial statement as

a material consideration.

However, the Mayor considers that greater weight should be given to the WMS and that a threshold of 11 dwellings should apply.

It is recommended that a threshold of 11+ dwellings (6 in the AONB), or commercial developments of 1000 sq m or less, is adhered to for “tariff style” contributions that are set out in the “Sustainable development” section of the SPD.

General Duty on Starter Homes

The Planning and Housing Act 2016 introduces a duty for LPAs to have regard to the delivery of starter homes. Further Regulations are expected to be published in 2016, and the Government has consulted upon a requirement of 20% of sites above 10 dwellings to be delivered as starter homes. There is scope to negotiate starter homes on the basis of viability, but it is likely that regulations will give starter homes priority over other affordable housing tenures. This could have profound implications for the provision of affordable housing. On this basis the SPD takes the approach that the SPD treats the provision of starter homes as a general duty, but does not require the provision of starter homes in place of more conventional types of affordable housing.

The relationship between s106 and CIL

Community Infrastructure Levy (CIL). The CIL Examination is currently open, with a Hearing session taking place on 9 November 2016. When CIL is in place it will largely replace “sustainable development” contributions for sites upon which CIL is sought.

It is proposed that CIL will apply to most residential development outside of Future Growth Areas (as designated in Policy SS2 of the Adopted Local Plan). However all sites will need to have regard to site acceptability matters and affordable housing.

For larger developments within the Future Growth Areas, it is proposed to set a zero rate of CIL and seek S106 Obligations to cover infrastructure. It is anticipated that the overall infrastructure cost of delivering these sites is likely to exceed the amount of money that CIL would have raised. In addition S106 Obligations are more flexible in terms of allowing for the up-front provision of infrastructure.

The development industry has argued that s106 obligations should be used for all strategic sites and this matter will be considered by the CIL Examination.

The use of S106 Obligations is not intended to provide a perverse incentive to greenfield developments in Future Growth areas. Where such developments seek to negotiate a reduced rate of planning obligations, an independent assessment of viability will be sought. The amount of CIL that would have been paid if it was levied will be taken into account in such negotiations, although it is stressed that s106 Obligations must not be used to tax developer profit per se.

The relationship to S106 Obligations and CIL for residential development is set out in the nested table below. This reflects the situation submitted for Examination and may need to change as a result of the Independent Examiner’s recommendations.

| The relationship between S106 Obligations and CIL. | | | |
|--|--|--|--|
| CIL Charging Zone | Site size (£ per sq m) | | |
| | 1-3 dwellings | 4-14 dwellings (Note that regulations may introduce a 10 dwelling threshold for starter homes). | 15+ Dwellings |
| 1. Built up areas within top 20% deprivation (Community Investment Areas+)* | Zero rate of CIL S106 to address site acceptability matters only. | £30 per sq m CIL S106 to address site acceptability matters only. | £30 per sq m CIL S106 to address site acceptability matters and affordable housing (subject to Policy SS11) Sustainable Communities). |
| 2. Elsewhere in the built up area** | £30 per sq m CIL S106 to address site acceptability matters only. | £70 per sq m CIL S106 to address site acceptability matters and Affordable housing sought from greenfield sites of 3 dwellings | £70 per sq m CIL S106 to address site acceptability matters and affordable housing. |
| 3. Outside the built up area** | £70 per sq m CIL S106 to address site acceptability matters only. | £70 per sq m CIL S106 to address site acceptability matters and affordable housing sought from greenfield sites of 3 dwellings. | £140 per sq m CIL S106 to address site acceptability matters and affordable housing. |
| 4. Future Growth Area | £70 per sq m CIL S106 to address site acceptability matters only. | £70 per sq m CIL S106 to address site acceptability matters and affordable housing sought from greenfield sites of 3 dwellings | Zero- S106 to address site acceptability matters, affordable housing. |

8. What are the risks?

S106 requests are unlawful if they do not meet the tests identified in Section 7 above.

If the Council is unable to demonstrate that s106 obligations will be used for a specific project which has not previously received more than 5 Obligations, then s106 Obligations cannot be collected.

Where s106 Obligations are not spent within time (usually 5 years) or on the item they were collected for, there is a danger that the Council will be required to pay the money back.

There is a need to ensure that Council departments are properly resourced to identify, deliver and monitor s106 projects.

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| 9. | <p>Public Services Value (Social Value) Act 2012</p> <p>No impact</p> |
| 10. | <p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>A wide amount of evidence informed the Adopted Torbay Local Plan. It includes but is not limited to demographic projections, Exeter and Torbay Housing Market Assessment (2007 refreshed 2011), Torbay Housing Requirements Report, 2013,</p> <p>The main SPD indicates a range of evidence that has been used to indicate where development impacts upon the need for infrastructure, and the sources used.</p> |
| 11. | <p>What are key findings from the consultation you have carried out?</p> <p>See schedule of representations received at Appendix 2</p> <p>A number of amendments have been made to the SPD to address representations received and other issues arising. These do not affect the overall approach taken in the SPD.</p> <p>Affordable Housing Several comments and Member concerns were raised about the status given to affordable housing.</p> <p>Tests of Lawfulness. Planning Obligations must adhere to CIL Regulation tests of lawfulness and must not set roof tax style contributions.</p> |
| 12. | <p>Amendments to Proposal / Mitigating Actions</p> <p>See 11 above. On the basis of representations and discussions with colleagues, a number of minor amendments have been made to the SPD to address some concerns raised.</p> <p>The SPD has been amended to strengthen the Tests of Lawfulness set out in Regulations 122 and 123 of the CIL Regs. This emphasises that S106 Obligations cannot be sought on a roof tax basis, but must be necessary to making the development in planning terms.</p> <p>In particular the relationship between affordable housing and other matters (including urban realm matters) has been amended. The officer recommendation is that the text should be revised to reduce the threshold for affordable housing on greenfield sites to 3 dwellings.</p> <p>The text on affordable housing has also been strengthened in discussion with the TDA.</p> <p>A number of minor changes have also been made to biodiversity in response to representations from Natural England and the RSPB.</p> <p>These changes are not considered to substantially change the SPD.</p> |

Equality Impacts

| 13 | Identify the potential positive and negative impacts on specific groups | | | |
|---|---|---|--------------------------------------|---|
| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| Older or younger people | | <p>The SPD promotes the provision of affordable housing, which will support a range of people with housing needs, including children and older people</p> <p>The SPD seeks education contributions as well as lifelong learning contributions.</p> | | |
| People with caring Responsibilities | | <p>Where development generates a likely need for additional care facilities, a s106 contribution may be sought for the provision of social care through the Integrated Social Care Organisation. This would apply to applications for care homes, sheltered housing etc that are likely to encourage inwards migration of older people.</p> | | |
| People with a disability | | <p>An element of affordable housing provision should be capable of adaptation for older people (see Policy H6 of the Local Plan).</p> | | |
| Women or men | | | | <p>No direct impact. S1106 Obligations should benefit both genders.</p> |
| People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i> | | | | <p>No direct impact.</p> |

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| Religion or belief (including lack of belief) | S106 Obligations can be used to secure or improve community facilities if need for these is generated by development. These can provide meeting facilities etc for faith and non-faith groups. | | |
| People who are lesbian, gay or bisexual | | | No direct impact other than the provision of community facilities (i.e. minor positive) |
| People who are transgendered | | | No direct impact other than the provision of community facilities (i.e. minor positive) |
| People who are in a marriage or civil partnership | | | No direct impact other than the provision of community facilities (i.e. minor positive) |
| Women who are pregnant / on maternity leave | The SPD promotes healthy lifestyles and may in some circumstances support the provision of health facilities etc as part of major developments. | | |
| Socio-economic impacts (Including impact on child poverty issues and deprivation) | Major positive impact. The SPD promotes the provision of affordable housing and has been amended to encourage an increased level of child friendly affordable homes (3 bed 5 person dwellings). The SPD provides a framework to seek contributions to mitigate the loss of employment and for the promotion of job crating schemes, and use of local labour and urban regeneration. | | |
| Public Health | The SPD makes public | | |

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|-----------|---|--|--|--|
| | impacts (How will your proposal impact on the general health of the population of Torbay) | health a site deliverability matter in terms of promoting opportunities for active lifestyles. | | |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | No. The SPD seeks contributions that can help support Council spending on infrastructure etc. S106 Obligations may not be used to overcome existing defects or shortages; however existing communities will benefit from infrastructure provided. Moreover, in the absence of s106 Obligations the cost of providing such items would be entirely borne by the public purse. | | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | No | | |

Appendix 2

Torbay Local Plan 2012-30. Draft Planning Contributions and Affordable Housing Supplementary Planning Document.

Consultation Statement and schedule of representations received on the Draft SPD with Recommended response by Torbay Council.

Torbay Council, November 2016

Introduction

This paper summarises representation made to the Planning Contributions and Affordable Housing Supplementary Planning Document. This was the subject of public consultation between 19th September 2016 and 31st October 2016. There were 15 responses to the consultation broken down as follows:

- 4 letters from national bodies (NB) and environmental charities. These were generally supportive but request minor amendments.
- 2 Objections from Neighbourhood Forums (Community Bodies CB), generally requesting amendments.
- 2 representations from affordable housing (Social Enterprise /Registered Providers SE) representatives.
- 4 Objections and 1 support from general housebuilders (Developers-Residential DR) or their planning agents.
- 2 Objections from specialist retirement sector housing providers (Developers Retirement Sector)

In response to representations and discussions within the Council and its partner organisations (Torbay Development Agency and Torbay Coast and Countryside Trust), it is recommended that several amendments are made to the Draft SPD. These are not considered fundamental to the SDP but clarify its scope and intent. In addition to responding to representations made, additional work has also taken place on formulas set out in the draft SPD to seek to ensure that they are a fair approximation of the effect of development upon wider environmental, economy or community infrastructure. These are tempered by the main issue raised by the development industry, that all S106 Obligations must meet the Tests of Lawfulness and limits to pooling of infrastructure, and cannot be sought as a “tariff style” contribution.

Notwithstanding that some objections are pitched as fundamental objections, it is considered that the vast majority of objections can be dealt with through amendment to the SPD.

In summary the main issues arising are considered to be:

- 1) Relationship between Community Infrastructure Levy (CIL) and S106.
- 2) The SPD must conform to the CIL Regulations limitations on s106 Obligations, and objections that some elements of the SPD do not accord with this.
- 3) Affordable housing thresholds are set by Policy H2 of the Local Plan, not the SPD. The stance on affordable housing should be strengthened.
- 4) Various environmental bodies have asked for minor amendments on biodiversity matters.
- 5) Concern about the impact of healthcare contributions and need to prioritise between these and affordable housing.

A detailed response to specific representations is set out in the table below. However, in summary, it is recommended that the Council respond to the issues raised as follows:

- 1) Relationship between CIL and S106**

This is set out at page 6 and in the table on page 8 of the SPD. It is noted that the CIL Examination is currently underway, with a Hearing having taken place on 9th November 2016.

However it is recommended that the SPD may be adopted prior to the outcome of CIL being known (subject to the amendments recommended below, and it being noted that adjustments may be required in relation to CIL as set out below). The SPD provides guidance to the Adopted Local Plan and does not set policy in its own right. It is possible that the SPD may need amendment to ensure that it works smoothly with the SPD as outlined below.

All developments must meet site deliverability requirements (called “site acceptability matters” in the consultation draft SPD, and the former SPD). The SPD is clear that planning conditions and direct provision will be used wherever possible.

It is noted that there must not be blurring of what is a site deliverability matter- i.e. directly required to ensure that development is safe or meets legal requirements, and wider sustainable development contributions i.e. matters that are still necessary to make development acceptable in planning terms but are not essential to the safe or lawful carrying out of the development.

The Council’s preferred position on a “narrow” CIL and S106. The Council is proposing a “narrow” approach CIL whereby larger developments in Future Growth Areas will not pay CIL. The Council will seek to fund sustainable development infrastructure serving strategic developments through s106 Obligations, rather than CIL. It is noted that some developers have argued that all developments of a strategic scale (broadly over 30 dwellings) should be dealt with through S106 rather than CIL, and the Council has indicated that it would not object to this approach if the Examiner recommended it.

It is not proposed to seek “sustainable development contributions” from smaller developments for which CIL is levied, or sites of fewer than 11 dwellings (6 in the AONB). Such sites would only be liable for “site deliverability” matters and in a small number of cases affordable housing, loss of employment mitigation or healthcare.

A small number of developments will be greenfield sites of 3+ dwellings outside of Future Growth Areas or brownfield sites with new floorspace of 15+ dwellings. These are potentially liable for CIL and affordable housing.

Impact of a “wider” CIL. Paignton and Brixham Neighbourhood Forums and some house builders expressed a preference for CIL to be applied more widely across all sites. The Council has advised that this is not the most effective way of delivering strategic sites, but the decision now lies with the CIL Examiner.

Should the Examiner recommend that a wider approach to CIL be taken and applied to all sites (in line with Neighbourhood Forums’ and some housebuilders’ representations); then the “Sustainable Development” section of the SPD will need to be reduced and the CIL Regulation 123 list expanded.

2) The SPD must conform to the CIL Regulations limitations on s106 Obligations.

This appears to be the main concern raised by the development industry. The Draft SPD is clear at pages 7 and page 39 that the CIL Regulations 122 and 123 Tests of Lawfulness should be applied. However, given the concern raised by the development industry it is recommended that this point should be reiterated. On this basis financial contributions will only be sought where a specific project is identified that meets the Tests of Lawfulness. Where the matter is infrastructure, the Council will need to ensure that no more than 5 Obligations are pooled towards it.

As a matter of Development Management operation, this will require recipient departments to identify specific deliverable projects at the application stage. This has resource implications for the Council.

The SPD sets out a significant level of background evidence seeking to assess the cost of mitigating the wider impacts of development. This is considered to be a legitimate exercise in terms of assessing the impact of development. The SPD clearly indicates that mitigation will be provided where development provides an identifiable social benefit or where seeking s106 Obligations would jeopardize viability. The draft SPD also allows for in-kind provision where appropriate, particularly on larger sites. On this basis it is considered legitimate and an aid to certainty to set out the likely financial sum that may be sought, subject to the reiteration of the Tests of Lawfulness noted above.

It is noted that some objections from the development industry seek to exclude some areas from s106 Obligations, such as waste management. However Policy W2 (and W1) of the Local Plan indicates that waste management contributions may be sought from developments that generate significant waste.

The SPD is a fairly long document at 56 pages. To increase legibility it is recommended that much of the background text is placed in text boxes. This will help emphasise that they should not be treated as a "roof tax".

3) Affordable housing thresholds are set by Policy H2 of the Local Plan, not the SPD. The stance on affordable housing should be strengthened.

Appendix 1 to the Council Report considers the legal position relating to affordable housing thresholds in detail. The Planning Practice Guidance and Written Ministerial Statement are material considerations. However Policy H2 of the Local Plan is the adopted policy and there is a high need for affordable housing in Torbay. On this basis it is recommended by Officers that the SPD is amended to reflect this with a caveat that the WMS and PPG advise a higher threshold.

Note that the mayor has recommended that the SPD should retain a de facto threshold of 1 dwellings in the light of the Written Ministerial Statement and PPG advice.

This is likely to affect only a small number of sites, and the viability of such sites to pay CIL may be an issue. However, the Council has indicated that it will consider such viability matters through independent viability assessments. It is noted that the Council's high level Viability Assessment (PBA 2016) indicates that sites of 4+ units can viably accommodate CIL and affordable housing.

A number of relatively minor amendments to the text on affordable housing are also recommended regarding cluster sizes, the need for suitable family homes and to clarify that on-site provision is the preferred option.

4) Various environmental bodies have asked for minor amendments on biodiversity matters.

A number of relatively minor amendments are recommended in response to comments by Natural England, RSPB and the Woodland Trust. These have been the subject of discussion with Torbay Coast and Countryside Trust. The major change of approach is to set out that recreation impacts on Berry head, Brixham will be a CIL matter, whilst developments need to mitigate biodiversity impacts through on-site measures or s106 Obligations.

5) Concern about the impact of healthcare contributions and need to prioritise between these and affordable housing.

The Local Plan and SPD indicate that healthcare contributions are sought where a development generates the need for additional healthcare/integrated social care (Policy SC1 and Policy H6). Torbay's demography is clearly driven by inwards migration of older persons, and the SPD seeks to assess the degree to which residents of specialist housing are likely to be inwards migrants. No clear evidence to counter the SPD's assumptions has been submitted.

It is recognised that there are blurred lines between Use Class C2 and C3 accommodation. Some specialist housing may provide care and fall within Class C2 but helps people live independently (and within the "household" population). On this basis it is recommended that the SPD sets out that the S106 Obligations are only sought to mitigate additional impacts arising from development on the Integrated Social Care budget. On this basis the provision of additional facilities and care provided by the accommodation is likely to count as "mitigation" against S106 obligations.

It is agreed that the SPD should prioritise between affordable housing and healthcare contributions. However it is recommended that affordable housing should usually take the higher priority, since meeting housing needs is a central part of the planning system.

Schedule of representations received on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document consultation September to 31 October 2016

| Ref: | Name | Organisation | General Comments | Details | Torbay Council Response |
|------------------------|----------------|------------------|----------------------|---|--|
| National Bodies | | | | | |
| NB1 | Martyn Dunn | South West Water | Support | Support the document's approach to flooding, drainage and sewerage. | Support noted. The SPD promotes sustainable drainage measures where they are possible. |
| NB2 | Kathryn Davies | Natural England | No objection. | No objection. Advise that SEA/EIA unlikely to be required for the SPD | Advice that SEA in unlikely to be required is noted. This has been confirmed by the Council's own SA Officer. Note that negotiations have been underway with Natural England (Corine Dyke), RSPB, and Torbay Coast and Countryside Trust over the wording of the SPD and avoiding unlawful overlap between s106 and CIL matters. It has been agreed with these organisations to seek to mitigate the biodiversity aspects of planning applications. CIL will be used to address the impacts of recreation upon limestone grassland at Berry Head. Agree: Amend the SPD section on Biodiversity (pages 17-20 to reflect this approach). |
| NB3 | Helene Jessop | RSPB | Suggested amendments | <ul style="list-style-type: none"> • Support no net loss of biodiversity • Support full compensation of ciril bunting habitat loss • Support monitoring and management as a CIL or s106 item. • Textural Change | Policy NC1 and SS8 relate. Agree: Clarify text regarding GHBS |

Schedule of representations received on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document consultation September to 31 October 2016

| Ref: | Name | Organisation | General Comments | Details | Torbay Council Response |
|---|----------------|-----------------------------|----------------------|---|--|
| NB4 | Justin Milward | Woodland Trust | Suggested amendments | <ul style="list-style-type: none"> GHBs more likely to be found in unlit areas and less likely in urban areas Re-draft to clarify. Identify suitable habitat for areas of enhancement if possible. <p>General observations requesting that role of woodland should be strengthened in s106 negotiations. Should not just relate to designated sites. Refer to Natural England and Forestry commission standing advice on ancient woodland and veteran trees. Refer to role of woodland in flood protection and alleviation.</p> | <p>Issues noted. The SPD cannot change Local Plan Policy, but agree that the SPD should mention the role of trees in biodiversity and flood alleviation. (Policy NC1 and C4 includes consideration of ancient woodlands and veteran Trees). The SPD is not intended only to relate to designates sites. Amend to require proportionate mitigation of non-designated sites. Add text to include trees and woodlands in the biodiversity and landscape aspects of Table 6.1</p> |
| Neighbourhood Planning/ Community Bodies | | | | | |
| CB1 | Leon Butler | Torquay Neighbourhood Forum | Objections | <p>Object that the SPD makes provision to reduce affordable housing where development would not be viable. Policy H7 of the emerging Torquay neighbourhood Plan states that viability will not be taken into account.</p> | <p>Paragraph 205 of the NPPF indicates that planning obligations should take market conditions into account and policies should be sufficiently flexible to prevent planned developments being stalled. Policy H2 of the Local Plan indicates that affordable housing will be negotiated where it could render development unviable.</p> <p>Policy H7 of the Neighbourhood Plan is likely to require amending before it can be “made” (adopted) as it is not in conformity with the Strategic Local Plan Policy H2. However if it does come into force it will carry more weight than the SPD.</p> |

Schedule of representations received on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document consultation September to 31 October 2016

| Ref: Name | | Organisation | General Comments | Details | Torbay Council Response |
|-----------|-------------|------------------------------|------------------|---|---|
| CB2 | David Watts | Paignton Neighbourhood Forum | Objections | <p>1) S106 SPD should not be adopted until outcome of CIL examination is known as the two matters are closely connected.</p> <p>2) Rename "site acceptability" contributions "site deliverability" All obligations are necessary for sites to be acceptable – but the "inner circle" matters are necessary for site deliverability.</p> <p>3) Thresholds for affordable housing should be as per Policy H2 of the Local Plan i.e 3 dwellings for greenfield sites. The Court of Appeal ruling on the Written Ministerial Statement of 28/11/14 does not override local circumstances and need for</p> | <p>In response to the general comment it is proposed to strengthen the wording to require onsite provision of affordable housing (as agreed with the TDA's Housing and Planning Manager) and Policy SS2.1 - Future Growth Areas which expects delivery of a mix and range of housing types within the FGA. The SPD also indicates that the price paid for land will not normally be a material consideration.</p> <p>Minor amendments to strengthen the requirement for onsite provision of affordable housing.</p> <p>1) Partly agree. The SPD and CIL are connected but it is not considered necessary to wait for the outcome of the CIL Examination before proceeding with the SPD. However the SPD may need to be amended if the CIL Examiners Report recommends Modifications to CIL.</p> <p>Should the Examiner require CIL to be levied on sites within Future Growth Areas, this may reduce the scope for "sustainable development" contributions and the Reg123 List will need to be expanded. However there will still need to be guidance on s106/s278 Agreements.</p> <p>Chapter 4 (Sustainable Development Contributions) will need to be considered in the light of the CIL Examination in Relation to FGAs</p> <p>2) Agree. Rename site acceptability contributions "site deliverability" contributions.</p> <p>3) Mayoral Recommendation: Mayoral recommendation to</p> |

Schedule of representations received on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document consultation September to 31 October 2016

| Ref: | Name | Organisation | General Comments | Details | Torbay Council Response |
|------|------|--------------|------------------|---|--|
| | | | | <p>affordable housing.</p> <p>4) Development impacts on biodiversity should refer to mitigation and not compensation. Remove reference to Grampian conditions (p20) and ensure that off site mitigation is secured through deliverable binding agreement.</p> <p>5) Loss of Employment contributions should reflect the full cost of a job in Torbay- i.e £19,000 rather than £8,000 per FTE. The importance of creating jobs sits at the heart of the Local Plan's growth strategy.</p> <p>6) Object to seeking health care contributions from development in the Care sector. There is a miss match between the SPD and the CCG strategy of stimulating the private care market. Reduce or remove the requirement in table 3.6</p> <p>7) Request site of Kay Elliot report on public realm improvements.</p> <p>8) Viability assessments may need to be published</p> <p>9) The summary of contributions is</p> | <p>retain the Draft SPD threshold of 11 dwellings (6 in the AONB).</p> <p>Officer recommendation: Remove "de facto" changes to Policy H2 in the Local Plan to adhere to the 3 dwelling threshold for greenfield sites. This approach has been agreed with the TDA.</p> <p>4) In part agree. Mitigation is a preferable option to compensation, and is a requirement in the case of Habitats Regulations matters. However compensation is acceptable in some cases not relating to HRA issues. (Policies SS8 and NC1 refer) Agree that off-site requirements must be deliverable and may often require a legal agreement, particularly where additional monitoring burdens arise . However there may be instances where a condition will suffice. Review SPD text to ensure that it correctly reflects legal framework and –for safety's sake- remove the term "Grampian style conditions"</p> <p>5) Whilst the sentiments of Paignton Neighbourhood Forum's arguments on the importance of employment are supported; the SPD puts forward a range of methods to assess the cost of creating new jobs. The £8,000 figure relates to both the Local Enterprise Partnerships figure and the per capita cost of funding the Torbay economic Strategy. The figure is about twice the figure in the 2008 SPD. A higher figure (i.e. £19,000 per FTE) would have a greater impact on viability. It is also noted that this figure will be used to provide mitigation for job creating developments against "sustainable development" obligations. On the basis of the above, it is recommended that on balance the figure of £8,000 per FTE job should be used.</p> |

Schedule of representations received on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document consultation September to 31 October 2016

| Ref: | Name | Organisation | General Comments | Details | Torbay Council Response |
|------|------|--------------|------------------|--|---|
| | | | | <p>useful. It should make clear that the SPD also relates to commercial development.</p> | <p>6) Health Care Contribution; Disagree for reasons set out below: See also Representations by Pegasus below. The SPD has been agreed with the South Devon Clinical Commissioning Group/ Integrated Social Care provider, via the Council's Planning and Public Health officer. The CCG seeks to encourage people to live independently at home for as long as possible. There is a need to provide better facilities in some care homes, but there is not a general need to provide more care homes per se. The strategy is to keep people out of the pure class C2 care home sector, and to live in their own homes for as long as possible. On this basis, there is no conflict between Policy H6 of the Local Plan and the SPD and the PCT's approach.</p> <p>On the one hand the provision of specialist accommodation for the elderly can provide a valuable form of accommodation that helps people retain a degree of independence. They can also help people "downsize" to free up other housing stock.</p> <p>On the other hand, Torbay's population growth is driven by domestic inwards migration of older people, which places a strain on overstretched Integrated Care Budgets (as set out in the SPD).</p> <p>It is noted that the cost relates to additional burdens placed by new development upon Torbay's integrated care provision. On this basis the SPD seeks to assess the proportion of residents are likely to be moving into the area, rather than being local moves.</p> <p>It is also recommended that the SPD be amended to provide mitigation against health care contributions where</p> |

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| | | | | | <p>developments can demonstrate that there will be no additional burden on the Integrated Care budget because sufficient care will be provided in house or where the C2/C3 proposals have a local occupancy condition. This should be clarified in the supporting text. (See also response to Pegasus below).</p> <p>7) Noted. The report will be published by the TDA when complete. The £700k figure in the draft SPD is based on an early draft and is likely to be a significant under estimate. Add text to clarify where Public Realm may be given more weight</p> <p>8) Noted. Whilst the Council note that viability assessments may need to be published, it considers that it is reasonable to respect commercial confidentiality, e.g. by redacting sensitive information. Amend SPD to indicate that open book accounting with appropriate redaction will be expected.</p> <p>9) Agree. Add text to make it clear that the SPD applies to commercial developments as well as residential. It is, however, not so easy to suggest "tariff style" figures for commercial development.</p> |
| Social Enterprise / Registered Providers etc | | | | | |
| SE1 | Elaine Elstone | Tetlow King for South West Housing Associations and Registered | Objections | <p>1) Where affordable housing is required through planning obligations and the council has full nomination rights, it is not appropriate to seek additional contributions.</p> <p>2) Note that 'Starter Homes' are separate from intermediate</p> | <p>1) Noted. Recommend that "sustainable development" contributions should not be sought from affordable housing, where the Council has nomination rights, or if occupation is otherwise restricted to existing Torbay residents.</p> <p>This will put s106 obligations on a par with the approach that would be taken should the Council seek CIL on these sites.</p> |

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| SE2 | Meghan Rossiter | Providers (SW HARP) | | <p>affordable housing.</p> <p>3) Object to raising the threshold for affordable housing. The 3 dwelling threshold in Policy H2 should be retained.</p> | <p>2) Agree. Await further information from the Starter Homes Regulations and change to the NPPF. However starter homes are not affordable housing as currently defined in the NPPF, as they have no mechanism for recycling the subsidy into providing further affordable housing.</p> <p>3) Mayoral Recommendation: Mayoral recommendation to retain the Draft SPD threshold of 11 dwellings (6 in the AONB).</p> <p>Officer recommendation: Remove “de facto” changes to Policy H2 in the Local Plan to adhere to the 3 dwelling threshold for greenfield sites. This approach has been agreed with the TDA.</p> <p>Partly agree. It is considered appropriate to mention “affordable rent to buy” products in the SPD. However such a tenure would <i>currently</i> only qualify as affordable housing if a mechanism exists for the subsidy below market rate is recycled for alternative affordable housing provision, as per the NPPF definition.</p> |
| Developers- Residential | | | | | |
| DR1 | Ed Brown | Cavanna Homes | Objections/ amendments requested | <p>1) Page 7. The council cannot require a developer to pay fees towards the administering and monitoring of s106 Obligations. Oxfordshire case has been quoted.</p> <p>2) Reg122 tests are statutory and cannot be departed from.</p> <p>3) P30. The SPD should provide guidance on pepper potting. Suggest clusters of 12 affordable</p> | <p>1) Partly Agree. The Council is unable to charge a blanket administration fee. However it is able to charge for additional costs incurred with collection and monitoring of Obligations.</p> <p>2) Agree. The need to adhere to Reg 122 of the CIL Regulations is a major issue raised by the development industry. Amend SPD accordingly.</p> <p>3) Agree. Add guidance on pepper potting. Advice from the Housing Manager TDA indicates that there should be more than one cluster. On smaller sites of up to 100 dwellings</p> |

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| | | | | <p>homes on sites of up to 100 dwellings and 24 affordable homes on larger schemes.</p> <p>4) Legal costs of drafting SPDs. Amend to say “reviewing” rather than drafting.</p> <p>5) P 53. Where reduced Obligations have been agreed following assessment of viability, longer build-out times should be allowed before requiring a reassessment of viability. Suggest 3 years for sites of up to 50 dwellings, and 6 years for developments of 50-150 dwellings.</p> <p>6) Viability assessments should remain valid for 12 months following grant of permission, not the date of the assessment.</p> | <p>clusters of 10-12 dwellings are appropriate: on larger sites clusters of about 20-24 dwellings are appropriate.</p> <p>4) Agree. Amend to read “drafting or reviewing”</p> <p>5) Partly agree. Based on TDA advice, there is some scope to allow for longer build out times before requiring re-assessment of viability. Cavanna Homes suggest allowing 12 months from permission to allow for reserved matters, discharge of conditions, contracts etc. TDA advise that developers require 6 months from the start time on site to the sale of the first house, with a completion/sales rate of 3 dwellings per month thereafter. Thus from date of planning consent: 50 dwellings would take 34 months (18 months to first completion and 16 months to complete 50 dwellings (at 3 per month). 100 dwellings would take 51 months (18 months to first completion plus 33 months).</p> <p>It is prudent to provide sufficient time to allow sites to be built out. However viability can change significantly over 5 years and there is a need to incentivise the completion of development. In addition, affordable housing can often be delivered more speedily than market housing where registered Provider can provide funding up front.</p> <p>Amend timescales for renegotiation in line with assessed build out times above.</p> <p>6) Agree. This section relates to where developers have sought to renegotiate S106 Obligations. The context of renegotiating s106 Obligations it would be reasonable to grant 12 months’ extension from the date of revised obligation being agreed.</p> |

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| DR2 | Dan Trundle | Origin3 for Taylor Wimpey | Objection | <p>Support flexibility on self build housing.</p> <p>S106 tariff style contributions must be specific to sites and identify specific infrastructure for which no more than 5 Obligations have been pooled.</p> | <p>Support for the flexible wording on self build affordable housing is noted.</p> <p>Agree that CIL Regulations Tests must be met. See comments from other house builders below. The Council confirms that s106 Obligations will adhere to the CIL Reg122 tests of lawfulness.</p> <p>On this basis Obligations will be required to identify specific projects and to ensure that no more than 5 obligations have been pooled for a specific item of infrastructure.</p> <p>Support noted. See general amendments suggested in response to house builders' comments re the tests of lawfulness.</p> <p>Issue that viability assumptions should be realistic is noted. Strengthen undertaking to ensure that CIL Regulation 122 tests are met when seeking obligations. This means that specific projects will need to be identified, which have not already received 5 obligations.</p> |
| DR3 | Mike Harris | Stride Treglown for Abacus/Deeley Freed | | <p>Support general approach in SPD, including emphasis on on-site design to deal before resorting to a financial contribution.</p> <p>Support approach of using s106 for large sites.</p> <p>Support the SPD offering viability testing. Critical to ensure that sites are deliverable and that viability is based on realistic assumptions.</p> | <p>1) Noted. See comments by other planning agents/housebuilders. Clarify that S106 items will be used for identified projects that are directly related to development and no more than five obligations will be pooled for a specific infrastructure item.</p> <p>As per comments by Paignton Neighbourhood Forum</p> |
| DR4 | Eliot Jones | Boyer Planning for Bloor Homes | | <p>1) S106 requirements must accord with Tests of Lawfulness.</p> <p>Contributions should relate to specific items of infrastructure and no more than 5 items should be pooled.</p> | |

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| | | | | <p>The definition of “site acceptability” and “sustainable development” contributions should be clarified.</p> <p>Tariff style contributions need to relate to specific infrastructure requirements. E.g sustainable transport cannot simply rely on TRICS based approach.</p> <p>2) Address what is meant by “cumulative impacts” at p40</p> <p>3) Greenspace etc contributions are based on 2007</p> <p>4) Greenspace is potentially a CIL chargeable item and clarity is needed that developers will not be charged twice for S106 items.</p> <p>5) Object to waste management contributions. Clarify what matters can be dealt with through Council’s revenue and what needs to be raised through S106. Approach will breach pooling restrictions.</p> | <p>amend description of ‘site acceptability’ matters to ‘site deliverability’</p> <p>2) Transport impacts are by definition cumulative, and specific mention of them at p40 adds little to the meaning of the section. However it is considered reasonable to seek obligations to address additional impacts on the road network arising from development.</p> <p>3) Noted. Provide a proportionate in-house review of the Greenspace standards and amend s106 charge as above.</p> <p>4) This relates to item 1 above i.e. ensuring that Tests of Lawfulness are adhered to. It is not clear whether Boyer’s comments indicate that they would prefer an expanded CIL approach, and they have not made this argument in relation to CIL. Housebuilders have previously preferred a S106 route.</p> <p>5) Clarify scope of waste management contributions. They should only relate to capital costs and will need to respect pooling limits. Policy W2 indicates that waste management contributions may be sought from developments that generate significant waste. Policy W1 requires all developments to make provision for appropriate waste storage, recycling, (treatment and removal).</p> <p>Where developers pay for bins/boxes, no more than five obligations will be pooled. The Council will seek to require</p> |

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| DR5 | David Seaton | PCL Planning (for Cavanna Homes, Taylor Wimpey and Waddeton Park Ltd) | Objection | <p>1) There appears to be double dipping of s106 and CIL on Berry Head.</p> <p>2) Maintenance of greenspace must not be separated from the capital cost of providing it and is therefore an infrastructure item. Legal judgement is attached.</p> <p>3) Object to "unlawful approach". Appears to have written from the perspective of a 'nil impact' nirvana' rather than balancing priorities.</p> <p>4) In the context of general objection above, object to loss of employment contributions as "the loss of employment space is either acceptable in planning terms or it is not". Figures in the SPD are "not proportionate to anything quantifiable".</p> <p>5) Object to sustainable transport contributions. There is double counting between site access matters and sustainable development matters.</p> <p>6) Object to waste management contributions- the provision of bins is not a reasonable planning demand. New waste management</p> | <p>provision of appropriate bins and boxes prior to occupation via planning condition. However, Tor2 will need to ensure that developers pay the cost of providing bins/boxes.</p> <p>1) Noted. This is because of the evolution of CIL and s106 documents. Clarify scope of both to ensure no double dipping. It is proposed to use CIL to address recreational impacts on limestone grassland at Berry Head to Sharkham Point, Brixham, so s106 contributions cannot be used for this infrastructure.</p> <p>2) Noted. This issue is important as it affects the extent to which non-infrastructure items may be pooled. Reg 123 of the 2010 CIL regulations restrict pooling for funding or provision of infrastructure, finding being defined as the provision of that infrastructure by means of funding.</p> <p>3) Disagree. As noted above, it is recommended that the SPD's commitments to the Test of Lawfulness is clarified. However, strongly disagree that the SPD promotes "a nil impact nirvana". It is a well established principle that developer obligations can be used to mitigate the effects of development to ensure that it is acceptable in planning terms. The SPD provide clear mitigations for the beneficial impacts of development.</p> <p>4) Disagree. The Local Plan's level of growth is above the natural rate of population growth because it seeks to encourage economic growth. However Torbay suffers severe economic deprivation and the loss of employment could result in unsustainable development. It is therefore considered lawful under CIL Regulation 122 to seek loss of</p> |

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| | | | | <p>facilities is not simply related to new development .</p> <p>7) SPD will place unnecessary financial burdens on development and risks bringing the planning system into disrepute.</p> <p>8) Pooling restrictions prevent more than 5 obligations being pooled for infrastructure.</p> <p>9) Oxfordshire Case makes clear that councils should only levy charges in exceptional circumstances.</p> | <p>employment contributions. The SPD provide a range of methodologies to assess the economic cost of creating a replacement job. The SPD also provides the scope to assess viability to ensure that s106 Obligations do not render development unacceptable.</p> <p>5) See above. The council will need to specify projects that are the subject of obligations, and avoid conflating site deliverability matters with broader sustainable development matters.</p> <p>6) Disagree. The SPD relates to the impacts of additional development and not existing need for waste management. Development without suitable, proportionate waste facilities could be refused under Policy W1 and W2 and the National Waste Planning Policy. It is unlikely the Council would refuse an application solely for lack of contributions towards bins. However this does not mean that the development does not generate a cost to the Council that needs to be met and this will need to be weighed with other material considerations.</p> <p>7) Disagree. The SPD clearly considers the impact on developer contributions upon viability.</p> <p>8) Noted. See above.</p> <p>9) See response to Cavanna Home above.</p> |
| Developers- Retirement Sector | | | | | |
| RS1 | Bill Richardson | Blue Cedar Homes | General comments/ Objection | <p>1) It is difficult to achieve on site affordable housing in retirement developments due to service charges, management regimes and additional facilities needed to support retirement developments.</p> <p>2) Object to seeking extra health and</p> | <p>1) Noted. However elderly persons housing is liable for affordable housing where it falls within use class C3. The SPD does allow for the provision of land or as a last resort financial contributions.</p> <p>2) Issue noted (see also Pegasus below and Paignton Neighbourhood Forum). Amend the SPD that healthcare contributions should only be sought to address additional</p> |

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| RS2 | Louise Fenner | Pegasus for Gallagher Ltd and English Care Village Partnerships. | Objection | <p>social care payments from developers of adaptable housing for the elderly as these provide a need within the community and help people to live independently.</p> <p>3) Elderly persons accommodation should not pay s106 contributions to matters such as education and children's play areas as residents will not use these facilities.</p> <p>1) The definition of housing for older people as being within Use Class C3 is overly simplistic (6.4.1.47)</p> <p>2) Specialist retirement schemes have high costs including the cost of providing communal areas.</p> <p>3) Object to imposition of a tariff on specialist housing for the elderly. More evidence should be provided on the quantum of elderly persons inwards migration.</p> <p>4) Clarify where health care contributions should sit in terms of the hierarchy of priority in the SPD. Notwithstanding comments at (3) suggest that the health and social care charge should take a higher priority than affordable housing.</p> | <p>cost arising from specialist development. i.e. from inward migration, and discounting the onsite provision of care/communal facilities that may otherwise need to be met by the public purse.</p> <p>3) Agree. The SPD does not seek such items.</p> |
| | | | | | <p>1) Noted. It is often a matter of degree whether housing for the elderly falls within use Class C2 or C3. The Council has offered a definition of Extra care Housing in the context of the CIL.</p> <p>2) Noted. Extra care housing is zero rated for CIL and much of the cost may be recouped through service charges (which is part of the Sector's argument why onsite provision of affordable housing is not viable). As per response to Blue cedar Homes and Paignton neighbourhood Forum, the SPD should clarify that only matters leading to additional demands on the integrated care budget will be charged health care s106 Obligations. The provision of onsite facilities and flexible care packages that reduce demands on the public purse will be treated in mitigation when considering healthcare contributions.</p> <p>3) Noted. See above. The SPD needs to make clear those contributions should only relate to additional cost arising from specialist development. i.e. from inward migration and provide a discount where the onsite provision of care/communal facilities that may otherwise need to be</p> |

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| | | | | | <p>met by the public purse.</p> <p>However, Torbay is characterised by significant inwards migration of older people, a proportion of whom will go into specialist accommodation. Provide additional statistics on this in the SPD.</p> <p>4) Agree that a priority needs to be assigned. However it is considered that affordable housing should take a higher priority, as meeting housing needs is fundamental to the planning system.</p> |

**Delivering the Torbay Local Plan 2012-30,
a landscape for Success.**

**Planning Obligations and Affordable
Housing Supplementary Planning
Document**

Amended Consultation Draft

November 2016

Delivering the Local Plan: Planning Obligations and Affordable Housing Supplementary Planning Document

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1) INTRODUCTION AND OVERALL APPROACH

1.1 Planning Obligations are an important way of providing the environmental, physical and social infrastructure needed by development. They are also one of the main ways in which affordable housing is provided.

1.2 This is a draft document setting out the Council's approach to planning obligations. It provides additional detail to deliver the Adopted Torbay Local Plan 2012-30 as set out in Policy SS7 and paragraph 4.3.25-37 of the Plan. It is important to note that the purpose of this document is to help deliver sustainable development, not to stifle desirable schemes.

1.3 The SPD was the subject of public consultation between Monday 19th September and Monday 31st October 2016, and reported to Council on 8th December 2016.

1.4 Contributions will usually be sought through S106, but sometimes other types of agreement may be more appropriate. In particular S278 Highway Agreements may be a better way of securing works to highways.

1.5 Planning Obligations should be considered in conjunction with Community Infrastructure Levy (CIL). The CIL Draft Charging Schedule can be read at www.torbay.gov.uk (see below).

1.6 The SPD is relevant to both residential and commercial developments. Planning contributions are sought to mitigate the impact of development. It is often easier to set out the impacts arising from residential development as a formula. However where commercial or other development impacts upon matters such as highways, biodiversity, flooding, town centre management etc, planning obligations will be sought to mitigate their impact. However obligations will not be sought where there is no reasonable link between the development and contribution. For example commercial development is unlikely to make education contributions.

1.7 Where formulas are set out for sustainable development contributions, it is emphasised that these are a starting point to seek to quantify the impact of development. S106 Obligations will not be sought as a "roof tax" but must relate to specific projects that development gives rise to a need for (as per regulation 122 of the CIL Regulations 2010 (as amended)). Where s106 contributions are sought for infrastructure items, no more than 5 obligations will be pooled towards that infrastructure item. The pooling limit does not apply to section 278 Highways agreements.

Who pays Planning Obligations: S106 and CIL

1.8 Obligations may be sought on planning applications as well as matters requiring Prior approval, subject to the tests of lawfulness and other restrictions (see below).

1.9 The Council's approach is to seek CIL on smaller developments, **and larger developments which are not within Future Growth Areas** ~~broadly speaking 10 dwellings or fewer (5 or fewer in the AONB). "Tariff style" s106 contributions may not be sought from such sites.~~ The CIL Charging Schedule may be found at www.torbay.gov.uk

1.10 Where CIL is sought on smaller sites, the only s106 contributions sought will be specific Site Deliverability matters. In a very limited number of cases, affordable housing

may also be sought on CIL liable developments (i.e. greenfield sites of 11-15 dwellings or 6-15 in the AONB, in accordance with Policy H2).

1.11 Larger residential developments, ~~above the threshold for affordable housing~~ in **Future Growth Areas** will be the subject of negotiation with developers to ensure that an appropriate s106 Agreement provides the infrastructure necessary to make development acceptable in planning terms, including the provision of wider community infrastructure.

1.12 It is acknowledged that there may need to be an element of cross subsidy for certain infrastructure, but this approach is considered by the Council to be the fairest and simplest to as many people as possible.

Restrictions on s106 Obligations

1.13 S106 Obligations are subject to restrictions set out below. The Council will adhere to these when seeking planning obligations.

1.14 All s106 obligations must meet the CIL Regulations Tests of Lawfulness (set out in regulation 122 of the CIL Regulations 2010 and NPPF paragraph 204). They must be

- Necessary to make the development acceptable in planning terms.
- Directly related to the development, and
- Fairly and reasonably related in scale and kind to the development.

1.15 Because of the impact that affordable housing and other infrastructure requirements have on development viability for larger sites, the Council seeks to address infrastructure issues arising from such sites through s106 obligations rather than CIL.

1.16 Where a s106 obligation is for an item of infrastructure capable of being funded through CIL, the Council will not pool more than 5 s106 obligations towards that piece of infrastructure. This does not apply to non-infrastructure items such as **training, monitoring, and habitat management**.

A Note on Thresholds for Affordable Housing and Tariff Style Contributions.

1.17 Since the publication of the Local plan, the Court of Appeal has upheld the Government's right to set thresholds for affordable housing and tariff style contributions through written ministerial statement and changes to the Planning Practice Guidance. Whilst this does not replace the Local Plan, the Council considers that the PPG and Written Ministerial Statement are material considerations that temper the interpretation of the Local Plan.

1.18 Accordingly affordable housing and "tariff style" contributions will only be sought on sites of 11+ dwellings or 6+ in the AONB.

1.19 The term "tariff style" contribution is used but not defined by the Planning Practice Guidance. The Council take it to refer to contributions that arise for infrastructure which development generates a need for (and are thus necessary to make a development acceptable in planning terms) but are not directly necessary to make a development safe, legal or function in direct physical terms.

1.20 It is noted that the situation is evolving and a number of Inspectors have supported lower thresholds (at Elmsbridge and Cambridge). The Council will keep emerging practice and legislation under review with regard to permissible thresholds.

1.21 The Government has suggested that a threshold of 10 dwellings should apply for starter homes (see below).

The Torbay Local Plan 2012-30 A landscape for success

1.22 The new Torbay Local Plan 2012-30 A landscape for success, was adopted on 10th December 2015. This document, along with neighbourhood plans when adopted, forms the development plan. Planning applications should be determined in accordance with the development plan unless material considerations indicate otherwise (see NPPF paragraph 2). The Local Plan provides the framework for development in Torbay as well as the basis for seeking planning obligations.

1.23 Policies for seeking obligations are set out in the Adopted Local Plan 2012-30 (see Figure 2 below). This SPD provides guidance on the implementation of these obligations and sets out how the impact of development can be assessed.

1.24 All of the policies in the Local Plan have been assessed for their impact on viability¹. However there may be instances where planning obligations and/or CIL could undermine development viability. The Local Plan undertakes to negotiate with developers to ensure that sustainable development schemes can be built. This SDP sets out the Council's approach to assessing and negotiating viability (see Part 5). Note that the scope to negotiate "site acceptability" requirements is much more limited than of affordable housing or wider "sustainable development" style contributions.

1.25 Planning Conditions will be used wherever possible (rather than S106 Obligations).

Prioritisation of Developer Obligations

1.26 Policy SS7 "Infrastructure, phasing and delivery of development" sets out the Local Plan's overall strategy for seeking planning obligations. It indicates that contributions will be prioritised, to ensure that the most critical infrastructure is delivered. The Council prioritises s106 Obligations as follows:

- **Site Deliverability Matters** – essential site specific matters to mitigate the impact of development e.g. access and necessary road improvements, flooding, drainage/sewer capacity, direct biodiversity, landscaping. Planning conditions will be used wherever possible. Site Deliverability matters apply to all development.
- **Affordable Housing and critical socio-economic infrastructure** (including employment provision and health care on developments giving rise to additional care needs). Larger sites of 11+ dwellings/ 6+ in the AONB. All applications with a n employment or health impact
- **Wider sustainable development style** Will be used to secure broader

¹ Torbay Whole Plan Viability Assessment, Peter Brett Associates, 2014

contributions (e.g. waste management, education, open space/ recreation, wider environmental/green infrastructure, town centre management etc.). This applies to developments where CIL is not sought (i.e. larger residential developments in **Future Growth Areas**) and all commercial developments that have an impact which needs to be mitigated. These matters are still required to make development acceptable in planning terms, but not necessarily essential to render the development physically safe or legal. These are sometimes called “tariff style” contributions, although the council considers that this term can be misleading.

infrastructure from larger developments in Future Growth Areas (rather than CIL).

Whilst the SPD sets out figures based on an assessment of likely impacts, sustainable development obligations will not be sought on a “roof tax” basis but must relate to specific items that meet the CIL Tests of Lawfulness, (see “restrictions on s106 Obligations above)

Mitigation of specific impacts e.g. monitoring or town centre impacts, principally arising from larger development.

1.27 These are represented as diagrammatically as concentric rings or a pyramid of priorities (the nearer the base representing the higher priority) in Figures 1 and 2.

1.28 In the context of this document “larger developments **in Future Growth Areas**” refers to residential developments in Future Growth Areas where a zero rate of CIL is sought, but where the Council seeks to address the infrastructure needs arising from development through S106 Obligations.

~~Other types of developments which have a combined floor space of more than 1,000 sq. m (gross internal area) will be considered as larger developments, although S106 obligations will be sought from smaller commercial developments where there is a need to mitigate their impact on infrastructure etc.~~

Figure 1.1 S106 Priority

Community Infrastructure Levy (CIL)

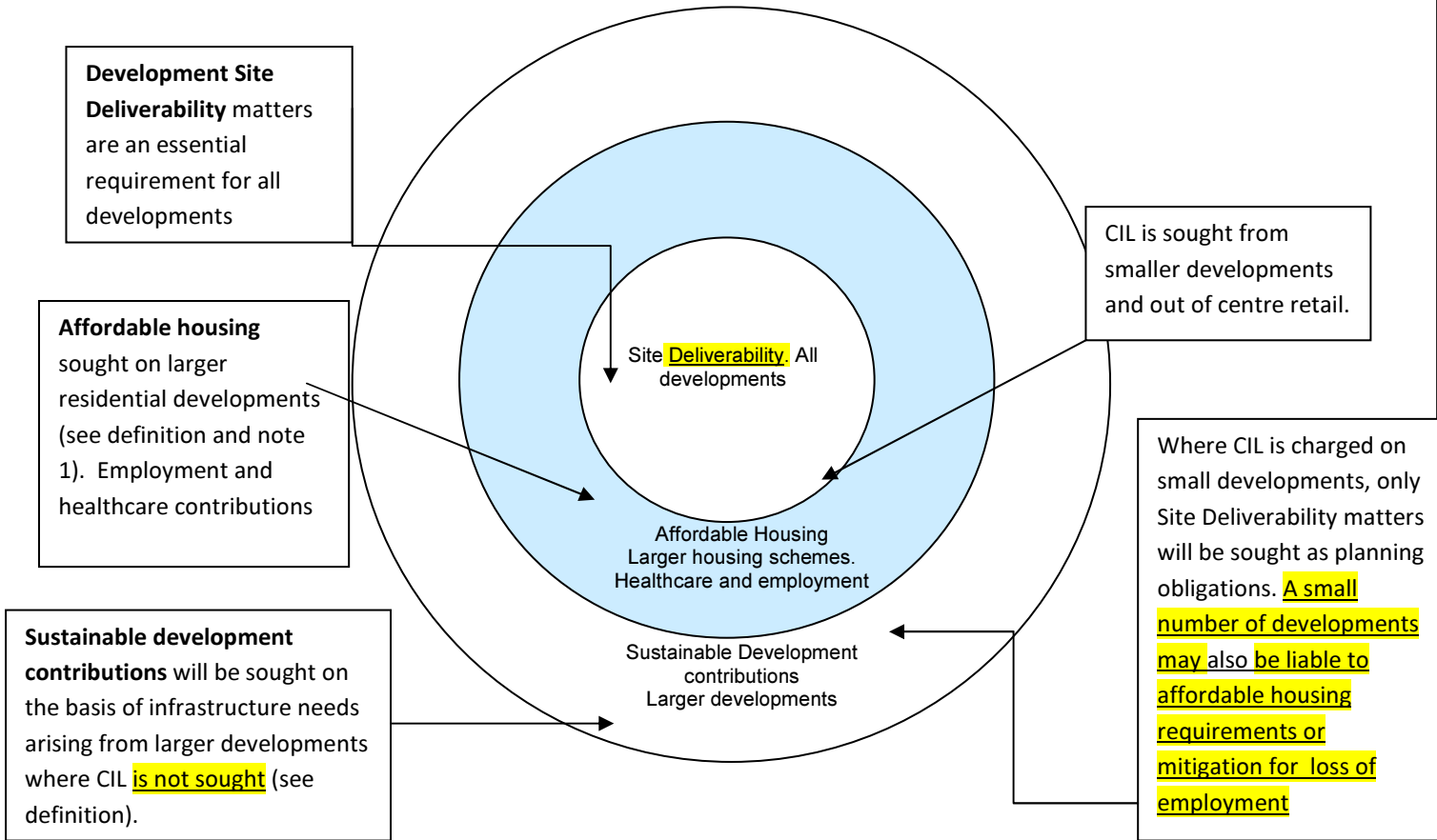


Figure. 1 Proposed Structure of Planning Obligations and Affordable Housing Supplementary Planning Document. and relationship to CIL

Figure 1.2: S106 Themes and prioritisation

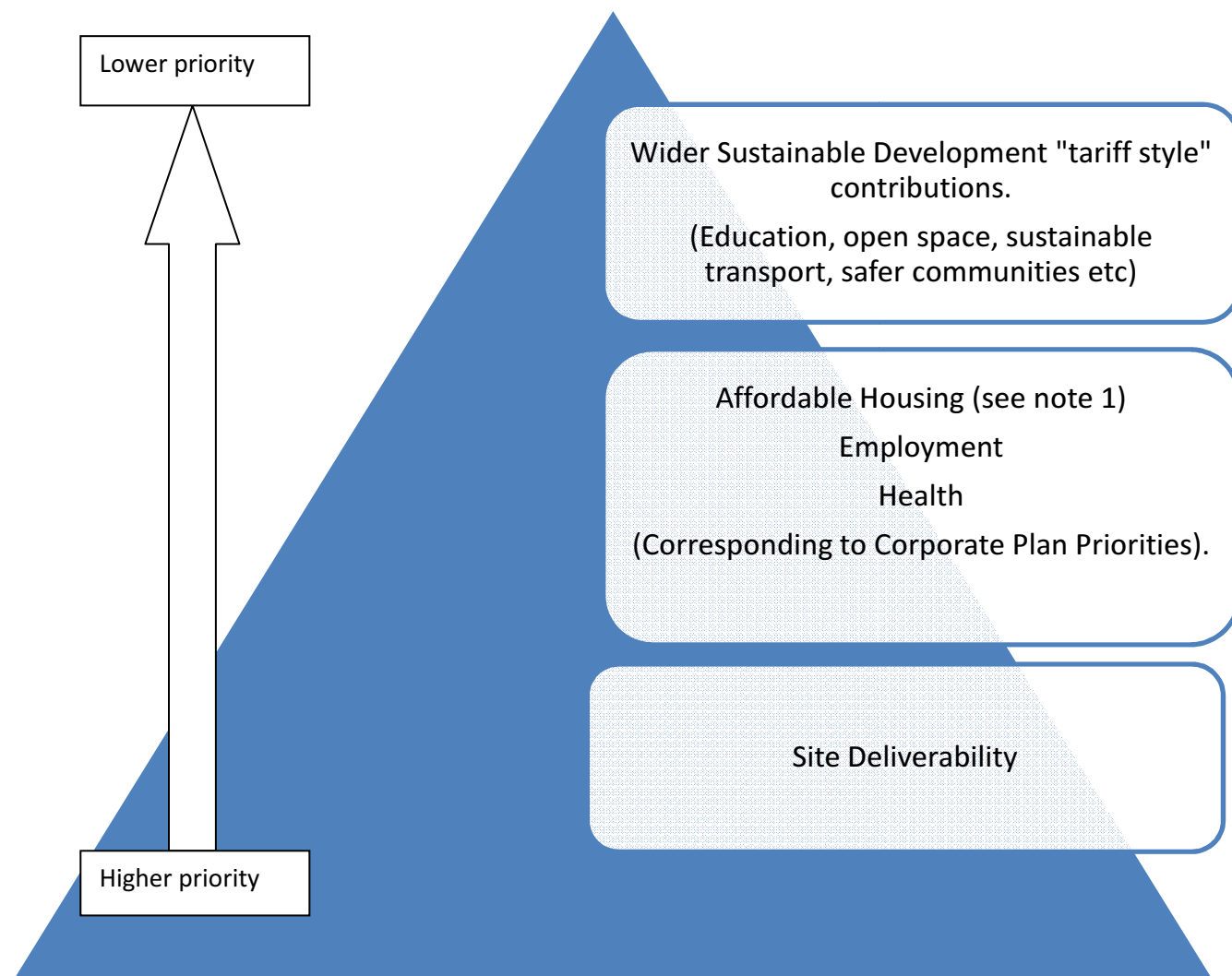


Figure2

Note 1 Affordable Housing. Affordable housing is defined in the National planning Policy Framework. The Council will have regard to a general duty to promote starter homes but this will not take precedence over Policy H2 unless required to do so by Regulations or other legislation.

Note 2. Policy H2 and Policy SS11 of the Local Plan indicates that the Council may agree reduced affordable housing provision where this would secure significant benefits to disadvantaged areas, including enhancement of the local natural or built environment. These would need to be so central to the delivery of the site as to render it a "site deliverability" matter.

Figure 1.3: Justification for Seeking Developer Obligations in the Adopted Torbay Local Plan 2012-30.

| Item | Local Plan Policies/ Reference | Applicable to |
|---|---|--|
| Site Deliverability (highest priority) | | |
| Apply to all developments (residential and non-residential). Will be addressed through site design/condition where possible. Limited scope to negotiate. | | |
| Development Access | TA2 SS6 | All development where there is an impact on access. Will be through S278 Agreements where possible. |
| Drainage and sewerage | ER1, ER2, 6.5.2.18 C3, 6.3.1,20 SDP2 Paignton town centre SDP3 Paignton North and Western Area. | All development including domestic extensions and prior approval. S 2-3. Particularly development within coastal location or flood risk zone |
| Flooding | ER1, ER2, 6.5.2.18 C3, 6.3.20 SDP2 Paignton town centre SDP3 Paignton North and Western Area DE1,DE2, DE5 W5 | All development within coastal location or flood risk zones 2-3 and 1 where there are other flooding risks (wave action etc.). |
| Waste water | W5 6.5.3.23 and 6.5.3.24 Buckland WWTW 6.5.3.27 | All developments (including Prior Approval) see Drainage above. |
| Marine habitats Water quality | NC1, 6.3.2.7 ER2, 6.5.2.18 | All development where there is an impact marine habitats |
| Greater horseshoe bat mitigation | SS1, SS2, SS8, NC1, 4.1.20, 4.1.21, SDP1, SDP3, SDB1, C1 | All development where there is an impact on greater horseshoe bat foraging area/flightpaths |
| (Recreational Pressure on Berry Head) | (SS8, SDB1, NC1 TO1 6.3.2.3 to 6.3.2.5) | Residential and tourism development within the Brixham Peninsula area. It is proposed that this will be a CIL item and therefore S106 Obligations will not be sought towards mitigation of recreation impacts on Berry Head. |
| Cirl buntings | SS8, NC1, 6.3.2.12, SDT3, SDP3, SDB3 | All development where there is an impact on habitat used by breeding or wintering cirl buntings or their habitats |
| Biodiversity-other | SS8, SS9 NC1 | All development where there is an impact on habitats. |
| Design | 6.1.2.19-20 DE1, DE2, DE3 | All development – usually through design/conditions |
| Affordable Housing, employment and health | | |
| Applies to residential developments above threshold. Proportions of affordable housing have been kept low to safeguard viability. Some scope to negotiate tenure on the basis of viability, subject to an overall development package being in the public interest. | | |
| Regard will need to be had to the provision of starter homes as an element of affordable housing provision | | |

| | | |
|--|---|--|
| in Policy H2. | | |
| Employment provision is essential to delivery of Local Plan Strategy. Some scope to negotiate on the basis of viability, subject to an overall development package being in the public interest. | | |
| Additional healthcare/social services impacts arising from development that give rise to healthcare impact (e.g. sheltered housing, extra care units and care homes). | | |
| Some scope to negotiate on the basis of viability, subject to an overall development package being in the public interest. | | |
| Note that the requirement in the Housing and Planning Act 2016 to provide starter homes will affect the delivery of general needs affordable housing. | | |
| Affordable housing- general | Policy H2, 6.4.16 to , 6.4.1.18 H3. 6.4.1.19-27. | Sites over the threshold |
| Empty homes/ regeneration | 4.5.18, 4.5.32 use of affordable housing contributions to bring empty homes back into use. | Sites where affordable housing is sought as a commuted payment. |
| Self build housing | H4, 6.4.1.19-27 (especially 6.4.1.24) | Self build homes (whether built as exception site or as a % of affordable homes. |
| Employment (and early delivery). Employment – contributions towards loss of employment | SS4, SS5, 4.2.19 4.2.27, 4.2.29 6.1.2.15 | Commercial development and development entailing the loss or gain of jobs. |
| Live /Work units | 4.2.31 | Live work units, either through condition or S106 Obligation. |
| Healthcare and broader healthy communities | SS11.4 H6, 6.4.1.49 SC1 | Development likely to give rise to healthcare impact (sheltered housing, extra care and care units). Health Impact Assessments on developments likely to impact on health Sites of 50+ dwellings should provide 5% of dwellings to Accessible and Adaptable standard. |
| Sustainable development infrastructure from larger developments. See definition above (Third priority). | | |
| Applies to larger residential developments in Future Growth Areas where the CIL Charging Schedule indicates that s106/s278 obligations will be sought to fund infrastructure rather than CIL above threshold for affordable housing and commercial developments where there is a particular impact which needs to be mitigated (e.g. sustainable transport, town centre management). Whilst not essential for safety or direct operation of the development, such infrastructure is necessary to make development sustainable and therefore acceptable in Planning terms. Regard will be had to the CIL Regulations Tests of Lawfulness and contributions will be linked to specific projects/items. There is some scope to negotiate on the basis of viability. | | |
| Regard will also be had to the threshold for “tariff style” contributions set out in the Written Ministerial Statement of 29/11/2014 and set out in the PPG. This is: Residential developments of 11+ dwellings (or 1000 sq. m)/ 6+ in the AONB. However most such developments will be CIL liable and sustainable development contributions S106 Obligations will not be sought from developments that pay CIL | | |

The threshold for “tariff style” contributions also covers commercial developments of less than 1000 sq m

| | | |
|---|---|--|
| Infrastructure, phasing and delivery of development. | SS7, SS11 | Residential developments of 11+ dwellings (or 1000 sq. m)/ 6+ in the AONB. Brownfield sites of 15+ dwellings. Commercial development where there is a need created for infrastructure. |
| Transport Infrastructure | SS6 4.3.10 (Western Corridor) 4.3.16 (A385 Totnes Road) | Residential developments of 11+ dwellings (or 1000 sq. m)/ 15+ dwellings on Brownfield sites. Commercial development where there is an impact on transport infrastructure The South Devon Highway is a CIL item. |
| Greenspace-Open space, sport and recreation | SS9, SC2 | Residential developments of 11+ dwellings (or 1000 sq. m)/ 15+ dwellings on brownfield sites. |
| Education | SS11 SC3 6.4.3.15, SC5 (Child Poverty and equality of access) | Development of 11+ dwellings/ 15+ on brownfield sites. |
| Sustainable food production | SC4 | Residential developments of 30+ dwellings |
| Sports and Leisure | SC2 DE1 Active design | Residential developments of 11+ dwellings/ Brownfield sites of 15+ dwellings (or 1000 sq. m). Active design principles apply to all developments as far as practical (usually through planning permission). |
| Town centre management | TC1 TC5 Evening and night time economy 6.1.1.23 | Commercial development which has an impact on town centre management. |
| Monitoring | 6.12.10 6.4.1.34 | Development which give rise to specific monitoring/ management requirements (e.g. holiday occupancy, HMOs, biodiversity) |
| Waste management facilities | W1, 6.5.3.6 W2.5 | On-site design for all developments, and sustainable development contribution from larger sites or where recycling cannot be achieved. |
| Implementation | | |
| Applies to all development. It is intended that most small scale proposals will not require S106 Obligations. | | |
| | Part 7: 7.4, 7.4.8 et seq, especially 7.4.11 6.4.1.12-18 viability testing | |

2). SITE **DELIVERABILITY** MATTERS

2. SITE **DELIVERABILITY** MATTERS

2.1 These relate to works that must be carried out directly to the site to render development workable in physical terms, safety or meeting legal requirements. It includes matters such as access, landscaping, protected species, drainage and flooding.

2.2 Many matters can be addressed through the use of conditions rather than requiring a legal agreement. Conditions will be used where possible. However conditions will not be used to defer considerations that are central to an application's acceptability, such as drainage, flood risk and biodiversity.

2.3 Because site impacts are unique to each development it is not practical to set standard formulae. Policies SS2 and the Strategic Development (SD) Policies of the Local Plan set out key infrastructure matters in proposed Future Growth Areas.

2.4 Development Site Deliverability matters will need to be addressed before other obligations can be sought, and there is limited scope to negotiate on them.

2.5 This section is not intended to imply that all development is capable of mitigation. Although the Council will endeavour to overcome obstacles to granting permission, some proposals will be unacceptable due to their environmental or other impact.

Site Access and direct safety works (Local Plan Policy TA2)

2.6 There is an expectation that developers will pay for access to a development site and/or additional works necessary for safety or operational purposes (e.g. traffic lights, pedestrian crossings, cycle ways, footpaths etc.). **The impact of the development upon junction and road capacity in the immediate vicinity of the site (allowing for a reasonable period of traffic growth, usually five years) will also be considered as a site deliverability matter.**

2.7 However impacts on the wider transport network not directly related to junctions etc in the immediate vicinity of the site will be considered as sustainable development contributions.

2.8 Highway works are currently generally provided through s278 of the 1980 Highways Act.

2.9 The Council will require site access and associated works to be carried out by the developer under s278 in most instances. S278 Agreements are not subject to pooling limitations. They are subject to restrictions on "double dipping" so highway infrastructure that is funded through CIL (i.e. the South Devon Link Road) cannot be the subject to new s106 or s278 Agreements.

2.10 Matters such as internal road layout, parking, provision of cycling facilities etc will usually be dealt with through conditions as part of the development management process (see Policies SS6, TA1 to TA3).

2.11 Roads etc will need to be provided to an adoptable standard. They should provide necessary access to later phases of development by providing highway land to the edge of sites in order to prevent the creation of ransom strips. Details of the Council's highways standards are set out in the Highway Design Guide and Practice Guidance.

Flooding (Local Plan Policies ER1, ER2, NPPF paragraphs 103-104, and footnote 20)

2.12 The NPPF and Policy ER1 "Flood risk" require development to be located in areas with lowest risk of flooding on the basis of sequential and exceptions tests.

2.13 Where (on the basis of the above Policy Framework) development is deemed acceptable subject to flood resilience measures identified in the Flood Risk Assessment; the council will require flood resilience measures to be provided. Policy ER1 (etc.) requires a focus upon sustainable urban drainage and water sensitive urban design. However resilience measures such as water resistant doors, raised floor levels and high level electrical wiring will also be encouraged.

2.14 Such matters will usually be dealt with through planning conditions rather than obligations. However details of flood protection measures will be required when proposals are submitted.

Flooding, Drainage and Sewerage (Local Plan Policies ER1, ER2, W5)

2.15 Drainage is closely related to the issues of flooding and sewer capacity.

2.16 Torbay has been declared a Critical Drainage Area by the Environment Agency (see Policy 6.5.2.13 of the Local Plan). In addition Natural England have raised concern about the impact of combined sewer overflows affecting the candidate Special Area of Conservation (SAC) in Torbay. The Council's evidence² indicates that the impact of "urban creep" and climate change pose a significant risk to Torbay's sewer capacity.

2.17 Policies ER2 and W5 sets out a test to ensure that no additional surface water is discharged into shared sewers. Planning proposals, including prior notifications should ensure that all development (including brownfield sites) mimic greenfield run-off rate (or better).

2.18 The use of Sustainable (urban) Drainage Systems (SuDS) and Water Sensitive Urban Design (WSUDs) to achieve this is strongly encouraged.

2.19 Details of such measures will be required before permission is granted as part of a proposal's Flood Risk Assessment, and implemented prior to the development taking place.

2.20 As with flooding, matters to do with drainage will normally be dealt with through planning condition and the use of sustainable drainage/ water sensitive urban design will be promoted where possible.

2.21 Planning Obligations for off site mitigation will only be accepted as a last resort, and if a suitable project that does not fall foul of pooling restrictions and is implementable can be identified. If this cannot be achieved, proposals will need to be refused.

² Assessment of Sewer Capacity In Torbay, AECOM/SWW 2014

2.22 Developers will require a licence from SWW to connect to foul sewers. Where additional sewerage is required the Council, in liaison with South West Water, will seek to ensure that sufficient capacity is provided to meet the requirements of the whole Future Growth Area. This may mean that earlier phase developers overpay for drainage/flooding measures and provide proportionately less for less critical infrastructure, which will be met by later phases of development.

Biodiversity

2.23 In relation to biodiversity the National Planning Policy Framework (NPPF) requires development to minimise impacts on biodiversity and provide net gains where possible (paragraph 109 and 117-118)

2.24 Section 40 of the Natural Environment and Rural Communities Act 2006 places a duty on all public authorities to have regard, in the exercise of their functions, to the purpose of conserving biodiversity. They should identify ways to integrate biodiversity in developing policies, strategies, in managing land and buildings and developing infrastructure (roads/flood defences) etc.

2.25 In accordance with the NPPF, the Local Plan Policy NC1 indicates that there should be no net loss of biodiversity through development and the aim will be to secure net gain.

2.26 The approach set out in the following paragraphs is designed to have benefits for developers, local communities and habitats and species.

Development Impacts on Biodiversity

2.27 Some development sites will undoubtedly impact on biodiversity. The mitigation hierarchy of avoid, mitigate, compensate, enhance should always be followed.

2.28 Where impacts cannot be avoided, mitigated or compensated for on the development site, or on other land owned by the applicant, contributions for off-site mitigation or compensation will be sought.

2.29 It should be noted that this approach is not a replacement for the protection of those habitats and species covered by legislation. Furthermore, the approach will not be appropriate in all cases e.g. where there will be loss or deterioration of irreplaceable habitats. **Development** likely to affect habitats and/or species associated with an international site will be subject to assessment under the Habitats Regulations and will not be permitted unless **any likely significant effects can be fully mitigated any adverse effects upon integrity can be ruled out**

2.30 The following deals with specific biodiversity related issues of importance to Torbay:

- Greater horseshoe bats (*Rhinolophus ferrumequinum*) **associated with the Berry Head to Sharkham Point component of the South Hams SAC**
- Cirl buntings (*Emberiza cirlus*)
- Recreational impacts on the Berry Head to Sharkham Point component of the South Hams SAC (Calcareous grassland and other habitats)

~~Locally important protected sites for biodiversity or geodiversity~~ **Protected Sites – locally important sites for biodiversity and geodiversity** ~~Mitigation of biodiversity impacts via contributions for off-site habitat enhancement (biodiversity offsetting).~~ **Off Site Habitat Compensation (biodiversity offsetting)** **Greater Horseshoe Bats (*Rhinolophus ferrumequinum*)** associated with the Berry Head to Sharkham Point component of the **South Hams SAC**

2.31 The greater horseshoe bat (GHB) is a rare species in the UK **with a significant proportion of the population found in South Devon** ~~although it can be found almost anywhere in Torbay.~~ Most records refer to animals at traditional roost sites, commuting along strategic flyways or foraging in sustenance zones. 2.32 Natural England has produced the South Hams SAC Greater Horseshoe Bat Consultation Zone Planning Guidance (June 2010). The guidance identifies sustenance (foraging) zones around each of the component roosts of the SAC, as well as the strategic flyways which are most likely to link the SAC roosts. **The guidance provides details on the current protection for Greater Horseshoe Bats in Annex A.**

2.33 Those developments located in a greater horseshoe bat strategic flyway or sustenance zone will need to follow the above Natural England guidance. Such developments are likely to need a Habitats Regulations Screening Assessment, and potentially a full Appropriate Assessment, to determine whether there are any Likely Significant Effects on the SAC.

2.34 Impacts on greater horseshoe bats will need to be mitigated for on the development site, or on other land owned by the applicant. This can normally be achieved through the maintenance of dark corridors and habitat management measures that ensure that there are no detrimental impacts on the ability of the species to navigate and feed, and that there are no **adverse** impacts on the favourable conservation status of the species.

2.35 Within the context of ‘in-combination’ impacts, ensuring the greater horseshoe bat population’s resilience and the precautionary principle ~~regard to enhancement for, and improving the resilience of the population of, greater horseshoe bats in Torbay,~~ a number of strategic measures have been identified in conjunction with Natural England as detailed in the table below.

~~Contributions towards these measures will be taken via CIL for CIL chargeable development. Other mechanisms to mitigate impact, such as direct provision or s106 obligations will need to be provided by development that has not paid CIL. Such works, or management programmes, will be different from CIL funded infrastructure.~~

2.36 Contributions for these measures will be charged through s106 from the developments in the strategic growth areas as, based on their locations, these developments are the ones likely to impact on the greater horseshoe bat population and habitat. The need for contributions or other measures to mitigate the impact from any ~~non-CIL chargeable~~ **other** ~~developments or developments within Future Growth Areas~~ will be determined on a case by case basis. This will be identified through the Habitats Regulations process.

~~It should be noted that the list of strategic measures is likely to evolve over time and early discussions with regard to potential mitigation and enhancement for greater horseshoe bats~~

are welcomed. Table 2.1 below shows the list of strategic mitigation measures. Based on monitoring the greater horseshoe bat population and their habitat, these measures may be amended in the future.

Table 2.1 Greater Horseshoe Bat Strategic measures (note that contributions will be sought on a case by case basis based on impact)

| Strategic measure | Cost (at 2016 rates) |
|---|---|
| New maternity roost provision at Berry Head (Priority project 1) | £80,000 |
| Existing building enhancements to create new roost locations, potentially at: Sharkham Point, Berry Head, Woodhuish Farm (Priority project 2) | £40,000 |
| <u>Improvements to foraging habitat within the sustenance zone</u> Land purchase and/or habitat enhancement of existing sites | To be determined on a case by case basis |
| <u>New survey roosts and On-going monitoring of the Greater Horseshoe Bat population</u> | <u>To be determined on a case by case basis</u> |

Note that contributions will be sought on a case by case basis based on impact.

Cirl Buntings

2.37 The cirl bunting is a rare species in the UK, with a very restricted range. Most of its population is in South Devon, and a survey in 2009 showed that just over 8% of the UK population was in Torbay. The cirl bunting is a UK species of principal importance under Section 41 of the Natural Environment and Rural Communities (NERC) Act 2006. These species were identified as requiring action under the UK Biodiversity Action Plan and remain conservation priorities under the UK Post-2010 Biodiversity Framework. The cirl bunting is also protected under Schedule 1 of the Wildlife and Countryside Act 1981 (as amended), and is a red listed bird of conservation concern.

2.38 In areas where there are historic records of cirl buntings breeding territories, or where suitable habitat is present on a development site, the developer and Torbay Council will either need to accept presence of cirl buntings and agree on the level of presence or undertake specific Cirl Buntings surveys, in accordance with the Wildlife and Development Guidance Note: Cirl Bunting (Devon County Council, Teignbridge District Council and RSPB, draft June 2016 currently being finalised) latest RSPB guidelines, to determine the level of presence.

2.39 Where loss of summer breeding or winter cirl bunting habitat is unavoidable, compensatory habitat must be provided. This is unlikely to be achieved on the development site but may be able to be achieved This may be able to be achieved on the development site, or on other land owned by the applicant within Torbay, although it is acknowledged that the creation and on-going management of suitable arable habitat within a development might be difficult to achieve.

2.40 Where suitable mitigation or compensation cannot be provided on site, contributions towards off-site compensation will be sought. Grampian conditions may be used to secure compensation prior to commencement of works.

2.41 Torbay Council is working with the RSPB and the Torbay Coast and Countryside Trust (TCCT) to identify potential off-site compensation sites for cirl buntings in Torbay.

2.42 Based on this work, **compensatory habitat provision for an additional six pairs of cirl buntings at Cockington has been identified.** ~~potential compensation sites at Cockington and Maidencombe have been identified.~~ A payment in the region of **£87,313** ~~£87,500~~ (at 2015-2016 costs) per pair of cirl buntings will be required for compensation **for** those site which are owned by Torbay Council and managed by TCCT. The offsite compensation payment will cover a 25-year management agreement **covers TCCT management and monitoring costs for 25 years. TCCT has every intention to continue to manage the land in accordance with the agreed Scheme of Management until the expiry of its current lease in 2060. A similar Scheme of Management is being developed for TCCT managed land at Maidencombe.**

2.43 Further details can be found within the Wildlife and Development Guidance Note: Cirl Bunting (Devon County Council, Teignbridge District Council and RSPB, draft June 2016 ~~with a commitment from TCCT to provide on-going management to the end of their current lease agreement on the land (2060). Habitat management will be in line with the cirl buntings habitat requirements set out in the RSPB's Draft Wildlife and Development Guidance Note: Cirl Buntings (June 2016) and will include monitoring to establish success.~~

Recreational impacts on the Berry Head to Sharkham Point component of the South Hams SAC

2.44 As detailed in Policy NC1 of the Torbay Local Plan, developments comprising new housing or new holiday accommodation within 5km drive distance of the SAC (broadly equivalent to the Brixham SDB1 policy area) will be required to make a financial contribution towards mitigating the impact of additional recreational pressure on the calcareous grassland at the Berry Head to Sharkham Point component of the South Hams SAC.

2.45 The Council has published the management of recreation impacts on the limestone grassland between Berry Head and Sharkham Point on its Regulation 123 List of matters it intends to fund through CIL. On this basis Contributions for this matter will be taken via CIL.

Protected Sites - locally important sites for biodiversity and geodiversity

2.46 The Torbay Local Plan identifies locally important sites for biodiversity and geodiversity; these include County Wildlife Sites, Other Sites of Wildlife Interest, Unconfirmed Wildlife Sites and Regionally Important Geological Sites. **In addition policies NC1 and C4 seek to protect veteran trees and woodland.** ~~Developments within 500m of these Protected Sites~~ locally important sites are likely to impact upon and/or benefit from them. Accordingly, there may be a need for these developments to contribute towards enhanced management of these sites. Contributions will be modest and the need for, and level of, contributions will be determined on a case by case basis.

Off Site Habitat Compensation (biodiversity offsetting)

2.47 Where impacts on local habitats cannot be avoided, mitigated or compensated for on the development site, or on other land owned by the applicant, contributions for off-site habitat compensation will be sought.

2.48 For small developments that involve the loss of local habitat, a contribution of £25 per sq m will be sought (Calculated on the basis of ~~95p~~ £1 per sq. m habitat loss will be applied per year for 20 years). For example loss of 100 sq. m of habitat would result in a contribution of £2,000 (£1 x 20 years x 100 sq. m).

2.49 For larger developments contributions will be determined on a case by case basis.

2.50 Contributions will be used to provide off site habitat enhancements in accordance with management plans. There are a number of locally important sites across Torbay which have the potential to provide off site compensation through enhanced habitat management. These include County Wildlife Sites, Other Sites of Wildlife Interest and Unconfirmed Wildlife Sites, (see Appendix D of the Local Plan). In addition there may be potential for off-site compensation on other land, including land owned by Torbay Council and managed by the Council or TCCT.

~~Where contributions are sought for off site recreation, they will be treated as “sustainable development contributions” and will not be sought from developments that have paid CIL. Where an application involves the loss of greenspace and/or biodiversity, S106 contributions will be sought to offset their impact as a Site Deliverability matter. The Council do not consider this to be a “tariff style” contribution.~~

2.51 Consideration will be given to other biodiversity obligations or on-site provision to avoid “double counting”, i.e. financial contributions will only be sought to compensate for a net loss of biodiversity. This planning contribution mitigates a site specific impact and is therefore a site deliverability matter. Where used for greenspace management it is not infrastructure subject to pooling. It will not be used to duplicate matters that are CIL funded (i.e. the limestone grassland at Berry Head).

Design and active design

2.52 Policy DE1 of the Local Plan sets out a requirement for development to be well designed and contain a checklist of considerations relating to development’s function, visual appeal and quality of open space. Particular attention is drawn to designing out opportunities for crime, anti-social behaviour etc., and liaison with the Police Architectural Liaison Officer on major developments. The Policy also requires the provision of layouts and design which encourage active lifestyles and promote walking, cycling and public transport. Policy DE2 encourages the use of Building for Life Criteria.

2.53 Policy DE3 Development amenity sets out a requirement for good layout of dwellings including guidance on space standards, amenity space, road layout, parking, bin and storage areas. It sets out a guideline requirement for houses to have 55 sq. m of outside amenity/garden space and flats to have 10 sq. m per unit.

2.54 Policy SC1 Healthy Bay requires applicants to have regard to promoting healthy living. Developments of 30 or more dwellings, and smaller scale developments where there is an impact on health will be required to undertake a screening for a Health Impact Assessment.

2.55 Such matters are central to the development management process and it is expected that in most instances they will be addressed through conditions and the negotiation of layouts etc. ~~In instances where the promotion of healthy lifestyles etc. cannot be accommodated on-site (but are not essential to the safe or legal operation of a site), contributions will be sought as an equal priority to affordable housing and employment.~~

2.56 Policy SS10 Conservation and the historic environment requires development to contribute towards the character and local distinctiveness of the area. There will be instances where public realm improvements are central to the success of development, particularly in town centre and waterfront areas. In such instances public realm improvements may be prioritised.

2.57 Policy SS11 sets out a range of measures to regenerate community investment areas, including protecting and enhancement of the built environment or creating better accessibility and connections serving the local community. Helping to promote healthy lifestyles for example through promoting walking and cycling will also be given a high priority in these areas.

2.58 Whilst broader public realm improvements are treated as a sustainable development contribution (see Section 4 below), there will be instances where public realm/physical regeneration is considered critical to the success of an application to the extent that it will be considered to be a site deliverability matter, and prioritised accordingly. In many instances this can be achieved through conditions and good design of development and its environs. There may however be instances where s106 obligations are justified for offsite works in close proximity to the site.

3. Affordable Housing Employment and Health

3. AFFORDABLE HOUSING EMPLOYMENT AND HEALTH

3.1 This section sets out guidance on the implementation of the Council’s affordable housing, employment and health policies. These will be given the next highest priority in negotiating S106 obligations after direct Site **deliverability** matters have been taken into account. Note however that active design and related matters such as on-site green **open** space provision will often be dealt with through planning condition as part of Site Deliverability matters

Affordable Housing

3.2 Policy H2 of the Adopted Local Plan 2012-30 sets out the Council’s affordable housing requirements. **Policy SC5 “Child poverty” also promotes affordable housing and other measures to help reduce child poverty.**

3.3 Policy H2 remains the Council’s adopted Local Plan Policy. However the Government has won a Court of Appeal right to set a minimum threshold of 11 dwellings through written ministerial statement dated 28 November 2014. It subsequently amended the Planning Practice Guidance on 21 May 2016 to reflect these minimum thresholds. The WMS, PPG and ~~clearly stated Government intention~~ **intend** to restrict affordable housing thresholds are material considerations and **it is recommended that affordable housing contributions are *not* sought from dwellings of 1-10 dwellings or 1-5 dwellings in the AONB.**

~~Chapter 1 of the Housing and Planning Act 2016 creates a general duty upon Local planning authorities to promote starter homes. This will be implemented through Regulations. A technical consultation dated March 2016 indicates a preferred option of 20% of dwellings on sites of 10 or more units (or 0.5 ha) should be provided as starter homes, in addition to other affordable housing requirements (pp12-13). However until and unless Regulations come into force, it is recommended that Policy H2 remains the basis for seeking affordable housing. Starter homes may be sought as an element of intermediate affordable housing.~~

~~There is likely to be an exemption where the requirement would render sites unviable, but the consultation appears to indicate that other types of affordable housing should be dropped before starter homes (see P14)~~

3.4 The de facto implementation of Policy H2 is set out below

Policy H2

Affordable housing

The provision of affordable housing will be sought on greenfield sites of **3 11** dwellings or more, **unless they are within the AONB or are rural exceptions sites, when a 6 dwelling threshold will apply.** Affordable housing will be sought on **and** brownfield sites of 15 dwellings or more, to meet the housing needs of local people. Affordable housing will be sought on the following sliding scale, up to thirty percent (30%) of dwellings on qualifying sites:

| Net new dwellings/ assessed site | Affordable housing target | Usual method of delivery |
|----------------------------------|---------------------------|--------------------------|
|----------------------------------|---------------------------|--------------------------|

| capacity | | |
|--|-------------|---|
| Development of Brownfield Sites | | |
| 3-14 dwellings | Zero | N/A |
| 6-10 dwellings | Zero | N/A |
| 11-14 dwellings | Zero | N/A |
| 15-19 dwellings | 15% | Delivered through on site provision. Commuted payments will only be accepted where this would achieve more effective provision of affordable housing, or bring significant regeneration benefits. |
| 20+ dwellings | 20% | Delivered on site. Commuted sums will only be accepted where this would achieve more effective provision of affordable housing or bring significant regeneration benefits. |
| Development of Greenfield Sites | | |
| 3-5 dwellings | 40% | Usually through commuted payment Zero unless there is a change to the Planning Practice Guidance/Written Ministerial Statement. |
| 6 -10 dwellings | 15% in AONB | Usually through commuted payment: Zero unless there is a change to the PPG/WMS. If the site is within the AONB or a rural exceptions sites, then 15% through commuted payment. This will be payable on completion of units within the development |
| 11--14 dwellings | 20% | Delivered through on site provision. Commuted payments will only be accepted where this would achieve more effective provision of affordable housing, or bring significant regeneration benefits. |
| 15-29 dwellings | 25% | On site. Commuted sums will only be accepted in exceptional circumstances, where this would achieve more effective provision of affordable housing or bring significant regeneration benefits. |
| 30+ dwellings | 30% | On site. 25% affordable housing and 5% self build plots in accordance with Policy H3. Alternatively 30% affordable housing will be accepted where Self Build Plots are not practicable. |

A site's overall capacity to accommodate dwellings will be taken into account when calculating affordable housing requirement, and artificial sub-division or underdevelopment of sites will be resisted.

Provision of affordable housing, or contributions on smaller sites, will be sought on the basis of one third social rented housing, one third affordable rent and one third shared ownership housing. An element of self-built plots will be sought on larger greenfield sites, in accordance with Policy H3.

A higher level of shared ownership/key worker housing may be agreed where this would aid economic prosperity, regeneration or promote the creation of mixed communities.

Proposals that exceed the minimum affordable housing requirements will be supported subject to other policies in the Plan, including the need to create mixed and balanced communities and meet local needs.

Where developers wish to reduce significantly the level of affordable housing provision, an independent assessment of viability will be required, with the developer underwriting the cost of the viability assessment.

The Council may agree to a reduced scale of affordable housing provision on sites where early delivery is possible.

Where a contribution is agreed in lieu of on-site provision, it should reflect the cost of providing on-site affordable housing.

In order to secure additional investment in disadvantaged areas of Torbay, the Council may agree to a reduction, or zero provision, of affordable homes on sites in those areas. Development of such sites will be expected to provide significant benefits to the creation of more sustainable, balanced communities as assessed against the criteria in Policy SS10.

3.5 The explanation to Policy H2 (Paragraphs 6.4.1.6-18) provides additional guidance on tenure natural design and implementation. It sets out the Council's approach to delivering affordable housing as part of mixed and balanced communities. Paragraph 6.4.1.2 indicates that sites should not be artificially subdivided or phased to avoid liability for affordable housing. This should apply both to new sites and the subdivision/redevelopments of existing buildings. Regard will be had to space standards set out in the explanation to Policy DE3 of the Local Plan.

3.6 Dwelling types should be provided in agreement with the TDA's Head of Asset manager and Housing and registered providers' needs. For example there may be a preference for 5 person 3 bedroom homes.

Tenure Mix

3.7 The Council seeks up to 30% affordable housing on the basis of the following:

1/3 Social Rent. This should be managed by a Registered Provider (e.g. a Housing Association) or alternative organisation approved by the Council. Social rented housing is homes let on assured or secure tenancies (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

1/3 Affordable rent Affordable rented housing is let by local authorities or private registered providers of social housing or alternative organisation approved by the Council to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

1/3 Intermediate. This is an umbrella term for homes for sale or rent at a discount below market rates but above social and affordable rented products. It includes (but is not limited to) shared ownership, discounted market sale and starter homes:

Shared ownership/ Shared Equity Homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition

above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, including rent-to-buy type products. ~~but not affordable rented housing.~~ Note that the NPPF (2012) definition of affordable housing currently requires affordable homes to be affordable in perpetuity or for the subsidy to be recycled into other affordable housing in order for it to be considered affordable housing.

Starter Homes.

3.8 Chapter 1 of the Housing and Planning Bill (2015) introduces a duty on local authorities to promote the supply of starter homes when carrying out their planning functions.

Starter homes are defined as a new dwelling available for purchase by a qualifying first time buyer, to be sold at a discount of 20% below market value subject to a price cap of £250,000. This will be implemented through Regulations.

3.9 A technical consultation dated March 2016 indicates a preferred option of 20% of dwellings on sites of 10 or more units (or 0.5 ha) should be provided as starter homes, in addition to other affordable housing requirements (pp12-13). However until and unless Regulations come into force, it is recommended that Policy H2 remains the basis for seeking affordable housing. Starter homes may be sought as an element of intermediate affordable housing. Qualifying person is currently a person under 40, although Regulations may introduce other criteria such as local connection.

3.10 PPG 55-005 indicates that starter homes should be subject to a s106 agreement requiring them to be offered to first time buyers for a discount of at least 20% below market value and with restrictions that they cannot be resold or let at their open market value for 5 years following the initial sale.

3.11 There is likely to be an exemption where the requirement would render sites unviable, but the consultation appears to indicate that other types of affordable housing should be dropped before starter homes).

3.12 Regulations may impose additional requirements on the provision of starter homes. However until these come into force, starter homes will be considered as an element of intermediate housing. There are likely to be instances where the provision of starter homes may be more achievable on site than other types of affordable housing for example as part of a block of flats.

3.13 Note that small homes that sell or rent at the lower end of the housing market simply by virtue of their small size will not be considered as affordable housing.

Self and Custom Build Housing.

3.14 In addition Policy H3 of the Local Plan promotes self or custom build housing on exception sites and on sites of 30+ dwellings. However general affordable housing will be accepted in lieu of self build plots if this would facilitate the successful delivery of development, or be necessary for site management or safety reasons.

3.15 Self-build and custom houses are defined as dwellings built by individuals or associations or persons working for them; but exclude the building of a house on a plot acquired from a house builder who builds the house wholly or mainly to plans or specifications decided by the house builder.

3.16 In all cases, self-build plots should be provided in accordance with the Council's allocation policy for self build housing.

3.17 Where they are provided as part of larger housing sites, developers will be expected to provide serviced plots for sale to qualifying households within the Council's allocation policy for self-build housing. Note that Policy H3 requires self build plots to be completed within three years of commencement. A condition or s106 Obligation will require occupants to have a strong local connection or employment in Torbay for five years from the date of commencement.

3.18 Policy H3 requires self-build plots built in the countryside as rural exceptions to be provided as affordable housing. Accordingly on rural exception self-build plots, there will be a requirement for affordable self build plots to be offered at a discount of at least 20% below the open market value of such a plot, to someone living or working in Torbay in housing need.

3.19 If the plot does not sell after 12 months of being marketed, it will cascade out to general needs affordable housing. A condition or s106 Obligation will be required to retain the dwelling as affordable housing in perpetuity. There will be a requirement that subsequent sale or occupation is at a discount of 20% below current market prices, and sale and occupation is to persons with strong local connections as indicated in the Council's allocations policy for self-build housing.

3.20 Note that affordable self build housing on rural exception sites must meet the acceptability criteria in Policy H3 and C1. In general they will need to adjoin a settlement and be acceptable in terms of landscape and environmental impacts.

3.21 As noted above, self build plots may be replaced with general needs affordable housing if there is evidence that this would achieve a more successful or speedy implementation of development, or if there is evidence of higher need for general needs affordable homes. In addition paragraph 6.4.1.13 of the Local Plan indicates that there is a general expectation that self build housing will be reduced prior to other forms of affordable housing.

Onsite provision or Commuted Sum?

3.22 Policy H2 assumes that affordable housing will be on-site. ~~In particular the provision of starter homes (see above) may be a more effective means of on-site provision where other tenures of affordable housing are difficult.~~ Where on-site delivery is not practical the second option will be the provision of alternative service sites or land. Financial contributions in lieu of onsite provision will only be accepted as a last option, and in exceptional circumstances.

3.23 However Policy H2 makes provision for financial contributions from smaller sites in exceptional circumstances. These will be calculated on the basis of the assumed subsidy needed to deliver the equivalent affordable housing through the open market, including administrative etc costs.

Calculating ~~the assumed Subsidy~~ Commuted Sums based on cost of provision.

3.24 The Council will assess the cost of providing affordable housing, taking account the value that such housing has in terms of how much occupants would pay for it and rental streams. The value will be below the full open market value. The values of affordable

housing as a proportion of market value Torbay Whole Plan Viability Testing (PBA 2014, and updated January 2016). These are set out below, along with the tenure split. Local Plan specified a tenure split as set out below:

- 1/3 Social rent at an assumed discount of 60% below open market rates
- 1/3 affordable rent at an assumed discount of 50% below open market rates
- 1/3 Intermediate housing including shared ownership and starter homes at an assumed minimum discount of 35% below the open market rate (which includes service charges).

3.25 This equals out as an average affordable dwelling being worth 48% the value of an open market dwelling (based on $(0.6 + 0.5 + 0.35) \div 3 = 04.833$). In other words there is an average private subsidy assumed of 52% of the value of an affordable dwelling.

3.26 In assessing the cost of providing off site affordable housing, the Council has considered and gross development values.

House price data

3.27 Table 3.1 below sets out average new and second hand house prices at June 2016, based on Land Registry data. There was an increase of around 6% since June 2015. In most instances, the new price is more relevant to assessing the cost of providing affordable housing and therefore the commuted sum needed. However in the case of flats, the new price may reflect the luxury end of the market, whilst the second hand price incorporates the bottom of the market. On this basis a figure in between the two has been taken as the cost of providing a decent flat.

3.1a Torbay House Prices , June 2016 (Land Registry)

| | New prices June 2016 | New and second hand prices June 2016 |
|----------------|----------------------|--------------------------------------|
| Detached | £295,878 | £303,857 |
| Semi detached | £210,219 | £205,602 |
| Terrace | £185,654 | £159,641 |
| Flats | £292,990 | £125,425 |
| All properties | £252,500 | £184,453 |

3.28 On the basis of house price data an average house is likely to cost around £190,000 and a flat around £135,000.

Gross development Values in Viability Studies

3.29 Torbay has three recent viability studies (Beter Brett and Associates 2014,2016 and Burrows Hutchinson (August) 2016. There are all available at www.torbay.gov.uk/CIL. The most recent assessments (PBA 2016 and Burrows Hutchinson, August 2016) were that average gross development values in Torbay were £2,700 per sq m for flats and £2,400 for houses, or 2,500 per sq m overall.

3.30 These translate to roughly £135,000 for a 50 sq m flat and £223,200 for a 93 sq m 3 bed, 5 person house. However a slightly lower figure for houses has been taken in recognition of house prices noted above.

3.31 Table 3.2 below sets out the Council's assumed cost of providing affordable housing. These will be used when calculating the cost of affordable housing and off-site contributions, where agreed. They include an allowance for administrative expenses and bringing second hand homes up to an acceptable standard.

Table 3.1b sets out the assumed cost of providing affordable dwellings including a 10% additional cost

| Affordable housing type | Assessed cost of dwelling | Value of assumed subsidy at 52% of market value | Cost of provision with 20%-10% administrative costs (rounded down to nearest £1000) |
|------------------------------|---------------------------|---|---|
| Smaller dwellings 1-2 person | 135,000 | £70,200 | £77,000 |
| Medium sized housed | £190,000 | £98,800 | £108,000 |

Assumed size: As per national minimum space standards, Table 23 p196 of the Adopted Local Plan.

3.32 Where commuted sums are accepted, they should match the value of on-site provision as calculated above (and updated for inflation). A requirement calculator is set out in table 3.3 below, (which opens as an Excel spreadsheet). It is noted that commuted sums may be for fractions of dwellings as well as whole dwellings. This should not be taken to imply that off-site contributions will be acceptable.

Table 3.3 Affordable Housing Commuted Sum Calculator (per dwelling or part of)

| Dwelling range | Number of dwellings | Proportion | No of affordable d | Contribution per affordable |
|---|---------------------|------------|--------------------|-----------------------------|
| Greenfield sites: 3+ bedroom dwellings. | | | | |
| 6 to 10 in AONB | 6 | 0.15 | 0.90 | 108,000 |
| 11 to 14 | 11 | 0.2 | 2.20 | 108,000 |
| 15 to 29 | 15 | 0.25 | 3.75 | 108,000 |
| 30+ | 30 | 0.3 | 9.00 | 108,000 |
| Greenfield sites: 1-2 bedroom dwellings. | | | | |
| Dwelling range | Number of dwellings | Proportion | No of affordable d | Contribution per dwelling |
| 6 to 10 in AONB | 6 | 0.15 | 0.90 | 77,000 |
| 11 to 14 | 11 | 0.2 | 2.20 | 77,000 |
| 15 to 29 | 15 | 0.25 | 3.75 | 77,000 |
| 30+ | 30 | 0.3 | 9.00 | 77,000 |

Calculation of Viability and Deferred Assessment of Viability

3.33 Policy H2 recognises that the provision of affordable housing is a matter for negotiation. Where on-site provision is being made there may be scope to vary tenure to meet sustainable community or Government policy objectives. **Policy SS11 of the Local Plan is relevant to Community Investment Areas.**

3.34 It will, however be noted that paragraph 6.4.1.16 of the Local Plan indicates that proposals will be resisted where the reduction in affordable housing or other community benefits would be reduced to the extent that development is rendered unsustainable.

3.35 Where affordable housing or other s106 requirements are argued to render development unviable, the Council will require an open book viability assessment from the applicant. Where, on the basis of the viability assessment, it is agreed that affordable housing would render development unviable then the Council will negotiate an agreed level of provision e.g. increase amount of intermediate housing or a reduction in provision. In all cases where a reduction in the percentage of affordable housing is agreed, the Council will require a deferred contribution arrangement to be in place. Procedures for carry out viability assessments and deferred contributions are set out in part 5 "Implementation".

Design and Layout

3.36 Affordable housing should not be distinguishable from open market housing by design. Where possible it should be pepper potted in small **more than one** clusters throughout a development **(i.e. not all in one place)**. **As a guideline, clusters of 10-12 affordable homes are appropriate on sites of up to 100 dwellings; and 20-24 on sites of 100 dwellings or more.**

3.37 Where provided together, different tenures of affordable homes should be provided, and the design of homes should not be noticeably different from the market housing.

Registered Providers

3.38 The Council's preferred method of delivery of affordable housing is through partner Registered Providers (RPs) or alternative body approved by the Council. Early discussion with the Council and Torbay Development Agency is encouraged to discuss affordable housing delivery.

Affordable Housing and other Planning Obligations

3.39 Where affordable home are provided on-site and managed by a registered provider or subject to local occupancy conditions, the Council will not seek "sustainable development" contributions from these affordable units.

Another Note on Thresholds and Starter Homes

3.40 This SPD has been written on the basis of the High Court's upholding of the Written Ministerial Statement and subsequent update to the PPG. Policy H2 of the Local Plan remains the relevant development plan policy; however the PPG and WMS are significant material considerations. Should thresholds change, for example as a result of updated guidance or regulations; then the approach taken in the SPD may be modified.

3.41 The SPD has had regard to Local Authorities' general duty to provide starter homes (introduced in the Housing and Planning Act 2016). However this approach may need to be amended should the Government issue further regulations on Starter Homes.

Employment

3.42 Policies SS1, SS4 and SS5 of the Local Plan place a high emphasis on economic growth.

3.43 Average GVA per head of population in Torbay in 2013 was £14,225 compared to £23,755 in the UK and £21,163 in the South West. GVA is the lowest in the South West (Cornwall and Isles of Scilly=£15,403). This makes Torbay the 13th lowest NUTS3 (County and Unitary) area in the UK (about 140 areas).

3.44 Policy SS5 and the Strategic Development (SD) policies of the Local Plan seek to achieve a mix of employment uses on major developments and identify a number of sites for mixed use development. These also set out indicative targets for employment, and indicate that the delivery of employment should be achieved through land equalisation, direct provision of serviced sites and or/developer contributions (paragraph 4.2.27). Where live-work units are provided as part of employment provision, their use will be controlled through condition or S106 Obligations controlling occupancy.

3.45 Where sites are identified for mixed use development in the Local Plan, the early provision of employment space will be given a high priority in determining obligations sought on site, as indicated in Policy SS2(ii) of the Local Plan.

3.46 Where on-site provision is not practical, the Council may agree developer contributions to help enable the provision of employment elsewhere.

3.47 The Council will seek local labour agreements from all developments as set out in Policy SC3 of the Local Plan. This will be incorporated into s106 Obligations where appropriate to do so. Whilst the use of local labour is relevant to all schemes, it will be particularly relevant to self build housing and other forms of development where a degree of exception to usual planning policies has been made.

Loss of Employment

3.48 Where a development proposal results in the loss of jobs (for example change of use away from hotels, offices etc.), a commuted sum will be required to help create similar employment elsewhere in Torbay, as set out in Policy SS5.

3.49 The principle of seeking loss of employment contributions is considered to be important given Torbay's high level of employment related deprivation. The Local Plan promotes a level of housing which is higher than the home grown level of household growth. It is therefore important to creating sustainable communities which are not dependent upon commuting or high numbers of economically inactive persons, that good quality jobs are provided to accompany housing growth.

3.50 Accordingly, loss of employment contributions will be given the highest priority after Site Deliverability and affordable housing matters. However consideration will be given to

the overall impact of development and mitigation may be allowed where schemes achieve significant regeneration or similar benefits.

3.51 Such contributions will be ring-fenced for investment in regeneration projects and unlocking employment development. A range of projects is set out in the Torbay Economic

3.52 Strategy 2013-18, as well as Masterplans for the regeneration of town centres. They will be used to help provide enabling infrastructure such as site servicing or decontamination costs for regeneration and employment generating schemes.

3.53 Where the contributions are used for infrastructure measures (e.g. site servicing), no more than 5 obligations will be pooled for a specific project. However smaller contributions will be targeted at non-infrastructure matters such as training.

3.54 Note that contributions do not imply that a change of use away from employment use is acceptable in terms of planning merit. Such applications will be assessed on the basis of Policies in Adopted Torbay Local Plan, particularly **SS5 Employment Space**.

Assessing the Cost of Employment

3.55 The Torbay Economic Strategy 2013-18 contains a detailed Action Plan which identifies projects needed to secure economic development. These relate closely to the Employment Land review (PBA 2013) which sets out key employment development areas. The cost of projects identified in the Strategy is around £290m. These will realistically take at least the Local Plan period to implement. This works out at around £4,778 per economically active person in Torbay (60,700). (When un-costed projects are taken into account the likely cost is nearer £500m, which equates to about £8,000 per economically active employee).

3.56 The 2008 Planning Contributions and Affordable Housing SPD assessed, based on work carried out by the Torbay Development Agency that the cost to the public sector in unlocking employment development was 15-20% of the cost of the job. The most recent available data on average annual wages (full and part time) is set out below. Allowing for 50% on-costs (pensions, NI etc.), is set out in Table 3.4.

Table 3.4. Assessment of the Cost of Providing Jobs

| | Median annual earnings | Cost to employer with on costs (x1.5) | Contribution at 20% +hypothetical public sector cost of creating a replacement job. |
|-----------|------------------------|---------------------------------------|---|
| Full time | £21,940 | £32,910 | £6,580 |
| Part time | £ 7,830 | £11,745 | £2,350 |
| All jobs | £16,680 | £25,020 | £5,004 |

Annual Survey of Hours and Earnings 2014

3.57 The TDA have assessed that the average cost of creating a higher value job³ in Torbay is in the region of £19,000-£22,000 (excluding abnormal costs), whereas nationally a range of £8,000-50,000 has been calculated depending on the project. The Heart of the

³ E.g. A jobs within the B1 Use Class of business/light industry. However the Local Plan considers as range of types of employment and not just jobs within the Class B employment use classes.

South West Local Enterprise Partnership and other grant schemes assume a cost of £6,000-10,000 is a reasonable rule of thumb.

3.58 Accordingly, applications which result in the loss of employment will be asked to pay a loss of employment contribution to mitigate the economic impact, on the basis of:

- £ 8,000 per full time equivalent(FTE) job lost
- £ 4,000 per part time job lost

3.59 The number of jobs lost will be based on evidence supplied by the applicant (Question 20 on the planning application form) and the Employment Densities Guide (3rd Edition 2015 or subsequent, see Table 3.5), which estimates FTE jobs by floor area. On this basis the loss of employment contribution will be calculated on the basis of:

3.60 Number of jobs lost x £8,000 per full time equivalent.

Table 3.5 Estimated Employee/Floorspace Ratios (Employment Densities Guide 3rd Edition)

| Use Class | Sub-Category | Sub-Sector | Density (sqm) | Notes |
|-----------------------------------|---------------------------------|----------------------------------|------------------------------|---|
| B1a Offices | General Office | Corporate | 13 | NIA |
| | | Professional Services | 12 | NIA |
| | | Public Sector | 12 | NIA |
| | | TMT | 11 | NIA |
| | | Finance & Insurance | 10 | NIA |
| | Call Centres | | 8 | NIA |
| B1b | R&D Space | | 40-60 | NIA lower densities will be achieved in units with higher provision of shared or communal spaces |
| B1c | Light Industrial | | 47 | NIA |
| B2 | Industrial & Manufacturing | | 36 | GIA |
| B8 | Storage & Distribution | National Distribution Centre | 95 | GEA |
| | | Regional Distribution Centre | 77 | GEA |
| | | 'Final Mile' Distribution Centre | 70 | GEA |
| Mixed B Class | Small Business Workspace | Incubator | 30-60 | B1a, B1b – the density will relate to balance between spaces, as the share of B1a increases so too will employment densities. |
| | | Maker Spaces | 15-40 | B1c, B2, B8 - Difference between 'planned space' density and utilisation due to membership model |
| | | Studio | 20-40 | B1c, B8 |
| | | Co-Working | 10-15 | B1a - Difference between 'planned space' density and utilisation due to membership model |
| | | Managed Workspace | 12-47 | B1a, b, c |
| B8 / Sui Generis | Data Centres | Wholesale | 200-950 | |
| | | Wholesale Dark Site | 440-1,400 | |
| | | Co-location Facility | 180-540 | |
| A1 | Retail | High Street | 15-20 | NIA |
| | | Foodstore | 15-20 | NIA |
| | | Retail Warehouse | 90 | NIA |
| A2 | Finance & Professional Services | | 16 | NIA |
| A3 | Restaurants & Cafes | | 15-20 | NIA |
| C1 | Hotels | Limited Service / Budget | 1 per 5 beds | FTE per bed |
| | | Mid-scale | 1 per 3 beds | FTE per bed |
| | | Upscale | 1 per 2 beds | FTE per bed |
| | | Luxury | 1 per 1 bed | FTE per bed |
| D2 | Fitness Centres | Budget | 100 | GIA |
| | | Mid Market | 65 | GIA – both types tend to generate between 40-50 jobs per gym |
| | | Family | | |
| | Cinema | | 200 | GIA |
| | Visitor & Cultural Attractions | | 30-300 | The diversity of the cultural attraction sector means a very wide range exists |
| Amusement & Entertainment Centres | | 70 | Potential range of 20-100sqm | |

Healthy Communities and Healthcare

3.61 Policy SC1 of the Local Plan requires development to contribute to improving the health and wellbeing of the community. Torbay has health problems strongly related to its demographic structure and deprivation (see paragraph 6.4.3.1).

3.62 All development should seek to promote active design as a Site Deliverability matter (see above).

3.63 Policy SC1 Healthy Bay requires developments of 30 dwellings or more, or developments where there are particular health impacts to carry out a screening for a Health Impact Assessment. Health Impact Assessment and its screening should be proportional to the size and type of development and identify the most effective measures that can be used to improve health and wellbeing. For smaller developments health impacts can be addressed through Design and Access Statements. These will usually be the promotion of active lifestyles through open space provision, cycling facilities (including secure covered storage).

3.64 Policy SC4 Sustainable food production requires that developments of 30+ dwellings should include provision of sustainable food production.

3.65 Regard will need to be had to the provision of open space and multi-functional green infrastructure for all developments. Where possible these facilities will be sought on-site. Where they are maintained by the Council, ~~at least 10 years~~ **up to 25 years** maintenance shall be provided through s106 or other financial arrangement. If ongoing maintenance is not funded, details of alternative maintenance arrangements (and funding) should be provided as a condition of granting planning permission.

Healthy Communities and Health Impact Assessments

3.66 The Local Plan seeks to help close the gap between the most and least disadvantaged neighbourhoods, as set out in Policy SS11 Sustainable Communities. Policy SS5 seeks to reduce child poverty by a range of measures including provision of affordable housing, education and urban design improvements.

3.67 Policy SC1 Healthy Bay requires development of 30+ dwellings or 1000 sq. m to undertake screening of a Health Impact Assessment. Policy SC4 seeks developments of 30 or more developments to consider providing sustainable food production.

3.68 Open space and recreation provision are dealt with in the sustainable communities section. However these will be instances where a higher priority is given to matters such as education, public realm, and open space provision in order to achieve healthy Bay objectives.

Development which creates a specific Health/Social Service need e.g. Care Homes, Sheltered Housing.

3.69 Torbay has a significantly older population than the national average, due in part to in-migration of older people. The most recent (2014 based SNPP) population data estimate that there are about 35,000 people aged 65+ in Torbay, comprised of 25,000 people aged

65-79 and 10,000 people aged 80+. The number is projected to rise to 45,000 by 2030 comprising 29,000 65-80 year olds and 16,100 80+ year olds.

3.70 Torbay's ~~pattern of demographics is strongly one of~~ **population growth** is driven by net domestic migration by older people into Torbay and outward migration of young people. This places a likely demand upon health care services from some new developments. **The population would decline but for migration trends.**

3.71 From October 2015, Torbay's adult community health and social care, integrated with Torbay Hospital Services to form a single Integrated Care Organisation.

3.72 The Joint Commissioning Team and South Devon Clinical Commissioning Group publishes Market Position Statements for Adult Social Care and Support and Children's Services in Torbay, the most recent being for 2016+ ⁴ This document indicates that demand for adult social care workforce time is growing twice as fast as population growth, at about +1.3% per year compared to 0.6% population growth. It is estimated that the cost of treating the over 85s is likely to increase to about £8.5 million per year in 2020, up from £7.3 million in 2012⁵.

3.73 The 2015/16 base budget for adult social care was £39.3 million compared to gross spending of £48.7 million, with £9.4 million paid for by clients. A strong policy objective of the Torbay NHS Healthcare Trust is to help people live independently in their own homes for as long as possible. Promoting good health is a key Corporate Plan objective.

3.74 In line with the Living Well@Home strategy, about £9.1 million of spending is domiciliary care. This includes a range of care facilities including community nursing, living at home re-enablement, provision of assistive technologies, meals services, night sitting, and respite care is provided by the NHS Healthcare Trust and Council, who comprise an Integrated care Organisation.

3.75 The £9.1 million cost of domiciliary care averages out at about £260 per person aged 65+

3.76 Local government and the NHS are facing unprecedented financial challenges with reduced funding from central government in the face of increasing demand for services. Torbay Council set the 2014/15 budget in February 2014, this included a savings programme totalling £22m to be found over 2 years (2014/15 and 2015/16), which will inevitably result in resources being stretched and services reduced.

3.77 It is recognised that an ageing population, and other clients in need of adult social care, will generate a need for specialist accommodation such as sheltered housing, supported housing and extra care units. **Such accommodation can help people live independently for longer.**

3.78 Policy H6 of the Local Plan deals with accommodation for people in need of care. There is a move away from the use of care homes (use Class C2), but there are likely to be

⁴ <http://www.torbay.gov.uk/torbaymps2016.pdf>

⁵ Torbay JSNA 2012/13

instances where applications are granted, particularly where they provide an improved level of care or specialist facilities to deal with issues such as dementia.

3.79 Accordingly Policy H6 indicates that the Council will seek financial contributions to meet the likely healthcare and social service costs arising from care facilities and sheltered accommodation, unless the applicant is able to show that this contribution would not be appropriate.

3.80 Where development leads to a specific requirement for additional healthcare/social care facilities, s106 obligations will be sought to address these impacts in terms on the Integrated Care organisation. This will be based on the cost of helping people to live in their own homes for as long as possible for sheltered, supported and extra care units. In the case of care homes (use Class C2) the contribution will be based on the additional public cost of care to the Integrated Care Organisation.

3.81 The Contribution will be based upon the likely additional cost to Torbay's integrated care organisation budget arising from such applications. It will not be sought from developments that can show that they will not impose costs upon this, for example where on-site care and facilities are provided as part of an overall development package, or where occupancy is restricted to persons already living in Torbay.

3.82 A baseline contribution of £1,300 per unit of sheltered/supported/extra care accommodation (i.e. uses within Use Class C3) and £2,220 from care homes (uses within Class C2) will be sought.

3.83 This is calculated using the baseline care cost of £260 per person and adjusting it based on likelihood of residents being inwards migrants, likely level and length of care required.

3.84 It is assumed that sheltered housing with minimal care facilities will attract a higher level of inwards migration than accommodation for the less active; with care homes attracting the lowest level of inwards migration. It is assumed that the yearly cost of care increases but the likely length of care decreases in supported housing, extra care housing and care homes. The assumptions are set out in table 3.6 below and the calculation of contributions shown in Table 3.7.

3.85 The assessed cost of care homes is based on figures from the Clinical Commissioning Group of an average cost of £2,500 per year of which 59% is borne by the public purse. An average stay of 3 years is assumed.

Table 3.6 Assumed cost of care and length of occupation of accommodation.

| Accommodation type | Multiplier based on care need. (Applied to £360) | Average period of care (years) |
|------------------------------------|--|--------------------------------|
| Sheltered housing | 5 x £360 | 10 |
| Supported Housing /Assisted living | 5 x £360 | 5 |
| Extra Care units | 10 x £360 | 5 |
| Care Homes (Class C2) | £25,000 x 59% borne by public purse. | 3 |

Table 3.7 Healthcare Contribution for Accommodation for people in need of care.

| (A). Accommodation type | (B). Cost provision for 1 years (£260 x multiplier based on likely need) | (C) Likely cost for 5 years care ((B) x 10 years for sheltered housing and 5 for supported and extra care. | (D) Likelihood of inwards migration from outside Torbay | (E) Contribution per unit (room in the case of Class C2) ((C)/(E)) |
|--|--|--|---|--|
| Class C3 units | | | | |
| Sheltered housing | £260 (x1) | £2,600 | 50% | £1,300 |
| Supported housing | £1,300(x5) | £6,500 | 20% | £1,300 |
| Extra care units | £2600 (x10) | 13,000 | 10% | £1,300 |
| Care Homes and uses within Class C2 | | | | |
| | Cost per place and Average cost to CCG | Likely cost for 3 years | Likelihood of person migrating from outside Torbay | Contribution per room |
| Care home within Class C2 | £25,000 of which average cost to CCG of £14,750 (59%) | £44,250 | 5% | £2,220 |

3.86 ~~Where developers are able to show that they will be providing facilities which will obviate the need for additional adult social care, these figures may be reduced.~~ Contributions will not be sought from affordable units or where developments are restricted to occupancy from existing residents of Torbay. The provision of affordable housing will usually be prioritised over social care contributions for affordable housing liable developments (broadly Class C3 units), where viability considerations would prevent obligation for both.

Development where there is a need for a Surgery/Local Centre etc.

3.87 The Joint Commissioning Team and health Care trust will keep the need for medical facilities under review as part of the Masterplanning of Future Growth Areas. Where development results in the need for a surgery or other health facility, the Council will seek its provision as part of the s106 Agreement, which should include a delivery timeframe, and fall back option. Where possible, the provision of residential accommodation will be supported particularly where this would aid delivery of healthcare facilities.

4. Sustainable Development Infrastructure

4. SUSTAINABLE DEVELOPMENT INFRASTRUCTURE

4.1 Sustainable development contributions are sought to render development acceptable in planning terms. However they are less urgently essential to health, safety or legal obligations than Site Deliverability matters.

4.2 Sustainable development contributions are will not be usually sought from development that pays CIL (QV) or sites below the Government's threshold for "tariff style" contributions, which currently is 11 or more dwellings or 6 within the AONB.

4.3 On this basis "sustainable development" obligations will be sought from larger developments in Future Growth Areas where the Council has chosen to negotiate s106 Obligations to address the infrastructure requirements needed to serve the development, rather than levy CIL

The following sections sets out figures based on assessments of the likely impact of development. However this should not be construed as a "tariff based approach" per-se

Each application will need to be assessed in terms of what contributions are necessary to render development sustainable, meet the test of lawfulness. are lawful and justified in terms of being:

- Necessary to make the development acceptable in planning terms.
- Directly related to the development, and
- Fairly and reasonably related in scale and kind to the development.

4.4 In order for contributions to be sought, the relevant service areas/organisations will need to identify specific projects, which meet these tests, they seek a S106 (etc) agreement for. Unless this is done, an obligation is unable to be sought.

Where contributions relate to infrastructure, no more than 5 s106 Obligations will be pooled towards that item of infrastructure, so long as this is a legal requirement under the CIL Regulations or elsewhere. Should these pooling restrictions be relaxed, the Council may pool obligations, subject to other tests of lawfulness.

4.5 Because sustainable development obligations arise principally from larger developments, onsite provision of many of the items identified will take place; for example sustainable transport measures beyond direct access requirements, provision of open space and multiuse games areas. These can often be secured through condition. The provision of "in kind" facilities or land will be counted against financial contributions sought, although in some instances the Council will seek obligations for maintenance.

4.6 This section includes the following matters.

- Transport Infrastructure - Major Road Network and Sustainable Transport
- Education
- Greenspace Sports and recreation
- Lifelong learning
- Public realm
- Waste management
- Difficult to monitor uses including town centre management.

Transport Infrastructure - Major Road Network and Sustainable Transport

Background and Justification

4.7 The implementation of sustainable transport measures is regarded by Government as essential to reducing traffic congestion, improving air quality and addressing climate change.

4.8 Note that physical works to create safe access for vehicles and pedestrians are sought as Site Deliverability matters. These will usually be delivered through planning condition, negotiation of site layouts or S278 Agreements.

4.9 This section deals with wider sustainable transport matters these are necessary to make development acceptable in terms of mitigating its effect, but go beyond the provision of access to the site and its immediate links to the transport network.

4.10 Chapter 4 of the NPPF sets out Governments policy on transportation. It requires that development which generates significant amount of traffic should be supported by a Transport Statement or Assessment which considers the opportunities for sustainable transport, provision of safe and suitable access, and whether improvements can be made to limit the impacts of development.

4.11 The **Torbay Local Transport Plan 2016-2021** (LTP) contains a range of measures aimed at improving accessibility, air quality, road safety and quality of life and reducing congestion and the impact of transport. The draft Torbay Delivery Plan (January 2016) identifies a range of projects needed to deliver the Local Plan, which cost a total of £5.315 million. The LTP does not include improvements to the A385/Totnes Road which are likely to be required before 2020 if early implementation of development at Collaton St Mary is to be feasible. These are estimated to cost in the region of up to £1m **(although this figure is likely to change in response to detailed site assessments)**.

4.12 The above figure does not include the £20 million funding requirement for the South Devon Highway, which is being sought through CIL.

4.13 Local authorities are required to support essential community facilities such as transport services and maintain infrastructure stemming directly from development. This puts a considerable long term additional pressure on the Council's ability to provide high service quality and support. "Whole life costing" is assesses the true social, environmental and economic cost of any development throughout its useful life. Unless this is met by developer contributions, it has to be borne by the taxpayer.

4.14 Much of Torbay's transport infrastructure operates at or over capacity and delivering growth is only likely to be achievable if accompanied by measures to ensure that it does not rely heavily on car borne transport. Failure to meet these objectives would create additional congestion and have negative health impacts e.g. from poor air quality.

4.15 Policy TA3 of the Local Plan promotes the provision of cycle parking and electrical points within developments, which will usually be secured through negotiation of layouts or through planning conditions. **Large developments will usually be required to provide travel plans to promote alternatives to single occupancy car use.** ~~It covers matters such as bus contributions which are necessary to mitigating the impact of development upon the wider road network, but are not required to physically access the site (such matters being site deliverability matters and are dealt with above).~~ Where possible, these measures will be sought through S278 Agreements, although there will be instances where s106 Obligations will need to be used.

Sustainable Transport Obligations

4.16 Developments in Torbay (where the Council has opted not to charge CIL) will be assessed to identify whether they generate net additional trips and should therefore contribute towards sustainable transport.

~~Contributions will be used for a range of sustainable transport measures identified in the Local Plan and Local Transport Plan or are closely related to the development (either by location or the nature of development).~~

4.17 Sustainable transport contributions will be sought on the basis of a calculation of the additional impact that development has upon the transport network, **or other costs to the authority such as bus passes in the case of specialist developments.** ~~This includes cumulative impacts.~~

4.18 The figures set out below will be taken as a starting point. Additional obligations may be sought where developments have a greater impact upon traffic generation or create a particular need for ongoing revenue support for equipment and running costs, for example as could arise from out of town retail proposals.

Assessing the cost of Additional Trips

4.19 The Council has used Trip Rate Information Computer System (TRICS version 7.3.2) to calculate the number of journeys generated by development. Table 4.1 sets out the likely additional trip rate associated with development over the period to 2017-22 (i.e. the next five years at time of writing) based on development likely to arise in the next five years based on the Local Plan's Strategic Delivery Policies.

Table 4.1 TRICS (7.3.2) Assessment of trips generated by Development in the Torbay Local Plan 2017-22

| Development type | Number/floorspace | Trip rate per unit or 100 sq. m | No of trips per day |
|------------------------------------|-------------------|---------------------------------|---------------------|
| Dwelling houses | 2,750 | 5.1 | 14,025 |
| Business (B1, B2, B8) | 40,000 sq. m | 7.6 | 3,040 |
| Other employment uses | 45,000 sq. m | 7.6 | 3,420 |
| Retail (assume in-town centre) | 25,000 sq. m | 44 | 11,000 |
| Tourism, leisure | 20,000 sq. m | 9.5 | 1,900 |
| Other (education, healthcare etc.) | 20,000sq m | 17.5 | 3,500 |
| | | | 36,885 |

4.20 Based on this it is assessed that the 36,885 additional trips per day will be generated in Torbay by development between 2017-22. Based on the cost of delivering the Local Transport Plan and other Future Growth area highway infrastructure this would equate to £171 per trip generated.

4.21 Planning Obligations will be sought from development based on the above **net** trip generation

Table 4.2 S106 Sustainable Transport Obligations sought from larger development

| Development type | Assumed trip rate per unit or 100 sq. m | Contributions Impact per unit per unit or 100 | Notes |
|------------------|---|--|-------|
| | | | |

| | | sq. m (trip rate x £171) | |
|--|------|--------------------------|--|
| Apartments 1-3 bedrooms | 4 | £690 | Obligations will be sought to address sustainable transport/highways network works that are necessary to make development acceptable and subject to pooling limits where infrastructure. |
| Houses 1-3 bedrooms | 5 | £860 | |
| Larger dwellings (houses and apartments of 4 or more bedrooms) | 6.5 | £1,110 | |
| B Class employment and other employment uses | 7.6 | £1,300 | Mitigation will usually be provided for job creation/ regeneration. |
| Retail – Town Centre (including, Preston and St Marychurch District Centre and Local Centres in built up area) | 44 | £7,530 | Mitigation will usually be provided for in- town centre regeneration and built environment improvements. |
| Retail –out of town centre (including the Willows and West of Paignton) | 120 | £20,520 | |
| Tourism, leisure | 9.5 | £1,620 | Mitigation will usually be provided for job creation/ regeneration. |
| Other (education, healthcare etc.) | 17.5 | £3,000 | S106 Obligations are not sought from publically funded schemes |
| | | | |

4.22 These figures will be used as a starting point and will be adjusted for the level of highways and sustainable transport works provided by the developer (as a development Site Deliverability matter or through negotiated direct provision). Regard will also be had to the cost of providing other mitigations to transport such as measures incorporated in Travel Plans etc.

4.23 Contributions will only be sought where specific projects are identified which meet the tests of lawfulness, and pooling restrictions where they are for infrastructure. On this basis the above costs can only be a starting point.

4.24 In calculating obligations identifying projects, priority will be given to improving road safety, capacity and accessibility, including availability of public transport within walking distance (about 400 metres) of the proposed development. In addition, local air quality (particularly the proximity of Air Quality Action Zones) will be taken into account.

Education

4.25 Torbay Council has a statutory duty under the Education Act 1996 (as amended) to provide sufficient school places to enable every child between the ages of 4-16 to access a school place. Policies SS10 “Sustainable communities”, SC3 “Education skills and local labour” and SC5 “Child poverty” all identify the need to provide education facilities to serve development.

4.26 The TDA’s Schools and Capital Planning Manager has indicated that there is a need for both primary and secondary places throughout Torbay. This includes:

- The need for a new 420 place primary school serving Torquay, at an estimated cost of £5.66 m
- The need for a new secondary school serving Torquay, or expansion of existing schools. This is likely to be a 600 space school at a cost of around £10.44m
- The need for two primary schools serving Paignton, at a cost of £11.32m (based on 420 space schools).
- The need for an extension to secondary school or an additional school serving Paignton at a cost of around £10.44m
- The need for an additional primary school serving Brixham, at a cost of £2.85m
- Expansion of South Devon College under approved Local Development Order.

4.27 The total cost of this is about £40.71 million. Whilst it is not expected that S106 Obligations could cover the entire requirement, it is reasonable for developers to contribute to the additional requirement for school places generated by development.

4.28 The Education Funding Agency sets cash flow multipliers, which are the capital cost of providing an additional school place. They are indexed linked to inflation (on the BCIS public sector cost index). At April 2016, they stood at:

- Primary place £12,398.
- Secondary place £18,954.
- ~~Further education place (16-18) £20,575.~~

4.29 These are the average of the cost of new build and extensions. Whilst a different figure is given for both, they are not significantly different and Torbay requires a mix of new build and extensions to provide new school places). On this basis it is considered appropriate to use an average figure.

4.30 Based on 11 years of school of which 6 in Primary and 5 in secondary this equates to an average cost per school place of £15,833 (i.e. 6/11 of £12,398 plus 5/11 of £18,954)

Numbers of School Age Children per dwelling

4.31 To establish the impact of existing and new development proposals on education facilities it is necessary to identify the likely number of pupils that will be generated by individual developments.

4.32 Devon County Council (2016) have established (Based on research carried out in 1999, 2009 and 2015) that, on average, each family dwelling (i.e. dwellings with 2 bedrooms or more) generates approximately:

- 0.25 primary aged pupils (ages 5 to 11),
- 0.15 secondary aged pupils (ages 12 to 16)
- 0.06 further education (ages 17 to 18).
- This equates to 0.406 school spaces per dwelling in total.

4.33 The figure in Torbay is assessed to be similar to the rest of Devon at about 0.4 school aged children per dwelling, based on assessment of children arising from development in the West of Paignton in 2014-16.

4.34 Multiplying the cost per school place by likelihood of there being a school age child living in a house provides an average capital cost per dwelling of providing a school place. The baseline cost is £6,333 as set out in table 4.3. This is the capital cost of providing an additional school place (i.e. it does not include revenue costs, IT, transport, special education needs, or Further Education).

Table 4.3 Capital cost of Providing School places.

| (A) School Age | (C) Capital cost per school place | (D) Number of children per dwelling | (E) Cost per 2+ bedroom dwelling |
|----------------|-----------------------------------|-------------------------------------|----------------------------------|
| Primary | 12,398 | 0.25 | £3,100 |
| Secondary | 18,954 | 0.15 | £2,843 |
| Total | | 0.4 | £6,333 |

4.35 It is assumed that no education requirement arises from specialist accommodation for the elderly or from one bedroom dwellings. Accordingly no education contribution is sought from these types of dwelling.

4.36 Whilst it is hypothetically more likely that there are more children in larger homes, evidence from the TDA's Schools and Capital Planning Manager suggests that smaller houses, often purchased under help to buy, are equally likely to contain school aged children. Accordingly a relatively minor weighting has been applied for larger dwellings.

4.37 The contribution sought from dwellings is set out in table 4.4

Table 4.4 Education Contributions Sought from Open Market Dwellings.

| | Adjustment (multiplier) to overall average of 0.4 children per dwelling | Contribution per dwelling £6,333 x adjustment |
|--|---|---|
| Specialist accommodation for the elderly | Zero | 0 |
| 1 bedroom dwellings | Zero | 0 |
| 2 bedroom apartments | 0.5 | £3,170 |
| 2 bedroom houses | 0.75 | £4,750 |
| 3 bedroom dwellings | 1 | £6,330 |
| 4 bedroom dwellings | 1.25 | £7,920 |
| 5+ bedroom dwellings | 1.5 | £9,500 |

4.38 As set out above, education contributions will only be sought from sites where the Council has opted to use s106 Obligations rather than CIL to fund the infrastructure needed by a development. Obligations will be spent on specific projects that provide for the need that developments generate for school places. No more than five obligations will be pooled for infrastructure.

4.39 Where sites are provided on site, as is proposed in several Future Growth Areas, it is likely to be preferable to seek a contribution in kind in terms of provision of land.

4.40 The Council will endeavour to use S106 education contributions to provide school places or other educational improvements close to the development. However, because catchment areas may be Bay wide, and providing school places in one location can have a knock on effect of freeing up places closer to a development, this may not always be possible.

Greenspace ~~Open Space~~, Sports and Recreation

4.41 Active design principles apply to all developments as far as practical, and will be sought as site-acceptability matters usually through conditions. Local Plan policies DE1, DE2 and DE3 set out the design and amenity standards for new development. A minimum of 55 sq m of amenity space is sought for new houses.

4.42 This section applies to larger developments where the Council has opted to use S106 rather than CIL to address the infrastructure needs arising from development. Where new development generates a need for open space, or exacerbates an existing deficiency, new provision will be required. The provision may be by way of on-site facilities or an off-site financial contribution to ensure that proper provision is maintained within the vicinity of the development (for example by improving maintenance, management and equipment at existing facilities).

4.43 Policy SC2 “Sport leisure and recreation” of the Adopted Torbay Local Plan sets a framework for planning for new recreation developments and proposes a number of recreation facilities. Policy SS9 “Green Infrastructure” of the Adopted Local Plan is also relevant as is the Countryside, coast and greenspace chapter, particularly the undeveloped coast within Policy C2, and Policy C5 Urban landscape protection areas, where these have public access. Neighbourhood Plans are likely to identify Local Green Spaces, most of which will have public access.

It is recognised that the public realm in town centres etc also provides recreation and makes an additional contribution to the historic and built environment value of the built environment (see Policies SS10, SS11 and DE1).

4.44 The Council's **Greenspace Strategy** is an adopted Supplementary Planning Document (July 2007). (An in-house refresh of standards and costs has been carried out as part of the preparation of this SPD). The standards set out in it will be refreshed as an evidence base document that sets out the requirement for the provision and management of open space for recreation. The Greenspace Strategy contains local The council's current standards for greenspace open space as set out in table 4.5.

4.5 Open Space Requirements Per Person (* added since 2007 Strategy)

| Type of open space | Hectares per thousand population | Square metres per person |
|--|----------------------------------|--------------------------|
| Playing pitches | 1.2 | 12 |
| <u>Other Outdoor Sport and Recreation Facilities (e.g. Multi Use Games Areas, outdoor fitness equipment etc)</u> | 0.2 | 2 |
| Equipped <u>play</u> facilities for children and young people | 0.2 | 2 |
| <u>Greenspace-Open space (including but not limited to parks and gardens, amenity space, natural and semi-natural spaces and beaches and promenades)</u> | 2.5 | 25 |
| Allotments/sustainable food | 4 <u>0.22</u> | -10 <u>2.2</u> |

| | | |
|---|-----|-----|
| production* | | |
| Public realm/open space in town centres | N/A | N/A |

In general the Greenspace Strategy found an ample provision of green space (community parks, Town parks, coastal areas, country parks etc) but identified funding shortfalls with management. This management and enhancement shortfall has become more acute since the Greenspace Strategy was adopted.

4.45 Note on allotments: The National Society of Allotment and Leisure Gardeners (NSALG) recommends that the minimum provision should be 20 standard plots (300 sq.Yd/250 sq. m) per 1,000 households. This equates to: 5,000 sq. m (20 plots of 250 sq. m) per thousand households or 5 sq. m per household. Based on a household size of around 2.25 persons this equates to 2.2 sq. m per person.

4.46 The cost of open space provision per person and per dwelling, as per the Greenspace Strategy and Planning Contributions and Affordable Housing SPD 2008, adjusted for inflation is set out in Tables 4.6 and 4.7 respectively.

4.6 Cost of Open Space Provision per Person

| Type of open space | Sq m per person | Cost of provision per metre | Cost per person |
|---|-----------------|-----------------------------|-------------------------|
| Playing pitches | 12 | £15 | £180 |
| Other Outdoor Sport and Recreation Facilities (e.g. Multi Use Games Areas (MUGAs), outdoor fitness equipment etc) | 2 | £62.50 £250 | £125 £500 |
| Equipped play facilities for young people | 2 | £250 | £500 |
| Open space (including but not limited to parks and gardens, amenity space, natural and semi-natural spaces and beaches and promenades) Greenspace | 25 | £10 | £250 |
| Allotments/sustainable food production | 2.2 | £30 | £66 |
| Public realm/open space in town centres | | £700,000 estimated cost | Around £80 per dwelling |
| Cost of open space per person | | | £1,121 |

Source Greenspace Strategy updated by Residents and Visitors Services to reflect current costs and standards, 2016. Adjusted for inflation based on Bank of England Inflation Calculator (CPI) at 1.25%

4.7 Cost of Open Space Per Dwelling

| Estimated Persons Per Dwelling | Cost Per Person | Cost per dwelling |
|--------------------------------|--|-------------------|
| 1 bedroom-1.4 persons | £490 £496 (excludes children's | £690 |

| | | |
|-------------------------|---|---------------------------------|
| | play facilities and MUGAs etc) | |
| 2 bedroom – 1.9 persons | £740 £871 (half children's play area contribution) | £1410 £1,655 |
| 3 bedroom – 2.6 persons | £990 £1,121 (full play park contribution) | £2,580 £2,915 |
| 4 bedrooms -3 persons | £990 £1,121 (full play park contribution) | £2,970 £3,363 |

4.47 The provision of open space will be assessed on its merits having regard to the Local Plan and Greenspace Strategy Policy Framework.

4.48 The consideration of whether open space provision should be on or off site will depend on:

- **The size of development ;**
- **The extent, location, capacity and condition of existing open space; and**
- **The likely demand that the development will generate.**

~~Regard will be had to the location, capacity and condition of existing open space, as well as the likely demand on it that development generates.~~

4.49 Tables 4.5 to 4.6 above give a cost per person and dwelling of providing green open space. However it is recognised that provision will often be in kind through the provision of play parks etc. on site. **Sustainable development obligations are only sought from developments where the Council has opted to negotiate requirements through s106 Obligations rather than CIL. Most large developments will be expected to provide public open space as part of their layouts.** Where developers make on-site provision, the cost of this will count against any financial contribution (with the exception of maintenance payments noted below).

4.50 Sustainable development Obligations are not sought from sites of less than 11 dwellings in accordance with the written Ministerial statement of 28 November 2014, nor are they sought from developments where CIL is sought. However the Council will keep the need for open space and the status of the WMS etc under review.

4.51 The Council will normally seek on or off site provision in accordance with Table 4.8 below. However, it is acknowledged that there may be local circumstances where it is considered appropriate to switch from on site to off site provision (or vice versa, or a combination of both).

4.52 Open space provision will be taken as a whole and over provision of one type may be counted against other types of greenspace. Open space provision (whether offsite or onsite) should match the type of space likely to be used by residents, so for example elderly persons developments will not require childrens' play facilities.

4.53 Provision will be a matter for negotiations with developers and should pre-application discussions are urged to achieve successful development.

Table 4.8 Guideline thresholds for on-site provision and off-site financial contribution

| Type of open space | Approximate scale of development | | | | Comments |
|--|----------------------------------|-------------------|--------------------|----------------|--|
| | Major development | | | | |
| | 1-10 dwellings* | 11 – 49 dwellings | 50 – 199 dwellings | 200+ dwellings | |
| Playing pitches | Off site | Off site | Off site | Off site | There may be occasional instances where on-site playing pitches are considered suitable. This is likely to be on sites of over 500 dwellings |
| Other Outdoor Sport and Recreation Facilities (e.g. Multi Use Games Areas, outdoor fitness equipment etc) | Off site | Off site | On site / Off site | On site | |
| Equipped play facilities for young people: Local Areas for Play (LAPs) aimed at very young children (also known as doorstep play areas) Locally Equipped Areas for Play (LEAPs) aimed at children who can go out and play independently (also known as community play areas) Neighbourhood Equipped Areas for Play (NEAPs) aimed at older children (also known as destination play areas) | Off site | On site/Off site | On site | On site | For sites of between 11 and 49 dwellings a split of on site provision of a LAP and off site contribution to a LEAP, or sole off-site contribution to a LEAP will be considered. Sites over 50 dwellings will normally need to provide both a LAP and LEAP. It is noted that one quality play space catering for a range of age groups is preferred to two separate play spaces. Sites over 500 dwellings will also need to provide a NEAP. |
| Open space (including but not limited to parks and gardens, country parks amenity space, | On site/ Off site | On site | On site | On site | For sites between 11 and 49 dwellings there may be instances where an off-site contribution to improvements to |

| | | | | | |
|---|----------|--------------------|------------------|---------|--|
| natural and semi-natural spaces and beaches and promenades) | | | | | nearby open space, including access improvements from the development site, may be sought in lieu of on site provision. |
| Allotments/sustainable food production | Off site | On site / Off site | On site/Off site | On site | Torbay Local Plan Policy SC4 sets out that developments of over 30 dwellings should include provision for sustainable food production, including allotments, proportionate to the scale of the development. Off-site contributions towards provision of new allotment sites or improvements / extensions of existing sites may be sought in lieu of on site provision. |

*The Written Ministerial Statement of 28/11/2014 indicates that "Tariff style" obligations may not be sought from sites of less than 11 dwellings. Sustainable Communities obligations are not sought from developments where CIL is sought.

4.54 Where no new open space is provided to serve new dwellings (above the threshold identified above), the Council may seek contributions to ensure that proper provision is maintained, on specific open space an appropriate distance from the development. Local play parks and informal space should ideally be within easy walking distance (300m) of the development. However it is reasonable to expect people to travel further for facilities such as sports pitches, beaches.

4.55 Specific items necessary to making the development acceptable in planning terms will be identified. Where these are for infrastructure, no more than 5 Obligations will be pooled. However they may be used for non infrastructure matters (for example by improving maintenance, management and equipment at existing facilities) where these would meet the tests of lawfulness. These contributions are likely to relate to projects identified in the Greenspace Strategy Action Plan, or in Neighbourhood Plans.

4.56 Where public open space or equipment is provided through a s106 (or other means) by a developer, it should in all cases make financial provision for 10 years maintenance. It is considered by the council that maintenance is essential and therefore these payments should be prioritised. Alternatively, maintenance may be transferred to a management company, so long as financial provision is made for long term maintenance, and dispute resolution.

4.57 All play space and equipment should be completed to an adoptable standard (currently European Standard EN1776 (Play Areas) and EN1777 (Hard Surfaces)) and agreed by the Head of Community Services.

4.58 Where on site facilities are provided, the Council will use a s106 agreement (or other similar means) to secure the following:

- Definition of the extent and type of provision (including a plan). Specific quality standards for all open spaces, including play spaces (LAPs, LEAPs and NEAPs), will be set out in the forthcoming update of the Greenspace Strategy.
- Design, initial establishment, implementation and completion measures.
- Future maintenance specification and funding arrangements.
- Future ownership and management arrangements.
- Rights of public access and use in perpetuity.

Any off site contributions and payment of commuted sums for Council adoption of open spaces and equipment will also be secured by s106 agreement (or other similar means). Agreements will clearly set out the rights and responsibilities of each party.

Lifelong learning

4.59 The Council, as a unitary authority, has a responsibility to provide a range of lifelong learning services to adults, including adult community learning centres, museums and libraries. Libraries are an important element in reducing social inclusion and reducing the inequality gap in Torbay. They host a range of services including acting as a contact for the Council via the Connections Service.

4.60 The cost of running libraries in Torbay is £1,053,000 per year before revenue and £977,000 per year net of revenue (Torbay Budget 2016/17). This equals about equates to £7.30 per person per year.

4.61 Torbay's museums and cultural attractions also provide education and lifelong learning as well as contributing to tourism and therefore employment in the area. Torre Abbey is managed directly by the Council, whilst grant support is given to Torquay and Brixham museums. Management agreements exist for Babbacombe and Princes theatres. Palace Theatre in Paignton is directly managed and also operates the Council's youth theatre, known as the Acting Factory.

4.62 The total expenditure from museums and theatres is £678,000 which is £216,000 after revenue.

4.63 Contributions will be sought from sites of 15+ dwellings in Future Growth Areas (i.e. that do not pay CIL in Torbay) towards lifelong learning. Note that specific projects or items of spending will be identified. Where these are infrastructure they will not breach 5 s106 Obligation pooling limits **(unless these are relaxed)**.

4.64 The calculation of cost of lifelong learning per person and per dwelling is set out in tables 4.9 and 4.10 below.

| 4.9 Calculation of Life Long Learning Cost per person | | | |
|--|---|--|---|
| | Net cost of service (after revenue). Source Torbay Council Budget 2016/17 | Cost per person (based on 134,000 population) and average persons per dwelling | Cost per person & per dwelling per 10 years |
| Libraries | £977,000 | £7.30 | £73 per person |
| Museums and theatres | £216,000 | £1.60 | £16 per person |
| Cost per person | | £8.90 per year | £89 per person |

| 4.10 Calculation of Life Long Learning Cost per dwelling | | |
|---|-----------------------|---------------------|
| Number of dwellings | Persons per household | Cost per dwelling (|
| 1 bedroom | 1.4 | £125 |
| 2 bedroom | 1.9 | £170 |
| 3 bedroom | 2.6 | £232 |

| | | |
|------------|---|------|
| 4+ bedroom | 3 | £267 |
|------------|---|------|

Public Realm improvements

4.65 Improvements to public realm, including urban spaces and the fabric of buildings etc that face on to them, are critical elements of regeneration and improve quality of life for residents and visitors alike, and reducing deprivation in town centre areas. Policies SS10, “Conservation and the historic environment”, SS11 “Sustainable Communities”, and DE1 “Design” all support public realm improvements. In addition, the Council adopted masterplans for the regeneration of Torquay and Paignton town centres in June 2015, which set out public realm improvements. The Heritage Strategy (2011) promotes conservation led regeneration and improvement of the built environment.

4.66 It is estimated that around £700,000 works are required to enhance public areas within town centres associated within town centres, (*Kay Elliot, forthcoming*).

4.67 The Masterplans will unlock significant commercial and residential development. Whilst figures are highly tentative the Local Plan town centre policies (SDT2, SDP2, SDB2) and Masterplans indicate a in the region of:

- Torquay 30,000 sq m commercial development and 600 dwellings
- Paignton 35,000 sq m commercial development and 520 dwellings
- Brixham 2,500 sq m commercial development and 65 dwellings.

4.68 On the basis of the above, ~~open space contributions will be targeted on sought~~ **the achievement of** public realm improvements for developments in the masterplan areas. This applies **to residential** and non residential developments which directly impact upon the need for public realm improvements. In ~~many~~ **most** instances urban design improvements such as the removal of clutter or poor quality later additions can be achieved by good design. Additional costs of providing these be taken into account in the negotiation of s106 or s278 Agreements (see paragraph 4.4.37 of the Local Plan). **There may be instances where a s106 Obligation is justified to provide offsite public realm improvements.** In instance where there is a particularly close relationship with development and public realm improvements, they may be prioritised over other contributions.

Waste Management Facilities

Policy W1 Waste Hierarchy and Paragraph 6.5.3.6 require that all development minimise the generation of waste and encouraging recycling rates.

The waste and recycling collection service, operated by Tor 2 is running at 98% capacity, so new development will generate a need for new waste recycling early in the Plan period. On average, each household generates 500kg of waste per year, of which 42% (210 kg) is recycled. Based on 2.1 people per household, this equates to about 240kg per year per person of which about 100 kg is recycled and 140kg needs to land filled or incinerated.

The recycling rate falls to about 22% for shared dwellings where the Council's bin and box recycling system does not operate, which equates to about 190kg of non recycled waste per person.

On average it cost the Council £100 per tonne to landfill or incinerate waste: around £14 per person per year (based on 0.140 tonne x £100). Where bin and box systems do not operate, the figure rises to £19 per year (0.019 tonne x£100).

It is therefore important to increase recycling rates for financial as well as environmental reasons.

Provision of Bin and boxes for new dwellings.

All development should make provision for adequate storage of waste and recycling bins and boxes on site, within easy reach of kerbside collection points. Guidance on refuse and recycling requirements is produced by Tor2, and developers or residents will need to obtain bins and boxes from Tor2.

It is estimated that the additional per dwelling cost of providing new dwellings with a bin and boxes, and provision of recycling information etc. is around £85 per dwelling. Larger developments (over around 200 dwellings) will need to incorporate on site facilities for the recycling of glass, paper, clothes etc. This can often be achieved through conditions.

The Council/Tor2 will seek the cost of bin and boxes from all new residential developments using municipal waste collections, as a separate process from the planning system. ~~If applicants chose not to provide this through S106/Unilateral obligations, residents of the dwellings will need to buy compatible bins and boxes directly from Tor2 before waste collection can commence.~~

Increasing capacity of waste collection services from larger developments

As noted, Torbay's waste collection service is running at near capacity. Where the Council has opted to use s106 obligations rather than CIL to help fund infrastructure, it will seek contributions towards the additional cost of waste management generated by the development.

~~Contributions will be sought from larger developments towards the cost of additional waste management facilities. On the basis of the assessed average cost per dwelling of providing additional vehicles etc., a cost of £97 per dwelling will be sought from sites of 15 or more dwellings.~~

Because it is recognised that Council Tax will provide a proportion of this, it is proposed to seek s106 Obligations to contribute based on the cost of vehicles rather than revenue costs such as fuel and wages (although in practice moneys may be used for a range of waste management matters). The Council's Environmental Services have indicated that the cost per vehicle (with a 10 year life) would be:

- 2 refuse collection vehicles at £182,000 per vehicle
- 4 recycling stillage vehicles at £82,000 per vehicle
- i.e. a total of £764,000 by 2030.

This equates to £764,000 or £85 per dwelling (based on 8,900 dwellings in the Local Plan).

Cost of Additional RCVs and Recycling Teams arising from development

On the basis of a refuse collection vehicle and team being able to service around 4,500 properties in a fortnightly cycle (500 properties x 9.5 effective working days cycle); this would equate to the need for two additional collection teams over the Plan period.

Recycling boxes are currently collected weekly, and assuming the service rates above, would equate to a need for four additional vehicles and teams over the period to 2030.

The Council's environmental Services have indicated that the cost per vehicle would be:

Refuse Collection Vehicle

Vehicle £182,500

Wages £ 51,100

Fuel £13,000

TOTAL £246,600

Recycling Stillage Vehicle

Vehicle £82,500

Wages £34,600

Fuel £ 7,500

TOTAL £124,600

This equates to a total cost of around £1million. Because it is recognised that Council Tax will provide a proportion of this, it is proposed to seek s106 Obligations to contribute based on the cost of vehicles (although in practice moneys may be used for a range of waste management matters). This equates to £863,400 or £97 per dwelling (based on 8,900 dwellings in the Local Plan).

Where developments are unable to provide the Council’s normal waste recycling bin and boxes, an additional charge will be sought to cover the additional cost to the Council **arising from reduced recycling rates. This will be based on a cost of £50 per person (representing 10 years of £5 being the additional cost of landfill etc as calculated above).** This is unlikely to apply to developments that have paid CIL.

Table 4.7 below sets out waste contributions sought from residential development.

Table 4.7 Waste Management Contributions

| | Cost of Bin and Recycling Boxes, and recycling information | Contribution to additional waste and recycling services |
|--|---|--|
| Sites of 1-10 dwellings, where normal bin and box recycling system can operate | “Tariff style contributions are not sought from smaller sites. However developers have the option of purchasing bins and boxes from Tor2 at the planning stage. If they chose not to then they will be billed directly by the Council/Tor2 | - |
| Sites of 11+ Dwellings where normal bin and box recycling system can operate. | £75 Developers have the option of purchasing bins and boxes from Tor2 at the planning stage. If they chose not to then they will be billed directly by the Council/Tor2 | £97 £85 |
| Developments where there is a reduced capacity to recycle e.g. due lack of recycling facilities | A waste audit will be required to indicate how municipal waste will be managed. Otherwise a contribution will be sought based on the additional cost to the Council Tor of dealing with the waste arising from the development, and reduced recycling rates. . | £97 £85+£50 per person/room |

Difficult to Monitor Uses and Town Centre Management

The Local Plan indicates that s106 Obligations will be sought to monitor development that gives rise to specific monitoring requirements such as holiday occupancy conditions, non-Registered Providers of affordable housing (excluding starter homes), town centre management use, holiday occupancy, ecological mitigation and HMOs.

Officer time costs on average £72 per hour, or £245 per half day. Table 4.8 below sets out the types of development that require **specific** monitoring and the cost to the council over 5 years. Note that this is not a definitive list and contributions will be sought proportionately to the requirement to monitor.

Policy TC5 “Evening and Night-time economy” indicates that contributions will be sought towards town centre management, maintenance and policing

Note that Monitoring and management contributions are not usually sought for infrastructure items and therefore not subject to pooling restrictions.

Table 4.12 Monitoring Contributions

| Use | Monitoring requirement | Cost of Monitoring/ Contribution | Notes |
|---|------------------------|----------------------------------|---|
| Holiday occupancy conditions | Low | £360 | Based on annual visit being required. Based on 1 day per annum data assessment or visit. |
| Non-RP Affordable Housing (excluding starter homes) | Low | £360 | Based on annual visit being required. Based on 1 day per annum data assessment or visit. |
| Ecological Mitigation Works | Low | £360 | Based on annual visit being required. Based on 1 day per annum data assessment or visit. |
| Houses in Multiple Occupancy | Medium to high | £1440 | Based on 4 days per annum data assessment or visits. May be reduced where on-site management is provided. |
| Amusement Arcades, betting shops. | Medium to High | £2,880 | Will be applied proportionately to monitoring requirement. |
| Night time economy uses, alcohol related uses | High | £2,880 per 100 sq. m | Will be applied proportionately to monitoring requirement |

5. IMPLEMENTATION

Policy SS7 of the adopted Torbay Local Plan 2012-30 undertakes to prioritise developer Obligations according to:

- The tests of Lawfulness
- Prioritisation of critical infrastructure
- Evidence of viability
- Wider development impact
- Torbay Community Plan themes
- Availability of other funding, including ring fenced government funding and CIL.

As noted above, Planning Conditions will be used wherever possible rather than S106 Obligations.

Note that “sustainable development contributions” are not sought from developments that pay CIL, and “tariff style” obligations are not sought from residential developments of less than 11 dwellings or commercial development of less than 100 sq m. Whilst site deliverability matters still apply, but can often be addressed through conditions. On this basis it is expected that many small developments will not need s106 agreements.

Types of s106 obligations

With small-scale developments which only require the payment of commuted sums, and where the developer has been notified that the Council is minded to grant planning permission, it may be simpler for the developers to pay the sums through a unilateral undertaking. A unilateral undertaking is a legal document made pursuant to s.106 of the Town & Country Planning Act 1990 under which, in this case, the developer agrees to pay contributions in respect of necessary measures to make the development acceptable in planning terms. If a unilateral undertaking is considered by the Council to be appropriate, a template document will be provided for the developer to complete, sign and return.

A unilateral undertaking can only be entered into by the owner of the land to be developed. An applicant who does not own the land to which the application relates will need to ask the owner to enter in to the undertaking. Where payment is made in advance of granting permission a 10% discount to the commuted sums will be applied and the Council will not impose a charge for its legal costs.

Section 106 Agreements

Where the Council decides to grant planning permission subject to the completion of a S106 Agreement (or S278 Agreement in the case of works to the highway), matters covered in the s.106 agreement will include (as appropriate):

- Timing of payments and phasing of development
- Nature of obligation and (where a financial contribution) how it will be spent.
- In the case of affordable housing:
 - The number of affordable units
 - The type and size of the properties
 - Arrangements for ensuring that the housing remains affordable in perpetuity
 - Local occupancy condition, where appropriate

- How the affordable element will be achieved e.g. through the construction of units, transfer of land, or financial or other off-site contribution
- Any cascade arrangements including the length of time in which to secure funding for rented housing, before which the tenure mix can be re-negotiated and time that units need to be marketed for.
- A mortgagee in possession clause
- Where appropriate a clause for financial re-assessment and payment of deferred contributions

Developers will be expected to pay the Council's legal costs of drafting **or review of** S106 Agreements at the current rate of £150 per hour; this rate may be increased in line with inflation and level of complexity of the issues involved.

Mitigation

S106 Obligations are intended to address the net additional impact of development upon the built and natural environment and wider society. On this basis, contributions may be mitigated where development gives rise to particular social, economic or environmental benefits.

Mitigation for Existing Uses The Planning Contributions and Affordable Housing SPD is intended to meet the community (etc.) impact of additional development. Therefore the existing use should be taken into account and contributions sought on the **net additional impact**. Note that this requires applicants to be specific about existing uses and provide details of floorspace.

Mitigation for existing uses cannot remove the need for contributions towards matters that are necessary to the safe operation of the site or meeting legal requirements (i.e. Site Deliverability matters).

Mitigation where there is an Identifiable Social Good (e.g. provides jobs or regeneration benefits). Where development results in an identifiable social good, for example significant regeneration, built or natural environment or provision of jobs, the authority will take a flexible approach to planning contributions in order to ensure that the social benefits of development are realised.

Mitigation for Job Creation. Economic Prosperity is a high priority for the Council. Therefore it is particularly important that planning obligations do not impede job creation. On this basis mitigation from "tariff style" contributions will be given for jobs created by development proposals, using the methodology set out in Part above as a starting point.

Affordable Housing "Sustainable development" contributions will not be sought for social rented from affordable housing (which for simplicity should include affordable rent), and a 50% discount applied to intermediate housing and starter homes. **where full nomination rights are given to Torbay Council, or occupancy is restricted in perpetuity to people already living or working in Torbay.**

Note that this relates to affordable housing within the definition in the NPPF (and starter homes). It does not apply to small "low cost" open market units sold without a discount. In addition, "development site acceptability" matters have to be addressed on affordable housing developments, to make the site safe and workable in physical terms.

Where intermediate housing provides additional sustainability benefits such as exceeding minimum Building Regulations standards on energy efficiency or accessibility, then the Council will consider relaxing the requirement for sustainable development contributions.

Viability – Content of Viability Assessments

The Local Plan acknowledges that s106 Obligations may be negotiated between the Council and developer. Where it is claimed that planning obligations would render development unviable, the Council will require the developer to ~~carry out a viability assessment at the developer's expense.~~ **cover the cost of an independent viability assessment by a suitably qualified professional appointed by the Council. They will work with both parties but will be accountable to the Council.**

The Council may also require the developer to pay for a critical review of the viability assessment and a re-appraisal of the proposed development if it deems it necessary. The developer is to pay for the cost of this critical review and re-appraisal.

Calculation of viability will usually be based on residual land value (i.e. a calculation that the value of land after development costs, policy requirements and contributions remains sufficient for a willing developer to bring forward development).

An open book accounting approach will be used to assess the viability of the development and should include itemised details of: However the Council will have regard to financial confidentiality in publishing these.

- **Acquisitions costs, land and Stamp Duty Land Tax etc.**
- **Planning, legal and professional fees, marketing costs.**
- **Demolition and** other abnormal costs;
- **Construction costs at price per sq. m floor area detailing what is included and on what basis; and what evidence has been used to arrive at the build cost. These should include preliminaries, external works and contingencies**
- **Build programme**
- **Allowances for any other contribution or costs associated with the development including planning obligations contributions due;**
- **Any other contractual arrangement such as uplift or claw-back provisions;**
- Details of any finance agreements;
- **Gross development value, eg. sales values with evidence and, for larger schemes, cashflows showing the timing for the sales**

- Details of any ground rents, affordable housing values (evidenced by offers from RPs), commercial values including rents and yields.
- Anticipated developer profit clearly expressed in terms of % of GDV. The Council will allow 20% of GDV on market housing and 6% on affordable units to represent a reasonable level of profit.

The Council will have regard to financial confidentiality in publishing this information. It may be required to publish such data, but will redact figures and details that would harm financial confidentiality.

A basic development appraisal template is available on the Councils website setting out the information required. Developers may use their own templates but these must include the exact details to ensure that a clear and consistent approach to viability appraisal is maintained for all sites. Viability assessments should be proportional to the scale and nature of the application.

The open-book accounting approach will expect land values to reflect market conditions, alternative land use value and local and national planning policy requirements at the time the viability appraisal is carried out. The price paid by the developer for the land will not normally be a factor in determining the viability of a site, if they have paid above the assessed open market rate.

Where Development is Unviable

Where a developer demonstrates to the satisfaction of the Council that a proposed scheme is not currently viable with a policy-complaint level of developer contributions **and** the Council consider that there is scope to agree an acceptable development, the Council will agree to reduce S106 and other obligations in order to render development viable, subject to a recalculation of viability as set out below.

Contributions will be reduced in line with the order of priorities set out in Policy SS7 and this SPD (i.e. broader sustainability contributions will generally be relaxed before affordable housing/employment and health contributions). There is no scope to relax Site Deliverability requirements, although these will generally be addressed through conditions rather than developer contributions.

Where reduced S106 Obligations are agreed, the S106 Agreement will include a clause to secure a further Viability Appraisal/s (at the developer's expense) to be carried out at the end of the development, or at the completion of each phase of larger developments to assess the precise profit based on actual development costs and sales figures.

Any further viability appraisal will only apply to units that have not reached practical completion by an agreed time to be agreed in the initial S106 Agreement. This will usually be:

- Three years from the grant of planning permission for sites of up to ~~400~~ 50 dwellings;
- Four years from the grant of planning permission for sites of between 51-90 dwellings
- Five years for developments of 90 dwellings or more.

Very large sites (e.g. over 200 dwellings or mixed use developments will be negotiated on an individual basis).

If actual profit exceeds 20% Gross Development Value (GDV) the developer will be required to pay an additional contribution equivalent to 50% of the profit above 20% GDV. Where a reduced level of affordable housing has been provided, the Council will seek increased provision of affordable housing in the later phases of development, subject to sustainable communities and other relevant considerations.

A ceiling on the contributions/affordable housing provision will be imposed to ensure the developer does not contribute more than the amount of contribution that was applicable at the time of submission of the latest relevant application.

Re-negotiating the Terms of the Section 106 Agreement

The Council has discretion to renegotiate s106 Agreements, but is under no obligation to do so. There is no right of appeal against a refusal to renegotiate s106 Obligations that are less than five years old. On this basis the Council will only renegotiate s106 Obligations where this would provide net benefits to the community, environment etc.

Where the developer seeks to re-negotiate previously agreed s106 Obligations the Council will require an open-book viability appraisal to be carried out at the developer's expense.

The assessment must take the form of the viability appraisal template or other form agreed in writing between the developer and the Council providing that the land values, development costs, development values and finance costs all reflect current market conditions.

The findings of the viability appraisal will remain valid for a maximum period of 12 months from the date an amended Agreement is agreed; or, where phasing has been agreed in excess of 12 months, a new viability appraisal will be required for each phase.

Where viability appraisal satisfactorily demonstrates that the development is not currently viable when taking into account the full obligations and contributions required, the Council will agree to re-negotiate s106 Obligations in the order of priority identified above in this SPD. However, contributions cannot be relaxed to the extent that development would not be in accordance with certain regulatory requirements (such as in the Habitats Directive) or not in the public interest.

Developers will be expected to pay the Council's legal costs of drafting a deed to vary the original s106 at the current rate of £150 per hour (with a minimum fee of £500); this rate may be increased in line with inflation and level of complexity of the issues involved. The Council may charge developers for additional costs it encounters associated with monitoring s106 clause triggers etc.

Monitoring and Spending S106 Obligations

The Council will collect s106 for projects and programmes necessary to make the development to which they relate acceptable in planning terms. It will monitor the collection and spending of development contributions and will where practicable spend them within five years of the contribution being paid. Up to five percent of the cost of s106 obligations (not representing an additional charge to the developer) may be retained for administering and monitoring them.

6. Summary

The tables below are intended as a summary of contributions that may be sought from development. Although figures are presented for some items, these are intended to be an assessment of the likely impact of the development rather than a “tariff” per se, and will not be sought as a tariff.

The SPD will need to be updated in line with inflation and evidence of need for different items off infrastructure. The Council will also need to have regard to the evolving nature of government and legal guidance and legislation on S106 and CIL, particularly the Planning Practice Guidance and Ministerial Statements on levying affordable housing and “tariff style” contributions on small sites, as well as particularly relating to affordable housing thresholds, and s106 pooling limits. Should pooling limits be relaxed, they will not be applied.

S106 may also apply to commercial developments, which must be determined on a case by case basis.

6.1 Summary of Contributions Sought

| Residential Developments of 1-11 dwellings (1-5 in the AONB) | | |
|---|--|--|
| | Requirement | Notes |
| Site Deliverabilitys | | Applies to all sites |
| Direct access/safety | Direct provision or as costed by Highways Department | S278 Agreement where possible. |
| Flooding, drainage and Sewerage | Direct provision, SuDS, requisition from South West Water | Note that Torbay is a Critical Drainage Area |
| Biodiversity | Mitigation of biodiversity, <u>including woodland, impacts and compensation for losses.</u> Through condition or s106 Obligation | Note that indirect <u>recreational</u> impact on South Hams SAC is a CIL item so developments that pay CIL will not be charged S106 contributions towards this |
| Design and Active Design | Through design/conditions | |
| Built environment improvements and public realm | Through design/conditions. | |
| Affordable Housing Employment and Health | | |
| Affordable Housing | Greenfield Sites of 6-11 dwellings in the AONB required to pay commuted sum based on 15% provision see table 3.2 | Regulations may introduce a requirement for starter homes. The Council will keep the minimum permissible threshold for greenfield sites under review. |
| Healthcare | £1,300 per dwelling £2,220 per care home room | S106 Contributions sought where there is a specific <u>additional</u> |

| | | |
|--------------------------------------|---|---|
| | | <p>healthcare requirement arising from development e.g. sheltered accommodation. Will not be sought where developments show that they provide additional care and facilities which will not result in additional cost to the integrated care organisation.</p> <p>Active design is a Site Deliverability matter (see above).</p> |
| Employment | £8,000 per FTE job lost. | <p>Only applies to where application entails the loss of employment.</p> <p>The Council will seek to negotiate local labour arrangements with developers.</p> |
| Sustainable Development | Not normally sought on sites of 10 or fewer dwellings unless application gives rise to a specific need. | The Council will keep the ability to seek “tariff style” contributions under review. Will not be sought from developments where CIL is levied. |
| Waste management | £50 per person for developments where bin and box recycling system cannot operate. | Option to pay £85 per dwelling at the planning stage. Otherwise bins and boxes will need to be purchased from the Council/Tor2 |
| Monitoring Contributions | | Where development results in specific additional monitoring needs. |
| Community Infrastructure Levy | Charged on new floorspace | See CIL Charging Schedule |

(6.1) Residential Developments of 11+ dwellings (6+ in the AONB)

| | Requirement | Notes |
|---------------------------------|---|--|
| Site Deliverabilitys | | Applies to all sites |
| Direct access/safety | Direct provision or as costed by Highways Department | S278 Agreement where possible. |
| Flooding, drainage and Sewerage | Direct provision, SuDS, requisition from South West Water | Note that Torbay is a Critical Drainage Area |

| | | |
|---|--|---|
| Biodiversity | Mitigation of biodiversity impacts and compensation for losses, including woodland. Through condition or s106 Obligation. | Note that recreational impact on South Hams SAC is a CIL item Note that indirect impact on South Hams SAC is a CIL item, so developments that pay CIL will not be charged S106 contributions towards this. |
| Design and Active Design | Through design/conditions. | |
| Built environment improvements and public realm | Through design/conditions. | |
| Affordable Housing Employment and Health | | |
| Affordable Housing | Onsite provision for Greenfield sites: 11-14= 20% 15-29= 25% 30+ = 30% or 25% plus 5% self build plots Brownfield 15-19= 15% 20+ = 20% | |
| Healthcare | £1,300 per dwelling £2,220 per care home room | S106 Contributions sought where there is a specific healthcare requirement arising from development e.g. sheltered accommodation. Will not be sought where developments show that they provide additional care and facilities which will not result in additional cost to the integrated care organisation. Active design is a Site Deliverability matter (see above). |
| Employment | £8,000 per FTE job lost. | Only applies to where the application entails the loss of employment The Council will seek to negotiate local |

| | | |
|---|---|---|
| | | <u>labour arrangements with developers.</u> |
| Sustainable Development | Applies only to developments that do not pay CIL (i.e. sites of 15+ dwellings within Future Growth Areas). | |
| Sustainable transport | Apartments 1-3 bedrooms £690 Houses 1-3 bedrooms £860 Larger dwellings £1,110 | <u>Will need to relate to specific identified projects which are necessary to making development acceptable in planning terms (etc).</u> |
| Education | 1 bedroom dwellings and specialist accommodation= zero 2 bedroom apartments £3,170 2 bedroom houses £4,750 3 bedroom dwellings £6,330 4 bedroom dwellings £7,920 5+ bedroom dwellings £9,500 | <u>Will need to relate to specific identified education which are necessary to making development acceptable in planning terms (etc).</u> |
| Lifelong learning | 1 bedroom dwellings £125 2 bedroom dwellings £170 3 bedroom dwellings £232 4 bedroom dwellings £267 | <u>Will need to relate to specific identified education which are necessary to making development acceptable in planning terms (etc).</u> |
| Open space , sports and recreation | 1 bedroom dwellings £690 2 bedroom dwellings £1,410 3 bedroom dwellings £2,580 4+ bedroom dwellings £2,970 | <u>Will usually be achieved by onsite provision on larger developments (subject to maintenance agreements).</u> |
| Waste management | £85 (ins and boxes) plus £97-per dwelling <u>Plus £50 per person/room for developments using municipal waste which cannot provide standard bin and recycling boxes scheme.</u> | <u>Applies to larger developments where a need for additional waste management facilities is identified. Will need to relate to specific identified education which are necessary to making development acceptable in planning terms (etc).</u> <i>plus developments where the Council's bin and box recycling system is difficult to achieve.</i> |
| Monitoring and management | Costs based on officer time at £72/hour (at 2016 values) | Only proposals that give rise to particular monitoring issues. |
| | | |

| | | |
|---|--|--|
| <p>Community Infrastructure Levy</p> | | <p>Applies to dwellings, based on new floorspace. CIL is sought on new dwellings apart from sites of 15+ units in Future Growth Areas. For such sites, planning obligations will be used.</p> <p>Where CIL is sought, "tariff style" S106 Obligations will not be sought. S106</p> |
|---|--|--|

**Agenda Item 11, Adoption of Planning Contributions and
Affordable Housing Supplementary Planning Document**

**Conservative Group Objection to Policy Framework
Document**

(Constitution Reference: Budget and Policy Framework Standing Order F4.8)

Council Meeting

8 December 2016

Objection:

That the Council formally objects to the adoption of the Planning Contributions and Affordable Housing Supplementary Planning Document on the basis that the officer recommendation should be adopted by Council as follows:

- 3.3 that following Consideration of representations received on the Draft Planning Contributions and Affordable Housing Supplementary Planning Document (SPD), the SPD be adopted, with minor modifications, as a Supplementary Planning Document as set out in Appendix 3 to the submitted report except that the threshold for provision of affordable housing in paragraph 3.4 of the SPD, and accompanying text elsewhere, be amended to 3 instead of 11 to ensure that the document adheres to the affordable housing thresholds set out in Policy H2 of the Adopted Torbay Local Plan, i.e. 3 dwellings for greenfield sites and that the Written Ministerial Statement of 28 November 2014 should be noted in the SPD as a material consideration; and
- 3.4 that the Executive Head of Business Services, in consultation with the Executive Lead for Planning, Transport and Housing, be given delegated powers to make minor amendments to the document to ensure legibility and clarity.

In accordance with the Constitution at F4.9, the Council therefore requires the Mayor to consider this objection by 6 January 2017 and either:

- a) submit a revision of the Planning Contributions and Affordable Housing Supplementary Planning Document with the reasons for any amendments to the Council for its consideration; or
- b) inform the Council of any disagreement that the Executive has with any of the Council's objections and the Executive's reasons for any such disagreement.

Proposed by Councillor Thomas (D)

Seconded by Councillor Lewis

Meeting: Council

Date: 8 December 2016

Wards Affected: All Wards

Report Title: Special Responsibility Allowance Chairman of Investment Committee

Is the decision a key decision? No

When does the decision need to be implemented?

Executive Lead Contact Details: Councillor Mills, Deputy Mayor and Executive Lead for Health and Wellbeing and Corporate Services, (01803) 843412, derek.mills@torbay.gov.uk

Supporting Officer Contact Details: Anne-Marie Bond, Assistant Director Corporate and Business Services, (01803) 207160, anne-marie.bond@torbay.gov.uk

1. Proposal and Introduction

- 1.1 At the Council meeting held on 22 September 2016, Members approved the creation of an Investment Committee to be responsible for allocating up to £5m on investments from the Investment Fund in line with the approved Investment Strategy.
- 1.2 The Investment Committee will be meeting at least monthly to make decisions on investments up to £5m in order to generate additional income for the Council. They will be responsible for assessing the risks associated with any investments and ensuring that the Council only invests in appropriate properties. The Chairman will have similar responsibilities as the Audit Committee Chairman and therefore it is recommended that the Special Responsibility Allowance for the Chairman of the Investment Committee should be the same as the Audit Committee e.g. £4,099.
- 1.3 The Council is required to have regard to the Independent Remuneration Panel's recommendations when making any changes to the Members' Allowances Scheme. The Council's Independent Remuneration Panel has been consulted on the proposal and has recommended that the Special Responsibility Allowance for the Chairman of the Investment Committee be £4,099.

2. Reason for Proposal

- 2.1 To set the rate for the Special Responsibility Allowance for the Chairman of the Investment Committee.

3. Recommendation(s) / Proposed Decision

- 3.1 That the Special Responsibility Allowance for the Chairman of the Investment Committee be set at £4,099 and that the Members' Allowances Scheme be updated accordingly.

**Agenda Item 12, Special Responsibility Allowance Chairman of
Investment Committee**

Conservative Motion

Council Meeting

8 December 2016

Motion:

That the Special Responsibility Allowance for the Chairman of the Investment Committee be set at £3,405 and that the Members' Allowances Scheme be updated accordingly.

Proposer Councillor Mills
Seconder Councillor Thomas (D)



Meeting: Council

Date: 8 December 2016

Wards Affected: All Wards

Report Title: Capital Plan Update – 2016/17 Quarter 2 and Mayor’s proposals for Capital Plan revisions for budget process 2017/2018

Is the decision a key decision? No

Executive Lead Contact Details: Mayor Oliver, mayor@torbay.gov.uk

Supporting Officer Contact Details: Martin Phillips, Head of Finance,
Martin.phillips@torbay.gov.uk

1. Purpose and Introduction

- 1.1 The Capital Plan budget totals £127.6 million for the 4 year programme, with £31.7 million is currently scheduled to be spent in 2016/17, including £4.6m on the South Devon Highway. The Capital Plan requires £1.2 million from (new) capital receipts and capital contributions over the life of the Plan.
- 1.2 The Council’s Capital Plan is updated on a quarterly basis which includes any new funding announcements and allocations. It provides high-level information on capital expenditure and funding for the year compared with the last Plan update as reported to Council in September 2016.
- 1.3 As the Capital Plan is a rolling 4 year plan, the schemes profiled 2017/18 are the current approved budgets for that year. At this stage the previously approved capital plan forms the Mayor’s proposed capital plan for 2017/18 for the budget setting process 2017/18. Any changes from the approved Plan, such as any arising from the application of the capital matrix or proposals from the Mayor or from Overview and Scrutiny recommendations, could be included in the Plan when approved by Council.

2. Reason for Proposal

- 2.1 Quarterly reporting of the Capital budget to both the Overview and Scrutiny Board and to Council is part of the Council’s financial management.
- 2.2 To enable consultation to commence on the Capital Plan – as this is due to be considered by the Council in February 2017 as part of the 2017/18 budget process.

3. Recommendation(s) / Proposed Decision

- 3.1 That the latest position for the Council's Capital expenditure and funding for 2016/17 be noted.

4. Supporting Information and Impact Assessment

- 4.1 Members of the Overview and Scrutiny Board and Council receive regular budget monitoring reports on the Council's Capital Plan throughout the year. The Council's four year Capital Plan is updated each quarter through the year. This report is the monitoring report for the second quarter of 2016/17 and includes variations arising in this quarter to the end September 2016. For the purposes of Standing Order F3 in relation to Budget and Policy Framework, the figures presented in Appendix 1 for 2017/18 is the approved capital budget for that year and form the Mayor's proposals for the Capital Plan for 2017/18.
- 4.2 Council are due to re approve the Capital Plan for 2017/18 and future years 2018/19 and 2019/20, and the Capital Strategy as part of its budget setting process in February 2017. The Board are invited to review the Capital Plan (appendix one) and Capital Strategy and make recommendations to the Mayor, if required, prior to its formal consideration by Council in February 2017. This process could be informed by the application of the (approved) capital matrix on either existing capital schemes or any new projects proposed.
- 4.3 The overall funding position of the 4-year Capital Plan Budget of £127.6 million, covering the period 2016/17 – 2019/20, is primarily fully funded but still relies upon the generation of £1.2 million of Capital income from capital receipts and capital contributions over the life of the Capital Plan.
- 4.4 Of this sum £0.6 million has been received by the end of October 2016, leaving a balance of £0.6 million still to be realised. It is only after this target has been reached that any capital receipts should be applied to new schemes.
- 4.5 Other capital income to support the Plan could come from capital contributions including community infrastructure levy (CIL) scheme which was approved in 2015/16. In addition £2.1m is due to be generated from S106/CIL contributions to part fund the South Devon Highway.
- 4.6 The target income for capital receipts and capital contributions are required to meet existing Council commitments. It is important that any capital income raised is allocated to existing commitments and not used to support additional expenditure on new schemes.
- 4.7 The movements in the estimate of expenditure in 2016/17 on the Capital Plan between the last monitoring report at June 2016 of £33.3 m and the current approved budget for 2016/17 of £31.7 m are shown below. Please note the format of this table shows schemes ordered by their service Directorate, as is Appendix 1.

| Scheme | Variation in 2016/17 | Change £m | Reason |
|--|---------------------------------|----------------------|--|
| Estimate as at Q1 2016/17 | | 33.3 | Capital Plan Update, 2016/17 Quarter 1 |
| Adult Services | | | |
| Adult Social Care | Funding transferred | 0.9 | Resources for ICO reported in Q1 |
| Affordable Housing | Budget rephased | (1.8) | Majority of budget moved to future years, no new projects |
| Sanctuary HA – Hayes Road, Pgn | Budget rephased | (0.3) | Final tranche payment moved to 2017/18 |
| | | (1.2) | |
| Childrens Services | | | |
| Brookfield House site | Reduced budget | (0.2) | Budget transferred to Education Review Projects |
| Education Review Projects | Budget reallocations | (0.2) 0.2 | Small savings from various budgets transferred Additional resources to Ellacombe and Whiterock. Transfer from Brookfield site |
| Ellacombe Primary Expansion | Additional budget required | 0.1 | Budget transferred from Education Review projects |
| New Paignton Primary school | Budget reduction | (0.3) | Budget transferred to Secondary School Places |
| Secondary School places | Re profile initial budgets | 0.2 | Transfer from New Paignton Primary |
| Whiterock Primary expansion | Additional budget required | 0.1 | Budget transferred from Education Review projects |
| | | (0.1) | |
| Community and Customer Services | | | |
| Disabled Facilities Grants | Increased budget | 1.0 | Allocation of Govt. grant. |
| DFG reserve | Transferred budget | (0.4) | Funding transferred to ICO |
| Empty Homes Scheme | Part Budget moved to 2016/17 | (0.2) | Reflects expected spend. No new projects. |

| | | | |
|--|---------------------------|--------------|---|
| | | 0.4 | |
| Corporate and Business Services | | | |
| Beacon Quay Toilet Block refurbishment | New Scheme | 0.1 | New project funded from Harbours Reserve |
| Claylands Redevelopment | Revised phasing | (4.6) | Revised phasing of expenditure |
| Employment Space at White Rock | New scheme | 2.0 | Business relocation will provide employment opportunities within Torbay |
| Essential Capital repairs | Part allocation | (0.4) | Allocated to Freshwater Quarry cliffs. |
| Freshwater Cliff works | New Scheme | 0.4 | Allocation from Essential Capital Repairs budget |
| Investment Fund | Increased budget | 4.0 | Council approved increase |
| Old Toll House | Rephase budget | (0.1) | Revised plans being considered so budget moved. |
| Oldway Mansion Gardens | Scheme no longer required | (0.4) | Development agreement terminated. |
| Princess Pier | Re profile budget | (1.7) | Works delayed during reassessment of condition. |
| | | (0.7) | |
| Estimate – Quarter Two 2016/17 | | 31.7 | |

4.8 Expenditure

- 4.9 The Capital Plan Budget has been updated for any further revision to both projects and timing, resulting in the latest revision attached at Appendix 1. The Plan now totals £127.6 million over the 4 year period of which £31.7 million relates to 2016/17 and £48.5 million relates to 2017/18.
- 4.10 The purpose of this report and the Monitoring statement attached is to highlight any existing or potential issues which may affect the delivery of the major projects included in the Plan and to consider any potential effect on corporate resources.
- 4.11 Expenditure to the end of this second quarter was £4.2 million with a further £1.1 million of commitments on the Council's finance system. The expenditure of £4.2 million is only 13% of the latest budget for 2016/17. This compares with £5.4 million (or 24% of outturn) for the second quarter last year. It is recognised that for a number of schemes, notably the Regeneration schemes, the Investment Fund and various

Highways schemes, including the South Devon Highway, the Council will not incur expenditure until later in the year.

| | 2011/12 £m (%) | 2012/13 £m (%) | 2013/14 £m (%) | 2014/15 £m (%) | 2015/16 £m (%) | 2016/17 £m (%) |
|----------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Quarter One | 3 (14%) | 2 (11%) | 4 (24%) | 2 (10%) | 1 (4%) | 1 (3%) |
| Quarter Two | 7 (32%) | 4 (21%) | 4 (24%) | 4 (20%) | 4 (18%) | 3 (10%) |
| Quarter Three | 5 (22%) | 5 (26%) | 3 (17%) | 4 (20%) | 8 (35%) | |
| Quarter Four | 7 (32%) | 8 (42%) | 6 (35%) | 10(50%) | 10(43%) | |
| Total In Year | 22 | 19 | 17 | 20 | 23 | 32 |

4.12 Updates to Capital Plan

4.13 Joint Commissioning Team

4.14 Adult Social Care – As outlined in the Annual Strategic Agreement with the Integrated Care Organisation (ICO) which Council approved in July 2016, the Council is providing £0.922m capital support for the ICO.

4.15 Affordable Housing – this budget is available for allocation to specific Affordable Housing projects and it is now anticipated that £1.8m of the budget can be rephased to future years.

4.16 Sanctuary HA - Hayes Road – the final tranche payment on this project is unlikely to be required until 2017/18.

4.17 Children's Services:

4.18 There are a number of variations to budgets on various schemes as detailed below. As previously reported the Government's future funding allocations for Basic Need have been reduced and the previously assumed grant of £2m has not materialised. Consequently Children's Services have undertaken a review of their capital projects to reduce the overall budget requirement by £2m to offset this loss of resources.

4.19 Ellacombe Primary expansion – This scheme required £0.05m to finalise works. The project is now complete.

4.20 New Paignton Primary School – The future cost of delivering this scheme will be funded directly by Dept for Education subject to EFA approval of a 'free school' on the site, consequently £1.491m budget has been transferred to support the Secondary School Places project.

4.21 Secondary School Places – additional funds have been provided from the Paignton Primary School budget to support this scheme which in turn has been cut back by £2m to reflect the loss of £2m assumed Basic Need grant resources in future years. A further £0.3m has been reallocated to the project to relocate Torbay School to the Parkfield site.

- 4.22 Torbay School relocation – Designs for the proposed relocation have been agreed with an impact on cost, so £0.3m has been transferred from the Secondary School Places project.
- 4.23 Whiterock Primary expansion – £0.125m additional funding was required to finalise the works on this expansion scheme, which has now been completed. The required funding was transferred from the Education Review projects budget line.
- 4.24 **Joint Operations Team**
- 4.25 Community and Customer Services
- 4.26 Empty Homes Scheme – there is possibility that part of the budget will be required this financial year to acquire and renovate property to bring back into use, with the remainder of the budget (£0.2m) moved to next year.
- 4.27 Transport - there has been some minor budget consolidation of small remaining budgets to the Western Corridor project as part of planned works.
- 4.28 Disabled Facilities Grants (DFG) – As recorded in the previous Capital Plan Monitoring Report, following the Council's approval of the Annual Strategic Agreement with the Integrated Care Organisation (ICO) agreed in July £1m has been allocated to Disabled Facility Grants.
- 4.29 Corporate & Business Services
- 4.30 Beacon Quay Toilets – a new scheme to refurbish the Beacon Quay toilet block, at a cost of £0.085 m, which will be funded from the Harbours Reserve has been added to the Plan.
- 4.31 Claylands Redevelopment – this scheme is being reviewed and a report on revised proposals will be presented to Council later in the year. As a result until the revised scheme is approved by Council expenditure will not be incurred on the scheme with spend now expected to be in 2017/18.
- 4.32 Employment Site (White Rock) – as reported in the previous Capital Plan monitoring report this £6.7m scheme to provide employment space and enable the relocation of a company to Torbay was supported by Council and has now been added to the Capital Plan. It is, subject to final agreement, aimed to complete the building by September 2017 and the budget is phased between years accordingly.
- 4.33 Freshwater Cliffs stabilisation – Council has previously approved a budget of £3m to enable urgent repairs to Council assets and infrastructure. Part of this budget provision is now required for cliff stabilisation work at Freshwater Quarry, Brixham. A budget estimate of £0.425m for this scheme has been prepared based on the consultant engineer's latest report and recent contracts for similar works.
- 4.34 Investment Fund – additional £40 m budget added to Capital Plan to reflect the increased level of investment agreed by Council at its meeting on 22 September 2016. The already approved increase is noted here for completeness. Although £5m has been profiled to be spent in 2016/17, currently there are no approved investments from this fund to date.

- 4.35 Oldway Mansion Gardens – following the termination of the Council’s development agreement in respect of Oldway Mansion the provision for future works to Oldway Gardens is no longer required.
- 4.36 Princess Pier Structural repair – Works to be delayed whilst further surveys/investigations are carried out to identify works to be carried out to both substructure and steelwork/surfacing of the pier. £1.74m of the budget is therefore moved to future years however works will be required to steelwork to avoid closure in the next few years.
- 4.37 Edginswell Train Station– The cost of this scheme are higher than the original LEP funding allocation. To meet the difference an additional bid to central government has been submitted.

5 Receipts & Funding

- 5.1 The funding identified for the latest Capital Plan budget is shown in Appendix 1. This is based on the latest prediction of capital resources available to fund the budgeted expenditure over the next 4 years. A summary of the funding of the Capital Plan is shown in the Table below:

| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | Total @ Q2 16/17 |
|-----------------------|-----------|-----------|-----------|-----------|---------------------|
| | A | B | C | D | E |
| Funding | £m | £m | £m | £m | £m |
| Unsupported Borrowing | 14 | 26 | 18 | 21 | 79 |
| Grants | 16 | 19 | 6 | 2 | 43 |
| Contributions | 0 | 1 | 0 | 0 | 1 |
| Reserves | 0 | 1 | 0 | 0 | 1 |
| Revenue | 1 | 0 | 0 | 0 | 1 |
| Capital Receipts | 1 | 1 | 0 | 0 | 2 |
| Total | 32 | 48 | 24 | 23 | 127 |

5.2 Grants

- 5.3 Capital Grants continue to be the major funding stream (over 56% in last 3 years) for the Council to progress its investment plans. An element of these grants result from “bid” processes from other public sector bodies. The Council used £11 million of grants in 2015/16 and is currently estimating to use £16m (50% of 16/17 budget) of grants in 2016/17.
- 5.4 Since the last Capital update (Quarter 1 2016/17) reported to Council in September 2016, the Council has not been notified of any additional capital grant allocations.

- 5.5 In October 2016, Council approved the allocation of previously notified grants to the respective services;
Dept for Education - 2016/17 Condition Funding £0.448m; and
Dept for Transport - 2016/17 Highways Maintenance Incentive Fund £0.082m and
Pothole Action Fund £0.071m
Since this decision was made after 30 Sept 2016 the figures are not included in this report and Annex.

5.6 Capital Receipts

- 5.7 The approved Plan relies upon the generation of a total of £2.7 million capital receipts from asset sales by the end of 2017/18, of which £1.4 m was held at 31 March 2016 and a further £0.1m received by the end of September 2016, leaving a target of £1.2m still to be achieved. Proceeds from the disposal of Lincombe Court were received on completion in October 2016, and have been included in this report.

This target is expected to be achieved provided that -

1. approved disposals currently "in the pipeline" are completed
2. the Council continues with its disposal policy for surplus and underused assets and,
3. no more new (or amended) schemes are brought forward that rely on the use of capital receipts for funding.

5.8 Capital Contributions – S106 & Community Infrastructure Levy

- 5.9 The Council's Capital Strategy states that capital contributions are applied to support schemes already approved as part of Capital Plan and are not allocated to new schemes unless the agreement with the developer is specific to a particular scheme outside the Capital plan.
- 5.10 Income from Section106 capital contributions so far in 2016/17 amount to £0.4 million.
- 5.11 Following the adoption of the Local Plan in late 2015, Council has now also approved a Community Infrastructure Levy (CIL) scheme which will provide funds for infrastructure improvements linked to and in the vicinity of proposed developments. The main capital project identified for CIL receipts is South Devon Highway.
- 5.12 The South Devon Highway business case estimated external contributions including Section106/CIL payments of £2.1m to help fund the scheme (£0.137m, received since 2012).

5.13 Borrowing and Prudential Indicators

- 5.14 There was no borrowing taken or repaid during the quarter.
- 5.15 The Council's capital expenditure has an overall positive impact on the Council's Balance Sheet. Expenditure in the Capital Plan on the Council's own assets will increase the value attached to the Council's fixed assets. As at 31 March 2016 the Council's "Non Current Assets" were valued at £335 million.

5.16 As a result of the introduction of a different valuation method for Highway Network Assets the increase in value on the Council's balance sheet is estimated to be in excess of £1.4 billion. The valuation change is to use a depreciated replacement cost basis instead of a historic cost basis.

Appendices:

Appendix 1 - Capital Plan summary – Quarter Two 2016/17

CAPITAL PLAN - QUARTER 2 2016/17 - EXPENDITURE

Appendix 1

| | Revised 4-year Plan September 2016 | | | | | | | | | | | |
|--|------------------------------------|--|-------------------------------------|-------------------------------|------------------------|---------------------|-----------------------|--------------|--------------|----------|-----------------------|--------------|
| | Latest Est Scheme Cost | Expend in Prev Years (active schemes only) | Actuals & Commitments 2016/17 Qtr.2 | Previous 2016/17 (@ Q1 16/17) | 2016/17 Q2 Adjustments | New Schemes 2016/17 | Total 2016/17 Revised | 2017/18 | 2018/19 | 2019/20 | Total for Plan Period | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | |
| P/B = Approved Prudential Borrowing schemes | | | | | | | | | | | | |
| ADULT SERVICES | | | | | | | | | | | | |
| Adult Care | | | | | | | | | | | | |
| Adult Social Care | 922 | 0 | 922 | | 922 | | 922 | | | | 922 | 922 |
| Housing Strategy | | | | | | | | | | | | |
| Affordable Housing | 1,934 | | 0 | 1,934 | (1,834) | | 100 | 834 | 1,000 | | 1,934 | 1,934 |
| Sanctuary HA - Hayes Road Pgn | 500 | 250 | 0 | 250 | (250) | | 0 | 250 | | | 250 | 250 |
| | 3,356 | 250 | 922 | 2,184 | (1,162) | 0 | 1,022 | 1,084 | 1,000 | 0 | 3,106 | 3,106 |
| CHILDRENS SERVICES | | | | | | | | | | | | |
| 2 Year Olds Provision | 253 | 130 | 25 | 123 | | | 123 | 0 | | | 123 | 123 |
| Asbestos Removal | 73 | 73 | | 6 | (6) | | 0 | | | | 0 | 0 |
| Barton Primary Cap Project | 4,402 | 4,402 | | 3 | (3) | | 0 | | | | 0 | 0 |
| Brookfield House Site | 550 | 465 | 35 | 285 | (200) | | 85 | | | | 85 | 85 |
| Capital Repairs & Maintenance 2012/13 | 438 | 438 | | 31 | (31) | | 0 | | | | 0 | 0 |
| Capital Repairs & Maintenance 2014/15 (incl. Furzeham) | 1,052 | 668 | 91 | 384 | | | 384 | | | | 384 | 384 |
| Capital Repairs & Maintenance 2015/16 | 106 | 21 | 185 | 85 | | | 85 | | | | 85 | 85 |
| Childrens Centres | 230 | 230 | | 2 | (2) | | 0 | | | | 0 | 0 |
| Cockington Primary expansion | 3,142 | 3,074 | 67 | 68 | | | 68 | | | | 68 | 68 |
| Devolved Formula Capital | | | 22 | 250 | | | 250 | | | | 250 | 250 |
| Education Review Projects | | | 108 | 199 | | | 199 | | | | 199 | 199 |
| Ellacombe Primary expansion | 552 | 469 | 67 | 33 | | | 83 | | | | 83 | 83 |
| New Paington Primary school | 9 | 2 | 7 | 248 | (241) | | 7 | 0 | | | 7 | 7 |
| Paington Academy Places - mobiles | 500 | 1 | 444 | 499 | | | 499 | | | | 499 | 499 |
| Secondary School places | 2,057 | 185 | 240 | 615 | 241 | | 856 | 816 | 200 | | 1,872 | 1,872 |
| Torbay School PRU Hillside | 101 | 101 | | 19 | (19) | | 0 | | | | 0 | 0 |
| Torbay School Relocation | 3,300 | 35 | 35 | 465 | | | 465 | 1,800 | 1,000 | | 3,265 | 3,265 |
| Torre CoE Primary expansion | 1,293 | 1,293 | | 7 | (7) | | 0 | | | | 0 | 0 |

CAPITAL PLAN - QUARTER 2 2016/17 - EXPENDITURE

Appendix 1

| Latest Est Scheme Cost | Expend in Prev Years (active schemes only) | Actuals & Commitments 2016/17 Qtr 2 | Previous 2016/17 (@ Q1 16/17) | 2016/17 Q2 Adjustments | New Schemes 2016/17 | Revised 4-year Plan September 2016 | | | | Total for Plan Period |
|--|--|-------------------------------------|-------------------------------|------------------------|---------------------|------------------------------------|--------------|--------------|-----------------------|-----------------------|
| | | | | | | 2017/18 | 2018/19 | 2019/20 | Total 2016/17 Revised | |
| Whiterock Primary expansion | 3,574 | 427 | 300 | 125 | | 425 | | | | 425 |
| Youth Modular Projects | 372 | 0 | 37 | | | 37 | | | | 37 |
| | 37,999 | 15,533 | 3,659 | 0 | 0 | 3,659 | 2,616 | 1,200 | 0 | 7,475 |
| COMMUNITY AND CUSTOMER SERVICES | | | | | | | | | | |
| Babbacombe Beach Road | 0 | 0 | 70 | | | 70 | | | | 70 |
| CCTV equipment | 0 | 0 | 350 | | | 350 | | | | 350 |
| Clennon Valley Sport Improvements | 70 | 1 | 70 | | | 70 | | | | 70 |
| DfT Better Bus Areas | 462 | 114 | 199 | | | 199 | 0 | | | 199 |
| DfT Local Sustainable Transport Fund (Ferry/Cycle) | 1,642 | (1) | 3 | | | 3 | 0 | | | 3 |
| Disabled Facilities Grants | | 459 | 94 | 1,000 | | 1,094 | | 0 | | 1,094 |
| Disabled Facilities Grants Reserve - Potential reallocation (e.g. to Infrastructure) | 0 | 0 | 398 | (398) | | 0 | | | | 0 |
| Empty Homes Scheme | 500 | 39 | 461 | (236) | | 225 | 236 | | | 461 |
| NGP - Strategic Cycleway | 432 | 0 | 46 | (46) | | 0 | | | | 0 |
| NGP - Windy Corner Junction | 10 | 10 | 1 | (1) | | 0 | | | | 0 |
| Private Sector Renewal | | | 113 | | | 113 | | 0 | | 113 |
| South Devon Highway - Council contribution | 20,224 | 12,670 | 4,647 | | | 4,647 | 1,500 | 1,000 | 407 | 7,554 |
| Street Lighting - Energy reduction | 515 | 496 | 19 | | | 19 | | | | 19 |
| Street Lighting - Energy reduction Ph2 | 1,112 | 0 | 1,112 | | | 1,112 | | | | 1,112 |
| Torbay Leisure Centre - structural repairs | 545 | 535 | 10 | | | 10 | 0 | | | 10 |
| Torre Abbey Renovation - Phase 2 | 5,010 | 4,992 | 18 | | | 18 | | | | 18 |
| Torre Valley North Enhancements | 127 | 3 | 124 | | | 124 | | | | 124 |
| Transport - Edginswell Station | 4,511 | 511 | 0 | | | 0 | 2,300 | 1,600 | 100 | 4,000 |
| Transport Integrated Transport Schemes | | 203 | 1,356 | | | 1,356 | 931 | 931 | 799 | 4,017 |
| Transport Structural Maintenance | | 429 | 1,252 | | | 1,252 | 1,297 | 1,174 | 1,174 | 4,897 |
| Transport Structural Maintenance - Incentive Fund (funds at risk) | 0 | | 0 | | | 0 | 0 | 0 | 0 | 0 |
| Transport - Torquay Gateway Road Improvements | 3,875 | 604 | 946 | | | 946 | 2,325 | | | 3,271 |
| Transport - Torquay Town Centre Access | 625 | 208 | 417 | | | 417 | | | | 417 |
| Transport - Tweenaway Junction | 4,775 | 4,775 | 25 | | | 25 | | | | 0 |

CAPITAL PLAN - QUARTER 2 2016/17 - EXPENDITURE

Appendix 1

| | Latest Est Scheme Cost | Expend in Prev Years (active schemes only) | Actuals & Commitments 2016/17 Qtr 2 | Previous 2016/17 (@ Q1 16/17) | 2016/17 Q2 Adjustments | New Schemes 2016/17 | Revised 4-year Plan September 2016 | | | | |
|--|------------------------|--|-------------------------------------|-------------------------------|------------------------|---------------------|------------------------------------|---------|---------|-----------------------|--------|
| | | | | | | | 2017/18 | 2018/19 | 2019/20 | Total for Plan Period | |
| Transport - Western Corridor | 7,452 | 1,571 | 474 | 4,234 | 47 | | 4,281 | 1,600 | | 5,881 | |
| | 52,307 | 28,748 | 2,361 | 15,940 | 366 | 0 | 16,306 | 10,189 | 4,705 | 2,480 | 33,680 |
| CORPORATE AND BUSINESS SERVICES (INCL. CONTINGENCY) | | | | | | | | | | | |
| Corporate Services | | | | | | | | | | | |
| P/B Corporate IT Developments | 1,000 | 0 | 0 | 250 | | | 250 | 250 | 250 | 250 | 1,000 |
| P/B Essential Capital repair works | 2,575 | 0 | 0 | 500 | | (425) | 75 | 1,500 | 500 | 500 | 2,575 |
| Enhancement of Development sites | 278 | 75 | 39 | 203 | | | 203 | | | | 203 |
| Oldway Estate works | 0 | 0 | 0 | 400 | (400) | | 0 | | | | 0 |
| Payroll Project | 370 | 346 | 5 | 24 | | | 24 | | | | 24 |
| Riviera Centre renewal | 1,131 | 1,131 | 0 | 9 | (9) | | 0 | | | | 0 |
| General Capital Contingency | 631 | 0 | 0 | 0 | | | 0 | 631 | 0 | 0 | 631 |
| Business Services | | | | | | | | | | | |
| P/B Beach Hut Acquisition/Renewal (Broadlands, Meadfoot) | 2,622 | 2,622 | 0 | | | | 0 | | | | 0 |
| Beacon Quay Toilets refurbishment | 85 | 0 | | | | | 85 | | | | 85 |
| Brixham Harbour - Major repairs | 123 | 0 | 150 | 90 | 33 | | 123 | | | | 123 |
| Claylands Redevelopment | 10,000 | 0 | 0 | 4,600 | (4,600) | | 0 | 8,500 | 1,500 | | 10,000 |
| P/B Council Fleet Vehicles | 463 | 322 | 0 | 141 | | | 141 | | | | 141 |
| P/B Employment Space at White Rock | 6,684 | 0 | | | (4,684) | 6,684 | 2,000 | 4,684 | | | 6,684 |
| Flood Defence schemes (with Env Agency) | 689 | 625 | 30 | 9 | | | 9 | 55 | | | 64 |
| P/B Freshwater Cliffs Stabilisation | 425 | 0 | 28 | | | | 425 | | | | 425 |
| Haldon Pier - Structural repair Phase I&2 | 3,072 | 3,012 | (137) | 60 | | | 60 | | | | 60 |
| Harbour Workboat | 45 | 0 | 10 | 45 | | | 45 | | | | 45 |
| Hollicombe Cliffs Rock Armour | 1,544 | 0 | 53 | 930 | | | 930 | 614 | | | 1,544 |
| P/B Investment Fund | 50,000 | 0 | 0 | 1,000 | 4,000 | | 5,000 | 10,000 | 15,000 | 20,000 | 50,000 |
| P/B NGP - Torbay Innovation Centre Ph 3 (EPIC) | 7,221 | 696 | 10 | 620 | | | 620 | 5,905 | | | 6,525 |
| Oddicombe Beach Chalets | 192 | 192 | 0 | | | | 0 | | | | 0 |
| Old Toll House, Torquay | 150 | 4 | 0 | 146 | (111) | | 35 | 111 | | | 146 |
| Princess Pier Decking | 360 | 235 | 128 | 125 | | | 125 | | | | 125 |

CAPITAL PLAN - QUARTER 2 2016/17 - EXPENDITURE

Appendix 1

| | Latest Est Scheme Cost | Expend in Prev Years (active schemes only) | Actuals & Commitments 2016/17 Qtr.2 | Previous 2016/17 (@ Q1 16/17) | 2016/17 Q2 Adjustments | New Schemes 2016/17 | Revised 4-year Plan September 2016 | | | | Total for Plan Period |
|---|------------------------|--|-------------------------------------|-------------------------------|------------------------|---------------------|------------------------------------|---------------|---------------|---------------|-----------------------|
| | | | | | | | Total 2016/17 Revised | 2017/18 | 2018/19 | 2019/20 | |
| Princess Pier - Structural repair (with Env Agency) | 1,744 | 0 | | 1,744 | (1,740) | | 4 | 1,740 | | | 1,744 |
| TEDC Capital Loans/Grant | 2,474 | 1,327 | | 547 | | | 547 | 600 | | | 1,147 |
| Torquay Harbour - Inner Harbour pontoons | 48 | 0 | 0 | 48 | | | 48 | | | | 48 |
| | 93,926 | 10,587 | 316 | 11,491 | (7,511) | 6,769 | 10,749 | 34,590 | 17,250 | 20,750 | 83,339 |
| TOTALS | 187,588 | 55,118 | 5,352 | 33,274 | (8,307) | 6,769 | 31,736 | 48,479 | 24,155 | 23,230 | 127,600 |
| CAPITAL PLAN - QUARTER 2 2016/17 - FUNDING | | | | | | | | | | | |
| Unsupported Borrowing | | | | | | | | | | | |
| Grants | | | | 11,738 | (4,284) | 6,684 | 14,138 | 26,955 | 17,671 | 21,118 | 79,882 |
| Contributions | | | | 17,180 | (1,355) | | 15,825 | 18,780 | 5,707 | 2,337 | 42,649 |
| Reserves | | | | 527 | (335) | | 192 | 517 | 15 | | 724 |
| Revenue | | | | 303 | (45) | 85 | 343 | 1,156 | (132) | (264) | 1,103 |
| Capital Receipts | | | | 399 | | | 399 | 79 | 79 | 39 | 596 |
| Total | | | | 33,274 | (8,307) | 6,769 | 31,736 | 48,479 | 24,155 | 23,230 | 127,600 |

Meeting: Council

Date: 8 December 2016

Wards Affected: All Wards

Report Title: Revenue Budget Monitoring 2016/17 – Quarter 2

Is the decision a key decision? No

Executive Lead Contact Details: Mayor Oliver, mayor@torbay.gov.uk

Supporting Officer Contact Details: Martin Phillips, Head of Finance,
Martin.phillips@torbay.gov.uk

1. Purpose and Introduction

- 1.1 The quarterly revenue monitoring report provides a summary of the Council's revenue income and expenditure for the financial year 2016/17.
- 1.2 As at quarter two the Council's revenue budget is predicting an overspend of £2.1m primarily as a result of expenditure pressures in both children's and adults social care. The overall estimated overspend remains the same as quarter one but there has been movement within that overall figure.

2. Recommendation (s) / Proposed Decision

- 2.1 That the forecast 2016/17 revenue budget position be noted.

3. Reason for Recommendation/ Proposed Decision

- 3.1 Report for review and information.
-

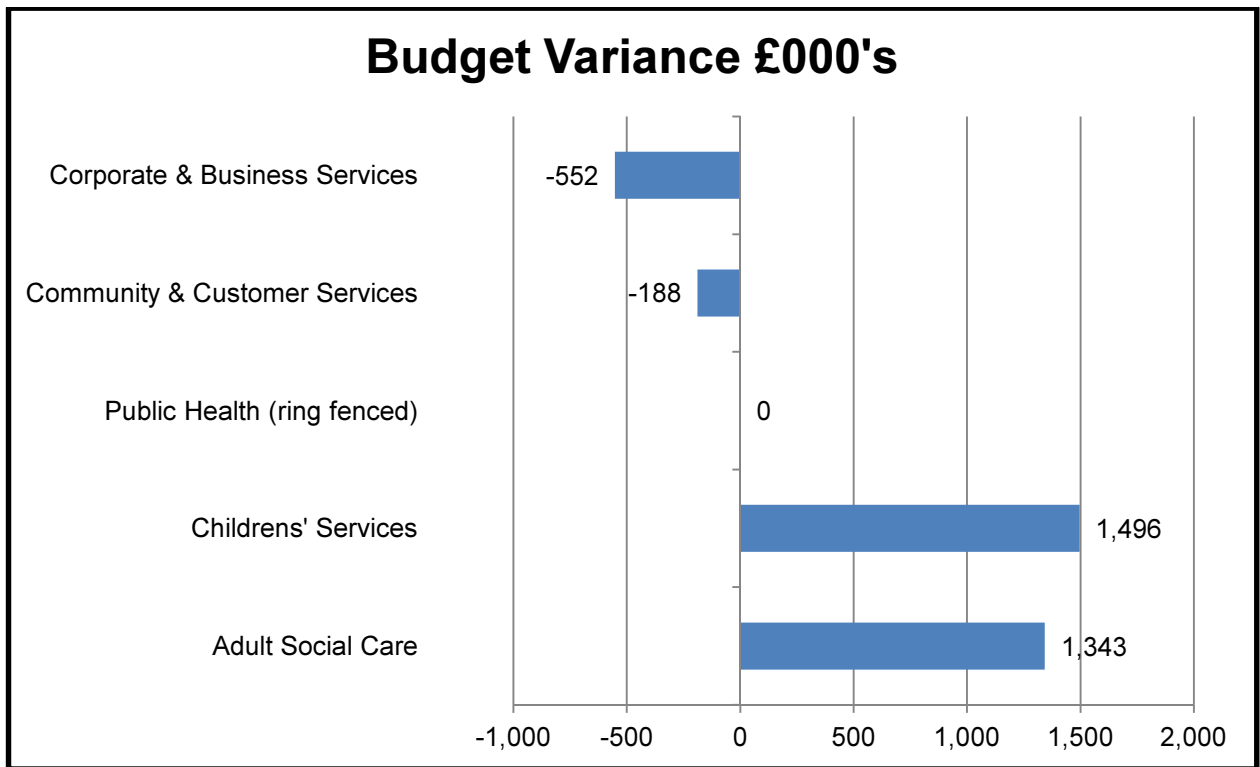
Supporting Information

4. Position

Summary Position

- 4.1 As at Quarter 2 the Council's revenue budget is predicting an overspend of £2.1m (Qtr 1: £2.1m), primarily as a result of issues in both children's and adults social care. The overall over spend is unchanged from Quarter 1, but the pressure from social care has increased which has been offset by under spends in other services.
- 4.2 From October 2015, with the start of the Integrated Care Organisation (ICO), the Council now has a 9% risk share of the total financial performance of the ICO. The ICO is predicting a significant overspend in 2016/17. Torbay's share of the estimated forecast position is £1.1m (Qtr 1: £0.9m) which is part of an overall net forecast overspend of £1.3m (Qtr 1: £1.1m) for the year in all adult social care budgets.
- 4.3 The predicted overspend on children's social care of £1.5m (Qtr 1: £0.8m) is primarily the non achievement of the anticipated placement reductions in spend linked to the children's services cost recovery plan and the fact that staffing costs, including agency staff, are above budgeted levels. These costs have been offset, in part, by in year recovery action by the Director of Children's Services who is evaluating further options for service improvement and cost reduction.
- 4.4 This level of overspend is a cause for concern. In the absence of any compensating savings in other services Council will need to identify options to fund the overspend. At this stage, it is likely that the use of earmarked service reserves will be required which will be outlined in the 2017/18 Review of Reserves report.
- 4.5 The ongoing financial impact of the 2016/17 budget variations on both adults and children's social care has been included within the Mayor's 2017/18 budget proposals (November 2016). In addition for children's social care, the financial impact on the previously projected reduced use of reserves of £1.1m in 2017/18 has been included in both the 2017/18 budget proposals and the 2017/18 Review of Reserves report.
- 4.6 The Council at its meeting in September approved a revised Minimum Revenue Provision policy which will lead to an in year saving of £0.8m which is included within the projected outturn as at Quarter 2.

4.7 A bar chart summarising the projected budget variance by service for 2016/17 is as follows:



Detailed Position

4.8 The budget position for each service is shown in the table below:

| Service | 2016/17 Budget- revised as at September 2016 | | | Forecast Full Year Variance as at:- | | Direction of Travel |
|---|--|-----------------|----------------|-------------------------------------|--------------|---------------------|
| | Expenditure £000s | Income £000's | Net £000's | Qtr 2 £000's | Qtr 1 £000's | |
| Adult Social Care | 41,631 | -1,584 | 40,047 | 1,343 | 1,131 | R |
| Children's Services | 77,727 | -48,772 | 28,955 | 1,496 | 757 | R |
| Public Health | 11,185 | -11,094 | 91 | 0 | 0 | G |
| Joint Commissioning | 130,543 | -61,450 | 69,093 | 2,839 | 1,888 | R |
| Community Services | 30,662 | -6,542 | 24,120 | 12 | 11 | A |
| Customer Services | 73,511 | -69,694 | 3,817 | (200) | 0 | G |
| AD Community & Customer Services | 104,173 | -76,236 | 27,937 | (188) | 11 | G |
| Commercial Services | 6,604 | -1,773 | 4,831 | (1) | 10 | G |
| Finance | 19,174 | -12,289 | 6,885 | (540) | 185 | G |
| Business Services | 8,331 | -12,327 | -3,996 | (11) | 26 | G |
| Regeneration & assets | 6,356 | -2,050 | 4,306 | 0 | 0 | G |
| AD Corporate & Business Services | 40,465 | -28,439 | 12,026 | (552) | 221 | G |
| Total Expenditure | 275,181 | -166,125 | 109,056 | 2,099 | 2,120 | G |
| Sources of Funding | - | -109,056 | -109,056 | (37) | (37) | G |
| Net Expenditure | 275,181 | -275,181 | 0 | 2,062 | 2,083 | G |

4.9 A narrative of the position in each service area is as follows:

| Service | Variance to Budget £m | Main Variances in 2016/17 |
|---------------------|-----------------------|---|
| Adult Social Care | 1.3 | <p>From 1st October 2015 the Integrated Care Organisation started. The Council has a 9% risk share agreement from that date based on the total financial position of the Torbay and South Devon Healthcare Foundation Trust (SDH) – a share of a total budget of approximately £379m. Financial performance of SDH is reported to its board – minutes are available on the link below:</p> <p>http://www.torbayandsouthdevon.nhs.uk/about-us/board-meetings/</p> <p>The projected overspend for the Council’s share of the forecast ICO overspend is £1.1m (Qtr 1:£0.9m). This is in addition to the additional funds the Council provided as part of the Annual Strategic Agreement agreed by Council in July 2016.</p> <p>In other adult social care budgets there is a continuation of the prior year pressures on the Joint Equipment Store of £0.2m.</p> |
| Children’s Services | 1.5 | <p>As a result of monitoring within Children's Services a recovery action on a projected overspend has been initiated. However the service is still forecast to overspend by £1.5m (Qtr1: £0.8m) in 2016/17.</p> <p>The overspend is a combination of delays in the planned reduction in staffing levels and higher than forecast placement expenditure. In addition there are increased cost pressures on special guardianships and section 17 grant allocations.</p> |
| Public Health | 0 | Ring fenced budget |

| | | |
|---------------------------------|------------|---|
| Community and Customer Services | (0.2) | Community Services: Projected overspends on Concessionary Fares and Housing are offset by a projected saving from the 'Energy from Waste' plant, vacancy management, the moratorium on spend and recovery of Housing Benefit overpayments. |
| Corporate and Business Services | (0.5) | Projected savings on audit fees, grant income, "corporate" pension payments and the change in the MRP policy approved by Council in September 2016 (£0.8m), offset by a budget pressure on treasury management arising from lower rates on investments. |
| Sources of Funding | 0 | Grant higher than budget |
| Total | 2.1 | Projected overspend |

2016/17 Savings

- 4.10 The 2016/17 budget relies on the achievement of £11.6m of approved budget reductions. The Council's Senior Leadership Team have been monitoring the achievement of these savings as part of the current year budget monitoring. The majority of savings are being achieved; however the main areas of variance in the financial year are, as identified above, additional pressures within social care.

Risks & Sensitivity

- 4.11 The predictions for the full year outturn in this report are based on six months of financial information and will be subject to changes in both assumptions and demand.
- 4.12 Historically the Council's overall position improves in the last quarter of the year as actual expenditure and income for the year is finalised and impact of some future year savings are realised in year.

4.13 There are a number of financial risks facing the Council. Key risks are shown below:

| Risk | Impact | Mitigation |
|---|---------------|---|
| Achievement of £11.6m of approved savings for 2016/17 | High | 16/17 Budget monitoring and "saving tracker" monitored by senior staff. |
| Potential cost impact of the Council's 9% risk share of total ICO performance | High | Monthly information is being provided by the ICO to Council supported by "contract" meetings |
| Potential impact and costs of judicial review for care home fees | High | Balance of CSR reserve and 2016/17 social care contingency to fund if required. |
| Achievement of Childrens' Services cost reduction plan | High | Regular monitoring of performance and recovery plan. |
| Identification, and achievement, of £21.5m of savings for 2017/18 to 2019/20 per Efficiency Plan (Sept 2016). | High | Issue identified in Medium Term Resource Plan. Four year Efficiency Plan now available which was presented to Council in September and forwarded to DCLG in October. Transformation Team set up to coordinate the implementation of potential transformation savings. |
| Additional demand for services particularly in childrens' social care | High | 16/17 Budget monitoring, use of service performance data and recovery plan. |
| Ability of ICO to deliver a balanced budget in 2016/17 and to prevent further increases in expenditure in year. | High | Regular monitoring of performance and financial performance with challenge to ICO on cost improvements. |

Implications on 2017/18 Budget

- 4.14 A number of 2016/17 budget monitoring issues link directly to the 2017/18 budget proposals. Where a saving has been achieved in 2016/17, if applicable, this has been reflected in 2017/18 budget proposals.
- 4.15 The ongoing impact of the 2016/17 budget variations on both adults and children's social care has been included within the Mayor's 2017/18 budget proposals (November 2016). In addition for children's social care, the financial impact on the

previously projected reduced use of reserves of £1.1m in 2017/18 has been included in both the 2017/18 budget proposals and the 2017/18 Review of Reserves report.

- 4.16 The Director of Children's Services is continuing to review the performance of children's services with a view to presenting to Council a revised financial plan supported by a level of detail to enable performance monitoring and challenge. The impact of this plan, when appropriate, will form part of the Council's final 2017/18 budget and reserve planning for 2017/18 and future years.

2017/18 Budget Process

- 4.17 The Mayor presented his budget proposals for 2017/18 on 4th November 2016 for consultation. The 2017/18 Budget is being presented to Council in February 2017.
- 4.18 Council approved the Efficiency Plan that was submitted to DCLG to enable the Council to accept the Revenue Support Grant funding "offer" for the next three financial years.
- 4.19 At the time of writing this report DCLG have not responded to the funding "requests" submitted by Councils. The new Chancellor has been quoted as using the Autumn Statement (23rd November) to "reset fiscal policy", however the impact of this, if any, on local government is unknown.
- 4.20 Other elements of the Council's 2017/18 funding have yet to be confirmed and/or finalised. In particular as the total NNDR rateable values within Torbay are reducing by 6% from April 2017 the actual financial impact on Council's NNDR funding and NNDR "Top Up" grant is yet to be confirmed, although it is hoped that the changes will be "fiscally neutral" for the Council.

Balance Sheet issues

- 4.21 No long term borrowing was taken or repaid so the Council's long term borrowing remained at £138m which was within the Council's approved Operational Boundary and Authorised Limit (for debt and long term liabilities as set by Council In February 2016).
- 4.22 The Council has interests in a number of companies. The financial performance for 2015/16 of these companies is included in the Council's statement of accounts (link below).

4.23 The total value of debtor write offs in the second quarter of 2016/17 was:

| Service | Number of records written off | Value of write offs £000's | Number over £5,000 |
|-----------------|--------------------------------------|-----------------------------------|---------------------------|
| Council Tax | 478 | 156 | 0 |
| NDR | 38 | 161 | 8 |
| Housing Benefit | 46 | 156 | 0 |
| Other Invoices | 129 | 36 | 0 |

Background Documents

2016/17 Budget digest & supporting reports, including 2016/17 Review of Reserves and the Medium Term Resource Plan.

<http://www.torbay.gov.uk/council/finance/budget/budget-201617/>

2017/18 Draft Budget Proposals and supporting financial and service information

<http://www.torbay.gov.uk/council/fit-for-the-future/>

2015/16 Statement of Accounts

<http://www.torbay.gov.uk/media/7211/soa-1516.docx>

Revenue Budget Monitoring – Quarter 2

Report to the Council

December 2016



During its review of the Council's Priorities and Resources, the Overview and Scrutiny Board considered the Budget Monitoring Report for Quarter 2 of the 2016/2017 financial year. At its meeting on 30 November 2016, the Overview and Scrutiny agreed the following resolution:

The Board is disappointed that, despite receiving assurances from the previous Director of Children's Services and the Executive Lead that the proposed budget for 2016/2017 was adequate, the budget for Children's Services is still predicted to be significantly overspent.

The Board is also disappointed that the Children's Services Financial Strategy has not yet been made available and seeks assurance that it will be available to be discussed at a meeting of the Board to be held before the Revenue Budget for 2017/2018 is agreed.

**Standing Order D11 (in relation to Overview and Scrutiny) – Call-in and Urgency
Council Meeting, 8 December 2016**

In accordance with Standing Order D11, the call-in procedure does not apply where the executive decision being taken is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would prejudice the Council's or the public's interests.

Before deciding whether a decision is urgent the decision making person or body must consult the Overview and Scrutiny Co-ordinator, or in his absence either:

- (a) (if the decision is a Key Decision and Standing Order E14 (General Exception) applies) each member of the Overview and Scrutiny Board shall be consulted; or
- (b) (in all other cases) the Chairman of the Council, or (if there is no Chairman/woman of the Council appointed) the Vice-Chairman/woman of the Council, shall be consulted.

Decisions taken as a matter of urgency shall be reported to the next available meeting of the Council, together with the reasons for urgency and a summary of the consultation undertaken.

The table below sets out this information:

| Matter for decision | Decision-taker | Reasons for urgency | Consultation |
|---|-----------------------|--|---|
| <p>Appointment of Consultants to develop an alternative delivery option for Children's Services</p> | <p>The Mayor</p> | <p>Mutual Ventures was commissioned by the Department for Education in 2016 to review the current level of planning in relation to an alternative delivery model into the recently created Integrated Care Organisation in Torbay. Mutual Ventures would develop a robust case for change for the transfer from the Council to the Integrated Care Organisation model. This would give the Department for Education and the Commission a fair assessment on whether the Integrated Care Organisation option would be desirable, feasible and viable.</p> <p>The appointment needs to be awarded as soon as possible to allow the base case for the ICO as an alternative delivery model to be completed in line with the reporting timelines of the Commissioner and DfE.</p> <p>Therefore any delay likely to be caused by the call-in process would prejudice the Council's interests.</p> | <p>The Overview and Scrutiny Co-ordinator was consulted on 31 October 2016.</p> |

Anne-Marie Bond
Monitoring Officer

STANDING ORDERS IN RELATION TO ACCESS TO INFORMATION

STANDING ORDER E15 – SPECIAL URGENCY

Meeting of the Council to be held on 8 December 2016

In accordance with Standing Order E15 in relation to Access to Information, matters which are likely to be key decisions and which have not been included in the Forward Plan may still be determined if the General Exception procedure or Special Urgency procedure as set out in the Standing Orders in relation to Access to Information are followed.

Reports summarising the decisions of the Mayor and the Council which have been taken in accordance with Standing Order E15 (Special Urgency) must be submitted to the Council. The table below sets out the required information:

| Matter for decision | Decision | Date of decision |
|--|--|-------------------------|
| Appointment of Consultants to develop an alternative delivery option for Children's Services | That Mutual Ventures be appointed to support the Council in developing a case for change for an alternative delivery model for Children's Services. The Mayor took this decision on 1 November 2016 and the background to this decision is set out in Record of Decision - Appointment of Consultants for Delivery Options Childrens Services . | 1 November 2016 |

Gordon Oliver, Elected Mayor

8 November 2016