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18 January 2017

To: All Councillors

As a Member of the **Council**, please treat this as your summons to attend the meeting on **Thursday 26 January 2017 at 6.00pm in the COUNCIL CHAMBER, TOWN HALL, MATLOCK.**

Yours sincerely

A handwritten signature in black ink, appearing to read "Sandra Lamb", with a stylized flourish at the end.

Sandra Lamb
Head of Corporate Services

AGENDA

There will be one minute silence at the start of the meeting to commemorate the Holocaust Memorial.

PRESENTATION

A presentation by Helen Crane of Matlock Community Vision

1. APOLOGIES

Please advise Democratic Services on 01629 761133 or e-mail committee@derbyshiredales.gov.uk of any apologies for absence.

2. PUBLIC PARTICIPATION

To enable members of the public to ask questions, express views or present petitions, **IF NOTICE HAS BEEN GIVEN**, (by telephone, in writing or by electronic mail) **BY NO LATER THAN 12 NOON OF THE DAY PRECEDING THE MEETING.**

3. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETINGS

24 November 2016, 1 December 2016 and 8 December 2016

4. INTERESTS

Members are required to declare the existence and nature of any interests they may have in subsequent agenda items in accordance with the District Council's Code of Conduct. Those interests are matters that relate to money or that which can be valued in money, affecting the Member her/his partner, extended family and close

friends. Interests that become apparent at a later stage in the proceedings may be declared at that time.

5. LEADER'S ANNOUNCEMENTS

Announcements of the Leader of the Council.

6. CHAIRMAN'S ANNOUNCEMENTS

Announcements of the Chairman of the District of Derbyshire Dales.

7. COMMITTEES

To receive the non-exempt minutes of the Committees shown below:

Committee	Date
Non Exempt Minutes to be Received	
Council	24 November 2016
Special Council – Leisure Review	1 December 2016
Special Council – Local Plan	8 December 2016
Ernest Bailey Charity Committee	23 November 2016
Licensing & Appeals Sub Committee	30 November 2016
Planning Committee	13 December 2016
Governance & Resources Committee	15 December 2016
Community & Environment Committee	12 January 2017
Planning Committee	17 January 2017

MINUTE BOOK TO FOLLOW

8. QUESTIONS (RULE OF PROCEDURE 15)

Questions, if any, from Members who have given notice.

	Page Nos.
9. GYPSIES AND TRAVELLERS – UPDATE	5 - 8
To consider an update on actions to secure the provision of a permanent Gypsy and Traveller site on Land at Watery Lane, Ashbourne and approval of funding for a design specification to be used to invite tenders for the execution of the works.	
10. LOCALISM ACT – PAY POLICY STATEMENT	9 - 22

To consider approval of the Annual Pay Policy Statement for 2017/18.

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|--|----------------|
| 11. DERBYSHIRE DALES COMMUNITY INFRASTRUCTURE LEVY | 23 - 52 |
| <p>To consider a report on the Community Infrastructure Levy (CIL) and the outcome of work that has been undertaken to support the preparation of the Derbyshire Dales Local Plan in respect of the Infrastructure Needs and Plan Viability and the CIL. Also to consider a recommendation for the introduction of a Derbyshire Dales Community Infrastructure Levy.</p> | |
| 12. PEAK DISTRICT NATIONAL PARK DEVELOPMENT MANAGEMENT POLICIES DOCUMENT – PART 2 OF THE LOCAL PLAN FOR THE PEAK DISTRICT NATIONAL PARK | 53 - 65 |
| <p>To consider a report on the Peak District National Park Development Management Policies Document, (Consultation Version) and seek endorsement for a response to be sent to the Peak District National Park Authority by the statutory deadline of 27th January 2017.</p> | |
| 13. PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2017/18 | 66 - 78 |
| <p>To note the provisional Local Government Finance Settlement together with the implications for the Council's finances and the response to the Consultation Paper as given in Appendix 1 to the report.</p> | |
| 14. LOCAL COUNCIL TAX SUPPORT 2017/18 | 79 - 82 |
| <p>To consider adoption of the Local Council Tax Reduction Scheme for the financial year 2017/18 and that a maximum amount of £15,000 be set for all hardship relief applications for 2017/18.</p> | |
| 15. CUSTOMER PAYMENTS AND FEES AND CHARGES | 83 - 87 |
| <p>To note the introduction of a new telephone payment facility and work to rationalise the payment facility option, and to consider agreement in principle of the terms of reference for a fees and charges review working group to be created in 2018/19.</p> | |
| 16. CIVIC ALLOWANCE PROTOCOL | 88 - 95 |
| <p>To consider approval of an amended Protocol on the use of the Civic Allowance and Guidance for the Chairman of the District of Derbyshire Dales, a 10% reduction in the Civic allowances for 2017/18 and a formal review of the civic roles in 2019.</p> | |

16. SEALING OF DOCUMENTS

To authorise that the Common Seal of the Council be affixed to those documents, if any, required completing transactions undertaken by Committees or by way of delegated authority to others, since the last meeting of the Council.

17. EXCLUSION OF PUBLIC AND PRESS

At this point the Committee will consider excluding the public and press from the meeting for the remaining items of business for the reasons shown in italics. The Chairman will adjourn the meeting briefly to enable members of the public to speak to Councillors.

18. COMMITTEES

To receive the exempt minutes of the Committees shown below:

(The following minutes are excluded from the meeting because they result in exempt information being disclosed)

Licensing & Appeals Sub Committee – 30 November 2016

NOTE

For further information about this Agenda or on “Public Participation” call 01629 761133 or e-mail committee@derbyshiredales.gov.uk

COUNCIL

26 JANUARY 2017

Report of the Chief Executive

GYPSIES AND TRAVELLERS - UPDATE

PURPOSE OF REPORT

To provide an update on actions to secure the provision of a permanent Gypsy and Traveller site on land at Watery Lane, Ashbourne.

RECOMMENDATION

1. That £20,000 be made available from the Capital Programme to commission consultants to draw up a design specification for a Gypsy and Traveller site at Watery Lane, Ashbourne, based on the outline provision summarised in paragraph 2.6.
2. That the specification is used to invite tenders for the execution of works to develop the site at Watery Lane, Ashbourne site for 6 pitches and that the outcome of the tender is reported back to Council prior to any final decision being taken.
3. That all opportunities for external funding to assist with the potential development costs, be explored by the Head of Housing and a report be presented to the Council in the Spring of 2017.
4. That authority is delegated to the Corporate Director to agree appropriate heads of terms for the Council to become the leaseholder of the site at Watery Lane site, Ashbourne for a period of 25 years.

WARDS AFFECTED

All Wards

STRATEGIC LINK

The District Council's duties under Planning and Housing legislation, underpins its corporate objectives in relation to the whole of the District.

1 BACKGROUND

- 1.1 At its meeting on 29th September 2016 Council accepted its duties and responsibilities towards Gypsies and Travellers under housing and planning legislation and endorsed the principle of development of the site at Watery Lane, Ashbourne as a permanent Gypsy and Traveller site.
- 1.2 A number of actions were also agreed, which are now progressed to a stage where a report can be represented to the Council for information and action as appropriate:
 - investigate the development costs for the construction of a Gypsy and Traveller site at Watery Lane, Ashbourne.
 - engage in discussions with Derbyshire County Council and Derbyshire Gypsy

Liaison Group in order to agree the heads of terms and define the lessee for the land at Watery Lane, Ashbourne.

2 POTENTIAL DEVELOPMENT COSTS

- 2.1 As reported to the Council in September, 2016, the median cost of developing a new Traveller pitch in the Midlands was £112,128. In order to progress the permanent provision of a site for Gypsies and Travellers and refine the estimate of development costs, the Head of Regulatory Services has visited a purpose built site in the West Midlands, accompanied by a representative of the Derbyshire Gypsy Liaison Group (DCLG).
- 2.2 An illustrative design and layout is shown in the attached Appendix.
- 2.3 The West Midlands site has been developed by a partnership involving Solihull Metropolitan Borough Council and Rooftop Housing Group. The initial phase was designed by Solihull Council but the following phases were designed by BM3 Architects of Birmingham. The site comprises pitches consisting of a chalet containing a kitchen/living area, a bathroom/WC, a utility room and a storeroom. Each pitch provides enough space for 2 caravans and associated vehicles. The caravans are used as sleeping accommodation. On some parts of the site the chalets were detached from each other, on other parts they were semi-detached.
- 2.4 The cost of developing the West Midlands site was quoted as £1.2M for 14 pitches. It is understood that around half of these costs were consumed in groundworks and that the chalets themselves cost in the region of £40K to £50K.
- 2.5 From discussions with the occupants of one of the chalets it was clear that they met the needs of Traveller families. It is understood that BM3 and their partners made considerable efforts to engage with the community in their design and this effort was reflected in the pride that the occupants felt in their homes. Particular praise was made of the large glazing areas in the living accommodation, which the occupants felt prevented them from feeling like they were 'trapped inside'.
- 2.6 Following the visit to the site the Head of Regulatory Services has contacted Rooftop Housing Group and BM3 as it became very clear that the successful development of a Traveller site rested heavily on expertise that is not available to the District Council in-house. Whilst Derbyshire Dales is too far away from their operational range to be of interest to Rooftop, BM3 would be very pleased to partner with the District Council on the design of a site. A fee proposal has been received from BM3, who have quoted a total cost of £20,000 broken down into 50% for Planning and 50% for Working Drawings, based on a requirement for 6 units on site, with only 4 units being developed initially.
- 2.7 It is recommended that this amount be made available from the Capital Programme to commission consultants to draw up a detailed design specification for the Traveller site at Watery lane, Ashbourne and that this specification is then used to invite tenders to undertake all the works necessary to develop the site. The outcome of this tender would be reported back to Council before any final decision was taken as to the development of the site.

3 EXTERNAL FUNDING AND OPERATION OF SITE

- 3.1 The current funding arrangements for Traveller sites has still to be confirmed by Government. The previous affordable housing programme focused almost entirely on home ownership although a revised policy approach is emerging with some focus on homes for rent, which could include flexibility to allow Traveller site funding. Officers are in regular contact with the Homes and Communities Agency, making the case for Traveller site funding. Any application for funding via the Homes and Communities Agency will require some grant support from the District Council. In responding to the District Council's letter to the Housing Minister via Patrick McLoughlin, the Minister recognised the need to address historical under-provision of authorised sites for Travellers and is reviewing options on how best to support Traveller pitches and Gypsy and Traveller groups. A Housing White Paper is due to be published in due course.

4 LEASE OF LAND AT WATERY LANE

- 4.1 At the Cabinet Member Meeting for Council Services on 31st October 2016, Derbyshire County Council formally agreed to the allocation of 0.3ha of land at Watery Lane Ashbourne as a Gypsy and Traveller site in the Derbyshire Dales Local Plan.
- 4.2 In accordance with the resolution of Council on 29th September 2016, the Corporate Director has undertaken initial discussions with representatives of the County Council in regard to the formulation of heads of terms for a lease agreement for a period of 25 years. The lease will be a Full Repair and Maintenance Lease.
- 4.3 During these discussions, the County Council have indicated that it would be their preference for the District Council to be the leaseholder rather than a third party and that appropriate provisions be included within the lease to accommodate any future opportunities for an A515 Ashbourne by-pass to be constructed.
- 4.4 A detailed management and maintenance agreement setting out how the site will be operated and maintained will also need to be formulated and agreed with the County Council prior to the finalisation of any lease agreement.

5 RISK ASSESSMENT

5.1 Legal

The District Council is seeking to address the lack of authorised Gypsy and Traveller Sites within the District to meet its duties under the Planning Policy for Traveller Sites 2015.

- 5.2 Based on the estimate of development costs the value places any tender under the European threshold for construction works. The tender would therefore need to progress as an open tender exercise in accordance with the District Council's Contract Standing Orders.

5.3 Financial

Should Members approve the recommendations of this report the scheme will be included in the Updated Capital Programme to be presented to Council in March 2017, whereby a full financial risk assessment of the capital programme will be undertaken.

The financial risk arising directly from this report is, therefore, assessed as low.

6 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

7 CONTACT INFORMATION

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8 BACKGROUND PAPERS

None

9 ATTACHMENTS

None

COUNCIL
26 JANUARY 2017

Report of the Chief Executive

LOCALISM ACT – PAY POLICY STATEMENT

SUMMARY

This report meets the requirement to publish the Council's Annual Pay Policy Statement.

RECOMMENDATION

That the annual Pay Policy Statement 2017/18 is approved.

WARDS AFFECTED

All

STRATEGIC LINK

The Pay Policy Statement provides for transparency in the way in which the District Council pays its employees which in turn enhances the ability to deliver its Corporate Aims and Objectives.

1. REPORT

- 1.1. The Localism Act, November, 2011, requires relevant authorities to prepare and publish an annual pay policy statement. The relevant provisions came into force on 15 January 2012 and the Council agreed the first Pay Policy Statement on 2nd February 2012 and there is a continuing need to review the policy on an annual basis.
- 1.2. The provisions add to the range of transparency obligations already placed upon local authorities i.e. the Accounts and Audit Regulations already require historic expenditure on chief officers within specified pay bands to be disclosed in the accounts.
- 1.3. The Statement must set out the authority's policies for the financial year relating to the:
 - remuneration of its Chief Officers
 - remuneration of its lowest paid employees
 - relationship between the remuneration of its Chief Officers and the remuneration of those employees who are not Chief Officers.
- 1.4. The term 'Chief Officer' is defined as
 - The Head of Paid Service (who is also the Chief Executive)
 - Corporate Director

- The Monitoring Officer (who is also the Head of Corporate Services)
- Section 151 Officer (who is also the Head of Resources).

1.5 The Statement must cover the Council's policies relating to:

- The levels and elements of remuneration for each chief officer (including salary and any bonuses and benefits in kind)
- Remuneration of chief officers on recruitment
- Increases and additions to remuneration for each chief officer
- The use of performance related pay for chief officers (if any)
- The use of bonuses for chief officers (if any)
- The approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
- The publication of and access to information relating to remuneration of chief officers

1.6 The Council is asked to consider the Pay Statement for the 2017/18 financial year as attached in Appendix 1. The Localism Act specifically refers adoption of the Pay Statement to the Council as a responsibility it cannot discharge.

2. **RISK ASSESSMENT**

2.1. Legal

The requirement to publish a Pay Statement is contained within Section 38 to 43 of the Localism Act 2011, which came into force on 15 January, 2012. The policy appended to the report complies with all ancillary employment and equalities legislation and satisfies the statutory requirement. The legal risk is therefore low.

2.2 Financial

There are no financial risks arising from the report.

3. **OTHER CONSIDERATIONS**

In preparing this report the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4. **CONTACT INFORMATION**

Deborah Unwin, Human Resources Manager, Tel. 01629 761364 or email Deborah.unwin@derbyshiredales.gov.uk

5. **BACKGROUND PAPERS**

None

6. **ATTACHMENTS**

Pay Policy Statement 2017/18 as Appendix 1



PAY POLICY STATEMENT FOR THE FINANCIAL YEAR 2017/18

INTRODUCTION

Source and scope of policy statement

This policy statement has been produced in accordance with Sections 38 to 43 of the Localism Act 2011 (the Act), which, from 2012 onwards, require local authorities to publish an annual statement of their policy for the relevant financial year in relation to:

- The remuneration of their most senior employees (which the Act defines as the Head of Paid Service (Chief Executive), the Monitoring Officer, the Chief Officers (or Directors), and the Deputy Chief Officers (i.e. Heads of Service who report directly to a Chief Officer);
- The remuneration of their lowest-paid employees; and
- The relationship between the remuneration of the most senior employees and that of other employees.

The Secretary of State has produced guidance on the Act's provisions relating to openness and accountability in local pay, which local authorities must have regard to in preparing and approving their annual pay policy statements. The Council's statement takes full account of this guidance as well as the provisions of the Act.

It also takes account of:

- The Code of Recommended Practice for Local Authorities on Data Transparency, issued by the Department for Communities and Local Government in September 2011;
- Guidance issued by the Joint National Council (JNC) for Local Authority Chief Executives on pay policy statements, published in November 2011;
- Employment and equalities legislation affecting local authority employers, where relevant.

Status of policy statement

The pay policy statement will be reviewed on an annual basis, and a new version of the policy will be approved before the start of each subsequent financial year, which will need to be complied with during that year.

The pay policy statement can be amended during the course of any financial year, but only by a resolution of the full Council. If it is amended during the year to which it relates, the revised version of the statement will be published as soon as reasonably possible after the amendment is approved by the Council.

Transparency and autonomy

The Council recognises and welcomes the aim behind this pay policy statement to ensure that its approach to pay is accessible for all and to enable local people to take an informed view of whether local decisions on all aspects of remuneration are fair and make the best use of public funds.

It also welcomes the government's recognition that each local authority remains an individual employer in its own right, and, as such, has the autonomy to make decisions on pay that are appropriate to local circumstances and deliver value for money for local taxpayers.

This Statement is divided into seven sections:

- Section 1 Provides details of the remuneration of the District Council's senior officers.
- Section 2 Provides details of the remuneration of the District Council's lowest paid and other employees.
- Section 3 Shows the relationship of pay levels and provides comparative pay in accordance with requirements of the act.
- Section 4 Provides details of policies applied as appropriate across all categories of the District Council's employees.
- Section 5 Explains the basis of the District Council's decision making on remuneration.
- Section 6 Covers the Pay Policy period.
- Section 7 Details the District Council's commitment on publication and transparency.

This information is available, free of charge, in electronic, audio, Braille and large print versions, and in other languages on request. Please contact the District Council's Human Resource Section for assistance.

SECTION 1: REMUNERATION OF THE COUNCIL'S SENIOR EMPLOYEES

1.1 REMUNERATION COVERED IN THIS SECTION OF THE POLICY

This section covers the Council's policies in relation to the remuneration of its senior employees, including:

- Its Chief Executive and Head of Paid Service;
- Its first tier officer i.e.
 - Corporate Director,
- Its second tier officers i.e.
 - Head of Resources (Section 151 Officer), Head of Corporate Services (Monitoring Officer), Head of Regeneration & Policy, Head of Regulatory Services, Head of Housing, Head of Environmental Services and Head of Community Development.

1.2 CONTEXT

These senior employees are responsible for working with elected politicians to determine the overall strategic direction of the Council, to develop the scale, nature, efficiency and effectiveness of all the services provided by the Council, and to provide day-to-day management of those services.

1.3 OVERALL POLICY ON REMUNERATION FOR SENIOR ROLES

The Council's overall approach to remuneration for its senior employees is based on:

- Compliance with equal pay, equalities and other relevant employment legislation, plus
- Ensuring that its overall remuneration packages align with market norms for the local government and public sectors, whilst at the same time, taking account of
 - Pay levels in the local area, including neighbouring public sector employers;
 - The responsibilities and accountabilities of particular posts which may be very demanding
 - The Collective Agreement that ensures the harmonisation of pay and working conditions.

The Council seeks to maintain this overall approach by carefully monitoring pay data provided by the Joint National Councils (JNCs) for Chief Officers and Chief Executives, the Local Government Association/Employers, and other pay surveys.

In terms of pay differentials, the Council recognises that the role of Chief Executive/Head of Paid Service leads the organisation's workforce and has the greatest level of accountability, and so warrants the highest pay level in the organisation.

At first tier level the Council recognises this role is more demanding than others, and has identified those with a greater level of accountability through job evaluation and careful analysis of job demands and offers them levels of remuneration appropriate to their role.

Below this level, the Council recognises that the demands on and accountabilities of different management roles vary considerably, and seeks to align pay levels with the relative importance and responsibilities of jobs using a process of job analysis and evaluation.

1.4 THE REMUNERATION OFFERED TO SENIOR EMPLOYEES

At Chief Executive and first and second tier levels, the Council offers an annual salary, access to the Local Government Pension Scheme and a range of other benefits, as shown in the table at paragraph 4.

Annual salaries

Annual salary levels for senior employees are set in accordance with the overall principles set out in section 1.3 above. They consist of a grade range which is determined locally by the Council. This grade range consists of a number of incremental salary points, through which employees may progress until the top of the grade is reached.

The salary ranges from 1 April 2017 (to include the 1% local government pay award already agreed) are:

Chief Executive & Head of Paid Service: £96,379 to £102,278

Corporate Director – £78,224 to £83,012

Senior Manager - grade 17:	£62,509- £69,188
Senior Managers - grade 16:	£57,928- £62,509
Senior Managers - grade 15:	£52,335- £56,476
Senior Manager - grade 14:	£47,283- £51,026

Remuneration of Senior Employees on Recruitment

The Council's policy is that any newly appointed senior manager will start at the lowest pay point in the pay range for their job, other than when the particular skills and experience of the successful candidate merit a higher starting salary.

Pay awards

The salaries of senior employees will be increased in line with any pay increase agreed in the Joint National Councils (JNCs) for Chief Executives, Chief Officers or National Joint Council (NJC) for Local Government Services, as appropriate for the category of senior manager.

“Earn back” pay

The Council notes the suggestion in the Hutton Review of Fair Pay in the Public Sector, published in March 2011, for the introduction of “earn back” pay (a system where an element of a manager's pay is “at risk” if a certain level of performance is not met).

The introduction of “earn back” pay within the Council's current pay systems, as a way of relating pay levels to performance, is not an approach that would be compatible with its current pay policy.

1.5 RE-ENGAGEMENT OF CHIEF OFFICERS

Re-engagement as employees or under a contract for services

It is the policy of the Council not to re-employ former employees granted voluntary redundancy or any other enhanced severance package, including former Chief Officers or Heads of Service. In exceptional cases, and only where there is a clear benefit to the Council, such former employees may be re-engaged on a short term contract for service.

Employment of those in receipt of an LGPS pension

Where in the unlikely event that the Council employs as a Chief Executive, Corporate Director or Head of Service a person who is in receipt of a pension under the LGPS, the rules on abatement of pensions adopted by the Council's Administering Authority for the LGPS, pursuant to Regulations 70 and 71 of the the Local Government Pension Scheme (Administration) Regulations 2008 will be applied. Such persons would only be employed following strict application of the normal process of competitive selection for employment.

1.6 PUBLICATION OF DETAILS OF EMPLOYEE REMUNERATION

In accordance with 39 (5) of the Localism Act, this pay policy statement will be published on the Council's website. It will also be published in the Council's Constitution and the District Council's intranet.

The Council is also required to publish information about the remuneration of senior officers under The Accounts and Audit (Amendment No. 2) (England) Regulations 2009, and the Code of Recommended Practice for Local Authorities on Data Transparency, issued under Section 2 of the Local Government Planning and Land Act 1980. This latter information can be obtained via the Council's website.

SECTION 2: REMUNERATION OF LOWEST PAID EMPLOYEES

This section sets out the Council's policies in relation to the remuneration of its lowest-paid employees, as defined in this pay policy statement.

2.1 OVERALL REMUNERATION POLICY: LOWEST PAID EMPLOYEES

Aims, Objectives and Key Principles

The Council aims to develop, implement and maintain fair and equitable remuneration arrangements which enable it to recruit, retain, motivate and develop staff with the skills and capabilities necessary to ensure the continued provision of high quality services and which are cost effective and provide value for money.

The Council's remuneration policy complies with all equal pay, equalities and other relevant employment legislation.

When setting pay levels for specific posts the Council takes account of internal differentials, as measured by job evaluation.

2.2 DEFINITION OF LOWEST PAID EMPLOYEES

The definition of the “lowest-paid employees” adopted by the Council for the purposes of this statement is as follows:

The lowest paid employees within the Council are those substantive employees who are paid on the minimum salary point of the Council’s substantive pay structure, i.e. spinal column point 6, of Grade 2.

The current annual full-time equivalent value of this pay level, based on a 37 hour standard working week, for the financial year 2017/18 is £15,014. However, the Council has adopted the National Living Wage of £15,144 per annum, £7.85 per hour in 2015 and decided to retain this hourly rate until the new National Living Wage hourly rate exceeds it. In 2017/18 the National Living Wage will increase to £7.50, but we will retain spinal column points 6, 7, 8 and 9 at £7.85. Therefore, the actual current pay of the lowest spinal column point 6, is £15,144 per annum.

The Council considers this to be the most appropriate definition as this is the lowest pay point/pay level on its substantive pay structure and which normally applies to new entrants to the lowest graded jobs within the organisation.

2.3 REMUNERATION OF LOWEST PAID EMPLOYEES

For the purposes of this policy statement, remuneration includes the employee’s basic annual salary and any bonuses, allowances or other similar payments, benefits in kind, any increases or enhancements to any pension entitlement and any termination or other severance payments.

Pay structure

The basic pay of the Council’s lowest paid employees comprises a grade range derived from the national pay spine, as set out in the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. This grade range consists of a number of incremental salary points, through which employees may progress until the top of the grade is reached.

Craft Employees

There are no employees on pay and conditions of service for craft employees as determined by the Joint Negotiating Committee for Local Authority Craft & Associated Employees.

Other elements of remuneration

The other elements of remuneration which it is the Council’s policy to offer its lowest paid employees are set out in the table set out in Section 4.

2.5 OTHER TERMS AND CONDITIONS

The other terms and conditions which apply to the Council’s lowest paid employees are as set out in the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service, as amended and/or supplemented by any local agreements which may apply.

2.6 REMUNERATION OF EMPLOYEES WHO ARE PAID MORE THAN THE LOWEST PAID EMPLOYEES BUT WHO ARE NOT CHIEF OFFICERS

The Council's policy and practice with regard to the remuneration of employees who are paid more than its lowest paid employees but who are not Chief Officers is the same as that which applies to its lowest paid employees, other than where any differences are indicated in this policy statement.

2.7 EMPLOYEES WHO ARE PAID LESS THAN THE COUNCIL'S LOWEST PAID EMPLOYEES, AS DEFINED IN THIS PAY POLICY STATEMENT

Apprentices are paid less than the Council's lowest paid employees, as defined in this pay policy statement. The Council's Apprenticeship pay is the National Minimum Wage for the age of the Apprentice plus 10%. The Council applies this pay rate and/or different remuneration arrangements to this category of employees, to reflect the particular nature and/or duration/frequency of their employment at a rate above the national apprenticeship rate.

SECTION 3: PAY RELATIONSHIPS

- 3.1 This section sets out the Council's overall approach to ensuring pay levels are fairly and appropriately dispersed across the organisation, including the current pay multiple which applies within the Authority, and its policy toward maintaining or reaching a specific pay multiple in the future.
- 3.2 The Council believes that the principle of fair pay is important to the provision of high quality and well-managed services and is committed to ensuring fairness and equity in its remuneration practices. The Council's pay policies, processes and procedures are designed to ensure that pay levels are appropriately aligned with, and properly reflect, the relative demands and responsibilities of each post and the knowledge, skills and capabilities necessary to ensure that the post's duties are undertaken to the required standard, as well as taking account of relevant market considerations. This includes ensuring that there is an appropriate relationship between the pay levels of its senior managers and of all other employees.
- 3.3 Under the provisions of the Code of Recommended Practice for Local Authorities on Data Transparency, issued by the Department for Communities and Local Government under Section 2 of the Local Government Planning and Land Act 1980, the Council is expected to publish its "pay multiple", i.e. the ratio between the highest paid salary and median average salary of the whole of the local authority's workforce. The current pay multiple, based on earnings for the financial year ending 31 March 2018, is 1 to 5.95 – the median average salary being £17,169 and the top of the Chief Executive scale £102,278.
- 3.4 The pay multiple between the basic salary of its highest paid employee (the Chief Executive) and the lowest paid employees, as defined in this statement is 1 to 6.75 – the bottom of scale 2 being £15,144 and the top of the Chief Executive scale £102,278.
- 3.5 The Council considers that the current pay multiples, as identified above, represent an appropriate, fair and equitable internal pay relationship between the highest salary and that which applies to the rest of the workforce.

SECTION 4: POLICIES COMMON TO ALL EMPLOYEES

- 4.1 The District Council operates a transparent pay structure that reflects the relevant duties and responsibilities of each post within the organisation. The majority of the payment terms are universal and apply to all employees. The Council also recognises that it must pay additional allowances to certain individuals or groups of employees to reflect the diverse and occasionally unique nature of their duties. All departures from the universal set of allowances are justified on the basis that they enhance the effectiveness of the individual's role or seek to protect the individual on health and safety grounds (e.g. mobile telephones to support the District Council's lone worker policy).

This Section details the universal set of allowances and the current year's exceptions.

4.2 Pay Progression

Incremental progression through each grade will be automatic and applied on the 1st April each year. Employees with less than six months service in the grade by 1st April will be granted their first increment six months after their appointment, promotion or re-grading; except where their salary on the 1st April following appointment, promotion or re-grading would be less than one spinal column point in excess of the salary they would have received on that day in their old grade with the District Council, when they shall be entitled to their first increment on the 1st April.

4.3 Market Supplements

The Council recognises that pressures in the national or regional labour market can mean that pay levels for a particular category of employee in a particular function can be such that the Council's normal pay level would not be sufficiently competitive to enable it to recruit or retain an employee in that function. In that case, the Council's market supplement policy will be applied.

4.4 Local Government Pension Scheme (LGPS)

The Council offers all its employees access to the Local Government Pension Scheme, in accordance with the statutory provisions of the scheme. From 1 April 2014 the Council automatically enrolls all new employees into the pension scheme.

Any pension payments made on termination of employment either on grounds of redundancy, in the interests of the efficiency of the service or on grounds of ill health will be made within the statutory terms of the LGPS.

The discretions which the Council is able to apply under the scheme upon termination of employment are the same for senior employees as for all other employees who are LGPS members.

4.5 Flexible Retirement

Under the Local Government Pension Scheme Regulations, an employer can consent to a reduction in an employee's hours or grade and consent to the release of pension benefits where the employee is aged 55 or over.

In all cases decisions must be based on the merits of each application and the needs of the service and not be influenced by the employee's wish for early payment of their pension scheme benefits.

The District Council's policy delegates authority to the Chief Executive to determine such cases.

4.6 Payments on Termination of Employment

Other than payments made under the LGPS, the Council's payments to employees whose employment is terminated on grounds of redundancy or in the interests of the efficiency of the service will be in accordance with the policies the Council has adopted for all its employees in relation to the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and Redundancy.

Other than payments pursuant to the LGPS and Redundancy, the Council's policy is not to make any other termination payments, other than where it has received specific legal advice to the effect that a payment may be necessary to eliminate risk of claims against the Council.

4.7 Other Payments and Allowances

KEY

* - Contractual allowance, dependent upon nature of work undertaken

- available to specific category of employee

> - available to all employees in accordance with Council policy

NA - Not available

Element of Remuneration	Chief Executive/ Head of Paid Service	1 st tier	2 nd tier	Other employees
Reimbursement of removal/ relocation costs on appointment	>	>	>	>
Acting-up/additional responsibility payments	NA	>	>	>
Car provision	*	*	*	*
Mileage rates	>	>	>	>
Payment of professional subscriptions or membership fees	NA	NA	*	*
Reimbursement of subsistence or other expenses	>	>	>	>
Provision of mobile telephones	>	>	>	>
Provision of landline telephones	*	*	*	*
Election fees	>	>	>	>
TOIL Scheme	NA	>	>	>
Bonus Payments	NA	NA	NA	NA

4.8 Removal/Relocation expenses

Where senior employees need to move house in order to take up an appointment with the Council, the Council will reimburse their removal, legal and other associated relocation costs in accordance with its policy, which sets maximum limits on the levels of payment. The policy requires repayment in part or in full if the employee leaves within 5 years of appointment.

4.9 Acting up/additional responsibility payments

Where employees are required to act up to a higher graded post or undertake additional responsibilities beyond those of their substantive post for a temporary period of time, they may receive an additional payment in recognition of the extra responsibilities. This policy applies to all employees.

4.10 Car Provision

The Council no longer offers subsidised lease cars. Some employees have contracts of employment which classifies them as either Essential Users or casual users who are paid the payments in 4.11 below for use of their own vehicles on Council business. This policy will be reviewed in 2017/18.

4.11 Mileage payments

Mileage payments are made in accordance with the National Joint Council agreed rates. These are:

	451 to 999cc	1000 to 1199cc	1200 to 1450cc
Essential Users			
Lump sum per annum	£846	£963	£1,239
Per mile first 8,500	36.9p	40.9p	50.5p
Per mile after 8,500	13.7p	14.4p	16.4p
Casual Users			
Per mile first 8,500	46.9p	52.2p	65.0p
Per mile after 8,500	13.7p	14.4p	16.4p

The above mileage rates have been effective from 1 April 2013, in line with the National Agreement.

4.12 Payment of professional subscriptions or membership fees

The Council pays the professional subscriptions for the following posts only:

Head of Resources (as Section 151 officer): Chartered Institute of Public Finance Accountants (CIPFA).

Solicitor: Law Society Practice Certificate

Estates & Facilities Manager: Royal Institute of Chartered Surveyors (RICS)

4.13 Reimbursement of Subsistence or Other Expenses

In accordance with the requirements of the National Conditions of Service, the Council makes provision for the reimbursement of approved expenses. The following expenses are covered by the "Reimbursement of Expenditure Scheme":

Subsistence:	Breakfast	£5.77
	Lunch	£7.80
	Tea	£3.10
	Evening Meal	£9.78

Car Parking: Fees actually incurred

Special Licences: HGV driving licence

Change in Place of Work: Compensation for additional travel incurred for a period 18 months due to a compulsory change in work place.

Certain conditions must be met for approval of reimbursement within the scheme.

4.14 Mobile Telephones

Mobile telephones are provided to the Chief Executive and to other specific employees on the basis that they are necessary for them to undertake their duties effectively and to mitigate risk in lone worker situations. The Council funds the provision of the phone and business calls. Employees are expected to pay for personal calls.

4.15 Landline Telephones

A scheme of reimbursement applies to certain officers who are required to have a landline to effectively undertake their duties.

4.16 Election Fees

The Chief Executive receives fee payments pursuant to his/her appointment as Returning Officer at elections. The fees paid in elections vary according to the size of the electorate and number of postal voters. Fee payments for all but the District Council elections are set by the relevant body, and are in effect not paid by the Council, as the fees are reclaimed.

The fee for the Returning Officer therefore varies at each election. The Council has a policy of paying the maximum fee. Separate payments are made to the Deputy Returning Officer and other members of staff who work as part of the elections team, and are commensurate with time spent undertaking election duties.

4.17 Payments for Additional Working (TOIL) Scheme

The NJC Conditions of Service make provision for employees graded up to spinal column point 28, who undertake work outside of normal working hours, to receive appropriate overtime payments. Those above point 28 are not entitled to overtime payments but are allowed to take time off in lieu.

The scheme is not available to those officers whose conditions of service are determined by the Joint National Councils for Chief Executives or Chief Officers.

4.18 Bonus Payments

No employees are eligible for bonus payments under the Joint Negotiating Committee for Local Authority Craft & Associated Employees.

SECTION 5: DECISION MAKING ON PAY

- 5.1 The Council recognises the importance of ensuring openness and transparency and high standards of corporate governance, with clear lines of accountability, in its pay decision-making processes and procedures. Any pay-related decisions must be capable of public scrutiny, be able to demonstrate proper and appropriate use of public funds and ensure value for money. The arrangements adopted by the Council are designed to reflect these requirements, as well as ensuring compliance with all relevant legislation and other statutory regulation.
- 5.2 Any proposal to offer a new chief officer appointment on terms and conditions which include a total remuneration package of *£100,000 or more*, including salary, bonuses, fees or allowances which would routinely be payable to the appointee and any benefits in kind to which the officer would be entitled as a result of their employment will be referred to the full Council for approval before any such appointment is advertised or before any such offer is made to a particular candidate.

SECTION 6: AMENDMENTS TO THIS PAY POLICY STATEMENT

- 6.1 This pay policy statement relates to the financial year 2017/18.
- 6.2 The Council may agree any amendments to this pay policy statement during the financial year to which it relates.

SECTION 7: PUBLICATION OF AND ACCESS TO INFORMATION

- 7.1 The Council will publish this pay policy statement on its website at www.derbyshiredales.gov.uk as soon as is reasonably practicable after it has been approved by the Council. Any subsequent amendments to this pay policy statement made during the financial year to which it relates will also be similarly published.
- 7.2 The information required to be published by the Council in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency, issued by the Department for Communities and Local Government under Section 2 of the Local Government Planning and Land Act 1980, and in accordance with the requirements of the Accounts and Audit (Amendment No. 2) (England) Regulations 2009, as referred to/set out in this pay policy statement, is also available on its website.
- 7.3 For further information about this pay policy statement please contact the Council's Human Resource Section on: 01629 761364 or 01629 761155, or by e-mailing humanresources@derbyshiredales.gov.uk

COUNCIL
26TH JANUARY 2017

Report of the Corporate Director

DERBYSHIRE DALES COMMUNITY INFRASTRUCTURE LEVY

PURPOSE OF THE REPORT

This report sets out background information about the Community Infrastructure Levy, and the outcomes of work that has been undertaken to support the preparation of the Derbyshire Dales Local Plan in respect of the Infrastructure Needs and Plan Viability and the Community Infrastructure Levy (CIL). The report recommends that the District Council move forward with the introduction of a Derbyshire Dales Community Infrastructure Levy.

RECOMMENDATION

1. That approval in principle be given to the introduction of a Derbyshire Dales Community Infrastructure Levy regime.
2. That the timetable for the introduction of a Derbyshire Dales Community Infrastructure Levy as set out in Section 4 be approved
3. That figures set out in Table 1 be used as the basis for public consultation as a preliminary CIL Charging Schedule
4. That delegated authority be given to the Corporate Director, Head of Regeneration and Policy, Policy Manager to undertake consultation on a preliminary charging schedule
5. That Council discharges responsibility for implementation of CIL to the Community and Environment Committee
6. That a further report be presented to Community and Environment Committee which sets out details of the consultation responses on the preliminary charging schedule.

WARDS AFFECTED

All Wards outside the Peak District National Park

STRATEGIC LINK

A Derbyshire Dales Community Infrastructure Levy regime will be a pivotal tool in the delivery of the Council's Corporate Plan and the Peak District Partnership Statement of Priorities.

1 BACKGROUND

- 1.1 The Community Infrastructure Levy is a planning charge introduced by the Planning and Compulsory Purchase Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development needs of their area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010, which have been updated on several occasions since this date.

Development may be liable for a charge under the Community Infrastructure Levy (CIL), if the local planning authority has chosen to set a charge in its area.

- 1.2 For the purposes of the legislation, the District Council is a charging authority (Derbyshire County Council is not) and as such, are able to set a rate for the CIL which does not threaten the ability to viably develop and deliver the sites and overall scale of development envisaged in the Local Plan. The National Planning Practice Guidance (NPPG) sets out that local authorities will need to draw on the infrastructure planning evidence that underpins the development strategy for their area. Charging authorities should use that evidence to strike an appropriate balance between the desirability of funding infrastructure from the levy and the potential impact upon the economic viability of development across their area.
- 1.3 The National Planning Policy Framework (NPPF) sets out that where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan. The Community Infrastructure Levy should support and incentivise new development, particularly by placing control over a meaningful proportion of the funds raised with the neighbourhoods where development takes place.
- 1.4 At the meeting of the Local Plan Advisory Committee held on 28th September 2015 Members considered the contents of a report which had been prepared by consultants to assist with the preparation of the Local Plan that set out the outcomes of the work undertaken in respect of Infrastructure Needs, Viability and the Community Infrastructure Levy. A copy of the report to the Local Plan Advisory Committee held on 28th September 2015 is attached to this report in Appendix 1. An update report was considered by Members on 11th July 2016, a copy of which is attached to this report in Appendix 2.
- 1.5 As Members will be aware the Derbyshire Dales Local Plan was submitted to the Secretary of State on 19th December 2016, and will be subject to an Examination in Public, with the hearing sessions likely to commence in March/April 2017.
- 1.6 Given the advice in the NPPF that the a CIL regime should be worked up in parallel with a Local Plan it is now considered an appropriate time to give further consideration to the introduction of a Derbyshire Dales CIL.
- 1.7 There are a number of benefits to the introduction of a Derbyshire Dales CIL:
 - CIL will provide land owners and developers with greater certainty as to the level of contributions payable from their development
 - CIL receipts can be spent in a more flexible way than planning obligations
 - CIL will generate income for the Council to facilitate the provision of local and strategic infrastructure
 - CIL is non-negotiable
 - CIL ensures greater transparency to local people as the Council will have to publish details of how CIL has been spent
 - A proportion of CIL receipts are to be shared with the local community, with a greater proportion being available where Neighbourhood Plans are in place.
- 1.8 Once adopted a CIL applies to all development that involves 'buildings that people normally go into' with the following exceptions:
 - Development under 100sqm gross internal floorspace
 - A single dwelling (even under 100sqm) (but not subdivisions of dwellings)

- 1.9 The CIL Regulations include mandatory exemptions for self-build housing, residential annexes and extensions as well as permitted development. Once set local planning authorities cannot determine which developments to charge as this is dictated by the CIL Charging Schedule. A CIL is charged on a £ per square metre basis on net additional (internal) floorspace, with rates being able to be imposed by geographic area or use or size. Furthermore payment is due when the development starts (or phases or instalments - the charging authorities decide). The CIL is index linked and the landowner is responsible for paying it.
- 1.10 Whilst there are benefits to the introduction of a Derbyshire Dales CIL, Members are advised that it is unlikely that the level of charges generated through a Derbyshire Dales CIL regime will be sufficient to fund the cost of all required infrastructure. It would however be utilised as one possible source of funding. The CIL cannot be used to remedy pre-existing deficiencies unless the new development makes the deficiency more severe.
- 1.11 The use of S106 obligations would continue. However their use would be limited to the specific circumstances of individual planning applications, and provide for agreement to be reached upon such issues as the provision of affordable housing and any highways/access issues related to that proposal. S106 obligations would no longer be used to seek financial and/or other contributions towards pooled infrastructure provision such as education or medical provision.

2 DERBYSHIRE DALES INFRASTRUCTURE NEEDS

- 2.1 The Planning Act 2008 defines infrastructure as including the following (although this list is not exhaustive):
- Roads and other transport facilities
 - Flood defences
 - Schools and other educational facilities
 - Medical facilities,
 - Sporting and recreational facilities
 - Open spaces
- 2.2 Throughout the preparation of the Derbyshire Dales Local Plan the District Council has sought to work with other authorities and providers to assess the future infrastructure needs, taking account of the scale of development and location of development proposed in the Derbyshire Dales Local Plan. As such an Infrastructure Delivery Plan (IDP) was prepared and submitted to the Secretary of State alongside the Derbyshire Dales Local Plan.
- 2.3 The IDP generally indicates that there would not appear to be any issues in terms of infrastructure requirements that would have a detrimental impact upon growth across the plan area. It does, however identify, in general terms, where infrastructure may be required to support the level of growth identified in the Local Plan.

3 VIABILITY AND COMMUNITY INFRASTRUCTURE LEVY

- 3.1 The introduction of a Derbyshire Dales CIL regime should not threaten the ability of developers to viably develop and deliver the sites and overall scale of development envisaged in the Local Plan.

- 3.2 The evidence from the Infrastructure Report suggests that at the present time, there is a justifiable aggregate funding gap of around £22million for infrastructure that could be legitimately funded through CIL with the elements of infrastructure that would be appropriate to be considered for funding through CIL being mainly transport, education and green infrastructure facilities. In terms of funding for healthcare facilities it indicates that these will emerge from the work being undertaken by the Clinical Commissioning Groups on the needs of individual practises.
- 3.3 The onus is on the District Council to demonstrate that a Derbyshire Dales CIL regime will not have an adverse impact upon the viability of development that may come forward across the plan area.
- 3.4 Consultants have undertaken a comprehensive assessment of both the deliverability and viability of sites allocated in the Derbyshire Dales Local Plan, and the extent to which there is viability headroom for the introduction of a Derbyshire Dales CIL for a wide range of development types including both residential and commercial developments.
- 3.5 Viability assessments were undertaken for a range of residential site by size location, as well as for retail and other commercial development. For each assessment, an assumption was made about the impact that the policy requirements of the Derbyshire Dales Local Plan Pre Submission Draft would have on the various types of development e.g. £1000 per/sqm was included as an allowance for site specific S106 requirements (such as site specific highways requirements for new developments)
- 3.6 The evidence in the report indicates the diversity of development viability across Derbyshire Dales. It concludes that residential and retail development are, in general, the only development types considered to be capable of bearing CIL at the current time.
- 3.7 The headroom for the introduction of a Derbyshire Dales CIL regime for residential development is only achievable where there is up to a 30% affordable housing requirement as set out in the Derbyshire Dales Local Plan Pre Submission Draft.
- 3.8 The viability to charge CIL on commercial development is limited. The analysis identifies that in current market conditions there is only headroom to charge CIL in town centres for superstores and convenience stores. In out of centre locations only superstores have capacity for CIL. There may be scope to introduce CIL for Derbyshire Dales for a wider range of commercial development types, where rental levels increase by 10% from current values.
- 3.9 Some types of retail development are able to bear a CIL charge, with retail warehousing and certain formats of supermarket indicated to have headroom – although this varies in terms of the location of the development with only town centre and out of centre locations being able to support CIL. No commercial development of offices or warehousing is considered to be sufficiently viable to have headroom for the introduction of the CIL, both at current and any enhanced rental levels.
- 3.9 Care Homes shows insufficient capacity to accommodate the introduction of CIL at current values, but some potential with a 10% increase in rental values.
- 3.10 Any significant uplift in development costs with no corresponding increase in rental levels suggests that there is little or no scope for the introduction of CIL for all commercial development types.

3.10 Taking all these factors into account the report outlines a potential CIL charging scenario which is set out below for Members information:

Maximum CIL Headroom range (30 DPH / 40 DPH)		With allowance for buffer
Residential at 30% AH		
Value Area High	£161-£293	£120
Value Area Medium	£58-£179	£50
Value Area Lower	£0-63	£10
Retail		
Town Centre		
Shopping Centre	£0	£0
Retail Warehousing	£0	£0
Superstore	£165	£80
Supermarket	£0	£0
Convenience Store	£49	£20
Local Centre		
Convenience Store	£0	£0
Villages		
Convenience store	£0	£0
Out of Centre		
Retail Warehousing	£0	£0
Superstore	£165	£80
Supermarket	£0	£0
Convenience Store	£0	£0
Care homes	£0	£0
All other commercial uses	£0	£0

Table 1 - Potential CIL Charging Scenarios

3.11 On the basis of the above it is considered that there is sufficient potential to justify the introduction of a Derbyshire Dales Community Infrastructure Levy.

4 IMPLEMENTATION OF COMMUNITY INFRASTRUCTURE LEVY

4.1 The introduction of a Derbyshire Dales Community Infrastructure Levy has a follow a number of statutory procedures.

- Preparation and consultation on a preliminary charging schedule,
- Preparation and consultation on a draft charging schedule, and
- Examination in Public overseen by an independent Inspector appointed by the Secretary of State.

4.2 It is considered that the timetable set out below is appropriate for the introduction of a Derbyshire dales CIL regime.

Date	Stage
April/May	Six weeks consultation on preliminary charging schedule
June/July	Report back to Council on consultation responses and seek authority for public consultation on draft charging schedule
October	Consultation on Draft Charging Schedule
November	Examination – Hearing or Written Reps

Date	Stage
January 2018	Council –Consider Report of Examiner & Agree to Introduction of CIL
March 2018	CIL formally introduced

5 RISK ASSESSMENT

5.1 Legal

The proposals in the report accord with the Community Infrastructure Regulations. When implemented the provisions will enable greater transparency to enable the public to understand how new development is contributing to their community and deliver infrastructure the neighbourhood wants. The legal risk at this stage is low.

5.2 Financial

The costs of the consultant's viability report have been contained within existing budgets as part of the preparation of the Derbyshire Dales Local Plan. There will be a need for additional professional help to assist with the assessment of the various technical responses to the two rounds of public consultation as well as throughout the Examination in Public. Additional back office resources will be required to administer any Derbyshire Dales CIL, which is likely to include the purchase of additional software to generate and monitor payment of CIL Demand Notices. However these costs can be offset because the legislation allows for 5% of any CIL generated to be top sliced to cover the admin costs of the local planning authority.

5.3 Corporate Risk

Without a Derbyshire Dales CIL regime the District Council will not be able to continue to fund infrastructure required to meet the needs of the District by way of s106 obligations because the pooling limits have been or are likely to met in the near future.

The failure to introduce a Derbyshire Dales CIL regime therefore carries a medium risk to the District Council by way of reputational and political damage.

6 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

7 CONTACT INFORMATION

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BACKGROUND PAPERS

Description	Date	File
Report to Local Plan Advisory Committee	September 2015	
Report to Council	July 2016	
Local Plan Infrastructure Needs, CIL and	June 2016	

Whole Plan Viability Assessment: Supplementary Update of the Infrastructure Delivery Plan	
Local Plan Infrastructure Needs, CIL and Whole Plan Viability Assessment – Update on Infrastructure Delivery Plan	September 2015
Local Plan Infrastructure Needs, CIL and Whole Plan Viability Assessment – Viability Study	September 2015
Local Plan Infrastructure Needs, CIL and Whole Plan Viability Assessment – Viability Study Update	December 2016

APPENDIX 1

REPORT TO LOCAL PLAN ADVISORY COMMITTEE 25TH SEPTEMBER 2015

NOT CONFIDENTIAL – For public release

LOCAL PLAN ADVISORY COMMITTEE
28TH SEPTEMBER 2015

Report of the Corporate Director

DERBYSHIRE DALES LOCAL PLAN EVIDENCE BASE UPDATE – INFRASTRUCTURE AND VIABILITY

SUMMARY

This report sets out for Members the outcomes of work that has been undertaken to support the preparation of a revised Derbyshire Dales Local Plan in respect of the Infrastructure Needs and Plan Viability and the Community Infrastructure Levy (CIL).

RECOMMENDATION

1. That the Committee endorse the findings of the evidence base report on Infrastructure Needs and Viability.
2. That a further report be presented to this Committee which outlines options for the introduction of a Derbyshire Dales Community Infrastructure Levy (CIL).
3. That the findings of the report be incorporated into a revised Derbyshire Dales Local Plan.

WARDS AFFECTED

All Wards outside the Peak District National Park

STRATEGIC LINK

The Derbyshire Dales District Council Local Plan will be a pivotal tool in the delivery of the Council's Corporate Plan and the Peak District Partnership Statement of Priorities.

1 BACKGROUND

1.8 At the meeting of this Committee held on 8th July 2015, Members considered a Progress Report on work that has been undertaken to further develop the Local Plan evidence base to support the preparation of a revised Derbyshire Dales Local Plan. At that meeting, it was resolved that a series of reports would be presented to future meetings of this Committee in respect of the evidence base, Local Development Scheme and Statement of Community Involvement.

1.9 This report sets out the outcomes of the work undertaken in respect of Infrastructure Needs, Viability and the Community Infrastructure Levy.

2 INFRASTRUCTURE NEEDS AND PLAN VIABILITY (INCLUDING COMMUNITY INFRASTRUCTURE LEVY)

- 2.1 Advice set out in the NPPF and the Planning Practice Guidance makes it clear that the provision of infrastructure through the planning system is one of the key economic drivers required for the delivery of sustainable development. In this regard, Local Plans should plan positively for the development and infrastructure required in the area to meet the objectives, principles and policies of the NPPF.
- 2.2 Local planning authorities are advised that they should work with other authorities and providers to: assess the quality and capacity of infrastructure for transport, water supply, wastewater and its treatment, energy (including heat), telecommunications, utilities, waste, health, social care, education, flood risk and coastal change management, and its ability to meet forecast demands; and take account of the need for strategic infrastructure including nationally significant infrastructure within their areas.
- 2.3 In order to progress with the preparation of the Derbyshire Dales Local Plan, it was considered necessary to undertake an assessment of existing infrastructure on order to identify gaps in existing provision across the plan area, and to identify the infrastructure requirements necessary to support the sustainable growth of the plan area.
- 2.4 The NPPF advises that in pursuing sustainable development, careful attention needs to be given to viability and costs in plan-making and decision-taking. Crucially, Local Plans should be deliverable. Therefore, the sites and the scale of development identified in the plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. To ensure viability, the costs of any requirements likely to be applied to development, such as the requirement for affordable housing, design standards, infrastructure contributions etc. should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner / developer to enable the development to be deliverable.
- 2.5 It is therefore incumbent upon the District Council to demonstrate deliverability of all aspects of the Derbyshire Dales Local Plan. Given this advice, sites brought forward through the Local Plan process should be capable of being developed. In order to achieve this objective, it was considered appropriate that some viability testing of the type of sites likely to come forward through the Strategic Housing Land Availability Assessment (SHLAA) process should be undertaken. It was also considered appropriate to test the potential impact that emerging Local Plan policies may have on the deliverability of the plan as a whole.
- 2.6 The Community Infrastructure Levy is a planning charge introduced by the Planning and Compulsory Purchase Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development needs of their area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010. Development may be liable for a charge under the Community Infrastructure Levy (CIL), if the local planning authority has chosen to set a charge in its area.
- 2.7 For the purposes of the legislation, the District Council is a charging authority (Derbyshire County Council is not) and as such, we are able to set a rate CIL which does not threaten the ability to viably develop and deliver the sites and overall scale of development envisaged in the Local Plan. The NPPG sets out that local authorities will need to draw on the infrastructure planning evidence that underpins the development strategy for their area. Charging authorities should use that evidence to strike an

appropriate balance between the desirability of funding infrastructure from the levy and the potential impact upon the economic viability of development across their area.

2.8 The NPPF sets out that where practical, Community Infrastructure Levy charges should be worked up and tested alongside the Local Plan. The Community Infrastructure Levy should support and incentivise new development, particularly by placing control over a meaningful proportion of the funds raised with the neighbourhoods where development takes place.

2.9 In light of the above consultants were therefore appointed to undertake the following;

- an assessment of the current situation with regards to infrastructure provision across the plan area.
- the potential need for new infrastructure provision to meet growth scenarios across the plan area.
- to provide advice on the viability of sites suggested for inclusion within the latest version of the Strategic Housing Land Availability Assessment.
- to undertake an assessment on the potential feasibility of introducing the Community Infrastructure Levy on new development across the local plan area.
- to act as retained consultants to undertake a whole plan viability assessment and provide advice on deliverable levels of affordable housing, and other development needs.

3. INFRASTRUCTURE NEEDS

3.1 The initial stage of the infrastructure needs assessment was to establish contact with a wide range of infrastructure and service providers to determine the extent to which previous infrastructure plans remained up to date, and to identify areas which required some further development work. To achieve this each of the providers was sent a pro-forma, in which relevant extracts from previous infrastructure plans were included. Providers were asked to review and provide comment on the information previously given. They were also asked about infrastructure availability and capacity issues and the extent to which they would be key considerations for the new Local Plan, and to highlight key planned investments and improvements.

3.2 A workshop was held with key providers in June 2015, the purpose of which was to enable attendees to discuss the emerging Local Plan and 'join up' any issues raised by the different infrastructure providers that could be addressed in the context of the preparation of the Derbyshire Dales Local Plan.

3.3 The overall conclusion in the report is that in general terms, there are few matters of serious immediate concern for the District. A copy of the report is published on the Members Portal for information.

3.4 The report identifies that local transport issues in the main town centres of Matlock, Ashbourne and Wirksworth will still need to be addressed. It suggests that this is particularly critical in Ashbourne, where the cumulative impact of the any potential development sites could add to existing congestion issues. It also suggests that in order to confirm (or otherwise) the need of a bypass for Ashbourne, more detailed analysis is required to establish the costs and benefits of such a scheme.

- 3.5 The report concludes that the anticipated future growth is unlikely to require any significant enhancements in national supply infrastructure for the main utilities of electricity, gas and water, nor the principal emergency services.
- 3.6 In regard to health services, the report identifies that a dispersed approach to development is likely to place pressure on primary care services, as a critical mass is needed to support new or expanded health practices. It is therefore suggested that a more concentrated pattern of development would assist in bringing forward new healthcare facilities. Both of the Clinical Commissioning Groups that cover the Derbyshire Dales District anticipate having a plan of future facilities needs developed later in 2015. Discussions are currently on-going with the NHS Clinical Commissioning Groups to address priorities for action in light of the likely extent of evidence emerging from the Housing and Economic Development Needs Assessment.
- 3.7 In terms of education needs, Derbyshire County Council have developed a robust methodology for quantifying the impact of additional housing development upon schools in the Derbyshire Dales and regular liaison is maintained between the District Council and the County Education Authority in this regard. The evidence indicates that improvements to primary and secondary provision in Ashbourne, as well as primary provision in Wirksworth are likely to be key issues that will need to be addressed in taking forward the Local Plan.
- 3.8 The report also indicates that continued investment in broadband through the Digital Derbyshire project will help ensure that future occupants have access to sustainable communications infrastructure.
- 3.9 In terms of the provision of community facilities such as libraries and sports facilities, the report indicates that these are likely to remain under pressure as a result of the Government's ongoing austerity measures. Whilst such facilities are essential to enhancing the quality of life for both new and existing residents, additional funding is likely to be required in order to maintain and provide new facilities. However, this is likely to be needed outside the Local Plan process. The report concludes such matters are not a significant constraint on growth.

4 VIABILITY AND COMMUNITY INFRASTRUCTURE LEVY

- 4.1 The need for viability assessments derives from the guidance in the NPPF that Local Plans need to be deliverable, and from the CIL Regulations which indicate that in considering the introduction of CIL, it should not have an adverse impact upon the delivery of development.
- 4.2 The evidence from the Infrastructure Report suggests that at the present time, there is a justifiable aggregate funding gap of around £22million for infrastructure that could be legitimately funded through CIL.
- 4.3 The approach to testing viability used by the consultants was to undertake an area based approach, based upon three value areas, which in turn were determined by house prices derived from the Land Registry. This approach involves the following key steps:
- Determination of residential value areas, development schemes and viability assumptions.

- A residual appraisal is then carried out subtracting all anticipated development costs from the scheme's Gross/Net Development Value to arrive at a residual site value for each development scheme. The appraisal includes provision for affordable housing and S106 obligations as an input.
- The residual site value for each development scheme is then benchmarked against a site value threshold (the price at which it is considered a landowner may actually sell) to determine the 'headroom' available for CIL/other planning requirements.

- 4.4 As part of the viability assessment process, consultation was undertaken with a range of developers, housebuilders, housing associations and property / planning agents. This included a facilitated workshop held in May 2015 where the assumptions about values, and development costs were discussed and generally agreed for a range of development types, including housing, retail office and industrial development.
- 4.5 Viability assessments were undertaken for a range of residential site sizes and by the different value areas, as well as for retail and other commercial development. For each assessment, an assumption was made about the impact that the policy requirements set out in the now withdrawn Derbyshire Dales Local Plan would have on the various types of development e.g. £1000 per/sqm was included as an allowance for site specific S106 requirements (such as site specific highways requirements for new developments)
- 4.6 The evidence in the report indicates the diversity of development viability across Derbyshire Dales. Residential and retail are the only development typologies considered to be generally capable of bearing CIL at the current time.
- 4.7 The viability of CIL on residential development is limited to high and mid value areas of the District when a policy of 33% and 45% affordable housing contributions is applied. However, at 30% affordable housing provision, there is considered to be potential for CIL within all areas of the District albeit at a relatively nominal level in the lower value area. Reducing the affordable housing requirements to 20% would dramatically increase the level of CIL that is viable, therefore the balance of need and priority between infrastructure funding and affordable housing is an important consideration for the Council. The report recommends that the policy requirement for the provision of affordable housing should be reduced to 30% as this is considered to be the maximum level that can be supported in order to maintain a reasonable headroom for the provision and introduction of the CIL.
- 4.8 The viability to charge CIL on commercial development is limited. Some types of retail development are able to bear a CIL charge, with retail warehousing and certain formats of supermarket indicated to have headroom – although this varies in terms of the location of the development with only town centre and out of centre locations being able to support CIL.
- 4.9 The care home typology tested demonstrates the capacity for up to £20 psm (the reason there is less headroom in the mid and lower value areas is because of the variant land value benchmark in the different value areas). All other commercial development typologies have no headroom for CIL in current market conditions.

4.10 Taking all these factors into account the report outlines a potential CIL charging scenario which is set out below for Members information

	Maximum CIL Headroom	Potential CIL Charge
	£ per sq m	£ per sq m
Residential at 45% AH		
Value Area High	£150	£75
Value Area Medium	£20	£10
Value Area Lower	£0	£0
Residential at 30% AH		
Value Area High	£250	£125
Value Area Medium	£150	£75
Value Area Lower	£20	£10
Residential at 20% AH		
Value Area High	£300	£150
Value Area Medium	£200	£100
Value Area Lower	£75	£40
Retail		
Town Centre		
Shopping Centre	£0	£0
Retail Warehousing	£100	£50
Superstore	£349	£175
Supermarket	£0	
Convenience Store	£247	£125
Local Centre		
Convenience Store	£0	£0
Villages		
Convenience store	£0	£0
Out of Centre		
Retail Warehousing	£100	£50
Superstore	£349	£175
Supermarket	£0	£0
Convenience Store	£0	£0
Care homes	£20	£10
All other commercial uses	£0	£0

4.11 It is therefore recommended that on the basis of the contents of this report that the District Council investigate further the introduction of CIL and that a further report be presented to this Committee for their consideration.

5 RISK ASSESSMENT

5.1 Legal

Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990 requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise. Not having an up to date Local Plan in place which provides adequate

land for housing places the District Council at risk to residential development being brought forward on appeal rather than on a plan-led basis. The legal risk is therefore high.

5.2 Financial

The cost of preparing the Derbyshire Dales Local Plan is contained within the District Council's budget. The financial risk is, therefore, assessed as low.

5.3 Corporate Risk

The Regeneration and Policy Risk Register identifies that preparation of the Local Plan carries a high risk rating score of 20 – this being the highest risk in the Regeneration & Policy Risk Register, and one of the highest corporately.

This indicates that lack of progress on the preparation of the Local Plan could have a significant impact on a number of areas. The timetable set out in Section 3 is considered to be realistic however any significant delay in the preparation of the Local Plan is likely to result in some of the consequential effects continuing to occur e.g. reputation and political.

6 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

7 CONTACT INFORMATION

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BACKGROUND PAPERS

Description	Date	File
Report to Council	2 nd October 2014	
Report to Local Plan Advisory Committee	8 th July 2015	
Local Plan Infrastructure Needs, CIL and Whole Plan Viability Assessment – Update on Infrastructure Delivery Plan	September 2015	
Local Plan Infrastructure Needs, CIL and Whole Plan Viability Assessment – Viability Study	September 2015	

APPENDIX 2

REPORT TO LOCAL PLAN ADVISORY COMMITTEE 11TH JULY 2016

LOCAL PLAN ADVISORY COMMITTEE
11TH JULY 2016

Report of the Corporate Director

DERBYSHIRE DALES LOCAL PLAN – EVIDENCE BASE UPDATE

PURPOSE OF REPORT

The purpose of this report is to advise Members of the latest position with regards to the evidence base on Strategic Flood risk, Infrastructure and Viability, as well considerations in relation to the proposal advocated for a Garden Village and Gypsies and Travellers.

The report recommends that this updated evidence be taken into account in taking the Derbyshire Dales Local Plan forward.

RECOMMENDATION

1. That Committee note the contents of the report, and that they are taken into account in taking the Derbyshire Dales Local Plan forward.

WARDS AFFECTED

All Wards outside the Peak District National Park

STRATEGIC LINK

The Derbyshire Dales Local Plan will be a pivotal tool in the delivery of the Council's Corporate Plan and the Derbyshire Dales and High Peak Sustainable Communities Strategy

1 BACKGROUND

- 1.1 Members will recall that at meetings of this Committee held on 21st September 2015 and 28th September 2015 considering reports which set out details of the evidence base that had been prepared at that time to inform the preparation of the Derbyshire Dales Local Plan. This consisted of the Assessment of Housing and Economic Development Needs, Strategic Landscape Sensitivity, Gypsy and Traveller Accommodation Assessment, Settlement Hierarchy and Infrastructure and Viability.
- 1.2 The conclusions reached in each of these reports have been utilised in the preparation of the Derbyshire Dales Draft Local Plan. Whilst these reports have had been influential in determining the extent of the policies and proposals contained within the Derbyshire Dales Draft Local Plan, to ensure that the plan is capable of being “sound” at any future Examination in Public, it has been necessary to prepare additional evidence to ensure that the policies and proposals included within the Derbyshire Dales Local Plan are based upon robust and up to date evidence. This report therefore sets out details of the evidence base as it relates to the following:

- Strategic Flood Risk
- Infrastructure & Plan Viability

1.3 This report also seeks to provide Members with information to assist them take forward the Derbyshire Dales Local Plan in respect of the following:

- Garden Village Proposals
- Gypsy & Travellers

2 EVIDENCE BASE UPDATE REPORT

Strategic Flood Risk Assessment

2.1 The National Planning Policy Framework (NPPF) in Paragraph 100 sets out that Local Plans should be supported by a Strategic Flood Risk Assessment and develop policies to manage flood risk from all sources, taking account of advice from the Environment Agency and other relevant flood risk management bodies, such as lead local flood authorities and internal drainage boards. It goes on that Local Plans should apply a sequential, risk-based approach to the location of development to avoid where possible flood risk to people and property and manage any residual risk, taking account of the impacts of climate change, by:

- applying the Sequential Test;
- if necessary, applying the Exception Test;
- safeguarding land from development that is required for current and future flood management;
- using opportunities offered by new development to reduce the causes and impacts of flooding; and
- where climate change is expected to increase flood risk so that some existing development may not be sustainable in the long-term, seeking opportunities to facilitate the relocation of development, including housing, to more sustainable locations.

2.2 In 2009 a Level 1 Strategic Flood Risk Assessment (SFRA) for Derbyshire Dales was undertaken by Halcrow, which sought to identify those areas which could be considered to be at risk from flooding from all potential sources including fluvial and groundwater flooding. During the preparation of the withdrawn Derbyshire Dales Local Plan the Environment Agency indicated that the SFRA prepared in 2009 was out of date and did not reflect up to date data that was available in respect of flood risk.

2.3 To minimise the risk that the Environment Agency would object to the contents of the emerging Derbyshire Dales Local Plan on the basis that the policies and proposals included within the plan did not reflect up to date evidence in the form of an SFRA in February 2016 JBA Consulting Ltd were appointed by the District Council to undertake a Level 1 SFRA covering the whole of the District Council's jurisdiction.

- 2.4 This work has now been completed¹. The objective of the SFRA being to take into account the most recent policy and legislation in the National Planning Policy Framework:
- To provide an update, taking into account the latest available flood risk information.
 - To investigate and identify the extent and severity of flood risk from all sources presently and in the future within the local planning authority area of Derbyshire Dales District Council.
 - To provide a comprehensive set of maps presenting flood risk from all sources that can be used as part of the evidence base for the local plan.
 - To identify any critical flood modelling and data gaps.
 - To engage with all relevant stakeholders.
 - To include explicit guidelines on how to use the SFRA and ensure it is maintained as a 'live document'.
- 2.5 The updated SFRA has considered all sources of flooding including fluvial, surface water, groundwater, sewers and reservoirs within the study area. Flooding records show the principal risk is from fluvial flood risk. Additionally, surface water, groundwater and sewer flooding are well recorded throughout the study area. Potential flood risk from canals and reservoir inundation has also been assessed. It concludes that flood history shows that Derbyshire Dales has been subject to flooding from several sources of flood risk. Flooding records show the principal risk is from fluvial flood risk, although additionally, surface water and sewer flooding feature throughout the study area.
- 2.6 The SFRA provides guidance for the application of the Sequential and Exception Tests for both the Local Plan and for detailed, site-specific Flood Risk Assessments, along with defining the sequential approach to development and flood risk.
- 2.7 It advises that when necessary, development and redevelopment should require a Flood Risk Assessment (FRA) appropriate to the scale of the development and to the scope agreed with the Lead Local Flood Authority (LLFA). FRAs must be produced to the current national and local standards and include information on all current and future flood risk. These documents should utilise the Surface Water Management Plan (SWMP), Preliminary Flood Risk Assessment (PFRA), Flood Risk Management Plan (FRMP) and SFRA for the Derbyshire Dales District as sources of information. FRAs should consider flood risk from all sources including residual risk, along with promotion of SuDS to create a conceptual drainage strategy and safe access/egress at the development in the event of a flood. Latest climate change guidance (published in February 2016) should also be taken into account, for the lifetime of developments.
- 2.8 It also provides guidance on Sustainable Drainage Systems and seeks to encourage on-site attenuation of water wherever feasible. Finally it includes up to date flood risk mapping, which identifies the extent to which areas of the District are at risk from flooding.
- 2.9 In order to satisfy the requirements of Paragraph 100 in NPPF two of the sites allocated (HC2(j) Land at Bridge Garage, Darley Bridge and HC2(m) Land to the rear

¹ http://www.derbyshiredales.gov.uk/images/documents/L/Local%20Plan%20evidence%20base%20docs%20July%202016/2016s3951_-_Derbyshire_Dales_District_-_Final_Level_1_SFRA_v2.0.pdf

of former RBS premises, Darley Dale) within the Derbyshire Dales Draft Local Plan where parts of the allocation are located within Flood Zone 3 have been subject to the Sequential Test. The aim of the Sequential Test is to steer new development to areas with the lowest probability of flooding. The NPPF advises that development should not be allocated or permitted if there are reasonably available sites appropriate for the proposed development in areas with a lower probability of flooding. This work has concluded that that site HC2(m) passes the Sequential Test, whilst site HC2(j) has fails it.

2.10 Paragraph 102 of the NPPF requires that where the Sequential Test cannot be met then an Exception Test has to be met. It advises that for the Exception Test to be passed both of the following requirements must be met:

- it must be demonstrated that the development provides wider sustainability benefits to the community that outweigh flood risk, informed by a Strategic Flood Risk Assessment where one has been prepared; and
- a site-specific flood risk assessment must demonstrate that the development will be safe for its lifetime taking account of the vulnerability of its users, without increasing flood risk elsewhere, and, where possible, will reduce flood risk overall.

2.11 There is clearly a sustainability benefit to bringing forward site HC2(j) as it contributes towards meeting the District Council's housing needs in a sustainable location. However to date no site specific flood risk assessment has been provided by the landowner of the site to demonstrate that development on the site will be safe for its lifetime, and does not increase flood risk elsewhere. As such further consideration is necessary as to whether this allocation within the Derbyshire Dales Draft Local Plan is continued.

Infrastructure and Viability

2.12 Members will recall that at a meeting of this Committee held on 28th September 2015 giving consideration to report on the work that had been undertaken by consultants to support the preparation of a revised Derbyshire Dales Local Plan in respect of the Infrastructure Needs and Plan Viability and the Community Infrastructure Levy (CIL). The report advised Members that in order to progress with the preparation of the Derbyshire Dales Local Plan, it was necessary to undertake an assessment of existing infrastructure in order to identify gaps in existing provision across the plan area, and to identify the infrastructure requirements necessary to support the sustainable growth of the plan area, giving careful attention to viability and costs in plan-making and decision-taking.

2.13 The report concluded at that time there would not appear to be any issues in terms of infrastructure requirements that would have a detrimental impact upon growth across the plan area. Furthermore the report concluded that in terms of viability, because of the nature of the housing market in Derbyshire Dales it was unlikely that there should be any undue concerns about the viability and deliverability of sites over the plan period. (Minute 167/15)

2.14 To ensure that the policies and proposals within the Derbyshire Dales Draft Local Plan remain capable of being delivered over the plan period consultants were appointed to undertake an update on viability and infrastructure needs.

- 2.15 At the time of writing this report work is on-going in respect of the viability assessment of the policies and proposals in the Derbyshire Dales Local Plan. As such an update on viability will be presented to Council on 27th July 2016.
- 2.15 In terms of infrastructure needs the consultant's report² considers three broad areas;
- Transport
 - Utilities and Environment
 - Community Services
- 2.16 In terms of transport it highlights the impact that road noise from the surface of the A50(T) could have an adverse impact upon new development in Doveridge unless appropriate mitigation measures are put in place. It acknowledges the conclusions of the Transport Evidence Base which are considered as a separate item on the agenda of this meeting, and that Derbyshire County Council are currently preparing a bid to the Larger Major Transport Scheme Fund to explore options for an Ashbourne Bypass.
- 2.17 In terms of rail services it identifies that a passing loop on the Derwent Valley Community Railway potentially between Cromford and Whatstandwell could enable the operation of half-hourly services in the future, but to deliver this would be reliant essentially upon funding, other than from Network Rail.
- 2.18 In relation to other transport related issues it identifies that development proposals have the opportunity to fund enhancements to bus services to serve individual sites, there is generally sufficient car parking spaces across the town centres to accommodate day to day needs but there are occasions where car park capacity is reached. Any improvement to the car park management regime it considers could be funded through the LTP and/or developer contributions. The report also notes the benefits that could be achieved by the White Peak Loop along the Matlock-Bakewell corridor.
- 2.19 The impact of the policies and proposals in the Derbyshire Dales Draft Local Plan on the Utilities has been reviewed, and is based upon consultation with Western Power Distribution, National Grid and Severn Trent Water. As a result no strategic (or local) infrastructure improvements have been identified as being required at this stage for either the gas or electricity networks. The National Grid confirmed that there are no anticipated capacity issues with either the gas or electricity distribution networks in the plan area.
- 2.20 Severn Trent have advised that there are some localised capacity issues associated with the drainage network in the vicinity of some of the sites included within the Derbyshire Dales Draft Local Plan – they do not consider these to be significant constraints as any upgrades to the network in the vicinity of these sites are likely to be achieved and would be funded by the developers. Ashbourne Water Treatment Works will need to be upgraded to respond to the cumulative impact of both existing and future demand. Severn Trent Water are currently planning for the works to be expanded in a number of phases. There is room on and adjacent to the existing site for expansion subject to planning and the agreement of the Environment Agency. At

² http://www.derbyshiredales.gov.uk/images/documents/I/Derbyshire_Dales_2016_Update_Report_with_Appendix_Final.pdf

other sites the report indicates that there is no clear mitigation scheme and this will need to be addressed taking into account the nature and timing of each site as they are brought forward.

- 2.21 Although telecommunication networks are not considered to be a key driver of, or barrier to, new residential development, the report acknowledges that from 31 December 2016 a number of EU directives relating to telecommunications will apply, including one that ensures that "member states will be required to ensure that newly constructed buildings and properties subject to major renovation works are equipped with a high-speed-ready in-building physical infrastructure, up to the network termination points". These will have to be taken into account in taking the Derbyshire Dales Local Plan forward.
- 2.22 In terms of Education the report sets out that Derbyshire County Council as Education Authority have a well-established and on-going approach to the assessment of education needs across the plan area. It sets out that Derbyshire County will continue to seek financial contributions from developers to enable the provision of primary and secondary school places.
- 2.23 Derbyshire County Council in their response to the consultation on the Derbyshire Dales Draft Local Plan set out the following detailed comments in respect of education requirements:

"In Ashbourne, housing development within the normal area of Hill Top Infant and Nursery School and Parkside Community Junior School will probably trigger the need to provide additional places at both schools, secured either via Section 106 planning obligations or CIL. DCC has already responded to planning applications for residential development at a number of the proposed site allocations requesting contributions towards the provision of primary school places at these schools.

In Doveridge, it is likely that current planning applications will utilise the available surplus and projected surplus capacity at the primary school. In future, any further residential development will likely result in a requirement for the provision of additional primary school places, to be funded by developers.

In Hulland Ward, any further development will result in a requirement for additional primary school places at Hulland Primary School.

In Brailsford, construction of a new primary school will provide accommodation for new primary school pupils from development already benefitting from planning permission. Any further development in this area may result in a need for additional places at Brailsford Primary School or contributions towards additional provision at the new school site.

QEGS is projected to have a small amount of surplus capacity and could accommodate some additional secondary pupils from a small level of housing development. However, significant housing growth within the normal area of QEGS would see the small amount of projected surplus capacity taken up. There would be a need for developer contributions (secured either via Section 106 planning obligations or CIL) to provide additional secondary places in order to mitigate the cumulative impact of housing development in the QEGS normal area.

The primary schools serving the Darley Dale planning area are all at capacity or over-subscribed currently, and projections are showing rising pupil numbers for all but one primary school in this area. Therefore, any residential development in this area will result in a need for the provision of additional primary places, to be funded either via Section 106 planning obligations or CIL.

In Matlock, further housing development would result in the need for provision of additional primary school places at All Saints Infant School, All Saints Junior School and Castle View Primary School. However, the site of All Saints Infant School is limited in its potential for expansion. Therefore, there may be a requirement for an alternative site for the provision of either an infant school or primary school for Matlock.

In Tansley, housing development would result in the need for provision of additional primary school places which could be delivered subject to funding from developers via Section 106 planning obligations or CIL.

Highfields School is the normal area school for secondary provision in Matlock, Darley Dale and Tansley and is projected to have sufficient surplus capacity to accommodate additional secondary pupils from future housing development in these areas.

In Wirksworth, additional primary school places would be required to accommodate additional pupils from housing development. However, neither infant school site can be expanded, although there is some space at the junior school. It is not clear how additional infant places could be provided. DCC would look to negotiate a site for a primary school in the Wirksworth area.

In Middleton, housing development would result in the need for provision of additional primary school places at Middleton Community Primary School which could be delivered, subject to funding from developers via Section 106 planning obligations or CIL.

Anthony Gell School is the designated normal area school for secondary provision and is projected to have sufficient surplus capacity to accommodate additional secondary pupils from future housing development in its normal area.

- 2.24 In respect of healthcare the report advises that the need for additional health facilities will depend on the amount and type of housing being developed, and whether there will be significant elderly or young populations. This will determine the required make-up of the clinical workforce and may, for example, highlight the need for practice nurse, dental, ophthalmic and pharmacy support. It advises that all the Clinical Commissioning Groups (CCG) that cover Derbyshire Dales are in the process of producing Strategic Estate Strategies which are due to be published in Summer 2016, and will set out the need for future facilities. However it notes that without large developments triggering capital works (e.g. new health centres) any enhanced services are likely to rely on 'revenue' funding (e.g. to cover additional staff or rental costs), which developer contributions are unlikely to be able to provide for.
- 2.25 Whilst the report sets out an overview of the position with regards to the need for healthcare provision in the future, direct discussions have been held with representatives of all three CCGs that cover the plan area. As part of these discussions the CCGs have been asked three specific questions :
1. Is existing health care provision adequate to serve the existing and future needs of the area ?
 2. Is there an need to improve health care provision in the Derbyshire Dales ?
 3. If there is a need to improve health care provision, what assistance is required from the Local Planning Authority.?

2.26 Each of the CCG's have been provided with details of the scale and location of proposed residential developments and they have predicted the impact upon existing facilities. However, each of them has informed me that it is no longer policy and practice to simply build more GP surgeries or employ more GP's. The approach that is being taken to deal with increasing demands is far broader and includes the following:

- a) Utilisation of technology to facilitate GP service transformation as a means of improving capacity in the health care system as opposed to increasing the number of GP services.
- b) Initiatives in the community which avoid the need for people to call on GP services are increasingly seen as a more effective means of improving the health and well-being of people.
- c) Encouraging GP practices to work more collaboratively with each other in order to improve overall capacity within the health care system.
- d) There is a move nationally and regionally to encourage GP practices to operate more flexibly by extending opening hours and moving to 7 day working.

2.27 As a result of these discussion the position in regard to health care facilities across the Derbyshire Dales is as follows:

- *NHS Southern Derbyshire Clinical Commissioning Group - At the present time, taking into account the scale of development proposed in the emerging Derbyshire Dales Local Plan, the CCG does not envisage the need to invest in any new build GP practices and that the four practices that currently serve the Southern Derbyshire Dales are adequate to meet future needs. However, there may be a need to improve capacity at the existing practice serving Hulland Ward and assistance has been provided District Council in this regard through s.106 contributions from permitted developments.*
- *North Derbyshire Clinical Commissioning Group - At the present time, all 3 General Practice surgeries that serve the northern Derbyshire Dales are beyond their optimum patient levels. As a consequence of the scale of new residential development proposed in the emerging Derbyshire Dales Local Plan, there is likely to be a need to consider the existing arrangements in further detail. However, the solution to this lies with the existing GP practices who need to work collaboratively together. The District Council has requested the CCG to provide details of their requirements and we will use the planning process to secure resources to assist.*
- *East Staffordshire Clinical Commissioning Group - In response to development pressures in East Staffordshire, there is a need to increase capacity for health care provision across the CCG area. Proposed developments envisaged in Doveridge will place increased pressure on the existing Dove River Practice (Sudbury) and options for the potential expansion and/or relocation of the Dove River (Sudbury) Practice need to be explored with the Practice Partners in order to accommodate an expected increase in patient numbers over the plan period. Again, the District Council has offered to use the planning process to secure resources to assist.*

2.28 The three main emergency services, Police, Fire and Rescue and Ambulance, are responsive organisations with a duty to serve the population within their area, and so the deployment of resources is based on response times to serve this population. These services are not considered to be a significant driver or barrier to growth, as they will deploy resources to serve the scale and location of new development.

- 2.29 The provision of community facilities such as libraries and sports facilities is changing and likely to remain under pressure with future funding settlements for the District Council. Although not a significant influence on growth, such facilities are essential to enhance the quality of life for new residents and the existing population, but funding will be needed outside the Local Plan process. The report notes that the District Council is in the process of appointing consultants to undertake a study of Built Sports Facilities, Playing Pitch and Open Spaces – the outcome of which will need to be taken forward into the Derbyshire Dales Local Plan prior to submission to the Secretary of State.
- 2.30 Notwithstanding the traffic and transport issues considered elsewhere on the agenda of this meeting, taking all the above factors into account it is considered that there still remains no significant barriers from an infrastructure perspective that could be considered to be an impediment to the delivery of the Derbyshire Dales Local Plan over the plan period.

Other Matters – Proposed Garden Village

- 2.30 As Members will be aware the District Council has received a suggestion from Darley Dale Town Council (and now supported by Matlock Town Council) for the allocation of land for a new village within the proposals in the Derbyshire Dales Local Plan.
- 2.31 The emphasis in the NPPF is that Local Plans should only include proposals if they have a reasonable prospect of being implemented over the plan period. Whilst there are potential advantages of such a proposal, given the advice in the NPPF proposals that are not likely to be brought forward and implemented over the plan period should not therefore be included within the plan. As such it is necessary to consider the likelihood of a proposal for a Garden Village being brought forward and implemented over the plan period.
- 2.32 The Corporate Director and Policy Manager have met with representatives of Darley Dale Town Council to discuss their proposals for a Garden Village. As a result of this meeting the Corporate Director and Policy Manger contacted a developer at the suggestion of Darley Dale Town Council to seek their views about the extent to which there was likely to be market demand for such a proposal. The advice being given is that there is unlikely to be market demand for such a proposition.
- 2.33 Although a number of possible locations and sites were suggested by Darley Dale Town Council none of the sites or locations identified were either available or of sufficient size to enable such a proposition to come forward through the Local Plan process. Nor as Members will be aware have any sites of a sufficient size come forward through the call for sites process which could be justified as being suitable as an allocation as a stand-alone new village proposal in the Local Plan.
- 2.34 In the absence of any available sites from willing landowners it would be wholly inappropriate to allocate land for such a provision within the Derbyshire Dales Local Plan as it could potentially jeopardise the soundness of the whole Local Plan.
- 2.35 It was suggested by Darley Dale Town Council that the preparation of the Derbyshire Dales Local Plan should be paused in order to give further consideration to this proposal. Advice sought from the Department for Communities and Local Government is that in terms of preparing the Derbyshire Dales Local Plan this should not be unduly delayed in order to give any significant additional consideration to the suitability of a

including a site(s) for a new village proposal within the Derbyshire Dales Local Plan. A copy of the response from the Department for Communities and Local Government is set out in Appendix 1 to this report.

- 2.36 In such circumstances it is considered that it is not necessary to consider this matter further as part of the preparation of the Derbyshire Dales Local Plan.

Other Matters – Gypsies and Travellers

- 2.37 As Members will be aware the Gypsy and Traveller Accommodation Assessment indicated that 9 pitches were required to meet the needs of the Gypsy and Traveller Community in Derbyshire Dales over the plan period, and that Policy HC6 set out proposals to allocate land at Watery Lane, Ashbourne as a site for Gypsies and Travellers provided that a need remains for such uses within the plan area.
- 2.38 A number of representation were received during the consultation on the Derbyshire Dales Draft Local Plan which suggested that Policy HC6 did not satisfy the requirements of the Government's Planning Policy for Travellers Sites.
- 2.39 A review of the requirements set out in the Government's Planning Policy for Travellers Sites has been undertaken, and an assessment undertaken as to the extent to which the policy in the Derbyshire Dales Draft Local Plan complies with national policy.
- 2.40 This indicates that an assessment should be undertaken to determine the extent to which there is a need for sites to meet the needs of the Gypsy and Traveller Community and in producing Local Plans:
- a) identify and update annually, a supply of specific deliverable sites sufficient to provide 5 years' worth of sites against their locally set targets
 - b) identify a supply of specific, developable sites, or broad locations for growth, for years 6 to 10 and, where possible, for years 11-15
- 2.41 The GTAA breaks the requirement down of 9 pitches for Derbyshire Dales such that 6 pitches are required to be provided within the first five years and the 1 pitch every five years thereafter.
- 2.42 Consequently in order to comply with the requirements of the Planning Policy for Travellers Sites the Derbyshire Dales Local Plan should as a minimum make provision for 6 pitches over the first five years of the plan period as well as identify the approach to addressing the needs beyond the first five years of the plan.
- 2.43 It is therefore considered that in taking the Derbyshire Dales Local Plan forward revisions to Policy HC6 should be made to ensure compliance with the Planning Policy for Travellers Sites.

3 RISK ASSESSMENT

3.1 Legal

Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990 requires that applications for planning permission must be determined in accordance with the development plan unless

material considerations indicate otherwise. Not having an up to date Local Plan in place which provides adequate land for housing places the District Council at risk to residential development being brought forward on appeal rather than on a plan-led basis. The legal risk is therefore low.

3.2 **Financial**

The financial risk is assessed as low.

3.3 **Corporate Risk**

The Derbyshire Dales Local Plan will be a pivotal tool in the delivery of the Council's Corporate Plan. In order to fulfil this role it is necessary to ensure that robust evidence-based and "sound" documents are prepared. Failure to do so will undermine the ability of the District Council to achieve its key aims and objectives. The Corporate Risk associated with the preparation of the Local Plan has been identified as High Risk.

4 **OTHER CONSIDERATIONS**

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 **CONTACT INFORMATION**

Mike Hase, Planning Policy Manager

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6 **BACKGROUND PAPERS**

Description	Date	File
Reports to Local Plan Advisory Committee	July 2015 to February 2016	G/5/P1
Report to Council	October 2015	G/5/P1
National Planning Policy Framework		G/5/P1
SFRA	June 2016	G/5/P1
Infrastructure Report	June 2016	G/5/P1

**LETTER FROM
DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT**



**Department for
Communities and
Local Government**



**Mr P Wilson
Corporate Director
Derbyshire Dales District Council
Town Hall
Matlock
Derbyshire DE4 3NN**

Please ask for: Sarah Hunt
Tel: 0303 44 48081
Email: Sarah.hunt@communities.gsi.gov.uk

Date: 15 June 2016

Dear Mr Wilson

LOCALLY LED GARDEN VILLAGES

Thank you for your letter dated 24 May regarding locally led garden villages.

As you are aware, the Government wants to see up-to-date local plans in place as soon as possible. I am encouraged that your authority is working towards the submission of its local plan and I would encourage you to progress this plan to adoption at the earliest opportunity.

I would suggest that the proposition of a garden village as a way of meeting the Council's Objectively Assessed Housing Need is properly considered through an early review, or partial review of the local plan, especially given that any such proposal appears to be in its infancy. I am happy to meet with your authority to discuss this further.

We have made clear our expectation that all local authorities should have an up-to-date local plan in place. Local plans are the primary basis for identifying what development is needed in an area and deciding where it should go and are therefore vital for giving communities the certainty they deserve for how local housing needs will be met. We have set out that where no local plan has been produced by early 2017, we may intervene and arrange for a plan to be written in consultation with local people, where it would accelerate production of a local plan. In March 2016, we consulted on the criteria to inform intervention decisions and this included a question on whether we should take exceptional circumstances into account in these decisions. We are currently analysing the responses and will be making a response shortly.

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Yours sincerely,



Sarah Hunt
Local Plans Team

COUNCIL
26TH JANUARY 2017

Report of the Corporate Director

PEAK DISTRICT NATIONAL PARK DEVELOPMENT MANAGEMENT POLICIES DOCUMENT – PART 2 OF THE LOCAL PLAN FOR THE PEAK DISTRICT NATIONAL PARK

PURPOSE OF REPORT

To provide information on the Peak District National Park Development Management Policies Document, (Consultation Version) and seek endorsement for a response to be sent to the Peak District National Park Authority by the 27th January 2017 statutory deadline.

RECOMMENDATION

That Council endorse the Officer comments contained within Section 2 of the report as the District Council's formal response to the Peak District National Park Development Management Policies consultation document.

WARDS AFFECTED

All Wards within the Peak District National Park.

STRATEGIC LINK

The Peak District National Park Development Management Policies document will have a significant influence upon the delivery of the Council's Corporate Plan, particularly business growth and job creation and the delivery of affordable housing.

1. BACKGROUND

- 1.1 The Peak District National Park Authority is the Local Planning Authority for those parts of the district which lie within the National Park. The Peak District National Park Authority adopted a Core Strategy in October 2011. The Core Strategy sets out the spatial planning framework to guide land use and development in the National Park for the plan period up to 2026 and provides the strategic planning policies for use in the determination of planning applications.
- 1.2 The Peak District National Park published on 18th November 2016 the Development Management Policies Document for a period of ten weeks public consultation ending on 27th January 2017. This document seeks to supplement the spatial strategy and policies of the Core Strategy with detailed policies for use in the determination of planning applications.
- 1.3 The policies seek to provide a framework in which development that aligns with the aims and policy principles of the adopted Core Strategy (October 2011) should be granted planning permission, and development that conflicts with the policies is refused planning permission unless other material considerations indicate otherwise.

- 1.4 The purpose of this consultation is to seek representations on the legal compliance and soundness of the Development Management Policies Document and plan preparation process. Representations are required to refer to whether the particular policies or proposals within the Document are “sound”, by considering whether they are: positively prepared; justified; effective; and consistent with national policy.
- 1.5 The publication of the Development Management Policies Document (Consultation Version) was accompanied by a Statement of Representations Procedure; Policies Maps; Sustainability Appraisal; Habitat Regulations Report; Consultation Statement; and Duty to Cooperate Statement.

2. REPORT

- 2.1 The following section sets out the contents of the Development Management Policies Document and provides Officer Comments on each part of the document.

Introduction

- 2.2 The National Planning Policy Framework (NPPF) sets out the Governments requirements for the planning system and provides a framework for locally distinctive plans and policies. The designation of the National Park as a nationally significant landscape area enables National Park Authorities to fulfil two statutory purposes:
 - To conserve and enhance the natural beauty, wildlife and cultural heritage of the area, and
 - To promote opportunities for the understanding and enjoyment of the valued characteristics of the National Park.
- 2.3 The Introduction section of the Development Management Policies document sets out that in pursuing the two statutory purposes, the National Park Authority has a duty to seek to *“foster the economic and social wellbeing of local communities...and to seek common ground between conservation, enjoyment and socio-economic wellbeing wherever possible”*. It sets out that whilst these issues can be interdependent where there are conflicting considerations the statutory purposes of the National Park take precedence.
- 2.4 Policy DM1 sets out how the presumption in favour of sustainable development, as set out in the National Planning Policy Framework (NPPF) should be applied to ensure that it does not conflict with the National Parks Statutory purposes. The Policy states that when considering development proposals the Authority will take a positive approach that reflects the presumption in favour of sustainable development and will work proactively with applicants to find solutions that are consistent with National Park statutory purposes and valued characteristics.
- 2.5 The introductory section further outlines the National Park Authority’s views on infrastructure provision and any future requirement to implement the Community Infrastructure Levy (CIL).. The Authority conclude given that there is minimal strategic infrastructure need and limited evidence of a significant funding gap within the Peak Park and therefore the implementation of CIL cannot at this time be justified. It is considered that there is scope to utilise S106 agreements to fund local infrastructure needs, the levels of funding required are relatively small and infrastructure investment needs could therefore be delivered through s106 contributions.

Officer Comments

- 2.6 Policy DM1 sets out how the presumption in favour of sustainable development, as set down within the NPPF should be applied to ensure that it does not conflict with the National Park's Statutory purposes. The approach set out in the policy is considered to be in accordance with the approach set out in the NPPF.
- 2.7 However the **policies which seek to deliver the spatial framework set out within the Core Strategy and Development Management Policies document must be equally positive in terms of facilitating development** considered suitable within the National Park.
- 2.8 The emphasis within Policy DM1 is on ensuring that development proposals seek to ensure that so far as possible they are compatible with the statutory purposes of the National Park. Whilst this satisfies the legislative requirements there is **concern about the extent to which rigidly adhering to the statutory duties actually delivers sustainable development** which meets the social, economic and environmental aspirations of the NPPF can be delivered across the National Park.
- 2.9 In terms of the position set out in respect of the introduction of CIL and the continued use of S106 Obligations, whilst there is no significant concern about the approach taken, it is considered that the National Park Authority should satisfy themselves that where infrastructure provision is being sought that have not unknowingly ended up in a situation where the pooling limits for s106 obligations have been or may be exceeded.

Conserving and enhancing the National Parks' valued characteristics

- 2.10 The conservation and enhancement of the National Parks natural beauty, wildlife and cultural heritage are key to the Parks statutory purposes and the suite of policies set out within this section of the Development Management Policies document seek to ensure the valued characteristics are maintained, and that the impact of proposals on landscape character, biodiversity, geodiversity, cultural heritage assets and their setting are appropriately considered.
- 2.11 The plan introduces a '*Landscape First*' approach, which means that the National Park will assess whether the character and quality of the landscape will be conserved and enhanced by development proposals.
- 2.12 Policy DMC1 seeks to ensure that the impact of development proposals are considered at a larger, landscape scale, taking account of context of the various landscape character areas that exist across the plan area.
- 2.13 Policy DMC2 provides the authorities approach to protecting and managing the Natural Zone. The Natural Zone comprises large areas of undisturbed land, which contain areas of high landscape and biodiversity value, with significant areas protected as Special Areas of Conservation (SACs) and Special Protection Areas (SPAs). Policy DCM2 states that unless development is considered to be essential (works essential for the landscape management of the area e.g. new path, or essential to the conservation and enhancement of the Parks valued characteristics) development should be located outside of the Natural Zone.

- 2.14 Although the National Park Core Strategy establishes the principles of ensuring development proposals conserve and enhance the valued characteristics of sites and buildings within the National Park, Policy DMC3 sets out the detailed criteria on the siting, design, layout and landscaping considerations for development proposals to be considered against. This policy requires development to demonstrate a high standard of design which contributes to the distinctive sense of place through the appropriate siting, scale, massing, use of building materials, landscape treatments and consideration of the impact of development on amenity and the extent to which the proposal is appropriate in the context of the surroundings.
- 2.15 In order to promote a sustainable level and distribution of development that helps to conserve and enhance the National Park the adopted Core Strategy directs the majority of development to the market town of Bakewell and a range of named settlements.
- 2.16 Policy DS1 in the adopted Peak District National Park Core Strategy sets out that new development will be acceptable for affordable housing, community facilities and small scale retail and business premises in or on the edge of the named settlements.
- 2.17 Policy DM4 sets out that development proposals should provide sufficient information to enable a thorough consideration of the relationship between the proposal and the settlements historic pattern and landscape character to be undertaken. Development which may adversely affect open areas, the character of the built environment or likely to be separated from the existing settlement will not be permitted.
- 2.18 Policies DMC5 – DMC10 set out detailed criteria for use in determining proposals for planning permission where they have an impact upon specific types of heritage assets, including assessing the impact of development on heritage assets and their setting (DMC5); Scheduled Monuments (DMC6); Listed Buildings (DMC7); Conservation Areas (DMC8) and; Registered Parks and Gardens (DMC9). These policies require that the impact of development proposals on the ‘significance’ and ‘setting’ of a heritage asset need to be taken into account. They also require the submission of a heritage statement to ensure that the impact of development on the setting and significance of the asset can be appropriately taken into account.
- 2.19 Proposals involving the conversion of a heritage asset (e.g. barn) will be encouraged to utilise buildings closer to existing building groups (villages, hamlets, farmsteads) in order to reduce the impact on the historic landscape character of the Park. Policy DMC10 further states that in exceptional circumstances remote roadside locations may be considered for conversion where there is particular merit in conserving a heritage asset.
- 2.20 Policies DMC11-15 set out the criteria to be used to assess the extent to which development proposals are able to conserve or enhance the National Parks biodiversity and geodiversity. These policies indicate that development should aim to achieve no net loss to biodiversity/geodiversity, should strive to conserve/enhance sites, features and species. They set out that development will not be permitted if inaccurate or inadequate information is submitted to demonstrate how development will impact on biodiversity/geodiversity assets. Detailed policy guidance is also provided to assist consideration of proposals which may affect trees, woodland and other landscape features (DMC13). DMC14 provides guidance on the impacts of

development on soil, air, noise, water and light pollution, whilst policy DMC15 provides detailed criteria for the consideration of development on contaminated and unstable land.

Officer Comments

- 2.21 It is recognised that the landscape of the National Park is an important asset and that the landscape and conservation development management policies will contribute towards the conservation and enhancement of the valued characteristics of the National Park. However it is considered that in order to ensure the economic and social wellbeing of local communities the policies should provide for a degree of flexibility. This would **allow development proposals which accord with the principles of sustainable development and where the requirements for and benefits of development may be considered to outweigh the need to protect and conserve landscape**, heritage and biodiversity/geodiversity to be approved.
- 2.22 It is considered **Policy DMC4 is overly restrictive and will significantly limit the ability of the Peak District National Park Authority to deliver the jobs and affordable homes required to meet future housing need and ensure local communities remain sustainable.**
- 2.23 Furthermore there is concern that the weight given to the impact of development on landscape character, the historic environment and settlement pattern may preclude development in the named settlements being permitted and delivered. Whilst the need to ensure that the character and appearance of settlements in the Park is recognised, there remains a risk that development will be unable to meet the need for jobs and local affordable housing with associated implications for the ability of the Plan to meet the wider social and economic needs of the National Park. It is considered that a more flexible approach to development that is less restrictive is necessary to ensure the wider policy aspirations of reducing the level of unmet affordable housing need can be delivered.

Farming and Economy

- 2.24 The adopted Core Strategy provides the context for economic development within the National Park. It seeks to enable economic development by supporting the provision of new sites and buildings for business development in and on the edge of settlements listed in Core Strategy Policy DS1 provided that they are in scale with the needs of the local population.
- 2.25 The Core Strategy (Policy E1 and Policy E2) safeguards existing business land/premises, but where employment sites are considered no longer appropriate the Core Strategy policies allow for opportunities for enhancement which may include redevelopment for affordable housing and/or community uses.
- 2.26 Policies in this section of the document recognise the need to allow for land managers to diversify their sources of income in order to ensure business remains viable. Policies DME1 and DME2 set out the criteria for the consideration of farm diversification schemes and agricultural and forestry operational development. These policies allow development to take place provided there is a net benefit to the landscape and no harm to the valued landscapes of the Park arises.

- 2.27 DME3 and DME4 relate to safeguarding existing and the change of use of existing employment sites. These policies continue to safeguard a strategic amount of employment space in Bakewell, notably Deepdale Business Park, Station Road and Riverside Business Park, in addition to key sites in Great Longstone, Calver Sough, Newburgh near Bradwell, Hathersage Hall Farm and Station Yard, Heathersage Park, Hathersage and the Whitecross Industrial Estate at Tideswell.
- 2.28 The National Park development management policies focus on protecting and retaining existing employment sites and premises. Policy DME4 requires a 12 month period of marketing to be undertaken prior to the change of use and loss of existing smaller scale employment sites being agreed. Where evidence demonstrates sites are no longer viable for employment purposes and the proposed scheme offers enhancement to the built environment or landscape policies facilitate change, new uses will be permitted.
- 2.29 The remaining policies within this section provide guidance on development proposals for B1 employment uses in the countryside (DME5), home working (DME6), expansion of existing industrial sites and business premises where it is not ancillary to an agricultural business (DME7) and the design layout and neighbourliness of employment sites (DME8).

Officer Comments

- 2.30 The policy of promoting diversification of agricultural and land management businesses and offering scope for business enterprise through the positive re use of traditional buildings will have benefits to both local farmers and the local economy as a whole. It is considered that the policy approach will enable the visions for a stronger and more sustainable economy to be achieved. The policy approach to support the retention of existing strategic employment sites and smaller scale employment sites is welcomed. In this regard it is considered that these policies could also include a proviso which seeks to ensure that there is sufficient land on these sites to accommodate future employment development. In respect of development management policies **related to B1 employment uses in the countryside it is considered that a degree of flexibility should be encouraged to ensure such uses are permitted where they provide social and economic benefits to the wider Peak Park economy and sustainability as a whole, and that B2 uses should be permitted where they provide overriding social and economic benefit.**

Recreation and Tourism

- 2.31 One of the statutory purposes of National Parks is to promote “opportunities for the understanding and enjoyment of the special qualities (valued characteristics) of those areas by the public”. Tourism makes a significant contribution to the culture of the Peak District National Park and its wider hinterland. The Core Strategy sets out that proposals for recreation, environmental education and interpretation will be supported where they encourage understanding and enjoyment of the Park. Policy RT1 of the Core Strategy requires new recreation and tourism development to justify its location in respect of environmental capacity, scale, intensity of use and to be informed by the Peak District Landscape Strategy.
- 2.32 Development Management policy DMR1 and DMR2 strengthen the controls on small scale campsite and touring caravan development, and only permits development

where they can be accommodated within the landscape. The development management policies continue to resist larger scale permanent accommodation (chalets, static caravans) due to the adverse impact on the valued landscapes of the Park. DMR3 continues to permit holiday occupancy of property where the conversion and intensification of use is suited to the building and its setting thus recognising the valuable contribution that holiday accommodation provides to diversifying income. DMR3 further enables the authority to approve the subsequent removal of holiday occupancy conditions where there is no harm to residential amenity and in doing so create a further home that can address a local need for affordable housing.

Officer Comments

- 2.33 It is considered that the development management policies recognise that recreation and tourism is an important element of the local economy and is supported. However it is considered that a balanced and flexible approach should be taken that encourages development that is of benefit to meeting recreation and tourism needs., particularly where it does not adversely impact upon the special characteristics of the National Park. The policy approach outlined in DMR3 which allows the authority to approve the removal of holiday occupancy conditions to create a further home which may meet a local affordable need is supported and will assist, if implemented in the need to meet future housing needs. It is further considered that there should be a policy that supports the provision of a small hotel somewhere within the National Park, in order to provide this as an alternative source of tourist accommodation.

Housing

- 2.34 The adopted Core Strategy policies retain an in-principle presumption in favour of granting planning permission for new housing development only where it addresses the need amongst local communities for affordable housing. No housing target for open market development, is identified for the National Park and no land is allocated for residential development.
- 2.35 The adopted Core Strategy policies seek to address the need for affordable housing through the 'exception site' route. This allows development to be granted planning permission, to meet an identified need for affordable housing within a local community. The adopted Core Strategy further permits housing development through appropriate conversion and redevelopment opportunities where it is considered to be there is no harm to the built environment and landscape character of the National Park.
- 2.36 Policy DMH1 sets out that affordable housing will be permitted in or on the edge of Core Strategy Policy DS1 Named Settlement, either by new build or conversion. Outside the named settlements it only allows affordable housing by way of the conversion of existing buildings provided that there is a proven need and that the new build housing is within prescribed size thresholds (from 39 sq. metres to 97 sq. metres) Policies DMH2 and DMH3 set out the detailed local occupancy requirements for affordable housing, for example a local connection and an essential need to reside in the parish.
- 2.37 Policy DMH4 provides criteria for use in the determination of planning applications for essential worker dwellings and builds upon the guidance in para 55 of the NPPF which requires Local Planning Authorities consider the essential business need for a rural worker to live permanently at or near their place of work. Policy DMH5 provides

detailed guidance on the determination of development proposals for ancillary dwellings in the curtilage of existing dwellings by conversion or new build. Policy DMH6 relates to the redevelopment of previously developed land into residential development. It sets out that that development will only be permitted where it conserves and enhances the valued character of the built environment, where the land is inside or on the edge of a named settlement, and subject to viability, an element of the housing addresses local need for affordable housing. The remaining policies in this section deal with extensions and alterations (DMH7), outbuildings (DMH8), replacement dwellings (DMH9), subdivision of dwellings (DMH10) and section 106 agreement criteria to be applied to affordable housing, essential worker dwellings and ancillary accommodation (DMH11).

Officer Comments

2.38 The evidence from the Assessment of Housing and Economic Needs (September 2015 – G L Hearn) indicates that across the whole of the District Council area there is a need for 101 affordable homes per annum – equating to 41% of all demographic based need. Assuming that this is a constant figure across both the local planning authority area and the Peak District National Park, this equates to 44 affordable homes required per annum in the Derbyshire Dales part of the National Park.¹ This level of requirement is more than double that agreed with the National Park (20 dwellings per annum) as its contribution to meeting the housing requirements for the whole of Derbyshire Dales in the Derbyshire Dales Local Plan.

2.39 The Peak District National Park Core Strategy includes the following as part of its spatial outcomes:

“The National Park’s communities will be more sustainable and resilient with a reduced unmet level of eligible affordable housing need and improved access to services.”

2.40 The Core Strategy sets out that in order to achieve this outcome it will undertake the following:

Homes and Communities policies in the context of the Development Strategy (DS1) will be able to support:

- Work within these communities to explore and identify the potential for new affordable homes and to meet wider community needs and challenges, particularly where there is no current evidence of capacity
- The provision of new affordable dwellings by buying existing buildings as part of the effective use of the existing housing stock
- Retention and provision of community facilities and services
- The co-location of jobs and homes in order to reduce peoples need to travel

2.41 As such the aspiration to provide more affordable housing through exception sites and conversion is supported. However the development strategy outlined in the Core Strategy and subsequent development management policies are considered to

¹ Figure 209 in GL Hearn Report indicates a need for 88 demographically related homes within the Peak District National Park – 41% equates to 36 units plus 8 identified for improving affordability gives a total need for affordable housing of 44 units per annum.

represent **an unreasonably restrictive framework for the provision of affordable homes**, Furthermore it is considered that the policies have a limited ability to effectively deliver the overarching aims of reducing unmet levels of affordable housing need across the Park.

- 2.42 The policy approach to allow the redevelopment of previously developed sites for housing is noted and welcomed; however the requirement that development conserves and enhances the valued character of the landscape/built environment is likely to result in only a limited number of development proposals being deemed suitable for granting planning permission.
- 2.43 A flexible approach to allow **housing to meet local needs and particularly those of the younger generation should be encouraged** in order to promote sustainable communities within the Peak District National Park.
- 2.44 At the current time any subsidy from the Homes and Communities Agency needed to deliver affordable housing in the National Park is now at the same level as that provided by the District Council, making use of Right to Buy receipts. However as the District Council has a lot less scope to continue funding new affordable housing schemes inside the National Park additional subsidy to fund affordable housing in the National Park is required. One way of achieving this could be to allow in appropriate circumstances the cross subsidy of affordable housing by a limited amount of open market housing through s106 Obligations. Providing housing in this way would be similar approach taken to that in the Derbyshire Dales Local Plan (Policy HC5) and would allow the settlements in the National Park to maintain their resilience and sustainability as well as provide support for the schools, shops, pubs and other services in these locations.
- 2.45 Policy DMH2 sets out a 10 year local connection within the settlement/parish in order to be eligible for any new affordable housing provision. This is a long standing policy requirement of the National Park. Whilst this ensures that occupiers have a well-established connection with the village it is considered that this becoming too onerous a requirement for housing providers and has the potential to have an impact upon affordable housing investment in the National Park. It is suggested that the policy should be halved to reflect Derbyshire Dales' approach to local occupancy.

Shops, Services and Community Facilities

- 2.46 Core Strategy policies seek to promote the retention and development of local services and community facilities such as shops, meeting places, sports venues, cultural buildings, public houses and places of worship. The proposed development management policies continue to discourage the loss of services that are considered essential to a community, and where facilities such as village halls, doctors and play spaces are threatened their loss will only be accepted where it has not been possible, through the submission of marketing information to demonstrate that such a facility or services is viable (DMS2).
- 2.47 In respect of retail development policy DMS3 provides detailed guidance on retail development outside named settlements, with policy DMS4 and DMS5 providing design guidance for shop fronts and advertising. In Bakewell the central shopping area is retained, and the policies support new shops, services and community facilities

where they are proposed in or on the edge of named settlements. Policies DMS6 and DMS7 provide protection and safeguarding through the Policies Maps of land for the provision of new or expanded community facilities and the retention of community recreation sites or sports facilities.

Officer Comments

- 2.48 The development management policies approach to support the promotion, retention of shops, services and community facilities is welcomed. The retention and provision of such facilities is crucial to the social wellbeing of communities.

Bakewell

- 2.49 In order to reinforce the important role of Bakewell as a market town, policy DMB1 sets out that a development boundary for the town will be identified on the Policies map and accordingly future development will be contained within the defined boundary. The key business sites are safeguarded in the economy policies and a commitment to retaining the central shopping area is established in the Core Strategy.

Officer Comments

- 2.50 Bakewell is the largest settlement within the Peak District National Park, and given the range of services and facilities it provides for those living in the surrounding catchment area it is considered that support should be given to the policies within the document that seek to maintain and enhance the future prospects of the town. However given the role and function that Bakewell plays within the Peak District National Park, it is considered that **there should be more support and flexibility shown within the plan to the delivery of housing and employment development** that maintains its future sustainably. Whilst this may result in Bakewell taking slightly more development, it is considered that having additional development on the edge of the town would be less harmful on the landscape character than development elsewhere in the plan area.

Travel and Transport

- 2.51 Transport plays a vital role in enabling residents to travel to, from and around the National Park. The adopted Core Strategy sets out the strategic principles for accessibility, travel and traffic through a set of policies aimed at reducing the need to travel, whilst at the same time encouraging sustainable transport.
- 2.52 Development Management Policy DMT1 sets out that new roads or railways for cross park travel will not be supported nor will major alterations to existing roads or railway unless there is a national need which is in the public interest; or will provide a long term local transport, economic or environmental benefit. Detailed access and design criteria for new development proposals and transport related infrastructure are set out in Policy DMT2 which also seeks to ensure infrastructure such as signage and cameras are sensitively designed to protect the high quality landscape.
- 2.53 The Peak District National Park retains its stance on resisting new roads other than where they are essential to serve new development. Former railway lines across the Park are protected and the plan does not include any proposals to reinstate back to railway use. The policies also only allow for the reinstatement of railway use where

the displacement of leisure uses such as cycling could be adequately mitigated with suitable alternative provision (DMT3).

- 2.54 Furthermore railway development would need to serve the wider transport needs of the area rather than serving only as a tourist attraction. Policy DMT4 provides criteria against which the bringing forward of new multi user routes can be enabled. Policies DMT5, DMT6 and DMT7 provide parking standards for new development whilst DMT8 deals with the impact of airborne transport on the Park.

Officer Comments

- 2.55 Whilst it is appropriate to support the aim of reducing the need to travel and encouraging the use of more sustainable modes of transport, the practicalities of achieving this within the Peak District National Park will require partnership working with other agencies such as Derbyshire County Council. The provision of appropriate transport infrastructure and sustainable travel modes is important for the residents, visitors and businesses operating within the National Park and those from surrounding areas. **Consideration of the wider social and economic benefits of travel and transport proposals must be adequately weighed against the requirement to conserve and enhance the valued characteristics of the Park and its landscape or else these policies would be applied unsustainably.**

Utilities

- 2.56 Core Strategy policies permit the provision of utility infrastructure both within settlements and in the countryside where it is outside the Natural Zone in the context of National Park purposes. This section of the Development Management Policies document sets out criteria to be used in consideration of proposals involving the development that provides new or upgraded service infrastructure and utilities and states that upgraded infrastructure should not have an adverse impact upon the valued characteristics of the area. Other policies set out that infrastructure development will not be permitted in close proximity to utility installations such as sewage treatment works or gas pipelines (DMU3). Policies DMU4 and DMU5 deal with applications for telecommunications and indicate that more evidence of need should be submitted to justify such proposals.

Officer Comments

- 2.57 The provision of infrastructure is essential to maintaining sustainable communities across the Peak District National Park. Whilst these policies seek to ensure that where infrastructure is provided that it does not have an adverse impact upon the valued characteristics of the area it is considered that in some instances that where planning permission is required for such infrastructure development some degree of flexibility and/or pragmatism should be shown in the application of these policies in order to ensure that infrastructure is provided for the benefit of the local communities. Furthermore it is considered that there should be support within the plan for the necessary infrastructure to improve high speed broadband provision and improved mobile phone coverage.

Minerals and Waste

- 2.58 The Development Management policies provide support for the overall strategy of achieving a reduction in mineral extraction from within the National Park, retaining reasonable opportunity for nationally needed fluorspar from underground mines and local building stone reserves which further National Park purposes.
- 2.59 The plan sets out that mineral extraction will be considered as major development and along with proposals for waste development sites the development management policies provide criteria to assist the assessment of the justification for mineral and waste development (DMMW1) and potential for impacts on the environment (DMMW3), on residents and on visitors enjoyment of the area (DMMW2). Further policy guidance is also provided in respect of the location of new waste sites (DMMW4), restoration of the landscape (DMMW5) and a requirement for all ancillary mineral development to cease once mineral operation has completed (DMMW8).

Officer Comments

- 2.60 The unfettered extraction of minerals from the Peak District National Park would have an adverse impact upon the character and appearance of the National Park. As such it is considered that the policies seek to achieve a reasonable balance between the need for minerals and minimising any impact upon the National park.

3 RISK ASSESSMENT

3.1 Legal

The Development management Policies will affect parts of the District Council area for which the Peak District National Park Authority are the local planning authority. The legal risk to the District Council is therefore low

3.2 Financial

There are no financial risks arising directly as a result of this report. The financial risk is, therefore, assessed as low.

3.3 Corporate Risk

The Peak District National Park will utilise these policies in the determination of the planning applications, and as a means of implementing the Peak District National Park Core Strategy. These may therefore impinge upon the District Council's priority of a thriving district, particularly in securing business growth and affordable housing.

4 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

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6 BACKGROUND PAPERS

Development Management Policies October 2016
(Version for Consultation)

COUNCIL26th January 2017

Report of the Head of Resources

PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2017/18**PURPOSE OF THE REPORT**

This report informs Members of the provisional Local Government Finance Settlement for 2017/18 together with its implications for the Council's finances.

RECOMMENDATION

1. That the provisional Local Government Finance Settlement for 2017/18 be noted.
2. That the response to the Consultation Paper, as given in Appendix 1, be noted.

WARDS AFFECTED

All Wards

STRATEGIC LINK

The Local Government Finance Settlement has serious implications for the Council's finances, and therefore potentially has a negative impact on the Council's ability to deliver its Corporate Aims and Objectives.

2 BACKGROUND

- 1.1 As part of the 2016/17 Finance Settlement the Government made an offer that "any council that wishes to take it up to a four-year funding settlement to 2019/20" can do so as long as it has an "efficiency plan". The Council produced an efficiency plan and accepted the government's offer. The table below shows the offer made by the government to Derbyshire Dales District Council as part of the 2016/17 settlement:

	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000
Revenue Support Grant	736	252	0	0
Business Rates Baseline Funding	1,533	1,563	1,609	1,661
Total Settlement Funding	2,269	1,815	1,609	1,661
Assessment				
Rural Services Delivery Grant	399	322	248	322
Transition Grant	77	77	0	0
Total	2,745	2,214	1,857	1,983
Change from previous year		-19.3%	-16.1%	+6.8%

- 1.2 The provisional Local Government Finance Settlement for 2017/18 was reported to Parliament on 15th December 2016. The provisional settlement was accompanied by a consultation paper on the general nature of the basis of distribution of Revenue Support Grant, and of the general nature of the basis of calculation of ‘tariff’ and ‘top up’ payments. Responses were required by 13th January 2017. In view of the short timetable, a response has been submitted in consultation with the Leader and Deputy Leader of the Council. This is given in Appendix 1.
- 1.3 This report outlines the details of the national settlement, together with the local settlement for the District Council.

2 THE DISTRICT COUNCIL’S SETTLEMENT

The provisional figures are expected to be confirmed in late January or early February 2017, when the Government announces the final settlement. The key points of the provisional settlement are:

2.1 Settlement Funding Assessment

The four year settlements that were offered in the 2016/17 settlement have been confirmed.

The Council’s funding entitlement following the provisional Settlement is summarised below, including a comparison with 2016/17:-

	2017/18 £’000s	2016/17 £’000s	Change £’000s
Revenue Support Grant	252	736	
Business Rates Baseline Funding Level	1,564	1,533	
Provisional Settlement Funding Assessment	1,816	2,269	
SFA Adjustment	0	0	
Adjusted Settlement Funding Assessment	1,816	2,269	-453 -20%

The 2017/18 Settlement Funding Assessment of £1.816 million is a reduction of 20% over the 2016/17 level. This reduction is in line with the amount assumed in the Council’s Medium Term Financial Plan as the Council signed up to the 4-year settlement deal (see paragraph 1.1).

2.2 Spending Power

The Government’s headlines focus on comparative figures concerning a local authority’s “core spending power”. The spending power for this Council has reduced from £9.217m in 2016/17 to £8.647m in 2017/18 (a reduction of 6.19%). The total Core Spending Power for all English Authorities has reduced by 1.14%, with the average shire district reduction being 5.19%.

It should be noted that the spending power figures assume that the council tax for Derbyshire Dales District Council will be increased by £5 for a Band D property in 2017/18 (which equates to a 2.58% increase). A Council Tax increase of 1.94% would result in a spending power of £8.624m (£23,000 less than the maximum increase in Council Tax would yield).

The table below shows how the core spending power is calculated and the elements of change:

Source of Funding	2017/18 £'000s	2016/17 adjusted £'000s	Change
Settlement Funding Assessment	1,816	2,269	-20.0%
New Homes Bonus	785	1,006	-22.0%
Rural Services Delivery Grant	322	399	-19.3%
Council Tax	5,647	5,466	+3.3%
Transition Grant	77	77	
Total Revenue Spending Power	8,647	9,217	-6.2%

The increase in Council Tax income shown in the table above at 3.3% reflects the assumed £5 increase (on Band D) equating to a 2.58% increase, as well as an increase in the council tax base that reflects new homes.

2.3 Council Tax

All previous council tax freeze grants (for 2011/12, 2013/14, 2014/15 and 2015/16) have been maintained (they form part of the SFA). No council tax freeze scheme has been offered for 2016/17 or 2017/18.

The main council tax referendum limit for shire district councils has been confirmed as the greater of £5 per band D property (which equates to an increase of 2.58% for this Council) or a 2% increase.

2.4 Rural Services Delivery Grant

The Government recognises the challenges faced by rural communities by making money available in Rural Services Delivery Grant (RSDG) for the most sparsely populated rural areas. However, Derbyshire Dales District Council's RSDG is set to reduce by £77,000 (19%) to £322,000 for 2017/18. This is in line with the amount assumed in the Council's Medium Term Financial Plan as the Council signed up to the 4-year settlement deal (see paragraph 1.1).

2.5 New Homes Bonus

2.5.1 Significant changes were announced to New Homes Bonus, following the publication of the consultation paper a year ago (to which this council responded). The Government is implementing its preferred option: to reduce legacy payments from 6 years to 5 years in 2017/18 and then to 4 years in 2018/19.

2.5.2 While Derbyshire Dales District Council has received an allocation of £95,000 for 2017/18, this is more than offset by the move from 6 year allocations to future allocations of 5 years in 2017/18 and 4 years from 2018/19. The table below shows the impact:

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Assumed in MTFP	1,006	837	690	471	311	140
New allocations	1,006	785	406	235	95	0
Reduction	0	52	284	236	216	140

2.5.3 More unexpectedly, a "deadweight" factor will also be introduced, so that no NHB payments will be made to a local authority whose housing growth is less than 0.4%. Furthermore, from 2018/19 the Government will withhold payments from

authorities not supporting housing growth (appeals, local plan); there will be a further consultation on these elements. The Government recognises that the proposal to introduce a baseline did not achieve majority approval from respondents but say they need to sharpen the incentive effect of the Bonus. The Government believes that the introduction of a baseline will remove deadweight; and will focus on local authorities demonstrating a stronger than average commitment to growth.

For 2017/18, housing growth for Derbyshire Dales has been assessed as 0.6%; this is above the 0.4% baseline and means that NHB has been retained for 2017/18. The Government's intention to review the baseline for future years poses a serious risk to NHB receipts and, therefore, to the Council's future financial sustainability.

- 2.5.4 The Government has carefully considered the responses and decided not to implement the proposal to withhold the New Homes Bonus for 2017/18 from local authorities who have not submitted a Local Plan. As the Government is implementing wider planning reforms to get the nation building the homes it needs, including measures announced at Autumn Statement and through the Neighbourhood Planning Bill and forthcoming Housing White Paper, the Government has decided not to introduce the proposals to withhold payments for areas without a local plan in 2017/18.
- 2.5.5 From 2018/19 the government will consider withholding NHB payments from local authorities that are not planning effectively, by making positive decisions on planning applications and delivering housing growth. To encourage more effective local planning they will also consider withholding payments for homes that are built following an appeal.
- 2.5.6 New Homes Bonus will continue to be a non-ringfenced grant, which allows local authorities to decide how to spend it, for example on frontline services or keeping council tax down, as the Government recognises that local authorities are in the best position to make decisions about local priorities. However, the Government reaffirms that they expect local authorities to engage with their local community to decide how the money is spent, so residents feel the direct benefits of growth.
- 2.5.7 The Government is clear in its commitment to protecting the Green Belt. Local Authorities may only alter Green Belt boundaries in exceptional circumstances. Where local communities do make the difficult decision to permit the building of homes on small areas of Green Belt land, it would be very unfair to penalise them by withholding funding from the New Homes Bonus.

2.6 Business rates

There are no changes to the current business rates retention scheme for 2017/18 or the arrangements for pooling (that affect this Council). Derbyshire Dales District Council will remain in the Business Rates Pool for Derbyshire Councils for 2017/18.

The Government has announced changes to the approach for adjusting business rates tariffs and top ups to cancel out, as far as is practicable, the impact of the 2017 business rates revaluation on local authorities' income.

There is confirmation of the methodology, for the final settlement, for calculating the agreed changes in the local share of retained business rates and the level of tariff and top ups for local authorities piloting 100% business rates retention, designed to ensure that no authorities anywhere in the country are adversely affected by these pilots.

100% pilots will be introduced in Greater Manchester, Liverpool City Region, the West of England, Cornwall and the West Midlands.

During 2016 the Government consulted on proposals relating to the introduction of 100% business rates retention, which the Government has promised will be in place by the end of this parliament. It is clear that there will be some new responsibilities for local government as part of these arrangements. At this stage, it is not possible to assess the impact of the changes on Derbyshire Dales District Council.

2.7 Other changes

As expected, the main focus is on adult social care (not a DDDC service). Savings from New Homes Bonus will be used to contribute towards adult social care funding. A new £240m adult social care support grant will be created in 2017/18 and distributed according to relative need. There will be an increase in the adult social care precept (applicable to shire county councils): this will increase from the current 2% to the new threshold of 3% in 2017/18 and 2018/19 (which the Government estimated will yield £208m and £444m respectively). There is an indication that the additional 1% precept increase will be clawed-back in later years, but it is not clear yet how this will work (possibly by reducing the additional precept threshold to 0% in 2019-20). The Secretary of State claims that there will have been no real-terms increase in council tax by 2019/20 compared to 2010.

There was a mention of the ongoing “needs” (Fairer Funding) review, but there was no new substance announced. Possibly the Secretary of State was responding to pressure from county councils that the adult social care “needs” formula should take into account demographic pressures and should be introduced earlier.

3 RESPONSE OF SPARSE RURAL / RURAL SERVICES NETWORK

- 3.1 The Rural Services Network and SPARSE-Rural strongly urge all authorities to respond to the consultation about the 2017/18 Provisional Settlement. They have provided a draft template to assist authorities, which was considered when drafting the Council’s response shown in Appendix 1.

4 RISK ASSESSMENT

4.1 Legal

There are no legal risks arising from this report.

4.2 Financial

As stated in the body of the report, the 2017/18 settlement funding assessment is significantly less than awarded in previous years. However, this was anticipated in the Medium Term Financial Plan.

Proposed changes to New Homes Bonus allocations are significant and mean that the Council faces reductions in funding. These changes were not anticipated in the Medium Term Financial Plan and could have a significant detrimental impact on the Council’s financial position.

There are no significant changes to the current business rates retention scheme for 2017/18. The Government has announced changes to the approach for adjusting business rates tariffs and top ups to cancel out, as far as is practicable, the impact of the 2017 business rates revaluation on local authorities' income.

The Medium Term Financial Plan will be updated to reflect these and other issues and will be presented to Members for consideration at the Council's budget meeting on 2nd March, 2017.

The financial risk is assessed as "high".

4.3 Corporate Risk

The financial risk as described above may have significant implications for the Council's ability to deliver its priorities, and to provide services at the current levels. The corporate risk is, therefore, high.

5 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

6 CONTACT INFORMATION

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Tel: 01629 761284
Email: karen.henriksen@derbyshiredales.gov.uk

7 BACKGROUND PAPERS

<https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2017-to-2018>

8 ATTACHMENTS

Appendix 1 Response to Local Government Finance Settlement Consultation Paper

APPENDIX 1

The District Council's Response to the Consultation Paper
Submitted on deadline 13 January 2017



By email to:
LGSettlement@communities.gsi.gov.uk

Please ask for:
Direct Dial No
Fax No
Your Ref.
My Ref.
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Karen Henriksen
01629 761284

Resources/KH
Karen.henriksen@derbyshiredales.gov.uk

13th January 2017

Dear Sir / Madam,

PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT FOR 2017-18

I refer to the Consultation Paper in respect of the provisional Local Government Finance Settlement 2017-18.

This response represents the views of Derbyshire Dales District Council.

Derbyshire Dales District Council is a member of SPARSE Rural and the Rural Services Network. The District Council fully endorses their submission in response to the Consultation Paper.

Most of our response has been submitted via the online survey but it was not possible to submit the graphs in support of question 1 when using the online survey. Our full response to the consultation paper is therefore shown below.

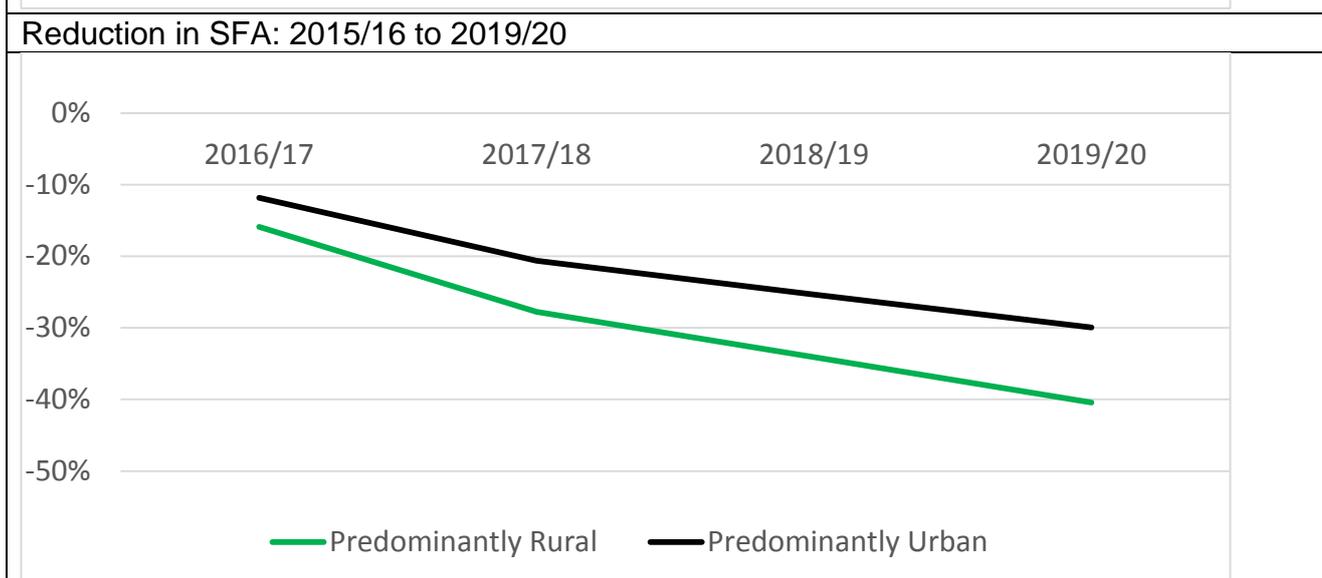
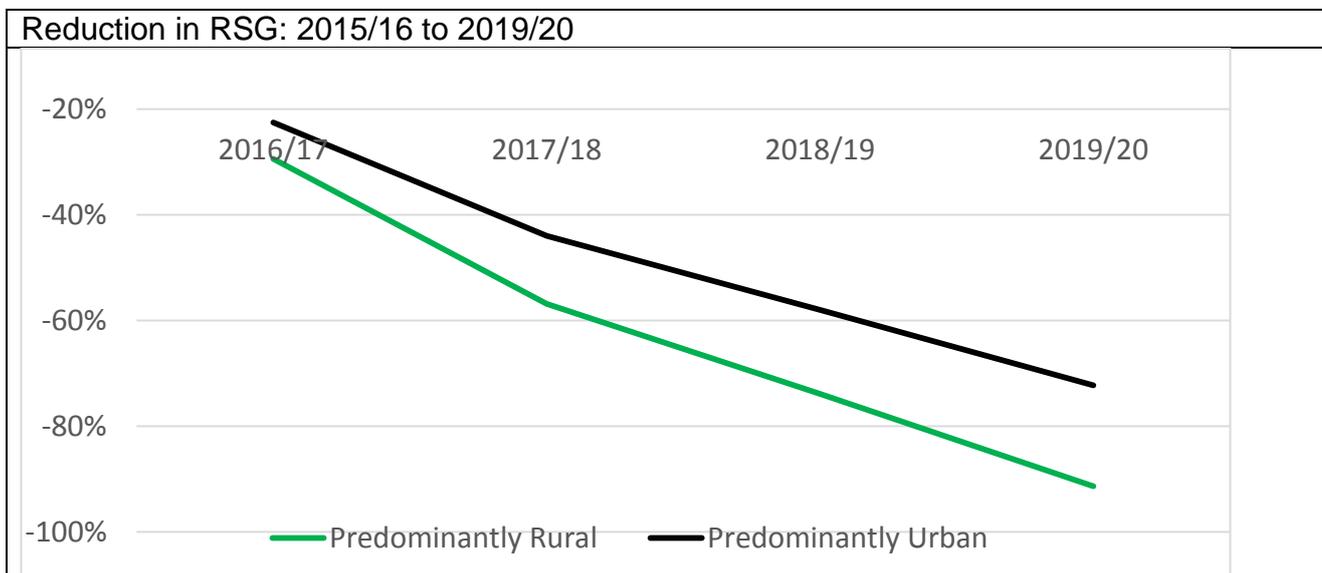
In respect of the questions raised in the Consultation Paper, the District Council wishes to comment as follows:

Question 1: Do you agree with the methodology of Revenue Support Grant in 2017-18?

No. Derbyshire Dales District Council fundamentally disagrees with the change to the methodology for calculating RSG which was introduced in the 2016/17 settlement and which has not been changed in this settlement.

The inclusion of Council Tax in the calculation of RSG reductions has resulted in significantly higher reductions in RSG (and SFA) in rural areas than has and will occur in urban areas over the settlement period.

The relative reductions in both RSG and SFA are shown in the graphs below:



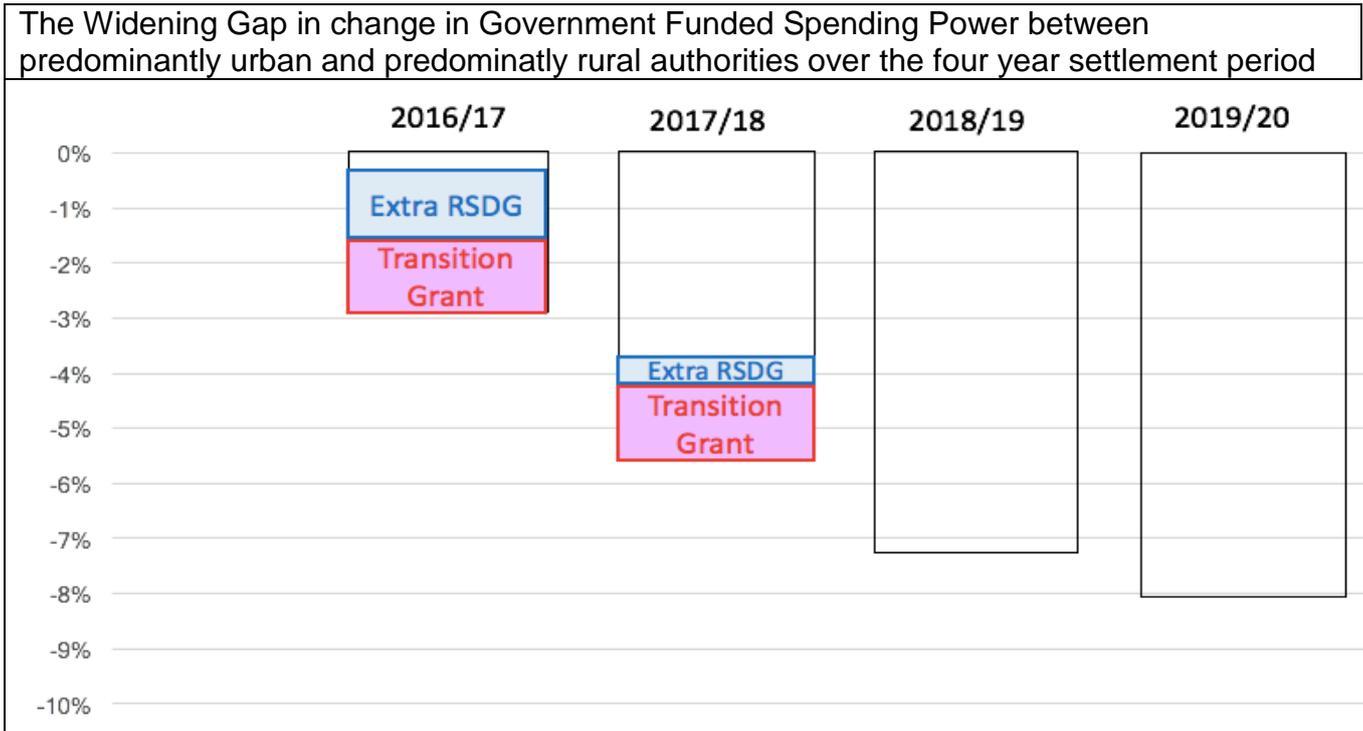
The reductions highlighted in the above graphs are made to a starting position which was already inequitable. In 2015/16, SFA per head of population in predominantly urban areas at £428 was already 43% higher than in predominantly rural areas (£299). By the end of the settlement period, SFA per head in predominantly urban areas will be 69% higher than in predominantly rural areas- this is grossly unfair.

We believe that the change in methodology introduced in the 2016/17 settlement and retained in this year's settlement is fundamentally unfair and should be changed.

Indeed, the then Secretary of State, the Right Honourable Greg Clarke, recognised the inequity of the formula changes and introduced the Transition Grant as well a significant one-off increase in Rural Services Delivery Grant. This had the impact of almost equalling the reduction in 'Government Funded Spending Power' between predominantly urban and predominantly rural - but for 2016/17 only.

However, Transition Grant in 2017/18 remains at 2016/17 levels despite a growing gap in RSG/SFA reductions (as shown in the above graphs) before disappearing altogether in 2018/19 and beyond. Additionally, Rural Services Delivery Grant reduces by £15m in 2017/18 when compared with 2016/17. Taken together, this results in an unacceptable widening in the gap in Government Funded Spending Power between predominantly urban and predominantly rural areas.

The graph below shows the significantly diminishing impact of the Transition Grant on the Government Funded Spending Power over the four year settlement period. It clearly shows that the temporary measures introduced in the final settlement of 2016/17 were only sufficient to (almost) close the gap in Government funding in 2016/17.



The impact of these changes is seen in Council Tax levels which are already significantly higher in rural areas, are set to increase at an even greater rate due to the Government funding shortfall highlighted above. Indeed, there appears to be a conscious policy decision by the Government that rural areas Spending Power will be increasingly funded by taxpayers. **In other words, the Government is content for people in rural areas to pay more Council Tax from lower incomes to receive fewer services than their urban counterparts.** This is manifestly unreasonable and grossly unfair.

The table below shows the relative gearing between Government Funded Spending Power and Council Tax between predominantly rural and predominantly urban areas over the four year settlement period as a result of the inequitable changes to RSG.

Percentage of Spending Power funded by Council Tax over the four year settlement period					
	2015/16	2016/17	2017/18	2018/19	2019/20
Predominantly Rural	58%	62%	66%	70%	71%
Predominantly Urban	45%	49%	53%	56%	57%

We believe that is inequitable that the taxpayer in rural areas, where earnings are, on average significantly lower, should shoulder an ever increasing Council Tax burden to fund local services. The current crisis in funding for Adult (and Children’s) Social Care is a national problem which needs new government money – it is wrong to pass that burden on to local council tax payers

There is some evidence to show a correlation between the relative generosity (or otherwise) of government funding on local council tax decisions. In 2016/17, of 11 upper tier authorities

that restricted Council Tax increases to less than 2%, 10 were predominantly urban and none were predominantly rural. Six London Boroughs were able to freeze Council Tax and the Greater London Authority, which enjoys the most generous changes in SFA, reduced their Council Tax by 6%!

We do not believe the Government policy of making greater reductions in Government Funded Spending Power in rural areas is either fair or sustainable and therefore calls on the Government to:

Either

- Change the formula which calculates RSG reductions to remove Council Tax from the equation so that RSG reductions are at least equal between predominately urban and predominantly rural authorities

Or

- Increase Transition Grant and/or so that it fully counteracts against the Government formula for RSG reduction

Question 2: Do you think the Government should consider transitional measures to limit the impact of reforms to the New Homes Bonus?

The changes to New Homes Bonus allocations will have a significant impact on Spending Power for some small district authorities such as Derbyshire Dales District Council. The table below shows the impact for Derbyshire Dales:

	2017/18	2018/19	2019/20	2020/21	2021/22
Based on 6 year allocations	837	690	471	311	140
New allocations	785	406	235	95	0
Reduction	52	284	236	216	140

To put that into context, the reduction of £284,000 in 2018/19 exceeds the Revenue Support Grant that we are due to receive in that year.

We are very concerned with possible further changes from 2018/19 that might remove entitlement to NHB. These changes include an increase in the 0.4% baseline and changes to reflect appeals or the lack of a local plan. These would have an even greater impact on the Council's finances and ability to provide services.

We therefore feel that the Government should, at the very least, consider some form of transitional arrangements.

Question 3: Do you agree with the Government's proposal to fund the New Homes Bonus in 2017-18 with £1.16 billion of funding held back from the settlement, on the basis of the methodology described in paragraph 2.5.8?

No.

A national baseline was included in the consultation paper (para 3.29) but it was suggested that it might, as an example, be set at 0.25%, not the 0.4% that was actually used. We would like the Government to explain why it chose the baseline of 0.4%.

As stated in the response to question 2, we are very concerned that the baseline could be increased in future years. It is often the case that the Council has given planning consent for new homes, but the homes are not built for reasons beyond our control.

Question 4: Do you agree with the proposal to provide £240 million in 2017-18 from additional savings resulting from New Homes Bonus reforms to authorities with adult social care responsibilities allocated using the Relative Needs Formula?

No. We feel that the Government should find additional resources to fund social care pressures as opposed to reducing New Homes Bonus and further burdening the taxpayer to fund social care. By taking funding from District Councils (through the New Homes Bonus changes) it forces them to review discretionary services. This is likely to include community services that currently provide low level support to older people and other vulnerable groups. So any cuts are likely to have a detrimental impact on social care in the longer term.

The issues we highlight below in respect of New Homes Bonus should be addressed through Government funding not re-allocations within the sums set out in the Provisional Settlement.

These proposed changes would have a severe impact on the financial sustainability of Derbyshire Dales District Council. The Council produced its efficiency plans (upon which their acceptance of a four-year settlement was predicated) based on figures published in the February 2016 settlement, including indicative levels of New Homes Bonus. Those indicative levels were meant to reflect the impact of the proposed changes to New Homes Bonus on which DCLG consulted in December 2015. However, barely two months before Councils must set their Council Tax, the government has announced potential new changes to the New Homes Bonus which are both financially significant for District Councils and substantially different from those reforms on which it had originally consulted. The lack of notice of these new changes would appear to run counter to the principles behind multi-year settlements, i.e. greater funding certainty and clarity over future income streams and sufficient warning to make sensible plans for changes. The original consultation on New Homes Bonus stated that a formal response document would be published within three months of the 10th March 2016 closing date.

The changes effectively redirect money that was intended to act as an incentive to delivering new homes towards propping up the massive pressures in adult social care which, whilst acknowledged, are nothing to do with new homes/delivering growth.

We are very concerned about two things:

- 1) The fact that the 'deadweight' has been increased from 0.25% to 0.4%. The consultation was on the basis of 0.25% and over 80 per cent of responses rejected the proposal. The 0.4% figure has never ever been discussed or consulted upon.
- 2) The fact that the application of the 'deadweight' and the reduction in the payment term from 6 to 5 to 4 years is being applied retrospectively.

It is a fundamental principal of English jurisprudence that new laws should not apply retrospectively. It seems quite iniquitous that local planning authorities were taking difficult decisions back in 2012 to deliver homes on the basis that they would receive six years' NHB only to now lose a year and so on for each subsequent year. Surely the new arrangements

should apply from 2017 – i.e. new homes built post April 2017 receive 5 years' NHB (with the deadweight), then homes built from 2018 receive 4 years.

When the New Homes Bonus scheme was introduced, it was made clear that it would be a **powerful, transparent, predictable, simple** scheme as a written statement from the Minister introducing the made clear. When Councils were allocated their funding in 2011, 2012 etc. they were told that the sums would be payable for six years and budgeted accordingly. The six years is now being cut retrospectively and the deadweight applied retrospectively also.

Rural councils such as Derbyshire Dales District Council will find it difficult/impossible to grow their property base by more than 0.4% - from 2018/19 they will, under these proposals, get no NHB thereby increasing yet further the urban/rural funding divide.

Question 5: Do you agree with the Government's proposal to hold back £25 million to fund the business rates safety net in 2017-18, on the basis of the methodology described in paragraph 2.8.2?

The principle of the safety net is a sound one, and it is reasonable to fund it via a top-slice on general local government resources. It is also important to ensure that any unused hold-back is returned to local government. We would like the Government to provide greater transparency on how the top-slice has been used and funded.

Question 6: Do you agree with the methodology for allocating Transition Grant payments in 2017-18?

Yes with some qualification.

The methodology for allocating Transition Grant appears sound.

However, we reiterate the point in our response to question one, - Transition Grant and the increase to RSDG was sufficient in 2016/17 to close the gap in changes to RSG opened by the inclusion of Council Tax in the calculation. We feel that this it is inequitable that this had a one year effect only and call on the Government to either change the RSG methodology so that reductions are equal across all authorities or increase Transition Grant to fully meet the shortfall bought about by the changes in RSG calculation.

Question 7: Do you agree with the Government's proposed approach in paragraph 2.10.1 of paying £65 million in 2017-18 to the upper quartile of local authorities based on the super-sparsity indicator?

Yes with some qualification.

Whilst we acknowledge that the Government has increased the value of RSDG since it was introduced, we make the following observations.

- The £65m proposed for 2017/18 is a £15.5m reduction when compared with 2016/17
- The £65m is still only about half of the amount which was lost to rural authorities to damping in 2013/14. This loss followed changes to sparsity in 2013/14, the majority of

which was damped. As 2013/14 was the last year that formula funding was calculated, this damping loss has been suffered in each year since.

- The reduction in Revenue Support Grant national control total between 2015/16 and 2017/18 was 47.6%. However, as the first graph in our response shows, the reduction for Predominantly Rural authorities was 56.9%. In cash terms, therefore, predominantly rural authorities have lost £167m more than they would have if they and urban authorities had suffered equal reductions to RSG. This is £102m greater loss than is being offered in RSDG in 2017/18.
- RSN has long campaigned for the RSDG to be tapered so that all rural authorities (as exemplified in the DCLG Summer 2012 Consultation) receive a contribution towards the additional cost of serving rural areas (the current system only provides funding for top quartile of super sparse authorities). We feel that an increase in RSDG to cover the losses outlined above would facilitate the extension of the grant to all authorities which should have benefitted from the (adopted by Government) 2012 Consultation proposals.

So whilst we acknowledge the importance of RSDG, we strongly feel that given the changes to other elements of the settlement, it is imperative that the level of RSDG is significantly increased and that the qualification criteria are changed to extend some level of support to all authorities with significant levels of sparsity.

Question 8: Do you have any comments on the impact of the 2017-18 local government finance settlement on those who share a protected characteristic, and on the draft equality statement published alongside this consultation document? Please provide supporting evidence.

No comments.

Yours faithfully,

Karen Henriksen

Head of Resources

COUNCIL
26th JANUARY 2017

Report of the Head of Resources

LOCAL COUNCIL TAX SUPPORT FOR 2017/18

PURPOSE OF THE REPORT

This report provides information relating to proposed changes to, and seeks approval to adopt, the Local Council Tax Reduction Scheme for the financial year 2017/18.

RECOMMENDATIONS

1. That under section 13A (1)(a) of the Local Government Finance Act 1992, the Council approves and adopts the scheme detailed in this report as the local Council Tax Reduction Scheme for 2017/18.
2. That a maximum total amount of £15,000 be set provisionally for all hardship relief applications under Schedule 11 of the scheme for 2017/18 (to be reviewed by a further report to Council during the year if it appears that this amount may be insufficient).

WARDS AFFECTED

All Wards.

STRATEGIC LINK

The adoption of a local Council Tax Reduction Scheme is a statutory requirement and there is no link to the Council's priorities.

1 BACKGROUND

- 1.1 The government abolished Council Tax Benefit from April 2013 and replaced it with Local Council Tax Reduction Schemes, to be determined by each Council.
- 1.2 The scheme approved and adopted for 2013/14 (and retained for all subsequent years) was based on the government's default scheme as set down in The Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (S.I. 2012 No 2886, as amended) which replicated the provisions for Council Tax Benefit but subject to the following amendments:
 - (a) The amount of any reduction for working age claimants is reduced by 8.5%.
 - (b) The period for extended payments is increased from four to eight weeks to assist claimants who move back into work.
 - (c) The full amount of income from war widow pensions etc. is disregarded in the calculation of income (instead of standard £10 disregard).

(d) Provision is made for additional awards in cases of hardship up to a total maximum amount of £15,000.

- 1.3 It should be noted that the local scheme originally adopted from 1st April 2013 and retained for subsequent years, continues to be well received and unlike similar schemes elsewhere has neither been subject to Judicial Review or criticism from the Valuation Tribunal Service (who hear appeals on council tax support calculations). It should also be noted that the Council has not been required to attend a VOA Appeal Tribunal to defend decision making on individual claims under the terms of its scheme. This has not been the case for some neighbouring councils.
- 1.4 The Council has previously consulted widely on this scheme that protected working age claimants from significant reductions with the remaining savings achieved from other changes to Council Tax discounts on empty properties and second homes.

2 REPORT

- 2.1 The local Council Tax Reduction Scheme must be reviewed annually and any changes made approved no later than 31st January in the financial year preceding that for which the changes are to have effect. No technical changes are proposed to the scheme to be adopted for 2017/18 and so no new consultation with the public or with precepting authorities has been necessary.
- 2.2 The government makes annual changes to the prescribed elements of the scheme for pensioners (in The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016 (S.I. 2016 No 1262) by uprating the allowances, premiums and non-dependent deductions used in the calculation of a reduction.
- 2.3 Any changes to the allowances, premiums and non-dependant deductions for working age claimants remain at the discretion of the local authority and these are updated every year in advance of next year's scheme by reference to an annual uprating circular issued by the Department for Work & Pensions for housing benefit purposes.
- 2.4 The amounts in that circular are replicated in the 'Prescribed Requirements' regulations for pensioners. The circular also contains the working age upratings to be used for housing benefit calculations. It should be noted that amounts have been 'frozen' for the coming three years by the Government and so no updates to the local scheme for working age claims are necessary.
- 2.5 As part of ongoing Welfare Reform, some technical changes to the national Housing Benefit Scheme have occurred. The removal of the family premium from 1st May 2016 for new claims and families; a reduction in the generosity of backdating from 6 months to 1 month for working age households from 1st April 2016; some specific changes to temporary absence rules; planned changes to limit dependents allowances to two children from April 2017 are all relevant in this respect.
- 2.6 The decision has been made not to mirror these changes within the Local Council Tax Reduction Scheme for working age households during 2017/18 as the impacts concerned will be minimal but could lead to individual families being impacted on disproportionately. The overall impact of this decision on the cost to the Council's scheme is minimal.
- 2.7 It is proposed, in the interests of clarity and equity that all allowances, premiums and

non-dependant deductions and any other associated amounts in the scheme be uprated for both pensioner and working age claimants in line with the 'Prescribed Requirements' regulations and the DWP circular A12/2016 (Housing Benefit: Uprating 2017/1817). **No other changes to the local scheme for 2017/18 are proposed.**

- 2.8 The amount of £15,000 previously fixed for hardship applications is being used in appropriate cases and it appears that the amount will be sufficient and is currently on track to be used in full. It is therefore proposed that the same amount be set for hardship applications in 2017/18 with the provision that a further report be taken to Council if it appears during the year that this amount may not be sufficient.
- 2.9 Due to its size (in excess of 140 pages), the complete proposed local Council Tax Reduction Scheme for 2017/18 is included as a background paper to this report and is available to Members on request. The final adopted scheme for 2017/18 will be published in full on the Council's website by 31st March 2017.

3 RISK ASSESSMENT

3.1 Legal

The adoption of the Council Tax Reduction Scheme accords with the statutory provisions. The legal risk in that regard is low.

All decisions taken by the Council, all services provided or enabled by the Council and all personnel functions of the Council are required to take account of the Equality Duty. Failure to comply with the Equality Duty would render the Council open to legal challenge. As there are no significant changes to the scheme proposed for 2017/18, a full consultation exercise was not deemed necessary.

3.2 Financial

It should be noted that expenditure on CTS has incrementally decreased each year since 2013/14. 'Year one' expenditure was £3,651,975 compared to £3,377,734 for 2015/16. This reflects a reduction in caseload, from 4,227 claimant households in 2013/14 to 3,704 during 2015/16. Although the expenditure on Council Tax Support has not increased; it is felt prudent to include an amount for possible increases in claims in the Council taxbase for 2017/18.

The amount of hardship relief set for 2016/17, £15,000, also appears to be sufficient and is estimated that it will be used in full by March 2017. It is proposed that the amount of hardship relief for 2017/18 be set at £15,000.

The estimated income that would be generated from the previous year technical changes to Council Tax discounts, empty properties and second homes (which was to be used to minimise the reduction in support for working age claimants) has proved to be accurate. This has assisted with balancing the costs of the scheme.

Since it is proposed that the cost of LCTS is reducing year on year, despite a reduction in the Revenue Support Grant (within which an element is paid towards CTS) a "break-even" position is still envisaged, and the financial risk at this stage is assessed as "low".

However, should there be a future significant increase in claims for LCTS, over and above that already provided for, there will be no increase in Government grant to cover this, and the financial risk may increase. To reassure all, the cost of the scheme is monitored in year to ensure all risks are managed.

4 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

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6 BACKGROUND INFORMATION

Council Tax Reduction Scheme 2017/18

The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016 (S.I. 2016 No 1262)

DWP HB A12/2016 'Housing Benefit: Uprating 2017/18'

7 ATTACHMENTS

None.

COUNCIL

26 JANUARY 2017

Joint report of the Head of Corporate Services and Head of Resources

CUSTOMER PAYMENTS AND FEES AND CHARGES

PURPOSE OF REPORT

To note the introduction of a new telephone payment facility; work to rationalise payment facility options, and to establish a working group to review Fees and Charges.

RECOMMENDATION

1. That the introduction of a telephone payment facility in April 2017, is noted
2. That the ability for customers to make payments via Allpay and by cheque be cancelled from 31 December 2017.
3. That the terms of reference for a fees and charges review working group be agreed in principle for creation in 2018/19.

WARDS AFFECTED

All Wards

STRATEGIC LINK

1. BACKGROUND

- 1.1 The District Council offers a variety of payment methods to its customers as set out in paragraph 1.5. For recurring payments, the most popular customer choice is a direct debit or standing order. For customers choosing to pay by card, options are available over the internet or by phone. The phone line is not automated and calls are routed to the Business Support Unit who then take the card details and process the payment. All telephone payments except those for Leisure services are handled in this way. In the financial year 2015/16 this payment line processed almost 21,500 transactions with a combined value of approximately £6.3M. The estimated resources required to facilitate this option is 30 hours per week.
- 1.2 Despite the provision of an effective online payment facility, experience has shown that where customers have a choice of self-service payment channel, a significant number will still elect to pay by telephone. One key reason for this is that whereas almost everybody has access to a telephone, a still significant number of people do not have ready internet access, particularly amongst older age groups. The Office for National Statistics report for 2015 stated that around 14% of UK households do not have internet access; with over half of these saying that they 'did not need it'. In contrast, Ofcom reports that 94% of UK residential properties still have a fixed landline telephone and 93% of adults in the UK own and use a mobile phone.

- 1.3 However, with regard to the security of cardholder data, the way the payments are processed over the telephone at present is unlikely to be compliant with the Payment Card Industry Data Security Standards (PCIDSS).
- 1.4 The business case for change is therefore compelling and an automated solution to retain the telephone payment option has been found.
- 1.5 The table provides information relating to Payment Methods used in 2015/16:

Payment method	No. of transactions	Value £	Transaction charge
Allpay – post office	27,803	3,880,324	0.5336p per item
Allpay – pay point	11,090	758,182	0.568p per item
Cash	6,524	284,309	0.08p cash, 0.015p coinage
Cheque	4,481	2,829,421	0.080p per item
Credit Card	3,537	288,811	1.3% - 3% of value
Direct Debit/SO	18,969*	55,302,820	0.050p per entry
Internet	12,408	188,432	0.363% of value

- The number of transactions relates to the number of transfers from the bank to the Council as opposed to individual customer transactions.

2. TOUCHTONE PAYMENT SYSTEM

- 2.1 The Touchtone payment system is an automated service which will enable 24/7 access to an automated payment line where users can enter their account details (which are validated against back office systems), listen to their balances and make payments. Access to the automated service represents a 354% increase in service availability. The system will be configured to deal with four payment options initially – Council Tax, Sundry Debtors, NNDR and Benefits overpayments. The four options combined represent the vast majority of the total number of transactions handled by the Business Support Team. Efficiency savings which may be realised in cash terms will be monitored post implementation.
- 2.2 The payment system is now on order, funded from the Invest to Save Reserve and should be available to customers from 1 April, 2017. There remains however a number of services which cannot be transferred to the telephone payment system, and which are also unavailable currently as a web option. This residue of calls represents a security risk because they are likely to be PCI DSS non-compliant and requires a card terminal agreement and a £20.00 per machine, per month non-compliance charge. In order to mitigate this risk additional work must be undertaken to undertake a comprehensive risk assessment, re-engineer business processes and enhance/introduce alternative payment methods wherever possible.
- 2.3 In simple terms, the only barrier currently from allowing payments on the web and then by phone is a unique identifier similar to a council tax reference. Future efficiency savings could also be enhanced by rationalising the number of payment

options and by reducing the need for human intervention in requesting some services. The next sections of this report highlight the potential and the next steps.

3. RATIONALISING PAYMENT OPTIONS

3.1 All Pay

Given the potential increase in access to payment services there is a strong argument in favour of rationalising payment facility options. Allpay, for example, is a facility by which customers can pay for their council services – Council Tax, NNDR and Sundry Debtors - at local post offices and local pay points. Payment of these services is available by other means including the District council's web site and the new Touchtone telephone system.

There are approximately 19 post offices in the District. The Allpay facility is optional and post offices contract direct with Allpay to offer the service. A list of outlets, including pay points, is therefore not available to the Council. During 2015/16, 38,883 transactions were made via Allpay. That number is reducing with 31,000 payments so far this year with only one month of Council Tax payments due in 2017/18. The current contract costs £28,000 per annum.

The contract with Allpay expires in December 2017 during which time appropriate promotion can take place to encourage a change in customer behaviour and move to payment by phone or via the Internet. Given the reported high take up of phone ownership, customers are not expected to be disenfranchised by the removal of the service.

3.2 Cheques

3.3 The District Council also accepts cheques and in 2015/16, 4,481 were processed 12 of which were returned dishonoured. Much work is already underway to move away from cheques particularly in licensing, land charges and planning by opening up on- line opportunities. A similar long lead time is recommended to remove the ability to pay by cheque.

3.4 Other payments

For services without a unique identifier, more involved work needs to be undertaken to automate payment. These include the 'on demand' services offered by Environmental Services, for example burials, pest control and disposal of bulky items. A simplification of the fee structure might assist in removing some of the human intervention required in calculating fees and may also enable other services to be facilitated on line and over the phone in the shorter term. A review of fees and charges has also been identified as one of the measures to bridge the savings gap and transforming payment options could form part of that review.

4. FEES AND CHARGES REVIEW WORKING GROUP

4.1 A working group comprising members and officers is therefore proposed to take this work forward in 2018/19. The proposed timing is reflective of relative priorities. The full terms of reference would be:

- To review the schedules of fees and charges and to consider whether any services justify a more commercial or flexible approach
- To consider any new areas for charge
- To review the policy on concessions to ensure that they are equitable and consistently applied
- To consider the potential to enable payment for services by automated means including on line.

4.2 The working group would report initially to the Governance and Resources committee as the body responsible for fees and charges, with any new areas of charging policy being recommended to Council for approval. Work is expected to take place during 2018/19 with a view to a new fee structure being implemented in 2019/20. (The Working Group's delayed start will not preclude consideration of any annual increase in fees or the introduction of new charges.)

4.3 The Working Group is recommended to be comprised of officers and members in order to gain maximum benefit from the mixture of community and service expertise. Six elected members based on political proportionality would be as follows:

Conservative	4
Labour	1
Liberal	1

5. RISK ASSESSMENT

5.1 Legal

The District Council can decide the forms of payment it is prepared to receive with the exception of legal tender – paper notes and coins. Cheques for example can be refused as a form of payment. Cheques are not legal tender but a form of promissory note and Creditors are not obliged to accept cheques in payment of debts. If the debtor refuses to pay by an alternative method there would be nothing to prevent enforcement action unless legal tender is offered and refused.

Effective promotion of the full range of payment methods is required and a comprehensive communication strategy will be dawn to support the proposals in this report if they proceed.

The overall legal risk is considered to be low.

5.2 Financial

The Council has a corporate savings target to achieve savings of £1.2m by 2021/22. The proposals identified in this report will contribute towards the corporate

savings target. The investment that is required for the new telephone payment system can be financed from the invest to save reserve.

Rationalising payment options from 1st January 2018 provides sufficient time to publicise the changes and to encourage a change in customer behaviour and moves to payment by phone or via the Internet.

The financial risk is assessed as low.

6. OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

7. CONTACT INFORMATION

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8. BACKGROUND PAPERS

8.1 None

COUNCIL

26 JANUARY 2017

Report of the Head of Corporate Services

CIVIC ALLOWANCE PROTOCOL

PURPOSE OF REPORT

To consider amending the Protocol on use of the Civic Allowance and Guidance for the Chairman of the District of the Derbyshire Dales.

RECOMMENDATION

1. That the revised Protocol on use of the Civic Allowance is approved.
2. That the allowance for the Civic Chair and Deputy be reduced by 10% in 2017/18 and 2018/19 and that any underspends at the end of the 2016/17 financial year be credited to the summary revenue account to be considered as part of the overall under / over spend.
3. That the role of Civic Chairman be formally reviewed in 2019.

WARDS AFFECTED

All Wards

STRATEGIC LINK

The role of Civic Chairman is one of 'first citizen' or ambassador for the District Council and works to promote the District Council and all of its objectives.

1 BACKGROUND

- 1.1 The office of a Chairman of the District of Derbyshire Dales is an important element of the District Council's governance structure. The public profile accorded to the office provides little room for error, and while the powers of the 'civic chairman' may have diminished over the years, the role has retained its importance in the history and cultural heritage of our country.
- 1.2 The role is often seen as a symbol of an open society and after being chosen and appointed by fellow councillors, s/he must be politically neutral. The role has a duty and privilege to support local initiatives aimed at providing benefit to the Council area and its diverse communities. In this role, the 'civic chairman' can speak and act in multiple capacities, as ambassador, facilitator, promoter and encourager. This may involve highlighting relevant causes and helping members of the local community to receive the recognition they deserve.

- 1.3 To guide the post holder to perform their duties well and observe due process in the use of the civic allowance, the Council adopted a protocol in 2013 – copy of which is attached at Appendix 1.
- 1.4 In an era of tight fiscal control and limited financial resources, it is important to recognise that local people will expect to receive value for money from the office of civic chairman in the same way that they do from all other council functions. In such a climate, it is increasingly difficult to justify expenditure which has no specific aims and which appears to exist purely to raise money for good causes or afford hospitality for what may be perceived as the ‘favoured few’.
- 1.5 With that in mind, and coupled with the more pressing need for the District Council to make savings, the Corporate Leadership Team (CLT) gave some thought to streamlining the role and allowance afforded to it.

2 PROPOSED AMENDMENTS

2.1 The options considered by CLT ranged from -

- dis-establishing the role,
- removing access to the civic car,
- reducing the allowance, and
- incremental refinements to achieve a saving whilst retaining the role.

2.2 The budget for the civic chairman for 2016/17 and spending in 2015/16 is as follows:

Budget Head	2016/17 budget	Actual 2015/16
Chairman’s Allowance	£3,650 pa	£1,850
Deputy Chairman’s Allowance	£1,067	Balance transferred to Chairs role
Civic Car (including support costs)	£15,384	£14,894

2.3 On balance CLT considered that the role could be modernised and contribute to the overall savings target without diminishing its historic importance. Revisions to the Protocol are therefore proposed which are shown as additions or deletions to the original text. In summary the revisions seek to:

- Remove the ability to provide hospitality associated with large scale events
- Set a priority for use of the civic car which is provided with a dual use for operation purposes
- Ensure that underspends on the Chairman’s or Deputy Chairman’s accounts are transferred to the summary revenue account as an underspend as opposed to transfer to charities, as other grant schemes operate for that purpose)

2.4 In addition it is recommended that the overall allowances be cut by 10% over the next two years and that a review of the role is undertaken by the new Council of 2019.

2.5 The effect of the reduction in allowances is set out below:

Role	2016/17	2017/18	2018/19
Chairman	£3650	£3285	£2956
Deputy	£1067	£960	£864

3 RISK ASSESSMENT

3.1 Legal

The role of the Chairman of the Derbyshire Dales is a discretionary one. The Protocol on the use of the allowance aims to demonstrate good governance and accountability in the use of the allowance. The legal risk is therefore low.

3.3 Financial

The Council has a corporate savings target to achieve savings of £1.2m by 2021/22. The budget for 2016/17 includes £4,717 for civic allowances. The proposals identified in this report will contribute towards the corporate savings target.

The financial risk is assessed as low.

4 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

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Protocol on the Management of the Civic Allowance

**The Office of the Chairman of The District of
Derbyshire Dales and the Deputy Chairman**

May 2015

Revised January 2017

SECTIONS

1.0 Introduction

2.0 Objective

3.0 Guidance

1.0 Introduction

- i. "A principal Council may pay the Chairman for the purpose of enabling him to meet the expenses of his office, such Allowances as the Council thinks reasonable".

Section 3(5) of the Local Government Act 1972

- ii. In recognition of the important representative role performed by the Chairman of the District of Derbyshire Dales and the Deputy Chairman, the Council makes provision in its budget for expenses.
- iii. Separate bank accounts operate for the Chairman and Deputy, and the civic allowance amounts are paid into these accounts. The Chairman and Deputy are able to draw cheques on their accounts by arrangement with the Head of Resources.-

2.0 Objective

What can the allowance be used for?

The law does not stipulate the type or category of expenditure for which the allowance may be used, except that it is for meeting the "expenses of office". However the allowance is commonly described as "recompense of the expenses in maintaining the dignity of the office". It is therefore considered highly desirable that each Chairman should account for the use of the allowance to ensure that it is used properly.

Whilst there cannot be a universally accepted list of items "acceptable" for purchase out of the allowance, some of the more general items would include:

- Clothing
- Donations to charities
- Collections
- Purchase of raffle tickets, flags, poppies etc
- Sending flowers
- One-off events held by the Chairman
- ~~Civic hospitality~~

3.0 Protocol

3.1 Role and Duties of the Chairman

There are three main important roles for the Chairman of the District of Derbyshire Dales:

(i) *As a symbol of the authority*

To be the Council's 'ambassador' and to represent the Council at civic functions events throughout the District

(ii) *As a symbol of open society*

To promote inclusiveness and equality.

(iii) *As an expression of social cohesion*

To act as the link between the Council and the various community bodies and organisations within the Derbyshire Dales-

An understanding of these roles may act as a guide when deciding upon which invitations to accept or decline, and on the legitimacy of expenditure.

3.2 Civic Diary

Most invitations are in writing and sent to the Chairman at the Town Hall, Matlock. To avoid any confusion or disappointment it is recommended that the Chairman should stress this whenever direct approaches are received.

Priority will be given to invitations where the Chairman may be seen to promote the interests of the District of Derbyshire Dales. Except in exceptional circumstances only invitations within the County of Derbyshire may be accepted. The Democratic Services Assistants manage the diary on behalf of the Chairman and deal with all routine correspondence. Speech notes can also be prepared to whatever extent the Chairman wishes.

3.3 Civic ~~Functions~~Events

The Chairman may choose the style of civic ~~functions~~ events during his/her year of office as the District Council's ambassador. The style of event is for the Chairman to decide working within the overall principles of this Code. For example, events must be seen to be promoting inclusiveness and equality and avoid the appearance that public money is being spent purely on hospitality. Any events involving any form of hospitality should be carefully thought through and be self-financing through the sale of tickets wherever practicable. Modest hospitality e.g. in the form of tea/coffee refreshments may be financed through the civic allowance.

~~Notes on the estimated costs are detailed later in 'Budgeting'~~. If you need any preliminary guidance in organising a civic ~~function~~ events, please contact the Committee Team on 01629 761133.

3.4 Charitable Events

~~Once again, it~~ is not compulsory for the Chairman to seek to raise funds for charity, although many do. Being associated with a named charity is often enough without the need to actively seek to raise funds

It must be borne in mind however that a lot of effort is usually spent in organising charitable events, whether it be a simple raffle or a prestigious concert. Whilst officers of the Council may be called upon to help, there is a balance where their time may be better utilised elsewhere.

Permission must also be sought from charities concerned. For example, a Chairman wishing to raise funds for the St. John Ambulance charity, must seek written permission to do so. Permission must also be sought for the reproduction of logos and enquiries raised on any particular clause within the charity's registration details that the Council must be made aware of.

The Chairman must make suitable arrangements for accounting for all charitable funds raised, and expenses offset against them. It is strongly recommended that the Chairman use the services of the Chief Accountant (Karen Henriksen) who will be administering the main Chairman and Deputy Chairman's accounts.

3.5 Civic Car

The civic car is available to take the Chairman (or Deputy if he/she is representing the Council in the Chairman's absence) to evening civic functions. A common sense approach is called for however when functions are within an easy distance of the Chairman's home. The car used for civic purposes also doubles as a vehicle for used for operational purposes. In the event that the vehicle is required for dual purposes, operational need will take precedence. In such circumstances it is recommended that the Chairman uses his/her own transport or books a taxi. Those transport costs can then be re-imbursed from the civic allowance.

The number of invitations accepted during the year and time spent 'on duty' by the chauffeur impacts upon the budget for the civic car. The Head of Corporate Services manages this budget and the Democratic Services assistants instruct the chauffeur. The Democratic Services Team Leader will advise on the status of the budget at regular intervals. The budget may not be over-spent.

~~3.6 Budgeting for Civic Functions (Chairman)~~

~~It is appropriate that advice is available to the civic post holders on their management of the civic allowances to ensure conformity with good accounting practice.~~

~~Experience from previous civic years, suggests the following may be helpful when budgeting for the year's Civic Functions:~~

~~(a) Civic Service – £1,000 may be allowed for the occasion/reception which may follow. Expenses would include, church organist, flowers, hire of hall, refreshments/drinks for guests.~~

~~(b) Charity Dinner – All guests will be required to purchase the hospitality. A small meal allowance may be used on entertainment.~~

~~(c) Remembrance Day – 4 poppy wreaths for Remembrance Day and one for the Annual Pilgrimage to Crich, in total, £100.~~

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What is an expense and when are receipts necessary?

The two civic allowances are not paid via payroll with appropriate tax and NI deduction. Receipts are therefore required to support incurred expenditure. When it is impracticable to obtain receipts for certain expenditure, a record should be kept by the Chairman/Deputy, of the amount and purpose. i.e. donations, collections, raffle tickets, purchase of raffle prizes.

3.73.6 Accounting arrangements

A simple statement should be provided at conclusion of the Civic Year in which the Chairman and Deputy declare their spending for the year. This may be achieved by a listing of expenditure supported by receipts where possible. The Head of Resources will, on request, nominate an officer from the Accountancy Section to assist the Chair.

At the end of the Civic Year, any balance on the two accounts will be cleared as follows;

Deputy Chairman's account, cheque drawn and paid into ~~Chairman's account~~the Council's general account as an underspend

Chairman's account, cheque drawn and paid into the Council's general account as an underspend~~, or to a nominated charity.~~