RIBBLE VALLEY BOROUGH COUNCIL

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Dear Councillor

The next meeting of the **HEALTH & HOUSING COMMITTEE** is at **6.30pm** on **THURSDAY, 22 MARCH 2012** at the **TOWN HALL, CHURCH STREET, CLITHEROE.**

I do hope you will be there.

Yours sincerely

CHIEF EXECUTIVE

To: Committee Members (Copy for information to all other members of the Council) Directors Press

<u>AGENDA</u>

Part I – items of business to be discussed in public

- 1. Apologies for absence.
- Z. To approve the minutes of the last meeting held on 19 January 2012 copy enclosed.
 - 3. Declarations of Interest (if any).
 - 4. Public Participation (if any).

FOR DECISION

- 5. References from Overview & Scrutiny Committee (if any).
- ✓ 6. Mortgage Lending on Affordable Housing Sites report of Chief Executive – copy enclosed.
- ✓ 8. Warm Homes, Healthy People report of Chief Executive copy enclosed.

- 9. Formal Consultation Delivering the Public Health Reforms in Lancashire and the Implications for the Health Working Group – report of Chief Executive – copy enclosed.
- ✓ 10. Provision of New Health Centres Letter from Pendle Borough Council copy enclosed.

FOR INFORMATION

- ✓ 11. Capital Programme 2012/13 report of Director of Resources copy enclosed.
- \checkmark 12. Minutes of Health Working Group copy for information.
- ✓ 13. General Report of the Chief Executive on Environmental Health Issues report of Chief Executive – copy enclosed.
- ✓ 14. Reports from Outside Bodies (if any).

Part II - items of business not to be discussed in public

- ✓ 15. General Report Grants report of Chief Executive copy enclosed.
- ✓ 16. Affordable Housing Update report of Chief Executive copy enclosed.

DECISION

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No.

meeting date:22 MARCH 2012title:MORTGAGE LENDING ON AFFORDABLE HOUSING SITESsubmitted by:CHIEF EXECUTIVEprincipal author:RACHAEL STOTT

1 PURPOSE

- 1.1 To make Committee aware of the difficulties households are experiencing in securing a mortgage on some affordable housing sites due to the content of the Section 106 Agreements.
- 1.2 Relevance to the Council's ambitions and priorities
 - Council Ambitions to meet the identified needs of households in the borough.
 - Community Objectives to achieve a balanced housing market.
 - Corporate Priorities housing.
 - Other Considerations none.

2 BACKGROUND

2.1 Section 106 Agreements are negotiated at the pre-application stage and the draft agreements submitted can be completely different from one site to the next. Ribble Valley have developed template agreements in an attempt to standardise them. The templates are available on the website and agents are always advised to use these as a starting point. However, all sites are unique with different tenure mix, grant requirements and planning history. This results in significant variations from the original template on all sites.

3 ISSUES

- 3.1 There have been three separate sites where mortgage lending has been highlighted as a problem due to specific clauses within the Section 106 Agreement. On sites at Barrowbrook, Barrow; Primrose Village, Clitheroe and Feildens Farm, Mellor existing or potential purchasers have all experienced problems in mortgage lending.
- 3.2 On the new site at Barrowbrook, of the 8 shared ownership properties, 4 units are occupying as intermediate rent to buy and 4 shared ownership units are unoccupied with purchasers lined up with a mortgage offer in place dependant on securing changes to the agreement. An application to vary has been received from St Vincents.
- 3.3 At Primrose Village, Clitheroe 10 out of 12 shared ownership properties are not able to secure mortgages due to the mortgage lenders identifying a problem with the mortgagee in possession clause with the Section 106 Agreement. No application to vary the agreement has yet been received.

- 3.4 The Strategic Housing Working Group arranged a meeting to discuss the specific problems within the Agreements and invited the relevant solicitors, mortgage advisors and Registered Providers to attend. Notes from the meeting are minuted at Appendix 1 of the Affordable Housing Update agenda item 16.
- 3.5 The main problems identified are the clauses that restrict sale in mortgagee in possession situations. Should a shared ownership unit be repossessed, then the lender requests that they notify the Council and then they market the property unit for 2 months following the eligibility criteria as specified within the Agreement and should no eligible household purchase the unit within that timeframe, then the unit can be sold on the open market free from restriction.
- 3.6 The other issue which is causing problems with lending is in the general marketing/sale of the shared ownership units. If, after two months of marketing to the Parish where the development is located and two months of marketing to the surrounding parishes and finally two months of marketing to households within the borough, the property has not been sold, then the request is that after the total of six months the unit can be sold as a shared ownership property to households outside the borough.
- 3.7 Advice from the Homes and Communities Agency on both these matters was to follow the 'Promoting Mortgage Access for Affordable Housing'; a good practice note' attached at Appendix 1. Paragraph 5.1 sets out the current lender position for timeframes restricting occupancy. Paragraph 6(c) sets out the advice on mortgagee in possession clauses.
- 3.8 The Cumbrian districts who we have consulted with previously, have also recently experienced the same problems with lenders and they have allowed a series of options with regards to relaxation from the original Agreement. The standard model is set out at Appendix 2. This is set out on page 3 of the document and any options for the wording within the Agreement is set out on page 12, Section 7.
- 3.9 Both documents acknowledge that 3 months or less is the time period mortgage lenders accept in terms of restricting sales in mortgagee in possession situations. A maximum of 6 months is the standard time period for general sales requiring a sale to an approved person.
- 3.10 These issues must be carefully considered in order to ensure households can secure mortgages for the affordable housing units developed in the borough. The objective being to maintain a balance between ensuring the units remain affordable for local households in perpetuity whilst ensuring the households can secure mortgages on the properties.
- 3.11 Although we are considering specific matters within the agreement in order to respond to changes in the lending market, an agreed range of conditions will provide the flexibility required whilst providing the boundaries within which we can operate.
- 3.12 Within the Cumbrian districts approach, the starting point for each clause provides the most protection for the retention of all affordable units in perpetuity but there is scope for negotiation when and where necessary, which allows for compromise whilst clearly provides limitation to any variation.
- 3.13 The Strategic Housing Working Group discussed the options available but concluded that the restrictions within the Agreement should not be relaxed to meet the demands of the Lenders. In the case of mortgagee in possession situations, Members felt that

a 4 month time period requiring a sale to an approved person was reasonable. Within the 4 months the property would be offered to both the Local Authority and the Registered Provider. The SHWG accepted that after 6 months of marketing the affordable unit to an approved person, a sale is permitted to a household not meeting the approved person criteria but all future sales would require compliance with the Agreement.

3.14 Therefore, acknowledge the views of the Strategic Housing Working Group in restricting any relaxation of the Agreements but consider the advice from the Homes and Communities Agency and the practices of Cumbrian authorities.

4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications
 - Resources commitment of officer time dealing with the legal and practical issues due to the number of parties involved.
 - Technical, Environmental and Legal legal input is required in considering the redrafting or consideration of any amendments to vary existing agreements.
 - Political the Council's key ambition is to match the supply of homes in our area with the identified housing needs, and to continue to encourage further development.
 - Reputation once developed it is important that affordable units are occupied and occupation is not delayed due to the difficulties in securing a mortgage.

5 **RECOMMENDED THAT COMMITTEE**

5.1 Accept national guidance and the advice of neighbouring authorities, and agree that in a mortgagee in possession sale, a restriction of 2 months to an approved person with the Local Authority and the Registered Provider being offered the unit will be used.

CHIEF EXECUTIVE

For further information please ask for Rachael Stott, extension 4567.





Promoting mortgage access

for affordable housing

A joint good practice note issued by the Chartered Institute of Housing and the Homes and Communities Agency





Overview

Mortgage availability is likely to be restricted, in comparison to recent years, for the medium term. Affordable home ownership options can support those otherwise unable to afford an appropriate home into sustainable home ownership. There are a number of steps that can be taken by local partners to improve opportunities for affordable home ownership in local communities.

This good practice note shares the experience members of the Chartered Institute of Housing working in a variety of different organisations and of the Homes and Communities Agency (HCA) in working with retail mortgage lenders, local authorities and providers in the delivery of affordable housing to customers. It offers advice on how to maximise the mortgageability of all types of affordable home ownership properties planned by local authorities to meet the needs of their local areas.

It does not prescribe an approach which local authorities should take, as it is important that they undertake one which is locally appropriate. It does however highlight issues that can act as a barrier to delivery; ways of dealing with these issues; and offers local authorities that request it, further HCA support.

The note explains the benefits of simplicity and consistency in terms of products, operation and language in clauses irrespective of whether a property is grant funded by the HCA or delivered through planning obligations and providers resources alone. It also explains how to minimise the impact of local occupancy rules on the mortgageability of homes through the appropriate use of clauses ('cascades') which widen eligibility over time, leading to general marketing within a typical period of three months.

Background

- 1. This note has been produced by the Chartered Institute of Housing (CIH) and the Homes and Communities Agency (HCA) in response to requests from a number of housing professionals, local authorities, retail mortgage lenders and providers of affordable housing. It is intended to raise awareness within local authority housing and planning departments of the issues faced by retail mortgage lenders when providing mortgages for affordable home ownership. The issues raised are equally applicable to conditions that may be applied by local authorities as part of s106 agreements or through planning conditions (e.g. on rural exceptions sites or to achieve other planning policy aims). The note covers both new provision of affordable home ownership and the amendment of previous agreements, to assist in re-sales. It is hoped that the general messages will also be of assistance to housebuilders and providers of affordable housing.
- 2. In the past greater liquidity in the mortgage market meant that many retail mortgage lenders were prepared to lend on homes that were subject to a wide range of conditions. This is no longer the case. Lenders are now taking





a more cautious view towards properties that are subject to certain conditions or restrictions. From the extensive engagement that the HCA has carried out with retail mortgage lenders it is clear that the predominant business model is one of high volume and low margins that cannot easily accommodate variation. Consideration of current market lending practices needs to therefore form an integral part of the whole planning process in order to maximise mortgage availability for prospective customers.

- 3. Local authorities may, where affordable housing is scarce, seek to address the needs of the local community by enabling affordable housing for households who are either current residents or have an existing family or employment connection, whilst also ensuring that these areas continue to develop as sustainable, mixed, inclusive communities. The mechanism for the delivery of such aims should be carefully considered to ensure that a mortgage can be secured against the properties once completed. This note is designed to enable local authorities to deliver against these local ambitions.
- 4. The Council of Mortgage Lenders (CML) issued a briefing note in 2009 (<u>click here</u>) that outlined the issues faced by retail mortgage lenders and offered suggestions of good practice for local authorities to aid mortgageability. This has been promoted by the CIH to its members and by the HCA when working with local authorities to identify local investment priorities. This good practice note complements the CML briefing by highlighting key messages that can be put into practice when delivering affordable home ownership.

Current lender position

- 5. In order for a property to be mortgageable with high street lenders any conditions placed upon homes will need to be in accordance with their published guidance to conveyancers. Such guidance can usually be found on lenders' websites and three issues in particular are important to consider:
 - Retail mortgage lenders require the property to be able to be sold within a reasonable length of time. - In areas where there is a need to restrict the occupancy of properties this can be achieved through the use of a 'cascade'. Lenders' requirements differ but an optimal cascade will generally operate over three months and no lender will offer mortgages to purchasers on properties involving a cascade that exceeds six months. Limiting this timescale also benefits purchasers of LCHO, particularly those who need to sell their home due to financial difficulties.
 - II. Any restrictive covenants need to be flagged at the earliest possible stage – It is helpful if lenders and purchasers are made aware of any restrictive covenants, including any potential difficulties, early in the sales/nominations process. This could be flagged by the local authority and/or the affordable housing provider. This will reduce problems that could occur with mortgage lenders at a later stage in the sales process, reducing the potential for surprises for both purchasers and vendors.





III. Retail mortgage lenders require a Mortgagee Protection Clause for shared ownership – The HCA model lease contains such a clause, recently updated, which must be used in all HCA-funded shared ownership. Lenders will not accept a new lease without this clause in place, even if it is not grant funded. Under the Mortgagee Protection Clause, losses that may reasonably be incurred by the lender through repossession of a shared ownership property are covered by the provider. The Mortgagee Protection Clause is different from a Mortgagee in Possession clause which is covered below.

Specific restrictions affecting mortgage availability

- 6. Through a number of recent discussions retail mortgage lenders have highlighted further concerns to the HCA, namely:
 - a. Provisions that restrict value with reference to something other than open market value These are not currently supported by retail mortgage lenders. Examples given include values that are fixed at a multiple of local wages or that rise fall in relation to certain chosen indices. The lender requires the realisable value of their security to be based upon the specific value of the property they are lending upon. The lender must be able to instruct its surveyor to value the property on the basis of open market value.
 - b. Considerable complexity in drafting clauses Is likely to lead to retail mortgage lenders refusing to support schemes. Examples given include cross-referral to other documents including multiple appendices, the use of non-standard agreements and difficulty in identifying which restrictions apply to which properties. The conveyancer will be asked to check as part of their general undertaking that the lender's requirements are being met by the document. Any doubt in this is likely to result in the withdrawal of the mortgage offer. A s106 agreement which is clear as a stand-alone document can help to avoid such difficulties.
 - c. Mortgagee in possession clauses These are clauses that allow a (commercial or retail) lender who has repossessed the property to operate free of restrictions which are placed upon individual properties. These are required by commercial lenders and an increasing number of retail lenders. Many local authorities allow these clauses to be activated immediately, recognising that repossessions are an extremely rare event. In order to be accepted by a lender any time limit set will need to be three months or less. Such a clause does not solve all the issues outlined in this note; therefore these issues still need to be considered, even when a Mortgagee in Possession clause is included.





How does this affect your local area?

- 7. From our experience it appears that these issues are most effectively addressed by local authorities who consider the mortgage market throughout the planning process and address the issues holistically. We believe that there are four key points in time when consideration of the mortgage market in planning for affordable housing will be particularly beneficial.
 - Formulating planning policy Most local authority planning policies set out the percentage requirements for affordable housing that will be sought, based on viability and need. This provides the framework for the facilitation of developer contributions to affordable housing. If local authorities are seeking to specify policy beyond these requirements (e.g. in relation to local occupancy or incomes) then they are likely to benefit from consideration of issues outlined in this note, particularly those in relation to product type and cascades.
 - II. Pre-application discussion Many local authorities have standard requirements for affordable housing which are set out in pre-application check-lists to speed-up the planning process. Where these specify provision of affordable home ownership brief coverage and/or explanation of the issues in this note is likely to be of benefit. Preapplication discussions may also be an appropriate point to ensure that the applicant/provider fully understands how the mortgage market can impact on the provision of affordable home ownership.
 - III. Determining a planning application Agreement of heads of terms at an early stage, giving consideration to the issues highlighted in this note, in relation to the provision of the affordable housing will help to avoid subsequent problems with the availability of mortgages.
 - IV. Drafting the s106/planning conditions The prior agreement of the heads of terms should render this task a relatively simple one. To further assist local authorities in this we have included some examples of clauses that retail mortgage lenders have highlighted to us which would prevent them from lending on a home at annex one of this note.

Good practice for the future

8. *Product type* - To maximise the chances of obtaining mortgages secured on affordable home ownership properties, local authorities will benefit from specifying tenures that are clear and simple or, as some local authorities do, simply specifying the tenure as 'Intermediate affordable housing' (or similar) to give flexibility for future provision. Where products are specified these could be in line with the standard HCA products, noting that the HCA has recently produced a simple standard shared ownership lease (mentioned above). HCA standard products are well understood and supported by lenders but their use does not mean that every property has to be funded by the HCA. Many local authorities are able to deliver affordable home





ownership that meets the needs of their local areas through planning obligations and provider resources alone, without the need for additional government subsidy. The HCA is keen to support such provision and consideration of the issues within this note will help enable delivery.

- 9. Cascades Where there is a need to place restrictions on the future occupancy of affordable homes, this can be achieved through a clear and time-limited cascade of typically three months. A cascade initially restricts marketing of a property to qualifying purchasers within a very small local market and gradually widens the net. At the end of the cascade period, if an appropriate offer has not been made, the property can be sold to any purchaser on the open market, or the local authority or provider can agree to buy the property back. In order to be effective the cascade should be timelimited, commencing at the start of the sales process, and clearly allow that if no qualifying purchaser can be found the lender is able to realise their security within a maximum of six months. It is important to note that a number of retail mortgage lenders require a maximum of three months making this an optimum time-limit which will result in a wider choice of mortgage providers, delivering greater choice for local people. Such a mechanism protects the property to ensure that, where there is demand, it will remain as affordable in perpetuity but also ensures that the lender has access to an asset whose value can be realised.
- 10. Nominations agreements Some local authorities prefer to use nominations agreements with the provider of LCHO rather than placing restrictions on specific properties to ensure appropriate occupancy of affordable homes. The standard HCA shared ownership lease contains a clause that before selling any owner must first offer the property back to the provider. If such a process is tied in with a local authority nominations agreement then it can ensure appropriate occupancy without imposing a condition which would affect a retail lender.
- 11. Variations to existing planning obligations Local authorities may also wish to carry out variations to historic schemes whose restrictions render the properties subject to them unmortgageable. Local authorities may be alerted to such problems upon first-sale or upon a subsequent resale. In both cases variation to bring the restrictions into line with current good practice will be beneficial to individual purchasers and their communities. Where such revisions take place it will be helpful to, as far as possible, cover all of the affected homes in one exercise. Difficulties in relation to understanding multiple revisions are often reported as an issue in this area for lenders.

Further support

12. In addition to the strong and ongoing relationships built by HCA local teams with local authorities and the support offered by the CIH to its members, the HCA intends to carry out further work with a wide range of stakeholders, to improve awareness and understanding of the mortgageability of affordable home ownership properties. If there is sufficient local appetite this could include working towards the creation of standard clauses that work for local





areas and retail mortgage lenders. It will also involve consideration of the wider intermediate market, not simply those properties which the HCA has funded.

- 13. Some independent mortgage advisors have extensive experience and knowledge of the mortgage market and may be able to provide interested local authorities with valuable insight. Local authorities interested in accessing this advice can contact the HomeBuy Agent for their area who will have a panel of experienced independent mortgage advisors.
- 14. The HCA is also keen to work with local authorities to see what further support could be beneficial. We are already engaged in pilot partnership discussions with a number of local authorities to assist the provision of mortgages in their area and are ready to work with others who invite us to do so. Local authorities, or other partners, who would like to invite the HCA to work with them or would like to provide any feedback on this note can e-mail HomeBuy@hca.gsx.gov.uk

Conclusion

- 15. Local authorities, developers and affordable housing providers are encouraged to carefully consider this note before entering into a Section 106 agreement that places a restriction upon affordable homes for sale. At all times an approach that ensures simplicity and consistency will be beneficial.
- 16. The support of retail mortgage lenders is necessary to ensure that affordable home ownership is available to those who need it. Local authorities who have developed an understanding of the mortgage market and have been willing to be flexible in the pursuit of their aims have found success in planning for affordable homes for their residents and communities.





Annex One - Clauses rejected by retail mortgage lenders

The following clauses give examples of drafting that has been rejected by retail mortgage lenders, along with some explanation.

'Low Cost Home Ownership Units – 5% of the total Residential Units which shall be sold to Qualifying Purchasers at a price which shall be no more than two times the Average Local Income' – This clause does not use open market value to determine the value of the property and would therefore be rejected by a retail mortgage lender.

'Low Cost Home Ownership Units – 5% of the total Residential Units which shall be sold at a discount of 20% of Open Market Value'– This clause utilises a non-standard affordable home ownership product in that it fixes a discount to the property. Only two retail mortgage lenders will lend where such a restriction is in place and the presence of additional conditions as outlined in this note will usually prevent them from lending. Recasting the unit as shared ownership would allow a much greater choice of lenders.

'Qualifying Purchaser – A person who has lived in xxxxx Parish continuously for at least ten years prior to time of purchase' – This clause presents a very narrow restriction on who the properties can be sold to and would therefore be rejected by a retail mortgage lender. If the local authority wishes to target such a group then they could utilise a cascade which would also allow marketing to a wider group if insufficient purchasers could be found in initially identified group.

'Cascade – Providing that the vendor can provide evidence that every Qualifying Purchaser is not willing to purchase the Low Cost Home Ownership Unit and a period of six months has elapsed then the Registered Provider may market the Low Cost Home Ownership Unit to any purchaser who meets the eligibility criteria of the Homes and Communities Agency' – This is an example of a cascade, which would itself normally address problems of a narrow restriction on occupancy. Unfortunately in this example the process is involved and would be difficult to complete within the time-period. It would therefore be rejected by the lender. In order to be effective, rather than specifying a process, a cascade should use a time period as the reference point. An optimal time period, as it is accepted by all lenders, is three months rather than the six months shown in this example.

'The mortgagee shall prior to seeking to dispose of the Affordable Housing Units pursuant to any default under the terms of its mortgage or charge shall give not less than nine months' prior notice to the Council of its intention to dispose' – This is an example of a mortgagee in possession clause which releases the mortgagee from the restrictions placed on the affordable housing units. The time-period after possession is too long and therefore would be rejected by a retail mortgage lender. Many local authorities allow these clauses to be activated immediately, recognising that repossessions are an extremely rare event. In order to be accepted by a lender any time limit will need to be set to three months or less.





The Chartered Institute of Housing (CIH) is the professional body for people involved in housing and communities. We are a registered charity and not-for-profit organisation. We have a diverse and growing membership of over 22,000 people – both in the public and private sectors – living and working in over 20 countries on five continents across the world. We exist to maximise the contribution that housing professionals make to the wellbeing of communities.

CIH provides a wide range of services available to members, non-members, organisations, the housing sector and other sectors involved in the creation of communities. Many of our services are only available to CIH Members, including discounts. Our products and services include:

- Training
- Conference and events
- Publications
- Enquiries and advice service
- Distance learning
- Organisational development

For further information, please contact:

Customer Services: <u>customer.services@cih.org</u>, or 024 7685 1700

The Homes and Communities Agency (HCA) is the single, national housing and regeneration delivery agency for England. Our vision is to create opportunity for people to live in homes they can afford in places they want to live, by enabling local authorities and communities to deliver the ambition they have for their own areas.

For more information visit homesandcommunities.co.uk

The CIH and HCA welcome any feedback or comment on the contents of this note.

Any feedback, queries or questions in relation to this note should be directed

to:

HomeBuy@hca.gsx.gov.uk

APPENDIX 2

DRAFTSTANDARDMODELAFFORDABLE HOUSING SECTION 106AGREEMENT FOR CUMBRIA

HOUSING GROWTH, AFFORDABILITY AND COMMUNITY SUSTAINABILITY EXPERT GROUP

December 2011

INTRODUCTION

Please find attached the standard model Section (S106) template agreement, which should be used to help secure affordable housing by local planning authorities in Cumbria.

The development of this document forms Actions A1 and A4 of the Cumbria Housing Strategy 2006/2011. The role of this document will be to improve and speed up the production of Affordable Housing S106 Agreements in the County and thus assist in the delivery of affordable housing.

The document was prepared with the input of a writing group consisting of officers and employees representing:

- Allerdale Borough Council
- Carlisle City Council
- Cumbria County Council
- Copeland Borough Council
- Eden District Council
- Homegroup
- Riverside Housing Association
- Story Land

In May/June 2011 the document was subject to a 6 week consultation focused on key stakeholders in the County and as part of this process a meeting with stakeholders was held on May 16th. Responses received as part of this process were given full consideration and in response to this a series of changes were made to the document.

ROLE

The role of this document will be to provide a standard model S106 agreement to be used to secure affordable housing in the county.

Following the endorsement of the Cumbria Housing Group, it will be for individual local planning authorities to adopt and use this document.

SCOPE

The document provides a model planning obligation that can be used to secure affordable housing. Nevertheless, given the number of planning authorities in Cumbria the model provided should be employed flexibly to work in different circumstances.

Consequently, it has been prepared in such a way that allows elements to be changed (and in some instances; included and omitted) to reflect local circumstances; the nature of development; specific geographical issues; local policy and the proposed development. For example matters like (Qualifying Person and Local Occupancy definitions) and timescales should be edited to better reflect local policy and circumstance or some authorities may wish to have reference made to local letting policies which not all authorities may have.

In line with the flexible nature of this document, a number of schedules have been included, these relating to various types of affordable housing types and tenures, namely:

- Discounted Sale
- Rented (Social and Affordable)
- Housing Association Rented (Social and Affordable)
- Shared Ownership (which would include Shared Equity)

The schedules should be used as appropriate in respect of individual developments.

Consideration was also given to the opportunity to prepare a schedule relating to Self Build Affordable Housing. It is agreed that such housing can provide a valuable supply of deliverable affordable housing however, given the general level of detail required to be included within S106 relating to self build housing and the particular circumstances concerning their provision it was not considered practical to do so in this document, rather individual S106 should be prepared for Self Build Affordable Housing.

While an important source of contribution it is considered appropriate that contributions towards the provision of commuted sums for affordable housing is not included in this document whose scope at present is limited to the securing of affordable on development sites directly.

It should also be noted that this document only relates to Section 106 agreements to be used to secure affordable housing and does not relate to any other form of infrastructure or requirement to be secured/controlled through a Section 106 agreement

CONTENT OF STANDARD MODEL S106

Set out below is guidance to be considered when using this document and should give a better understanding with respect to the use of this document.

Definitions

The definitions provided within the document relate to all the schedules provided. Clearly different schedules would require the use of appropriate schedules. When preparing S106 document district and applicant solicitors will be required to ensure the appropriate definitions are used in each case.

Particular comments:

Locality this definition refers to the geographic locality in which occupants of affordable homes would be derived. The appropriate geographic area would be identified as part of this definition.

Qualifying Person this definition will vary on a case by case basis to reflect local planning policy but also the particular circumstances affecting a site. Within the document an indicative list of potential conditions are listed as a guide.

Shared Equity Transfer it should be noted restrictions on the level of equity that could be purchased should not be limited in areas where right to buy legislation does not apply.

Mortgagee in Possession

Mortgagee in Possession means a person or body which has entered into a mortgage in respect of a dwelling constructed on the Land and has taken action following a default by the borrower in respect of the repayment due under that mortgage. This is considered an important element of any S106 agreement.

With respect to Mortgagee in Possession three potential <u>options</u> are provided to reflect different approaches to this matter in operation in the County.

The first of these stipulates that where the property is repossessed, the Mortgagee in Possession will be affected by all restrictions stipulated within the S106 agreement.

The second option stipulates that where the property is repossessed, the Mortgagee in Possession will be unencumbered by the restrictions set out within the S106, however any subsequent occupier will affected by the requirements of the S106.

The third option stipulates that where the property is repossessed the Mortgagee would be expected to take best steps to transfer the homes as an affordable unit. Where there is no one willing to take the unit on as an affordable unit (ie. Where there is no need for the homes) the mortgagee in possession would be able to dispose of affordable units free of the restrictions contained within the agreement.

In using the document regard should be given to mortgages and the efforts to ensure \$106 agreements do not prove unnecessarily onerous. Nevertheless it will remain important that \$106 are robust and result in the delivery of appropriately secured housing in perpetuity. The Local Planning Authority should determine the most appropriate Mortgagee in Possession clauses to use in particular circumstances and locations.

THE FIRST SCHEDULE

Depending on the types of affordable housing to be provided as part of a development different schedules may be utilised either individually or a number on a single site where different forms of affordable housing are to be provided.

Where reference is made to and/or in the context of affordable need and local occupancy, the occasions when the 'or' element would be used would depend upon each Council's housing policy. The option is there for each Council to amend as appropriate.

Schedule A - Discounted Sale Affordable Housing

This schedule relates to discounted sale affordable housing. These are properties on housing development that are sold by the developer initially with a discount from the open-market value which remain with the property through all subsequent sales.

<u>Schedule B – Non Registered Provider Delivered Rented Affordable</u> <u>Housing</u>

This schedule relates to rented affordable housing which is delivered by a non-Registered Provider and which is either managed by a non-registered provider or where it transferred to a registered provider.

This can relate to social rented affordable housing which is rented housing owned and managed by local authorities or registered providers for which guideline target rents are determined through the national rent regime.

It could also relate to Affordable Rented Housing. This is rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable rent is not subject to the national regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent.

<u>Schedule C – Registered Provider Delivered Rented Affordable Housing</u>

This schedule relates to rented affordable housing which is delivered and managed by a Registered Provider.

This can relate to social rented affordable housing which is rented housing owned and managed by local authorities or registered providers for which guideline target rents are determined through the national rent regime.

It could also relate to affordable rented housing. This is rented housing let by registered providers of social housing to households who are eligible for social rented housing. Affordable rent is not subject to the national regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent.

Schedule D – Shared Ownership Affordable Housing

Shared ownership is used to help people achieve home ownership even though they cannot afford to purchase a property outright. With this form of housing, normally a developer will sell a percentage of the property. As well as the percentage bought by the occupier, the purchaser may be required pay a rent on the remaining non-purchased proportion. The purchaser can normally buy further shares in the property (called staircasing), in some instances 100% of the property, however in areas defined as rural areas by the Government there is a limitation as to the level of staircasing that can be achieved.

Shared Equity is a form of Shared Ownership affordable housing, under shared equity the purchaser buys all of a property but with an equity share loan making up the difference making up the difference between the mortgage and the purchase price.

Relevant to all schedules in situations where housing is for 'Local Occupancy' but not affordable housing reference schedules should remove reference to local needs housing.

Cascades

Within the document two different approaches to cascades are presented. Where cascades are to be used may be appropriate and can be utilised depending on preference and suitability in respect of local context. Careful consideration should be given to the timescales within the cascade to ensure the process is not too slow.

THE SECOND SCHEDULE

The second schedule is used to identify the affordable housing (and their type) to be delivered on an individual site.

In this schedule the plot numbers associated with individual homes would be listed as would be accompanied by a map highlighting properties. In instances where no plot numbers can be identified (eg. in the case of some outline applications) this schedule can be simplified to acknowledge the number of range of affordable homes to be provided.

USE

It will be for individual planning authorities to adopt and utilise this document which sets out a framework to be used across the county as far as possible.

REVIEW

Legislation in respect to planning and housing is currently undergoing a considerable period of flux; with this it is important that this document remains current. It is also important independent of changing legislation and guidance this work is subject to regular review to see what elements are effective and which may require review. This process can be undertaken through the Cumbria Housing Group Structures.

To this end it is considered important that, using this document; the development industry, local planning and housing authorities and mortgage providers work closely together during negotiations to ensure, as far as practical, these can be concluded to the satisfaction of parties.

6

ORAFT DECEMBER 201.

20...

[name of Council]

and

[name of developer/ Housing Association]

<u>and</u>

[name of Mortgagee]

A PLANNING OBLIGATION BY AGREEMENT

relating to Land at ...

[name of appropriate officer at Council] [address]

BETWEEN

Or

- (1) [name of council] of [address] ("the Council")
- (2) [name of developer/landowner] of [address] ("the Owner")
- (2) **[name of Housing Association]** of [address] ("the Housing Association")
- (3) **[name of Mortgagee]** of [address ("the Bank")

1. Definitions and Interpretation

"the Act" is the Town & Country Planning Act 1990 as amended by the Planning and Compensation Act 1991

"Affordable Housing" means social rented, affordable rented and intermediate housing which is provided to eligible households whose needs are not met by the market and which (a) meets the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices and (b) includes provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision

"Affordable Price" means

(a) on the first Disposal of the Affordable Units not more than (...) ... per centum of the Open Market Value of the Affordable Units notified by the Owners to the Council in the Notice of Sales Release Date; and

(b) on each and every subsequent Disposal of the Affordable Units not more than (...) ... per centum of the Open Market Value as hereinafter determined

"Affordable Rent" means such rent and on such terms as set in line with such recommendations and guidelines as may from time to time be published by the Homes and Communities Agency or any statutory successors thereto in relation to affordable rents and tenancy terms and as approved by the Council (such approval not to be unreasonably withheld or delayed) and as may be increased annually on 1st April only in line with Homes and Communities Agency guidelines.

"Affordable Unit" means the dwelling houses shown edged [colour] on Plan no. 2 annexed hereto or such other dwelling houses as shall be agreed in writing by the Council's [appropriate post]

"the Application" is the application for Planning Permission numbered ... for development of the Site by [description of development]

"the Commencement Date" means the date upon which the Development shall be commenced by the carrying out on the Site pursuant to the Planning Permission of a material operation as specified in Section 56(4) of the Act

"the Development" is the development proposed in the Application

"Disposal" means the sale of the freehold or the grant of a lease or underlease of twenty one years or more or the assignment of a lease or underlease with more than twenty one years left to run and "Dispose" shall be construed accordingly and for the sake of clarity the term "Disposal" and "Dispose" shall not include the creation of mortgages or charges

"District" means the administrative area of the District or Borough Council

"Full Market Value Unit" means a Unit to be sold on the open market

"Housing Need" means a situation where, in the opinion of the Council, a person or household (as defined in section 113 of the Housing Act 1985):

- (a) Needs to move from accommodation which is in disrepair, shared, temporary or overcrowded, or
- (b) Needs to be rehoused as a result of leaving tied accommodation, or
- (c) Is or includes an elderly or disabled person who needs to move due to medical conditions, or
- (d) Needs to move due to special circumstances as determined by the Council's housing allocation policy; and
- (e) Does not have available to them and cannot afford to buy or rent suitable accommodation at Open Market Value or market rent prevailing within the Locality.

"Intermediate Affordable Housing" means housing at prices and rents above those of an Affordable Price or Affordable Rent but below Open Market Value or market rent and which (a) meets the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices, and (b) includes provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision; Intermediate Affordable Housing may include shared equity schemes such as 'Homebuy' but does not include affordable rented housing

"Lettings Policy" means a written document prepared by the Owners and setting out the procedures and requirements for letting the Affordable Units including who shall qualify for an Affordable Unit, how they are to be nominated and the proposed procedure for management of the Affordable Units

"Local Housing Authority" bears the meaning set out in Section 1 of the Housing Act 1985 as amended

"Locality" means [the Parishes of, or insert other geographical area as appropriate]

"Notice of Commencement of Development" means written notification given by the Owner to the Council's [appropriate post] of the Commencement Date

"Notice of Occupation" means written notification given by the Owner to the Council's [appropriate post] of first Occupation of the Development

"Notice of Sales Release Date" means written notification given by the Owner to the Council's [appropriate post] of the date on which it proposes to release the Affordable Units for sale.

"Open Market Value" means the best price as determined by a chartered member of the Royal Institution of Chartered Surveyors at which a Disposal of the interest in an Affordable Unit might reasonably be expected to have been completed unconditionally for cash consideration on the date of valuation assuming

- (i) A willing seller and buyer;
- (ii) That prior to the date of the valuation there has been a reasonable period (having regard to the nature of the Affordable Unit and the state of the market) for the proper marketing of the interest for the agreement of price and terms and for the completion of the Disposal;
- (iii) That the state of the market level of values and other circumstances were on any earlier assumed date of exchange of contracts the same as on the date of valuation;

- (iv) That an independent valuation is carried out on the marketing of the property as new build;
- (v) That any extras such as higher specification fittings are disregarded when the property is first marketed as new build;
- (vi) That the restrictions imposed upon the Affordable Units in or by reason of this Deed are disregarded; and
- (vii) That an independent valuation is carried out three (3) months prior to the same of the Affordable Unit.

"the Planning Permission" means the grant of planning permission by the Council pursuant to the Application

"Qualifying Person(s)" means a person having local connections and proven or identified need which shall be conclusively presumed in the case of a person who

[THIS DEFINITION WILL VARY ON A CASE BY CASE BASIS TO REFLECT LOCAL PLANNING POLICY BUT ALSO THE PARTICULAR CIRCUMSTANCES AFFECTING A SITE]

(a) was born in the Locality (or other defined geographic area as the case may be), or

(b) has lived in the Locality (or other defined geographic area as the case may be) for a continuous period of at least three (3) years up to and including the date on which a Disposal is agreed, subject to contract, of an Affordable Unit, or

(c) has, immediately before the date on which a Disposal is agreed, accepted an offer of permanent employment in the Locality (or other defined geographic locality as the case may be), or

(d) has worked in the Locality (or other defined geographic area as the case may be) for a continuous period of at least three (3) years up to and including the date on which a Disposal is agreed, subject to contract, of an Affordable Unit, or

(e) is currently a member of HM Armed Forces or is in prison, hospital or similar accommodation and immediately prior to this lived in the Locality (or other defined geographic area as the case may be) for a minimum of three years, or

(f) has within the three years up to and including the date on which a Disposal is agreed, completed a tertiary education course and immediately prior to commencing that course had lived within the Locality (or other defined geographic area as the case may be) for a minimum period of three years, or

(g) is by blood or marriage or civil partnership a member of the family (as defined in Section 113 of the Housing Act 1985) of a person who falls within one of the above categories and needs to live in the Locality (or other defined geographic area as the case may be) either because they are ill and require care and support from that person or because that person is ill and requires care and support from the applicant, or

(h) has any other reason for living in the Locality (or other defined geographic area as the case may be) which is approved by the Council; and

(i) has registered an interest in living in the Locality (or other defined geographic area as the case may be) and is on the housing register maintained by the Local Housing Authority and/ or any Housing Association operating in the District

"**Registered Provider**" has the meaning set out in the Housing and Regeneration Act 2008 as may be amended

"the Site" is the land against which this Deed may be enforced and which is registered at the Land Registry under title no. [...] and shown for identification purposes only edged [colour] on Plan no. 1 annexed hereto

"Shared Equity Transfer" means a transfer by a Local Housing Authority or Housing Association to a Qualifying Person of a share of not more than [insert percentage] of the freehold of a Shared Ownership Unit so that the freehold interest in such unit is then held by the Local Housing Authority or Housing Association and such person proportionately

"Shared Ownership Lease" means a lease substantially in the same form as that provided by Local Housing Authorities and Housing Associations for comparable properties provided that any such lease shall (a) not enable the leaseholder to acquire at any time more than a [insert percentage] share of the Open Market Value of the Shared Ownership Unit and (b) provide for the leaseholder to pay an annual rent of not less than [insert figure] or not less than such other amount as exceeds £1 the amount defined as a 'low rent' by the Leasehold Reform Act 1967 or any amendment or re-enactment thereof

"Shared Ownership Unit" means an Affordable Unit in respect of which a Shared Ownership Lease is granted by the Local Housing Authority or Housing Association to a Qualifying Person

"Social Rented Housing" means rented housing owned and managed by Local Housing Authorities and Housing Associations for which guideline target rents are determined through the national rent regime and may also include rented housing owned or managed by other persons or bodies and provided under equivalent rental arrangements, as agreed with the Council or with the Homes and Communities Agency as a condition of grant

"Unit" means any dwelling constructed or to be constructed on the Site in accordance with the Planning Permission

"Valuer" means a chartered member of the Royal Institute of Chartered Surveyors

- 1.2 The expressions "the Council" "the Owner"/ "the Housing Association" [delete as appropriate] and "the Bank" shall where the context admits include those deriving title under each of them.
- 1.3 Words importing one gender shall be construed as including any gender.
- 1.4 Words importing the singular shall be construed as importing the plural and vice versa.
- 1.5 The clause and the paragraph headings in the body of this Agreement and in the Schedules do not form part of this Deed and shall not be taken into account in its construction or interpretation.
- 1.6 Any reference in this Agreement to any statute or statutory provision shall be construed as referring to that statute or statutory provision as the same may from time-to-time be amended, modified, extended, re-enacted or replaced (whether before or after the date of this Agreement) and including subordinate legislation made under it from time-to-time.
- 1.7 Insofar as any clause or clauses of this Agreement are found (for whatever reason) to be invalid, illegal or unenforceable then such invalidity, illegality or unenforceability shall not affect the validity or enforceability of the remaining provisions of this Agreement.

2. Recitals

2.1 The Council is the local planning authority for the purposes of the Act for the area within which the Site is located and is the authority by which the planning obligations herein contained are enforceable.

- 2.2 The Owner/ Registered Provider [delete as appropriate] is the freehold/leasehold owner of the Site which is part of the land and premises registered at HM Land Registry with Title No:
- 2.3 The Owner/ Registered Provider [delete as appropriate] has applied to the Council pursuant to the Act for permission to develop the Site under the Application.
- 2.4 The Bank is the owner of a charge over the property registered at entry no. ... of the charges register at the Land Registry and consents to the Owner/Registered Provider entering into this Agreement.
- 2.4 The Council have resolved that subject to completion of this Agreement Planning Permission should be granted in respect of the Application.

3. Planning Obligations

3.1 This Planning Obligation by Agreement is made pursuant to Section 106 of the Act and all other enabling powers and the obligations contained in this Deed are planning obligations for the purposes of that section insofar as they fall within the terms of subsection 106(1).

4. The Covenant of the Owner/ Housing Association [delete as appropriate]

The Owner/ Registered Provider [delete as appropriate] covenants with the Council so as to bind their interest in the Site to perform the obligations specified in the First Schedule herein.

5. The Covenant of the Council

The Council hereby covenants with the Owner/ Registered Provider [delete as appropriate] to issue the Planning Permission notice as soon as reasonably practicable after the date of this Agreement.

6. The Consent of the Bank

7.

6.1 The Bank hereby consents to the giving of the obligations on the part of the Owner/Registered Provider and hereby agrees to be bound by the said obligations only in the event that it becomes a mortgagee in possession, and that such liability will cease once it has parted with its interest in the Land.

Mortgagee in Possession [DELETE AS APPROPRIATE]

7.1 The obligations contained in this Agreement shall not be binding or enforceable against any mortgagee in possession of an owner or Registered Provider or any receiver appointed by such a mortgagee in possession provided always that a successor in title of such a person will be bound by the obligations contained in this deed.

or

7.1 The obligations contained in this deed shall not be binding or enforceable against any mortgagee of a Local Housing Authority or Registered Provider or any receiver appointed by such a Mortgagee, or any person deriving title through such a mortgagee or receiver provided always that a successor in title of such a person will be bound by the obligations contained in this deed

[7.2 The obligations contained in this deed shall not be binding or enforceable against any person who by virtue of the terms of the lease of a Shared Ownership Unit or any mortgagee of a Shared Ownership Unit or any person deriving title through such a mortgagee or receiver provided always that a successor in title of such a person will be bound by the obligations contained in this deed]

or

- 7.1 The mortgagee in possession or receiver appointed by the mortgagee in possession shall, before seeking to dispose of the Affordable Units pursuant to any default under the terms of its mortgage or charge, give not less than three months' prior notice to the Council of its intention to dispose, and the following provisions shall apply, provided that the rights and obligations in this paragraph shall not require the mortgagee in possession to act contrary to its duties under the charge or mortgage and the Council must give full consideration to protecting the interest of the mortgagee in possession in respect of the money outstanding under the charge or mortgage:
 - 7.1.1 If the Council responds within one month from the receipt of the mortgagee in possession's notice and indicates that arrangements for the transfer of the Affordable Units can be made in such a way as to safeguard them as Affordable Housing, the mortgagee in possession shall co-operate with those arrangements and use its best endeavours to secure the transfer.
 - 7.1.2 If the Council or any other person cannot within one month of the date of service of its response under paragraph 7.1.1 secure the transfer then, provided that the mortgagee in possession has complied with its obligations under paragraph 7.1.1, the mortgagee in possession shall be entitled to dispose of the Affordable Units free from the restrictions set out in this paragraph 7.1 which shall then cease to apply to those units.
 - 7.1.3 If the Council does not serve its response to the mortgagee in possession's notice within one month, the mortgagee in possession shall be entitled to dispose of the Affordable Units free of the restrictions set out in this paragraph 7.1 which shall then cease to apply to those units

8. Agreements and Declarations

It is hereby agreed and declared as follows:

- 8.1 Any notice or other written communication to be served by one party upon any other pursuant to the terms of this Agreement shall be deemed to have been validly served if delivered by hand or sent by pre-paid first class or recorded delivery post to the party to be served at its address herein specified or such other address as may from time to time be notified for this purpose by notice served under this Agreement and any such notice or other written communication to be given by the Council shall be deemed valid and effectual if on its face value it is signed on behalf of the Council by an officer or duly authorised signatory thereof.
- 8.2 No person shall be liable for breach of a covenant contained in this Agreement after it shall have parted with all interest in the Site or that part of the Site in respect of which such breach occurred but without prejudice to liability for any subsisting breach of covenant prior to parting with such interest.
- 8.3 If the Planning Permission shall expire before the Commencement Date or shall at any time be revoked the provisions of this Agreement shall forthwith determine and cease to have effect.
- 8.4 Nothing in this Agreement shall prohibit or limit the right to develop any part of the Site in accordance with a planning permission (other than the Planning Permission)

granted (whether or not on appeal) after the date of this Agreement save for any subsequent reserved matters permission.

- 8.5 Each Disposal of the Affordable Unit shall include a restriction in the following terms: "No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed by the [appropriate council post] (or other officer authorised for the time being by the Council) of the [name of council], [address of council] that the provisions of [*specify clause, paragraph or other particulars from transfer of Affordable Unit*] have been complied with"
- 8.6 This Agreement shall upon completion be registered as a Local Land Charge against the Affordable Units.
- 8.7 The Council will upon the written request of the Owner/ Registered Provider [delete as appropriate] at any time after the obligations of the Owner under this Agreement have been fulfilled issue written confirmation thereof and cancel all related entries in the register of Local Land Charges.
- 8.8 The Owner/ Registered Provider [delete as appropriate] will supply to the Council within two weeks of the Council's written request to do so such information as the Council may reasonably require for monitoring purposes in order to determine whether the restrictions and obligations of this Agreement are being observed
- 8.9 Save as provided in respect of the successors in title to the Site or any successor to the relevant statutory functions of the Council this Agreement shall not be enforceable by any third party pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 8.10 Where any certificate, consent, permission or other approval is to be given by any party or any person on behalf of any party hereto under this Agreement the decision of the same shall not be unreasonably withheld and shall be given without unreasonable delay and shall either be granted or written reasons given for refusal.
- 8.11 [For the avoidance of doubt, in the event that s [Shared Ownership Unit/ Rented Unit] is purchased outright by the current owner the provisions of paragraphs [...] shall no longer apply]
- 8.12 The Owner agrees to pay the Council's reasonable legal costs, charges and disbursements incurred in connection with the preparation of this agreement and registration at the Land Registry

9. Disputes

- 9.1 Unless and to the extent not specified otherwise in this Agreement any dispute (save for any disputes as to matters of law) shall be referred at any appropriate time by either party to a person having appropriate professional qualifications and experience in such matters ("the Expert") appointed jointly by the parties or in default by the President for the time being of the Royal Institution of Charted Surveyors or the President of such other professional body as shall be relevant for the nature of the dispute in question (as appropriate) (or on his behalf) on the application of either party.
- 9.2 The Expert shall have sufficient post qualification experience (as determined by the Council) in the area of the dispute in question.
- 9.3 The Expert shall act as an expert and not as an arbitrator and the decision of the Expert shall be final and binding upon the parties and the following provisions shall apply to the Expert.

- 9.4 The charges and expenses of the Expert shall initially be borne equally between the parties and following the Expert's decision shall be borne in such proportions as the Expert may direct.
- 9.5 The Expert shall give the parties an opportunity to make representations to him before making his decision which he shall made available to the other party on request.
- 9.6 The Expert shall be entitled to obtain opinions from others if he so wishes.
- 9.7 The Expert shall make his decision on valuation matters within the range of any representations made by the parties.
- 9.8 The Expert shall comply with any time limits or other directions agreed by both parties on or before his appointment.
- 9.9 If the Expert dies or is unable or unwilling to accept his appointment or to carry out his functions then either party may apply for a replacement to be appointed in his place and this procedure may be repeated as often as necessary.
- 9.10 The decision of the Expert must be given in writing setting out the reasons behind such decision.
- 9.11 If the parties fail to agree as to the nature of the difference or question then a decision as to the nature of such difference or question shall be referred to a solicitor or barrister of sufficient relevant experience (as determined by the Council) in the same manner and the same terms as set out in clause 9.1 to 9.10 inclusive who shall determine which type of professional should be appointed in relation to such matter.

IN WITNESS whereof the Council the Owner/ Housing Association [delete as appropriate] and the Bank have executed this Planning Obligation by Agreement as a Deed the date and year first before written.

[A – DISCOUNTED SALE delete if not applicable]

The Obligations

- 1. The Owner covenants with the Council as follows:-
- 1.1 To ensure that provision is made for the Affordable Units in the construction of the Development
- 1.2 That the Affordable Units will be developed and built in accordance with the Planning Permission
- 1.3 Not to allow completion of the Disposal of and/ or occupation or more than ... per cent (...%) of the Full Market Value Units until the Affordable Units have been constructed and made ready for residential occupation and written notification of such has been received by the Council
- 1.4 Any subsequent owner of an Affordable Unit shall reside in the Affordable Unit as his main residence and shall not permit any other person to live in the Affordable Unit (other than a person who forms part of their own household) without first obtaining the written consent of the Council.
- 1.6 To provide the Council with the Notice of Commencement of Development no later than the Commencement Date and the Notice of Development of the first dwellinghouse no later than the date of occupation of the first dwellinghouse.
- 2. The Owner further covenants with the Council as follows:-
- 2.1 To provide the Council with the Notice of Sales Release Date not less than six (6) weeks before the date upon which they propose to release the Affordable Units for Sale in order that the Council may nominate a Qualifying Person and/or person with a Housing Need for occupation of the unit.
- 2.2 To accept the Council's nomination of a Qualifying Person with a Housing Need for the occupation of an Affordable Unit.
- 2.3 The Affordable Units shall first be offered at the Affordable Price to persons at least one of whom is a Qualifying Person and/or a person with a Housing Need in respect of the Locality (or other defined geographic area as the case may be)
- 2.4 If no sale has been agreed, subject to contract, within ... (...) weeks of the Affordable Units first being offered for sale then the Affordable Units may additionally be offered at the Affordable Price to persons at least one of whom is a Qualifying Person and/or a person with a Housing Need in respect of the parishes of [...](or other defined geographic area as the case may be).
- 2.5 If no sale has been agreed, subject to contract, within ... (...) weeks of the expiry of the period set out in paragraph 2.4 than the Affordable Units may additionally be offered at the Affordable Price to persons as least one of whom is a Qualifying Person and/or a Person with a Housing Need in respect of the District of [...](or other defined geographic area as the case may be).
- 2.6 In the event that the Owner or any subsequent owner of the Affordable Unit shall demonstrate to the Council that the Affordable Unit has been offered on the open market to Qualifying Persons and/or persons with a Housing Need for not less than ... (...)

weeks (and produce a certificate in writing to this effect from either the Owner or a local estate agent instructed by a subsequent owner in respect of the sale of the Affordable Unit) or such shorter period as may be approved in writing by the Council then the Affordable Units shall be entitled (on giving ... (...) working days' notice to the Council) to Dispose of the Affordable Unit at the Affordable Price to persons notwithstanding that such person may not be a Qualifying Person and/or a person with a Housing Need, provided always that on any subsequent Disposal the provisions of this Agreement shall again apply and always subject to the Affordable Units being Disposed of at the Affordable Price.

- 2.7 In the event that an Affordable Unit could be occupied by either a Qualifying Person and/or a person with a Housing Need the person with a Housing Need will take priority UNLESS a local lettings policy is in place in which case allocation shall be in accordance with the local lettings policy.
- 2.8 The Affordable Unit shall not be Disposed of after the date hereof for an amount exceeding the Affordable Price ascertained in accordance with the provisions of this Agreement
- 2.9 No Disposal of the Affordable Unit after the date hereof shall be completed and no such Disposal shall be registered at the Land Registry unless the Council has first consented in writing to such registration <u>PROVIDED THAT</u> such consent shall be given forthwith upon
 - (a) evidence being furnished that the disponee (or in the case of joint disponees one of the disponees) is a Qualifying Person; and
 - (b) the Solicitor or Licensed or other authorised Conveyancer acting for the disponee(s) firstly certifying to the Council that any consideration expressed to be given for the Low Cost Unit by the disponee(s) did not exceed the Affordable Price as evidenced by the certificate given by a Valuer not more than six (6) months before the date of such Disposal and secondly supplying to the Council a deed of covenant executed by the disponee(s) in accordance with clause 2.9 hereof.
- 2.10 The terms of the Agreement and transfer of an Affordable Unit to a Qualifying Person shall be no less beneficial than the terms on which the owner at the time generally offer dwelling houses for sale on the open market.
- 2.11 The first of each and every disposal of an Affordable Unit shall provide (by way of a covenant in favour of the Owner) that each and every Disposal of the Affordable Unit shall be at the Affordable Price to a Qualifying Person in accordance with the provisions of this Deed and that all subsequent owners of the Affordable Unit shall be bound by the provisions of this Agreement
- 2.12 Any subsequent owner of an Affordable Unit shall give written notification to the Council's [appropriate post] of his intention to sell the Affordable Unit prior to it being offered for sale in order that the Council may nominate a Qualifying Person and/or person with a Housing Need to occupy the unit and the owner shall accept the Council's nomination.
- 2.13 Any subsequent owner shall on each and every subsequent Disposal of an Affordable Unit submit to the Council's [appropriate post] for approval the calculation of the Affordable Price and the Open Market Value of the Affordable Unit prior to the Affordable Unit being offered for sale and the Council hereby covenants that the approval hereby required to be obtained shall not be unreasonably withheld or delayed
- 3 The Owner covenants and agrees to supply to the Council (within 2 weeks of the Council's written request so to do) such information as the Council may reasonably require in order to determine whether the matters referred to herein are being observed.

[B – OWNER RENTED delete if not applicable]

The Obligations

- 1. The Owner covenants with the Council as follows:-
- 1.1 That the Affordable Units will be developed and built in accordance with the Planning Permission
- 1.2 Not to allow completion of the Disposal of and/ or occupation or more than ... per cent (...%) of the Full Market Value Units until the Affordable Units have been constructed and made ready for residential occupation and written notification of such has been received by the Council
- 1.3 Any subsequent owner of an Affordable Unit shall reside in the Affordable Unit as his main residence and shall not permit any other person to live in the Affordable Unit (other than a person who forms part of their own household) without first obtaining the written consent of the Council.
- 1.4 The Affordable Units shall be occupied only by a Qualifying Person and/or a person with a Housing Need and members of their household.
- 1.5 The Affordable Units shall not be used other than as Affordable Housing in perpetuity
- 1.6 Not to allow any Affordable Unit to be disposed of other than by letting by way of an Assured Tenancy or Assured Shorthold Tenancy (as defined in the Housing Act 1988 as amended) or on such other terms as the Council shall approve (such approval not to be unreasonably withheld or delayed) at the Affordable Rent
- 1.7 Not to increase the Affordable Rent without first agreeing the increase with the Council in writing.
- 2. The Owner further covenants with the Council as follows:-
- 2.1 Before an Affordable Unit is marketed for letting to submit to the Council the Owner's Lettings Policy for written approval
- 2.2 To ensure whenever an Affordable Unit is marketed for letting that potential applicants are advised that they need to register their interest with the Council and to join the Council's Housing Register and Cumbria Choice register.
- 2.3 On the initial letting of an Affordable Unit to give to the council ... (...) weeks' notice in writing of the availability for letting of that unit in order that the council may carry out a valuation of the unit to enable the initial Affordable Rent calculation in line with the formula set by the Homes and Communities Agency and to enable the Council to nominate a Qualifying Person and/or a person with a Housing Need for occupation.
- 2.4 On subsequent lettings to give the Council ... (...) weeks' notice in writing of the availability of the Affordable Unit in order that the Council may nominate a Qualifying Person and/or a person with a Housing Need for occupation.
- 2.5 To accept the Council's nomination of a Qualifying Person and/or a person with a Housing Need for occupation of an Affordable Unit save that the Owner shall be entitled to refuse such nomination on grounds which shall be legitimate commercial or legal reasons.

- 2.6 The Affordable Units shall first be offered for rental at the Affordable Rent to persons at least one of whom is a Qualifying Person and/or a person with a Housing Need in respect of the locality (or other defined geographic area as the case may be).
- 2.7 If no Qualifying Person and/or a person with a Housing Need has agreed terms for letting with the Owners within ... (...) months of the unit being made available for letting and marketed as such locally then the Affordable Units may additionally be offered by the Owners for rental at the Affordable Rent to persons at least one of whom is a Qualifying Person and/or a person with a Housing Need in respect of the District PROVIDED THAT when the Affordable Unit becomes available for occupation again the provisions of this paragraph 2 shall apply in their entirety.
- 3. The Owner may, as an alternative to their obligations under paragraph 2 above, transfer the Affordable Units to a Housing Association in which case the provisions of this paragraph 3 shall apply:
- 3.1 The Owner shall not allow more than [number] of units of occupation to be built on the Site in implementation of the Development until it has contracted to Dispose of those units which are to be Affordable Units to a Housing Association on terms that accord with relevant Homes and Communities Agency funding requirements current at the date of construction of the Affordable Units.
- 3.2 The Affordable Units shall thereafter be rented by the Housing Association to Qualifying Persons and/or persons with a Housing Need at the Affordable Rent in accordance with the terms set out below:
 - 3.2.1 The Affordable Units shall initially be offered to Qualifying Persons and/or persons with a Housing Need in respect of the locality (or other defined geographic area as the case may be).
 - 3.2.2 If no Qualifying Person and/or a person with a Housing Need in respect of the locality (or other defined geographic area as the case may be) is identified using best endeavours then the Affordable Units may thereafter be offered to Qualifying Persons and/or persons with a Housing Need in respect of the District (or other defined geographic area as the case may be).
 - 3.2.3 The Council shall in the first instance be invited to nominate a Qualifying Person and/or person with a Housing Need for occupation of an Affordable Unit.
- 3.3 In the event that an Affordable Unit could be occupied by either a Qualifying Person and/or a person with a Housing Need, the person with a Housing Need shall take priority UNLESS a local lettings policy is in place in which case the allocation shall be in accordance with the local lettings policy.
- 3.4 In the event of an agreement having been completed as provided for in paragraph 3.1 but the same subsequently terminating then the Owner shall use its best endeavours to conclude second or further agreements as the case may be with another Housing Association in respect of the Affordable Units provided that if none can be concluded then the provisions of paragraph 2 shall apply.
- 4. The Owner covenants and agrees to supply to the Council (within 2 weeks of the Council's written request so to do) such information as the Council may reasonably require in order to determine whether the matters referred to herein are being observed.

[C – REGISTERED PROVIDER RENTED delete if not applicable]

The Obligations

- 1. The Registered Provider covenants with the Council as follows:-
- 1.1 That the Affordable Units will be developed and built in accordance with the Planning Permission
- 1.2 That, without prejudice to any statutory rights to acquire, the Affordable Units shall not be used other than as Affordable Housing in perpetuity
- 1.3 That the Affordable Units shall be made available for occupation at the Affordable Rent by persons at least one of whom is a Qualifying Person and/or person with a Housing Need
- 1.4 Not to permit the occupation of the Affordable Units otherwise than by a Qualifying Person and/or person with a Housing Need at the Affordable Rent together with any person who forms part of their own household
- 1.5 Not to permit the occupation of the Affordable Units other than by persons occupying them as their main or only residence
- 1.6 Not without the prior consent of the Council to sell any Affordable Unit other than by selling the freehold to a Registered Provider
- 2. The Registered Provider further covenants as follows:-
- 2.1 The Affordable Units shall first be marketed for occupation at the Affordable Rent by persons at least one of whom is a Qualifying Person and/or person with a Housing Need in respect of the locality
- 2.2 If after an Affordable Unit has been marketed for letting for a period of [...] weeks and no Qualifying Persons and/or person with a Housing Need has been identified and applied for a tenancy of the Affordable Unit then the Registered Provider may additionally offer the Affordable Unit at the Affordable Rent to persons at least one of whom is a Qualifying Person and/or person with a Housing Need in respect of the District (or other defined geographic area as the case may be) PROVIDED THAT on any subsequent re-letting of an Affordable Unit the provisions of this paragraph 2 shall apply in their entirety.
- 2.3. The Owner covenants and agrees to supply to the Council (within 2 weeks of the Council's written request so to do) such information as the Council may reasonably require in order to determine whether the matters referred to herein are being observed.

[D – SHARED OWNERSHIP delete if not applicable]

The Obligations

- 1. The Registered Provider covenants with the Council as follows:-
- 1.1 That the Shared Ownership Units will be developed and built in accordance with the Planning Permission
- 1.2 That the Shared Ownership Units shall not be used other than as Affordable Housing in perpetuity
- 1.3 Not to permit the occupation of the Shared Ownership Units other than by persons occupying them as their main or only residence together with members of their own household
- 2. The Registered Provider further covenants as follows:-
- 2.1 That the Shared Ownership Units shall not be occupied otherwise than by persons at least one of whom is a Qualifying Person and/or person with a Housing Need under a Shared Ownership Lease or Shared Equity Transfer managed by a local housing authority or Registered Provider
- 2.2 To notify the Council at least [...] weeks before the units are ready for first occupation in order that the Council may nominate a Qualifying Person and/or person with local Housing Need for occupation of a Shared Ownership Unit
- 2.3 On subsequent Disposals to give the Council [...] weeks' notice in writing of the availability of the unit in order that the Council may nominate a Qualifying Person and/or person with a Housing Need for occupation.
- 2.4 To accept the Council's nomination of a Qualifying Person or person with a Housing Need for Occupation of a Shared Ownership Unit save that the Owner shall be entitled to refuse such nomination on grounds which shall be legitimate commercial or legal reasons.
- 2.5 The Shared Ownership Units shall initially be offered to Qualifying Persons and/or persons with a Housing Need in respect of the locality (or other defined geographic locality as the case may be)
- 2.6 If no Qualifying Person and/or a person with a Housing Need in respect of [name of parish(es) (or other defined geographic locality as the case may be) is identified using best endeavours within [...] weeks then the Shared Ownership Units may thereafter be offered to Qualifying Persons and/or persons with a Housing Need in respect of the District(or other defined geographic area as the case may be).
- 2.7. The Registered Provider shall be entitled upon obtaining the prior written agreement of the Council to provide the Shared Ownership Units as Intermediated Affordable Housing instead; such prior written agreement shall not be unreasonably withheld and shall be forthcoming upon the Registered Provider submitting to the Council as acceptable scheme for provision of the Intermediate Affordable Housing.
- 3. The Owner covenants and agrees to supply to the Council (within 2 weeks of the Council's written request so to do) such information as the Council may reasonably require in order to determine whether the matters referred to herein are being observed.

THE SECOND SCHEDULE

The unit size and tenure of Affordable Housing Units shall, unless otherwise specifically agreed in writing by the Council's [appropriate post] expressly for the purposes of this paragraph, be as follows:-

Discounted Sale

1 bedroom (number) ([plot]number(s)) 2 bedroom (number) ([plot]number(s)) 3 bedroom (number) ([plot]number(s)) 4 bedroom (number) ([plot]number(s)) Total (number)

Rented

1 bedroom (number) ([plot]number(s)) 2 bedroom (number) ([plot]number(s)) 3 bedroom (number) ([plot]number(s)) 4 bedroom (number) ([plot]number(s)) Total (number)

Shared Ownership

1 bedroom (number) ([plot]number(s)) 2 bedroom (number) ([plot]number(s)) 3 bedroom (number) ([plot]number(s)) 4 bedroom (number) ([plot]number(s)) Total (number)

Social Rented

1 bedroom (number) ([plot]number(s))

2 bedroom (number) ([plot]number(s)) 3 bedroom (number) ([plot]number(s))

4 bedroom (number) ([plot]number(s))

Total (number)

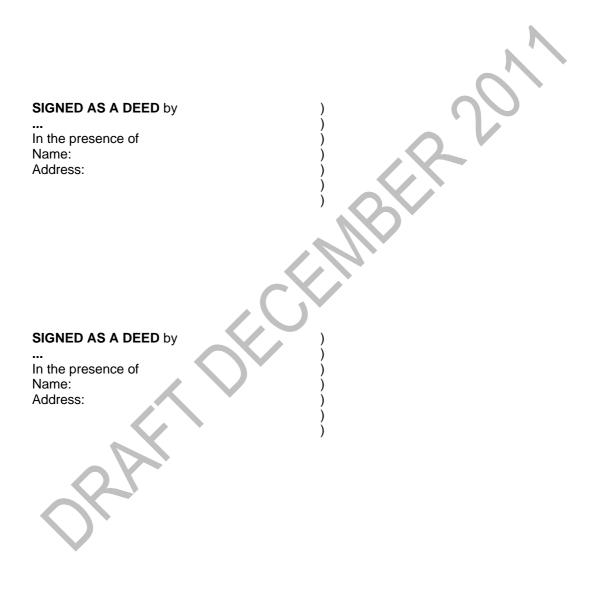
THE THIRD SCHEDULE

Draft planning permission in the form annexed hereto

ORAH DECEMBER 2011

EXECUTED AS A DEED by the		
[name of council]		
by affixing its common seal in the presence of:		
Authorised Signatory		

Authorised Signatory.....



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DECISION

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No.

meeting date:22 MARCH 2012title:WARM HOMES HEALTHY PEOPLE GRANTsubmitted by:CHIEF EXECUTIVEprincipal author:RACHAEL STOTT

1 PURPOSE

- 1.1 To inform Committee of the success of the Warm Homes Healthy People grant initiative and to gain approval for the commitment of the remaining funding.
- 1.2 Relevance to the Council's ambitions and priorities
 - Council Ambitions to meet the identified needs of households in the borough.
 - Community Objectives to make peoples lives safer and healthier.
 - Corporate Priorities housing.
 - Other Considerations none.

2 BACKGROUND

2.1 On receipt of the £108,000 from the Department of Health, the warm home packs have been made available to all vulnerable households in receipt of an income related benefit. The scheme has been successfully launched and to date over almost 500 households have had their packs delivered to their home with the provision of energy advice and a further 120 households are on the waiting list. The challenge of home delivery has proved to be very labour intensive. The grant has also allowed for the purchase of a thermal imaging camera, 12 home energy efficiency monitors and thermally insulated blinds at the homeless hostel.

3 ISSUES

- 3.1 Due to the procurement process used, there is approximately £30,000 remaining of the grant. One of the grant conditions is that the full grant allocation is to be committed before 31 March. Therefore, a second grant application has been submitted to the Department of Health to demonstrate how the remaining allocated grant to Ribble Valley will be spent to avoid having to return any underspend.
- 3.2 The proposal submitted was continuing along the original grant objectives of the warm homes healthy people fund and to offer a boiler replacement scheme and home safety pack. The boiler replacement scheme will offer households across the borough on income related benefit a 50% contribution towards the cost of the replacement and installation of a boiler. To be eligible the house will have to be within the Council Tax bands A-D and the boiler will either be over 20 years old or irreparable.
- 3.3 The home safety grant is an initiative to be run in partnership with health visitors for vulnerable households with children under 5. The grant will provide safety gates,

door restrictors, fire safety and checks and smoke detectors. Each pack will cost approximately £200 for the equipment and fitting. To be eligible for the pack, the household will need to be referred by a health visitor.

- 3.4 The grant scheme will follow the same grant procedures as existing grants and will run throughout the year as the money will be ring fenced for the described schemes only.
- 4 RISK ASSESSMENT
- 4.1 The approval of this report may have the following implications
 - Resources the already allocated Department of Health grant will cover the full cost of the schemes.
 - Technical, Environmental and Legal any technical input will be recharged to their grant.
 - Political the scheme continues to support the energy efficiency initiative as laid out in the grant application.
 - Reputation Ribble Valley will be able to assist households who find it difficult to maintain a warm safe home.

5 **RECOMMENDED THAT COMMITTEE**

5.1 Accept the proposed grant initiatives for the commitment of the remaining grant funding. All grant expenditure will be monitored and reported back to the Department of Health.

CHIEF EXECUTIVE

For further information please ask for Rachael Stott, extension 4567.

DECISION

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No.

 meeting date:
 THURSDAY, 22 MARCH 2012

 title:
 FORMAL CONSULTATION – DELIVERING THE PUBLIC HEALTH

 REFORMS IN LANCASHIRE, AND THE IMPLICATIONS FOR THE

 HEALTH WORKING GROUP

 submitted by:
 MARSHAL SCOTT - CHIEF EXECUTIVE

 principal author:
 COLIN HIRST - HEAD OF REGENERATION & HOUSING

1 PURPOSE

- 1.1 To consider the Council's response to the consultation from Lancashire County Council on reforms to public Health services and to consider the future role of the Health Working Group.
- 1.2 Relevance to the Council's ambitions and priorities:
 - Council Ambitions To help make people's lives safer and healthier.
 - Community Objectives To ensure the communities views are represented.
 - Corporate Priorities To be a well-run Council.
 - Other Considerations None.

2 BACKGROUND

- 2.1 The Health and Social Care Bill will shortly see the transfer of public health responsibilities from the Primary Care Trusts to the County Council. The County Council has been putting in place the necessary structures to help deliver this change and has produced a consultation paper to provide both an update and to seek views on its measures and proposals. A copy of the paper is attached at Appendix 1 for reference.
- 2.2 The closing date for responses is 22 March 2012. Consequently in order to protect the Council's interests, the Health Working Group and relevant Officers considered the paper and prepared a response. A copy of the response is attached at Appendix 2. This has been submitted on the proviso that it is subject to member ratification and that following Committee further comments may be made.
- 2.3 As will be seen from the response, a number of issues arise. In particular the group has welcomed the recognition of the role of districts in the process, however has identified concerns that the role is somewhat underplayed in the proposed structures. Similarly issues are raised in connection with the risk of a continued "clinical" approach as opposed to a holistic approach in the way in which public health is addressed and the opportunity to deliver in a different manner may be missed.
- 2.4 The role of the voluntary sector is also not as well recognised, as perhaps it should be particularly where services and patient/carer support may rely on the sector. This is seen as important for areas such as Ribble Valley. It is also now clear that there will be a number of boundaries and groups that will operate across Ribble Valley

under the proposed structures and there is concern that this situation needs to be recognised by the County and commissioning bodies in order to avoid inconsistencies. The issues raised are seen as the main areas at this stage that warrant a response but in effect they are the starting point for further discussions and certainly the main aspects that Ribble Valley will need to keep under review in terms of the implications for our community. It is important to have in place a mechanism to keep these matters under review and to ensure services are at least maintained if not enhanced and that Ribble Valley residents are not placed at any disadvantage as a result of the new approach to public health.

- 3 IMPLICATIONS FOR THE HEALTH WORKING GROUP
- 3.1 Members will be aware of the work of the Health Working Group that was established in the June 2011 to respond to the proposed public health changes. It was intended to provide the opportunity for closer review and understanding of the new Health Agenda to help inform the Council's work and to enable a steer to be given.
- 3.2 As there is increasing clarity on how the County Council and the GP Commissioning Groups are likely to operate, it is becoming clearer that Ribble Valley will need to have in place a structure that will allow a strong voice for the area to feed into the Health and Wellbeing Boards and commissioning groups that are being established. It is suggested that the existing Health Working Group takes on this role in the form of a Health and Wellbeing Executive. This will allow the Council to feed into the various structures that are being developed that are intended to work across the Ribble Valley area. It is also suggested that the Chair of the Ribble Valley Health Improvement Group (RVHIG) is invited to join the group in an advisory role and that the existing RVHIG acts as the operational support group to provide information, advice and service expertise to the Executive Panel. In part the intention in establishing the Executive is to create a Member led, recognisable structure that will more readily feed into the emerging framework providing a locally focused group to represent the Borough's interests.
- 3.3 The Terms of Reference for the Health sub-group although fairly generic will need to be revised as they do not provide specifically for the role of the group to extend in effect to that of a Health and Wellbeing Executive. Equally as a working group it does not have delegation to make decisions or represent views in its own right. Members may wish to give consideration to this as part of their discussion on this report. If Committee supports the principle of this role it is suggested that the working group undertakes a detailed review of its Terms of Reference at its next meeting.

4 RISK ASSESSMENT

- 4.1 The approval of this report may have the following implications:
 - Resources None.
 - Technical, Environmental and Legal None.
 - Political The opportunity to make a response to consultation demonstrates the Council is taking a lead on these key matters and the formation of the Health and Wellbeing Executive demonstrates a commitment to these issues.
 - Reputation There is a significant interest in public health matters.

5 **RECOMMENDED THAT COMMITTEE**

- 5.1 Endorse the consultation response set out at Appendix 2 and that the Chief Executive be asked to confirm the Council's response.
- 5.2 Agree in principle to the creation of a Health and Wellbeing Executive and ask the Health Sub-Group to develop the role giving consideration to its membership and Terms of Reference as appropriate and that a report is brought back to the next meeting of this committee.

CHIEF EXECUTIVE

BACKGROUND PAPERS

1 Health Sub Group Files

For further information please ask for Colin Hirst, extension 4503.

Public Health Lancashire - Consultation Paper

1. Introduction

In September 2011, Lancashire County Council's Cabinet and the NHS Lancashire Executive received a paper on the transfer of responsibility for public health from PCTs to the County Council, subject to the passage of the Health and Social Care Bill. They approved recommendations to begin the process of appointing a Director of Public Health and to develop proposals for the organisation of the public health function within Lancashire County Council (LCC). The purpose of this paper is to provide public health staff and stakeholders with an update on progress with the public health transition, to set out proposals for the public health function within LCC, and to suggest the measures to be taken to facilitate a smooth transfer of the public health resource and service.

2. Progress with the Public Health transition

Healthy Lives Healthy People was published in November 2010. Responsibility for public health will transfer from Lancashire's three PCTs to LCC in April 2013 (subject to the passage of the Health and Social Care Bill), supported by a public health ring-fenced grant. The three Directors of Public Health (DsPH) in Lancashire had already agreed to work more closely together on a number of priorities to maximise business continuity and secure capacity to prepare for the development of a local public health service; Public Health Lancashire. A Public Health Lancashire Steering Group was established in 2010 to oversee the public health transition, with the intention that it report to the Lancashire Health and Wellbeing Board once established. The Steering Group includes the DsPH and representatives from LCC, NHS Lancashire, District Councils, Strategic Health Authority and Health Protection Agency. It directed the production of a single business plan which set out the vision, mission and values of Public Health Lancashire and priorities for the transition and business continuity (summarised in appendix 1). A programme management approach is being used to support the implementation of the business plan.

In May 2011, Dr Frank Atherton began to work with LCC for two days per week as Lead Director of Health for the Transition. He is also the Director of Public Health representative on the NHS Lancashire Executive and Board. He acts as executive lead for the Public Health Lancashire programme and co-chairs the steering and leadership groups.

The transition element of the Public Health Lancashire Business Plan includes the workstreams which bring together NHS, LCC and public health staff and their representatives to support a smooth public health transition and transfer of public health responsibility:

- Financial Resources
- Human Resources
- Capacity and Capability
- Functions and Offer
- Communications

Financial resources – data on public health spend and assets has been obtained and analysed Historical public health spend data has been submitted to the Department of Health and as used to inform the estimated baseline for the Public Health ring-fenced grant which was announced on 7th February 2012 Work is underway to understand the scope and nature of public health contracts and recommend priorities for contract or commissioning reviews.

1

Human Resources – An HR project team has been established which includes HR specialists from both LCC and NHS Lancashire, staff representatives and public health staff from both organisations A draft HR framework is being developed jointly between LCC and NHS Lancashire HR. This sets out the HR principles to guide the transfer of staff (Appendix 2). The draft HR Principles are:

- Promote transparency in our selection and appointment processes
- Promote partnership working with the Trades Unions
- Promote a culture that welcomes healthy challenge to ensure we work together to achieve the best outcomes for the population and staff
- Promote timely and meaningful consultation
- Work at an appropriate pace to minimise disruption and uncertainty
- Ensure all staff are treated consistently throughout the transition
- Ensure that all staff are well informed and have a voice within the process
- Endeavour to retain valuable skills, experience and organisational memory for future benefit
- Ensure that anyone that leaves is treated with dignity and respect

In November 2011 NHS Lancashire entered into formal TUPE consultation with the recognised trade unions. The Trade Unions have been notified by NHS Lancashire of 3 envisaged measures. NHS Lancashire has written to LCC to request notification of any measures envisaged by LCC in relation to this intended transfer

Work is also underway to understand which staff are affected by the public health transition. For the purposes of Regulation 13 of TUPE, the affected employees are those who will or may be transferred, those whose jobs are at risk on account of the proposed transfer, and those who have internal job applications pending at the time of transfer.

Capacity and Capability – training events for public health staff to develop knowledge and skills in relation to working in local government have been undertaken. Key members of the group have received training in competency based workforce development so they can support workforce design.

Functions and Offer – the proposed functions of Public Health Lancashire have been mapped and are summarised below. Discussions have taken place with district councils to specify the public health support they require to capitalise on their important contribution the health and wellbeing of their citizens. Work is currently underway to specify the Public Health Lancashire offer to Clinical Commissioning Groups

Communications – Communications bulletins are distributed regularly to staff. Engagement events with staff have been undertaken.

3. Public Health Functions

Public health is defined by the Faculty of Public Health as: The science and art of promoting and protecting health and wellbeing, preventing ill health and prolonging life through the organised efforts of society.

There are three domains of public health:

- **health improvement and equity** (including supporting healthy lifestyles and addressing inequalities in health and the wider social influences of health);
- **health protection** (including protecting the public from infectious diseases and environmental hazards and ensuring preparedness); and

• health and social service quality (including service planning, efficiency, audit and evaluation)

All three domains are underpinned by **public health intelligence**, which analyses, interprets and presents a wide range of data about the population's health and what can be done to improve it.

Subject to legislation, Lancashire County Council will therefore become responsible for protecting and improving the public's health across the whole life course and for providing specialist public health support to the NHS, particularly to Clinical Commissioning Groups

If the Health and Social Care Bill is passed, LCC will only be successful in improving outcomes if it integrates action to improve health and wellbeing and reduce inequalities into all of its functions. The Director of Public Health and his/her team will therefore need a broad reach across the County Council and to work in partnership with district councils which have a significant influence on community health and wellbeing. It is envisaged that the transfer of the public health function into LCC will bring a set of new skills to the organisation that can be deployed across the whole spectrum of LCC services. Examples of these skills and tools include prioritisation, needs assessment, evidence based practice and behaviour change techniques.

It is proposed that the new Public Health Function is organised in line with the three domains of public health: health protection, health improvement/equity and health and social service quality. Within each domain of public health we envisage that LCC will:

- Undertake public health advocacy Public health will champion evidence based action to address needs and stimulate assets to improve and protect the health and wellbeing of Lancashire's citizens
- Deliver public health programmes Public health will develop, deliver and evaluate the impact of public health programmes to protect and improve the health and wellbeing of Lancashire's citizens
- Deliver corporate responsibilities Public health will take on responsibility for corporate functions where it is best placed to do so. It will provide public health skills and tools across the organisation.
- Develop a public health culture within Lancashire Public health will work collaboratively
 with other parts of the County Council, district councils and other partners to maximise the
 contribution that they make to improving health and wellbeing and narrowing the health gap.
- Collaborate with neighbouring local authority public health services at sub-regional and regional level where appropriate, to increase the effectiveness of public health advocacy and influence and to increase efficiency.

3.1 Health protection

Health Protection is concerned with action to ensure a healthy environment (e.g. clean air, water and food), prevention of the transmission of communicable diseases, and protection against environmental health hazards, through the application of a range of methods including disease monitoring, management of outbreaks and other incidents that threaten the population's health and wellbeing, hazard identification, risk assessment and the promotion and implementation of appropriate interventions.

Under the new arrangements some elements of health protection will be integrated into the new Public Health England, an executive agency within the Department of Health.

At the local level the local DPH will be jointly appointed with Public Health England and will be firmly rooted in local government Local Authorities will have a statutory responsibility to ensure that plans are in place to protect the health of the local population from threats ranging from relatively minor outbreaks to full scale emergencies, and to prevent such threats arising in the first place. This will include local plans for immunisation and screening.

Environmental Health Officers in district councils already contribute to health protection across a broad range of activities including food safety and healthy eating, occupational health and safety, decent, safe and warm housing and environmental protection. It is important that health protection capacity in the field is maintained. The 2009 influenza pandemic demonstrated the importance of having an effective, capable national and local health protection response, and it is vital that existing expertise is maintained and built upon

3.2 Health improvement and equity

Health improvement is concerned with improving the health and wellbeing of populations and reducing inequalities by developing and implementing healthy public policy and using health promotion, prevention and community development approaches to influence the behaviour and socio-economic, physical and cultural environment of populations, communities and individuals It includes addressing inequalities, education, housing, employment, family/community, lifestyles, and surveillance and monitoring of specific diseases and risk factors.

This domain is also concerned with addressing inequalities in health. The Marmot review identifies six priorities for health equity and working with the rest of the County Council and external partners to address these will be important functions within Public Health Lancashire.

- i. Give every child the best start in life
- ii. Enable all children, young people and adults to maximize their capabilities and have control over their lives
- iii. Create fair employment and good work for all
- iv. Ensure a healthy standard of living for all
- v Create and develop sustainable places and communities
- vi Strengthen the role and impact of ill-health prevention

Local authorities already undertake wide reaching work to address the social, economic and environmental determinants of health. The transfer of responsibility for public health from the NHS to local authorities will provide opportunities for the Director of Public Health to have an overview and influence over a wide range of determinants of health either directly or indirectly.

Within a local government context, the development of strategy and healthy public policy and its successful implementation through the three domains of public health, requires the availability of a number of support functions. Public health specialists will need the access to good quality intelligence about the health needs and assets of the local population and to evidence about which interventions are effective. They will need to use priority setting tools and techniques and have access to local government policy skills such as political management, horizon scanning and interpretation of national policy. In order to maximise the impact of policy and strategy implementation on the public's health, public health specialists will need to assess the health impact of policy, develop the wider public health workforce and undertake performance management.

3.3 Health and Social Service Quality

Clinical Commissioning Groups (CCGs) will become responsible for commissioning most NHS services. GPs' understanding of local populations and their experience can bring much to the commissioning process. LCC will be responsible for providing public health support to NHS commissioners including Clinical Commissioning Groups. Public health specialists will work

alongside GPs, using their expertise to inform CCGs about how illnesses and diseases affect their population, what healthcare interventions are effective, analysing outcomes and interpreting information to identify where interventions and services need to improve and be made more efficient

Public health specialists in the area of healthcare public health have a unique vantage point. They have the skills, the bird's eye view, and the information to look beyond the individual patient to serve a population group of patients. Public health specialists have a key role in advising CCGs and the National Commissioning Board on how best evidence based interventions can be offered in primary care include supporting the commissioning of integrated services. Public Health Lancashire will therefore be able provide an important bridge between the County Council and local NHS

Health services also have a central role in preventing illness and supporting patients to make healthier lifestyle choices There is a risk that separation of public health from the rest of the NHS, both financially and organisationally might lead the NHS to focus on treating ill health rather than preventing it. A wide range of health and social care professionals have many opportunities to offer brief interventions to support behaviour change, such as smoking cessation or reducing alcohol consumption.

Further detail of the specific functions within each of the domains is shown in Appendix 3 of this paper.

A map of the functions that Public Health Lancashire will be expected to deliver is shown in Appendix 4 of this paper.

4. Implications

It is clear from the most recent national guidance that, subject to legislation, LCC will become responsible for a wide range of public health functions summarised above and proposed in Appendix 4. There are both uncertainties and opportunities in relation to the transfer of public health from the NHS to LCC, which will influence how these functions will be organised and managed within LCC. It is therefore proposed that the functions outlined in Appendix 4 are located under the direction of the Director of Public Health for a two year transitional period (April 2012-March 2014). During this transitional period a number of key issues will need to be considered to inform the on-going development of a public health function within LCC. These include:

4.1 Financial Resources

Information on the estimated baseline public health grant for Lancashire based on current spend was published on 7th February 2012. A need based allocation formula for the public health ring fenced grant is expected to be consulted on at the end of February 2012. The public health ring fenced grant allocation for 2013/14 is expected to be announced in December 2012. The proposals within this paper will need to be reviewed in light of this financial information when it is available.

4.2 Development of LCC's commissioning function

The County Council is currently working across its directorates to develop a corporate approach to commissioning. The terms of reference for this work are currently under development. Depending on how this develops, some of the capacity for the commissioning of public health services could be integrated into a LCC corporate commissioning function. Lancashire Drug and Alcohol Action Team currently commission many substance misuse services on behalf of the County Council and PCTs, through a pooled budget. This resource will form part of the public health ring-fenced grant. It is proposed that the commissioning of substance misuse services is included within the scope of the public health function and the work to develop LCC's commissioning function.

4.3 Integration with other LCC functions

There are a number of areas in which current public health and LCC functions are closely aligned. These provide opportunities for integration Public health functions could be integrated into similar LCC functions or alternatively the Director of Public Health could take corporate responsibility for these areas Examples of areas for potential integration include, but are not limited to:

- Research and intelligence
- Emergency planning
- Public engagement
- Communications and marketing
- Health improvement in children and young people's settings
- Death certification

NHS Lancashire and LCC Executive Teams have agreed that task and finish groups should be established comprising stakeholders from across public health, LCC, the NHS and District Councils where appropriate, to co-produce options for the management of the functions listed above. In some instances there are already relevant Public Health Lancashire workstreams in place, the membership of which should be expanded to include local government and wider NHS stakeholders to enable the co-production of management options.

4.4 Health and Wellbeing Strategy and Policy development

Health strategy and healthy public policy is an important approach used within public health, which focuses on population level interventions. The Joint Health Unit and Partnerships team based within LCC supports the development of the Health and Wellbeing Board and Strategy and the interpretation and development of health policy, using tools such as health impact assessment. It has local authority political management skills and experience currently scarce within the workforce to be transferred from the NHS. Consideration will need to be given to the most appropriate location of these functions following the implementation of the reforms. The NHS Lancashire and LCC Executive teams have agreed that a workstream on health and wellbeing strategy and policy development be established to identify how this function can best be managed within LCC.

4.5 Public health support to district councils and CCGs

Proposals that specify how public health can support district councils have been developed. It is proposed that a workstream mobilised jointly with district council representatives agree how these can be implemented. A group has been established to develop the public health core offer to CCGs. There are opportunities to align this 'locality' support with that provided by other parts of LCC.

4.6 Relationships with the wider public health system

Consideration will need to be given to how the local authority public health service will work with other parts of the public health system. It is likely that there will be a sub-regional office of Public Health England (PHE) with a range of responsibilities but with a particular focus on health protection. A workstream should be established to agree respective roles and responsibilities in order to reduce duplication and ensure the system works effectively.

The current reforms to the criminal justice system provide opportunities to consider relationships between public health and community safety. A workstream should be mobilised to co-produce options for how the two should would together.

4.7 Physical location of PH staff

The locality functions of Public Health Lancashire will mean that it will be essential for public health staff to be based across the county, within or alongside district councils and CCGs. Accommodation requirements and options including possible co-location with other parts of the public health system such as Public PHE should also be explored

5. Next steps

The proposed next steps for the public health transition are detailed below. A summary is shown in the table below

Overall programme

- An Equality Impact Assessment of the Public Health Lancashire programme will be undertaken by February 2012
- A Public Health Transition Plan will be developed jointly between LCC and NHS Lancashire and will be submitted to the Department of Health in March 2012

Financial Resources

- A high level review of the public health contracts will be undertaken to understand scope and activity of each contract and recommend priorities for contract/ commissioning reviews by April 2012.
- Additional financial analysis will take place on estimated public health baseline published in February 2012
- Pensions options for transferring staff will be identified by LCC and NHS Lancashire and analysis of the financial implications will take place
- Consideration will need to be given to the allocation of potential redundancy and displacement costs between the sender and receiver organisations as well as the responsibility for pre and post transfer liability issues.
- Identification of accommodation requirements and development of options will be completed by April 2012 Negotiation with district councils, CCGs and PHE about office accommodation for PH staff will take place between April and July 2012

Human Resources

- A high level human resources concordat between the NHS and Local Government has been published and informs guidance published in January 2012. A local HR framework has been drafted jointly by NHS Lancashire and LCC in partnership with our recognised Trade Unions to guide the transfer of public heath staff into a shadow public health function. It will be published for formal consultation with staff in February alongside the consultation on the shadow public health function.
- A Job Description for the Director of Public Health has been developed and recruitment is set to commence imminently. It is hoped that a DPH will be appointed by April 2012. It is proposed that in the interim, the Lead DPH for the Transition acts as the designated officer to lead the consultation with all affected employees within NHS and LCC and the recruitment process following ratification of the structure by LCC and NHS Lancashire.
- It is proposed that the Public Health functions outlined in this paper are consulted on with staff from February 2012.
- It is proposed that recruitment to the DPH direct reports responsible for each of the three main functions of Public Health Lancashire (Health Equity, Health Protection, Health and Healthcare Partnerships) take place in April 2012 subject to ratification, informed by the

outcome of the formal consultation with affected staff and their representatives. This will enable this team to work up the competency and staffing requirements of the transitional structure using the Public Health Skills and Career Framework. A structure showing the proposed direct reports is shown in Appendix 5. It is proposed that this be consulted on with staff alongside the Public Health Lancashire Functions map in February 2012. It is proposed that these posts be recruited on an interim basis (until March 2014).

- Following endorsement of the Public Health Lancashire transitional functions, work will be undertaken to specify competences for each of the functions. The resulting transitional structure will be reviewed in light of the estimated public health baselines published in January. This will enable the development of a workforce structure which will be shared with public health staff affected by the transition and the subject of formal consultation.
- The aspiration is that a new Public Health Lancashire workforce structure will be available for consultation with staff in May 2012. Following review in light of the consultation, it is envisaged that recruitment to the new structure will commence in June 2012 with an aspiration that the new structure will be implemented by October 2012.
- Some of the Public Health Lancashire functions are closely related to existing LCC functions and consequently there are a number of options about how they could be most effectively and efficiently organised following the reforms. It is important that the full range of stakeholders is able to influence their design. It is therefore proposed that task and finish groups comprising the appropriate stakeholders are established to develop options for the organisation of the following functions:
 - LCC commissioning function (group already established, led by Steve Gross)
 - o Research and intelligence
 - o Emergency planning
 - Public engagement
 - Communications and marketing
 - Health improvement in children and young people's settings
 - o Death certification
 - o Health and wellbeing strategy and policy development

Capacity and Capability

 Once the Public Health Lancashire functions are agreed (following staff consultation and endorsement by LCC and NHS Lancashire), the competences for each of the functions will be specified and role descriptions will be produced

Public Health Offer

 It is envisaged that a Public Health 'offer' to Clinical Commissioning Groups and District Councils will be developed jointly with district council and CCG partners by April 2012

Communication

• It is envisaged that formal consultation with staff on the Public Health Lancashire transitional functions and structure will take place in February and May respectively. The aspiration is that events to provide affected staff with opportunities to give their views will take place.

Anticipated timescales

February 2012	Equality Impact Assessment undertaken		
	٠	LCC and NHS Lancashire Executive Teams approve the	ł

	 following for consultation with staff: Draft HR framework Draft Public Health Lancashire functions Proposal to recruit transitional structure Direct Reports Formal consultation commences late January for 30 days Financial analysis of the baseline allocation Mobilisation of co-production workstreams for areas of 	
March 2012	 possible integration Consultation closes Review of feedback from functions consultation Director of Public Health recruitment 	
April 2012	 Reviewed paper summarising the HR framework, Public Health Lancashire functions and recruitment of Direct Reports ratified by LCC and NHS Lancashire executive teams PH contract review timetable completed PH 'offer' to district councils and CCGs co-designed Public Health transition plan completed 	
May 2012	 Appointment of Director of Public Health Appointment of transitional structure Direct Reports Workforce redesign – competencies and role descriptions Develop accommodation requirements and negotiate with District Councils and CCGs about options for accommodation for public health staff Financial analysis of draft staffing structure Consultation on draft staffing structure Staff consultation events 	
June 2012	 Review of feedback from staffing structure consultation Staffing structure ratified by LCC and NHS Lancashire Executive Recruitment to the structure commences 	
October 2012	 New Public Health structure implemented Assigned staff notified and TUPE due diligence 	
April 2013	TUPE transfer of NHS public health staff to LCC	
April 2013 – March 2014	 Completion of co-produced workstreams for public health areas of possible integration with other LCC functions Consultation with staff and stakeholders on proposals for the management of public health areas with the potential for integration with other LCC functions 	
April 2014	Implementation of Public Health within Lancashire County Council	

5. Recommendations

Lancashire County Council Management Team and NHS Lancashire Executive Team have agreed the following recommendations:

- 1. Note the proposed functions for which LCC will be responsible from 1st April 2013
- 2 Approve the transitional functions map for consultation with staff affected by the transfer of Public Health to LCC in February 2012 (Appendix 3)
- 3. Approve the proposals for the recruitment of the top tier of the transitional structure i.e. DPH Direct Reports for consultation with staff in February 2012 (Appendix 5)
- 4. Approve the draft Human Resources Framework (Appendix 2) is released for consultation with staff in February 2012
- 5. Agree to the establishment of task and finish groups to co-produce the following functions where there are opportunities for integration or system improvement. These include but are not limited to:
 - Commissioning
 - Research and intelligence
 - Emergency planning
 - Public engagement
 - Communications and marketing
 - Health improvement in children and young people's settings
 - Health and wellbeing strategy and policy development
 - Public health support to District Councils and CCGs
 - Relationships with the wider public health system
 - Death certification
- 6. Authorise the Lead Director of Public Health for the Transition as the Designated Officer to lead the consultation with all affected employees within the NHS and LCC and the recruitment to the direct report posts within the transitional structure, as an interim measure until the substantive DPH is appointed

Dr Frank Atherton, Lead DPH for the Transition Deborah Harkins, Head of the Joint Health Unit

15th February 2012

Appendix 1 - Vision, Mission & Values of Public Health Lancashire

Vision - By 2020, Lancashire's citizens, communities and organisations will be healthy and resilient, enabled by the effective delivery of a local public health system

Mission - to lead work to improve and protect the health and wellbeing of Lancashire's citizens and improve the health of the poorest fastest, by:

- Protecting the population's health from major emergencies and remain resilient to harm
- Tackling factors which affect health and wellbeing and health inequalities
- Helping people to live healthy lifestyles, make healthy choices and reduce health inequalities in healthy behaviours
- Reducing the number of people living with preventable ill health and reduce inequalities in preventable ill health
- Preventing people from dying prematurely and reduce inequalities in healthy life expectancy

Public Health Lancashire will judge its success at delivering its mission using the Public Health Outcomes Framework¹.

The Values of Public Health Lancashire are:

- Fair and equitable- All people in Lancashire have the right to be well, irrespective of their background and circumstances
- Asset approach Communities in Lancashire have the capacity, gifts and abilities to lead healthy and fulfilled lives and it is the role of agencies to support community assets to be realised
- Evidence and best practice Public Health Lancashire will commission and deliver interventions informed by the research evidence and best practice
- Needs led Public Health Lancashire will focus its efforts on addressing the needs of Lancashire's citizens
- **Partnership** Public Health Lancashire will be co-designed with both tiers of local government and GP consortia to ensure that it supports them deliver their new responsibilities. In order to do this both tiers of local government and emerging consortia will be invited to co-design the service which will involve the voluntary sector.
- Subsidiarity Public Health Lancashire will always endeavour to do the right thing at the right level Lancashire is a diverse county with a wide range of assets and needs. Partners with an influence on population health and wellbeing operate at a number of levels. Public Health Lancashire will therefore be flexible so it can work at all of these levels.
- **Resilient** Public Health Lancashire is developing in a rapidly changing and complex environment. Changes now need to be able to withstand the challenges of changes in the future
- Integrated Public Health Lancashire will seek to reduce duplication by integrating its functions with local government and in collaboration with other parts of the system

Health Improvement	 Behaviour change Healthy settings Minimising the impact of the recession on population health
Health Protection	 Emergency planning Screening

Priorities for business continuity and readiness for the transition

¹ Health Lives, Healthy People: transparency in outcomes – proposals for a public health outcomes framework. November 2010

	Immunisation and vaccination
Health and Social Service Quality	 Public health contribution to addressing long term conditions Public health contribution to the commissioning of children and young people's health services
Health intelligence	 Development of a Lancashire public health observatory Incorporating intelligence about assets into the JSNA Monitoring the impact of the demographic, social, economic and policy changes

Transition priorities

- Financial Resources
- Human Resources
- Capacity and CapabilityFunctions and Offer
- Communications

Appendix 3 - Description of Public Health Lancashire Functions

The specific functions that will be undertaken within each of the domains of public health are detailed below.

Health Protection

- Development of plans for public health incidents and emergencies
- Response to public health incidents and emergencies
- Provide support to the National Commissioning Board with the quality assurance and monitoring of screening programmes (including leading the management and coordination of screening incidents
- Provide support to the National Commissioning Board with the quality assurance and monitoring of vaccination and immunisation services (including leading the management and co-ordination of vaccination and immunisation incidents)
- Provide expert advice on the introduction of new screening and immunisation programmes

These functions will need to be reviewed following the publication of policy documents on the specific roles of Public Health England and Local Government are published (expected in December 2011)

Health Improvement

Commissioning for Health improvement

Lancashire County Council will lead the commissioning of lifestyle and other primary prevention and wellbeing services and initiatives, including performance management of contracts and ensuring integration of wellness into other services. The following health improvement services and interventions could be commissioned:

- Health checks
- Drug and alcohol services
- Nutrition/ healthy eating
- Weight management
- Physical activity
- Stop smoking services
- Sexual health services
- Tobacco control
- Infant feeding (breastfeeding, infant nutrition)
- Public mental health
- Accident and falls prevention
- Winter death reduction
- Violence prevention
- Health Trainers

Building healthy communities, environments and culture

Provide support to individuals, organisations, and communities through settings based, asset based and community development approaches e.g

- Health promotion in educational establishments
- Health promotion in workplaces

- Health promotion in prisons
- Health promotion in NHS
- Health promotion in residential and nursing homes.
- Developing healthy cities, towns, communities and streets

Develop, provide and commission a large range of public health campaigns, initiatives, and health education approaches that will build on the development of social capital, social inclusion and skills development. For example personal skills, professional health promotion skills, health literacy, raise awareness of early symptoms, prompt early diagnosis and healthy lifestyles and prevention, using:

- Social marketing
- Community engagement and empowerment
- Brief intervention and awareness training
- Providing public health skills training
- Support and develop advocacy and lobbying skills amongst communities

Provide support to thematic and geographic partnerships ensuring a population health perspective, identifying shared priorities across partners that impact on H&W and supporting partners to identify their contribution to improving H&W, developing and using appropriate public health approaches e.g. large scale change programmes. Partnerships that will be supported include:

- District level Strategic Partnerships
- Drug and Alcohol Partnerships
- Tobacco Free Lancashire
- Physical activity and obesity partnerships
- Crime Reduction Partnerships / Safer Lancashire Partnership
- Partnerships that support wider determinants health e.g. adapting to climate change, housing, accidents, domestic abuse

Strategy and Policy

Within a local government context, the development of strategy and healthy public policy and its successful implementation through the three domains of public health policy, require the availability of a number of support functions. These include:

- Health policy development
- Political management
- Health and Wellbeing Board
- Health and Wellbeing Strategy
- Public Engagement/ HealthWatch
- Health Intelligence including:
 - Health (Joint Strategic) Needs Assessment
 - Asset Mapping
 - Health Impact Assessment
 - Health Equity Audit
 - Surveillance (including health surveys)
 - o Scenario modelling
 - Knowledge management (horizon scanning, identification best practice, literature search / review)
 - Health economics analysis (e.g. Programme Budgeting analysis, cost benefit analysis),
 - o Benchmarking
 - Socio/geo-demographic segmentation & analysis

- o Support to social marketing
- o Support (epidemiological) research,
- Operational research (e.g. PDSA cycle)

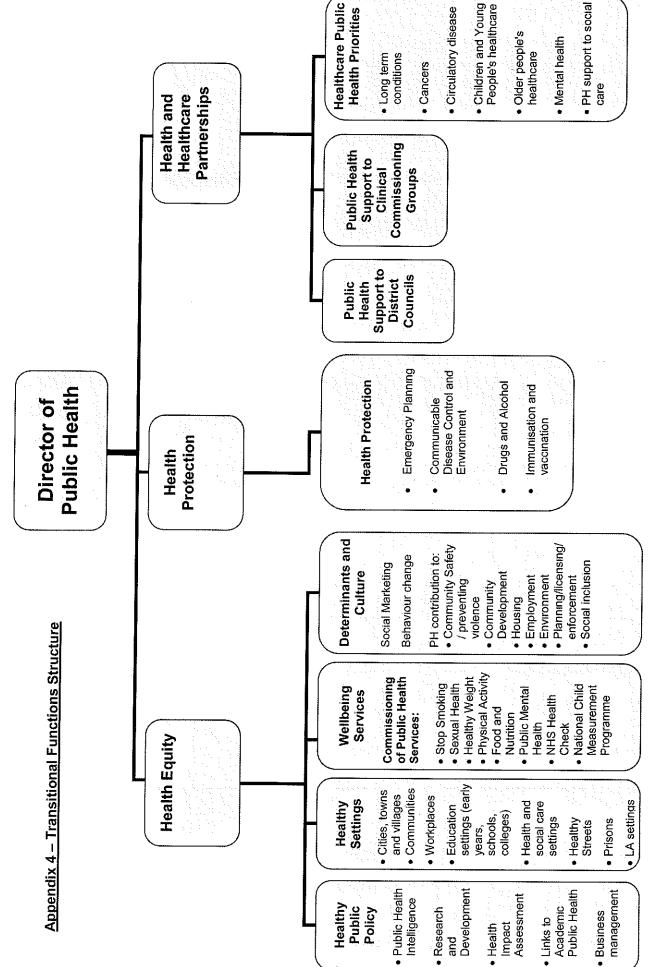
Health and Social Service Quality

The local public health service will provide commissioning support to Clinical Commissioning Groups, the National Commissioning Board and Local Authorities in their social care commissioning roles. This includes:

- Public health expert support o the commissioning of healthcare services
- Providing high quality public health intelligence to provide local understanding of health needs
- Providing data/intelligence to support service redesign processes, using data to inform decision making, and data interpretation
- Priority setting
- Advising on commissioning of services to meet the health needs of underserved groups
- Facilitating service user/ community engagement in policy making, service redesign and planning,
- Advising on integrating patient pathways across health and social care
- Advising commissioners on the use of CQUIN and other quality frameworks
- Health economics and programme budgeting (understanding investment against outcomes)
- Predictive modelling and risk assessment
- Designing and advising on the commissioning of programme and service evaluations (including providing access to national and regional research networks)
- Identifying funding and resources to develop research proposals and influence system change
- Population segmentation and customer insight
- Critical appraisal of published evidence on preventative interventions
- Management and co-ordination of public health data; undertaking and/or advising on health equity audit, equality impact assessment and health needs assessment to identify unmet need and improve the commissioning of more equitable service delivery
- Support the development and implementation of processes for management of individual funding requests

Business support

- Business Management
- Business Support/ Administration
- Programme management
- Workforce development



APPENDIX 2

please ask for Chris Hughes direct line 01200 414479 email chris.hughes@ribblevalley.gov.uk my ref CH/IW your ref date 14 March 2012

Dear Dr Atherton

PUBLIC HEALTH LANCASHIRE – CONSULTATION PAPER

I am writing on behalf of the Borough Council in response to your letter of 21 February 2012, seeking comments on the above paper. The following comments represent the views of a member/officer working group, and will hopefully, be ratified at a meeting of the Council's Health & Housing Committee on 22 March 2012.

Further to our discussions, I would like to make the following observations:

- 1 It is encouraging that the paper acknowledges the role of districts, both now and in the future. It does not, however, recognise that districts are currently supporting outcomes across most of the public health spectrum. Appendix 4 in the report suggests that the role of districts is a discreet element of public health, whereas we feel that it is much broader than indicated.
- 2 Whilst the report details each element of public health that will transfer under the new arrangements, it appears to have merely transferred one siloed approach to another, and does not give us much confidence that the new arrangements will deliver anything different or innovative. This is partly due to the general 'clinical' approach adopted in the paper. Perhaps we should be focussing here on outcomes, rather than functions moving forward.
- 3 We feel that the development and functions of LCC's commissioning function will be very important, as it could have the ability to allow for initiatives that deliver against local priorities. Whilst we recognise that most commissioning will be done on a countrywide or cluster basis, it is important that a mechanism exists for more localised commissioning, similar to that adopted currently through children's trust arrangements.

Public Health Consultation Lancashire Public Health Network Room 178, Preston Business Centre Watling Street Road Fulwood PRESTON PR2 8DY

- 4 There appears to be no mention of the role of the voluntary sector. Given that they currently make a significant contribution to public health outcomes, they must have a role under any new arrangements.
- 5 On a more general note, we have concerns that local determination will be lost as borough boundaries will not, in some cases, be co-terminus with new public health structures, and clinical commissioning footprints; indeed, the Ribble Valley will be served by 3 CCGs under current proposals, making any locally focussed integrated working very difficult.

In conclusion, we are pleased to have been given the opportunity to comment on the development of the new public health framework, and to emphasise the Borough Council's continued and, hopefully, enhanced contribution to the new public health agenda.

Yours sincerely

M Scott CHIEF EXECUTIVE

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Chief Executive, Ribble Valley Borough Council, Council Offices, Church Walk, CLITHEROE, Lancs. BB7 2RA Central Services

Democratic and Legal

Nelson Town Hall, Market Street, Nelson, Lancashire, BB9 7LG Telephone: (01282) 661661 Minicom: (01282) 618392 Fax: (01282) 661630 www.pendle.gov.uk Date: 1st March, 2012

Our Ref: Your Ref: Ask for: Direct line E-mail: Manager: JW/CC/ Jane Watson 01282 661648 jane watson@pendle gov uk

Richard Townson

Dear Sir,

Provision of New Health Centres

At the meeting of the Special Budget Council held on 23rd February, 2012 the following Motion was passed in respect of the provision of new health centres.

RECENSE

- 2 MAR 2012

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CHEFT

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I have been asked to send you a copy to seek your support and assistance in securing the use of this money for work to start on the new health centres in Colne and Great Harwood and the new Community Hospital in Clitheroe.

"RESOLVED

- (1) This Council notes that the Board of the NHS East Lancashire Primary Care Trust (PCT) resolved that a capital reserve of over £10million would be used for providing new health centres in Colne and Great Harwood and the new Community Hospital in Clitheroe.
- (2) It further notes that the Board of the East Lancashire PCT is no longer functioning following the inclusion of the PCT in the temporary NHS Lancashire "cluster" of PCTs, and that the North West Strategic Health Authority (SHA) has been incorporated into a new temporary North of England SHA.
- (3) This Council therefore resolves to seek assurances from the NHS Lancashire Board and the North of England SHA, and from the Secretary of State for Health, that this capital reserve will be used for the purposes intended by the East Lancashire PCT. It asks for an explanation of where the money is currently held and which body is now responsible for a decision on commissioning the three health centres.
- (4) This Council further resolves to send a copy of this resolution to the members of Parliament for Pendle, Hyndburn and the Ribble Valley, to the



Borough Councils of Hyndburn and the Ribble Valley, to Lancashire County Council, and to the shadow Clinical Commissioning Group for East Lancashire, and to seek their support and assistance in securing the use of this money for work to start on the new health centres in Colne and Great Harwood and the new Community Hospital in Clitheroe."

Yours faithfully,

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Jane Watson, Senior Committee Administrator.





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INFORMATION

RIBBLE VALLEY BOROUGH COUNCIL

Agenda Item No

meeting date: 22 MARCH 2012 title: CAPITAL PROGRAMME 2012/13 submitted by: DIRECTOR OF RESOURCES principal author: LAWSON ODDIE

1 PURPOSE

- 1.1 To inform members of the new schemes which have been approved for inclusion in the capital programme for this committee for the forthcoming financial year (2012/13).
- 2 BACKGROUND
- 2.1 The Budget Working Group/Capital Working Group were tasked with reviewing the Council's forward capital plans during 2011/12 in order to produce an achievable and affordable programme.
- 2.2 They asked Heads of Services to submit new bids based on thematic groupings with the remit that only essential schemes would be considered. They also agreed that the future programme should correspond with the life of the current Council.
- 2.3 The result of their deliberations is a capital programme for the years 2012/15 totalling £1,541,820 for all committees, which was approved at Full Council on 6 March 2012. The total for this committee before grants, is £797,740 over the three year life of the capital programme.
- 3 SCHEMES APPROVED FOR 2012/13
- 3.1 For this Committee there are 4 schemes that have been approved for the 2012/13 financial year, totalling £407,740. Shown below is a list of the schemes that make up this total. This includes £122,740 of budget, which has been moved from 2011/12 to 2012/13 as these schemes will not be completed until after the 31 March 2012.

		2012/13	
	Approved Budget £	Budget Moved from 2011/12 £	Total Approved Budget £
Clitheroe Cemetery			
Instalation of infrastructure	90,000		90,000
Housing_			
Landlord/Tenant Grants	75,000	45,000	120,000
Disabled Facilities Grants	120,000	69,180	189,180
Repossession Prevention Fund		8,560	8,560
TOTAL HEALTH AND HOUSING COMMITTEE	285,000	122,740	407,740

- 3.2 Detailed information on the 3 new schemes shown above is provided at Annex 1. The 3 budgets that have been moved from the 2011/12 financial year are a continuation of those schemes which have previously been monitored by this committee over the past 12 months.
- 3.3 During the closure of our capital accounts there will inevitably be some slippage on schemes in the current year (2011/12). One of the tasks of the Budget Working Group/Capital Working Group will be to review all requests for slippage on capital schemes within the 2011/12 capital programme. A report will be brought to this committee at a future meeting giving details of any approved slippage.
- 3.4 Responsible officers will complete and update capital monitoring sheets for each scheme, which will be reported quarterly to members to give an indication of progress.

4 CONCLUSION

- 4.1 This is a smaller capital programme approved than in past years, particularly due to the request from the Budget Working Group/Capital Working Group to Heads of Service for only essential schemes to be put forward.
- 4.2 There are three schemes where it is known already that they will not be completed in the 2011/12 financial year and therefore they have been moved to the 2012/13 financial year. Further slippage on other schemes in the 2011/12 capital programme may be approved after the end of the 2011/12 financial year.

LAWSON ODDIE HEAD OF FINANCIAL SERVICE

HH3-12/NS/AC 7 March 2012

Health and Housing Committee New Schemes Approved for the 2012/13 Capital Programme

Installation of Infrastructure at Clitheroe Cemetery Extension

Service Area: Clitheroe Cemetery

Head of Service: James Russell

Brief Description:

Provision of initial infrastructure to Clitheroe Cemetery extension.

Overriding aim/ambition that the scheme meets:

To protect and enhance the existing environmental quality of our area

Start Date, duration and key milestones:

As we obtained the land in 2010/11, it is necessary to commence structural work relatively quickly to enable the ground to recover and planting schemes to be put in place ready for when the current cemetery runs out of space.

Financial Implications – CAPITAL:

Breakdown	2012/13	2013/14	2014/15
	£	£	£
Provision of site infrastructure	90,000	-	-

Financial Implications – ANNUAL REVENUE:

Breakdown	£
Increased grounds maintenance costs	Unknown at this point in time

Useful economic life:

In excess of 60 years. The purchase of this land will ensure the long-term security and provision of this service to Ribble Valley residents.

Impact on the environment:

Every effort is made with service delivery to be environmentally conscious and sensitive. Recycling and improving wildlife habitats are implemented where possible.

Landlord and Tenant Grants

Service Area: Housing Services

Head of Service: Colin Hirst

Brief Description:

To offer grant aid for the renovation of private sector properties with the condition that the units are affordable on completion and the Council has nomination rights. The scheme has operated successfully for over 10 years. The scheme is essential to provide affordable accommodation for move on from the temporary units.

Overriding aim/ambition that the scheme meets:

To match the supply of homes in our area with the identified housing needs.

Improving service performance, efficiency and value for money:

The scheme provides affordable units, which provide households in housing need with a choice rather than total reliance on social housing. This improves the Performance Indicator (PI) - 'length of stay in temporary accommodation '.The grant is the only incentive to encourage owners of empty properties to bring them back into use which is also a PI. The number of affordable homes delivered annually is also a PI.

Start Date, duration and key milestones:

The grants run in line with the financial year starting April 2012 – March 2013. From approval of grant the work must be complete within 12 months.

Financial Implications – CAPITAL:

Breakdown	2012/13	2013/14	2014/15
	£	£	£
Grant Payments	75,000	75,000	75,000

Financial Implications – ANNUAL REVENUE:

Breakdown	£
None	-

Additional supporting information:

The scheme has run successfully for over 10 years and 77 affordable units have been developed/renovated through the scheme. We currently have nomination rights to 36 properties due to the approval of grants.

Impact on the environment:

All renovation work includes thermal comfort and affordable warmth measures.

Disabled Facilities Grants

Service Area: Housing Services

Head of Service: Colin Hirst

Brief Description:

The scheme provides mandatory grant aid to adapt homes so elderly and disabled occupants can remain in their own home. The maximum grant is £30,000 and for adults is means tested. The grants can provide for minor adaptation for example the installation of a stair lift up to the provision of bathroom and bedroom extension.

Overriding aim/ambition that the scheme meets:

To match the supply of homes in our area with the identified housing needs

Improving service performance, efficiency and value for money:

Provision of an adequate Disabled facilities grant budget ensures households can be offered assistance once a referral has been received.

Start Date, duration and key milestones:

The disabled facilities grant budget operates on a financial year basis starting April 2012 – March 2013.

Financial Implications – CAPITAL:

Breakdown	2012/13 £	2013/14 £	2014/15 £
Grant Payments	120,000	120,000	120,000
Government Funding (assuming continues at same level)	-109,000	-109,000	-109,000
Net impact to the Council	11,000	11,000	11,000

Financial Implications – ANNUAL REVENUE:

Breakdown	£
None	-

Useful economic life:

Not Applicable

Impact on the environment:

All equipment is maintained and kept in the ownership of social services to enable it to be recycled where possible.

MINUTES OF THE HEALTH WORKING GROUP HELD ON MONDAY, 27 FEBRUARY 2012 at 6pm

PRESENT: Cllr B Hilton - Chariman Cllr S Hirst Cllr R Elms Cllr R Newmark Cllr M Robinson Marshal Scott Chris Hughes Colin Hirst Olwen Heap

Phil Mileham – Ribblesdale Practice Manager, Clitheroe Rebecca Davis – Network Director, Mental Health Commissioning Susan Warburton – commissioning Lead for NHS East Lancashire

APOLOGIES

Apologies for absence were received from Cllr M Ranson.

MINUTES

Minutes of the meeting held on 4 January were approved as a correct record.

MATTERS ARISING

Colin reported that he had received a letter from Karen Wilson inviting councillors to visit Calderstones. Stuart would mention it at H & H committee. Phil reported that she had also been in touch with him.

Marshal reported that following the concerns expressed by the group and subsequently H & H committee regarding the use of beds at Clitheroe Hospital he had written to the EL Hospital Trust. Phil had also written. The response received referred to cost saving measures.

NHS LANCS – MENTAL HEALTH SERVICES - LANCASHIRE DEMENTIA SERVICES

Bridget introduced Rebecca Davis who gave a brief insight into the workings of the Dementia Services, the planned changes to mental health services and the planned statutory public consultation in early 2012 regarding proposed improvements to dementia services. She informed the group that dementia is now considered both a national and local priority and that there had been significant success in developing community services and keeping people out of hospital. Targets included 4 key areas

- Good quality early diagnosis, intervention and ongoing support
- Living well with dementia in care homes and the community
- Reduced use of antipsychotic medication
- Improved quality of care in general hospitals

The intention is to implement consistency across the service across the whole of Lancashire with future improvements including

- Access to specialist dementia assessment beds provided at the Harbour (Fylde coast) by Spring 2014 (30 beds)
- Advanced care beds provided at the Harbour (36 beds) by Spring 2014 and Pennine Lancs (Blackburn – 36 beds) by Oct 2013
- Extend intermediate support teams to a 7 day service
- Strengthen nursing home and hospital liaison

There was recognition that there would be a need for increased carer support – the consultation would seek views to help shape the support required to meet the needs of the carers affected. The consultation has yet to be started but it was anticipated to be for 12 - 16 weeks and an independent analysis would be undertaken by UCLan and then be presented to OSC and other stakeholders.

Marshal asked about the new dementia unit at Abbeyfield, Low Moor and the part it would play in the service. This would be used for intermediate care.

The working group were concerned that the reduction in hospital beds would be seen as a saving that would not then be transferred to the carers for extra support.

The site of the nearest dementia café was requested and Phil requested display materials for the Health centre. (SW to forward). Bridget also asked that the new Community Hospital in Clitheroe be considered to house some dementia services.

Bridget asked if the number of dementia patients in the Ribble Valley could be confirmed; what new services would be introduced into the community of Ribble Valley; and how much funding would be available.

Bridget thanked Rebecca and Susan for attending the meeting and invited them to return again in the future to share their findings following the consultation.

It was felt that it might be useful to invite representatives from Carers Link and CAB to a future meeting and hold a special session for all councillors about the NHS changes – health and well-being.

UPDATE FROM CHRIS HUGHES AND REVIEW OF THE HEALTH WORKING GROUP

Chris introduced this item by giving an update on the changes taking place in other Borough Councils in terms of new structures and working groups particularly in view of a rapidly changing environment within Public Health. A detailed discussion took place and it was agreed that the sub group should be reconfigured to ensure that the Council was fit for purpose in this new climate.

Chris attends meetings of the Health Improvement Group that are officer meetings with LCC who appear to be taking more of an interest with what is happening at District level. A formal consultation document had been received from LCC about delivering the public health reforms in Lancashire that needs a formal response from H & H committee – a sub-group would be formed to look at this initially and report to H & H committee on 22 March 2012.

Colin and Chris would draft a report for H & H to consider a way forward to deal with this that would look at terms of reference, core membership and co-opted members.

NHS REFORMS UPDATE

Bridget updated the group on progress during this transitional phase on the following:-

- Public Health Services and estimated funding allocation
- Shadow Health & Well Being Board first meeting held on 25 January 2012
- Clinical Commissioning Groups
- Health Watch England and Health Watch Lancashire

INFORMATION ITEMS

The following documents were circulated for information

- Older Peoples' Champion role definition and objectives
- National Older Persons Fire Strategy
- Minutes of the Oral Health Liaison Group
- Later Life Newsletter

AOB

None

DATE OF NEXT MEETING

The date of the next meeting would be notified. Marshal will invite a representative from LCC be to attend the next meeting.

Meeting finished 7.35pm

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO HEALTH & HOUSING COMMITTEE

Agenda Item No.

meeting date:THURSDAY, 22 MARCH 2012title:GENERAL REPORTsubmitted by:CHIEF EXECUTIVEprincipal author:JAMES RUSSELL, HEAD OF ENVIRONMENTAL HEALTH SERVICES

1 PURPOSE

- 1.1 To inform Committee of relevant issues which have arisen since the last meeting.
- 1.2 Relevance to the Council's ambitions and priorities:
 - Council Ambitions The following reports generally relate to the Council's ambitions to make people's lives healthier and safer.
- 2 FLOOD PROTECTION GRANT UPDATE RIBCHESTER
- 2.1 Further to my report to the last meeting of Committee, I am pleased to report that the Property Flood Protection scheme is continuing to make progress. Since the last meeting, the scheme has been out for quotations and tender and the contracts have recently been awarded.
- 2.2 Furthermore, the Environment Agency has agreed and provided additional funding in order to deliver a preferred 'Fit and Forget' scheme which provides an enhanced level of flood protection. Due to unavoidable delays in the tendering process and the need to seek additional funding, the scheme will run beyond the 31 March 2012 deadline. However the Grant funding is to be claimed in this financial year.
- 3 CLITHEROE MARKET UPDATE
- 3.1 Further to my report to the previous meeting of Committee, Frank Watson has retired on Saturday, 26 February after 15 years as the Market Superintendent. As part of the Council's financial savings the role has now been reduced from 37 to 17 hours. The post is to be advertised in the near future and a replacement officer appointed. Arrangements are in place for the post to be covered on a temporary basis by the existing relief Market Superintendents.
- 4 UPDATE ON PEST CONTROL INCOME
- 4.1 Further to my report to the previous meeting of Committee, the income from the introduction of the extended pest control service charges has resulted in an additional income in the order of £1000 between the beginning of October and 29 February 2012 (ie 5 months).
- 4.2 Feedback from residents continues to be generally positive and understanding of the measures, a few residents elect to receive advice and undertake their own treatments initially, in order to avoid incurring the related charges.
- 4.3 A responsive service continues to be provided by one part time officer on a 3 day per week basis. However, it is now intended to proceed and review the options relating

to the vacant part time post in order to address the backlog of proactive work and plan how to meet expected summer demands.

- 5 FOOD INSPECTION UPDATE
- 5.1 I am pleased to report the ongoing progress with regard to addressing the backlog of food premise inspections. To the end of February, a total of 333 'initial programmed' inspections had been undertaken with the remaining Category A C's (Higher Risk) being virtually completed. It is predicted that approximately 30 Category E (lowest risk) premises may remain outstanding at 31 March 2012. This being the case, these will be taken forward and added to the next year target.
- 6 LANCASHIRE DIRECTORS OF PUBLIC HEALTH ANNUAL REPORT 2010/11
- 6.1 The above report has recently been circulated by Lancashire County Council Joint Health Unit Team. For your assistance, I attach the introduction and conclusion as the Appendix to this report. The full document can be obtained from the following website –

www.eastlancspct.nhs.uk/about-us/annual-reports/additional/

- 7 RADIOACTIVITY IN FOOD AND ENVIRONMENT 2010
- 7.1 This is the 16th Annual Report on the monitoring of radioactivity in food and the environment. The report focuses on key information that shows that food is safe and the public's exposure to ionising radiation around the 39 nuclear sites around the UK is within legal limits.
- 7.2 The report generally concludes that levels monitored are either stable or continuing to reduce.
- 7.3 The environmental effects of Chernobyl continued to be monitored in 2010. There remain a total of 338 farms or part farms which are subject to restrictions (8 in England, 0 in Scotland and 330 in Wales), although 1 farm in Scotland has a conditional consent to ensure sheep are clean-grazed prior to slaughter. There are approximately 190,000 sheep within these restricted areas this represents a reduction of over 95% since 1986.
- 7.4 The accident at Fukushima-Daiichi nuclear power station in Japan in March 2011 resulted in significant quantities of radioactivity being released to air and sea. At the end of March 2011, elevated iodine-131 levels were detected in the UK. The Environment Agency, the Food Standards Agency, the Health Protection Agency (HPA), NIEA and SEPA increased the scrutiny of their environmental monitoring programmes and took additional samples where appropriate. The levels detected in the UK environment mean that there is minimal risk to public health in the UK from the release of radioactive material at the Fukushima-Daiichi nuclear power plant. Regular updates of monitoring data where hosted on the HPA website, and additionally SEPA have compiled a data report of all monitoring undertaken in Scotland. The report is available at :

http://www.sepa.org.uk/radioactive_substances/publications/other_reports.aspx

Full monitoring data results for the UK will be published in RIFE next year.

8 LICENCE TO EXPLORE FOR NATURAL GAS IN LANCASHIRE

- 8.1 You are probably aware of the recent reports in relation to the industrial process of 'fracking' of natural gas in Lancashire. The Department of Energy & Climate Change (DECC) has recently granted licences to 'explore for' natural gas and is considering 5 sites at present. Cuadrilla has been granted permission for exploratory drilling at 2 sites. If successful and licences for extraction are eventually granted, it could result in considerably more sites being necessary reaching across the Fylde coast reaching as far inland as Longridge.
- 8.2 Fracking is not a new process and has been used previously in the UK, but has experienced recent bad press linked to potential contamination of land. It is an established methodology and similar surveys are also being undertaken in Ireland and Poland. The outcomes of the exploratory licences granted in Lancashire will be used to influence national UK policy for other potential fields in Yorkshire, S Wales, South Downs, North Coast of Lake District and Central Valley of Scotland.
- 8.3 In Lancashire the process will consist of sinking a 4 inch borehole to a depth of 3 kilometres to access the underlying Bowland Shales. Water and sand with 1% additives then being injected at great pressure to fracture the rock to release the natural gas entrapped within the shales.
- 8.4 Planning permission will be required from Lancashire Council and the Health Protection Agency is currently preparing a position statement on this issue, which will be reported to this Committee when published.

CHIEF EXECUTIVE

For further information please ask for James Russell on 01200 414466.