



Guildhall Gainsborough
Lincolnshire DN21 2NA

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AGENDA

This meeting will be recorded and the video archive published on our website

Prosperous Communities Committee

Tuesday, 1st May, 2018 at 6.30 pm

Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA

Members:

- Councillor Mrs Sheila Bibb (Chairman)
- Councillor Mrs Gillian Bardsley (Vice-Chairman)
- Councillor Steve England (Vice-Chairman)
- Councillor Owen Bierley
- Councillor Christopher Darcel
- Councillor Michael Devine
- Councillor Paul Howitt-Cowan
- Councillor Mrs Pat Mewis
- Councillor John McNeill
- Councillor Mrs Maureen Palmer
- Councillor Mrs Lesley Rollings
- Councillor Trevor Young

1. **Apologies for Absence**
2. **Public Participation**
Up to 15 minutes are allowed for public participation. Participants are restricted to 3 minutes each.
3. **Minutes of Previous Meeting** (PAGES 3 - 11)
To confirm and sign as a correct record the Minutes of the Prosperous Communities Committee held on 20 March 2018.
4. **Matters Arising Schedule** (PAGES 12 - 15)

Setting out current position of previously agreed actions as at 23 April 2018.
5. **Members' Declarations of Interest**
Members may make any declarations at this point but may also make them at any time during the course of the meeting.

Agendas, Reports and Minutes will be provided upon request in the following formats:

Large Clear Print: Braille: Audio: Native Language

6. **Public Reports**

- i) Adoption of Schedule 4 of the Environmental Protection Act (Abandoned Shopping Trolleys) (PAGES 16 - 23)
- ii) Housing Enforcement Policy and Civil Penalties (PAGES 24 - 60)
- iii) Housing Assistance Policy 2018 - 2022 (PAGES 61 - 89)
- iv) Business Rate Growth Policy (PAGES 90 - 116)
- v) West Lindsey Commercial Loan Policy and Framework (PAGES 117 - 130)
- vi) Progress and Delivery (Period 4) (PAGES 131 - 161)

7. **Workplan** (PAGES 162 - 163)

Mark Sturgess
Head of Paid Service
The Guildhall
Gainsborough

Monday, 23 April 2018

Prosperous Communities Committee- 20 March 2018
Subject to Call-in. Call-in will expire 4.30pm on Friday 6 April 2018

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Meeting of the Prosperous Communities Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 20 March 2018 commencing at 6.30 pm.

Present: Councillor Mrs Sheila Bibb (Chairman)
Councillor Mrs Gillian Bardsley (Vice-Chairman) and
Councillor Steve England (Vice-Chairman)

Councillor Owen Bierley
Councillor Christopher Darcel
Councillor Michael Devine
Councillor Paul Howitt-Cowan
Councillor Mrs Pat Mewis
Councillor John McNeill
Councillor Mrs Maureen Palmer
Councillor Mrs Judy Rainsforth
Councillor Trevor Young

In Attendance:

Mark Sturgess	Executive Director of Operations and Head of Paid Service
Alan Robinson	Strategic Lead Governance and People/Monitoring Officer
Andy Gray	Housing and Enforcement Manager
Steve Leary	Commercial Waste Manager
Ady Selby	Strategic Manager Services
Grant White	Enterprising Communities Manager
Katie Coughlan	Senior Democratic & Civic Officer

Apologies: Councillor Mrs Lesley Rollings

Membership: Councillor Judy Rainsforth substituting for Councillor Lesley Rollings

103 PUBLIC PARTICIPATION

There was no public participation.

104 MINUTES OF PREVIOUS MEETING

(a) Meeting of the Prosperous Communities Committee – 30 January 2018

RESOLVED that the minutes of the meeting of the Prosperous Communities Committee held on 30 January 2018 be confirmed and signed as a correct record.

105 MATTERS ARISING SCHEDULE

Members gave consideration to the Matters Arising Schedule which set out the current position of all previously agreed actions as at 12 March 2018.

In reference to the green action entitled “Housing Strategy – Omitted Consultation Response” the Chairman verbally addressed the meeting and advised that, following the comments expressed at the last meeting, Officers had further investigated the situation. The consultation response which had been referred to, had in fact related to ongoing consultation regarding the Home Choices Letting Policy and not the Housing Strategy, which had been the subject of consideration. Therefore no amendments had been made to the Policy as a result.

RESOLVED that progress on the Matters Arising Schedule, as set out in the report, and the Chairman’s verbal comments, detailed above, be received and noted.

106 MEMBERS' DECLARATIONS OF INTEREST

Councillor Owen Bierley declared a personal, non-pecuniary interest in agenda item 6 i) – Parish Lighting Policy as he was a Trustee of Age UK Lindsey; Trustee and Committee Member of Keelby Sports Club and Member of Keelby Village Hall Committee, all of which could be affected by the proposed amendments to the Waste Services Policies.

Councillor Paul Howitt-Cowan declared a personal, non-pecuniary interest in agenda item 6 i) – Parish Lighting Policy as he was a Member of Corringham Village Hall Committee, which could be affected by the proposed amendments to the Waste Services Policies.

107 PARISH LIGHTING POLICY

Members gave consideration to a report which introduced a new Policy for Council owned Parish Lighting which aimed to ensure the Council’s inventory of Parish lights were maintained and managed effectively

As at 1st March 2018, the Council owned and maintained 1,068 parish lights across the district – these were distinct from street lighting which was the responsibility of Lincolnshire County Council, as the responsible Highway Authority.

The Council was in the early stages of a maintenance programme to move to LED lighting. This work would achieve running cost reductions on electricity and reduce maintenance costs. Furthermore the LED technology would reduce the environmental impact of parish lighting.

The proposed Policy provided direction and guidance on how the Council maintained parish

lighting, conducted reviews of existing lights and considered requests for new lighting installations.

The policy further introduced criteria for the Council's Parish Lighting and it was noted that the Council would only provide and maintain parish lighting where it met one or more of the criteria.

If adopted, the Council's Constitution would be amended to provide delegation to officers for determining Parish Lighting reviews and new requests as part of the Annual Review of the Constitution.

Debate ensued and in response to Members' questions Officers confirmed the conversion work would not result in the Authority receiving carbon credits. The exact cost of this work was unknown, as procurement had not commenced, however circa £150k had been earmarked within budgets. Officers further confirmed that they now had complete oversight of all parish lighting owned by the Council.

The Policy would be publicised and circulated to Parish Councils.

RESOLVED that the Parish Lighting Policy be approved.

108 WASTE SERVICES POLICIES

Members gave consideration to a report which proposed changes to the existing "Waste and Recycling Operational Policies" document which covered all refuse and recycling related services provided by the Authority. Members were asked to approve the Policy document including the introduction of formal waste collection charges for some categories of premise.

The report had been shared with the Lincolnshire Waste Services Partnership, as a key stake holder, the previous week, and no amendments had been proposed as a result.

Debate ensued and Members expressed concern that the Committee had met earlier in the year to set its fees and charges for 2018/19 and these had subsequently been approved by Council when setting the budget in March. There was also concern that many of the organisations who could potentially be affected by these new charges would have already set their budgets for the year also, without consideration of these charges and this could result in difficulties for them, it was suggested that greater consultation should have been undertaken with affected organisations, as had been the case with green waste charges. Whilst accepting that it was important that charges were based on a level playing field, reassurance was sought that a sympathetic approach would be taken towards these organisations, many of which helped the organisation deliver its corporate aims, and many of whom would have some form of charity status. There were also concerns that these charges would impact on the usage of village halls, which was considered counter productive. It was suggested a Fact Sheet should be available to Members to help them explain the changes to the community when questions arose.

In response to concerns raised and other comments expressed, Officers advised that a recent audit had identified approximately 66 village halls were using more than 1 black bin and were in fact hosting businesses, this created an unfairness around commercial waste

charges. All those affected had been contacted in advance and made aware that a charge may be levied in the future. No change in policy was being proposed regarding charity shops as charges were already levied for these services. Schools had been engaged with at very early stage and well in advance of any charges being introduced in order that they could budget effectively. Churches were exempt under national legislation. Village Halls used as community spaces or who hosted clubs and societies would only be charged if they made use of more than one bin. The intention of Paragraph 5 of Policy 24 was not to write to all organisations asking them to qualify for a free service, but did give the Authority the right to ask questions in the future, if the waste being presented from such a premise was excessive. The costs to introduce such charges would be minimal and the driver for charging was not one of income generation but of fairness and transparency.

It was also confirmed and clarified that the purpose of the report was not to set the fees, as these had been included with the Budget approved by Council on 5 March, but rather to determine how the agreed fees should be applied and to which premises through the application of a consistent policy approach. As such no subsequent report needed to be submitted to the Corporate Policy and Resources Committee.

RESOLVED that:

- (a) the proposed changes to the Waste and Recycling Operational Policies document, as outlined at Appendix 2 of the report, incorporating changes relating to the introduction of garden waste charges and the Controlled Waste Regulations 2012 be approved; and
- (b) the new charges be formally introduced from the dates specified in Appendix 3 of the report.

Note: During consideration of the above item Councillor John McNeill declared a personal non-pecuniary interest as he was the Independent Examiner of Accounts for St. Thomas' Church, Market Rasen.

Note: Councillors Trevor Young and Judy Rainsforth requested that their vote against the above decision be recorded.

109 GAINSBOROUGH MARKET - EVENTS AND TRADERS' TERM AND CONDITIONS

The Committee gave consideration to a report which sought to update Members in respect of progress made with investigating options for the future delivery of Gainsborough Market. The report also recommended a programme of events to be held during 2018 to support the market, the introduction of a new payment method for traders and minor amendments to the Traders terms and Conditions to give clarity on the types of traders permitted to trade.

In presenting the report Officers advised they had been engaging with colleagues in Lincolnshire Procurement and Lincolnshire Legal Services to identify a way forward with procuring a partner organisation to deliver the Market. In the meantime work to stabilise and improve the market continued. A new Officer had taken over day to day operations of the market, resulting in a greater presence on site on market days. The team had been working

closely alongside the communications team to increase the presence on social media. Income was slightly up on last year and costs were reducing although the level of income stated in the MTFP was not expected to be achieved.

A Full Communications Plan (using internal council resources) was in development however a short term strategy (to cover the financial year 2018/19) had been developed which included the events listed in the report, and to which the Gainsborough Independent Traders Group had agreed to offer £2.5k towards funding. It is anticipated that this will be developed by any partner secured through the procurement exercise in subsequent years.

The rationale behind the change in payment method and the trader mix was explained.

In the debate that followed members expressed concern that the number of stalls continued to reduce and therefore questioned how income was up. To limit the trader mix was also considered to be a risk given the limited number of traders already operating. Information was sought as to the level of debt which currently existed amongst traders. The problems which had arisen as a result of the current invoicing system were shared with the Committee and the change in methodology was therefore welcomed.

The events programme was supported in principle, however Members again urged that there needed to be some measurable outcomes against which success could be assessed. If these events were about supporting the market and its Traders then there needed to be measures in place to assess this. Furthermore these benefits needed to last longer than the day itself. Examples of such measures were offered.

Officers responded offering assurance that historical debt was being dealt with. The traders had been consulted on the proposed changes and planned events and the feedback Officers had received directly from them was that they were supportive. It was accepted that a longer term strategy was required, however in light of the decision made by the Committee at its December meeting, this would be considered as part of any procurement process. Officers also accepted measures of success needed to be, and would be developed and that the events needed to bring longer term benefits, weeks after. However it was emphasised that a short term stabilisation programme was required, and the events and measures proposed in the report were part of this, if the Authority was to be successful in any procurement exercise.

The Committee congratulated the recently appointed Markets Manager for the improvements he had made to date, and continued make, and commented on the 110% effort displayed.

In response to further comments Officers again reiterated that benchmarking would be put in place and the trader list would have the flexibility to accommodate bespoke stalls in support of events. All of the proposals were part of the short term stabilisation strategy, to ensure the market continued whilst the procurement exercise was being further explored. It was important the Authority had a product, the market, to sell in the future. Additional funding was not being requested as the events could be funded from earmarked reserves contained within existing budgets controlled by this Committee.

RESOLVED that:

- (a) Officers be tasked with arranging those events specified at Section 3.1 of the report;
- (b) a “pay on the day” methodology be introduced as soon as it becomes available;
- (c) limits on the number of specific traders, as detailed in Section 5 of the report be introduced; and
- (d) the Traders Term and Conditions be amended to reflect the above decisions.

110 CORPORATE ENFORCEMENT POLICY

Members gave consideration to a report which presented a revised Corporate Enforcement Policy for adoption. The Corporate Enforcement Policy had last been updated in 2010 and the report provided a brief overview of the Policy content and the main areas in which it had been updated.

The Policy was clear that the Council, in undertaking its duties, in line with the Regulators Code, would: -

- Carry out its activities in a way that supported those that it regulated to comply and grow;
- Provide simple and straightforward ways to engage with those that it regulated
- Base its regulatory activities on risk
- Share information about compliance and risk
- Ensure that clear information, guidance and advice was available to help those that it regulated to meet their responsibilities to comply
- Ensure that its approach to regulatory activities was compliant.

The main amendment to the Policy related to a revised section on “Shared Regulatory Role”, in order to reflect the change in partnership working that had occurred in relation to enforcement and the proactive approach adopted with regards to other enforcement agencies.

In the following debate Members welcomed the Policy. Members questioned whether a person’s previous history would be a contributing factor in determining what level of action the Authority would take and offered potential scenarios in explanation.

Officers confirmed that circumstances of repeat offences would be taken into consideration and may alter the course of action the Authority chose to take. It was suggested that this needed to be made clearer in the Policy to avoid any risk of challenge. However Members were happy to leave the exact wording to be included at the discretion of Officers.

Officers undertook to include a statement to such effect and would report back through the next matters arising report, the additional wording that had been incorporated.

RESOLVED that the Corporate Enforcement Policy as set out Appendix 1 of the

report be adopted, to come into effect from 1 April 2018, subject to the additional wording referenced above being incorporated.

111 LOCAL ENFORCEMENT PLAN (PLANNING ENFORCEMENT)

Members gave consideration to a report which presented a revised Local Enforcement Plan (previously known as the Planning Enforcement Policy) for adoption.

The report also provided information in response to the Development Management Audit report, completed in September 2017, within which the Planning Enforcement Service had received limited assurance. Section 2 of the report referred and outlined the recommendations which had been made and actions which had been implemented in response.

The Enforcement Plan set out the approach that would be taken when dealing with Planning Enforcement matters.

In amending the Policy consideration had been given not only to the recommendations made through the Audit but also to feedback received from Elected Members, detailed at Section 4 of the report, and comments made through the Challenge and Improvement Committee, when pre-scrutinising the Plan.

The proposed policy amendments, detailed at Section 5 of the report, were highlighted to the Committee and the rationale for each amendment explained in detail. Members' attention was particularly drawn to Section 6 of the Policy which set out the "Level of Impact" and the types of activity which sat under each level. The response standards and timescales which applied to each impact level were detailed at Section 6.3.

Debate ensued and Members again re-iterated the importance of Member /Officer communication regarding enforcement matters.

RESOLVED that:

- (a) the responses given in regards to the Planning Enforcement audit be noted; and
- (b) the Local Enforcement Plan, as set out in Appendix 1, be approved to come into effect from 1 April 2018.

112 MEMBER CHAMPIONS REVIEW

Members gave consideration to a report which proposed changes to the way in which Member Champions would report back to fellow members, and the way in which the appointments were structured. The report had arisen following a request from the Committee at its June meeting. Work had been carried out to review the roles with Lead Officers and Members arising from which a role description had been developed. The role description would be put forward for inclusion as part of the Annual review of the Constitution and Members comments on this were sought.

Members welcomed the role description as they considered the role of Member Champion needed to be better recognised by Officers, indicating that this had not always been the case.

Members sought clarity as to whether in fact, in light of the information contained in Section 2.2 of the report and recommendation number two, the proposal was to have no Member Champions, if in fact all the areas mentioned at 1.1 of the report were already covered within the remit of a Committee.

Officers clarified the intention of the proposal and apologised for the confusion and inaccuracy within the report.

It was considered that having Member Champions in areas where the function was already listed within the remit of a Committee had led to confusion, with Officers sometimes being unclear as to who they should approach regarding a particular matter. This was something an earlier speaker had made reference to and one of the reasons it had been recognised that the development of a role description and a review of the areas covered by Member Champions was required.

RESOLVED that:

- (a) the number of Member Champions be reduced from the start of the 2018/19 civic year;
- (b) from the start of the 2018/19 civic year, to not nominate Member Champions for areas where a committee Chair or Vice-Chair already has responsibility;
- (c) from the start of the 2018/19 civic year, updates be received from Member Champions every 6 months via the West Lindsey newsletter;
- (d) the Areas that Member Champions are responsible for be reviewed again in May 2019; Member Champion roles to be determined for the first meeting(s) of the 2018/19 civic year for both Corporate Policy and Resources and Prosperous Communities; and
- (e) the proposed role description attached at Appendix 4, be **RECOMMENDED** to the Governance and Audit committee for inclusion and adoption as part of the Annual Review of the Constitution.

113 WORKPLAN

Members gave consideration to the Committee Work Plan.

It was noted that the Lead Officer and Committee Chairman would be meeting in the coming weeks to start to identify key reports for the 2018/19 civic year.

RESOLVED that the Work Plan as set out in the report, be received and noted.

The meeting concluded at 8.09 pm.

Chairman

Prosperous Communities Matters Arising Schedule

Purpose:

To consider progress on the matters arising from previous Prosperous Communities Committee meetings.

Recommendation: That members note progress on the matters arising and request corrective action if necessary.

Matters arising Schedule

Status	Title	Action Required	Comments	Due Date	Allocated To
Black					
	housing strategy - omitted consultation response	extract from minutes of mtg 30/1/18 c) the additional consultation response, referred to in the debate, be further considered by Officers and delegated Authority be granted to the Executive Director for Commercial and Economic Growth, in consultation with the Chairman of the Prosperous Communities Committee to make any necessary amendments to the Strategy, as a result.	The Chairman will verbally respond to this action at the meeting on 20/03/18. In reference to the green action entitled "Housing Strategy – Omitted Consultation Response" the Chairman verbally addressed the meeting and advised that, following the comments expressed at the last meeting, Officers had further investigated the situation. The consultation response which had been referred to, had in fact related to ongoing consultation regarding the Home Choices Letting Policy and not the Housing Strategy, which had been the subject of consideration. Therefore no amendments had been made to the Policy as a result.	20/03/18	Mark Sturgess

	CORPORATE ENFORCEMENT POLICY	<p>extract from mins of mtg 20/3/18</p> <p>Officers confirmed that circumstances of repeat offences would be taken into consideration and may alter the course of action the Authority chose to take. It was suggested that this needed to be made clearer in the Policy to avoid any risk of challenge. However Members were happy to leave the exact wording to be included at the discretion of Officers.</p> <p>Officers undertook to include a statement to such effect and would report back through the next matters arising report, the additional wording that had been incorporated.</p>	<p>The wording in bold was added to the Policy : -</p> <p>Each case is unique and must be considered on its own merits. The criteria the Council will consider includes:</p> <ul style="list-style-type: none"> • The seriousness of the offence • Whether the offence has caused harm or is likely to cause harm • The history of the activity • The confidence in achieving compliance • The consequences of non-compliance • The likely effectiveness of the various enforcement options • The ability of any witnesses and willingness to co-operate • The public benefit of any proposed action • The compliance history and any previous formal action taken against the individual or owner • These criteria are not exhaustive and it does not mean that all factors must be in favour of enforcement action rather than on consideration that the balance is in favour 	30/04/18	Andy Gray
Green					
	CIL PARISH COUNCIL TRAINING	This matter has been referenced 21 March 17. and May 2017	training will be organised after the adoption of CIL	12/05/18	Rachael Hughes

	Waste Services Policy	extract from minutes 20/03/18 It was suggested a Fact Sheet should be available to Members to help them explain the changes to the community when questions arose.	(blank)	30/04/18	Ady Selby
	parish lighting policy	extract from mins of meeting 20/3/18 The Policy would be publicised and circulated to Parish Councils	(blank)	01/05/18	Grant White

Agenda Item 6a



**Prosperous Communities
Committee**

Date 1st May 2018

**Subject: Adoption of Schedule 4 of the Environmental Protection Act
1990 (Abandoned Trolleys)**

Report by:

Head of Paid Service
Mark Sturgess

Contact Officer:

Andy Gray
Housing and Environmental Enforcement
Manager

Purpose / Summary:

To present the results of a public consultation, and to outline the recommendation which will be made to Committee on the adoption of schedule 4 of the Environmental Protection Act 1990 (hereafter 'the EPA', or 'the Act') and the charges proposed, to apply in Gainsborough.

RECOMMENDATION(S):

Elected Members are asked to:

- a) Adopt Schedule 4 as per the proposal in appendix A to come into effect on the 17th August 2018.

IMPLICATIONS

Legal:

The provision for adopting this schedule is provided with the Environmental Protection Act 1990, schedule 4.

The legal requirements as stated in the Act have been complied with. Previous legal challenges in other areas of the country have not been upheld.

Financial : FIN/16/19

There is a proposed charge for each trolley collected of either £75/£100. The charge has been included in the fees and charges report for 2018-19, any income raised from the new charges will be credited to the cost centre. There is currently no budget built in to the cost centre for the trolley charge, this will be reviewed and implemented in 2018/19 once income levels have been analysed.

Staffing :

There are no staffing implications within this report.

Equality and Diversity including Human Rights :

No issues noted

Risk Assessment :

Climate Related Risks and Opportunities :

None noted

Title and Location of any Background Papers used in the preparation of this report:

None.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Introduction

- 1.1. Reports of abandoned shopping trolleys in and around Gainsborough have been ongoing for a number of years. These reports are made by residents, elected members, waste services and other users of the Town.
- 1.2. Various methods have been considered in the past to try to resolve this but with no firm actions taken. The general approach has been for waste services to collect the trolleys and store them at the depot until the supermarkets collect them.
- 1.3. The visibility of abandoned shopping trolleys in the streets has a damaging effect on the amenity of the area, making it look neglected and untidy, as well as attracting dumped waste and fly tipping.
- 1.4. In August 2017 waste services recorded all trolleys collected in Gainsborough over a number of weeks. This showed that waste services were collecting up to 40 trolleys a week, most of which were located in Gainsborough South West Ward. This was not a proactive collection, just those picked up in day to day work. This level of work for the waste services team and lack of responsibility being taken by supermarkets was not considered sustainable or acceptable.
- 1.5. Officers have attempted to engage with the supermarket which is believed to be responsible for the majority of trolleys being collected. Attempts to come to a voluntary agreement to improve things in the area have failed. The idea of coin locks, physical barriers and regular collections were discussed and some agreements made, however after following up in writing none of these commitments came to fruition and the issue has continued.
- 1.6. A tally in February 2018, during the consultation period, saw 43 trolleys collected in one week showing that the problem is persistent and ongoing, and that, though opportunity has been given and the problem publicly highlighted, no steps have been taken to try to reduce the issue.

2. Legal Basis

- 2.1. Schedule 4 to Section 99 of the Environmental Protection Act 1990 gives councils the option to put in place a scheme that enables them to charge the supermarkets a fee for each trolley it has to collect. The legislation puts some regulations in around how the process must operate, including timescales that need to be followed and these have been covered in our proposed scheme.
- 2.2. The proposed scheme has been drawn up given the continuance of the issue and lack of engagement by supermarkets to help us resolve the situation informally.

2.3. The purpose of the proposed scheme is not to provide an income to the council or financially penalise the supermarkets, but to incentivise steps to prevent the trolleys being taken in the first place, and to cover costs to the council when trolleys have to be collected. This scheme has been used elsewhere in the country and has been hugely successful in reducing the numbers of trolleys being taken and abandoned.

2.4. The proposed scheme may be found at Annex A.

3. Consultation and outcome

3.1. The legislation requires consultation with those likely to be affected by introduction of the scheme. To cover this we have carried out a full public consultation, open for 6 weeks and available via our website, social media and in reception.

3.2. The story has also been covered extensively in local press, on local radio and TV. Elected members, the Town Council and other key stakeholders have been contacted directly by email with a link to the consultation documents.

3.3. All supermarkets offering shopping trolleys in Gainsborough, and their head offices, were contacted directly by post with a copy of the survey.

3.4. Two surveys were developed, one for supermarkets and one for everyone else. These were available electronically and in paper format.

4. Survey Outcomes

4.1. The results from the survey are shown below:

How does your shop currently try to prevent the theft of shopping trolleys?

Coin locks	12 responses	(63.2%)
Wheel locks	1	(5.3%)
Security guards	1	(5.3%)
Physical barriers	0	
No prevention	9	(47.4%)

Do you think the theft and abandonment of trolleys is an issue for your store?

Yes	13	(65%)
No	6	(30%)
Unsure	1	(5%)

Do you think WLDC should adopt schedule 4?

Yes	13	(65%)
No	7	(35%)
Unsure	0	

Do you agree with the proposed charges?

Yes	10	(50%)
No – should be lower	4	(20%)
No – should be higher	1	(5%)
No – no cost	5	(25%)

Survey for all other stakeholders

Are you?

A local resident	32	(97%)
An elected member (town, 0 District, county)	0	
A statutory agency	1	(3%)
Other:		
Work in Gainsborough	1	
Daily visitor	1	

Do you think abandoned shopping trolleys are an issue?

Yes	29	(82.9%)
No	4	(11.4%)
Unsure	2	(5.7%)

Do you think WLDC should adopt schedule 4?

Yes	27	(77.1%)
No	8	(22.9%)
Unsure	0	

Do you agree with the proposed charges?

Yes	20	(57.1%)
No – should be lower	2	(5.7%)
No – should be higher	6	(17.1%)
No – no cost	7	(20%)

4.2. Gainsborough Town Council completed the survey and also confirmed by email that its members had unanimously agreed to support the proposals.

4.3. There were a large number of comments included on both surveys; some show support for the scheme and others do not. A large number feel that more should be done against those who actually take the trolleys, however this may be something out of the control and influence of the council.

4.4. In some instances residents completed the survey which was designated for the supermarkets, therefore we are not able to establish the overall

perception of the supermarkets. Within the consultation period only two supermarkets responded, one was for the scheme and one against.

4.5. Overall, 83% of residents that responded felt that abandoned trolleys were an issue; 77% felt that the Council should adopt schedule 4 and 57% agreed with the proposed charges.

5. Other Information

5.1. By legislation the scheme cannot come in to force until a minimum 3 months after the date of agreement to adopt, therefore the recommended start date would be Monday 6th August 2018.

5.2. All supermarkets will be written to as soon as is practicable after the decision to adopt is made (if made), so that they have suitable time to prepare and take any steps they deem necessary to prevent the removal of trolleys from their store prior to charges coming in to force.

5.3. Internal processes will be developed to ensure compliance with the legislation and smooth running of the scheme.

5.4. Waste services will continue to collect the trolleys and enact the charging schedule and associated process should the order be made.

Appendix A – Proposed scheme

West Lindsey District Council Schedule 4 EPA 1990 scheme

Scope

Trolleys found abandoned in Gainsborough will be seized by West Lindsey District Council ('the council') and removed to the council depot in Gainsborough for storage.

Once a trolley has been seized the council will notify the owner, if identifiable, within 14 days. If the owner claims the trolley, the council will deliver the trolley back to the store once the payment for release has been made.

If the trolley is not claimed or payment not received the council will store the trolley for 6 weeks, after which the trolley will be disposed of. The owner will be charged for the costs of recovery, storage and disposal.

If no owner can be identified the council will store the trolley for 6 weeks, then dispose of it. The scheme will apply to all supermarkets who supply shopping trolleys in Gainsborough.

Charges

Our charges are set out below (stated fee is per trolley):

- | | |
|--|------|
| - Trolley recovered, claimed and paid for, and returned to store | £75 |
| - Trolley recovered, claimed but payment not received, trolley disposed of after 6 weeks | £100 |
| - Trolley recovered, unclaimed by owner, trolley disposed of after 6 weeks | £100 |
| - Trolley recovered, owner cannot be identified and no claim made, disposed of after 6 weeks | £0 |

Debtor invoices will be raised in all cases, and where payment is not received, the council will recover via civil debt recovery.

Agenda Item 6b



**Prosperous Communities
Committee**

Date 1st May 2018

Subject: Housing Enforcement Policy and Civil Penalties

Report by:

Head of Paid Service
Mark Sturgess

Contact Officer:

Andy Gray
Housing and Environmental Enforcement
Manager

Purpose / Summary:

To seek approval for the revised housing enforcement policy and the newly proposed civil penalties policy

RECOMMENDATION(S):

Elected Members are asked to:

- a) Approve the updated Housing Enforcement Policy to come into effect from the 21/5/18
- b) Approve the Housing Enforcement Civil Penalties Policy to come into effect from the 21/5/18

IMPLICATIONS

Legal:

Section 126 of the Housing and Planning Act 2016 allows financial penalties to be imposed as an alternative to prosecution for certain offences. Schedule 9 of the Act amends the Housing Act 2004 including the providing of a new section 249a which covers financial penalties as an alternative to prosecution.

Financial : FIN/17/19

There are no financial implications in regards to the approval of the policies within the document.

The Housing Enforcement Policy is currently in operation and is being updated as a result of the Housing and Planning Act 2016.

The Civil Penalties Policy will enable the Council to issue financial penalties directly to landlords who commit certain offences.

Any income received from these penalties will be used to offset costs which may include additional legal costs incurred through the hearing of appeals and seeking of court orders.

It is proposed any income generated above total cost will be considered for investment in private sector housing statutory enforcement functions, should this be required.

Staffing :

Existing officers within the work areas will be delegated to use these new powers and issue the relevant civil penalties

Equality and Diversity including Human Rights :

No issues noted

Risk Assessment :

Income derived from Civil Penalties – there is no guarantee that payment of a civil penalty will be made by the person it has been issued to. As a result the Council would need to seek a court order for payment, which will incur additional costs.

Mitigation – the Council has processes in place in regards to the recovery of debt and it is expected that the cost of current legal processes for lower level offences would be minimised and enable this action to be taken at no additional cost.

The First Tier Tribunal – the appeal of Civil Penalties and Rent Repayment Orders are considered by the First Tier Tribunal. This tribunal has the power to quash, confirm, increase or reduce the civil penalty and its decisions are currently untested.

Mitigation – any arising case law will be considered and cases will be developed to the same burden of proof as per our current criminal investigations.

Climate Related Risks and Opportunities :

None noted

Title and Location of any Background Papers used in the preparation of this report:

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

1. Purpose of report

1.1. To seek approval for the revised Housing Enforcement Policy and a new policy charging of civil penalties for certain offences under the Housing and Planning Act 2016.

2. Background

2.1. The revised policies reflect the new powers given to local authorities (under the Housing and Planning Act 2016) to impose civil penalties of up to £30,000 on individuals and organisations as an alternative to a traditional prosecution.

2.2. In order to introduce the new policy, the existing Housing Enforcement Policy 2015 has been updated to incorporate the new legislation and is included within this report for approval.

2.3. The introduction of civil penalties is one of a number of measures covering a wide range of offences that will enable the Council to continue to tackle criminal and irresponsible landlords and to improve the standard of housing in the private rented sector.

3. The Housing and Planning Act 2016

3.1. The Government is continuing in its efforts to crack down on rogue landlords and the measures within the Housing and Planning Act 2016 have been put in place to enable local authorities to enhance their abilities to deal with them. Within the Act the following provisions have been made:

- Civil penalties of up to £30,000 as an alternative to prosecution for certain offences (came into force on 6 April 2017)
- Extension of rent repayment orders to cover illegal eviction, breach of a banning order, failure to comply with an improvement notice and certain other specified offences (came into force on 6 April 2017)
- Database of rogue landlords and property agents who have been convicted of certain offences or received multiple civil penalties
- Banning orders for the most serious and prolific offenders

3.2. Guidance in relation to civil penalties and rent repayment orders can be found here <https://www.gov.uk/government/publications/civil-penalties-under-the-housing-and-planning-act-2016>

3.3. In relation to civil penalties and rent repayment orders, local authorities are permitted to retain the income this received from them and to use that income to fund private sector housing enforcement statutory functions. There is no scope for the defined use within this work area and in the short term any income would be used to offset the existing budget costs incurred, which would include any increased legal fees in relation to the work area.

4. Housing Enforcement Policy

4.1. The main amendment to this policy reflects the addition of Housing and Planning Act 2016 legislation. This is referred to within the policy as shown in appendix 1.

4.2. This policy, in line with the Corporate Enforcement Policy outlines the Council's approach to enforcement, explains what action we can and cannot take and the factors we will consider when undertaking these duties. The Council's actions will be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed.

5. Civil Penalties

5.1. The introduction of civil penalties provides an alternative and potentially more useful sanction local authorities. It enables consideration to be given in regards to approach taken to deal with some landlords, could reduce lengthy legal processes and provides a very clear framework for the level of penalty in relation to the level of offence and harm.

5.2. There are only certain offences, relating to certain sections of the Housing Act 2004, where the use of a civil penalties will be permitted. These are as follows:

- **Section 30 – Failure to comply with an Improvement Notice**
- **Section 72 – Offences in relation to licensing of Houses in Multiple Occupation (HMO)**
- **Section 95 – Offences in relation to licensing of houses under Part 3 (inc. Selective Licensing)**
- **Section 139 – Offences of contravention of an overcrowding notice**

- **Section 234 – Failure to comply with management regulations in respect of HMOs**

5.3. The maximum civil penalty amount that can be imposed for an offence is £30,000. The Council's local policy should set out how the level of the penalty is determined. The policy is shown in Appendix 2. The level of fine is affected by the severity and harm of the particular case.

5.4. The guidance in regards to civil penalties is very clear that the same standard of proof is required for a civil penalty as for a prosecution. In line with the Council's approach to enforcement, it is essential to ensure that with any penalty issued, there is a realistic prospect of conviction if the case as taken to a magistrates court. This would require the Council to demonstrate beyond reasonable doubt that an offence has been committed.

5.5. A civil penalty can be appealed by the landlord via the First Tier Tribunal (FTT). Where an appeal is made the tribunal are confirm, vary (increase or reduce) or quash the civil penalty. Decisions made by the FTT can be appealed further to the Upper Tribunal and there is specific guidance for how an appellant would go about doing this. During any appeals the civil penalty is held in abeyance and no recovery of it can be undertaken.

5.6. The Council's current approach to enforcement would not change as a result of the revised policy being introduced and we would continue to investigate offences in the usual, robust manner to enable the appropriate decision to be made in regards to the issue of a civil penalty or prosecute at the appropriate point within the case.

5.7. Given the way this legislation has been set up, the Council will always look to issue a civil penalty in the first instance, expect in cases where there is a severe or high risk of harm or where the public interest is such to justify a prosecution. This approach would be subject to the specific case and the discretion of the authorising officer in each instance.

6. Rent Repayment Orders

6.1. There is already provision within the Housing Act 2004 and the Housing Enforcement Policy to make rent repayment orders to cover situations relating to the failing to obtain a license for a HMO and offences relating to the licensing of a HMO.

6.2. These orders are made by the First Tier Tribunal and can require a landlord to repay a specified amount of rent back to the Council or the tenant, which can be up to 12 months' rent.

6.3. The provision for rent repayment orders has now been extended to cover additional offences under the Housing and Planning Act 2016. These offences are as follows:

- **Failure to comply with an Improvement Notice (under section 30 of the Housing Act 2004)**
- **Failure to comply with a Prohibition Order (Under section 32 of the Housing ACT 2004)**
- **Breach of a banning order made under section 21 of the Housing and Planning Act 2016**
- **Using violence to secure entry to a property (under section 6 of the Criminal Law Act 1977)**
- **Illegal eviction or harassment of the occupiers of a property (under section 1 of the Protection from Eviction Act 1977)**

6.4. Orders can be granted to either the tenant or the local housing authority, depending on who paid the rent. The repayment or rent via an order is distributed to the person or body that paid the rent in the first instance, or where it was shared in an equitable manner.

6.5. A rent repayment order can be made against a landlord who has received a civil penalty, but only at a time when there is no longer any prospect of the landlord appealing against the penalty. The Government has made clear the local authorities must always consider a rent repayment order after a civil penalty has been successfully imposed.

6.6. There is also an expectation that local authorities will help, support and advise tenants who wish to pursue rent repayment orders.

7. Consultation

7.1. The Council carried out consultation on the proposed Civil Penalties Policy between the 9th March and 20th April 2018. This consultation was shared locally via the Council's websites and social media accounts and was also directed to local letting agents.

7.2. The consultation generated 16 responses and the main findings were as follows:

- 81% of respondents agreed that the council should implement the policy
- 100% of respondents agreed that landlords should be fined
- 63% of respondents agreed that the proposed fines were fair

The comments received within the survey responses covered broadly the following positive aspects;

- That the proposals do not go far enough.
- Penalties should be added where landlords generally do not look after the property.
- Make public the rogue landlords fined

The comments received within the survey responses covered broadly the following negative aspects;

- Concerns that too much power was being placed in the Council's hand and that it could be abused.
- Too much use of the term rogue landlord by the Council and generally, which is adding to a stigma already in place.
- Belief that the court should decide sanctions, not the Council.

7.3. Based on the above and taking into consideration the comments there are no proposals to make any amendments to the policy.

8. Timescales

8.1. Provision for civil penalties has already been made within the fees and charges schedule for 18/19, therefore it is proposed to commence the issuing of civil penalties from the 21st May 2018, subject to Committee approval.

Housing Enforcement Policy

1. Background

1.1. The Council aims to ensure that all citizens of West Lindsey have a home that is safe, secure, dry and not overcrowded. We recognise that a thriving housing market is essential for us to achieve this aim, and will support the majority of landlords and property owners who co-operate with us. This policy, alongside the Corporate Enforcement Policy, outlines how the council will use appropriate enforcement powers to ensure that all owners comply with their statutory obligations.

2. Definition for the purpose of the Policy

Term	Meaning
Proportionality	Relating enforcement action to the risks posed by the condition or situation and the likely benefits achieved by compliance.
Consistency	Taking a similar approach in similar circumstances to achieve similar ends. Enforcement action will be similar regardless of the tenure and location.
Targeting	While ensuring we respond to any unsafe housing and nuisance, we will pro-actively use enforcement action in high risk situations of occupation, and areas with the highest level of unsafe, empty dwellings, disrepair and poverty.
Transparency	Helping all members of the community, who we come into contact with, to understand their rights and responsibilities.
Hazard, category 1	Defined in Section 2 of the Housing Act 2004. A deficiency which has been calculated under the Housing Health and Safety Rating System to be highly likely to cause serious harm.
Hazard, category 2	Defined in Section 2 of the Housing Act 2004. A deficiency which has been calculated under the Housing Health and Safety Rating System to be likely to cause harm.
Statutory Nuisance	Defined in Section 79 of the Environmental Protection Act 1990. A certain type of defect which is prejudicial to health and/or a nuisance.

3. Policy Statement

3.1. The Council will use all available and appropriate legislation to ensure that the housing stock in West Lindsey is safe, maintained in good repair and well managed. The Council will also use appropriate legislative powers to improve housing standards, reduce the impact of empty homes, and to ensure dwellings do not fall under the definition of a statutory nuisance. Where we take enforcement action to gain compliance with the law, it will be proportionate, consistent, targeted, transparent and in line with Statutory Obligations.

4. Statutory Obligations

4.1. The Council has a statutory duty to take action to remove Category 1 Hazards as per the Housing Health and Safety Rating System (HHSRS) and housing conditions that fall under the definition of a statutory nuisance. The Council must also run a licensing scheme for certain types of high risk houses in multiple occupation (HMO). Various acts of Parliament also give the Council discretionary powers to resolve unsatisfactory conditions in houses, HMOs and flats, and to reduce the impact of long term empty properties. This policy summarises how the Council will satisfy its legal duties and responsibilities.

4.2. The Council is fully committed to being fair, independent and objective. In particular, all officers will serve the community equally and fairly, in accordance with our generic Equality Policy.

4.3. The Council's overall approach to enforcement is set out in the Corporate Enforcement Policy.

5. Approach to Enforcement

5.1. In deciding the course of enforcement it will take, the Council will have regard to circumstances including, but not restricted to, those below:

- The statutory obligations of the Council
- The seriousness of the offence
- The general record of the offender
- The consequences of non-compliance
- The frequency of the offence
- Public interest and concern
- The likely effectiveness of the various enforcement options
- Whether the landlord is a member of a private sector accreditation scheme
- Whether grant funding has been paid to provide or repair the item or element concerned
- The views of tenants and occupiers
- The views of other organisations including the police, fire and rescue service, social services etc.
- Whether the property needs to be licensed under a mandatory, additional or selective licensing scheme.
- Whether empty homes have been identified as a local priority.

- Whether the tenant has made a written request to the landlord for works to be completed and the landlord has failed to do so in a reasonable timescale
 - The effect on a tenant's security of tenure of serving a hazard awareness notice or improvement notice
- 5.2.** Enforcement decisions must be consistent, balanced, and fair and relate to common standards to protect public health and safety, economic wellbeing or the environment. Each case is unique and must be considered on its own merits.
- 5.3.** Where action must be taken to deal with a Category 1 Hazard, or conditions that are prejudicial to health as defined by Section 79(1) of the Environmental Protection Act 1990, the Council will not be limited to informal enforcement methods.
- 5.4.** Officers taking any action will distinguish between legal requirements and matters which are recommended as good practice.

6. Enforcement Options

The options available to the Council are as follows;

6.1. Informal Action

- 6.1.1. This may include the offering of advice; verbal warning and requests for action; written correspondence or the removal of the landlord from an accreditation scheme.

The circumstances in which informal action may be appropriate include:

- Where informal action has resulted in compliance in the past
- Where the owner is likely to comply
- Where non-compliance will not result in a significant risk to occupiers or the public, or the violation is of a minor technical nature
- Where we consider that informal action will be more effective than formal action

- 6.1.2. Any informal written documents asking owners to comply with legal requirements will:

- Contain all the information needed to understand what work is required and why the work is necessary;
- Show the law which has been broken and measures that will satisfy the legal requirements, and explain that the owner may choose other ways to achieve the same effect;
- Clearly show any recommendations of good practice, to show that they are not a legal requirement

- 6.1.3. If informal methods of enforcement are unsuccessful, formal action will be taken

6.2. Formal Enforcement

6.2.1. Formal action may include:

Action under the provisions of Part 1 of the Housing Act 2004 to:

- Serve an improvement notice under section 11
- Serve a suspended improvement notice under section 14
- Make a prohibition order under section 20
- Make a suspended prohibition order under section 23
- Serve a hazard awareness notice in accordance with section 28
- Take emergency remedial action under section 40 or
- Make an emergency prohibition order under section 43;

6.2.2. Other formal action available may be in the form of;

- The refusal to grant or the revocation of a licence under Parts 2 & 3 of the Housing Act 2004. All matters relating to selective licensing under Part 3 of the Housing Act 2004 and the factors affecting decisions to grant a licence or otherwise will be laid out in the designation of any scheme that is made.
- The making of management orders under Part 4 of the Housing Act 2004
- The making of orders under the provisions of the Housing Act 1985, as amended
- The service of an abatement notice under the Environmental Protection Act 1990
- The service of Statutory Notices under the provisions of other legislation, including but not limited to the Prevention of Damage by Pests Act 1949 and the Local Government (Miscellaneous Provisions) Act 1982
- The making of a Compulsory Purchase Order under the Housing Act 1985 or other legislation
- Works in default of completion by an owner, agent, person responsible, manager or occupier
- Simple caution
- Prosecution
- Issuing of civil penalty

6.2.3. The Council can also serve Statutory Notices or Orders where:

- Conditions are present which are a Category 1 Hazard
- Conditions are present which are a Category 2 Hazard of Band D & E
- Conditions are prejudicial to health or a nuisance
- Officers are not confident that the recipient will respond
- Where breach of a statutory requirement is evident
- The owner has previously not complied with informal actions

- Standards are poor and managers are not aware of statutory requirements
- A property, whether occupied or not, is having a detrimental impact on the neighbourhood
- Conditions are so severe that they justify immediate action.
- Where a breach of a site licence or condition is found
- Demolition, Compulsory Purchase and Prohibition Orders will only be made by decision of the Council.

6.3. Level of Enforcement

6.3.1. The Council assesses each hazard based on the risk to a potential occupant in the most vulnerable group for that hazard under the Housing Health and Safety Rating System. However, in deciding what action to take about identified hazards, the council will have regard to the following:

- The current occupiers
- Regular visitors
- How often the tenants or occupants change
- The risk of excluding vulnerable groups of people from the private rented sector or owner occupation
- The size, type and location of the property

6.3.2. Where a suspended order or notice is served, the situation will be reviewed on a regular basis depending on the risk the hazard presents. In all cases the suspended order or notice will be reviewed at least once a year.

6.3.3. The Council will consider all requests to vary or revoke an improvement notice or prohibition order having regard to matters including, but not restricted to, the following:

- The views of the person receiving the notice (the recipient)
- The views of tenants
- The views of Fire and Rescue Service, where appropriate
- The risk that the hazard presents
- How confident officers are that the recipient will respond
- The amount, quality and speed of completion of any works taken to deal with deficiencies and hazards specified in the notice or order
- Whether the recipient has previously complied with informal and formal actions
- The cost of any works compared to the benefit that they give
- Any more unexpected works which become clear during the course of remedial works

7.1. Works in Default

7.1.1. Where there is a failure to comply with a Statutory Notice the Council may, if it is in the interest of the tenants or others, carry out any outstanding works in default. Where there is a statutory duty to undertake works in default, they will be carried out.

7.1.2. The Council will recharge the cost of carrying out such works with the Council's costs and officer time included, and if necessary recover these as a charge against the property or through the Council's recovery services. This could include enforced sale of the property to recover a Local Land Charge under the Law of Property Act 1925 where this is considered to be in the public interest.

7.2. Management Orders

7.2.1. The Council may make a Management Order under the provisions of Part 4 of the Housing Act 2004, relating to licensable properties as defined by Parts 2 & 3 or long term empty dwellings. It may apply to the First Tier Tribunal (Property Chamber) for an interim management order in other prescribed circumstances.

7.2.2. When Management Orders are used, the Council effectively takes over management of the HMO, house or flat. They will normally only be used as a last resort and if no other enforcement power is effective.

7.2.3. The Officer must discuss considering a Management Order with the Chief Operating Officer, or equivalent post, or their duly appointed representative. Only the Chief Operating Officer, or equivalent post in line with the Constitution can make the decision to make a Management Order.

7.3. The Recovery of Costs and Expenses

7.3.1. The Council reserves the right, in appropriate circumstances, to charge and recover its reasonable costs in taking the most appropriate course of action, as allowed under Sections 42, 49 and 50 of the Housing Act 2004. Costs and expenses will also be recovered where permitted in other legislation.

7.3.2. The Council will normally charge where:

- A formal notice is required to remove a serious threat to health and safety, unless the threat arose because of circumstances outside the control of the person receiving the notice, order or action, and/or
- There is evidence that the person receiving the notice has failed to comply before with the requirements of the Housing Acts or other housing related legislation, and/or

- The person has not taken adequate action in response to the Council's informal requests to take action or do works
- A property is required to be licensed under the Housing Act 2004.

7.3.3. See appendix A for a list of chargeable items. The council will if necessary recover these as a charge against the property or through the Council's recovery services.

7.4. The Licensing of Houses in Multiple Occupation

7.4.1. A House in Multiple Occupation (HMO), is defined in the Housing Act 2004 as a building, or part of a building, that:

- is occupied by more than one household who share or lack a bathroom, toilet or kitchen;
- is occupied by more than one household and which is a converted building - but not entirely self-contained flats (whether or not some amenities are shared or lacking) , or
- is converted self-contained flats, but does not meet as a minimum standard the requirements of the 1991 Building Regulation and at least one third of the flats are occupied under short tenancies.

7.4.2. Part 2 of The Housing Act 2004 requires **the following types of HMO to be licensed:**

- three or more storeys high, and
- occupied by five or more people in more than one household, who
- share amenities such as bathrooms, toilets and cooking facilities, and
- rent or other consideration is payable

7.4.3. An application for a HMO licence under Part 2 of the Housing Act 2004 must be made in writing on a form supplied by West Lindsey District Council, or online on the council's website, and must be accompanied by specified documents. The council may serve a Temporary Exemption Notice where a person having control of, or managing, a licensable HMO notifies the council of their intention to take steps to make the property no longer a licensable HMO.

7.5. Standards for Licenced HMOs

7.5.1. Prior to licensing a house in multiple occupation, the local housing authority must be satisfied that:

- The house is reasonably suitable for occupation by the number of persons and households specified in the application or the licence;

- The licence holder is a fit and proper person and is the most appropriate person to hold the licence, which will usually be the person having control;
- The manager of the house is the person having control of the house or their agent or employee, and is a fit and proper person;
- The management arrangements for the house are satisfactory.

7.5.2. When deciding whether to grant or refuse a licence, the council will have regard to:

- The requirements of the Housing Act 2004 Part 2 and any Statutory Instruments made under it, including:
- The prescribed standards for the provision of bathrooms, WCs, kitchens and laundry amenities.
- Any contravention of the law by the applicant, proposed licence holder or manager
- Whether any persons involved in the management of the HMO are competent, fit and proper, and whether the management structures and financial arrangements are adequate

7.5.3. The council may impose licence conditions:

- Where they are mandatory under Schedule 4 of the Housing Act 2004
- To control the use or occupation of the HMO or certain parts of it
- To secure the provision and maintenance of amenities to ensure that the HMO is reasonably suitable for the numbers of households and persons in the licence
- To ensure satisfactory management of the HMO and management of antisocial behaviour.

7.5.4. A HMO licence will usually be granted for a period of five years, however a shorter duration may be granted, having regard to the matters above and any concerns that a Category 1 or Category 2 hazard may be present under the Housing Health and Safety Rating System.

7.5.5. An inspection and assessment of the HMO will be made under the Housing Health and Safety Rating System during the licence term, and the council will use its enforcement powers under Part 1 of the Housing Act 2004 and Section 5 of this policy to deal with any deficiencies or hazards found.

7.5.6. An HMO licence may be varied or revoked:

- with the agreement of the licence holder,
- where there has been a breach of the licence conditions
- where the licence holder or manager is no longer considered to be a fit and proper person

- where the building ceases to be an HMO, or
- where the council would not then issue a licence for the HMO if an application were made at that time, due to structural reasons.

7.5.7. In 2018, revised legislation and guidance will be introduced extending the definition of HMOs. This guidance will be referred to and considered as part of any enforcement decisions made.

7.6. Civil Penalties

7.6.1. The Housing and Planning Act 2016 makes provision for the Council to seek to impose a civil penalty as an alternative to prosecution. The offences within the Act where a civil penalty can be imposed are:

- Failing to comply with an improvement notice under section 30
- Offences relating to the licensing of a house in multiple occupation under section 72
- Offences relating to licensing of a house under Part 3 (selective licensing) under section 95
- Offences relating to the contravention of overcrowding notices (section 139)
- Failure to comply with the Management of Houses in Multiple Occupation (England) Regulations 2006 in respect of HMOs (section 234)

7.6.2. The same criminal standard of proof is required for a civil penalty as for prosecution. This means that before taking formal action, the Council will be satisfied that if the case were to be prosecuted, there would be a realistic prospect of conviction, having regard to the Crown Prosecution's Service Code for Crown Prosecutors.

7.6.3. A Civil Penalties Policy has been produced, which will be used to inform the decisions that the Council will make in regards to determining whether to issue a civil penalty as an alternative to prosecution, and what level of penalty would be appropriate.

7.6.4. A civil penalty will not be applied if a person has already been convicted of that offence or where criminal proceedings have already been instigated. Income received from a civil penalty will be used to maintain the Council's statutory functions in relation to the private rented housing sector.

7.7. Rent Repayment Orders

7.7.1. The Housing and Planning Act 2016 confers power on the First-Tier Tribunal to make a rent repayment order where a landlord has committed one of the following offences:

- Have been prosecuted for operating an unlicensed HMO;
- Have failed to comply with an improvement notice;
- Has failed to comply with a prohibition order;
- Is in breach of a banning order;

- Has used violence to secure entry to a property; or
- Illegal eviction or harassment of the occupiers

7.7.2. A rent repayment order will require the landlord to repay an amount of rent paid by the tenant or pay the Council an amount in respect of a relevant award of Universal Credit paid.

7.7.3. If a person is convicted of an offence as a consequence of action brought by the Council, application for a rent repayment order will be considered. The Council may also help a tenant to apply for a rent repayment order where legislation permits.

7.7.4. The Councils approach to rent repayment orders will be on a case by case basis and will be in line with the specific guidance produced in relation to this.

7.8. The Mobile Homes Act 2013

7.8.1. The Caravan Sites and Control of Development Act 1960, as amended by the Mobile Homes Act 2013, authorises local authorities to serve enforcement notices and to carry out works in default to remedy breaches of site licence conditions.

7.8.2. Where appropriate, the council will also seek to recover expenses incurred in carrying out enforcement action:

- In taking action following conviction of the site owner for failure to carry out actions required by a compliance notice; or
- In taking emergency remedial action where there is an imminent risk of serious harm to any person on the site as a result of the site owner's failure to comply with licence conditions

7.8.3. Where a compliance notice is served and the owner does not comply, the Council can choose to prosecute the owner. If the prosecution is successful the council can then choose to complete works in default. The charges relating to the recovery of these expenses are detailed in appendix A.

7.9. Protection from Eviction Act 1977

7.9.1. Where the Council has reason to believe that an illegal eviction is or has taken place we will act accordingly and take any necessary enforcement action. Where an accusation of harassment is made, under the same act, the Council will seek to investigate this to determine whether an offence has been committed. If so, the appropriate enforcement action will be taken.

8. Other Obligations

8.1. Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014.

8.1.1. There is a legal requirement for all lettings agents and property managers in England to have joined a Government-approved redress scheme by 1 October 2014. This is as a result of the Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014. Where the Council is satisfied, on the balance of probabilities, that a person is involved in letting and management as a business and is not registered with a scheme, the Council will issue a fine.

8.1.2. The proposed fine in regards to this order is detailed in Appendix C.

8.2. The Smoke and Carbon Monoxide Alarm (England) Regulations 2015

8.2.1. Private sector landlords are required to ensure that at least one smoke alarm is installed on every storey of their rented property and that a carbon monoxide alarm is installed in any room containing a solid fuel burning appliance.

8.2.2. The Council will accept the following evidence of a lack of relevant alarms as reasonable grounds of a breach:

- Inspection by a Council Officer
- Confirmation from a relevant professional
- Provision of photographic evidence

8.2.3. The Council will issue a remedial notice in all cases of non-compliance and the landlord must comply with the notice within 28 days. If they do not, the Council will carry out the remedial action (where the occupier consents) to ensure the requirements in the regulations are met.

8.2.4. Where the landlord has no previous history of non-compliance, officers will consider the use of informal negotiation with the landlord to ensure that their obligations are met.

8.2.5. The Council will issue a civil penalty of up to £5,000 where a remedial notice is served and has issued a statement of principles for its Penalty Charge Notice, which is shown in appendix B.

8.3. Energy efficiency

8.3.1. The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 establish a minimum standard for domestic privately rented property, subject to certain requirements and exemptions:

- From the 1st April 2018, landlords of relevant domestic private rented properties may not grant a tenancy to new or existing

tenants if their property has an Energy Performance Certificate (EPC) rating of band F or G.

- From 1st April 2020, landlords must not continue letting a relevant domestic property which is already let if that property has an EPC rating of F or G (as shown on a valid EPC for the property).

8.3.2. Where a landlord wishes to continue letting property which is sub-standard, they will need to ensure that energy efficiency improvements are made which raise the EPC rating to a minimum of E. Under prescribed circumstances within the Regulations, the landlord may claim an exemption from prohibition on letting a sub-standard property. Where a valid exemption applies the landlord must register the exemption on the national Private Rented Sector Exemptions Register.

8.3.3. The minimum standard will apply to any domestic privately rented property which is legally required to have an EPC and which is let on certain tenancy types. Landlords of property for which an EPC is not a legal requirement are not bound by the prohibition on letting sub-standard property.

8.3.4. The Council will check that properties in the district falling within the scope of the Regulations meet minimum levels of energy efficiency. Where a property has been let in breach of the Regulations the Council will seek to issue a compliance notice requesting information.

8.3.5. The Council can then serve a penalty notice where satisfied that the landlord is, or has in the past 18 months, been in breach of the requirement to comply with a compliance notice or has provided false or misleading information on the exemptions register.

8.3.6. The Council will have regard to guidance in the application of this legislation, the penalty amount and the publication of the penalty.

9. Arrangements to Implement the Policy

9.1. Officers implementing this policy will have regard to current national guidelines and local circumstances. Enforcement will only be undertaken by authorised officers. Only competent and suitably qualified and experienced officers will be so authorised, and their authority will reflect their competence, qualities and experience.

10. Standards

10.1.1. West Lindsey District Council has customer service standards. In matters relating to housing enforcement, officers will:

- Respond to all urgent requests for service within 2 working days

- Acknowledge all non-urgent requests for service within 2 working days
- Respond to all non-urgent requests for service within 10 working days
- Give tenants and occupiers clear advice about the extent of any action which the Council is able to take, and provide copies of any notices sent to the landlords as specified in the appropriate legislation
- Advise landlords and property owners of their legal responsibilities and, if the Council is taking enforcement action, advise exactly what is expected of them and any right of appeal

11. Feedback on Our Service

11.1. The Council encourages and welcomes feedback on its services. If you wish to provide feedback you can do so by visiting: www.west-lindsey.gov.uk/feedback

12. Links with Other Policies

12.1. This policy has been considered alongside the following;

- The Housing Assistance Policy;
- The Corporate Enforcement Policy
- The West Lindsey Housing Strategy

Appendix A – Fees and Charges

The Council will calculate a charge to the recipient of a notice as a consequence of taking Enforcement Action, or the applicant of a HMO licence, using the table below. These charges have been calculated taking account of officer time, mileage, photocopying, printing and postage or service costs. The increasing cost of a notice where there are multiple hazards, or determining a licence of a larger HMO, reflects the extra work and complexity of dealing with these cases.

All fees are exclusive of VAT and interest may be charged where applicable.

Item	Basic Fee	Increments	Maximum
Mandatory HMO licence application	£450 for up to five units / bedrooms	£10 per additional unit	n/a
Mandatory HMO licence renewal	£450 for up to five units / bedrooms	£10 per additional unit	n/a
Improvement Notice	£300 for one hazard	£50 per additional hazard	n/a
Emergency Remedial Action Notice (plus cost of works – see below)	£300 for one hazard	£50 per additional hazard	n/a
Prohibition Order	£150 for one hazard	£50 per additional hazard	n/a
Emergency Prohibition Order	£150 for one hazard	£50 per additional hazard	n/a
Demolition Order	£150 for one hazard	£50 per additional hazard	n/a
Immigration Procedure Inspection	£100 per inspection		n/a
Civil Penalty (Housing and Planning Act 2016)	Up to £30,000	See separate policy	£30,000
Mobile Homes Act 2013 – Compliance Notice	Hourly rate of relevant officers with on costs plus work in default costs of works	n/a	n/a
Mobile Homes Act 2014 – Emergency Remedial Action Notice	Hourly rate of relevant officers with on costs plus work in default cost of works	n/a	n/a
Penalty Charge Notice (Smoke and Carbon Monoxide Alarm (England) Regulations 2015)	Up to £5,000. Issued as fine following non-compliance with Remedial Notice and subsequent remedial works		
Notice of Intent (Redress Schemes for Lettings Agency Work and Property	Up to £5,000. See	n/a	n/a

Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014)			
Works in default of any legislation or emergency remedial action	Cost of work plus hourly rate of officer with on costs	n/a	n/a
Selective Licensing Fee (Gainsborough South West Ward)	WLDC - £375 Co Reg Fee - £120		

Appendix B

Smoke and Carbon Monoxide Alarm Statement of Principles,

This statement of principles is in relation to the “*The Smoke and Carbon Monoxide Alarm (England) Regulations 2015*”, which can be found here

<http://www.legislation.gov.uk/id/uk/si/2015/1693>

The Penalty Charge Notice (PCN) recognises the failure on the landlord’s part to comply with legislation. In determining the PCN amount the following has been taken into consideration:

- The administrative and professional costs incurred by the local authority in regards to the remedial works, the serving of formal notices, any informal steps taken and in determining reasonable grounds.
- The costs incurred by the local authority in completing the relevant remedial works required
- The failure on the landlords behalf to complete the required works within the period given.
- Previous unspent conviction or WID specifically in relation to the owners role as a landlord
- Previous remedial action under Smoke Alarm and CO legislation or by the Fire and Rescue Service
- The type or condition of property in which the offence has been committed
- The risk of harm relating to the specific case

Payment of the Penalty Charge

- A landlord issued with a PCN is required to pay it within a specified period. This period will be confirmed on the PCN and will take into consideration the level of fine that has been applied. This period will usually be 28 days. Should the payment of the PCN for a first offence under this legislation be made within 14 days of its issue, the fine will be reduced by £200.
- If a landlord does not agree with the PCN issued they must apply to the local authority to review this, in writing, within 14 days of issue. The local authority will then confirm whether to confirm, vary or withdraw the notice and will serve a notice of decision on the landlord.
- If the local authority confirms or varies a PCN, it will inform the landlord that they can appeal to the First-tier tribunal.

Appendix C

Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014

To ensure the effectiveness of the requirement for lettings and property management agents to belong to a redress scheme, there must be a process for ensuring compliance and a fair and effective penalty where the requirement is not met.

The enforcement authority can impose a fine of up to £5,000 where it is satisfied, on the balance of probability, that someone is engaged in letting or management work without being a member of a redress scheme.

The three Government-approved redress schemes are:

- Ombudsman Services Property (www.ombudsman.org/property.html)
- Property Redress Scheme (www.theprs.co.uk)
- The Property Ombudsman (www.tpos.co.uk)

The agreed level of fine will be based on the following principles:

- Warning letter issued and complied within 14 days, prior to any Notice of Intent being served – No financial penalty
- Warning letter not complied with, single non-compliance – Notice of Intent served to issue £1000 fine
- Warning letter not complied with, more than one non-compliance – Notice of intent served to issue £2500 fine
- Warning letter not complied with, multiple and persistent non-compliance and/or complaints received about agents conduct – Notice of Intent served to issue £5000 fine.

Each fine will be calculated on a case by case basis and regards will be given to:

- The previous conduct of the agent
- The number of persons affected by the breach
- The risk of harm from poor management of the properties

Appendix D - References

Legislation

- Housing Act 1985
- Housing Act 2004
- Environmental Protection Act 1990
- Landlord and Tenant Act 1972
- Local Government (Miscellaneous Provisions) Act 1976
- Local Government (Miscellaneous Provisions) Act 1982
- Housing Act 1996
- Housing Grants, Construction and Regeneration Act 1996
- Local Government and Housing Act 1989
- Building Act 1984
- Defective Premises Act 1976
- Public Health Act 1936
- Public Health Act 1961
- Protection from Eviction Act 1977
- Prevention of Damage by Pests Act 1949
- Law of Property Act 1925
- Town and Country Planning Act 1990
- Acquisition of Land Act 1981
- The Caravan Sites and Control of Development Act 1960, as amended by the Mobile Homes Act 2013
- The Energy Act 2013
- The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015

Regulations and Orders

- The Licensing of Houses in Multiple Occupation (Prescribed Description) (England) 2006
- The Management of HMO (England) Regulations 2006
- The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007
- The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006, amended 2012
- The Housing (Interim Management Orders) (Prescribed Circumstances) (England) Order 2006
- Compulsory Purchase of Land (Prescribed Forms) (Ministers) Regulations 2004, SI No. 2595
- The Construction (Design and Management) Regulations 2007
- The Housing Health and Safety Rating System (England) Regulations 2005
- Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014.
- The Smoke and Carbon Monoxide Alarm (England) Regulations 2015

Circulars and Guidance

- Housing Health and Safety Rating System Enforcement Guidance: Housing Act 2004 Part 1 - housing conditions
- Housing Health and Safety Rating System Operating Guidance: Housing Act 2004 - guidance about inspections and assessment of hazards given under section 9, DCLG 2006
- Examples to Support the Housing Health and Safety Rating System V2, ODPM March 2004
- Lacors Housing - Fire Safety, Guidance on fire safety provisions for certain types of existing housing, July 2008
- Compulsory Purchase and the Crichton Down Rules, ODPM Circular 6/2004
- Civil Penalties Guidance : <https://www.gov.uk/government/publications/civil-penalties-under-the-housing-and-planning-act-2016>
- <https://www.gov.uk/government/publications/the-private-rented-property-minimum-standard-landlord-guidance-documents>
- Rent Repayment Orders under the Housing and Planning Act 2016
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/606654/Rent_Repayment_Orders_guidance.pdf

Civil Penalties Policy

1. Introduction

- 1.1.** The Council is committed to improving the housing standards within West Lindsey and ensuring that properties within the private rented sector are well managed, free from hazards and safe for those that occupy them.
- 1.2.** The Council recognises that the majority of landlords operate in a legal and professional manner and work to ensure that their properties meet the required standards.
- 1.3.** However, alongside this, there are criminal and irresponsible landlords who poorly manage and maintain property and in some cases knowingly flout the regulations and laws that they are due to abide by.
- 1.4.** The Government is continuing in its efforts to crack down on rogue landlords and the measures within the Housing and Planning Act 2016 have been put in place to enable local authorities to enhance their abilities to deal with them. Within the Act the following provisions have been made:
 - Civil penalties of up to £30,000 as an alternative to prosecution for certain offences (came into force on 6 April 2017)
 - Extension of rent repayment orders to cover illegal eviction, breach of a banning order, failure to comply with an improvement notice and certain other specified offences (came into force on 6 April 2017)
 - Database of rogue landlords and property agents who have been convicted of certain offences or received multiple civil penalties
 - Banning orders for the most serious and prolific offenders
- 1.5.** In order for the Council to issue civil penalties it must have a policy in place. This policy sets out our approach to issuing penalties and provides guidance on how the level of fine will be set.

2. Expectations

- 2.1.** Guidance issued by Government makes clear that it expects local housing authorities to use their new powers robustly in order to clamp down on rogue landlords.
- 2.2.** The maximum penalty of £30,000 has been set at a level to ensure that it is significant enough for those landlords who flout the law to think seriously about their behaviours in relation to property standards and management. The guidance is also clear that the maximum penalty of £30,000 should only be reserved for the very worst offenders.
- 2.3.** In determining whether to prosecute or issue a civil penalty the Council will need to ensure that the same criminal standard of proof is obtained. The Council will satisfy itself that if the case were to be prosecuted in the magistrate's court that there would be a realistic prospect of conviction. In order to do so the Council would take into consideration it's Corporate

Enforcement Policy and its Housing Enforcement Policy, alongside seeking legal advice and other guidance. If either of these sanctions are not appropriate then in line with the Corporate Enforcement Policy other measures may be considered.

2.4. Government guidance suggests that prosecution should be the appropriate option for the most severe cases or for those that are repeat offenders. The Council will generally look to issue a civil penalty except in these aforementioned circumstances and each case will be determined on its own merits.

2.5. It should be noted that for certain offences within the Housing Act letting agents, property agents and managing agents can also be prosecuted and therefore under this policy can be issued with a civil penalty. The term “landlord” within this policy refers to all of these groups. The level of civil penalty issued can be different for each party in regards to the same offence and will consider the circumstances specific to the individual party.

3. Offences

3.1. There are only certain offences, relating to certain sections of the Housing Act 2004, where the use of a civil penalties will be permitted. These are as follows:

Section 30 – Failure to comply with an Improvement Notice

Section 72 – Offences in relation to licensing of Houses in Multiple Occupation (HMO)

Section 95 – Offences in relation to licensing of houses under Part 3 (inc. Selective Licensing)

Section 139 – Offences of contravention of an overcrowding notice

Section 234 – Failure to comply with management regulations in respect of HMOs

4. Considerations

4.1. The Government recommends that the Council consider the following to ensure that the level of civil penalty given is appropriate:

- **The severity of the offence:** the more serious the offence the higher the penalty should be
- **The culpability and track record of the offender:** a history of non-compliance or deliberate action should increase the penalty amount
- **The harm caused to the tenant:** the greater the harm or potential for harm, the higher the penalty should be
- **The punishment of the offender:** the penalty should be set at a level to reflect that offence could be dealt with in a court of law and should have an impact upon the recipient

- **Whether it will deter the offender from repeating the offence:** the level of the penalty should be set as to help ensure that the offender does not offend again
- **Whether it will deter others from committing the offence:** the civil penalty will not be in the public domain. However, there is a likelihood that there will be an awareness of penalties issued through informal channels. The level of the penalty should seek to demonstrate that impact that non-compliance can have.
- **Whether it will remove any financial benefit the offender may have obtained as a result of committing the offence:** the offender should not benefit as a result of committing an offence i.e. it should not be cheaper to offend, than to properly manage and maintain a property.

5. Level of Civil Penalty to be Issued

5.1. Any penalty issued must consider the above factors in the determination of its level. If it is determined that a civil penalty should be issued then the Council will determine the level of the penalty based on

- the cumulative sum of penalties for each offence (Table 1)
- plus the sum of penalties for any additional offences (Table 2)
- plus a level of penalty determined by an impact scoring matrix (Table 3)

5.2. All 3 tables referred to are shown in appendix 1. The final penalty amount is calculated using table 1, once consideration has been given to tables 2 and 3.

5.3. Table 2 gives offence specific penalties, which would be the minimum penalty amount for that offence (column A). Columns B and C enable additional penalties to be added depending on the specific offence.

5.4. Table 3 adds an additional penalty for impact in regards to the offence, based on the factors set out by the Government in considering the level of fine to be issued. The additional amount attributed to this score is shown in Table 1, column 3.

5.5. The maximum penalty that can be issued will not exceed £30,000.

Worked Examples

Example A - a landlord has breached an improvement notice which sought to address 1 Category 1 Hazards. Landlord A has had no previous enforcement action taken and is not known to be a poor landlord. There is no reason to believe that they will repeat the offence and the tenant is not vulnerable

Example A	Penalty Amount (£)	Cumulative Amount (£)
Non-compliance with an improvement notice	£2,000 (Table 2, column A)	£2,000

Impact Score = 60 Severity = Low No of properties managed = 1-2 Enforcement history – none Financial Incentive – little or no income Deterrence and prevention – High Confidence	£1,000	£3,000
Total Penalty		£3,000

Example B – a landlord is non-compliant with an improvement notice which seeks to address 3 Category 1 Hazards. The landlord owns 5 properties and has had previous enforcement action taken against them. The tenant is elderly and vulnerable.

Example B	Penalty Amount (£)	Cumulative Amount (£)
Non-compliance with an improvement notice	£2,000 (Table 2, column A)	£2,000
2 or more Category 1 Hazards	£3,000 (Table 2, column B)	£3,000
Impact Score = 140 Severity = Moderate No of properties managed = 5-8 Enforcement history – 1 previous notice Financial Incentive – Moderate Deterrence and prevention – Medium confidence	£5,000	£10,000
Total Penalty		£10,000

Example C – a landlord has been identified as having an unlicensed property in an area designated for selective licensing. The property is not in a poor condition and the tenants are not vulnerable. The landlord has a very large property portfolio and has previously been served with a notice.

Example C	Penalty Amount (£)	Cumulative Amount (£)
Failure to obtain a property licence	£10,000 (Table 2, column A)	£10,000
Impact Score = 140 Severity = Low No of properties managed = 8+ Enforcement history – 1 previous notice Financial Incentive – Moderate Deterrence and prevention – Medium	£5,000	£15,000

confidence		
Total Penalty		£15,000

6. Additional Factors

- 6.1.** Once the Council has decided to issue a civil penalty the recipient will be notified and given 28 days to make representations about the matter. After this period of time the Council will consider any representation and decide whether to impose a penalty and, if so, the amount of the penalty. A final notice is then issued giving the recipient 28 days to make payment.
- 6.2.** The Council can, following representations withdraw a notice or reduce the amount specified for payment within the notice. Any decisions made in this regard will be considered on a case by case basis and reflect the considerations set out within Government guidance and this policy.
- 6.3.** In determining the level of penalty the financial position of the landlord will be considered. This will include a review of any income they receive and any assets they own. It is the responsibility of the offender to disclose information to the Council if they wish for this to be taken into consideration to enable the Council to review its decision.
- 6.4.** In many cases landlords own more than one property or asset, which they may be able to sell or borrow against. Subject to consideration of individual mortgages and other financial matters the Council is unlikely to consider claims of financial hardship from those landlords with multiple properties or assets.
- 6.5.** Where a civil penalty is issued, the Council will give consideration to the pursuit of a rent repayment order in the circumstances for which it applies.
- 6.6.** Any person issued with a civil penalty has a right of appeal to the First Tier Tribunal. The tribunal can determine whether to confirm, vary (increase or reduce) or cancel the civil penalty that the Council has issued. Where an appeal is made and is unsuccessful the Council will seek to recover the costs incurred by the appeal and will increase the penalty charge by a minimum of £2,000 (amount to be determined in line with costs incurred).

Table 1: Civil penalty level for Housing Act 2004 offences

(Column 1 + Column 2 + Column 3 = Column 4)

- 1	2	3		4
<i>Offence specific penalties</i>	Further penalties (if any)	Table 3 impact matrix score	Level of penalty	Cumulative total
<i>Total for each penalty shown in Table 2, column A</i>	Total for each penalty shown in Table 2, columns B and / or C	60 - 110	£1,000	Level of civil penalty to be applied (maximum £30,000)
		120 - 170	£5,000	
		180 - 230	£10,000	
		240	£20,000	

Table 2: Offence specific penalty and other penalties

Housing Act 2004 offence(s)	A		B		C	
s.30	Non-compliance with improvement notice.	£2,000	There are 2 or more category 1 hazards.	£3,000	Where there are 3 or more high scoring category 2 hazards. ¹	£1,000
s.72	Failure to obtain a property licence.	£10,000				
	Breach of conditions – The HMO is licenced under this section and there is a breach of licence conditions (penalty per breach).	£1,000				
s.95	Failure to obtain a property licence.	£10,000				
	Breach of conditions – The property is licenced under this section and there is a breach of licence conditions (penalty per breach)	£1,000				
s.139	Non-compliance with an overcrowding notice.	£500	Penalty added for every person the property is overcrowded by.	£200		
s.234	Failure to comply with management regulations in respect of HMOs (penalty per breach).	£500				

Table 3: Impacts scoring matrix

¹ A high scoring category 2 hazard is defined as a hazard achieving a score rating of D or E under the HHSRS

Answer each of the questions 1 – 5 below and apply the score shown in the column header.

Score		10	20	30	40
1	Severity of harm or potential harm caused x 2 (the relevant column score is double)	Low Low level of harm Potential harm unchanged in HHSRS assessment. Previous/current occupant not in vulnerable category.	Moderate Moderate level health risk(s) to relevant persons. Previous/current occupant in vulnerable category.	High High level health risk(s) to relevant persons. Potential harm outcome increased in HHSRS assessment. Previous/current occupant in vulnerable category. Occupants affected frequently or by occasional high impact occurrences.	Severe High level of health risk(s) to relevant persons. Previous/current occupant in vulnerable category. Multiple occupants at risk. Potential harm outcome increase in HHSRS assessment. Occupants are severely and/or continually effected.
	Number of properties owned/managed	1-2	3-4	5-8	8+
3	Enforcement history	No previous enforcement history.	1 previous enforcement notice served. Moderate severity.	1 or more enforcement notice served previously. Moderate to large severity.	Serial offender. Multiple enforcement notices served previously. Moderate to large severity.
4	Removal of financial incentive	Little or no income received	Low income received	Moderate income received	High income received
5	Deterrence and prevention	High confidence that penalty will deter repeat offence.	Medium confidence that penalty will deter repeat offence.	Low confidence that penalty will deter repeat offence.	No confidence that penalty will deter repeat offence.



**Prosperous Communities
Committee**

Date 1st May 2018

Subject: Housing Assistance Policy 2018 - 2022

Report by:

Head of Paid Service
Mark Sturgess

Contact Officer:

Andy Gray
Housing and Environmental Enforcement
Manager

Purpose / Summary:

To provide elected members with an updated
Housing Assistance Policy and to seek approval
for the financial assistance provided within it.

RECOMMENDATION(S):

Elected Members are asked to:

- a) Approve the Housing Assistance Policy as set out in Appendix 3 to come into effect on 1st June 2018.
- b) Recommend to Corporate Policy and Resources Committee that the earmarked reserve allocated for private sector renewal is released to fund the assistance offered within the policy.

IMPLICATIONS

Legal:

The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 provides the framework for the Council to provide a wider range of discretionary assistance. The Council has a statutory duty to provide mandatory DFGs and there is no intention to amend this duty.

The aspects of the policy that relate to private sector renewal are entirely discretionary. Additional procurement advice will be sought in regards to the specific aspects of this policy to ensure that the legal risk is minimal. Given that the offers being made are positive it is not expected that any legal issues will be identified.

Financial : Fin Ref: FIN/18/19

DISABLED FACILITIES GRANT

The Council currently delivers Disabled Facilities Grant (DFGs) and receives a grant allocation from Lincolnshire County Council as part of the Better Care Fund on an annual basis. The existing allocation in 17/18 was £602,000 and this is scheduled to increase to £648,000 in 18/19. A capital budget is approved as Business As Usual (BAU), with some element of the grant funding supporting the revenue cost of administration of the scheme.

In terms of the DFG scheme the discretionary elements will be funded from the capital budget already approved in the capital programme. No additional funds are requested within this report and will therefore be managed within the existing budget.

There is the proposal to create a relocation grant from the DFG allocation, this would not constitute capital expenditure and therefore would be a charge to Revenue. Therefore an element of the DFG funding will need to be moved to Revenue to cover any expenses incurred and the Capital budget reduced.

This policy does meet the extended powers under The Regulatory Reform (Housing Assistance) Order 2002.

PRIVATE SECTOR RENEWAL

The Private Sector Renewal capital budget sits within the Capital Programme as a Pre-Stage 1 scheme as there has not been a policy or business case developed to enable the allocation of this budget to date. The overall budget for this capital programme is £1,439,000 (as detailed at paragraph 6 below). This will be financed initially by £825,000 from the Investment for Growth Earmarked Reserve and £614,900 from Capital Receipts.

The proposals highlighted for Private Sector Renewal are in the main compliant with the CIPFA Code for Capital expenditure. However, one element poses potential challenges, the Landlord incentive grant (£2,500), which will be

classified as Revenue Expenditure and therefore would utilise the Investment for Growth Earmarked Reserve, and thereby reducing the capital budget.

Staffing :

There are no staffing implications within this report.

Equality and Diversity including Human Rights : None.

Risk Assessment :

Private Sector Renewal

Lack of Capital Receipts – capital receipts are required in order for the scheme to be able to continue beyond the three year funded period. A lack of these receipts will mean that no further funding can be offered.

Climate Related Risks and Opportunities :

None noted

Title and Location of any Background Papers used in the preparation of this report:

None.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

X

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

X

No

1. Summary

- 1.1. This report provides an overview of the revised Housing Assistance Policy (Appendix 3). This policy details how the Council will provide financial assistance in a statutory and discretionary manner in relation to Disabled Facilities Grants (DFGs) and Private Sector Renewal (PSR).
- 1.2. The policy revisions seek to amend the existing approach to DFGs and enhance their scope and impact. Alongside this the policy introduces a completely new offer of assistance for PSR.

2. Disabled Facilities Grants

- 2.1. DFGs have been successfully delivered by the Council for a number of years. The funding for DFGs is now drawn down from the wider budget labelled “The Better Care Fund”, which is managed by the County Council and provides the funding for a wide range of health related services.
- 2.2. The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 removed most of the prescriptive housing renewal grant legislation in the Housing Grants, Construction and Regeneration Act 1996, and introduced new wide ranging discretionary power to local housing authorities to develop different forms of financial assistance to meet local needs.
- 2.3. The Council has not previously utilised its extended powers under the 2002 RRO due to its focus on providing solely the DFG obligation. This revised policy brings into use these powers and enhances our ability to make discretionary offers based on local needs.

3. DFG Financial Information

- 3.1. The Council currently seeks to allocate all of its DFG budget within each year to ensure that adaptations are installed into homes and that the health of individuals who receive the grants is improved and their risk factors are reduced.
- 3.2. In 17/18 the Council received £602,000 in Better Care Fund allocation. This is expected to increase to £648,000 in 18/19.
- 3.3. The Council currently recovers an element of its staffing budget from the Better Care Fund. This arrangement will continue.

4. Policy Amendments Relating to DFG

4.1. The housing assistance policy will now contain the following types of assistance: (further detailed in appendix 1)

- Mandatory Disabled Facilities Grant
- Discretionary DFG
- Discretionary Top-up Grant
- Discretionary Contribution Grant
- Relocation Grant (Revenue)
- Healthy Homes Grant
- Hospital Discharge Grant

4.2. Where assistance provided is land charged and then recovered, it is intended any funds received would be directed back into the capital programme to deliver DFGs.

5. Private Sector Renewal

5.1. The West Lindsey Housing Strategy 2018 – 2022 sets out West Lindsey's vision for housing. Within this there are three key aims, one of which is improving homes and transforming places. Alongside this it is specifically noted that a key project is to deliver financial assistance in the private rented sector to improve property standards, energy efficiency and fuel poverty.

5.2. The profile of and issues facing the private rented sector within the district have been elevated since the introduction of the Councils Selective Licensing scheme in 2016. This scheme has enabled poor standards to be addressed and has created a wealth of knowledge and information about the sector and what can be done to improve it locally.

5.3. In line with the Council's wider approach to growth in Gainsborough, this policy seeks to address issues within the existing housing stock to ensure that it is maintained and improved.

5.4. It should be noted that the approach to this aspect of the policy is an enabling one. The PSR initiatives within this policy do not seek to ensure that a commercial gain is sought. The reasons for this are as follows:

- The policy seeks to, in its purest form, provide assistance and improve property standards and bring empty properties back into use;
- The ability to gain commercially, in regards to the housing market, within the areas in which this applies is limited;

- A range of statutory punitive measures are in place and effective (i.e. selective licensing), this policy provides a positive offer;
- The policy (with the exception of empty homes) seeks to assist those that are compliant with statutory obligations (i.e. non fit and proper or unlicensed landlords)
- Provision is made for purchasing long term empty properties to enable those owners who wish to leave the market an opportunity to do so;
- Empty property owners (when surveyed) and landlords are reluctant to enter into commercial type arrangements with the Council.
- The overall benefit to the Council in long term in regards to social and economic regeneration believed to be positive.

5.5. The Council has continued to be proactive in dealing with long term empty properties and the proposals made within the policy seek to enhance this work and provide a positive solution for property owners.

6. Private Sector Renewal Financial Information

6.1. A capital budget has already been allocated for PSR. This budget was allocated in 16/17 and due to resource issues and competing priorities officers were unable to develop the policy prior to now. As a result, the current allocated spend is shown below. There is a total of £1,439,000 over three years.

XG14	18/19	19/20	20/21	Total
Private Sector Renewal	£500,000	£500,000	£439,000	£1,439,000

6.2. In light of the proposed policy it will be necessary to re-phase the capital scheme to ensure that it can be spent in line with the policy and in accordance with the resources available. As a result the proposed budget is shown below:

XG14	18/19	19/20	20/21	21/22	Total
Private Sector Renewal	£225,000	£300,000	£300,000	£614,900	£1,439,000
Financed by					
EMR (investment for Growth)	-£225,000	-£300,000	-£300,000	£0	-£825,000
Capital Receipts	£0	£0	£0	-£614,900	-£614,900

6.3. It is not proposed to allocate any of this resource to cover the officers costs incurred in delivering the scheme. Existing resources will be used to enable these aspects of the policy and this will be reviewed accordingly within the work area.

6.4. Where assistance provided is land charged and then recovered, it is intended any funds received, via property changes of ownership will finance future PSR initiatives.

7. Policy approach relating to PSR

7.1. For each financial offer specific conditions have been set and these have been put in place to ensure that the specific offer available is either restricted to the specific group it is aimed at or to ensure that there is a sufficient level of uptake. Not all offers will be means tested and in most cases the assistance provided will be land charged for a time period relevant to the particular assistance provided.

7.2. It is proposed to include the following types of assistance within the policy (further detailed in appendix 2)

- Empty Property Grant
- Empty Property Purchase
- First time buyer initiative
- Owner Occupier Grant
- Landlord Incentive Grant

7.3. The initiatives for Private Sector Renewal will only be available within Gainsborough or within the specific selective licensing area.

8. Contractors and Schedules

8.1. Specific schedules will be drawn up for each of the offers of assistance. This will outline the conditions attached to any of the specific offers and ensure that any applicant is fully aware of matters relating to eligibility and repayment of the assistance.

8.2. The current procurement arrangements for DFGs will continue, whereby works are completed via list of competent contractors held by the Council. Further advice will be sought in regards to the procurement of PSR works, however the applicant, in most cases will be responsible for ensuring that an appropriate contractor is sought. For example, if a homeowner wishes to improve dangerous electrics in their property, the Council will check that the contractor is competent and then its sole role

to be to check the relevant works and then make payment to the contractor.

8.3. Contracts will be procured for specific aspects of the PSR work which are the completion of electrical and gas certification and energy performance certificates.

9. Budget Management

9.1. The Council is obliged to meet its statutory duties in relation to the mandatory DFG provision and this aspect of the policy will always be given priority from a financial perspective.

9.2. For PSR there is no mandatory or statutory provision therefore the approach to the provision of assistance will focus on the applications that have the highest social and economic impact.

9.3. Officers will reserve the right to cease the assistance offered (where it is not mandatory) should there be a financial requirement to do so. No applications would be accepted during times when assistance was not available.

10. Review and Monitoring

10.1 The Policy would be reviewed on an annual basis and the assistance within them reviewed for effectiveness. There is also scope to include wider areas within the policy (e.g. Hemswell Cliff), subject to there being specific evidence in regards to any improvements required.

10.2 A set of performance measures will also be developed alongside the policy in order to demonstrate the impact that it has had and to enable to be reviewed effectively.

Appendix 1 – Overview of DFG Related Grant

Assistance	Funding Max.	Financial eligibility	Objective	Land Charge	Other Information
Mandatory Disabled Facilities Grant	£30,000	Means tested – contributions may be required	To assist disabled people to remain independent in their own home.	Max £10,000 for grants over £5,000, 10 years	
Discretionary DFG	£10,000	Means tested – including children's cases	To adapt homes of disabled people who fall outside of the mandatory DFG but require adaptations to remain safe and independent at home.	10 years	Requires OT referral. To be used to address specific issues that cannot be addressed via mandatory provision
Discretionary Top-up Grant	£10,000	Means tested – including children cases	To provide additional funding when the mandatory grant does not cover the full extent of the adaptation required.	10 years	
Discretionary Contribution Grant	£5,000	Not means tested – depends on WLDC assessment	To assist with paying a contribution when a contribution would be the reason a mandatory DFG would not progress.	10 years	Available within existing policy.
Relocation Grant (Revenue)	£2,000	No means test –	To assist a disabled person to move to a more suitable property.	Perpetuity	Available to anyone who has an OT referral for re-location
Healthy Homes Grant	£5,000	Available to anyone eligible for a mandatory DFG	To improve the property standards of vulnerable people who own their own home.	10 years	To address damp and mould, excess cold and falls on stairs and levels
Hospital Discharge Grant	£5,000	Non means tested	To assist anyone unable to be discharged from hospital due to their home conditions.	None	For minor adaptations

Appendix 2 – Overview of Private Sector Renewal Grants

Assistance	Funding Max.	Eligibility	Objective	Land Charge	Other Information
Empty Property Grant	£10,000	Not Means tested	Bring long term empty properties back into use through home ownership and owner occupying	5 years	No existing debts permitted. Must be brought back into use within 6 months.
Empty Property Purchase	Market value at point of sale	Property must have been empty for over 6 months.	Bring problematic empty properties back into use	N/A	To address market failure and the worst empty properties. Market value to be offered. Cost of any refurb to be considered.
First time buyer initiative	£5,000 Deposit match up to 5%	Property must have been empty for over 6 months. First time buyers only.	Assist first time buyers to get onto the property ladder. Bring long term empty properties back into use. Encourage home ownership	5 years	Can be used in conjunction with empty property grant. Occupancy to be monitored.
Owner Occupier grant	£5000	Home owner for 12 months or more. Means tested.	To improve health, improve energy efficiency and reduce fuel poverty	10 years	To remove category 1 hazards from owner occupied property
Landlord Incentive Grant	£2,500	Property must be licensed and tenanted. No previous enforcement action undertaken.	Improve the standards of the properties in the Selective Licencing area.	10 years	Focussed on: improved extraction, interlinked fire alarms and burglar alarms

Housing Assistance Policy 2018 - 2022

1. Introduction

West Lindsey Housing assistance Policy sets out the financial assistance available for residents of West Lindsey in order for people to remain living independently in safe and healthy homes

There are 2 main elements to this policy: Disabled Facilities Grants funding through the Better Care Fund and how West Lindsey intend to implement their powers under the Regulatory Reform Order; and a capital program of funding that aims to return long term empty properties to use, improve property standards and incentivise home ownership focusing on the Gainsborough area.

2. Strategic context

2.1. West Lindsey Housing Strategy 2018 – 2022

This strategy sets out West Lindsey's vision for Housing. The strategy aims to deliver these 3 key themes:

1. Driving housing growth to meet housing need
2. Improving homes and transforming places
3. A partnership approach to support choice, wellbeing and independence

Within those themes, a clear project plan has been set out, in which this policy can contribute. These are as follows:

2.1 to deliver financial assistance in the private rented sector to improve property standards, energy efficiency and fuel poverty

2.4 to actively tackle poor quality housing standards and rogue landlords across the district

3.3 To develop a policy in line with the Better Care Find objectives which enables independent living and improves health and wellbeing

2.2. West Lindsey Independent Living Policy 2016-2018

This existing policy goes into detail on how West Lindsey were interpreting the Housing, Construction and Regeneration Act 2006 in relation to mandatory DFG's.

The independent living policy allowed West Lindsey to improve the way in which DFG's are administered in West Lindsey and has been an important building block to ensure West Lindsey is now in a position to offer additional assistance under the Regulatory Reform Order 2002.

2.3. West Lindsey Housing Enforcement Policy

The enforcement policy aims to ensure that all citizens of West Lindsey have a home that is safe, secure, dry and not overcrowded. This policy, alongside the Corporate Enforcement Policy, outlines how the council will use appropriate enforcement powers to ensure that all owners comply with their statutory obligations. This housing assistance policy compliments the enforcement policy with the objectives of improving housing standards, focusing on the Gainsborough area.

2.4. West Lindsey Corporate plan 2016-2020

The West Lindsey Corporate Plan sets out West Lindsey priorities for the district to ensure that services being provided will meet the varied needs of the residents of the district. This policy relates to the following themes of the corporate plan:

- Theme 1 – People First
This policy aims to outline what is available to the residents of West Lindsey in a manner that is accessible to all.

3. Independent living

3.1. Legal context

- 3.1.1.** The Regulatory Reform (Housing Assistance) (England & Wales) Order 2002 removed most of the prescriptive housing renewal grant legislation in the Housing Grants, Construction and Regeneration Act 1996, and introduced new wide ranging discretionary power to local housing authorities to develop different forms of financial assistance to meet local needs.
- 3.1.2.** To be able to give financial assistance under the Act, the local housing authority must adopt and publish a policy setting out how it intends to use this general power to give assistance.
- 3.1.3.** Funding for Disabled Facilities Grants is now received from Lincolnshire County Council through the Better care Fund. The Better Care Fund (BCF) is a program spanning both the NHS and local government. It has been created to improve the lives of some of the most vulnerable people in our society, placing them at the centre of their care and support, and providing them with ‘wraparound’ fully integrated health and social care, resulting in an improved experience and better quality of life.
- 3.1.4.** West Lindsey District Council’s grant allocation received for DFG’s has increased over the past year, with the projection that this budget will remain for at least the next 3 years and potentially further.
- 3.1.5.** Until now, West Lindsey have not extended the grant using powers under the RRO as the funding allocations would not have been enough to cover the additional demand.

3.2. Objectives

- 3.2.1.** This policy aims to assist disabled people to live safely and independently in their own home. This Policy sets out how this will be done in line with the legislation, good practise guidance, the Better Care fund plan and through offering good value for money.
- 3.2.2.** West Lindsey District Council will work with the following key partners in order to deliver this policy:
- Housing Associations

- Occupational Therapist and Customer Care officers
- Private Landlords
- Home Owner
- Local contractors and specialist equipment providers
- Better Care fund leads
- Other districts within Lincolnshire

4. Disabled Facilities Grant Funding

4.1. Below is a summary of all grant assistance that is available through DFG funding. Further details on the grants can be found in the Grant Schedules document which sets out the terms and conditions of the individual grants. West Lindsey District Council have a statutory duty under the Housing Grants, Construction and Regeneration Act 1996 to provide Mandatory Disabled Facilities Grants. All other grants will be subject to available funding.

Assistance	Funding Max.	Financial eligibility	Objective
Mandatory Disabled Facilities Grant	£30,000	Means tested	To assist disabled people to remain independent in their own home.
Discretionary DFG	£10,000	Means tested – including children’s cases	To adapt homes of disabled people who fall outside of the mandatory DFG but require adaptations to remain safe and independent at home.
Discretionary Top-up Grant	£10,000	Means tested – including children cases	To provide additional funding when the mandatory grant does not cover the full extent of the adaptation required.
Discretionary Contribution Grant	£5,000	Not means tested – depends on WLDC assessment	To assist with paying a contribution when a contribution would be the reason a mandatory DFG would not progress.
Relocation Grant	£2,000	No means test – available to anyone who has an OT referral for re-location	To assist a disabled person to move to a more suitable property.
Healthy Homes Grant	£5,000	Available to anyone eligible for a mandatory DFG	To improve the property standards of vulnerable people who own their own home.
Hospital	£5,000	Non means	To assist anyone unable

Discharge Grant		tested	to be discharged from hospital due to their home conditions.
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4.2. Mandatory Disabled Facilities Grant

4.2.1. Disabled Facilities Grant (DFG) is a mandatory entitlement to help fund the provision of adaptations to enable people with disabilities to achieve independent living in their own home. The primary legislation covering Disabled Facilities Grants is the Housing Grants, Construction and Regeneration Act 1996 and applies to all Mandatory Disabled Facilities Grants.

DFG is a means tested grant which is determined by a national formula, the amount of grant that can be is determined by:

- Household income through earnings and benefits
- Household savings over £6,000
- Disabilities
- Household composition
- Tenure

4.2.2. The maximum grant amount that can be awarded will be worked out using a means test, but is subject to a maximum of £30,000. Depending on the outcome of the means test an applicant may be required to pay a specified contribution towards the adaptation.

4.2.3. Under the current legislation, applications for disabled children are not subject to a means test. All other aspects of the DFG application process remain the same for both child and adult applications.

4.3. Discretionary Disabled Facilities Grant

4.3.1. Discretionary DFG is available when the works that are recommended by the OT are not eligible to be funded through a mandatory DFG – this grant does not cover financial ineligibility. This aim of this grant is to assist people to remain living at home outside of the remit of a mandatory DFG.

4.3.2. The request from an OT will go to a pre-determined panel to decide whether or not the request is necessary & appropriate.

4.3.3. An example of when this grant could be applied for is as follows:
A disabled child can only have the property that is their 'main residence'

adapted, this does not then allow for a parent with shared custody to have any adaptations and could result in them not being able to offer respite care.

- 4.3.4. The grant will be fully land charged for owner occupiers for a 10 year period and means tested in all cases – including children’s applications. All referrals from OT will be considered by The Council.

4.4. Discretionary top-up grant

- 4.4.1. Discretionary top-up grants are available to applicants who are eligible for a mandatory DFG and the suitable scheme cannot be achieved within the £30,000 grant maximum.
- 4.4.2. It will be fully means tested for all cases including parents/guardians of disabled children.
- 4.4.3. Grant maximum of £10,000 which will be fully land charged on owner occupier applications for a 10 year period.

4.5. Discretionary contribution grant

- 4.5.1. Discretionary Contribution Grants are available when an applicant has a contribution to make towards a mandatory DFG based on a financial means test.
- 4.5.2. The current means test for mandatory DFG’s looks at many factors affecting an applicant’s financial situation including, income, capital, disability, dependents and tenure. The means test then calculates the amount that, based on these factors, the household could either afford to pay or afford to borrow towards their adaptations works. It doesn’t however, take into account that the family may not be able to borrow or could not afford to borrow based on their circumstances. This could lead to an essential adaptation not being undertaken and ultimately, leave a disabled person very vulnerable in their own home.
- 4.5.3. The grant maximum is £5,000 and will be based on evidence of not having the capital available to cover the contribution. The grant will be fully land charged on owner occupier applications for a 10 year period.

4.6. Relocation grant

- 4.6.1. Relocation grants will be available for anyone who is currently living in a property that is unsuitable due to their disability, whereby a move to a suitable property would be more beneficial to the applicant than having their current property adapted.

4.6.2. This will be available for both home owners and tenants and will not be means tested. The OT must be involved in the move to assess the new property for suitability. Referral for this grant will come from the OT.

4.6.3. Maximum of £2,000 available as a grant, land charged for home owners at the new property.

4.7. Healthy Home grant

4.7.1. This grant is for minor repairs to properties based on health needs. Available to anyone who is eligible for a mandatory Disabled Facilities Grant (financial eligibility) and own their own home whereby their home situation is contributing to their health issues. Referral from health care professional or doctor required. Can help with the following Housing Health and Safety Rating system (HHSRS) hazard:

- a) Damp and mould - spores of many moulds and fungi (including timber attacking fungi) can be allergenic. The spores can also be carcinogenic, toxic and cause infections; the potential health effect varying with species.
- b) Excess cold – There are approximately 40,000 more deaths between December and March than in other months of the year due to the cold.
- c) Falls on the stairs and falls on the level – Fall's on stairs account for around 25% of all home falls (fatal and non-fatal). Although fewer falls occur on stairs than on the level, stair falls are much more likely to lead to a class I outcome)

4.7.2. The Grant maximum is £5,000 and the grant is only available to home owners. Fully land charged for a 10 year period.

4.8. Hospital discharge grant

4.8.1. This assistance will allow the discharge from hospital or move on from care to happen much quicker by having a fast-track process for undertaking adaptations - if the reason they are not able to return home is down to their home environment.

4.8.2. Available for minor adaptations to the home to allow for further community OT involvement once the applicant is home. The grant maximum is £5,000 and the grant will not be subject to a financial means test and not land charged in any cases.

5. Eligibility Criteria and Key Facts about Mandatory Disabled Facilities Grants

5.1. Applications

5.1.1. All applications for both mandatory and discretionary Disabled Facilities Grants are determined by West Lindsey District Council. Mandatory

DFG's can only be provided to cover the cost of adaptations that are deemed to be *essential* for meeting the disabled person's needs. These are typically any adaptations that the disabled person is wholly dependent upon in order to remain living independently within the property. The council will determine how best to carry out any adaptations, considering both Occupational Therapist recommendations and an assessment of the applicant's home. All alternative means of providing assistance within the home must be trialled before a DFG application will be considered. As a minimum this will include asking for evidence that equipment has been trialled (and is no longer a suitable long term solution) and that the suitability of the property for the disabled person has been assessed.

5.1.2. The council will always seek the most cost effective solution to meeting the disabled person's essential needs. Adaptations will be designed, and grants offered, on this basis. If an applicant makes a specific request for additional work that is not considered to be essential by the council, or makes a request for adaptations to be carried out in a different way to that proposed by the council, the council will limit the amount of grant offered to cover only the essential elements of the request.

5.1.3. Grant applications will only be considered to be 'valid applications' when all of the requested information has been supplied to the council. Failure to provide the necessary financial information, or any other supporting evidence as requested by the council, will result in the closure of a DFG application and applicants will be referred back to their Occupational Therapist to discuss alternative means of support.

5.2. Eligible Applicants:

5.2.1. An applicant is only eligible for a mandatory DFG if a recommendation is received from an Occupational Therapist which will state what is required for the disabled person to remain living independently in the property. Eligibility for all other assistance will be detailed in appendix 1

- Homeowners – an application can be made by the homeowner if the disabled person is living in their house, for example, partner, child, sibling etc.
- Private and socially rented – an application can only be made by the person who holds the tenancy, this can be on behalf of the disabled person. The landlord or owner of the property must give consent for the adaptation.
- Landlords can make applications for a Disabled Facilities Grant on behalf of the disabled tenant.
- Means tests are undertaken on the "relevant person" and their partner for mandatory DFG's. Where the discretionary means test are

undertaken, these will be on either the relevant person and their partner, or, the parent/guardian of the disabled child and their partner

5.3. Eligible properties:

- Dwellings, houseboats and park homes on authorised permanent sites are eligible for assistance. Mandatory grants will only be awarded to adapt the only or main residence of the disabled person.
- The council must be satisfied that the work is necessary and appropriate for the disabled person's needs. It must also be deemed reasonable and can be carried out given the age and condition of the property.
- The council must be satisfied that the disabled person is living suitably within the home (i.e. has permanent use of a suitable bedroom and washing facilities) before allowing any grant work to commence. Grants will not be provided if the council considers that the disabled person would remain at risk, even with adaptations being provided. In such cases the reasons will be provided by the council in writing on the reasons the property has been deemed unsuitable.
- Where the cost of the adaptations is less than £1,000 (usually minor adaptations, such as installing hand rails) the work will be completed by Social Services and the grant application closed.
- Where the cost of the adaptations requested is extensive and beyond what can reasonably be provided within the scope of DFG then the application will be assessed to see if a discretionary grant could be offered.
- A condition of the grant is that the disabled person must intend to occupy the property for at least the full grant period, which is 5 years from the date works are completed. This applies to **all** properties. For landlords, this means that they must accept this 5 year term as a condition of permitting the adaptations.
- Grants for tenants in rented properties (including social rented properties) cannot be awarded if the relevant landlord does not consent to the property being adapted.
- **No grant funding will be awarded if work has started at a property before the council has approved an application.**

6. Approval of grant

6.1. For the application to be approved by West Lindsey District Council, the following must be complete:

- Application
- Determination of financial eligibility
- Quote and plan (if appropriate)
- OT confirmation the adaptation will meet the need of the disabled person

- Consent from landlord or joint home owner
- Any planning permission required

Only at the point all of the above is complete will the application be deemed valid. From the date the application becomes valid, West Lindsey District Council have 6 months to approve the grant

7. Local Land charge

7.1. Where the value of a mandatory grant awarded to a home owner exceeds £5,000 a local land charge will be applied to the property. The land charge will be up to a maximum charge of £10,000 and will remain in place for a 10 year period. If the house is sold during this 10 period, the land charge will be required be repaid in full at the point of sale. Anyone wishing to purchase the property in this time would be made aware of the charge when they, or their solicitor, undertake a Local Land Charge property search.

7.2. Any land charge to be placed onto a property for discretionary grants are detailed in the grant schedules document.

8. Contractors

8.1. Disabled Facilities Grants

8.1.1. All applicants have the choice of which contractor to use to undertake their adaptation. This option will be given to the applicant once the application process is complete.

8.1.2. If the applicant would prefer West Lindsey to select the contractor, adaptations arranged by West Lindsey will be carried out by the council's approved contractor list. This list is updated annually and requires the contractors to provide the following information:

- Insurance Policies
- CRB checks for all employees
- Certificates for membership of any professional bodies
- Signed application forms which details company information
- References
- Signed form agreeing to timescales for providing quotes and undertaking work.

8.1.3. West Lindsey reserves the right to withdraw any contractor from this list at any point throughout the year if there is just reason to do so. Under the

terms of the grant there are limitations on the amount of grant that can be awarded if the applicant wishes to use a family member to complete the work for them. Applicants must discuss this with the council before any work commences and obtain consent in writing if they wish to appoint a family member, to complete the work for them. Failure to do this may result in a grant offer being refused or withdrawn.

8.1.4. Where an applicant asks a contractor to carry out any additional work on-site, the applicant will become fully responsible for both the cost and quality of that work. Contractors are aware that any additional work or agreements to alter an approved scheme must be cleared by the council.

8.1.5. Professional technical fees, up to a maximum of 10% of the total value of the adaptation/building work requested, can be included in the grant application. This amount can cover items such as the production of technical drawings, completing applications for any additional permissions that are needed (such as Planning or Building Control applications) and other professional fees for surveys etc. that are agreed in advance with the council.

9. Completion and Payment

9.1. Adaptations will be considered to have been completed when the necessary work has been completed to an acceptable standard, appropriate for the user. The customer must sign to confirm they are happy with the works that have been undertaken.

9.2. The council will pay the grant once all work has been completed to the satisfaction of both the council and the grant applicant and the following documentation has been received, grants cannot be paid until all documents are returned:

- Invoice (addressed to the customer)
- Signed customer completion form
- Any relevant certificates including electrical
- Building regulation certificate (if required)
- Any warranty documents

10. Maintenance, repairs and warranties

10.1. Applicants should consider purchasing or negotiating extended warranties for any work carried out in their properties or for any specialist equipment installed. This is a matter for the applicant to discuss directly with the contractor and will not affect the council's decision on whether or not to offer grant assistance.

10.2. All stair lifts and through floor lifts come with an extended 5 year warranty

10.3. All works are guaranteed for 12 months, should any problems arise within 12 months of the works being completed, the cost of repair can be covered by West Lindsey. Outside of 12 months, no repairs can be undertaken by West Lindsey and the responsibility will lay with the home owner.

10.4. In addition, the council is not responsible for returning a property to its original condition in the event that any adaptations are removed or no longer required. Applicants and landlords are advised to consider how they will meet any future maintenance and repair costs when applying for and accepting a DFG.

11. Adaptations different to what is recommended

11.1. If an applicant would like a different adaptation to what is recommended by an OT, there is a procedure for undertaking this.

11.2. West Lindsey will have the scheme recommended by the OT drawn. The OT will then have to agree that this plan will meet the needs of the disabled person. At this point, West Lindsey will request 3 quotes for this work from 3 different contractors. West Lindsey will make a financial grant offer based on the quotations received within the limitations of DFG. This grant offer will last for 1 year. Within that year, it is up to the applicant to provide West Lindsey with the following information in order for the grant to be approved:

- Drawings for the adaptation they wish to undertake along with OT approval of these drawings
- All relevant building regulation and planning approval
- Quotation for the work
- Details of the contractor undertaking the works to include company name, address, and registration number (it is down to the applicant to do all relevant checks on the contractor as West Lindsey will accept no responsibility for their work)
- Consent from the landlord if applicable
- CDM action plan

11.3. Once all the above has been received, West Lindsey will formally approve the grant. This grant will be directly paid to the contractor once the works are complete and the above information is provided as detailed in completion and payment.

12. Further DFG information

- 12.1.** On accepting a DFG, the applicant will not be eligible for inclusion on the Housing Register in West Lindsey for at least the full grant period (5 years). Any applicant already on the register will have their application for housing suspended once their DFG application is complete. If the grant application is refused, an applicant's housing register status is not affected.
- 12.2.** The council will always seek to recover in full any grants that are obtained with false or incorrect information. Applicants are responsible for ensuring that the council is made aware as early as possible if they believe that any information they have submitted contains errors or omissions. If the council becomes aware that any false or incorrect information has been supplied before work commences the grant offer may be withdrawn, or put on hold pending additional investigation.
- 12.3.** Applicants that experience a change in their financial circumstances during the application process or after a grant amount has been approved must notify the council immediately. This is to ensure that a reassessment of resources (a revised means test) can be carried out to ensure that the applicant remains eligible for the grant.
- 12.4.** For all grants, except mandatory DFGS any persons who have other debt with Council and/or have been subject to previous property related enforcement action will not be eligible

13. Capital Program for Private Sector Renewal

- 13.1.** Improving the quality of the housing stock and bringing empty properties back into use are major priorities for West Lindsey District Council. With the implementation of the Selective Licensing Scheme in the Gainsborough South West Ward in 2016, the Council recognises that work needs to be undertaken alongside this to assist with problems that arise outside of the private rented sector and assist with recurring problems in the private rented sector.
- 13.2.** Poor housing standards and long term empty properties can have a detrimental impact on the neighbourhood, problems that can occur include:
- Reduction in the value of the property and the neighbouring properties.
 - Environmental health risks from vermin and waste.
 - Hazards to the public through unsafe structures.
 - Focal points for illegal and anti-social behaviour such as fly tipping, vandalism and arson.
 - A strain on other agencies such as Fire and Rescue and Police.
 - A wasted resource when so many people are in need of housing.
 - Increased risk of squatters.

14. Empty Homes

14.1. In West Lindsey, there are currently 971 empty properties. 521 of these are classed as long term empty properties which means they have been empty for 6 months or more. 168 of these long term empty properties are in the Gainsborough area and 83 within the SL area. DCLG classify these as 'problematic empty properties' and these are the properties that this policy aims to tackle.

14.2. There are many reasons that properties are left empty for a long period and West Lindsey recognise this is not always the fault of the home owner. Currently, work is undertaken with empty property owners to assist with bringing empty properties back into use. This policy sets out how West Lindsey aim to develop on from existing work to have a greater impact in the Gainsborough area.

14.3. Private Sector Renewal Policy Objectives

14.3.1. Through the financial assistance outlined in this policy and alongside the on-going statutory and regulatory duties that the Council undertakes this policy aims to:

- Bring long term empty properties back into use
- Improve housing standards in the Gainsborough area
- Increase the supply of good quality private rented properties
- Encourage home ownership
- Prevent properties from falling into a state of disrepair
- Assist land lords to maintain their priorities and offer financial assistance when needed.
- Assist homeowners to maintain their properties to a safe and healthy standard.

14.3.2. These objectives will be monitored through the number of properties brought back into use and the number of housing disrepair and anti-social behaviour complaints that are reported to West Lindsey.

15. Housing Standards

15.1. West Lindsey received 220 housing disrepair complaints in the last 12 months. 76 of these were found to have a category 1 hazard. Many of the complaints received related to damp and mould.

15.2. Through incentives in this policy, West Lindsey aims to reduce the number of housing disrepair cases that are reported by working with landlords to prevent damp and mould occurring through improved ventilation systems.

15.3. Ensuring that properties have the right smoke detection in rented properties is the responsibility of the landlord. However, due to the

design/layout of the properties in the Gainsborough area, assisting with installing systems that can detect earlier and be interlinked throughout the household will reduce the likelihood of death or injury by fire. In some cases these systems would be above and beyond what the usual requirements would be, however they will ensure an increased level of safety to occupants.

16. Summary of assistance

16.1. This table summarises what financial assistance is available to home owners, landlords and potential home owners of current empty properties. The grants are subject to availability of funding and all terms and conditions are set out in the attached grant schedules.

Assistance	Funding Max.	Eligibility	Objective
Empty Property Grant	£10,000	Not Means tested. Property must have been empty for over 6 months.	Bring long term empty properties back into use through encouraging home ownership and owner occupying
Empty Property Purchase	Market value at point of sale	Property must have been empty for over 6 months.	Bring problematic empty properties back into use
First time buyer initiative	£5,000 Deposit match up to 5%	Property must have been empty for over 6 months. First time buyers only.	Assist first time buyers to get onto the property ladder. Bring long term empty properties back into use. Encourage home ownership
Owner Occupier grant	£5000	Home owner for 12 months or more. Means tested	Remove category 1 hazards from owner occupied property to improve health, improve energy efficiency and reduce fuel poverty
Landlord incentive Grant	£2,500	Property must be licenced under Selective licencing, rented out and have no previous enforcement action undertaken.	Improve the standards of the properties in the Selective Licencing area.

16.2. Empty Property grants

- 16.2.1. Assistance available to home owners when the property has been empty for 6 months or more to bring the empty property back into use. The property must be brought back in to use within six months of the grant allocation or the grant has to start to be repaid. This grant will not be subject to a financial means test.
- 16.2.2. A standard specification will be provided to builders to ensure the property can be let, free from hazards, upon completion and ensure the property will be compliant under a selective licensing inspection.
- 16.2.3. No empty property owner will be eligible for a grant if they have any outstanding debts to be owed to the council. The grant maximum is £10,000 and it will be fully land charged for a 5 year period.

16.3. Empty property purchase

- 16.3.1. This assistance is available for West Lindsey District Council to purchase properties that have been empty for 6 months or more. Applications should be submitted by landlords where alternative empty property incentives are not feasible.
- 16.3.2. Properties may also be selected by West Lindsey and will be led by number of complaints received, debts attached to the property or if the council is considering a Compulsory Purchase Order.

16.4. First time Buyer initiative

- 16.4.1. Available to first time buyers purchasing a long term empty property. A grant of up to 5% deposit match can be obtained and the grant maximum is £5,000. It will be fully land charged for a 5 year period.
- 16.4.2. Additionally, this grant can be used in conjunction with the Empty Property Grant, terms and conditions to this apply and are detailed in the grant schedules.

16.5. Owner occupier grant

- 16.5.1. This grant is available to homeowners who have lived in their properties for 12 months or more to assist with rectifying problems in their homes associated with identified category 1 hazards, energy efficiency or improving the visual appearance of the property where they can't afford to resolve these problems themselves.
- 16.5.2. All eligible applications will be subject to a property inspection to identify category 1 hazards based on the current HHSRS assessments (Housing Health and Safety Rating System)

16.5.3. The grant maximum is £5000 and the works must lead to the identified category 1 hazards being removed. This grant is subject to a financial means test and will be fully land charged for a 10 year period.

16.6. Landlord incentive grant

16.6.1. This grant is available to current landlords to assist them in improving the property standards of their rented properties. The intention of this grant is not to take the responsibility away from landlords but to further improve the housing standard. For example, an improved ventilation systems to prevent the house incurring any further damp and mould, interlinked fire alarms or burglar alarms to improve safety and security

16.6.2. The property must be licensed under Selective Licensing and the landlord can have had no previous enforcement action taken against them by West Lindsey District Council.

16.6.3. The grant maximum is £2,500 and this grant will not be subject to a financial means test. The grant will be fully land charged for a 10 year period.

17. Private Sector Renewal

17.1.1. Within the PSR elements of this policy, choice will be available (where appropriate) to the applicant. Where an applicant selects a contractor to carry out scheduled works eligible under the policy the Council will seek to ensure that the chosen contractor has the relevant certification and competency.

17.1.2. Where the Council is providing the works via the grant, contracts will be procured with specific suppliers who will then undertake the relevant works.

17.1.3. Applicants will not be able to use contractors who do not meet the Councils requirements.

18. Decision

18.1. The Council reserves the right to refuse any applications where the assistance provided is discretionary. There will be no right of appeal in regards to decisions that are made and each decision will be explained clearly to the applicant.

18.2. The budget available to support this financial assistance policy will be reviewed on an on-going basis. Where the remaining budget is not sufficient

to support individual applications the offer of assistance will not be available until sufficient budget is available again. Applicants will be made aware of this position should it impact upon their ability to receive assistance.

- 18.3.** All applications must be submitted by the home or land owner and any applicant that has current debt with the Council and/or has faced previous property related enforcement action will not be eligible.

19. Complaints

- 19.1.** Applicants wishing to submit a complaint about the service, challenge a decision issued or to raise a dispute about any work completed, will be referred to the adopted corporate complaints procedure.

20. Policy Review

- 20.1.** This policy will be reviewed annually or as required based on the availability of finance to provide the necessary assistance.

Agenda Item 6d



**Committee: Prosperous
Communities**

Date: 1st May 2018

Subject: Business Rate Growth Policy

Report by:

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Purpose / Summary:

To seek approval for a Business Rate Relief Policy to attract new and expanding businesses to locate in West Lindsey and specifically, to locate on our Strategic Employment Sites (as defined within the Central Lincolnshire Local Plan); the Central Lincolnshire Food Enterprise Zone (Hemswell Cliff) and Somerby Park (Gainsborough).

RECOMMENDATION(S): To recommend to Corporate Policy and Resources Committee to approve the Business Rate Growth Policy for West Lindsey's Strategic Employment Areas as detailed in this report.

IMPLICATIONS

Legal:

All applications for National Non-Domestic Rates (NNDR) relief will be subject to state aid verification.

Businesses may be supported under the De Minimis State Aid Exemption, which can provide up to €200,000 of funding over a 3 year fiscal period, or an alternative State Aid Exemption.

Subject to democratic approval for this scheme, the Council will seek legal guidance on alternative State Aid exemptions which may be applicable.

Applicants will be expected to provide independent professional advice to verify how their proposal will meet the State Aid eligibility criteria and under which exemption as part of the assessment process.

Financial: FIN/8/19/TJB

In the context of the Financial Strategy maximisation of revenue generated from Business Rates is becoming increasingly important to support future sustainability of the Council.

The introduction of a Business Rate Relief scheme will incentivise economic growth and result in increased income from business rates as new business come into or expand their premises within the District. The awards of reliefs will reduce the financial burden of Business Rates upon these companies over a defined period

It is proposed that the scheme enables a maximum of £300,000 in reliefs to be awarded with a maximum award of 100% over a 3 year period.

From a financial perspective the scheme results in a reduction in business rates receivable (effectively deferring growth income) and will be contained within the Collection Fund, the financial benefit being realised in future years when full business rates are payable at the end of the defined relief period.

Consideration of State Aid implications will be undertaken as part of the process, to ensure compliance.

Staffing: None as a result of this report. The management, administration and monitoring of the funding scheme will be undertaken by existing staff in the Growth & Projects Team and Finance Team. Additional, professional support will be available to the Teams to assist with the assessment process where independent advice is required (e.g. to verify financial standing or state aid implications).

Equality and Diversity including Human Rights: Section 69 of the Localism Act 2011 provides a discretionary power for billing authorities in England and Wales to reduce the business rates of any local ratepayer. This scheme will be open to all businesses – new and existing – that can demonstrate growth through the creation of new commercial floor space or expansion into new premises within our Strategic Employment Areas.

Risk Assessment: Key risks and mitigation measures are outlined below.

Insufficient staffing resources to deliver scheme internally - Agreement on management structure and process from outset. Additional professional expertise co-opted to assist as required.

Insufficient skills to deliver the scheme in house – Council has previous experience of delivering financial support to businesses via the Gainsborough Growth Fund and existing discretionary rate relief schemes; capacity to operate the scheme as it is targeted to strategic sites/ the FEZ and therefore supported by GLLEP.

Insufficient interest in rate relief – ensure the scheme is not bureaucratic and time consuming. Scheme details will be clarified at the outset, together with Communications and Marketing Plan.

Growth outputs not realised - Funding subject to delivery of outputs so West Lindsey District Council (WLDC) has ability to withdraw support. Consider on case by case basis by Panel.

Climate Related Risks and Opportunities: This scheme is designed to support economic growth. Businesses in the ‘green’ sector can be supported through this scheme. Economic outputs will be balanced against the impact of any proposal on the environment with ‘sustainability’ being one of the key assessment criteria.

Title and Location of any Background Papers used in the preparation of this report:

NNDR Discount Rationale – NKDC – see attached Appendix 1

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

Yes No

Key Decision:

Yes No

Executive Summary

Section 69 of the Localism Act 2011 provides a discretionary power for billing authorities in England and Wales to reduce the business rates of any local ratepayer.

Rate relief or discounting can be used by the Council to un-lock private sector investment in West Lindsey. The Council recognises that business rates are a significant cost to business and discounting is therefore a tool the Council can employ pro-actively in order to stimulate investment in land and premises.

Competition for investment across the UK is fierce. West Lindsey needs to position itself to compete effectively with other areas in order to secure business investment and support economic growth and job creation in the District to meet its targets.

It is therefore proposed to launch a time-limited rate relief scheme to incentivise new and expanding firms to locate within two of West Lindsey's Strategic Employment Sites:

- Food Enterprise Zone (Hemswell Cliff) – this site is new to the market with no previous support from government. In order to attract viable investment the site requires a fiscal incentive alongside simplified planning via the LDO. This has proved successful in traditional enterprise zones such as Sheffield and Hull.
- Somerby Park (Gainsborough) – this site has been on the market for some time. The limited enquiries suggests that only larger businesses are likely to build new premises and that cost appears to be a prohibitive factor for smaller businesses. A rate relief scheme in tandem with the housing growth programme in Gainsborough could accelerate development and be an attractive proposition for new businesses to choose Gainsborough over other areas.

The net result of this intervention will be a positive impact in terms of creating floor space and jobs as well as securing medium term revenue increases in Business Rates for the council (once the discount period comes to an end) by developing additional employment floor space that might never come to market.

1 Policy Context:

- 1.1 Sustainable economic growth is a major priority for WLDC, alongside the delivery of new housing. As a partner in the Central Lincolnshire Local Plan, the Council is now committed to delivering a minimum of 628 FTE jobs per year across the Central Lincolnshire area – 11,894 FTE jobs (15,071 gross jobs) by 2036 (Central Lincolnshire Economic Growth Delivery Plan, 2016).
- 1.2 The Economic Needs Assessment (June 2015) - commissioned to provide robust evidence for the level of economic growth to be delivered through the Local Plan - indicates a need for between 3,300-3,800 new jobs by 2030 in West Lindsey.
- 1.3 The Greater Lincolnshire Local Enterprise Partnership (GLLEP) identifies key growth sectors, which will play a significant role in the growth of the Central Lincolnshire economy as follows:
 - Manufacturing;
 - Agri-food;
 - Visitor Economy – being addressed through other initiatives.
- 1.4 Translating this into policy, the Local Plan identifies the following key objectives to delivering sustainable economic growth:
 - Make it easier for our key growth sectors and fastest growing companies to achieve their potential
 - Encourage new inward investment and expansion
 - Support the growth of small and micro businesses
 - Encourage business start-ups – support the growth of entrepreneurial culture
- 1.5 The Local Plan further identifies a number of Strategic Employment Sites (SES) to meet the needs for large-scale investment requiring significant land take. Two of these sites are strategically located in West Lindsey with proximity to the A15 Lincoln to Humber south bank corridor the subject of current “Growth Deal” discussions:
 - Hemswell Cliff Food Enterprise Zone – this site is new to the market with no previous support from government. In order to attract viable investment the site requires a fiscal incentive alongside simplified planning via the LDO. This has proved successful in traditional enterprise zones such as Sheffield and Hull.
 - Somerby Park, Gainsborough - this site has been on the market for some time. The limited enquiries suggests that only larger businesses are likely to build new premises and that cost appears to be a prohibitive factor for smaller

businesses. A rate relief scheme in tandem with the housing growth programme in Gainsborough could accelerate development and be an attractive proposition for new businesses to choose Gainsborough over other areas.

- 1.6 It is proposed to launch a rate relief scheme to incentivise new and expanding firms to locate within West Lindsey's Strategic Employment Sites. Priority will be given to those firms offering the greatest potential for growth and job creation in our District.

2 Rationale for Investment:

- 2.1 Section 69 of the Localism Act 2011 provides a discretionary power for billing authorities in England and Wales to reduce the business rates of any local ratepayer. The Government has not issued guidance in respect of how this power might be used, though councils must ensure that the reliefs they allow do not transgress state aid rules. Many Councils have already used these powers to grant relief, including most recently, North Kesteven District Council.
- 2.2 According to the Bank of England and the British Chambers of Commerce, access to bank finance for growth projects is still limited as a result of the economic downturn and recession (2008-12) and banks are requiring much greater levels of security in order to underwrite risk. New finance products are now available via Midlands Engine Investment Fund (MEIF) but rates are generally higher, adding to the cost for the business and rendering some projects unviable. A lack of affordable finance means that where possible, businesses are funding growth through cash flow.
- 2.3 Furthermore, the Social Mobility Commission suggests that whilst West Lindsey has strong social mobility for those born in the district, this tends to fade with age. Grant Thornton's Vibrant Economy Index ranks West Lindsey low overall, and sitting within an area of low vibrancy. At this moment it's unclear how Brexit will affect the district so the development of this policy is further driven by the need to address future uncertainty.
- 2.4 Rate relief or discounting can be used by the Council to un-lock private sector investment in West Lindsey. The Council recognises that business rates are a significant cost to business and discounting is therefore a tool the Council can employ pro-actively and where appropriate in order to stimulate sustainable investment in land and premises. The net result of these interventions will be a positive impact in terms of creating floor space and jobs as well as securing medium term revenue increases in Business Rates for the council (once the discount period comes to an end) by developing additional employment floor space that might never come to market.

3 Proposed Scheme:

- 3.1 The Council may use its discretion to offer discounted rate relief to a business, where that business has identified to the satisfaction of the Council, a growth project that requires capital investment and/or the release of cash flow in order to accelerate investment that would otherwise be delayed or not occur. Such projects are likely to maximise competitive advantage, create or safeguard significant jobs and result in the development or occupation of additional employment floor space that will deliver the Council revenue in the medium to long term.
- 3.2 To be considered for rate relief under this scheme any applicant must either be:
- A new business starting up;
 - A business relocating to the area from outside of West Lindsey District;
 - An existing business seeking to expand/develop new premises.
- 3.3 It is proposed that the scheme is used explicitly to attract and incentivise growth businesses to the Strategic Employment Sites of:
- Hemswell Cliff Food Enterprise Zone;
 - Gainsborough Somerby Park.
- 3.4 On an exceptions basis, proposals for business investment outside of these areas may also be considered, where floor space and job outputs are substantial and the investment is considered to be of strategic importance within West Lindsey. This will include projects identified within the key growth sectors outlined above. All proposals for development will be subject to planning consent.

4 Promotion and Assessment of Applications:

- 4.1 This scheme will be actively promoted to businesses who may be considering new investment in land and premises, with the potential to locate in West Lindsey. It will form part of the marketing strategy for the Food Enterprise Zone and Invest Gainsborough. Officers will work with agents, developers and intermediary networks to promote the scheme and identify prospective businesses.
- 4.2 Businesses will be invited to apply following a satisfactory eligibility check. A business plan/cash flow forecast will be required together with company accounts for 3 years and bank statements. This will enable a full financial appraisal to be completed.

- 4.3 The project will utilise the assessment process which has been established for the Gainsborough Growth Fund. This includes a 2-stage application process, with guidance and support from the Growth Team and independent advisors.
- 4.4 The panel will assess the application against the pre-determined criteria shown below and highlighted in the attached Assessment Criteria document (**Appendix 2**). The total maximum score is 25 and any project scoring below 15 will not be considered eligible for the scheme. Projects scoring below 3/5 in any of the categories below will also be rejected.

Criteria	Y/N	Score = 1	Score = 5	Points Awarded
Priority Employment Area		The project will not be delivered in a priority Employment Area (as defined in the CLLP and outlined within the Policy)	The project will be delivered in a priority Employment Area (as defined in the CLLP and outlined within the Policy)	
Priority Sector		The project will not deliver growth potential within a significant growth sector as outlined within the Economic Needs Assessment (June 2015)	The project will deliver growth potential within a significant growth sector as outlined within the Economic Needs Assessment (June 2015)	
Job Creation & Increased Floorspace		The project will lead to a low number of jobs created and/or jobs will be of low quality; will not hit priority sector identified within ES; jobs will be temporary and may not be sustained beyond 12 months. Project results in little/no development or occupation of additional floor space.	The project will lead to a large number of jobs created and/or jobs will be of high quality; will hit priority sector identified within ES; jobs will be sustained for at least 3 years. Project results in the development or occupation of significant additional employment floor space	
Deliverability		The business owner/s have limited experience of this type of project; project is highly complex and/or lengthy delivery timescales and no clear project plan for implementation of	The business has extensive experience of delivery/progress of this type of project; evidence of a well-planned project with clear timescales for delivery and strong likelihood of	

		results of feasibility.	successful outcome.	
Sustainability		The business has a poor credit score; issues are highlighted through the review of finances/company history; serious doubts as to the business' ability to remain trading in 12+ months.	The business has a good credit score and no issues with company finances/history; confidence that the business will remain trading – with the new jobs sustained – over a 3+ year horizon.	

4.5 Decisions to award rate relief will be authorised by the Director of Resources under delegated powers, following consultation with Officers and Members via a Funding Consultative Panel.

4.6 The Council will have the discretion to award up to 100% rate relief per year over a 3 year period which will be capped. The Growth Team will notify the business rate team of the total amount awarded and the period of the award to enable them to post the relief to the business rate account. A copy of the notification to the customer will be sent to the Business Rate Admin team to be held on the customers file and actioned. The technical assessment and award criteria will be finalised to meet the requirements of the Council's internal Revenues and Finance systems or similar.

4.7 WLDC will review the outcomes from the business each year to ensure that the business case is being met and to ensure good value for money for the taxpayer. The Policy will include clawback provision that will allow the Council to amend or withdraw funds if the outcomes are not being met.

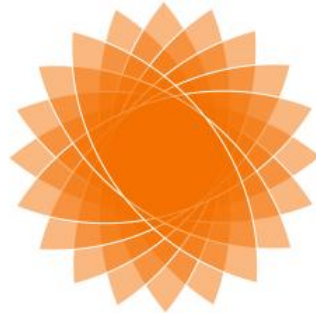
5 Funding the Scheme:

5.1 The total funding 'pot' for this scheme will be £300,000. The scheme will be funded from the £0.5m of additional income generated by the Council being part of the Greater Lincolnshire Business Rates 100% Retention Pilot, held in the Investment for Growth Earmarked Reserve.

6 Conclusions:

6.1 Following a review of the scheme it has been determined that the capital element of the Gainsborough Growth Fund will be discontinued from January 2018. However it is proposed that the feasibility fund (up to £10k funding to support professional fees, technical work and feasibility for major growth projects) will be rolled out to the wider District, subject to funding. A Commercial Loan Policy has also been developed to support growth/development proposals across West Lindsey (this is the subject of a separate Committee Report).

- 6.2 It is proposed that the Business Rate Growth Policy will complement the Commercial Loan and Feasibility Fund, creating a stronger 'offer' for new businesses looking to locate in our area and for existing businesses considering their growth options. Discounting business rates for growth businesses (for a time-limited period) will create a low risk alternative to grant funding and in the long term will generate an uplift in NNDR once the discounting period comes to an end. The scheme will also support the delivery of economic growth and job creation within the District in parallel with its housing offer.
- 6.3 It is further proposed that this policy will complement wider feasibility funds such as the Midlands Engine Investment Fund. This funding is aimed at higher-value start-ups and rapidly growing businesses and seeks to address a number of barriers including a grant dependency culture, lack of awareness or understanding of different types of finance and low or cautious ambitions for some businesses.
- 6.4 In order to quantify the potential impact and outcomes of the scheme such as jobs created and increased floor space the Council will undertake an Economic Impact Assessment at the outset.



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Discretionary Rate Relief Policy

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Introduction & Background

This policy sets out the Council's intentions for dealing with discretionary rate relief applications (including hardship relief requests) from Charities, Community Amateur Sports Clubs (CASCs), Non-Profit Making Organisations (NPMOs), Rural Businesses (village shops, post offices, food stores, petrol filling stations, public houses and other small businesses), and other businesses situated within North Kesteven.

Section 69 of the Localism Act 2011 amended Section 47 of the Local Government Finance Act 1988. These provisions all authorities to grant discretionary relief in any circumstances where it feels fit having regards to the effect on the Council Tax payers of its area.

The provisions are designed to give authorities flexibility in granting relief where it is felt that to do so would be of benefit generally to the area and be reasonable given the financial effect to Council Tax payers.

The policy has regard to the use to which business premises are put and, in particular, the contributions that businesses seeking rate relief make to their local communities. It also has regard to the financial cost to the council taxpayers of the district. The policy will be applied consistently and in accordance with the Council's ***vision and priority to promote the economic and employment growth of North Kesteven.***

In order to promote economic growth and create jobs in line with government policy, the Council also now has the flexibility to develop "Local Discounts" to encourage and stimulate economic growth. Rate relief or discounting can be used by the council to un-lock private sector investment in North Kesteven. The Council recognises that business rates are a significant cost to business and discounting is therefore a tool the Council can employ pro-actively and where appropriate in order to stimulate sustainable investment in land, capital equipment or premises. The net result of these interventions will be a positive impact in terms of creating and safeguarding jobs as well as securing medium term revenue increases in Business Rates for the council by developing additional employment floor space that might never come to market.

The principles of this policy are supported in law by the Local Government Finance Act 1988 (as amended) and regulations made under that Act.

Policy Statement

Scope

The policy applies to any business ratepayer within the discretionary rate relief qualifying groups and criteria set out in legislation, guidance issued by the Department for Communities and Local Government (DCLG) and this document. Some of them will also receive mandatory rate relief.

Discretionary relief for Local Discounts may also be offered to a 'growth business' that can demonstrate to the satisfaction of the Council that the sum of the discount granted will facilitate or enable a reciprocal investment by that business in a sustainable growth project that will create or safeguard jobs or result in the development or occupation of additional employment floor space.

Application requirements and decision making process

Business rate payments remain legally due and payable in accordance with the most recent bill until such time as any rate relief is awarded.

Applications for a Local Discount to the Council will be judged on individual merit and on a case-by-case basis. Applicants will need to clearly demonstrate how the relief granted will facilitate business growth. As relief will be time limited, the applicant will also need to demonstrate how at the end of the awarded period of relief the business will fund the additional rates then due. A detailed financial and business plan must be provided in all cases. The council reserves the right to refuse relief to any applicant.

Each application will be considered on its individual merits against the overall aim set out above. The scheme is discretionary and the applicant does not have a statutory right to payment.

To be considered for an award under this policy the applicant must be either:

- A new business starting up in the area***
- A business relocating to the area***
- An existing business expansion within the area***

Discretionary rate relief will usually be awarded by means of a reduction shown on the business rate bill issued to the ratepayer. Where this puts the account in credit for the year, a refund will be made. Written applications will be required for each case and these will need to be renewed bi-annually if relief is to continue into the financial year following the review. The Council will ensure that application forms for discretionary rate relief (except hardship relief) are made available to ratepayers on request.

Hardship relief applications should be made in writing by the ratepayer and should include all relevant information and evidence to support the case for relief to be given on the grounds of hardship. Hardship is not defined in rating law. Therefore, ratepayers will be expected to clearly explain why they believe they would suffer hardship if the Council failed to use its discretionary power to reduce their rate bills. They will also need to show why it would be reasonable for the Council to do so having regard to the

interests of the people who pay council tax in North Kesteven and that the business can demonstrate its future viability.

With the exception of hardship relief, businesses receiving rate relief will be sent a renewal application form before the start of each financial year in which their relief expires. Advice and guidance notes will be included with these renewal forms. When completed forms are returned, they will be checked to ensure that an entitlement still exists and, if so, the relief will be awarded for a further two years. Where an application is not returned, relief will not be awarded and the organisation will be sent a rate bill for the full charge.

New ratepayers occupying a property part way through a financial year should apply at the time they move in. Wherever possible, applications for discretionary rate relief should be made within the financial year for which the relief is being sought. Accepting applications made after this time will be at the discretion of the Council and in any event applications have to be determined by law within six months of the end of the financial year for which relief is being sought.

Application forms will set out the evidence requirements that need to be met for a decision to be made. Failure to provide evidence will delay the decision making process. Where evidence is not forthcoming within a reasonable timescale, rate relief is likely to be refused. If the applicant is a Non-Profit Making Organisation (NPMO), the two most recent sets of annual accounts will need to be provided. Accounts will need to have been either audited, approved by a general meeting of the organisation (minutes of the meeting will be required) or independently verified and signed by two officers of the organisation (one of whom will be the person who has prepared them).

Charitable Bodies (Charities)

A mandatory rate relief of 80% is granted to charities in the following circumstances. Where the:

- ratepayer of a property is a charity or the trustees of a charity; and*
- property is wholly or mainly used for charitable purposes (including charity shops, where the goods sold are mainly donated and the proceeds are used for the purpose of the charity).*

Registration under the Charities Act 1993 is conclusive evidence of charitable status. Bodies which, under the 1993 Act, are excepted from registration or are exempt charities are also eligible for mandatory relief. Providing the above criteria are met, 80% mandatory rate relief is granted.

In cases where a charity is in receipt of mandatory rate relief of 80%, the Council has discretion to grant up to 20% additional rate relief – DRR top up. The Council will consider applications for a discretionary rate relief top up from charities based on their own merits, on a case by case basis.

However the principal consideration is that the relief is in the best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will be awarded to only the following type of registered charities:

- *Scouts, guides, cadets and other clubs/associations for young people;*
- *Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents associations;*
- *Organisations providing support in the form of advice, training for employment, counselling;*
- *Organisations that provide services that address the consequences of ill health and disability;*
- *Charitable sporting clubs (also see CASCs);*
- *Locally based leisure and cultural organisations;*
- *Armed forces veterans associations*
- *Locally based charities;*
- *Charity shops (operated by either locally based or national charities).*

Registered Community Amateur Sports Clubs

A mandatory rate relief of 80% is granted to registered community amateur sports Clubs (CASC). To qualify as a CASC, a sports club must fulfil all of the following criteria. It must be

- *Open to the whole community;*
- *Run as an amateur club;*
- *A non-profit making organisation; and*
- *Aiming to provide facilities for, and encourage people to take part in, eligible sport.*

In cases where a CASC is in receipt of mandatory rate relief of 80%, the Council has discretion to grant up to 20% additional rate relief as a discretionary top up.

4.3 The Council will consider applications for a discretionary rate relief top up from CASCs based on their own merits on a case by case basis. The principal consideration is that any relief is in best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must bear a percentage of the cost of any relief granted. However in determining the application the following matters will be taken in to consideration:

- *How the CASC supports and links into the Council's corporate vision and priorities;*

- *A club should have an open access policy. If a club effectively discriminates by only accepting members who have reached a particular standard, rather than seeking to promote the attainment of excellence by enhancing access and the development of sporting aptitude, then it does not fulfil the requirements;*
- *Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are not discriminatory in intent but a genuine result of physical restraints (such as changing room facilities) or the requirements of the sport. In such cases, the organisation will be required to provide proof of such limiting factors.*

It should be noted that sports clubs and other organisations which run a bar are unlikely to be awarded relief if their main purpose is the sale of food or drink. However, if the sale of food or drink by the organisation aids the overall operation and development of the organisation in achieving its objectives, this would be permissible as long as the principal objectives of the organisation meet the eligibility criteria detailed above. If the bar makes a profit, this profit must be reinvested to support the organisation in achieving its principal objectives. Financial information will be required to evidence any profit and its use.

Non Profit Making Organisations

The Council has the power to grant discretionary rate relief of up to 100% for the rates due to other non-profit making organisations. The main objectives of the organisation must be related to:

- *Relief of poverty;*
- *Advancement of religion;*
- *Advancement of education;*
- *Social Welfare;*
- *Science;*
- *Literature;*
- *Fine arts; or*
- *Recreation*

Or be otherwise beneficial to the community

An organisation must be able to demonstrate how it:

- *meets local needs and benefit local people; and*
- *provides a valuable service to the community; and*
- *is open to all sections of the community*
- *operates in such a way that it does not discriminate against any section of the community; and*
- *is not conducted or established for the primary purpose of accruing profit.*

The Council will consider applications for a DRR top up from non-profit making organisations based on their own merits, on a case by case basis. However the principal consideration is that the relief is in the best interests of the residents and taxpayers of Oldham and produces a local benefit as the Council must contribute to the cost of each award. As such, top up will only be awarded to only the following type of non-profit making organisations:

- Scouts, guides, cadets and other clubs/associations for young people;*
- Community schemes encompassing organisations providing support for those over the age of retirement, community transport, those based on volunteering and residents associations;*
- Organisations providing support in the form of advice, training for employment or counselling;*
- Organisations that provide services that address the consequences of ill health and disability;*
- Locally based leisure and cultural organisations*
- Armed forces veterans associations*

Membership and Entry Fees

If the organisation applying for DRR requires membership or an entry fee, the Council will consider whether:

- membership must be open to everyone, regardless of race, ethnic origin, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation or political belief,*
- The subscription or fee is set at a level which is not prohibitively high and considered to be affordable by most sections of the community;*
- Fee reductions are offered for certain groups such as, for example, under 18s or over 60s;*
- Membership is encouraged from groups who face social barriers, such as, for example, young people not in employment, education or training; people above working age; or people with disabilities;*
- Facilities are made available to people other than members.*

Where the applicant organisation requires membership, at least 50% of the members should reside within the boundaries of the Borough of Oldham (proof of this will be required).

Discretionary Rural Rate Relief

Discretionary Rural Rate Relief is open to any type of business within a classified rural settlement that satisfies the following criteria:

- It is within the boundaries of a qualifying rural settlement;*
- It has a rateable value of less than £16,500;*
- It is a qualifying food shop, general store, Post Office, sole public house or sole petrol station already in receipt of mandatory relief of 50%*
- The property is used for purposes which are of benefit to the local community;*
- It is reasonable for the Council to grant relief, with regard to the interests of residents and Council Tax payers*

As a guide, to be eligible for Discretionary Rural Rate Relief, an organisation must not have enough financial resources available in unrestricted funds (i.e. resources which are not being held for specific purposes) to continue to operate for more than 12 months, nor should it have sufficient financial resources in unrestricted reserves to continue to operate for more than 12 months, unless a business plan exists detailing how these additional reserves are to be used to benefit the local community.

Discretionary Rate Relief – Localism Act – Local Discount

Any ratepayer applying for a Local Discount who does not meet the criteria for existing relief (charities, non profit making organisations or rural premises) must meet all of the following criteria and the amount of relief granted will be dependant on the following key factors:

- a. The ratepayer must not be entitled to mandatory rate relief (Charity or Rural Rate Relief) or relief as a non profit making organisation or as a sports club or similar;*
- b. The ratepayer must occupy the premises (no discretionary rate relief will be granted for unoccupied premises);*
- c. The premises and organisation must be of significant benefit to residents of the District;*
- d. The ratepayer must either;*
 - Create or safeguard jobs in the district; or*
 - Provide new employment floorspace; or*
 - Represent investment in a growth market (key market sectors for the District are set out in the Council's Economic Prospectus);*
- e. The ratepayer must demonstrate that assistance (provided by the discretionary rate relief) will be for a short time only and that any business / operation is financially viable in the medium and long term; and*

Where a ratepayer can demonstrate that all of the above criteria are met, relief will be considered for a period of up to three years.

The Council will undertake an assessment of overall risk and is unlikely to make an award to a business with a poor payment history.

A formal application from the ratepayer will be required in each case and any relief will be granted in line with State Aid requirements.

A Local Discount will not be awarded until the business has all the required permissions, licences, and other provisions in place and has begun lawfully trading with a minimum lease period of 3 years and a statement of intention to operate the business in the District for five years or more.

Right to Appeal

There is no statutory right to appeal against a decision under Section 47, other than Judicial Review. An applicant may make a request for the decision maker to review a decision but only where either;

- 1. Additional information that is relevant to the application and that was not available at the time the decision was made becomes available, or*
- 2. There are good grounds to believe the application or supporting information was not interpreted correctly at the time the decision was taken*

A request for a review must be made within four weeks of notification of the decision and must set out the reasons for the request and any supporting information.

Clawback Provision

The Council shall be under no obligation to pay the Local Discount if any of the Clawback Events and Termination Events listed in Appendix A occurs.

The Council may at the Council's absolute discretion if (in the Council's opinion) any of the Clawback Events or Termination Events listed in Appendix A occurs:

- a. Suspend the payment of the Local Discount under this Policy for such period as the Council shall determine;*
- b. Vary the Local Discount payable under this Policy, in which case the payment of funding shall thereafter be made in accordance with the written variation notified to the Applicant;*
- c. terminate any agreement to pay the Local Discount under this Policy whereupon the Council shall cease to be under any obligation to provide any further Local Discount to the Applicant and (in addition) the Council may require the Applicant to repay the whole or any part of the Local Discount previously paid to the Applicant and the Applicant agrees that upon receipt of written notice requiring repayment the Applicant shall repay the sums required within 30 days of receipt of such notice.*

Notwithstanding the provisions of Clauses a. and b above, in the event that an applicant relocates the business for which the Local Discount is payable to a location outside of the Borough, within a period of five years from the date of the decision to award the Local Discount, the Council shall be entitled to recover some or all of the Local Discount on the following basis:

- a. *The relocation occurs before 3 calendar years have expired beginning with the date of the decision, 100% of the Local Discount shall be recoverable, at the Council's discretion;*
- b. *The relocation occurs after 3 years and before 4 calendar years have expired beginning with the date of the decision, a maximum of 50% of the Local Discount shall be recoverable, at the Council's discretion;*
- c. *The relocation occurs after 4 years and before 5 calendar years have expired beginning with the date of the decision, a maximum of 25% of the Local Discount shall be recoverable, at the Council's discretion.*

Promoting and communicating the policy

Advice and information will be issued to all business ratepayers with their bills. It will also be available on the Council's website and from staff who may be dealing with enquiries from ratepayers. Renewal application forms will be sent bi-annually to every business ratepayer receiving relief at the time. In addition, wherever possible, we will identify any new ratepayer who may qualify under the policy and provide them with information and guidance at the earliest opportunity.

In order for a growth business to qualify for a Local Discount they must be invited to apply by an economic development officer. The economic development officer is responsible for carrying out an initial audit of suitability before any formal invitation to apply for relief is issued to the business.

Detailed provisions the policy provides for relief to be awarded at different levels for different categories of qualifying business ratepayer. These are shown in Appendix A.

Who is affected by the Policy?

- Business ratepayers
- Members, customers and staff of organisations and businesses eligible for rate relief
- The Council Tax payers of the district who meet part of the cost

Implementation

Who is responsible?

The Revenues Unit within **Revenues & Benefits Shared Service** will administer the policy. **A Growth Board consisting of representatives from Revenues and Benefits, Finance and Economic Development, will make** recommendations and decisions on rate relief applications

Complaints

Any ratepayers who believe their cases have not been correctly dealt with can use the Council's Customer Complaints procedure to further their complaints.

APPENDIX A – the range of rate relief awards for different categories of ratepayer.

Category of Ratepayer	Mandatory Rate Relief	Discretionary Rate Relief	Cost met by Council Tax
	<small>(All columns indicate % of full rate charge)</small>		

Charity shops selling donated and new goods	80%	Nil	Nil
Certain voluntary and foundation schools	80%	Nil	Nil
Charities where members have regular access to licensed bar facilities or other major income (see policy)	80%	Nil	Nil
Any charities not covered in the categories above	80%	20%	15%
Registered Community Amateur Sports Clubs (CASCs) where members have regular access to licensed bar facilities (see policy)	80%	Nil	Nil
Registered CASCs with no bar on site	80%	20%	15%
Non-profit making organisations (NPMOs) where members have regular access to licensed bar facilities (see policy)	Nil	20%	5.0%
Any other NPMOs	Nil	100%	25.0
The only village store and the only village post office in the rural settlement where the RV is £7,000 or less	50%	50%	12.5%
The only village public house and the only village petrol filling station in the rural settlement where the RV is £12,000 or less	50%	Nil	Nil
The only village pubic house and the only village petrol station in the rural settlement where the RV is £12,000 or less and is providing other facilities not already provides in the settlement (e.g.food stores or post offices)	50%	Relief amount not specified in policy cases considered individually on merit	
The only food stores with RV's of £7,000 or less in rural settlement	50%	50%	12.5%
Any businesses with RVs of £14,000 or less in rural settlements which are of benefit to the local community	Nil	Relief amount not specified in policy cases considered individually on merit	
Any ratepayers that would like to make a case for hardship.	Nil	Relief amount not specified in policy cases considered individually on merit	
Growth Businesses	Nil	Relief amount not specified in policy cases considered individually on merit via application to NKDC Growth Board.	

APPENDIX 2

BUSINESS RATE GROWTH POLICY ASSESSMENT FORM

Name of Business:

Contact Name:

Contact address:

Postcode:

Telephone:

Email:

Eligibility Criteria	Yes	No
Business Start/Relocation/Expansion		
3-5 Year Business Plan		
3 Year Cash Flow and 3 Year Accounts		
Copies of bank statements		

A business must satisfy the preliminary assessment criteria outlined above to assess their eligibility to apply under the Business Rate Growth Policy.

When assessing any application the criteria below will be used as a benchmark to score each project. The maximum score is 25 and any project scoring below 10 will not be considered eligible for the scheme. Projects scoring below 3/5 in any of the categories below will also be rejected.

Criteria	Y/N	Score = 1	Score = 5	Points Awarded
Priority Employment Area		The project will not be delivered in a priority Employment Area (as defined in the CLLP and outlined within the Policy)	The project will be delivered in a priority Employment Area (as defined in the CLLP and outlined within the Policy)	
Priority Sector		The project will not	The project will deliver	

		deliver growth potential within a significant growth sector as outlined within the Economic Needs Assessment (June 2015)	growth potential within a significant growth sector as outlined within the Economic Needs Assessment (June 2015)	
Job Creation & Increased Floorspace		The project will lead to a low number of jobs created and/or jobs will be of low quality; will not hit priority sector identified within ES; jobs will be temporary and may not be sustained beyond 12 months. Project results in little/no development or occupation of additional floor space.	The project will lead to a large number of jobs created and/or jobs will be of high quality; will hit priority sector identified within ES; jobs will be sustained for at least 3 years. Project results in the development or occupation of significant additional employment floor space	
Deliverability		The business owner/s have limited experience of this type of project; project is highly complex and/or lengthy delivery timescales and no clear project plan for implementation of results of feasibility.	The business has extensive experience of delivery/progress of this type of project; evidence of a well-planned project with clear timescales for delivery and strong likelihood of successful outcome.	
Sustainability		The business has a poor credit score; issues are highlighted through the review of finances/company history; serious doubts as to the business' ability to remain trading in 12+ months.	The business has a good credit score and no issues with company finances/history; confidence that the business will remain trading – with the new jobs sustained – over a 3+ year horizon.	

Total Score = **Total Categories =**

Aid offered under this scheme will be subject to De Minimis Regulations which are enforced by the EU. The maximum De Minimis funding any recipient can receive is 200,000 Euros (cash grant equivalent) over a 3-year period. Information on previous state aid will be captured through the grant application process.

Maximum Allocation of Award in Year 1 = up to 100%
 Maximum Allocation of Award in Year 2 = up to 75%
 Maximum Allocation of Award in Year 3 = up to 50%

Total Rates Payable (£)	Amount of bus rate award approved in Year 1 (up to 100%)	Amount of bus rate award approved in Year 2 (up to 75%)	Amount of bus rate award approved in Year 3 (up to 50%)	Total allocation of business rate relief awarded.

It is the recommendation of the panel to make Business Rate Growth award as outlined in the table above.

Name of Award Panel Representative _____

Signature of Award Panel representative: _____

Position: _____ Date: _____



**Committee: Prosperous
Communities**

1st May 2018

Subject: West Lindsey Commercial Loan Policy and Framework

Report by:

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Director of Resources

Contact Officers:

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Purpose / Summary:

To consider the viability and implications of a Commercial Loan Policy and Framework that would allow the Council to lend money to third party organisations.

RECOMMENDATION(S):

That members recommend the Commercial Loan Policy to Corporate Policy and Resources in order to approve the implementation of a West Lindsey Commercial Loan Policy that would allow the Council to award discretionary commercial loans to third party organisations in support of local growth and economic development.

IMPLICATIONS:

Legal:

Loans to third party organisations and businesses may be provided under the Council's general power of competence. The General Power of Competence, Localism Act 2011 Sec 1 (1) gives local authorities, including eligible local councils, "*the power to do anything that individuals generally may do*".

This power is not to be relied upon as a specific power to lend or invest but rather to supplement Section 12 of the Local Government Act 2003 or Section 24 of the Local Government Act 1988 when investing or lending.

Loan Funding

There are a number of approaches and potential exemptions which they can rely upon when lending. The potential exemptions include the General Block Exemption Regulation (the "GBER") and De Minimis. If a council provides a loan on market terms, it should not be State aid because the council is acting in line with the Market Economy Investor Principle (the "MEIP"). When making such loans, councils will need, amongst other things, to carry out prior due diligence to demonstrate that the loan is a prudent use of the council's resources and such that any other lender (i.e banks) would have provided a loan on those terms

A loan can be non-aid altogether provided it is given on commercial terms and at a market rate. In such a case the fact it is given by a state entity such as WLDC does not matter as it is considered not to confer the *advantage from state resources* necessary to be state aid (i.e. it is deemed to be in effect the same as if obtained from a commercial bank). In order to do verify this, there is a formula for judging market rates as set out by the European Commission involving consideration of prevailing interest rates plus the beneficiary risk rating and level of collateralisation.

It is intended that all loans will be given on commercial terms.

Financial : FIN/19/18TJB

The Council is currently exposed to £1.060m of loans equating to 10% of forecast uncommitted useable reserves of £10.566m per the MTFP at 2022/23).

The following risk considerations are to be embedded to mitigate financial risk;

A maximum exposure level - should be set at 35% of uncommitted useable reserves which reflects the Council's risk appetite to this type of debt. All loan agreements include clauses to protect WLDC against loss of principle through default on payment i.e. security in the form of a charge on the land/property/asset and through personal or parent company guarantees.

Commercial Interest Rate - As most loans are funded from Prudential Borrowing the Councils cost of borrowing needs to be met from the rate of interest applied to the loan. Rates will be set at a level commensurate with a commercial loan for a similar loan agreement.

Rates must be evidenced as commercial to comply with State Aid Rules.

Costs to administer - A fixed 1.5% or £5,000 whichever is the higher as an administration charge. Additional penalties for late payments should also be applicable.

The maximum amount of loan – the Council's willingness to advance should be proportionate to the scheme and financial standing.

The maximum period of loan advance - The preferable loan period is 5 years however for larger projects this could be extended up to 10 years.

Repayment Terms: The ability to repay early should not come with penalties, this will encourage early repayment.

Approval: All loan advances will require approval of the Corporate Policy and Resources Committee.

Staffing: This project will be led by the Commercial and Economic Growth Director (with the support of the Finance Team) and is part of the work plan of the Growth team.

Equality and Diversity including Human Rights :

If approved for delivery, the Commercial Loan Policy will be adopted on a discretionary basis. This is to ensure prudent risk management on the part of the Council (as described in the Financial Implications above). Each application will be assessed consistently in accordance with the Council's assessment criteria and due diligence requirements. The assessment criteria will be disclosed to prospective applicants at Expression of Interest stage.

Risk Assessment:

State Aid compliance

Mitigating Action: Loans will only be issued at a commercial rate therefore no distortion of competition

Default on the loan

Mitigating Action: Appropriate due diligence to be undertaken, security on the asset through a Charge on the Land, release of the loan based on specific conditions in addition to a parent company or personal guarantee if appropriate

Climate Related Risks and Opportunities :

This scheme is designed to support economic growth and stimulate development. In this respect applications will have to demonstrate that any proposed activity funded through the loan will support projects that will improve sustainability and will not be at the detriment of both the business and the environment.

Title and Location of any Background Papers used in the preparation of this report:

“Review of the Gainsborough Growth Fund, its performance over the last 3 years and any recommendations going forward” (Prosperous Communities Committee, 30 January 2018)

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman) **Yes** **No**

Key Decision:

A matter which affects two or more wards, or has significant financial implications **Yes** **No**

1 Introduction

1.1 Previous decisions

The recommendations outlined in the Gainsborough Growth Fund (GGF) Review Report presented at Prosperous Communities Committee on 30th January 2018 summarised three areas of opportunity for the Council in terms of its role as future provider of business finance and fiscal incentives.

- a revised GGF Scheme that would look at relaunching a wider district Feasibility Fund to be aligned with the Greater Lincolnshire Enterprise Partnership (GLLEP) and regional Midlands Engine Investment Fund Programme¹ (see *Appendix A for full details of financial products*);
- the potential to provide a local business Discretionary Rate Relief Scheme (for consideration via a separate report);
- **the implications to develop a Commercial Loan Policy that would regulate disbursement of loans to third party organisations (to be evaluated in this paper)**

The performance review carried out in relation to the existing GGF Scheme, and the increased funding/financial opportunities available at district and regional level through ESIF (EU), the GLLEP and the Midlands Engine Investment Fund Programme (MEIF), concluded there is little rationale at this stage to explore a continuation of the Scheme in its current format, once resources are depleted from the allocated budget. Also considerations were made whether a grant regime is the most effective commercial and financial mechanism for the Council to continue to support business growth and investment, particularly for high risk capital projects.

1.2 Rationale for investment: why should we consider lending?

Government changes in the way councils are funded has prompted local authorities, over the last few years, to look at more commercial and innovative ways of growing income streams from other sources other than Government grants and council tax in order to support their services.

The Council can available through the use of their reserves and/or borrowing from the Public Works Loan Board (PWLB) to support outputs to the growth agenda and to support future revenue income streams by providing loan funding.

¹ MEIF is a collaboration between the government-owned British Business Bank and ten Local Enterprise Partnerships (LEPs) in the West Midlands and East & South East Midlands and provides commercially-focused finance to help SMEs start up and grow. It is a key part of the government's vision aimed at boosting the region's economy and supporting the growth of smaller businesses between 2017 and 2022.

A commercial loan approach, as opposed to a grant regime, would ensure more measurable outputs in terms of financial returns (revenues generated from interest payments and potentially increase in business rates) will benefit Council resources with the greater economic impact for the District.

Loans to third party organisations and businesses may be provided under the Council's general power of competence. The General Power of Competence, Localism Act 2011 Sec 1 (1) gives local authorities, including eligible local councils, "the power to do anything that individuals generally may do". This power is not to be relied upon as a specific power to lend or invest but rather to supplement Section 12 of the Local Government Act 2003 or Section 24 of the Local Government Act 1988 when investing or lending.

This option would support the Council's Medium Term Financial Plan & Capital Investment Strategy and would allow revenue from loan repayments and arrangement fees to cover the cost.

2 Socio-economic analysis

- 2.1 When evaluating the implications of a Loan Scheme the Council should outweigh the cumulative socio-economic benefits that are generated as a result of a particular investment into the local economy and the risk levels associated to the very nature of disbursement of loans (payment defaults, borrower's creditworthiness, collaterals and securities).

Some of the wider socio-economic benefits for the Council to consider whether entering the lending environment may include:

- **Delivering economic growth.** By lending to commercial entities the Council can support programmes and activities which can generate significant economic impact and job creation;
- **Economic renewal and regeneration.** Loans can support the delivery of regeneration programmes in areas that suffer from lack of investment and can unlock stalled development projects which are struggling to get off the ground;
- **To share good policy on improving access to finance for investors and Small and medium-sized enterprises (SMEs).** By working with institutions like the MEIF and other funding organisations, the Council may stimulate investment locally and encourage local economic growth.

3 Commercial Loans: Guidance Notes

3.1 Principles and Eligibility

It is proposed that commercial loans be considered to support development projects which have a significant economic impact and support sustainable job creation. Project proposals will need to clearly demonstrate the potential for job creation and alignment to the Council priorities for growth as well as the GLLEP Strategic Economic Plan (SEP).

The Loan will support capital activities, including investment in sites and premises and/or purchase of new machinery and equipment.

Revenue projects are not eligible for the Loan applications. Only capital projects may be considered (usual fees/project management costs which are part of a larger capital project may be eligible).

In addition to financial and credit status, Project deliverability and strength and experience of the management team will be a key factor in the appraisal process.

The maximum amount of the loan will be based on a combination of different factors involving the proportionality of the loan amount to the overall scheme/project proposal and the financial standing of the company.

Any Commercial Loans will be funded by prudential borrowing and projects will be expected to repay their funding so this debt can also be repaid. Early repayment will be prioritised and taken into account alongside value for money and economic impact. A repayment period of no more than 5 years is preferred although loan terms of up to a maximum of 10 years may also be considered.

Any other material factor having a potential impact on project deliverability will be considered in the evaluation process as deemed appropriate.

We will not accept loan requests from individuals.

3.2 Application Process

This will involve a five stage process:

- An Expression of Interest (EOI) will be sent for completion and once submitted, assessed by the Screening Team (Senior Growth & Project Officer and Commercial Accountant). This process may take up to two weeks.

- If the EOI is accepted by the Screening Team as meeting the Council's strategic growth priorities and delivering economic outputs, the project applicant will be invited to submit a full application.
- Applications to appear viable will be subject to a thorough due diligence process in order to carry out a detailed examination of the applicant's proposal. Applications that do not appear to be viable will be rejected at this stage and the applicant notified of the decision in writing.
- Progressed applications will be reviewed alongside the associated due diligence and third party review.
- A report will be submitted to Corporate Policy and Resources to recommend approval of the loan application;

3.3 Due Diligence Requirements

Projects must satisfy this process before Senior Officers and Executive Director Team can recommend to Committee to fund any project.

It is anticipated that the average due diligence check should take up to four weeks to complete.

Applicants will be required to demonstrate the need for investment from the Council's lending resources and loans must not be used to replace other available sources of finance or funding. Only projects that cannot proceed without the Loan funding will be considered.

The evaluation of the company's business plan including its growth plans and reasons for seeking WLDC investment, will be carried out internally by the Strategic Growth Team or externally if required.

The financial assessment will be undertaken by the WLDC Finance and Growth Teams (and any appointed professional advisers).

Please note that it is not intention of this Policy to be used to replace other conventional sources of funding and financing—only projects that demonstrate a genuine financial gap will be considered.

Where possible the Council's Team will work together with businesses and other funding partners in identifying flexible solutions that will aim to deliver a tailored funding package that will suit the growth requirements of the business.

Any external costs will be recovered from the applicant.

3.4 Assessment

All applications will be assessed against the following criteria:

- Projects must be capital schemes that are 'ready to go' and are able to generate tangible economic benefits within a reasonable delivery period;
- Projects must be located in, and significantly contribute to the economy of West Lindsey;
- Projects should have outline planning consent and/or a reasonable expectation that full planning consent will be granted within six months.
- Projects must be demonstrably capital, meaning that an investment:
 - Must be used for the acquisition or enhancement of an identifiable asset with a life of more than one year
 - Can include the costs (excluding interest) of assets acquired under a finance lease -
 - Cannot be used to fund moveable assets where there is an expectation of immediate re-sale.

Applications will be assessed in terms of the following:

- Deliverability and risks associated with the project
- Job creation benefits and/or other benefits to West Lindsey
- Sustainability and prospects for growth
- Financial standing
- Financial implications
- Value for Money (VFM), based on cost per job; amount of private sector £ leverage
- Any other material factors appropriate at the time

3.5 Successful Applications

Successful loan applicants will enter into a legal contract with West Lindsey District Council and will drawdown/repay their loans according to the contract agreement.

It is a requirement of the programme that successful applicants provide regular updates for monitoring purposes. Applicants will periodically be asked to report against project progress and achievement of outputs such as job creation. The Council may request supporting evidence for auditing purposes and reserves the right to invoke clawback of funding for contractual non-compliance, including failure to cooperate with monitoring requirements.

All drawdowns of loan advances will be paid against evidenced expenditure in the creation of the asset.

The schedule of loan disbursement and loan repayments will be bespoke to the type of scheme and project that will be supported. In order to minimise risks the Council may consider disbursement of loan in tranches to ensure successful achievement of project's milestones.

4 Financial Analysis: Options appraisal

4.1 Promoted Commercial Loans

If WLDC chose to offer commercial loans to SMEs within the locality and openly promote this opportunity, in order to facilitate the process WLDC would be expected to:

- Publicise the rates at which they would offer
- Quantify the levels of loans offered
- Quantify the loan pot available

As indicated by the stretch analysis carried out, there are scenarios whereby WLDC could lose out financially as a result of loan. As the rates would be published, it would not be possible to deviate from the rates prescribed.

This risk could be offset by the mix of loans approved, for example if WLDC provided five loans of which four were to customers with high collateral and high creditworthiness (worst case scenario – Low rate of interest) and one loan to a low collateral and low creditworthiness (high rate of interest). Due to the additional returns gleaned from the low collateral/credit customer, the Council could offset any losses on the high collateral/credit customer.

If the Commercial Loan Scheme were to be openly promoted using a range of marketing means, there could also be a high risk in terms of available resources and internal capacity as certainly in the initial period following the marketing campaign, there would be an expectation of high demand in submissions.

This could inevitably lead to some speculative applications, which in turn could have an impact on resources both within the Finance and Growth Team as all applications received would have to be assessed. If they didn't progress to a loan in full then there would be little opportunity for WLDC to recover the cost and time of the resources utilised.

Finally and perhaps the greatest risk is the customer defaults on loan repayments; whilst there would be procedures in place to prevent this from happening at the assessment stage, there would be still a very real risk this could occur. As it is expected that the majority of the SMEs that would show an interest in the loan fund would be limited companies, once the resources/liquidity of the limited company were exhausted, the loan would have to be written off resulting in a potentially substantial financial loss to WLDC.

4.2 Bespoke/discretionary loans

If in alternative to the above WLDC decided to offer discretionary loans to third parties and SMEs the following approach would be adopted:

- Rates would be dictated on an individual basis dependent on financial analysis of the borrower, value and length of loan.
- For bespoke discretionary loans there would be no need to openly and actively publicise the authority's applicable rates as they would be determined on a case by case basis.

A template has been developed internally that can be used to determine the appropriate rate for a loan. The template ensures that the rate applied will always recover costs. There is also a function to build in desired level of returns. If WLDC required/requested a fixed level of return the template would calculate the rate to be applied accordingly. The returns could be placed in reserves, these could be held over for any abortive costs the Council may experience in scenarios whereby the loan offer would not be taken up.

Due to the fact that the loans would be one offs by their nature this approach would limit the resources that would be required to facilitate an open door policy.

In this context, whilst the risk of loan default could still exist, it could however be prevented through the implementation of a more selective process and in the way priority was given to certain types of projects.

5 Conclusions

- 5.1 The recommended approach to provide discretionary loans on an 'individual basis only' would remove the Council from the pressure of having to manage a potentially high risk Finance Scheme with unpredictable and irregular commercial returns.

Whilst the Council is not likely to promote this funding opportunity widely, this policy will provide Senior Officers and Members with an internal financial toolkit and framework that would facilitate a proactive approach in supporting economic development whilst identifying commercially viable opportunities.

In order to add value to the current government led regional programme Midlands Engine Investment Fund (MEIF) and avoid duplication with the existing provision, the Growth and Finance Team feel that would be more appropriate for the Council to promote the MEIF and other suitable schemes available through the GLLEP Growth Hub² as mainstream platform of financing/funding products. In this way the Council will ensure that regional finance is diverted into our local economy and is not diluted into recognisably more competitive and high growth parts of the Midlands. In support to the above the Council will introduce the delivery of West Lindsey Feasibility Fund (this scheme will be launched later in the year subject to available funds).

²BusinessLincolnshire Growth Hub provides local business information to help new start up and existing businesses. It provides information to help with starting and growing businesses, finances, employment and skills information, contact details for local suppliers, support schemes and services, news from around the region, as well as a list of the training, seminars, and networking events available locally.

Growth hubs work across the country with local and national, public and private sector partners – such as Chambers of Commerce, FSB, universities, Enterprise Zones and banks, co-ordinating local business support and connecting businesses to the right help for their needs.



**MIDLANDS
ENGINE**
Investment Fund




Delivered by British Business Bank

Financing growth for Midlands businesses

FUNDING TO SCALE UP YOUR BUSINESS

If you are an entrepreneur, own a start up or SME located in the Midlands, the Midlands Engine Investment Fund (MEIF) could provide the funding you need to help your business realise its potential.

 <p>Proof-of-Concept Up to £750k</p>	 <p>Small Business Loans £25k - £150k</p>	 <p>Debt finance £100k - £1.5m</p>	 <p>Equity finance Up to £2m</p>
			
<p>PROOF-OF-CONCEPT</p> <ul style="list-style-type: none"> • Early stage equity funding • Up to £750,000 • For businesses looking to get their product off the ground 	<p>SMALL BUSINESS LOANS</p> <ul style="list-style-type: none"> • Small business loans • £25,000- £150,000 • For new or growing businesses 	<p>DEBT FINANCE</p> <ul style="list-style-type: none"> • Business loans • £100,000 - £1.5million • For businesses that can demonstrate growth potential 	<p>EQUITY FINANCE</p> <ul style="list-style-type: none"> • Later stage equity funding • Up to £2million • For businesses with ambitious plans for growth

MEIF is a collaboration between the government-owned British Business Bank and ten Local Enterprise Partnerships (LEPs) in the West and East and South-East Midlands.

We combine £250million of UK Government, European Regional Development Fund and European Investment Bank funding to help businesses in the region start up, scale up and become a successful part of the government's Midlands Engine vision.

We offer four different funding options designed to plug gaps in the provision of commercially available finance, ranging from £25,000 loans to £2million equity investments.

Our investment packages are open to businesses in all sectors, from IT/Technology to manufacturing. If you can demonstrate growth potential, it's possible your business will be eligible.



European Union
European Regional Development Fund



The EIB bank



Department for Business, Energy & Industrial Strategy

www.meif.co.uk



**MIDLANDS
ENGINE**
Investment Fund

 Delivered by British Business Bank
Financing growth for Midlands businesses



WHO CAN APPLY

We invite applications from businesses that are based in or have significant activity in the Midlands. Eligible businesses may include:

- New start-ups
- Fast growing small businesses
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HOW TO APPLY

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* A small or medium-sized enterprise (SME) is a business employing fewer than 250 employees, with an annual turnover of less than 50m Euros or balance sheet net assets of less than 43m Euros. The business cannot be part of a larger group employing more than 249 employees and where the group owns at least a 25% share of the business.



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Prosperous Communities Committee

Date: 1 May 2018

Subject: Progress and Delivery Report – Quarter 4 (2017/18)

Report by	Executive Director Operations
Contact Officer	Mark Sturgess Chief Operating Officer mark.sturgess@west-lindsey.gov.uk 01427 676687
Purpose/Summary	To consider the Progress and Delivery Report for Quarter 4 of 2017/18

RECOMMENDATION(S):

1. To assess the performance of the Council's services and key projects through agreed performance measures and indicate areas where improvements should be made, having regard to the remedial measures set out in the report.

IMPLICATIONS

Legal: None

Financial: FIN/22/19/CC
There are no financial implications as a direct result of this report.

Staffing: None

Equality and Diversity including Human Rights: None

Risk Assessment: None

Climate Related Risks and Opportunities: None

Title and Location of any Background Papers used in the preparation of this report:

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman) **Yes** **No**

Key Decision:

A matter which affects two or more wards, or has significant financial implications **Yes** **No**

Introduction

Councillors have received progress and delivery reports since 2012. The reports have sought to give councillors information on how the council is performing through its services, project delivery and finances. This has given councillors the opportunities to question officers on performance and ensure that any rectification measures proposed to remedy poor performance are sufficient to tackle the issues identified.




This report is about the services the council is delivering in order to meet the objectives it has set itself in the Corporate Plan.

For clarity, this report will provide information on those services that are either performing below their target level or those that have exceeded the performance expected of them. This will be done within certain tolerance levels, therefore services which are just below their target performance will not be reported at this stage, but will be monitored through the council's services leadership team. Generally, explanations and rectifications are given where an aspect of a service is performing below the required standard.

In addition the report will contain information on services which were included in the last period's exceptions report, but have subsequently improved. This is to demonstrate to members that the remedial measures which have been put in place are working.

How to use this report

RAG Performance Indicators

	Performance against this indicator is better than the set target
	Performance is in line with its target
	Performance is lower than predicted

Direction of Travel

↑	Performance is improving
→	Performance is remaining static
↓	Performance is declining

Executive Summary

1.0 Introduction

1.1 This report is the Quarter 4 performance report for 2017/18. The report also highlights performance across service areas by exception where performance is either above or below target.

1.2 The executive summary is intended to highlight those areas that are performing above expectation; those areas where there is a risk to either performance or delivery and those areas where further work is required for next year's report.

2.0 Overall Summary of Performance

2.1 A summary of service based performance for Q4 is presented in the table below. It should be noted that information is not currently available for 13% of the measures. The Performance and Programmes Team will continue to work with Team Managers to ensure that all performance information is provided in a timely manner with explanatory comments where necessary.

	Number	Percentage
Red performance measures	28	25%
Amber Performance measures	24	22%
Green performance measures	45	41%
Missing performance measures	14	13%

2.2 The table below provides a summary of direction of travel for those performance measures where comparable information is available for Q4.

	Number	Percentage
Indicators where performance has improved from below target to on target or exceeding	10	11%
Indicators where performance has remained static	72	78%
Indicators where performance has fallen below target	10	11%

3.0 Performing Well

3.1 Areas described as performing well are as follows:

- Benefits – Customer satisfaction levels are high, despite the changes to the service from the introduction of Universal Credit and a continued staffing vacancy. All performance measures for the service are performing either on or above target.
- Revenues – Although the target for Council Tax in year collection rate has not been met, the total amount collected for 2017/18 is actually £2 million more than for 2016/17. Collection rates for NNDR have exceeded the target set.

- Local Land Charges – the service continues to perform well overall with all but one of the measures performing above target. Turnaround time for completing searches continues to perform well above target, despite a reduction in staff numbers.
- Licensing – Customer satisfaction is high at 100%. The number of applications received remains on target and 100% of applications are being processed within the target time. Income received continues to remain on target for the quarter.

3.0 Risk Areas

3.1 Areas described as at risk are as follows:

- Overall complaints – the number of overall complaints have risen meaning that performance is below the target set for this corporate health measure. This is due to the introduction of a dedicated Customer Experience Officer meaning that complaints are now logged in a more consistent manner. A learning log has been implemented and relevant officers will be working with the Quality Assurance Board to identify how improvements can be made.
- Enforcement – The number of open planning enforcement requests and the time taken to resolve planning enforcement requests continue to perform below target. This is due to a continued high level of demand for the service.
- Street Cleansing – the total income received continues to fall below the target and income has fallen further still from Q3. This is due to a continued decline in income generating work. Work is ongoing to continue to promote the service and overall performance for the year is expected to fall within target.
- Markets – overall performance continues to fall below target due to a downturn in trader numbers which has also led to a fall in the amount of income received. A market review and options appraisal are currently underway.
- Home Choices – the number of nights spent in B&B accommodation and the average time taken to rehouse a person in the highest category of need continues to fall below target. Whilst this can be attributed to the Christmas period which meant a lack of move on into social rented accommodation, further joined up working with the ASB Team is underway to ensure performance in this area improves.







4.0 Further Work

4.1 In line with the recommendation made in the Progress and Delivery Internal Follow up Report (March 2018), the Performance and Programmes Team have held 1-2-1 meetings with Team Managers to review and agree a new set of SMART performance measures for 2018/19. The new measure set have been designed to align to Corporate Plan priorities and the 'Customer First' agenda. As a number of the measures are brand new, Q1 will be used to gather baseline data and to identify targets; with reporting against performance to take place from Q2.

4.2 In addition to this, a piece of work is underway to refresh the current Corporate Plan performance measures. At present, the majority of these measures do not have set targets, are not 'SMART' and, in some cases, it is not possible to gather the data necessary

to report on progress. As a result, the current Corporate Plan measures have not been included for the purposes of this report.

Section 1: Corporate Health Measures

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Customer										
Compliments	M	55	51		↓	58		233 	Increase is due to more awareness of compliment recording and also recording compliments received via surveys. This is an excellent increase in compliment performance. We have redesigned the process so it is easier for customers to make a compliment.	Will work with the communications team to promote and make officer generally aware of compliment. These will also feature within the report to G & A committee
Complaints	M	55	36		↓	36		168 	It should be noted that a new reporting system has been in place since 1st January 2018. Planning and Development 11 complaints, Waste Services received 10 complaints, Green Garden Waste received 8 complaints (relating to problems signing up the green garden waste service), Planning Enforcement received 5 complaints, Housing Benefits received 4 complaints, Customer Services received 3	A learning log is being created and the Customer Services Manager and the Customer Experience officer will work with the Quality Assurance Board to identify how improvements will be made. The learning log will be a feature of the annual feedback report

								<p>complaints, Arts and Leisure received 2 complaints, Property Services received 2 complaints, , Home Choices each received 2 complaints. Street Cleansing 2 complaints and Management Team, Council Tax, Housing Enforcement, Growth and Regeneration and Food Health and Safety and Environmental Protection all received 1 complaint. It has been identified that WLDC were at fault in 24 of these complaints. 27 complaints were about the quality of service received, 8 about the GGW process on line, 7 regarding decision made, 6 regarding staff behaviour, 2 were regarding lack of communication, 2 regarding staff communication, 2 regarding missed bins, 1 regarding the process, 1 regarding potential breach of customer information, 1 in relation to quality of information, 1 regarding market operations and 1 was relating to incorrect information being</p>	
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									provided.	
Percentage of complaints where the Council is at fault	Qtr	43%	NTS ¹	NTS	NTS	50%	NTS		Total complaints for this period is 55 and we are at fault in 24 of those complaints	The Customer Services Manager and the Customer Experience officer will undertake a detailed analysis of complaints to understand in more details why 33% of complaints were upheld and will produce and learning action log to be taken to the quality assurance board for discussion and improvement to be made
Effectiveness of Council Communications	Ann	Not due				68%	★			
Employee satisfaction	Ann	Not due				90%	★			
Digital demand	Qtr	45%	35%	★	↑	37%	●	39%		
Calls answered	Mth	87%	80%	★	↑	76%	●	78%		
Staff absenteeism	Mth	0.65	0.7	●	↓	0.64	★	0.49	★	Year end performance has exceeded the target set
Financial										
Audit opinion	Ann	Not due				Un ²	●			

¹ NTS: No target set

² Unqualified

Increase in Net Rates Payable (NNDR)	Ann	Not due				3.68 %	★			
Increase in rateable value in the District	Ann	Not due				0.75 %	★			
Overall Council budget 'forecast outturn	Qtr		5%			MD				
Tax base growth	Qtr		0.5%			0.9%	★			
Process										
Number of health and safety incidents	Mth	12	NTS	NTS	→	12	NTS	69		
Quality										
Service and system availability	Mth	100 %	98%	★	→	MD				Proactive and continuous monitoring being carried out

Table 1: Corporate Health measures

Section 2: Project and Programme Delivery

Programme	RAG	What is affecting delivery?
Crematorium	Amber	Programme delivery is on track
Customer First	Amber	Programme delivery is on track
Housing	Amber	Programme delivery is on track
Land and Property	Amber	Programme delivery is on track
Leisure	Amber	Programme delivery is on track
West Lindsey Growth	Amber	Programme delivery is on track

Table 2: Programme Delivery

Section 3: Service Exceptions

Customer First

Customer Services

In the final period of 2017/18, the Council received 182 Freedom of Information requests. All were responded to within the statutory deadline of 20 working days. The total number received over the whole year was 569, with the response time for all bar one request meeting the statutory deadline.

In the final quarter for 2017/18, the Council received a total of 55 complaints and 202 compliments. The average time to respond to complaints was 8 days despite now having 21 actual days in which to respond following the launch of the new complaints process in January 2018.

The Customer Services Team has experienced a peak in demand during this quarter due to the implementation of the Green Garden Waste initiative; and whilst additional resources have been employed to cope with demand for this service, the demand has exceed our expectations and we have received an additional 12,000 telephone calls during this period.

Demand for Customer Services continues to grow as a small incremental change rather than larger changes which are harder to plan for or understand. Work will commence during 2018/19 to understand why demand continues in an upward direction.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Average number of days taken to resolve a complaint	Quar	8	10	★	↓	7	●	8 ★	Overall the average response time is 8 days for the year. The new complaint process which began in January 2018 allows for the Council to respond to customers within 21 actual day. This is due to the fact that we now have 1 officer investigating complaints on behalf of the council.	Continue to monitor to ensure meet target of 21 actual days
Cost of service delivery per customer contact	Quar	£1.21	£2.00	★	↑	£2.17	●	£1.76 ●		

Table 3: Customer Satisfaction measure exceptions

Benefits

During Quarter 4 processing of New Claims and Changes to claims has reverted to acceptable performance levels, despite the DWP transfer of information to West Lindsey being erratic (a national problem). The Benefits team has been carrying one full time processing vacancy throughout Q4 and it has been decided that this post will be re-advertised as a Benefits Assistant post rather than a full time processing officer. Universal Credit full service is now live in Lincoln Job Centre which covers up to 40% of the West Lindsey area but the majority of Housing Benefit claimants are clustered around Gainsborough which is due to go live on full service Universal Credit on 12 September. All measures have resulted in an end of year performance very close to target which is remarkable given the upheaval that Universal Credit has caused, especially when calculating Council Tax Support claims.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
End to end processing times	Mth	3.6	5	★	↑	7.4	●	5.6 ●		
Claims older than 30 days	Mth	16.7	25	★	↓	15	★	19.0 ★		

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Table 4: Benefits measure exceptions

Council Tax and NNDR

Whilst the in-year Council tax collection rates have not met last year's target, the amount of council tax collected is over £2 million more than was collected in 2016/17 because the net collectable debit has increased. There are now almost 7,500 customers paying by 12 monthly instalments and 79% of council taxpayers paying by direct debit.

Business rate collection has slightly improved this quarter culminating in a collection rate above that of last year. Although this shows an increase in % collected due to the net collectable debit being less than last year, the actual total amount collected is also slightly lower than last year. Public house relief, small business rate capping and the additional discretionary relief awarded by central government has been awarded to all businesses who have applied and additional relief has been applied to those businesses already in receipt of the government discretionary relief.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Cost of service per property tax base	Mth	£5.80	£9.10	★	↑	£6.72	★	£5.05 ★	March cost posting required - 2 vacancies filled but new staff undergoing training	Staff now recruited
No of properties on tax base / FTE ratio	Mth	5,830	5,000	★	↑	6,921	★	6,121 ★	2 vacancies recruited to	New starters now in post but training plans ongoing
Council Tax in year collection rate	Mth	98.15%	98.48%	●	N/A	84.29%	●	98.15% ●	Increase in number of customers paying by 12 instalments however amount of council tax collected has increased this month by £590,983	The amount of resources needed to collect the outstanding amounts would not justify the amount of money still to be

										collected.
NDR in year collection rate	Mth	98.53%	97.34%	★	N/A	81.87%	★	98.53% ★	Collection exceeded target	Regular monthly meetings with CoL/NKDC partnership
NDR £ Collected	Mth	£16,137,962	£16,438,475	●	N/A	N/A		£43,860,754 ●		

Table 5: Council Tax measure exceptions

Building Control

The building control team has continued to face significant challenges over the last few months and indeed for this financial year in terms of staffing levels and fee earning application work. Market share has fluctuated between 63% at its lowest and 91% at its highest over the year, with the overall market share for the year finishing at 77%. This is a great achievement for the service. LAs in England and Wales have a 69% share of the overall market, meaning West Lindsey is still performing above average in terms of application numbers. Income has also been sporadic, but the target for the year has been exceeded, thanks to a large application for retrospective window and door applications. The team reduced in size following the reduction of the senior building control officer position but morale has stayed strong with performance at a good level whilst operating with a smaller team. The additional services have taken a back seat and the service is concentrating first and foremost of maintaining market share for core business with any additional service requests that fall out of the core business being seen as a bonus and contributing to the councils bottom line. The additional services has seen an income of £11,500 for the year, mainly through the air testing and SAP service which has been a great effort from the team members concerned in the circumstances.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Customer satisfaction with the received service	Ann	100%	95%	★	↑	93%	NTS	100% ★	High customer satisfaction levels which is important as Building Control operates in a competitive environment	Customer satisfaction levels will continue to be monitored as the service relies on high levels of repeat business
Cost of the Building Control service to the Council	Mth	£12,189	£28,331	★	↑	£32,329	●	£96,708.93 ★	Vacant Senior Building Control Officer post	Report now approved to resolve vacancy and move to a permanent structure
Total income received	Mth	£51,680	£54,703	●	↓	£52,158	●	£227,534 ★	Target for the year exceeded	

Number of building regulation applications received	Mth	167	153	★	↓	281	↓	976 ★	Applications are above number target for the time of year, a general increase in work often occurs at year end, so this trend is usual.	
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Table 6: Building Control measure exceptions

Local Land Charges

This service has seen a major transformation in terms of the turnaround times of the searches received, which have over the last year massively exceeded the 8 day target resulting in an average for the year of 5.1 days. This has been achieved whilst reducing staff by approximately 50%, which in turn has been reflected in a huge underspend on the service staff and further reflected in the reduced overall cost per capita. The turnaround times for searches is now approaching the performance of Council which operate an automated service. However the service is still vulnerable to loss of key members of staff.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Cost of delivering the service per head of population	Ann	£0.11	£0.84	★	n/a	n/a	n/a	£0.11 ★		
Cost of the Land Charges service to the Council	Mth	£7,097	£19,050	★	↓	£1,826	★	£10,110 ★	Savings on salaries due to vacant posts	
Income received	Mth	£25,196	£29,349	●	↓	£29,429	●	£115,905 ●	Timing of receipts causes over achievement some months and underachievement in other months. Overall income target for the year has been met.	
Local Land Charge searches received	Mth	630	579	★	↑	569	●	2,568 ★	This is determined by the property market. The current figure is above the target overall for the first nine months. Target over exceeded in three out of four quarters this year.	

Market Share	Mth	70%	65%	★	↑	68%	●	68%	★	
Time taken to process a search (days)	Mth	4.0	8	★	↓	3.7	★	5.1	★	Good outurn.

Table 7: Local Land Charges measure exceptions

Development Management

During period 4 Development Management have continued to significantly exceed targets for all planning application types. Appeals are also within target. Despite the 20% increase in fees and the introduction of the Community Infrastructure Levy in mid-January the number of application received still remains well above target with high volume received over all three months. Overall the income for 2017/18 has exceeded targets as is the case in all areas of Development Management. The risk of the service being designated as underperforming by the Government has now significantly receded.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Received planning applications	Mth	394	345	★	↑	338	●	1,477	●	
% of planning applications	Mth	99%	70%	★	↓	100%	★	99%	★	Maintain 100%

defined as 'majors' determined within national targets										
% of non-major planning applications determined within government targets	Mth	98%	80%	★	↓	99%	★	98%	★	
Number of appeals allowed as a % of all decisions issued by the Council	Mth	2%	5%	★	→	2%	★	2%	★	During Q4, there were a total of 12 appeals. Of these, 8 were dismissed, 2 were allowed and 2 were part allowed/part dismissed

Table 8: Development Management measure exceptions

Enforcement

The Council continues to receive a high demand for service across its enforcement work areas. A new staffing structure is in place across the work areas and this is now being embedded alongside the revised corporate enforcement policy. The challenge moving forward is to ensure that resources are focussed on the areas that pose the highest risk to the public. The work areas continue to have positive results in terms of formal action taken within the courts and are utilising the legislative powers that are available. The impact of the new resources on the performance of the Enforcement Service will be tracked and regularly monitored through the Challenge and Improvement Committee.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Time taken to resolve a planning enforcement request	Mth	180	150	●	↑	191	●	185	Demand remains at a high level	
Open planning enforcement cases	Mth	152	120	●	↓	138	●	129	Level of demand remains high	

Table 9: Enforcement measure exceptions

Regulatory Services

A review of the measures within regulatory services will occur during 2018/19. Currently, cases are being dealt with efficiently and effectively and targets are being met locally. Compliments have increased across the work areas and despite a period of absence for one officer the service has continued to perform. This area of work will be fully integrated into the Council's overall enforcement activities during the course of the year.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
External community funds levered by WLDC	Quar	£70,125.54	£177,598	●	↑	£24,264	●	£366,386.43	Total external funds levered are still very high based on total amounts awarded. Lower total than in 16/17 but we did have a number of significantly larger projects taking place in the previous year.	
Successful grant applications	Quar	0%	60%	●	→	0%	●	●		

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Licensing

Overall this year the licensing service has performed really well. Customer satisfaction and the turnaround times of applications is reported at 100% and 99% respectively and despite the fact that we have no taxi driver renewal applications this year, due to changes in legislation, the service exceeded the budget by over £14,000. There has been a much higher interaction with our Members because of increased demand for Hearings, due to either contested applications or from the review of licenses. Members continue to make difficult decisions on behalf of the authority and have recently completed another round of in depth training courses.

Street Cleansing

The excellent performance throughout the year within the Street Cleansing Service has continued throughout period four with all measures within challenging parameters. Street cleansing costs per household for this year is just £12.27 this represents a small increase on last year, this is the second lowest of all authorities benchmarked through APSE and currently this trend is in-line to continue. Income generation is below target for period four however overall income generation is ahead of target, business and marketing plans continue to be developed and reviewed to strengthen this area further for 2018/19. The service continues to have strong links with communities, the Great British Spring Clean initiative helped increase the number of voluntary litter picks in April/May and has helped in keeping communities engaged in further community tidy ups throughout the year. Once again compliments for period four for the

service far exceed complaints. The Street Cleansing Service continues to be valued by residents with a satisfaction rating of 73.6% measured through the Citizens Panel.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Cost of delivering the service per head of population	Ann	£12.27	£10.77		↓	£10.77	NTS	£12.27	Increased costs due to cost of Waste Management Team being allocated to all cost centres	
Income generation	Mth	£5,271	9,000		↓	£7,316		£40,182	Slow down of income generation work	Continue to promote the service to those in need.
Volunteer litter picks	Mth	20	15		↑	12		69	Increase due to promotion of the Great British Spring Clean	Continue to promote

Table 10: Street Cleansing measure exceptions

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Waste Collection

Performance throughout the Waste Collection service is within the parameters set at the beginning of the year despite some challenges. The recycling rate has dropped in the last quarter due to the garden waste collection service ceasing over the winter months overall for the year just falling under target (47%), we are working closely with the Lincolnshire waste partnership to be able to offer a more comprehensive recycling collection service and work with LCC to reduce the amount of contamination within the recycling stream. Residual waste collected remains consistent, many authorities are seeing a rise in this measure as residents have more disposable income, however West Lindsey's smaller than average residual bins probably encourages recycling. Missed collections are well within target with a 10% decrease on last year's figures which shows that the supervisors and crews are working well together to resolve issues that occur. The cost of service is £43.16 per household which is still under target but with rising wages (especially the with the rising agency prices to fall in-line with the AWR) and fuel costs still an excellent rate when benchmarked with others. Commercial Waste continues to outperform predictions in the Business Case and has brought in considerable income and now has over 300 customers. Over the year complaints have dropped and compliments are now well out weighing complaints. (Which is a sign of an appreciation of the service and the excellent work being done in the department). Results from last year's citizen's panel are in and 92.8% of those who responded are satisfied with the service and 2.3% dissatisfied with the service.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			

Cost of delivering the service per household	Quar	£42.58	£46	★	↓	£41.65	★	★	£43.16		
Trade waste income	Mth	£61,763	£54,396	★	↓	£62,088	★	★	£241,361		
Recycling rates	Mth	28%	50%	●	↓	45%	●	●	47%		

Table 11: Waste Collection measure exceptions

Trinity Arts Centre

Expansion in the number of events has attracted a generally positive response from customers. Overall, an improved financial performance from the events programme has been achieved despite cancelling/postponing six events due to inclement weather. Focus remains to continue improvements to programming and marketing to drive additional events and increased footfall.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Cost of Trinity Arts Centre per user	Mth	£8.98	£5.50	●	↓	£4.88	●	●	Issue with ISS resulted in £4.8k of costs being received in March. In addition we have two weekends of shows cancelled due to the snow and additional payroll costs as a member of staff left	Some of the cancelled shows are rescheduled for April and income will be accounted for accordingly. Effectiveness of the programme to be monitored
Received surplus	Mth	£17,310	£10,500	★	↓	£18,694	★	★	Good result despite the two weekends of shows that have been cancelled/rearranged due to the snow	Continue to offer attractive programme of events and ensure growth in audience and profitability
Audience figures	Mth	4,460	2,400	★	↓	4,467	★	★	Good result despite the cancelled	Continue to market TAC effectively and introduce new

									events due to snow	events where possible
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Table 12: Trinity Arts Centre measure exceptions

CCTV

During Q4 we have continued to experience high levels of shoplifting and anti-social behaviour. Most of the ASB being monitored is low level in Gainsborough Town Centre but the frequency is high with a number of different groups. Income for CCTV Monitoring is below target as a result of some planned installations no longer taking place. New installations are in the pipeline and being explored further during the 2018-2019 financial year. Full annual reporting for CCTV Monitoring shall be published towards the end of April 2018. Member visits have been advertised to allow Members to visit the Control Centre during 2018.

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Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
CCTV income generation	Ann	£12,916.67	£5,000	★	NA	NA	NA	£15,250.00	Shortfall of £4,750 from £20k first full year target. Some intended CCTV installations did not take place during 17/18 which would have realised new income of £3k annually.	Target for 18/19 to be reviewed based on the first full year of CCTV income generation. New target will be based on current market experiences but still represent challenge to achieve growth. A number of new CCTV installations are currently in the pipeline for further consideration and deployment during 18/19 which will achieve new sources of income.

Table 13: CCTV measure exception

Enterprise and Community Services

Our community grant schemes have continued to secure good levels of match funding into the District whilst also supporting a wide range of community projects. The Community Grants Programme will continue in 2018-2019 with the Councillor Initiative Fund, Match Funding Grant and

Community Defibrillator Scheme still being delivered. In addition this service is also currently managing and providing the Neighbourhood Planning Top-up Fund and the Access to Transport Fund.

The Council is moving towards providing land management services at Hemswell Cliff as part of our wider Hemswell Cliff Strategic working. This will see us provide a range of managed services in efforts to normalise how things are managed in this community and improve quality of service received by residents.

Our Rural Transport Programme continues to support a range of initiatives including Call Connect. The Access to Transport Fund has now funded 2 projects with more in the pipeline. With partners the Council is working to identify remaining funding required to employ a Community Rail Partnership officer.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
External community funds levered by WLDC	Quar	£70,125.54	£177,598		↑	£24,264.00		£366,386.43 	Total external funds levered are still very high based on total amounts awarded. Lower total than in 16/17 but we did have a number of significantly larger projects taking place in the previous year.	Continue to deliver the Councillor Initiative Fund and Match Funding Grants to support projects and achieve external match funding into the District.
Total value of community grants awarded	Quar	£70,125.54	£55,000		↑	£9,599.00		£166,627.84 	Value of grants is lower than previous year (16/17) but we have 1 more round of the Large Community Grant which doesn't have the panel meeting until later in April 2018. These figures will be recorded in P&D Q1 18/19.	
Successful grant applications	Quar	0%	60%		→	0%		0% 		

Table 14: Enterprise and Community Services measure exceptions

Democratic and Business Support

Democratic Services

A number of training events were held for Members during the last period of 2017/18. These included Treasury Management; Effective Scrutiny; Licensing (Taxi & Liquor); Commercial Awareness; Member/Officer Protocols and Corporate Planning. The purchase of a replacement civic vehicle was completed and the Council held an event for couples celebrating 60 years of marriage. Planning has progressed for the Council's Community Awards event and the Lincolnshire Show.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Satisfaction with development and training events	Quar	97%	90%	★	↓	98%	★	95% ★	Training held on Treasury Management; Member/Officer Protocols; Licensing (taxi & liquor); Commercial Awareness; Corporate Planning; Effective Scrutiny	

Table 15: Democratic Services measure exceptions

Financial Services

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Cost of delivering the service per head of population	Ann	£7.54	£7.00	●	↓	£6.85			Costs increased due to addition cost of interim Commercial Accountant (agency) - funded however from	Skilled resource required for this key role in supporting financial analysis of business cases and

							★	£7.54	●	commercial project budgets	financial feasibility of project. Training and development of internal staff or additional capacity required to support those with skills to undertake role
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Table 16: Financial Services measure exceptions

Contracts Management

During the period, the Council has received the draft audit report which focused on Procurement procedures. It has provided a substantial assurance finding and has made a number of recommendations to further strengthen procurement arrangements. We have also updated our Contract Procedure Rules as part of the annual review of the Council's Constitution. Refresher training on Procurement has also been delivered for a large number of staff. Contracts supported include: car parking enforcement; mobile voice and data connectivity; Digital Transformation Strategy; contact centre support and maintenance; pest control service and leisure services provision.

Economic Development and Neighbourhoods

Markets

Gainsborough Market continues to underperform against targets, stall take up by traders has decreased throughout period 4, this has mainly been down to adverse weather conditions and traders taking holidays, however overall stall take up for 2017/18 would still have been below target. A report recommending in-house led efficiency savings which would also allow the market to potentially grow was heard by Members in Dec 2017, no final decision was made, further clarity around options is required and further options are to be viewed.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Income received	Quar	£7,766.00	£11,250	●	↓	£11,095.00	●	£36,052.00	A downturn in trader numbers	Review of market operations
Average number of stalls on a Tuesday	Mth	36	60	●	↓	53	●	46	Low turn out of traders due to adverse weather conditions during the quarter and market traders	Market appraisal currently underway to be completed by September 2018.

									taking holiday. Market review and options appraisal currently being undertaken.	
Average number of stalls on a Saturday	Mth	17	20	●	↓	24	★	21 ●	Low turn out of traders due to adverse weather. Market review and options appraisal currently underway.	Market review and options appraisal currently underway

Table 17: Markets measure exceptions

Housing and Regeneration

Assets and Facilities Management

Planned and responsive maintenance continues to perform above target with planned maintenance bolstered by large capital roof works on Gainsborough Leisure Centre combined with backlog maintenance works being undertaken.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Planned and responsive maintenance	Qtr	86%	70/30%	★	↑	73%	★	77% ★		
Rental income- Car Parks	Mth	£57,881	£50,000	★	↑	£53,646	●	£246,033.77 ★		
Voids management	Mth	7%	12%	★	→	2%	★	6% ★		

Table 18: Assets measure exceptions

Housing

Disabled facilities grants continue to be delivered effectively and the timescales from end to end have improved during the year. Empty properties remain at a consistent level and this enables the officer to address the higher risk properties as a priority.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Customer satisfaction with DFGs	Mth	93%	100%		↓	93%		98% 	Issue not related to WLDC role	No action required
Number of affordable homes delivered	Quar	4	20		↓	9		31 		

Table 19: Housing measure exceptions

Home Choices

A combination of complex cases, the Christmas period and issues outside the Council's control led to performance falling below target in some areas. This is being remedied through improved joined up working with the ASB Team.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Bed and breakfast nights	Mth	63	0		↑	74		279 	1 complex case lasted for 92 days. 9 nights were as a result of two households fleeing domestic abuse where there was no other accommodation available. Three nights were as a result of a house fire over a weekend. One case from Lincoln approached late in the day and wasn't able to move into temporary accommodation at that time.	More linked up work with the ASB Team. The Christmas break also lengthened stays due to a lack of move on into social rented accommodation.
Average length of time for a person in	Mth	76	28		↓	73		64	Three households all needing	


the highest category of housing need to be re-housed										specific property types.	
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Table 20: Home Choices measure exceptions

Healthy District

Customer satisfaction remains high across the contract and has been consistently above target. It will be important to monitor that this continues as the new contract is implemented and the scheme of refurbishments commence.

Good throughput numbers have provided value for money and the cost per user is below target for the quarter. The levels of new participants attracted through effective programming of activities and marketing campaigns are above target for the quarter.

Quest accreditation has taken place and has resulted in an improved score for West Lindsey Leisure Centre. The rating has gone from Good to Very Good.










Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Customer satisfaction with leisure facilities and activities	Mon	95%	80%		→	95%		96% 	Good levels of customer satisfaction across the contract with no poor scores being recorded	Ongoing monitoring to ensure current performance continues
Cost of leisure management fee per service user	Mon	£0.82	£1.10		↑	£1.08		£0.88 	Good throughput numbers demonstrating value for money	Continue to monitor performance on an ongoing basis and address any issues raised
New participants at West Lindsey Leisure Centre	Mon	698	600		↑	345		2,347 	New users attracted through proactive marketing and a range of activities	Continue to monitor

Table 21: Healthy District measure exceptions

Organisational Transformation

ICT

Performance continues to remain one or above target in this area.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
Incident & Problem Management	Mth	240%	90%	★	↑	103%	★	135% ★		Pro-active and continuous monitoring being carried out
Change Management	Mth	105%	75%	★	↑	94%	★	100% ★		Pro-active and continuous monitoring being carried out
Service and System availability: Secure Network	Mth	100%	98%	★	→	100%	★	100% ★		Pro-active and continuous monitoring being carried out

Table 22: ICT measure exceptions

Systems Development

Performance continues to remain one or above target in this area.

Measure	Freq	Current				Previous		Year End Per.	What is affecting performance?	What do we need to do to improve and by when?
		Act.	Tar.	Per.	DoT	Act.	Per.			
LLPG Standard	Qtr	Gold	National Standard	★	↑	Silver	★	Gold ★	Dedicated officers to fulfil this duty, management now brought back in-house	Maintain current arrangement
Website availability	Mth	99%	98%	★	→	99%	★	99% ★		Pro-active and continuous monitoring being carried out
Number of online customers signing up to the self-	Mth	11,321	600	★	↑	526	🟡	13,511 ★	New responsive website and dedicated team to manage all digital development	Continual drive for digital enablement

service accounts										
Number of electronic forms developed and integrated into the website	Mth	206	195	★	↑	205	★	802 ★	New responsive website and dedicated team to manage all digital development	Continual drive for digital enablement
Number of electronic forms completed and submitted on the website	Mth	26,956	6,000	★	↑	9,564	★	51,431 ★	New responsive website and dedicated team to manage all digital development	Continual drive for digital enablement
Percentage of street naming and numbering requests dealt with	Mth	75%	50%	★	↓	80%	★	92% ★	Dedicated officers to fulfil this duty	Maintain current arrangement

Table 23: Systems Development measure exceptions

Prosperous Communities Committee Work Plan

Purpose:

This report provides a summary of reports that are due on the Forward Plan over the next 12 months for the Prosperous Communities Committee.

Recommendation:

1. That members note the schedule of reports.

Date	Title	Lead Officer	Purpose of the report
Being scoped	Gainsborough Marina - Final Approvals	Elaine Poon	to determine whether to proceed in light of funding outcome
05/06/2018	Member Champions	Katie Coughlan	Annual item on nominations/appointments for Member Champions for 18/19 year.
	Health Commission Review	Phil Taylor	Six Month Review: - to review the progress outcomes and future need and remit of the Health Commission. In accordance with the decision made by PC cttee on 18 July 2017. Neighbourhood Networks be considered as a work plan item over the coming year as part of the review of the Health Commission work, already included in the work plan;
	Future Communication Options	Julie Heath	to present alternative options for communication with the electorate as resolved by PC Cttee in October 2017
	Gainsborough Green Corridor	Elaine Poon	After the unsuccessful bid to ERDF for the Gainsborough Blue Green Corridor (including the marina) as DCLG is not supportive of a commercial marina, officers have packaged up the green elements of the bid and resubmitted it for the same funding. The outline application was submitted on 31/10/17 and officers have been invited to submit a full application. Additional funding required to carry out technical studies and match funding required.
	Community Lottery	Grant White	To propose the introduction of a community lottery in West Lindsey
	Joint Muncipal Waste Startegy for Lincolnshire	Ady Selby	Opportunity for Members to comment on the draft refreshed Joint Municipal Waste Strategy for Lincolnshire during its consultation process

	Joint Working with ACIS - Japan Road	Eve Fawcett-Moralee	Recommendation 3 of the Japan Road paper that went to committee on 06/02/18 stated that a further report would be brought to the Committee in April with a proposed Business Plan of the JVCo and the financial investment implications for West Lindsey District Council.
	Customer First	Michelle Carrington	For Members to endorse the Customer First programme.
17/07/2018	FEZ	Marina Di Salvatore	TO BE CONFIRMED
23/10/2018	Market Rasen Car Parking Charges - 12month Review	Eve Fawcett-Moralee	to reviewing the car parking charges in Market Rasen to come into effect April 2019. as resolved by Cttee in October 2018
	Selective Licensing 12 month review	Andy Gray	to provide a further update re progress achievement issues, as resolved by PC Cttee in October 2017
	Councillor Initiative Fund	Grant White	To present Members with an update on the Councillor Initiative Fund and give options for it's continued delivery after March 2019.
	Joint Muncipal Waste Strategy for Lincolnshire	Ady Selby	Following closure of the consultation period a decision will be required on the Joint Municipal Waste Strategy.
04/12/2018	Public Realm Task & Finish Group	Grant White	Final report to scrutinise the effectiveness of the services offered by public agencies in maintaining the rural public realm.
	Report on Housing Company	Eve Fawcett-Moralee	Matters arising from Full Council requested a paper to go to prosperous Communities, arising from a motion. EFM has now confirmed the aim will be for this to go by December 18, ahead of Full Council 19.

Note: P and D 2018/19 to be scheduled in