

Cabinet Agenda

15 March 2022 at 7pm

Council Chamber, Civic Centre, Chelmsford

Membership

Councillor S J Robinson (Chair and Leader)
Councillor M C Goldman (Connected Chelmsford
and Deputy Leader)

and Councillors

C K Davidson (Fairer Chelmsford)
M J Mackrory (Sustainable Development)
R J Moore (Greener and Safer Chelmsford)

Local people are welcome to attend this meeting remotely, where your elected Councillors take decisions affecting YOU and your City.

There is also an opportunity to ask your Councillors questions or make a statement. These have to be submitted in advance and details are on the agenda page. If you would like to find out more, please telephone Brian Mayfield in the Democracy Team on Chelmsford (01245) 606923 email brian.mayfield@chelmsford.gov.uk

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THE CABINET

15 MARCH 2022

AGENDA

PART 1 – Items to be considered when the public are likely to be present

1. Apologies for Absence

2. Declarations of Interest

All Members must disclose any interests they know they have in items of business on the meeting's agenda and that they must do so at this point on the agenda or as soon as they become aware of the interest. If the interest is a Disclosable Pecuniary Interest they are also obliged to notify the Monitoring Officer within 28 days of the meeting.

3. Minutes and Decisions Called in

Minutes of meeting on 25 January 2022. No decisions at that meeting were called in.

4. Public Questions

Any member of the public may ask a question or make a statement at this point in the meeting. Each person has two minutes and a maximum of 20 minutes is allotted to public questions/statements, which must be about matters for which the Cabinet is responsible. The Chair may disallow a question if it is offensive, substantially the same as another question or requires disclosure of exempt or confidential information. If the question cannot be answered at the meeting a written response will be provided after the meeting.

Any member of the public who wishes to submit a question or statement to this meeting should email it to committees@chelmsford.gov.uk at least 24 hours before the start time of the meeting. All valid questions and statements will be published with the agenda on the website at least six hours before the start time and will be responded to at the meeting. Those who have submitted a valid question or statement will be entitled to put it in person at the meeting.

5. Members' Questions

To receive any questions or statements from councillors not members of the Cabinet on matters for which the Cabinet is responsible.

6. Connected Chelmsford Item

Discretionary Business Rate Relief Policy

7. Fairer Chelmsford Item

Chelmsford Housing Strategy 2022-27

8. Urgent Business

To consider any other matter which, in the opinion of the Chair, should be considered by reason of special circumstances (to be specified) as a matter of urgency and which does not constitute a key decision.

9. Reports to Council

The officers will advise on those decisions of the Cabinet which must be the subject of recommendation to the Council.

PART 2 (Exempt Items)

NIL

**MINUTES OF
CHELMSFORD CITY COUNCIL CABINET**

on 25 January 2022 at 7.00pm

Present:

Cabinet Members

Councillor S J Robinson, Leader of the Council (Chair)
Councillor M C Goldman, Deputy Leader and Cabinet Member for Connected Chelmsford
Councillor C K Davidson, Cabinet Member for Fairer Chelmsford
Councillor M J Mackrory, Cabinet Member for Sustainable Development
Councillor R J Moore, Cabinet Member for Greener and Safer Chelmsford

Opposition Spokespersons

Councillors K Bentley, R Hyland, I C Roberts, M Sismey, M S Steel and R T Whitehead

Also present: Councillor A Davidson

1. Apologies for Absence

Apologies for absence were received from Councillors J Galley and R J Poulter, Opposition Spokespersons.

2. Declarations of Interest

Members of the Cabinet were reminded to declare at the appropriate time any pecuniary and non-pecuniary interests in any of the items of business on the meeting's agenda.

3. Minutes and Decisions Called-in

The minutes of the meeting on 16 November 2021 were confirmed as a correct record. No decisions at that meeting had been called in.

4. Public Questions

There were no questions or statements from members of the public.

5. Members' Questions

Councillors who were not members of the Cabinet asked the following questions:

- (a) Councillor K Bentley on whether any date had been set to begin consultation on the review of the Local Plan.

The Cabinet Member for Sustainable Development said that preparations for the review of the Local Plan were only in their early stages and specific dates had not yet been set. He would inform Councillor Bentley if officers had in mind possible dates for the beginning of consultation.

- (b) Councillor M J Steel on the apparent lapsing of the temporary traffic order allowing access to Broomfield Road from Parkway and whether the County Council had consulted the City Council on the reimposition of the previous restriction which prohibited the left turn from Parkway.

There appeared to be some confusion over whether the restriction had been temporary or permanent and whether access would continue be restricted or not. There was a consensus at the meeting that traffic should be allowed to turn left into Broomfield Road from Parkway and the City Council would request the County Council to make the Order permanent.

(7.03pm to 7.06pm)

6. Local Council Tax Support Scheme 2022-23 (Connected Chelmsford)

Declarations of interest:

None.

Summary:

The Cabinet was informed that the Council was required to approve, by 11 March 2022, a Local Council Tax Support Scheme for 2022-23. It was proposed that the Scheme adopted for 2021-22 be retained in its current form.

Options:

Retain the present scheme or adopt an amended version.

Preferred Option and Reasons:

The existing scheme would be affordable to the Council and fair to recipients of Council Tax support.

Discussion:

In response to questions on the Scheme, the Cabinet Member for Connected Chelmsford said that there was no specific definition of the term "working age" as the age at which individuals qualified for the state pension differed, depending on when they were born. The report set out in detail the Support Scheme' eligibility criteria.

RECOMMENDED TO THE COUNCIL that the Local Council Tax Support Scheme for 2021-22 be retained as the Scheme for 2022-23.

(7.06pm to 7.11pm)

7.1 Chelmsford Car Parking Fees 2022-23 (Sustainable Development)

Declarations of Interest:

None

Summary:

The Cabinet considered proposed revised tariffs for the use of the Council's car parks in 2022-23. If approved, the projected income would be included in the budget for 2022-23 to be recommended to the Council.

Options:

Approve or amend the proposed tariffs set out in Appendix A to the report to the meeting.

Preferred Option and Reasons:

The proposed tariffs would ensure that the Council's car parks continued to operate competitively within the wider off-street parking market in Chelmsford; would help effectively to manage demand; and would generate sufficient income to be able to adequately maintain and re-invest in those facilities.

Discussion:

The following questions and comments were put during discussion on this item:

- The need to cover Council car park costs with fees was understood, especially as installing new EV charging points, ticket machines and routine maintenance work was not cheap; however, it was assumed that the large increases had been brought about by failing to increase City Centre fees last year.

The Cabinet was informed that the increase in charges was designed to cover the cost of inflation as well as the additional costs of maintaining car parks within the city centre area.

- It would be desirable to have a more integrated approach to fees so that they were linked to the Park & Ride charges, i.e. negotiated between the City and County Councils.

In response to that comment, the Cabinet Member said that the cost of park and ride (£3.60 per person) was in many cases cheaper than paying car parking charges in the city centre. The current pricing strategy for car parking aimed to avoid direct competition with public transport costs and transportation schemes such as Park & Ride.

- It would also be desirable to see the work carried out by the Improving Movement Around Chelmsford (iMAC) Working Group and Planning Services being considered in the Budget Report at Item 8.2 on the agenda so that it reflected a more holistic approach to fee charging.

The Cabinet Member said that work undertaken through the iMAC Working Group such as the assessment of future parking income and land disposal options, which included surplus long-stay car parks, had already been factored into the Council's overall budget proposals for 2022/23.

- The Cabinet Member was asked whether he would ensure that negotiation was carried out with the County Council over City Centre car park fees and Park and Ride charges and that work done at iMAC and in Planning Services was fully integrated into the fee structure.

The Cabinet was informed that the City and County Councils could not negotiate car park fees and charges without breaching competition law. The City Council would continue to work with the County Council with the aim of reducing congestion and supporting economic growth through access to local businesses.

- The view was offered that many City Centre businesses relied on footfall and this may be reduced due to the increased fees. Out of town shopping may benefit instead but this would impact the vitality of the High Street. The Cabinet Member was asked to indicate the likely percentage drop in usage and whether this was expected to be long term.

The Cabinet Member replied that no change in demand was assumed in Chelmsford High Street as result of the of the price changes. To support the retail areas the Council was freezing the 1-hour and 2-hour tariffs in Moulsham Street and West End car parks.

It was also pointed out that the proposed reduction in fees for Residents Car Park Permits would benefit those residents who could not park on the street.

RESOLVED that the revised car parking tariffs for 2022-23 set out in Appendix A to the report be approved and recommended to the Council as part of the budget for that year.

(7.11pm to 7.22pm)

7.2 First Homes Planning Advice Note: Consultation Feedback (Sustainable Development)

Declarations of Interest:

None

Summary:

The Cabinet considered the results of a technical consultation on a draft Planning Advice Note which set out how the Council would implement locally the delivery of a national policy for a new type of affordable home ownership product called First Homes. The draft Advice Note had been amended in the light of that consultation and the Cabinet was recommended to adopt it to support the implementation of the Chelmsford Local Plan and Supplementary Planning Documents.

Options:

Approve or not the amendments to the Planning Advice Note.

Preferred option and reasons:

The Planning Advice Note made clear the City Council's approach to First Homes and the amendments clarified the Council's approach when a developer chose to provide a larger discount from market value than that required by the Council, as well as the prioritisation of different types of affordable housing through developer contributions.

Discussion:

In response to a question, it was confirmed that the First Homes contribution was a developer contribution if they provided the minimum discount of 30%.

In approving the Advice Note, the Cabinet particularly welcomed the requirement that at least 25% of First Homes on exception sites should be affordable housing for rent.

RESOLVED that the First Homes Planning Advice Note set out at Appendix 1 of the report to the meeting, with the changes set out in Appendix 3, be approved, to come into immediate effect.

(7.22pm to 7.28pm)

7.3 Housing Additionality: Affordable Housing for Rent Planning Advice Note (Sustainable Development)

Declarations of Interest:

None

Summary:

On 13 January 2022, the Chelmsford Policy Board had considered a draft Housing Additionality: Affordable Housing for Rent Planning Advice Note which proposed two ways in which the Council could seek to increase the proportion of larger four-bedroom affordable homes for rent available on new development sites.

Options:

Approve or amend the Planning Advice Note.

Preferred option and reasons:

The Planning Advice Note would help to increase the proportion of four-bedroom homes for rent available on new development sites to address the shortfall in delivery of that size of affordable home in the last five years; reduce the numbers of larger families with children being accommodated in temporary accommodation; and create a higher churn across all sizes of affordable accommodation in the existing affordable housing.

Discussion:

It was put to the Cabinet Member that while the Council was applying the 35% affordable housing requirement to developers who were fulfilling the Local Plan obligations, there was no reason why it could not apply a higher figure to any additional dwelling numbers above the Local Plan stipulation for each Strategic Growth Site (SGS).

There was a backlog of families waiting for affordable housing to be built and this would speed up the delivery, reducing the waiting list and the increasing pressures on the Council's housing budget. This happened elsewhere in the country: in London 50% of all new homes were required to be affordable. The Cabinet Member was asked whether he would increase to 50% the requirement for affordable housing in the case of additionality for large developments on SGSs.

The Cabinet Member replied that National Planning Policy Guidance stated that policies for planning obligations, such as affordable housing, must be set out in Local Plans and examined in public. Policy requirements needed to be clear so that they could be accurately accounted for in the price paid for land.

National Planning Practice Guidance stated that it was not appropriate for plan-makers to set out new approaches to planning obligations in supplementary planning documents or supporting evidence base documents, as these would not be subject to examination.

The Housing Additionality: Affordable Housing for Rent Planning Advice Note represented a change in the mix of affordable housing for rent, rather than an increase in the supply of it, to enable an immediate response to current housing needs and address shortfalls in the supply of larger affordable homes secured through the planning system over the last five years.

The process for potentially increasing the affordable housing contribution on planning gain sites would be the review of the Local Plan, commencing this year. The Council would have to consider the combined total impact of any changes in policy to ensure they did not undermine the deliverability of the Local Plan.

The Council had neither the powers nor the budget of the Mayor for London and therefore it could not provide such a level of affordable housing, desirable though that may be.

As part of the review of the Local Plan the Cabinet Member was asked whether he would consider increasing the affordable housing for additional builds. The Cabinet Member said that he would be keen to increase affordable housing as much as possible but that had to be balanced against the viability of the sites. He also agreed with another comment made at the meeting that the national requirements for the provision of affordable housing were complex and could potentially deter developers from proceeding with proposals. He pointed out, however, that the crucial point to remember was the length of time people were waiting for suitable affordable housing and the Advice Note sought to address that.

RESOLVED that the Planning Advice Note on Housing Additionality: Affordable Housing for Rent be approved and adopted with immediate effect.

(7.28pm to 7.44pm)

7.4 Duty to Co-operate Strategy – Consultation Feedback (Sustainable Development)

Declarations of Interest:

None

Summary:

Following public consultation on the draft Duty to Co-operate Strategy, the report to the meeting set out the responses received and the amendments it was proposed to make to the Strategy.

Options:

Approve the Strategy with or without the proposed amendments, or with revised amendments.

Preferred option and reasons:

The Strategy confirmed the Council's commitment to implementing the Duty to Co-operate for its Local Plan review; explained in broad terms who the Council would seek to co-operate with, when it would co-operate and what co-operation mechanisms it would put in place; provided a valuable guide to co-operation activity; and formed part of the evidence base supporting the Local Plan review.

Discussion:

The Cabinet Member was asked why the water/sewage authorities and the emergency services were not on the list of organisations consulted on the Duty to Co-operate. The Cabinet was informed that only the organisations specified by legislation could be consulted on the Duty. However, other bodies, including those mentioned in the question, were consulted as part of the Local Plan process.

RESOLVED that

1. the Duty to Co-operate Strategy be approved with the amendments as described at paragraph 5.2 of the report to the meeting;
2. any subsequent minor textual, presentational or layout amendments to the final version of the Duty to Co-operate Strategy be delegated to the Director of Sustainable Communities in consultation with the Cabinet Member for Sustainable Development; and
3. the necessary procedural processes to publish the final Duty to Cooperate Strategy be delegated to the Director of Sustainable Communities in consultation with the Cabinet Member for Sustainable Development.

(7.44pm to 7.47pm)

8.1 Capital, Treasury and Investment Strategies 2022-23 (Fairer Chelmsford)

Declarations of Interest:

None

Summary:

The Cabinet received a report setting out a proposed approach to the management of the Council's cash, capital investments (the capital expenditure programme) and other types of investment, including property.

Options:

1. Accept the recommendations contained within the report
2. Recommend changes to the way the Council's investments are to be managed

Preferred option and reasons:

The proposed Strategies met statutory requirements for the production of a treasury management strategy that achieved an acceptable balance between risk and return and capital and investment strategies that ensured the proper financial management of the Council's resources.

RECOMMENDED TO THE COUNCIL that the Capital, Treasury and Investment Strategies 2022-23 as submitted to the meeting be approved.

(7.47pm to 7.50pm)

8.2 Budget for 2022-23 (Fairer Chelmsford)

Declarations of Interest:

None

Summary:

The report to the meeting contained recommendations for the setting of the Revenue and Capital Budgets for 2022-23 and the level of Council Tax for that year. An addendum to the report had been circulated before the meeting which updated the budget to reflect an additional use of reserves to meet higher energy costs in 2022-23.

Options:

Agree or vary the proposals contained within the report but with regard to the financial sustainability of any amendments, and either accept the recommendations on financing the additional energy costs or seek further savings to balance the budget.

Preferred option and reasons:

The recommended budget would be prudent and in the best financial interests of the city. The recommendations on meeting the additional energy costs provided the most flexibility and did not prevent savings being found to offset the additional costs outside the budget process.

RECOMMENDED TO THE COUNCIL that:

1. the contents of Appendix 1 to the report to the meeting, the Budget Report, be approved, subject to the amendment to reflect the additional £600,000 due to

energy price increases identified since the completion of the draft Budget Report, and specifically the following be agreed:

- I. The additional use of unearmarked reserves to fund the higher energy costs in 2022/23
- II. The new Capital and Revenue investments in Council Services shown in Section 4 of the report
- III. The delegations to undertake the new capital schemes identified in Section 4, Table 5
- IV. The Revenue Budgets in Section 9 and Capital Budgets in Section 10
- V. An increase to the average level of Council Tax for the City Council, increasing the average annual Band D Council Tax to £208.86, the maximum allowed before a referendum, in Section 8
- VI. The movement in reserves shown in Section 6, as amended by the use of reserves to meet the higher energy costs
- VII. The Budget forecast in Section 6 and the report of the Section 151 Officer on the risks and robustness of the budget in Section 7 (Council should note these in particular)
- VIII. Special expenses, Parish and Town Councils' precepts as identified in Section 8, Table 11 (Parish precepts to be reported to the Council)
- IX. A delegation to the Chief Executive to agree, after consultation with the Leader of the Council, the pay award for 2022/23 within the normal financial delegations
- X. A delegation to the Section 151 Officer after consultation with the Cabinet Member for Fairer Chelmsford that should a surplus level of reserves be determined at 31 March 2022 then if appropriate an additional revenue contribution to capital is made in the financial year 2021/22.

RESOLVED that:

2. It be noted that at this time it is unclear how much of the higher energy costs are ongoing beyond 2022/23
3. The approach that the additional ongoing implications of higher energy cost should be addressed in the July Medium-Term Financial Strategy report to Council be approved and it be agreed that it is not appropriate to seek additional savings, efficiencies or income to fund the higher energy cost before approving the 2022/23 budget.
4. The Section 151 Officer be authorised to amend the Budget Report for submission to Council to allow for the consequences of the higher energy prices identified, after consultation with the Cabinet Member for a Fairer Chelmsford.
5. The Section 151 Officer be authorised to prepare a budget report and legal resolution for submission to Council for consideration, including updating the Business Rate Retention Income following completion of NDR1 statutory return to Government.
6. Should the final Government grant settlement details change following the Cabinet meeting, the Section 151 Officer be authorised to amend the report and identify the impact to Council, after consultation with the Cabinet Member for a Fairer Chelmsford.

7. The following capital schemes that need to be progressed before the Council meeting be approved: the Safer Streets Grant spend on Bunny Walk lights and CCTV (£185,000); the additional £850,000 for Galleywood Hall following the results of the tender for the works; and £117,000 CIL schemes where funding has been approved by the Community Funding Panel.
8. Cabinet notes that the capital and revenue figures exclude the budget approved for a potential city centre asset purchase, as the matter is still subject to commercial discussions. Should the position change then the budget papers for Council will be updated under the above delegation by the Section 151 officer after consultation with the Cabinet Member for a Fairer Chelmsford.

(7.50pm to 8.02pm)

9. Public Open Spaces Policy (Greener and Safer Chelmsford)

Declarations of Interests:

None.

Summary:

The Cabinet was requested to consider an updated policy on the acquisition, disposal and management by the Council of public open space.

Options:

Approve or amend the updated policy.

Preferred option and reasons:

The Policy reflected the ambitions set out in Our Chelmsford Our Plan adopted by the Council on 22 January 2020 together with the 'green space' policies set out in the Chelmsford Local Plan, adopted on 27 May 2020, and the Making Places and Planning Obligations Supplementary Planning Documents adopted on 26 January 2021.

Discussion:

The Cabinet Member for Greener and Safer Chelmsford was asked:

- whether the Council's preference that public open spaces be transferred to and adopted by the Council with an appropriate commuted sum for ongoing maintenance applied to the Garden Village type developments where the developers currently set up a management organisation and collected a sum from local residents;
- whether the preference would extend to similar historic areas managed by residents' trusts, particularly those where residents were struggling to manage them, or land previously owned by developers who were no longer trading;
- how the commuted sum would be calculated and collected;
- how parish councils could take advantage of this preference; and
- whether the Council had the resources to manage all the land that could potentially become its responsibility.

The Cabinet Member replied that the preferred approach to the management of open space could only, by law, apply to new developments and the Council's aims for other sites could only be achieved by legislation giving powers to the Council to take over their

management. The Local Plan would also need to be amended to reflect that preference on existing sites currently managed by developers. The Council would not wish to adopt open space that was already being well managed by communities for the public good and, equally, would be willing to transfer assets to communities that wished to manage them and maintain public access. It would also consider other models whereby developers, parishes and local residents jointly managed open spaces. The Cabinet Member would advise on the level of the commuted sum and how it would be collected.

RESOLVED that the updated Public Open Spaces Strategy set out in the Appendix to the report to the meeting be approved.

(8.02pm to 8.20pm)

10. Urgent Business

There were no items of urgent business.

11. Reports to Council

The Cabinet was informed that the following items would be the subject of report to the Council:

- Capital, Treasury and Investment Strategies 2022-23 (Minute Number 8.1)
- Budget Report 2022-23 (Minute Number 8.2)

The meeting closed at 8.21pm

Chair



Chelmsford City Council Cabinet

15 March 2022

Discretionary Business Rate Relief Policy 2022/23 with Covid-19 Amendments Extending Retail and Supporting Small Business Reliefs

Report by:

Cabinet Member for Connected Chelmsford

Officer Contact:

Rob Hawes, 01245 606695, robert.hawes@chelmsford.gov.uk

Purpose

To amend the existing Discretionary Business Rate Relief policy to give effect to COVID-19 relief measures for certain businesses

Options

Agree or reject the proposed amendments

Preferred option and reasons

Approve the amendments, which would give effect to national changes to discretionary business rate relief.

Recommendations

That the additions and alterations to the existing Discretionary Rate Relief Policy as highlighted in Appendix A are agreed

1. Introduction

- 1.1. In the Budget on 27 October 2021, the Government announced its intention to extend supporting small business relief for an additional year (it was due to end on 31 March 2022) and to extend retail, hospitality and leisure relief for the 2022/23 financial year, albeit at a lower rate and with minor changes to eligibility.
- 1.2. The Government is not intending to change the legislation around business rates discounts and reliefs. Instead, it has requested that local authorities use discretionary relief powers which were introduced by the Localism Act (under s47 of the Local Government Finance Act, as amended) to give effect to these additional measures. In return for this, Government has committed to fully reimburse local authorities for the cost of granting these various discretionary reliefs by way of grants under s31 of the Local Government Act 2003.
- 1.3. A local authority is able to agree its own rules regarding discretionary rate reliefs. However, any reliefs awarded which do not attract s31 grant reimbursement must be paid for in full out of the authority's own funds.

2. Amendments to the Existing Policy

- 2.1. For ease of reference, the existing policy has been attached as Appendix A and the amended policy as Appendix B with alterations are shown in red font. The substantive changes are listed below.
- 2.2. **Retail Discount 1 April 2021 to 31 March 2022** (old sections 6 and 7) have been deleted and replaced by Retail, Hospitality and Leisure relief (new section 6) so that a business occupying property carrying out retail, leisure or hospitality activities as defined in section 7 will receive a 50% relief on business rates during 2022/2023.
- 2.3. **The Supporting Small Business scheme** (old section 12, new section 9) has been extended to cover a sixth financial year. The scheme is intended to ensure that increases in business rates as a result of rating revaluation in 2017 are introduced gradually.
- 2.4. **Nursery discount 1 July 2021 to 31 March 2022** (section 11) has been deleted.
- 2.5. Retail, hospitality and leisure relief is subject to a cash cap of £110,000 as defined in section 6.4. The cash cap operates at a Group company level rather than individual property or subsidiary level.
- 2.6. The section relating to State Aid (section 12) has been re-written to refer to subsidy allowances following the UK's exit from the EU.

3. Conclusion

3.1 The amendments and additions to the existing reliefs available to reduce business rates bills are a helpful assistance to local business and should be incorporated into Chelmsford City Council's discretionary rate relief policy as detailed in appendix B.

List of appendices:

Appendix A – Existing Discretionary Rate Relief policy for 2021/22

Appendix B – Proposed Discretionary Rate Relief Policy for 2022/23

Background papers:

Nil

Corporate Implications

Legal/Constitutional:

All relevant legal considerations are addressed in the body of the report.

Financial:

None, unless Government decides that rate relief has been granted inappropriately.

Potential impact on climate change and the environment:

None

Contribution toward achieving a net zero carbon position by 2030:

None

Personnel:

None

Risk Management:

None

Equality and Diversity:

(For new or revised policies or procedures has an equalities impact assessment been carried out? If not, explain why)

None

Health and Safety:

None

Digital:

None

Other:

None

Consultees:

Director of Connected Chelmsford

Relevant Policies and Strategies:

The changes support the ambition in Our Chelmsford, Our Plan to be a leading regional centre by assisting businesses to meet their business rate liability.

CHELMSFORD CITY COUNCIL'S DISCRETIONARY RATE RELIEF POLICY

1. Introduction

- 1.1 Section 47 of the Local Government Finance Act 1988 allows Local Authorities to award discretionary rate relief to a range of organisations, including charities, Community Amateur Sports Clubs and other non-profit making bodies.
- 1.2 In the case of charities, the ratepayer must be a charity or trustee for a charity and the property must be wholly or mainly used for charitable purposes. Mandatory relief of 80% will be given in such cases, and charities can also receive up to a further 20% discretionary relief.
- 1.3 In the case of Community Amateur Sports Clubs, these must be registered with HM Revenue & Customs in order to be eligible for 80% mandatory relief. They can also receive up to a further 20% discretionary relief.
- 1.4 In the case of non-profit making organisations, all or part of the property must be occupied by an institution or organisation which is not established or conducted for profit and whose main objectives are charitable or otherwise philanthropic or religious, or concerned with education, social welfare, science, literature or the fine arts or it is wholly or mainly used for the purposes of recreation.

2. Awarding Relief

- 2.1 The Council's policy for determining applications for discretionary rate relief can be divided into 2 parts as follows:

Part 1

- 2.2 A 'top-up' discretionary rate relief of up to 20% may be granted to charitable organisations who already receive 80% mandatory relief.
The Council currently chooses to award 'top-up' relief to scouts, guides and the sea cadets.

Part 2

- 2.3 It is intended that the scheme provides a mechanism for sports clubs and organisations to continue and expand their role in providing sports development opportunities, by maximising the availability of relief to those clubs and organisations who operate in accordance with the Council's aspirations for the development of sport in the City.
- 2.4 All sports clubs and organisations will start off with a flat rate of 40% rate relief, provided that they meet the following criteria:
 - (a) The primary purpose of the club/organisation should be to provide sporting opportunities to its members or to a local community
 - (b) Membership should be open to all members of the community irrespective of gender, race, age, disability, religious belief and financial circumstances

- (c) Membership fees should be realistic and not used as a means of restricting membership to a particular community group
- (d) Profits and surpluses must be used to further the sporting objectives of the club/organisation and not distributed as a share or dividend amongst some or all members
- (e) A legal constitution must be in existence and applicants must demonstrate that they are operating in accordance with its requirements.

3. Adjusted Relief

3.1 Applicants who meet all of the above criteria and are awarded the basic 40% rate relief, will also be able to have their relief adjusted by some or all of the following:-

- 10% The applicant can demonstrate a close working relationship with local schools & disabled groups and where practical, has supported the development of their sport(s) in schools and has encouraged and assisted school pupils and/or disabled persons to join appropriate clubs. The applicant undertakes to continue this development work
- 10% The applicant can demonstrate support for its coaches and administrators to obtain further relevant qualifications, e.g. coaching qualifications, National Coaching Foundation courses, Running Sport courses etc. The applicant undertakes to continue this work.
- 10% The applicant can demonstrate that they have provided opportunities for regular use of its facilities and equipment by outside groups/the Council's Sports Development Unit and undertakes to continue this policy
- 10% The applicant can demonstrate that they have in place or are working towards a development plan and (if applicable) a child protection policy
- 20% Should less than 50% of members be resident in the City, then a reduction in relief of 20% of the total rate liability will be made

Table of relief at current levels.

Relief	
Discretionary Rate Relief	Base level of 40%
Work with Schools or Disadvantaged Groups	+10%
Support for coaches/administrators	+10%
Shared use of facilities	+10%
Current Development Plan/child protection policy	+10%
Less than 50% of members resident in the borough	-20%

EXTENSIONS TO CHELMSFORD CITY COUNCIL'S DISCRETIONARY RATE RELIEF POLICY

1. Introduction

- 1.1 Section 69 of the Localism Act 2011 amends Section 47 of the Local Government Finance Act 1988. The changes came into effect from 1 April 2012 and they extend the existing provision relating to the granting of discretionary rate relief.
- 1.2 The changes allow Local Authorities to grant discretionary rate relief in any circumstances where it feels fit. However, the whole cost of any purely discretionary relief awarded will have to be met by the City's Council Tax payers. Some discretionary reliefs are reimbursed in full by the Government via grants paid in accordance with section 31 of the Local Government Act 2003. Full details are set out below. Currently, these reliefs are 100% Retail Discount (to 30 June 2021 only); 66% Retail Discount (1 July 2021 to 31 March 2022); Nursery Discount (to 30 June 2021 only); 66% Nursery Discount (1 July 2021 to 31 March 2022); Supporting Small Businesses Scheme; and, Local Newspaper Relief (until 2025).

2. Awarding Relief

- 2.1 Any ratepayer applying for discretionary rate relief who does not meet the criteria for relief under the existing policy must meet all of the following criteria and any award will be based on these factors:
- (a) The ratepayer must not be entitled to mandatory rate relief (Charity or Rural Rate Relief)
 - (b) The ratepayer must not be an organisation that could receive relief as a non-profit making organisation or as Community Amateur Sports Club.
 - (c) The ratepayer must occupy the premises – no relief will be granted for unoccupied properties
 - (d) The premises and the organisation must be of significant benefit to the residents of the City
 - (e) The ratepayer must:
 - (i) Provide facilities to certain priority groups such as elderly, disabled, minority or disadvantaged groups, OR
 - (ii) Provide significant employment or employment opportunities to residents of the City
 - (f) Provide residents of the City with such services, opportunities or facilities that cannot be obtained locally or are not provided by another organisation
 - (g) The ratepayer must show that the organisation will comply with all legislative requirements and operate in an ethical, sustainable and environmentally friendly manner at all times
- 2.2 Where a ratepayer can demonstrate that all of the above criteria are met, any award must have due regard to:

- (a) the financial status of the applicant when determining the level of relief to be granted, and
 - (b) the impact and best interests of the Council Tax payers of the City
- 2.3 Relief will not be given to those organisations where a bar is the main activity. It would be expected that any bar profits would be used to offset any expenses thus negating the reliance on public funds.
- 2.4 Where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then an application may be made for relief under Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council's discretionary rate relief policy.
3. Level and Period of Relief granted
- 3.1 The level of relief to be granted, if any, will range from 0% to 100% of the ratepayer's liability. Given the continuing reduction in government grant funding to the Council, awards of discretionary rate relief will be made for a fixed period and reviewed on an annual basis.
4. Equality and Diversity Implications
- 4.1 It is important that the Discretionary Rate Relief Policy clearly shows the criteria on which premises could be eligible so that all potential applicants are aware of why their application has been either accepted or refused.
5. Right of Appeal
- 5.1 There is no statutory right of appeal against a decision made by the Council in respect of discretionary rate relief. However, the Director of Finance will review the decision if the ratepayer is dissatisfied with the outcome.
- 5.2 If an unsuccessful applicant requests a review, they will still need to continue to pay their rates bill. Once the review has been carried out, the ratepayer will be informed, in writing, of the decision.
- 5.3 The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.
6. **RETAIL DISCOUNT - 2020/21 AND 1 APRIL 2021 to 30 JUNE 2021 ONLY**
- 6.1 For properties specified in sections 8 and 10 the relief available is 100% of the bill after mandatory reliefs and other discretionary reliefs (other than public house relief) funded by Section 31 grants have been applied. Ratepayers do have a right to refuse this discount.
- 6.2 The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis using the following formula:

Amount of relief to be granted = **V**

Where:

V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any other discretionary reliefs, except public house relief, excluding those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants

6.3 This should be calculated by ignoring any prior year adjustments in liabilities which fall to be liable on the day.

6.4 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties. State Aid limits will apply until the Government receives approval for the Retail Discount scheme to become a notified State aid.

7. **RETAIL DISCOUNT – 1 JULY 2021 TO 31 MARCH 2022**

7.1 For properties specified in sections 8 and 10, the relief available is 66% of the bill after mandatory reliefs and other discretionary reliefs (other than public house relief) funded by Section 31 grants have been applied, **provided that** the businesses or group of businesses will not exceed the cash cap in 7.2 below by accepting this relief. Businesses are able to voluntarily refuse this relief even if the cash cap does not apply.

7.2 The cash cap applies at a Group company level, so holding companies and subsidiaries cannot claim up to the cash cap for each company. Up to £2m of retail discount can be claimed for hereditaments which would have been required to close, based on the coronavirus rules in force on 5 January 2021. For businesses in hereditaments able to open on 5 January 2021, including qualifying nurseries as defined in section 10.1, the cash cap is £105,000. A company may claim a total of £2m using a combination of the two cash caps ie up to £105,000 in respect of businesses able to open and £1,895,000 in respect of businesses required to close.

8. **Which types of use are eligible?**

8.1 To qualify for the relief, the hereditament should be wholly or mainly used as a shop, restaurant, café, drinking establishment, or related to the leisure and hospitality industry. This is a test of use not occupation.

Hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief. Hereditaments which have closed temporarily due to Government advice on COVID19 will be treated as occupied for the purposes of this relief.

8.2 The lists below are not exhaustive. Uses that are broadly similar to those listed below will be considered eligible for the relief.

- a) Hereditaments that are being used for the sale of goods to visiting members of the public:
- Shops (such as florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licence, chemists, newsagents, hardware stores, supermarkets, etc)
 - Charity shops
 - Opticians
 - Post Offices

- Furnishing shops/display rooms e.g. carpet shops, double glazing, garage door showrooms
 - Car/caravan showrooms
 - Second-hand car lots
 - Markets
 - Petrol stations
 - Garden centres
 - Art galleries (where art is for sale/hire)
- b) Hereditaments that are being used for the provision of the following services to visiting members of the public:
- Hair and beauty services (such as hairdressers, nail bars, beauty salons, tanning shops, tattoo parlours etc)
 - Shoe repairs/key cutting
 - Travel agents
 - Ticket offices e.g. for theatre
 - Dry cleaners/laundrettes
 - PC/TV/domestic appliance repair
 - Funeral directors
 - Photo processing
 - DVD/video rentals
 - Tool hire
 - Car hire
 - Employment agencies
 - Estate Agents and letting shops
 - Betting shops
- c) Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:
- Restaurants
 - Takeaways
 - Sandwich shops
 - Coffee shops
 - Pubs
 - Bars
- d) Hereditaments that are being used as cinemas
- e) Hereditaments that are being used as live music venues

-live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

– Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises

is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

- f) Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including the viewing of such activities):
- Sports grounds and clubs
 - Museums and art galleries
 - Nightclubs
 - Sport and leisure facilities
 - Stately homes and historic houses
 - Theatres
 - Tourist attractions
 - Gyms
 - Wellness centres, spas, massage parlours
 - Casinos, gambling clubs and bingo halls
- g) Hereditaments that are being used for the assembly of visiting members of the public:
- Public halls
 - Clubhouses, clubs and institutions
- h) Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:
- Hotels, Guest- and Boarding Houses
 - Holiday homes
 - Caravan parks and sites

9. Which types of use are not eligible?

9.1 As before, the lists below are not exhaustive but uses broadly similar to those set out below will not be considered eligible for the relief.

- a) Hereditaments that are being used for the provision of the following services to visiting members of the public:
- Financial services (such as banks, building societies, cash points, bureaux de change, payday lenders)
 - Medical services (such as vets, dentists, doctors, osteopaths, chiropractors)
 - Professional services (such as solicitors, accountants, insurance agents, financial advisers)
 - Post Office sorting offices
- b) Hereditaments that are not reasonably accessible to visiting members of the public

9.2 The relief should be applied on a day to day basis using the formula set out in 6.2. A new hereditament created as a result of a split or merger during the relevant financial years, or where there is a change of use, should be considered afresh for relief on that day.

10 NURSERY DISCOUNT 2020/21 AND 1 APRIL 2021 TO 30 JUNE 2021 ONLY

- 10.1 Hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage will pay no business rates in respect of 2020/21 or for the first three months of 2021/2022. There is no limit on rateable value of properties that this will apply to.
- 10.2 The eligibility for the discount and its calculation will be the same as for Retail Discount as set out in paragraphs 6.1 to 6.4 above. Ratepayers do have a right to refuse this discount.

11 NURSERY DISCOUNT 1 JULY 2021 to 31 MARCH 2022

- 11.1 Hereditaments occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage will receive a discount of 66% of the business rates levied from 1 July 2021 to 31 March 2022 subject to the overall company cash cap of £105,000 as defined in section 7.2.

12 SUPPORTING SMALL BUSINESS SCHEME

- 12.1. The transitional scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing very large percentage increases in bills from 01 April 2017.
- 12.2. The Supporting Small Businesses relief scheme will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.

There is no discretion around whether to grant this relief if the terms of the scheme are met.

The Supporting Small Businesses relief scheme will ensure that the increase per year in the bills of these ratepayers is limited to the greater of:

- a. a percentage increase p.a. of 5%, 7.5%, 10%, 15% and 15% 2017/18 to 2021/22 all plus inflation, or
 - b. a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after small business rate relief are brought into paying something.
- 12.3 In the first year of the scheme (2017/18), this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter. This means that ratepayers who are currently paying nothing under small business rate relief and are losing all of their entitlement to relief (i.e. moving from £6,000 rateable value or less to more than £15,000) would under this scheme be paying £3,000 in year 5.
- 12.4 Those on the Supporting Small Businesses relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund

small business rate relief while they are eligible for the Supporting Small Businesses relief scheme.

- 12.5 Ratepayers remain in the Supporting Small Businesses relief scheme for either 5 years or until they reach the bill they would have paid without the scheme. A change of ratepayers will not affect eligibility for the Supporting Small Businesses relief scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.
- 12.6 There is no 2nd property test for eligibility for Supporting Small Business relief scheme. However, those ratepayers who during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended can continue on the scheme for the remainder of their 12 month period of grace.
- 12.7 As with all reliefs, the amount of relief awarded under the Supporting Small Business relief scheme should be recalculated in the event of a change to the rateable value or the hereditament. This change of circumstance could arise during the year in question or during a later year.
- 12.8 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which allow the amount of relief to be amended within the year to reflect changing circumstances.
- 12.9 Therefore, when making an award for Supporting Small Business relief, the conditions of the award that the relief is allowed include that it can be recalculated in the event of a change to the rating list (retrospective or otherwise). This is so that the relief can be recalculated if the rateable value changes. This applies to all Discretionary Relief awarded by Chelmsford City Council.

13 Detailed guidance for operation of the Supporting Small Business (SSB) scheme

13.1 Day 1 Eligibility for the Scheme

For 1 April 2017, the supporting small business (SSB) relief scheme applies to hereditaments for which ratepayers lose some or all of their small business rate relief or rural rate relief.

- a. The chargeable amount for 31 March 2017 is calculated in accordance with section 43(4B) or (6B),
- b. In relation to 43(4) the value of E for 31 March 2017 is greater than 1,
- c. The chargeable amount for 01 April 2017 is found in accordance with section 43(4), 43(4B), 43(6A), or where regulations 12(3), 12(7) or 12(9) of the Non Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No.1265 applies, and

- d. The chargeable amount 1 April 2017 is more than (£600/365) higher than the chargeable amount for 31 March 2017.

Where for 31 March 2017 the chargeable amount has been found under section 47, then eligibility for SSB should be determined as if section 47 did not apply.

13.2 Continued eligibility for the scheme after 1 April 2017

After 1 April 2017, the Supporting Small Business (SSB) scheme will cease to apply where:

- a. The chargeable amount for a day found under the SSB scheme is the same as or more than the chargeable amount found in the absence of the SSB scheme. This ensures that where, for example, the minimum increase in the chargeable amount in the SSB scheme would take the bill above the level it would otherwise have been then the hereditament will drop out of the SSB scheme. It also ensures that where, for example, with effect from after 1/4/17, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of the SSB scheme,
- b. The chargeable amount for a day would otherwise fall to be found by section 43(5) or where paragraph 12(5) or sub-paragraphs 2(4), 3(4), 4(4), 5(4) of Schedule 2 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No.1265 applies (charities or registered community amateur sports clubs), or
- c. The hereditaments for a day is unoccupied.

13.3 Furthermore, where the ratepayer during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended (and therefore was still entitled to small business rate relief on 31 March 2017), then eligibility for the SSB scheme will cease at the end of that 12 months period of grace.

13.4 Hereditaments which cease to be entitled to Supporting Small Businesses for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for Supporting Small Businesses relief if it subsequently becomes occupied again.

13.5 Chargeable Amount under the Supporting Small Businesses Scheme

Where the Supporting Small Businesses scheme applies then DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act for the period 1 April 2017 to 31 March 2022 found in accordance with the rules in (Part 1 to Part 3 of) the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No.1265 subject to the following changes:

- a. BL for 2017/18 is the chargeable amount for 31 March 2017 x 365 (on the assumption that section 47 did not apply for 31 March 2017 and on the assumption in the City of London that the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17). This ensures the

starting base liability for hereditaments eligible for SSB include the SBRR or rural rate relief for 31 March.

- b. Where the certificate has been issued under regulations 17 or 18 then BL 2017/18 should be found in line with a) above but on the assumption that the rateable value in the rating list was the rateable values as certified.
 - c. References to “(BL x AF)” are to “(BL x AF)” or (BL + 600) whichever is the greater”. This ensures the bill increase is greater or £600 or the increase under the caps in transitional relief scheme,
 - d. AF is found in accordance with regulation 10(6) irrespective of the rateable value of the hereditament for 1 April 2017. This ensures only the cap on increases for small properties is applied in the SSB scheme irrespective of the actual rateable value of the hereditament,
 - e. Regulation 12(6)(b) is omitted. This ensures SBRR is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief,
 - f. The reference to “2” in regulation 12 (8) is “1”. This ensures rural rate relief is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief,
 - g. “U” is taken to have a value of 0 throughout. This ensures that any hereditament whose rateable value is £51,000 or more does not have to pay the 1.3p supplement whilst eligible for SSB relief,
 - h. For a year (the year concerned) other than 2017/18, BL is (BL x AF) or (BL + 600) from the year immediately the year concerned whichever is the greater.
- 13.6 No change is made to the meaning of NCA. However, as discussed above, eligibility for Supporting Small Business relief ceases when the chargeable amount for a day found under the Supporting Small Businesses scheme is the same as or more than the chargeable amount found outside the scheme.
- 13.7 For the avoidance of doubt, the rules for changes in rateable value with effect from after 1 April 2017 (regulation 13) will continue to apply as normal subject to the amendments above in sections a to h.

13.8 Splits and Mergers

The SSB scheme will apply to hereditaments;

- a. Coming into existence because of the circumstances described in paragraph 1 of Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265,
- b. Where one of the hereditaments from which the new hereditament was formed in whole or in part was for the day immediately before the creation day eligible for the SSB scheme, and
- c. The circumstances described above in points a to h above do not apply for the creation day in respect of the hereditament.

- 13.9 After the creation day, the SSB scheme will cease to apply in the circumstances described in points a to h above.
- 13.10 The number of hereditaments eligible for SSB which then split or merge is likely to be very small and devising rules in particular for mergers with properties outside of the SSB scheme would be complex. Therefore, in discussions with local authority stakeholders, DCLG has concluded it would be disproportionate to devise detailed rules to prescribe the chargeable amounts in the various circumstances which could arise from a split or a merger. Instead, for hereditaments meeting the criteria in paragraph 39 and 40 above, DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act found in accordance with the following principle:
- a. That the protection offered by the SSB scheme (that the bill will not rise by the greater of £600 p.a. or the transitional relief caps) will continue to apply in principle to that part of the newly created hereditament which was immediately before the creation day in the SSB scheme, and
 - b. That increases (or reductions) in overall rateable value arising from the split or merger are not subject to the protection of the SSB scheme.

For simple splits of hereditaments previously eligible for SSB, authorities may wish to simply apportion the chargeable amount in the SSB scheme for the hereditament before the split in line with the change in rateable value from the split) i.e. in line with the principle in Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265).

For mergers and reorganisations, authorities will have to estimate the degree to which, in line with the principle of the SSB scheme, that part of the hereditament which was formerly eligible for SSB should continue to receive support under the SSB scheme. DCLG does not expect authorities to seek any formal apportionments of rateable value for this purpose.

14 LOCAL NEWSPAPER RELIEF (To 31 March 2025)

- 14.1 This relief is a sum of £1,500 in respect of office space occupied by local newspapers to a maximum of one discount per local newspaper title and per hereditament. A local newspaper with two offices can only claim the relief in respect of one of the offices. An office shared by three separate local newspaper titles would only be eligible for one relief.
- 14.2 This relief is specifically for local newspapers, those that would be regarded as a 'traditional local newspaper'. The relief will not be available to magazines. The hereditament must be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.

15 STATE AID

- 15.1 State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However, relief is State Aid compliant where it is provided in accordance with the De Minimis Regulations (SI 1407/2013)

- 15.2 The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).
- 15.3 To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Enquiries may be made and declarations required from businesses to confirm whether the de minimis level has been reached.
- 15.4 The UK left the EU on 31 January 2020. The Withdrawal Agreement negotiated by the Government and the EU provides that during an implementation period State aid rules will continue to apply as now and will be subject to control by the EU Commission as at present. Local authorities will therefore continue to apply State aid rules, including De Minimis, to reliefs during the implementation period.
- 15.5 The Government has sought clearance under Article 107(3)(b) of the Treaty on the Functioning of the European Union to treat the Expanded Retail Discount scheme as a notified State Aid. This approval has been received and State Aid limits can be ignored when deciding to award the Retail Discount.

16 ADMINISTRATION OF APPLICATIONS FOR RELIEF

- 16.1 Decisions relating to the granting of reliefs will be delegated to the staff reporting to the Director of Finance. Most reliefs will be granted automatically using records already held by the Council. Applications from business rate payers who think they should be eligible must be made in writing to Chelmsford City Council, Business Rates, Civic Centre, Duke Street, Chelmsford CM1 1JE.
- 16.2 There is no statutory right of appeal against a decision made by the Council in respect of retail rate or business rate reoccupation relief. However, the Council will review the decision if the ratepayer is dissatisfied with the outcome. The review will be carried out by the Director of Finance and the final decision made by the Director of Finance and/or the Cabinet Member for Fairer Chelmsford.
- 16.3 If an unsuccessful applicant requests a review, they will still need to continue to pay their rates bill. Once the review has been carried out, the ratepayer will be informed, in writing, of the decision.
- 16.4 The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.

APPENDIX B

CHELMSFORD CITY COUNCIL'S DISCRETIONARY RATE RELIEF POLICY

1. Introduction

- 1.1 Section 47 of the Local Government Finance Act 1988 allows Local Authorities to award discretionary rate relief to a range of organisations, including charities, Community Amateur Sports Clubs and other non-profit making bodies.
- 1.2 In the case of charities, the ratepayer must be a charity or trustee for a charity and the property must be wholly or mainly used for charitable purposes. Mandatory relief of 80% will be given in such cases, and charities can also receive up to a further 20% discretionary relief.
- 1.3 In the case of Community Amateur Sports Clubs, these must be registered with HM Revenue & Customs in order to be eligible for 80% mandatory relief. They can also receive up to a further 20% discretionary relief.
- 1.4 In the case of non-profit making organisations, all or part of the property must be occupied by an institution or organisation which is not established or conducted for profit and whose main objectives are charitable or otherwise philanthropic or religious, or concerned with education, social welfare, science, literature or the fine arts or it is wholly or mainly used for the purposes of recreation.

2. Awarding Relief

- 2.1 The Council's policy for determining applications for discretionary rate relief can be divided into 2 parts as follows:

Part 1

- 2.2 A 'top-up' discretionary rate relief of up to 20% may be granted to charitable organisations who already receive 80% mandatory relief.
The Council currently chooses to award 'top-up' relief to scouts, guides and the sea cadets.

Part 2

- 2.3 It is intended that the scheme provides a mechanism for sports clubs and organisations to continue and expand their role in providing sports development opportunities, by maximising the availability of relief to those clubs and organisations who operate in accordance with the Council's aspirations for the development of sport in the City.
- 2.4 All sports clubs and organisations will start off with a flat rate of 40% rate relief, provided that they meet the following criteria:
- (a) The primary purpose of the club/organisation should be to provide sporting opportunities to its members or to a local community
 - (b) Membership should be open to all members of the community irrespective of gender, race, age, disability, religious belief and financial circumstances

- (c) Membership fees should be realistic and not used as a means of restricting membership to a particular community group
- (d) Profits and surpluses must be used to further the sporting objectives of the club/organisation and not distributed as a share or dividend amongst some or all members
- (e) A legal constitution must be in existence and applicants must demonstrate that they are operating in accordance with its requirements.

3. Adjusted Relief

3.1 Applicants who meet all of the above criteria and are awarded the basic 40% rate relief, will also be able to have their relief adjusted by some or all of the following:-

- 10% The applicant can demonstrate a close working relationship with local schools & disabled groups and where practical, has supported the development of their sport(s) in schools and has encouraged and assisted school pupils and/or disabled persons to join appropriate clubs. The applicant undertakes to continue this development work
- 10% The applicant can demonstrate support for its coaches and administrators to obtain further relevant qualifications, e.g. coaching qualifications, National Coaching Foundation courses, Running Sport courses etc. The applicant undertakes to continue this work.
- 10% The applicant can demonstrate that they have provided opportunities for regular use of its facilities and equipment by outside groups/the Council's Sports Development Unit and undertakes to continue this policy
- 10% The applicant can demonstrate that they have in place or are working towards a development plan and (if applicable) a child protection policy
- 20% Should less than 50% of members be resident in the City, then a reduction in relief of 20% of the total rate liability will be made

Table of relief at current levels.

Relief	
Discretionary Rate Relief	Base level of 40%
Work with Schools or Disadvantaged Groups	+10%
Support for coaches/administrators	+10%
Shared use of facilities	+10%
Current Development Plan/child protection policy	+10%
Less than 50% of members resident in the borough	-20%

EXTENSIONS TO CHELMSFORD CITY COUNCIL'S DISCRETIONARY RATE RELIEF POLICY

1. Introduction

- 1.1 Section 69 of the Localism Act 2011 amends Section 47 of the Local Government Finance Act 1988. The changes came into effect from 1 April 2012 and they extend the existing provision relating to the granting of discretionary rate relief.
- 1.2 The changes allow Local Authorities to grant discretionary rate relief in any circumstances where it feels fit. However, the whole cost of any purely discretionary relief awarded will have to be met by the City's Council Tax payers. Some discretionary reliefs are reimbursed in full by the Government via grants paid in accordance with section 31 of the Local Government Act 2003. Full details are set out below. Currently, these reliefs are **50% Retail, Hospitality and Leisure Relief Scheme (1 April 2022 to 31 March 2023 only)**; Supporting Small Businesses Scheme; and, Local Newspaper Relief (until 2025).

2. Awarding Relief

- 2.1 Any ratepayer applying for discretionary rate relief who does not meet the criteria for relief under the existing policy must meet all of the following criteria and any award will be based on these factors:
- (a) The ratepayer must not be entitled to mandatory rate relief (Charity or Rural Rate Relief)
 - (b) The ratepayer must not be an organisation that could receive relief as a non-profit making organisation or as Community Amateur Sports Club.
 - (c) The ratepayer must occupy the premises – no relief will be granted for unoccupied properties
 - (d) The premises and the organisation must be of significant benefit to the residents of the City
 - (e) The ratepayer must:
 - (i) Provide facilities to certain priority groups such as elderly, disabled, minority or disadvantaged groups, OR
 - (ii) Provide significant employment or employment opportunities to residents of the City
 - (f) Provide residents of the City with such services, opportunities or facilities that cannot be obtained locally or are not provided by another organisation
 - (g) The ratepayer must show that the organisation will comply with all legislative requirements and operate in an ethical, sustainable and environmentally friendly manner at all times
- 2.2 Where a ratepayer can demonstrate that all of the above criteria are met, any award must have due regard to:

- (a) the financial status of the applicant when determining the level of relief to be granted, and
 - (b) the impact and best interests of the Council Tax payers of the City
- 2.3 Relief will not be given to those organisations where a bar is the main activity. It would be expected that any bar profits would be used to offset any expenses thus negating the reliance on public funds.
- 2.4 Where a ratepayer is suffering hardship or severe difficulties in paying their rates liability then an application may be made for relief under Section 49 of the Local Government Finance Act 1988. There will be no requirement to grant relief in such cases under the Council's discretionary rate relief policy.
3. Level and Period of Relief granted
- 3.1 The level of relief to be granted, if any, will range from 0% to 100% of the ratepayer's liability. Given the continuing reduction in government grant funding to the Council, awards of discretionary rate relief will be made for a fixed period and reviewed on an annual basis.
4. Equality and Diversity Implications
- 4.1 It is important that the Discretionary Rate Relief Policy clearly shows the criteria on which premises could be eligible so that all potential applicants are aware of why their application has been either accepted or refused.
5. Right of Appeal
- 5.1 There is no statutory right of appeal against a decision made by the Council in respect of discretionary rate relief. However, the Director of Finance will review the decision if the ratepayer is dissatisfied with the outcome.
- 5.2 If an unsuccessful applicant requests a review, they will still need to continue to pay their rates bill. Once the review has been carried out, the ratepayer will be informed, in writing, of the decision.
- 5.3 The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.
6. **RETAIL, HOSPITALITY AND LEISURE RELIEF SCHEME (1 APRIL 2022 to 31 MARCH 2023) ONLY**
- 6.1 For properties specified in section 7 the relief available is 50% of the bill after mandatory reliefs and other discretionary reliefs funded by Section 31 grants have been applied. Ratepayers do have a right to refuse this discount.
- 6.2 **Subject to the cash cap in paragraph 6.4, the** eligibility for the relief and the relief itself will be assessed and calculated on a daily basis using the following formula:

Amount of relief to be granted = **V x 0.5**

Where:

V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any other discretionary reliefs, excluding those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants

- 6.3 This should be calculated by ignoring any prior year adjustments in liabilities which fall to be liable on the day.
- 6.4 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties up to the maximum £110,000 cash cap per business. The cash cap applies at a Group company level across all of their hereditaments in England, so holding companies and subsidiaries cannot claim up to the cash cap for each company.
- 6.5 The retail, hospitality and leisure relief scheme is likely to amount to subsidy (see section 12 for more details).

7. Which types of use are eligible?

- 7.1 To qualify for the relief, the hereditament should be wholly or mainly used:
- i. as a shop, restaurant, café, drinking establishment, cinema, or live music venue
 - ii. for assembly and leisure
 - iii. as a hotel, guest and boarding premises or self-catering accommodation.

This is a test of use not occupation.

Hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

- 7.2 The lists below are not exhaustive. Uses that are broadly similar to those listed below will be considered eligible for the relief.
- a) Hereditaments that are being used for the sale of goods to visiting members of the public:
 - Shops (such as florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licence, chemists, newsagents, hardware stores, supermarkets, etc)
 - Charity shops
 - Opticians
 - Post Offices
 - Furnishing shops/display rooms e.g. carpet shops, double glazing, garage door showrooms
 - Car/caravan showrooms
 - Second-hand car lots
 - Markets
 - Petrol stations
 - Garden centres
 - Art galleries (where art is for sale/hire)
 - b) Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as hairdressers, nail bars, beauty salons, tanning shops, tattoo parlours etc)
 - Shoe repairs/key cutting
 - Travel agents
 - Ticket offices e.g. for theatre
 - Dry cleaners/laundrettes
 - PC/TV/domestic appliance repair
 - Funeral directors
 - Photo processing
 - DVD/video rentals
 - Tool hire
 - Car hire
- c) Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:
- Restaurants
 - Takeaways
 - Sandwich shops
 - Coffee shops
 - Pubs
 - Bars
- d) Hereditaments that are being used as cinemas
- e) Hereditaments that are being used as live music venues

-live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

– Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

- f) Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including the viewing of such activities):
- Sports grounds and clubs
 - Museums and art galleries
 - Nightclubs
 - Sport and leisure facilities
 - Stately homes and historic houses
 - Theatres
 - Tourist attractions
 - Gyms

- Wellness centres, spas, massage parlours
 - Casinos, gambling clubs and bingo halls
- g) Hereditaments that are being used for the assembly of visiting members of the public:
- Public halls
 - Clubhouses, clubs and institutions
- h) Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:
- Hotels, Guest- and Boarding Houses
 - Holiday homes
 - Caravan parks and sites

8. Which types of use are not eligible?

8.1 As before, the lists below are not exhaustive but uses broadly similar to those set out below will not be considered eligible for the relief.

- a) Hereditaments that are being used for the provision of the following services to visiting members of the public:
- Financial services (such as banks, building societies, cash points, bureaux de change, payday lenders, **short term loan providers, betting shops**)
 - Medical services (such as vets, dentists, doctors, osteopaths, chiropractors)
 - Professional services (such as solicitors, accountants, insurance agents, financial advisers, **employment agencies, estate agents, letting agents**)
 - Post Office sorting offices
- b) Hereditaments that are not reasonably accessible to visiting members of the public

8.2 **Any hereditament where the ratepayer is a billing authority, parish or county council or other precepting authority will not be eligible for relief.**

8.3 The relief should be applied on a day to day basis using the formula set out in 6.2. A new hereditament created as a result of a split or merger during the relevant financial years, or where there is a change of use, should be considered afresh for relief on that day.

9 **SUPPORTING SMALL BUSINESS SCHEME (EXTENDED FOR AN ADDITIONAL YEAR TO COVER 2022/2023)**

9.1. The transitional scheme does not provide support in respect of changes in reliefs. Therefore, those ratepayers who are losing some or all of their small business or rural rate relief may be facing very large percentage increases in bills from 01 April 2017.

9.2. The Supporting Small Businesses relief scheme will help those ratepayers who as a result of the change in their rateable value at the revaluation are losing some or all of their small business or rural rate relief and, as a result, are facing large increases in their bills.

There is no discretion around whether to grant this relief if the terms of the scheme are met.

The Supporting Small Businesses relief scheme will ensure that the increase per year in the bills of these ratepayers is limited to the greater of:

- a. a percentage increase p.a. of 5%, 7.5%, 10%, 15%, 15% and 15% 2017/18 to 2022/23 all plus inflation, or
- b. a cash value of £600 per year (£50 per month). This cash minimum increase ensures that those ratepayers paying nothing or very small amounts in 2016/17 after small business rate relief are brought into paying something.

- 9.3 In the first year of the scheme (2017/18), this means all ratepayers losing some or all of their small business rate relief or rural rate relief will see the increase in their bill capped at £600. The cash minimum increase is £600 per year thereafter. This means that ratepayers who are currently paying nothing under small business rate relief and are losing all of their entitlement to relief (i.e. moving from £6,000 rateable value or less to more than £15,000) would under this scheme be paying £3,000 in year 5.
- 9.4 Those on the Supporting Small Businesses relief scheme whose 2017 rateable values are £51,000 or more will not be liable to pay the supplement (1.3p) to fund small business rate relief while they are eligible for the Supporting Small Businesses relief scheme.
- 9.5 Ratepayers remain in the Supporting Small Businesses relief scheme for either 6 years or until they reach the bill they would have paid without the scheme. A change of ratepayers will not affect eligibility for the Supporting Small Businesses relief scheme but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.
- 9.6 There is no 2nd property test for eligibility for Supporting Small Business relief scheme. However, those ratepayers who during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief ended can continue on the scheme for the remainder of their 12 month period of grace.
- 9.7 As with all reliefs, the amount of relief awarded under the Supporting Small Business relief scheme should be recalculated in the event of a change to the rateable value or the hereditament. This change of circumstance could arise during the year in question or during a later year.
- 9.8 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 (S.I. 1989/1059) require authorities to provide ratepayers with at least one year's notice in writing before any decision to revoke or vary a decision so as to increase the amount the ratepayer has to pay takes effect. Such a revocation or variation of a decision can only take effect at the end of a financial year. But within these regulations, local authorities may still make decisions which allow the amount of relief to be amended within the year to reflect changing circumstances.

- 9.9 Therefore, when making an award for Supporting Small Business relief, the conditions of the award that the relief is allowed include that it can be recalculated in the event of a change to the rating list (retrospective or otherwise). This is so that the relief can be recalculated if the rateable value changes. This applies to all Discretionary Relief awarded by Chelmsford City Council.

10 Detailed guidance for operation of the Supporting Small Business (SSB) scheme

10.1 Day 1 Eligibility for the Scheme

For 1 April 2017, the supporting small business (SSB) relief scheme applies to hereditaments for which ratepayers lose some or all of their small business rate relief or rural rate relief.

- a. The chargeable amount for 31 March 2017 is calculated in accordance with section 43(4B) or (6B),
- b. In relation to 43(4) the value of E for 31 March 2017 is greater than 1,
- c. The chargeable amount for 01 April 2017 is found in accordance with section 43(4), 43(4B), 43(6A), or where regulations 12(3), 12(7) or 12(9) of the Non Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No.1265 applies, and
- d. The chargeable amount 1 April 2017 is more than (£600/365) higher than the chargeable amount for 31 March 2017.

Where for 31 March 2017 the chargeable amount has been found under section 47, then eligibility for SSB should be determined as if section 47 did not apply.

10.2 Continued eligibility for the scheme after 1 April 2017

After 1 April 2017, the Supporting Small Business (SSB) scheme will cease to apply where:

- a. The chargeable amount for a day found under the SSB scheme is the same as or more than the chargeable amount found in the absence of the SSB scheme. This ensures that where, for example, the minimum increase in the chargeable amount in the SSB scheme would take the bill above the level it would otherwise have been then the hereditament will drop out of the SSB scheme. It also ensures that where, for example, with effect from after 1/4/17, the hereditament becomes eligible for 100% Small Business Rate Relief then they also fall out of the SSB scheme,
- b. The chargeable amount for a day would otherwise fall to be found by section 43(5) or where paragraph 12(5) or sub-paragraphs 2(4), 3(4), 4(4), 5(4) of Schedule 2 of the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No.1265 applies (charities or registered community amateur sports clubs), or
- c. The hereditament for a day is unoccupied.

- 10.3 Furthermore, where the ratepayer during 2016/17 lost entitlement to small business rate relief because they failed the 2nd property test but have, under the rules for small business rate relief, been given a 12 month period of grace before their relief

ended (and therefore was still entitled to small business rate relief on 31 March 2017), then eligibility for the SSB scheme will cease at the end of that 12 months period of grace.

- 10.4 Hereditaments which cease to be entitled to Supporting Small Businesses for a day cannot return to eligibility if their circumstances change from a later day. For example, if a property falls unoccupied it will not then be eligible for Supporting Small Businesses relief if it subsequently becomes occupied again.

10.5 Chargeable Amount under the Supporting Small Businesses Scheme

Where the Supporting Small Businesses scheme applies then DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act for the period 1 April 2017 to 31 March 2022 found in accordance with the rules in (Part 1 to Part 3 of) the Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No.1265 subject to the following changes:

- a. BL for 2017/18 is the chargeable amount for 31 March 2017 x 365 (on the assumption that section 47 did not apply for 31 March 2017 and on the assumption in the City of London that the special authority's small business non-domestic rating multiplier was 48.4p for 2016/17). This ensures the starting base liability for hereditaments eligible for SSB include the SBRR or rural rate relief for 31 March.
- b. Where the certificate has been issued under regulations 17 or 18 then BL 2017/18 should be found in line with a) above but on the assumption that the rateable value in the rating list was the rateable values as certified.
- c. References to "(BL x AF)" are to "(BL x AF)" or (BL + 600) whichever is the greater". This ensures the bill increase is greater or £600 or the increase under the caps in transitional relief scheme,
- d. AF is found in accordance with regulation 10(6) irrespective of the rateable value of the hereditament for 1 April 2017. This ensures only the cap on increases for small properties is applied in the SSB scheme irrespective of the actual rateable value of the hereditament,
- e. Regulation 12(6)(b) is omitted. This ensures SBRR is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief,
- f. The reference to "2" in regulation 12 (8) is "1". This ensures rural rate relief is not also applied to the capped bill in the SSB scheme. This avoids double counting of relief,
- g. "U" is taken to have a value of 0 throughout. This ensures that any hereditament whose rateable value is £51,000 or more does not have to pay the 1.3p supplement whilst eligible for SSB relief,
- h. For a year (the year concerned) other than 2017/18, BL is (BL x AF) or (BL + 600) from the year immediately the year concerned whichever is the greater.

10.6 No change is made to the meaning of NCA. However, as discussed above, eligibility for Supporting Small Business relief ceases when the chargeable amount for a day found under the Supporting Small Businesses scheme is the same as or more than the chargeable amount found outside the scheme.

10.7 For the avoidance of doubt, the rules for changes in rateable value with effect from after 1 April 2017 (regulation 13) will continue to apply as normal subject to the amendments above in sections a to h.

10.8 Splits and Mergers

The SSB scheme will apply to hereditaments;

- a. Coming into existence because of the circumstances described in paragraph 1 of Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265,
- b. Where one of the hereditaments from which the new hereditament was formed in whole or in part was for the day immediately before the creation day eligible for the SSB scheme, and
- c. The circumstances described above in points a to h above do not apply for the creation day in respect of the hereditament.

10.9 After the creation day, the SSB scheme will cease to apply in the circumstances described in points a to h above.

10.10 The number of hereditaments eligible for SSB which then split or merge is likely to be very small and devising rules in particular for mergers with properties outside of the SSB scheme would be complex. Therefore, in discussions with local authority stakeholders, DCLG has concluded it would be disproportionate to devise detailed rules to prescribe the chargeable amounts in the various circumstances which could arise from a split or a merger.

Instead, for hereditaments meeting the criteria in paragraph 39 and 40 above, DCLG will fund local authorities to apply a chargeable amount under section 47 of the 1988 Act found in accordance with the following principle:

- a. That the protection offered by the SSB scheme (that the bill will not rise by the greater of £600 p.a. or the transitional relief caps) will continue to apply in principle to that part of the newly created hereditament which was immediately before the creation day in the SSB scheme, and
- b. That increases (or reductions) in overall rateable value arising from the split or merger are not subject to the protection of the SSB scheme.

For simple splits of hereditaments previously eligible for SSB, authorities may wish to simply apportion the chargeable amount in the SSB scheme for the hereditament before the split in line with the change in rateable value from the split) i.e. in line with the principle in Schedule 2 of Non-Domestic Rating (Chargeable Amounts) (England) Regulations 2016 No. 1265).

For mergers and reorganisations, authorities will have to estimate the degree to which, in line with the principle of the SSB scheme, that part of the hereditament

which was formerly eligible for SSB should continue to receive support under the SSB scheme. DCLG does not expect authorities to seek any formal apportionments of rateable value for this purpose.

11 LOCAL NEWSPAPER RELIEF (To 31 March 2025)

- 11.1 This relief is a sum of £1,500 in respect of office space occupied by local newspapers to a maximum of one discount per local newspaper title and per hereditament. A local newspaper with two offices can only claim the relief in respect of one of the offices. An office shared by three separate local newspaper titles would only be eligible for one relief.
- 11.2 This relief is specifically for local newspapers, those that would be regarded as a 'traditional local newspaper'. The relief will not be available to magazines. The hereditament must be occupied by a local newspaper and wholly or mainly used as office premises for journalists and reporters.

12 SUBSIDY ALLOWANCES

- 12.1 The Retail, Hospitality and Leisure Relief is likely to amount to subsidy. Any relief provided by local authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations. For detailed information see <https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities/technical-guidance-on-the-uks-international-subsidy-control-commitments> which explains the subsidies chapter of the UK-EU Trade and Cooperation Agreement (TCA), World Trade Organisation rules on subsidies, another international subsidy control commitments.
- 12.2 Article 364 of the TCA allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £343,000 in a three year period (consisting of the 2022/23 year and the two previous financial years). Expanded Retail Discount granted in either 2020/21 or 2021/22 does not count towards the £343,000 allowance but BEIS business grants (throughout the 3 years) and any other subsidies claimed ~~under~~ under the Small Amounts of Financial Assistance limit should be counted.
- 15.3 Where it is clear to the Council that the ratepayer is likely to breach the cash cap or Small Amounts of Financial Assistance limit, then the Council will automatically withhold the relief. In any case, the Council will ask ratepayers to complete a subsidy declaration before granting the relief.

16 ADMINISTRATION OF APPLICATIONS FOR RELIEF

- 16.1 Decisions relating to the granting of reliefs will be delegated to the staff reporting to the **Director of Connected Chelmsford**. Most reliefs will be granted automatically using records already held by the Council. Applications from business rate payers who think they should be eligible must be made in writing to Chelmsford City Council, Business Rates, Civic Centre, Duke Street, Chelmsford CM1 1JE.
- 16.2 There is no statutory right of appeal against a decision made by the Council in respect of retail rate or business rate reoccupation relief. However, the Council will review the decision if the ratepayer is dissatisfied with the outcome. The review will be carried

out by the **Director of Connected Chelmsford** and the final decision made by the **Director of Connected Chelmsford and/or the Cabinet Member for Connected Chelmsford**

- 16.3 If an unsuccessful applicant requests a review, they will still need to continue to pay their rates bill. Once the review has been carried out, the ratepayer will be informed, in writing, of the decision.
- 16.4 The right of appeal process does not affect a ratepayer's legal right to challenge the decision by way of a judicial review.



Chelmsford Policy Board / Cabinet

3 March 2022 / 15 March 2022

Chelmsford Housing Strategy 2022-2027

Report by:

Director of Sustainable Communities

Officer Contacts:

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Purpose

To consider the Chelmsford Housing Strategy 2022-2027 ahead of its referral to Cabinet.

Recommendation from the Policy Board

That the documents set out at Appendix 1 and 2 of this report be referred to Cabinet for approval and that any subsequent textual or presentation changes are delegated to the Director of Sustainable Communities in consultation with the Cabinet Member for Fairer Chelmsford and Cabinet Member for Sustainable Development.

1. Introduction

- 1.1 The Council's Housing Working Group, formed by the Chelmsford Policy Board, has been assessing the main housing challenges facing Chelmsford as the local housing authority.

- 1.2 A consultation document that set out their initial findings and included feedback from Registered Providers, was approved for wider consultation at a meeting of the Chelmsford Policy Board on 5 July 2021, see link below.

www.chelmsford.gov.uk/resources/assets/inline/full/0/6121550.pdf

- 1.3 Feedback from this consultation has been used to inform the final version of the Chelmsford Housing Strategy 2022 – 2027, attached at **Appendix 1** of this report.
- 1.4 The Chelmsford Housing Strategy 2022 – 2027 is supported by a Statistical Appendix, attached at **Appendix 2** of this report, which provides more detailed information on the supply of, and demand for, a range of affordable homes.

2. Consultation

- 2.1 The consultation on the emerging draft Housing Strategy ran from 14 July 2021 to 15 September 2021.
- 2.2 In total, 71 comments were received from a wide variety of groups and individuals including residents, developers, Registered Providers, voluntary and charitable organisations, statutory bodies, and Parish/Town councils.
- 2.3 There was a good response to the range of questions asked but most comments were made in response to questions about the supply of affordable homes in general and the need for larger affordable homes for rent.
- 2.4 A range of suggestions were made as to how the Council could increase the supply of affordable homes, including making better use of existing affordable homes through extensions, and introducing more flexibility and innovation in planning policy for new housing developments.
- 2.5 There was recognition and support for the role of the private rented sector and support for additional affordable housing to meet specialist housing needs for a range of people.
- 2.6 There was support for ongoing engagement on the implementation of the Strategy from a range of stakeholders / partners.
- 2.7 A summary of the key comments received, and details of how the Council has taken these comments into consideration in the final version of the Strategy, is set out in Appendix 2 of the Chelmsford Housing Strategy 2022 – 2027.

3. Chelmsford Housing Strategy 2022 -2027

3.1 The Strategy sets out the Council's vision:

“To address the housing needs of all Chelmsford residents so everyone can reasonably aspire to having a home that meets their needs.”

3.2 The vision is supported by six strategic priorities that are required to achieve a better, more balanced supply of homes that meet the Council's statutory duties and the City's strategic housing needs. These are set out below:

- 1) Increasing the supply of affordable homes with a focus on larger units.
- 2) Increasingly the supply of affordable homes from the existing housing stock.
- 3) Supporting landlords and tenants of privately rented homes.
- 4) Enabling the right supply of specialist housing to meet local need.
- 5) Developing effective partnerships.
- 6) Monitoring trends and performance to inform future actions.

3.3 The strategic priorities are all supported by a range of initiatives and interventions, which the Council are seeking to implement with its partners and is summarised in Appendix 3 'Action Plan and Outputs' in the Chelmsford Housing Strategy 2022 – 2027 document.

3.4 Beginning in 2022, the Strategy will be delivered over the next five years. Progress will be reported to Chelmsford Policy Board through updates to the Action Plan and Outputs section of the Strategy and updating of the Statistical Appendix.

3.5 The Chelmsford Housing Strategy 2022 - 2027, along with the Council's Homelessness and Rough Sleeper Strategy, will form the future focus of the Council's Strategic Housing Service.

4 Next steps

4.1 The Chelmsford Housing Strategy 2022 – 2027 has been widely consulted on and now includes a series of actions and interventions to support a better supply of homes to meet the City's strategic housing needs.

4.2 The Policy Board on 3 March 2022 welcomed the Strategy and agreed a few minor textual amendments. The version at Appendix 1 incorporates those amendments and, together with Appendix 2, is recommended to the Cabinet for approval.

List of Appendices:

Appendix 1 – Chelmsford Housing Strategy 2022 – 2027

Appendix 2 - Statistical Appendix March 2022

Background papers:

Chelmsford Housing Strategy Consultation July 2021

Corporate Implications

Legal/Constitutional:

There is no legal requirement to produce a housing strategy but by having one, it will be easier to engage with partners to assist the Council in meeting other legal duties which depend on an adequate supply of affordable homes.

Financial:

There will be financial implications which have yet to be fully detailed, but these will be based on the principle that any investment will have a positive impact to the Council's overall financial commitments, for example reducing the need and cost of temporary accommodation or helping secure more funding from external sources.

Potential impact on climate change and the environment:

The Strategy will encourage the development of homes that can reduce the use of energy in their production and use. Encouraging best possible use to be made of existing properties may also be more sustainable in some cases than redevelopment.

Contribution toward achieving a net zero carbon position by 2030:

The Strategy will encourage and support landlords and homeowners to take steps to reduce energy use especially in older, less efficient properties bearing in mind the majority of homes will continue to be provided from the housing stock that is already in existence.

Personnel:

None

Risk Management:

The limited supply of affordable homes, especially those that are larger to meet the needs of those who are homeless or currently inadequately housed is a recognised corporate risk for the Council and cannot be managed without intervention.

Equality and Diversity:

An Equality Impact Assessment (EIA) was prepared to accompany the Consultation Document on the Housing Strategy and will be finalised ahead of any final changes to the Housing Strategy prior to its consideration for approval by Cabinet.

Health and Safety:

Most of the supply of homes will be from partners who will have responsibility as the landlord and occupier, but the Strategy will seek to support the role of the Council in encouraging homes to be adequately maintained and managed, with recourse to enforcement where breaches are not rectified to protect residents.

Digital:

None

Other:

None

Consultees (formulation of Housing Strategy):

CCC Housing Working Group

Registered Providers of Social Housing

Representatives of private landlords

Developers

Local housing and homelessness charities

Statutory Bodies

Parish/Town Councils

Residents

Relevant Policies and Strategies:

Our Chelmsford Our Plan

Chelmsford City Council Local Plan 2020

Chelmsford Health and Wellbeing Plan

Chelmsford City Council Homelessness and Rough Sleeper Strategy

Chelmsford Housing Strategy 2022 - 2027

March 2022

Foreword

Chelmsford faces a housing crisis. The City Council made that declaration on 22 February 2022 – and this strategy is our response.

In 2020 and 2021 we prioritised ending rough sleeping and now no-one needs to sleep rough in Chelmsford. But we still face many challenges that we do not underestimate:

- Ever-growing numbers of Chelmsford residents (no longer just young people) unable to afford to buy or rent privately a property that meets their needs
- Over 300 families and individuals are homeless, with more likely as we emerge from Covid 19, requiring the City Council to provide expensive and often unsuitable temporary accommodation
- A growing need for various kinds of specialised housing that, along with all affordable housing, is in very short supply

This Strategy focuses on key goals with actions to address all of this.

We emphasise three things:

- **Local partners:** fully addressing these issues will rely on successful partnerships, including social landlords, private landlords, developers, landowners and neighbouring councils. We thank the many who responded to the consultation leading to this document, and the strong commitment shown to that partnership.
- **Government support:** This will need partnership with Government too, including a supportive regulatory and financial environment. We may be viewed as a relatively prosperous area, but many pockets of deprivation continue and the numbers of individuals and families under pressure is rising.
- **An evolving plan:** the Strategy will be a living document, always open to challenges and suggestions and the reappraising of goals and actions. It will take time and innovation, and require us to be responsive to changing market conditions and practices.

Our vision is clear and ambitious: all deserve to have access to accommodation that meets their needs. In this document we set out our determination and actions that will bring us closer to that vision.



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Our Vision

To address the housing needs of all Chelmsford residents so everyone can reasonably aspire to having a home that meets their needs.



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Photos pages 3, 5, 6, 9, 14, 15 and contents page, City Park West, courtesy of Notting Hill Genesis
Photos pages 7 and front cover, Beaulieu, courtesy of L&Q
Photos pages 4, 11, 14 and 27 courtesy of CHP

Introduction

We face an unprecedented challenge in meeting the need for affordable homes for rent in Chelmsford. Despite maintaining a good supply from new-build homes in recent years, overall affordable supply is not keeping up with demand and there is a chronic undersupply of larger three- and four-bedroom affordable homes for rent. In addition, supply from the existing 10,000+ affordable homes in the City Council's area through relets has reduced in recent years.

Supply of affordable homes

Together these factors have created a backlog of urgent housing need amongst families in Chelmsford, whether due to homelessness or overcrowding. We now face a supply lower than anticipated when we last assessed the need for affordable homes in 2015/16. Consequently, there is more reliance on temporary accommodation to address this gap and the time spent in temporary accommodation before a settled permanent property becomes available is increasing. Creating an increase in the overall supply of affordable homes, in particular the supply of larger homes, is therefore the focus of this Strategy to meet the needs of those who are homeless or overcrowded.

Over the last decade the private rented sector was able to help in providing a supply of homes as an alternative to affordable homes through the public sector. The private rented sector has grown to replace conventional affordable housing as the second largest type of tenure in Chelmsford. Unfortunately, due to rising house values and rental levels, this sector is now becoming too expensive for most people on lower incomes and its potential to provide an alternative to affordable homes is reduced. What has previously been a substitute for undersupply of affordable housing, has now become another cause of need. Improving the links between housing need and the privately rented sector as the second most affordable option in Chelmsford, is another priority of this Strategy.

Successful partnerships

Our Homelessness and Rough Sleeping Strategy has helped to mitigate some of the need for affordable housing through the prevention of homelessness, but this is a constant challenge, as the local housing market becomes more expensive compared with local incomes and benefit levels. Since the summer of 2020, we have worked with a range of partners to increase

the supply of supported accommodation to reduce rough sleeping in the City. This work has been a major success for the Council and its partners. Some particular areas of support, such as for mental health, domestic abuse, and young people, which in some instances are more prevalent than rough sleeping in Chelmsford, also need to be addressed, but have been overlooked by national policies and opportunities for funding and development.

Meeting the needs of the City's ageing population is also a major challenge. This can include a range of options and possibilities, from helping people remain in their homes to demand for very specialist provision, which is part of health and care commissioning rather than housing. Working with partners to create a better strategic approach to our ageing population, including the possibility of improving the supply of homes by helping people move to homes that are more appropriate to both their needs and aspirations, whether for the short or longer term, is a priority. This will require a high degree of understanding as well as working with a range of partners.



Doing more in future

As a stock-transfer authority, the Council is reliant on the cooperation of partners to meet its range of housing needs. It is important we help them understand our local housing need, in particular those aspects that are more unique to Chelmsford than some of our surrounding districts. It is our intention to use this Strategy to inform and influence partners who work at local, regional and national levels, aligning the plans of others as best we can to the housing needs of Chelmsford. A Statistical Appendix to this Strategy provides more detailed information on housing need and supply in Chelmsford.

To make best use of opportunities in the future, we also need to reflect on the way that we work as an organisation to make sure that we can innovate and collaborate to meet our residents' needs. We have already begun to make changes to support a new approach, applying to become an investment partner with Homes England and bringing our Strategic Housing Service under the same directorate as Planning.



What do we want to achieve through this Strategy?

We want a better supply of homes that best meet the needs of those who are homeless, overcrowded or living in homes that are unsuitable for their needs. This doesn't just mean more affordable homes, although we must address the current deficit in affordable housing supply overall, but especially homes of a particular size and type that will also help speed up the supply from the existing housing stock, which has been slowing down in recent years.

Social and market housing

An increased supply and better mix of additional affordable homes will reduce the number of people waiting to be housed and the time they spend waiting. This increased supply of affordable housing also reduces reliance on temporary accommodation.

We also want to support the private rented sector. The private rented sector is now the second most common type of tenure in Chelmsford and despite the recent increase in rental levels, it still represents the next most affordable option for those on lower incomes. Supporting this sector will continue to help reduce the demand for affordable housing.

This Strategy, along with our Homelessness and Rough Sleeper Strategy, will form the future focus of the Council's Strategic Housing Service and

sets out a comprehensive package of initiatives and interventions aimed at tackling the range of local housing issues faced in Chelmsford.

Working with partners

The Council's own resources will not be enough to bring forward the changes we want to see, so better collaboration with Registered Providers, local community groups, housing developers, government agencies and other local authorities is essential. We want to work with partners that will help us all make best use of land, properties, funding, and expertise. Some of the aims of this Strategy are intended to create a more innovative and effective environment for all these organisations to collaborate on turning our vision into reality.

To achieve this, we need to keep our partners and residents informed about the changes in the need for and supply of affordable and specialist housing in Chelmsford, including the gaps we have identified between what has been planned for and what is now needed.

For partners, we hope to encourage more focused and enhanced investment in new homes and the better management of existing homes.

For residents, this Strategy will help explain what the Council is seeking to achieve.



Our Strategic Priorities

We have set the priorities of this Strategy based on the actions that are required to achieve a better, more balanced supply of homes that meet the Council's statutory duties and the City's strategic housing needs.

- 1) **Increasing the supply of affordable homes with a focus on larger units**
- 2) **Increasing the supply of affordable homes from the existing housing stock**
- 3) **Supporting landlords and tenants of privately rented homes**
- 4) **Enabling the right supply of specialist housing to meet local need**
- 5) **Developing effective partnerships**
- 6) **Monitoring trends and performance to inform future actions**



Policy Context

As indicated earlier, this Housing Strategy and our Homelessness and Rough Sleepers Strategy form the priorities for the Council's Strategic Housing Service. It will also play an important role in supporting our wider aims, set in our Corporate Plan, Local Plan, Health and Wellbeing Plan, and Climate and Ecological Emergency Action Plan. Further details highlighting the important links between these, and other documents, are included in Appendix 1.

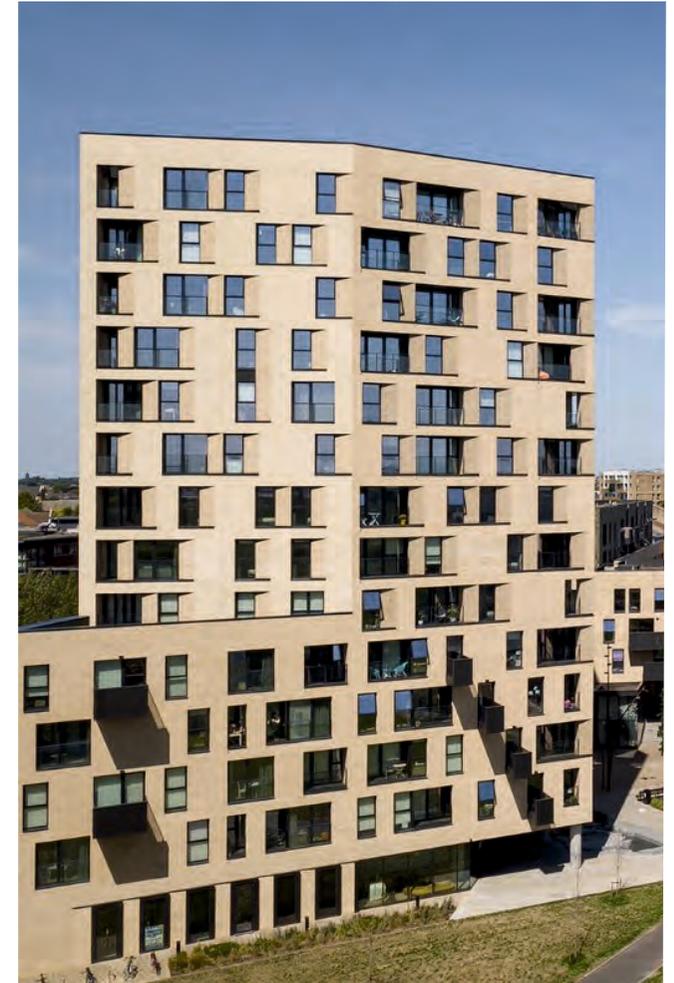
Preparing this Housing Strategy has highlighted the need to review and update housing-related evidence and data such as that which informs the Local Plan and other corporate documents. This will be actioned as these documents are reviewed themselves.

Consultation

During Summer 2021, we consulted on a draft outline of a Housing Strategy. This helped us understand the issues which were most important to residents, local organisations including key employers, local community groups and housing organisations.

This has helped us set the priorities for this Strategy and will influence some aspects of its delivery, as well as how we communicate its progress.

More information about the response to this consultation and changes to the final version of this Strategy can be found in Appendix 2.



The Way Forward

For each of our Strategic Priorities we have set out a range of initiatives and interventions which we would like to implement with our partners.

1) Increasing the supply of affordable homes with a focus on larger units

The Strategic Housing Market Assessment (SHMA) last updated in 2015, identified an annual net need for 175 affordable homes for rent. This figure made assumptions about the turnover from within the existing stock of affordable homes. Since the publication of this assessment, the proposed level of supply from new build is now not sufficient to meet the current levels of demand, partly because the supply (relets) from the existing stock of affordable homes is much lower than anticipated in the assessment.

The SHMA identified an annual net need for 29 affordable four-bedroom homes and 113 affordable three-bedroom homes. Over the last 3 years (2018-2021) the average annual supply, whether new-build homes or relets, has been 51 three-bedroom homes and only 3 four-bedroom homes.

In addition to achieving the annual net need identified in the SHMA, an additional supply of 10 three and 8 four-bedroom affordable homes for rent each year throughout the lifetime of this Strategy will create the following outcomes:

- A reduction in the number of families in temporary accommodation and the length of time they spend waiting.
- A reduction in the cost to the Council in having to provide temporary accommodation.
- An improvement in the supply from the existing stock as families are helped to move.

Action:

- 1a Ensure compliance with the dwelling mix identified in the Council's current SHMA to help achieve the aim of increasing the supply of larger affordable dwellings for rent.

The Council's SHMA identified that 9.7% of all new affordable homes for rent should be four-bedroom properties to meet the housing need; over the last few years, this has been much lower. Achieving the percentage of four-bedroom homes for affordable rent identified as required could provide three times as many four-bedroom homes from the third year of this Strategy compared with the past few years. Whilst delivery through this action would not occur until 2024/25, it would create a sustainable supply of larger homes, without compromising any other affordable housing supply.



Action:

- 1b As part of the review of the Local Plan, explore the option of increasing the current level of 35% of affordable homes, including 22% affordable housing for rent, from new development sites with need evidenced through the preparation of a new SHMA.



It is important for the Council to address the current imbalance between the supply and demand for affordable homes. The Council will review our planning policies to ensure we maximise delivery of new affordable homes for rent through the planning system.

Action:

- 1c Seek to ensure that the affordable rented element of First Homes exception sites best meet local housing needs.

National planning policy requires a proportion of homes on 'exception' sites to provide First Homes which must be no more than 70% of market value. The remaining homes on these sites could be three- and four-bedroom affordable homes for rent. Exception sites are those where the need for housing outweighs the prevailing planning policy presumption against development. The Council has approved a new First Homes Planning Advice Note which sets out our local priorities whilst implementing the national policy requirements.

Action:

- 1d Seek a more strategic mix of affordable homes on planning gain sites.

The Council will seek to increase the proportion of larger affordable homes for rent where the overall number of homes exceeds the original Local Plan number for sites. Also, the Council may use its discretion to reduce the number of additional homes than would currently be required if there was a larger proportion of four-bedroom affordable homes for rent delivered than identified in the SHMA, helping to reduce the existing backlog more quickly and achieving a better overall balance of affordable homes.

Action:

- 1e Identify smaller sites that could provide additional larger affordable homes.

There are a number of small sites owned by the Council and others which could be redeveloped to provide larger affordable homes. One of these sites is expected to be completed in 2023, the others in following years.



2) Increasing the supply of affordable homes from the existing housing stock

As we now face a supply lower than anticipated when the Council last assessed the need for affordable homes in 2015, we also need to create a better supply from the existing stock of affordable homes. In 2015, the available level of relets was approximately 6% but by 2021 has reduced to approximately 3%. This represents a reduction of around 200 units per annum. An increase in the supply of affordable homes can in part be achieved through an increased supply of larger new build affordable homes for rent but there are other actions that could also improve the supply of larger affordable homes.

Action:

- 2a Make better use of existing housing stock owned by Registered Providers.

There may be a small number of existing homes that could be extended and refurbished, e.g., two- to three-bed and three- to four-bed. This is unlikely to produce more than one or two additional homes each year but should be less expensive and quicker than building new homes.

Action:

- 2b Reduce the number of vacancies and long-term voids in stock owned by Registered Providers.

Whilst this technically does not constitute new stock, there are at present in the region of 160+ vacant units within Chelmsford and bringing these units back into use more quickly would help to meet the needs of residents on our housing waiting list.

Action:

- 2c Reduce the number of empty private sector homes

Most property owners either live in their property or rent it to others. A small number will have homes that are empty whilst undergoing repairs, renovation or pending sale or transfer. An even smaller number may become empty for longer periods, possibly even falling into disrepair as a result. The Council will continue to monitor empty homes, encouraging owners to bring them back into use and taking enforcement action including the option of compulsory purchase.

Action:

- 2d Convert other tenures to affordable homes for rent.

The outputs relating to actions 1a – 1e above are not immediate, therefore, it is prudent to consider how additional larger affordable homes for rent can be delivered within a shorter timescale. One option is to convert new homes that are planned for other tenures, such as shared ownership, to affordable rented homes.

Action:

- 2e Work with partners, in particular Registered Providers, to identify sites that have an existing planning permission and that could be developed to provide a better mix or increased level of affordable homes.

This will take time to identify, plan and redevelop, and in some cases might not be delivered in the next five years. It is important that the momentum for improving the supply of affordable homes extends beyond the five-year lifespan of this Strategy, taking into account the possibility that needs may change in the future.

Action:

2f Explore ways to make best use of the Council's housing policies for the allocation of homes.



The Council already gives priority to anyone in affordable housing who wants to move to a smaller home, freeing up a much needed larger, affordable home. As well as working with partners to promote this, we also want to explore the possibility of working with neighbouring

districts to improve choice and mobility to increase the 'churn' of the existing housing supply. We will also continue to monitor the allocation of homes to ensure the Council has the right number of properties available to nominate families to, and if possible, exceed this number to help reduce a backlog.

The combination of these actions will result in a better supply of larger affordable homes, which in turn will increase the supply of smaller homes, as well as addressing the current backlog of families in temporary accommodation. Most of these actions though will not create an immediate improvement within the next 12 months so we also need to plan how to meet the most urgent need in the meantime.

Action:

2g Improve the supply and cost of temporary accommodation.

Creating more larger homes that can be used for temporary accommodation will be necessary in 2022, bridging the gap between current and future supply. The Council is purchasing an additional number of larger homes to be used as temporary accommodation. This is the only way to make sure it can meet its statutory duties to homeless families during the first year of this Strategy. We will also look for suitable sites on which to place additional pre-fabricated homes ('modular units') as these are the most

cost-effective solution. Even with a reduced construction time, they will still take months before being available for occupation.

More information about the types of temporary accommodation used by the Council, the costs and need can be found in the Statistical Appendix to this Strategy.

3) Support for landlords and tenants of rented homes

Despite the rising cost of local rents, privately renting a home in Chelmsford is still less expensive than other types of 'intermediate' affordable housing such as First Homes and shared ownership. To supplement the limited supply of affordable homes to rent, we therefore need to work as closely as possible with landlords and tenants in the private rented sector to help those on lower incomes access and retain homes. It is also important that all rented properties are maintained to a good standard.

Action:

3a Produce and make available clear guidance to private landlords and tenants to help improve understanding of their rights and duties, including how to resolve problems.

This will help drive up the quality of accommodation and reduce the risk of tenants losing their homes through lack of understanding.

Action:

3b Launch a forum for private landlords.

It can be difficult for landlords to keep up to date with their legal duties, find out about local and national sources of help and support, and understand and follow local housing trends. Most do not have the resources available to Registered Providers and yet this sector is larger and has been growing faster than the social housing sector. The Council needs to recognise the strategic contribution it makes and establish what support we can provide it.

Action:

3c Introduce routine monitoring and reviews with Registered Providers operating in Chelmsford.

Feedback from those Registered Providers we have consulted has been very positive and most have said that they would like to continue to have further contact to improve partnership working. We will continue to collect and assess data from Registered Providers, for example the number of new homes, lettings, complaints, and local issues. This will allow the Council to review performance.

Action:

3d Provide clear guidance and information for local councillors and others to help them understand the roles and responsibilities of the Council and landlords (both social and private) to support them when dealing locally with housing issues.

Being able to provide information quickly and clearly can help reduce the risk of problems escalating and in some cases the risk of homelessness.

4) **Enabling the right supply of specialist housing to meet local need**

Some people need more than just a home they can afford; there is a need for some homes to be designed or adapted to meet the need of those with physical disabilities, including homes for families with children and those needing temporary accommodation. Disabled Facilities Grants provide an option for existing homes to be adapted, preventing the need to move.

For others, there is a need for support linked to the provision of a home. This could be to help them overcome issues such as mental health or domestic abuse, enabling a move to live

independently in the longer-term. Others will need an increasing level of help and support to live as independently as possible, for example those with enduring support needs like learning disabilities or old age.

Since 2020 the Council has worked with the Government's request to provide accommodation to everyone at risk of sleeping rough. The Council has worked with partners to create an additional 38 units of accommodation with support for single people, with 35 more places planned up until the end of 2021/22. We want to maintain this momentum, with partners, to include a wider range of support needs as part of this Strategy.

The Statistical Appendix provides more detailed information on the need for additional specialist residential accommodation to meet the need identified in this Strategy.

Action:

4a Maximise opportunities through existing planning policy to meet the additional specialist housing needs identified in this Strategy.

Adopted Local Plan Policy DM1 allows the Council to secure specialist residential accommodation on new development that exceeds 100 homes. Although the need for various groups has been identified (see Actions



4c-4g), some needs may be so urgent that other options will be needed for some groups in the meantime.

Action:

- 4b Complete the programme for providing supported accommodation for those at risk of rough sleeping.

This has largely been funded by grants from central government, providing around an additional 40 bedspaces since summer 2020, with another 30 or more to be in place by March 2022. We will then review our plan to eliminate rough sleeping and as part of the review of the Council's Homelessness and Rough Sleeping Strategy, identify which other gaps may still need addressing and plan accordingly.

Action:

- 4c Identify opportunities and bring forward plans to meet the needs of those who need support and accommodation due to mental ill-health.

The existing provision has not grown in line with current needs. There is a need for accommodation with support that can help those who have yet to have a formal diagnosis and may

struggle to access services without more settled accommodation. This could help prevent the escalation of problems for those with moderate support needs.

Action:

- 4d Provide suitable temporary accommodation for those with physical disabilities and publicise the Disabled Facilities Grant.



There are planning policies to provide some new affordable homes that are specifically designed to meet the needs of households with physical disabilities, but there is a gap in meeting the needs of those households who become homeless and need a suitable property as temporary accommodation, including families

with disabled children. The Council also wants to publicise Disabled Facilities Grants, which can provide assistance for those with an existing home which is no-longer suitable for their needs. However, there is a gap in meeting the needs of those households who become homeless and need a suitable property as temporary accommodation, including families with disabled children.

Action:

- 4e Ensure there is an adequate supply of specialist accommodation for those experiencing domestic abuse.

Both this Council and Essex County Council have new legal duties under the Domestic Abuse Act to provide accommodation with support to anyone who is at risk of homelessness because of domestic abuse. Once Essex County Council's Domestic Abuse Strategy is available, the requirements it identifies will be incorporated into both this Strategy and our Homelessness and Rough Sleeper Strategy.

Action:

- 4f Improve the provision of temporary accommodation for young people.

Essex County Council, as the social care authority, has responsibility for the care of young

people under the age of 18 but district councils have duties to anyone over 18 when they leave care. There are also a number of young adults who may never have been in care but may be vulnerable and need support. From 2022, Chelmsford City Council will be working in partnership with Essex County Council and Colchester Borough Council to provide a night stop scheme which will provide temporary accommodation with support for young people who become homeless. This will help establish more clearly the need for more settled accommodation, with support, for those between 18 and 25 years old.

Action:

4g Improve the provision of existing accommodation for young people.

The Council will continue to work with Registered Providers already providing supported housing for young people to support them to improve and increase their offer where possible.

Action:

4h Work with partners to improve our joint understanding of the housing issues for an ageing population and whether there is a need for a new strategy to deal with this.

There is a large demographic change in the proportion of older people which has not been fully assessed nor addressed at either a local or national level. A number of our partners such as Essex County Council and CHP are already reviewing some aspects of these changes, but these will understandably relate to their particular areas. As the local housing authority, this Council needs to understand how this will affect the need and demand for homes locally. From consultation we have identified a number of local organisations such as parish councils who may be interested in also working to deliver a better supply of homes for this purpose, which could also help improve the overall supply of homes in the area.

5) Developing effective partnerships

The Council is not a stock-holding authority. It can only be successful in achieving the actions outlined in this Strategy through working with key partners, whether Registered Providers, housebuilders, private landlords, local district councils or other governmental bodies. Levering-in new investment to our area will be essential to meet our future housing needs and the Council will work with all public agencies to achieve this. Similarly, the Council will look to deploy its own resources, whether land or funding, through partnership working to deliver the maximum impact. There are some new partnerships we want to create which will help deliver some of the actions already mentioned above in this Strategy

and would also create a better framework for further innovation.

Action:

5a Seek Homes England Investment Partner Status.

This will open up more opportunities for funding on sites the Council may want to develop in the future for a range of affordable homes as well as more specialist provision including a dedicated site planned for Gypsies and Travellers.

Action:

5b Join the Gateway to Homechoice Scheme

As a stock-transfer authority, Chelmsford relies on our arrangements with Registered Providers to deliver offers of settled accommodation to residents on our Housing Register. Most of the surrounding districts in Essex (Braintree, Maldon and Rochford) are stock-transfer authorities like Chelmsford. The Gateway to Homechoice Scheme operates a common policy for the allocation of homes through a choice-based lettings system, where social housing properties are advertised in the local authority areas of Babergh, Braintree, Colchester, East Suffolk, Ipswich, Maldon and Mid Suffolk. Joining the Gateway to Homechoice Scheme expands



opportunities to find settled accommodation for residents on Chelmsford's Housing Register.

Action:

5c Explore new housing partnerships to maximise additional affordable housing supply.

There is a growing number of 'for profit' as well as 'not for profit' Registered Providers who may have the financial capacity to compete for sites on the open market to provide a higher proportion of affordable homes. In some cases, these 'for profit' Registered Providers will work with existing 'not for profit' Registered Providers for the allocation and management of new homes, creating the possibility of a new kind of framework for the development and management of additional homes.

Working with a wider range of local housing authorities through the Gateway to Homechoice Scheme will also create opportunities to work with other local authorities that have a mutual interest in developing more affordable homes across a wider geographical area.

Action:

5d Develop community-led housing partnerships working with Eastern Community Homes.

The Council is supporting the Rural Communities Council of Essex (RCCE) as part of Eastern Community Homes and others to work with local community groups interested in developing homes to meet the housing needs of specific local groups, who may otherwise be marginalised by more conventional developments.

Action:

5e Seek targeted partnership working with Essex County Council.

Essex County Council has a statutory role to ensure the housing needs for vulnerable people and those with special requirements are met. There are several housing issues and challenges that overlap between the housing strategies of our two councils. Continued partnership and collaboration is vital to address these matters, for example the housing issues of younger people, older people and those suffering domestic abuse.

Action:

5f Explore issues and benefits of developing joint ventures and local housing companies to improve the supply of affordable homes.

Some local authorities have developed local housing companies and established new joint

development ventures. The structures and motivations for this vary. We will consider whether there would be advantages to either that would deliver tangibly more affordable homes in the medium-to-longer term.

6) Monitoring trends and performance to inform future actions

The Council's Strategic Housing Service will continue to monitor its performance in meeting housing need, including the number and breakdown of households needing temporary accommodation, details of those seeking homes through the Housing Register, and how accessible the privately rented sector is for those in housing need.

We shall routinely review and report on the progress of this Strategy and will continue to speak with those we have worked within developing this Strategy.

There will be new policies, ideas and examples of good practice at national and local levels that we do not want to exclude from our strategic approach to meeting housing need in Chelmsford during the lifetime of this Strategy. So, whilst we want to start implementing the Strategy's action plan from the beginning of 2022, we shall also consider other options as part of our ongoing commitment to innovation and collaboration.

Conclusion

Beginning in 2022, this Strategy will be delivered over five years and will put in place a more strategic approach to understanding and responding to housing need. This will continue beyond the life of this Strategy.

It will take time to create opportunities to enable larger new-build affordable homes through changes to the implementation of our existing planning policies and the future review of policies within the Local Plan.

Over the next five years, there are six strategic priorities that the actions identified in this Strategy should enable us to deliver and develop. Whilst the outcomes will not be delivered at the same time, it is essential that all actions identified in this Strategy commence immediately.

In the first year of this Strategy, we will need to continue to respond to the growing need for temporary accommodation, finding the most cost-effective solutions until other longer-term outcomes are realised.

Improving choice and options for existing tenants of affordable homes can happen sooner, as can some conversions of existing homes, improving the supply of the homes that are most needed. Understanding and providing targeted support for residents and landlords in the private rented sector can also commence quickly and help sustain the strategic role it plays in reducing demand for affordable housing.

During years two and three (2023 and 2024), we would expect to see some additional homes becoming available, which will begin to address the gap between need and supply. Our continuous monitoring of housing need will also help inform any changes that may be needed to policies when we review our Local Plan.

By years four and five (2025 and 2026), the additional supply planned for in this Strategy will begin to improve the supply from the existing stock, the backlog of larger families in temporary accommodation will be cleared and new policies will be in place to secure an ongoing additional supply from new development that should have the same effect on speeding up the overall supply, leading to more homes being available each year.



Annex 1 Glossary

Affordable Homes – defined by the National Planning Policy Framework in 2021 as: “housing for sale or rent, for those whose needs are not met by the market - including housing that provides a subsidised route to home ownership and/or is for essential local workers”. The National Planning Policy Framework then provides further definitions of the following types of affordable housing - Affordable housing for rent; Starter Home; Discounted market sales housing; Other affordable routes to home ownership.”

Affordable Rented Homes – often used as an alternate description of social housing, homes usually owned and managed by housing associations which charge a slightly higher level of rent, this also includes any service charges. The rent should be no more than 80% of the local market rent for a similar property but often it is required that the rent will not be above local benefit levels to make sure that a loss of income does not lead to homelessness.

Allocations Policy – the policy and process for allocating homes to those known by the council to be in housing need. People need to register for housing (on a local Housing Register) and will be given priority based on the urgency of their situation.

Benefit Cap – a maximum amount of benefit payment a person or household is entitled to receive. For a couple or single parent outside of London this is set at £20,000 including housing costs / rent.

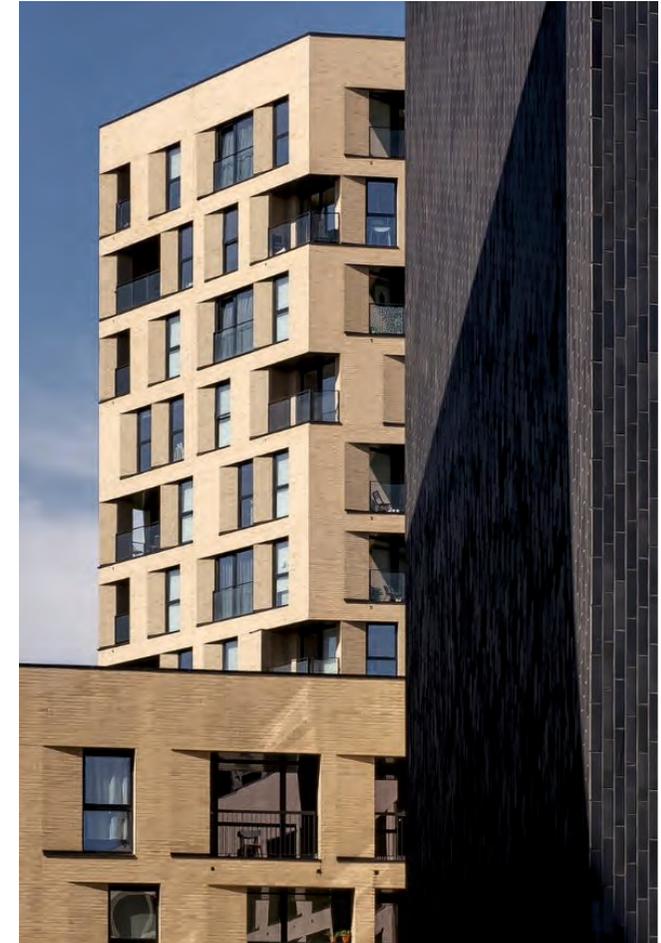
Community Led Housing – housing developments, instigated and led by local community groups to provide homes for local people, often from a particular area such as a village, or a particular group such as ex-services, or older people.

Choice Based Lettings – a way in which affordable homes are allocated to those in greatest need, by advertising homes that are available to be let. Applicants choose which ones they would like to be considered for, making the allocation of homes more transparent and giving choice to those who are eligible to apply.

Disabled Facilities Grants – funding provided by district councils as a grant to help with the cost of adapting homes for people with a disability. The grants are means-tested and often based on the recommendation of an occupational therapist.

Department for Levelling Up, Housing and Communities – department of central government that gives directions and support to local councils responsible for housing and homelessness, previously known as the Ministry

for Housing, Communities and Local Government (MHCLG).



First Homes – a recent type of affordable housing, sold by developers with a discount of at least 30% to first time buyers with a price cap of £250,000 after the discount is applied. In Chelmsford this limits the homes to one- and two-bedroom properties at the 30% discount. 25% of affordable homes in each district will have to be First Homes.

Homes England – a national government organisation that provides funding to Registered Providers to help them meet the cost of providing affordable homes where they are either providing more than is required by local policies, or in some cases where it is not otherwise financially viable to meet local policies for affordable homes.

Housing Register – a list of people needing affordable housing in Chelmsford, managed by the Council. Applicants are given priority according to their circumstances. Often still referred to as a 'waiting list' but this is no longer accurate as those with lower level of need may never be offered accommodation however long they may wait.

Intermediate Homes – homes for sale or rent provided at a cost above social rent but below market levels.

Local Housing Allowance – benefit that is paid to help meet the cost of renting a home.

Local Housing Authority – the local council responsible for ensuring housing needs, including statutory duties to those who are

homeless, are identified and met. In two-tier areas (where there is a county council) the district council is the local housing authority. In Chelmsford, this is the City Council.

Local Plan – plans made by the local planning authority for the development of new homes and infrastructure in the area, based on the National Planning Policy Framework.

National Planning Policy Framework – sets out the Government's planning policies for England and how these are expected to be applied.

Ombudsman – a government organisation that reviews the way complaints have been dealt with and can make orders to rectify problems and award compensation. The Housing Ombudsman is responsible for landlords and Registered Providers, local councils are overseen by the Local Government Ombudsman.

Registered Providers – shortened from Registered Providers of Affordable Housing, often these are what were previously known as housing associations which operate on a not-for-profit basis reinvesting any surplus into the management and development of affordable homes but now includes some organisations including property developers that have shareholders and generate profits.

Section 106 Agreements – agreements made between housing developers and the local council agreeing how they will meet the council's

policy for affordable homes. Compliance will vary from site to site, for example it is less likely that the development of apartments will be able to provide larger homes. Sometimes it may not be financially viable to meet all obligations, due to the need to mitigate flood risk, contamination of land, or unforeseen market changes.

SHMA (Strategic Housing Market Assessment) – a study carried out to identify the need for affordable homes in an area. This is part of the evidence used to inform the policies in a council's local plan. The assessment takes account of the supply from the existing affordable homes, local income levels and the cost of buying or renting on the open market, and the number of households in housing need, including those who are homeless, to calculate how many and what type of affordable housing will be needed in the future.

Stock-Transfer Authority – where a council has transferred ownership of its rented housing stock to a Registered Provider.

Temporary Accommodation – where a council has a duty to provide settled housing, but no suitable homes are available, they must provide suitable alternative accommodation until permanent housing becomes available. In cases of emergency this may be bed and breakfast or hostel accommodation but only for a very short term. If a home is not available within 6 weeks, families must be provided with suitable, self-contained accommodation for rent.



Appendix 1 - Chelmsford: the housing and policy context

The Housing Strategy that we develop based upon this consultation will play an important part in supporting the wider aims of our corporate plan:

Our Chelmsford Our Plan

- Fairer and inclusive Chelmsford– “Develop and implement a new strategic approach to improve the supply and accessibility of affordable homes”. This is the purpose of this Strategy.
- A safer and greener place – “Develop a new environment plan, promoting a sustainable approach to growth, development and everyday living and a low carbon future and ensure that residents feel safe and adequately protected”. We can contribute to reducing carbon use by setting standards for the construction of new homes, making better use of existing properties and working with landlords to improve energy efficiency in existing homes.
- Healthy, active and enjoyable lives – “Promote activities and initiatives to improve the physical and mental wellbeing of Chelmsford residents”. Specialist and supported housing provides a better environment for those who are vulnerable due to old age, disabilities, or poor mental health, to retain their independence.

- Connected Chelmsford – “Bringing people together, empowering local people and working in partnership to build community capacity, stronger communities and secure investment in the city”. This Strategy seeks to encourage a range of people and organisations to build stronger communities, for example community-led housing, and increase the level of investment in the City.

Chelmsford Local Plan

Identifies the current and future need for homes in Chelmsford and policies that will help provide affordable homes and specialist housing:

- Policy DM1 – developments of 11 or more homes should provide a mix of homes that reflect local need and demand, 5% of new affordable homes should be suitable for users of wheelchairs, and developments of more than 100 homes are expected to make a contribution towards the provision of specialist housing in addition to the need for affordable homes.
- Policy DM2 – developments of 11 or more homes must provide or make a contribution to affordable homes of which 22% should be affordable homes for rent and 13% some other form of intermediate affordable homes, e.g. First Homes and shared ownership.

- Supplementary Planning Documents and Planning Advice Notes provide more detailed information to help implement our policy requirements.

Chelmsford Health and Wellbeing Plan

- Improving poor housing, including fuel poverty, enabling people to age well and alleviate loneliness and isolation – we will work with Registered Providers and private landlords to address fuel poverty, and help them make links with others who can support those tenants at risk of isolation.
- Addressing the need for support for those experiencing domestic abuse and other households in need of temporary accommodation – this also links to our plans to develop more supported and specialist housing, reducing the need for temporary accommodation.
- Providing help and assistance to those who need adaptations to their home through the Disabled Facilities Grant programme – as well as making best use of available funding, we want to also create a better supply of homes that may be more suitable to meet the needs of those with disabilities, especially where adaptations to the existing home may be unfeasible.



Chelmsford City Council's Homelessness and Rough Sleeper Strategy

- Reducing the need and cost of temporary accommodation – this can be achieved by improving the supply of the right type of affordable homes.
- Enabling the development of specialist and supported accommodation for those at risk of homelessness – this is one of the priorities of this Strategy.
- Increasing the supply of accommodation for rough sleepers and those at risk of having to sleep rough in Chelmsford – this is already being achieved through the Homelessness and Rough Sleeper Strategy, but this supply can only be maintained by ensuring there is an adequate supply of more settled, affordable homes for people to move on to.

Chelmsford Climate and Ecological Emergency Action Plan

- Chelmsford City Council declared a Climate and Ecological Emergency in July 2019.
- The declaration represents a commitment to take appropriate action to make the Council's activities net-zero carbon by 2030.

- The action plan focuses on 15 priority areas of work for the Council which include integrating on-site renewable energy within new developments in particular the role the Council can have to help deliver low carbon affordable housing – this will set standards for the construction of new homes.

The Council also has a range of powers and duties that relate to this Strategy:

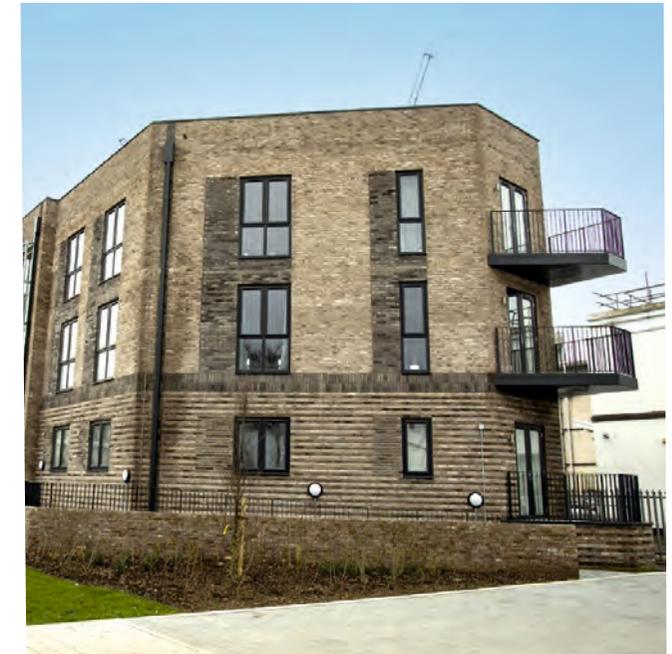
Planning Acts – require the Council to assess current and future housing requirements and create a Local Plan that will meet these needs and demands.

Building regulations – ensure that new and existing homes are safe and meet current standards including the reduction of carbon.

Housing Acts – give the Council powers and duties to regulate landlords, ensure there are suitable policies for the allocation of social housing that are effective in prioritising those in greatest need and develop a strategic response to homelessness.

Homelessness Reduction Act – expanding the duty of the Council and others to prevent and relieve homelessness across a wider group.

Localism Act – enables and encourages local authorities and communities to adopt more flexibility and innovation including making better use of buildings to meet local need.



Appendix 2 - Chelmsford Housing Strategy Consultation

The consultation on the emerging draft Chelmsford Housing Strategy ran from 14 July 2021 to 15 September 2021. There were 71 comments in total from a wide variety of groups and individuals including residents, developers, Registered Providers, voluntary and charitable organisations, statutory bodies, and Parish/Town Councils. All responses were considered in detail and can be read in full at <https://consult.chelmsford.gov.uk/kse/>

This document presents a summary of the key comments received and details how we have taken them into consideration in the final version of the Chelmsford Housing Strategy 2022 – 2027.

Table 1 below shows the questions and issues that received the most comments. Table 2 provides a summary of all comments received in the order in which the questions were set out in the consultation document.

Table 1 - Most popular issues (10 or more)

Consultation Question Number	Consultation Question	Number of comments
3	Additional comments about the supply of affordable homes	21
1	Supply of larger affordable homes	20
23	Any other comments about the strategy?	19
17	Tackling empty homes	18
14	Helping people become homeowners	17
11	Other groups in need of specialist housing	16
16	Promotion of intermediate affordable housing	16
15	First Homes – who should be prioritised?	15
22	Keeping people informed of progress with the strategy	14
9	Housing for older people	11
19	Which partners to work with?	11

Table 2 - Summary

Question	You said...	We did...
<p>Question 1: Do you have any suggestions as to how the Council could provide more larger affordable homes?</p>	<p>Introduce more flexibility and innovation in planning policy for new developments, along with making better use of existing buildings through extensions, bringing back into use empty homes and maximising/incentivising housing delivery on brownfield sites.</p> <p>Increase intensification including 'building up' and better sized rooms, with a focus on enabling a higher occupancy in all sizes of dwellings.</p> <p>Help older people 'right-size' may help free up larger homes and the need for financial subsidy if there is a need to develop a higher proportion of larger homes on some sites or fewer homes overall but a higher proportion of larger affordable homes.</p> <p>Improve partnership working with Registered Providers and exploring new delivery vehicles/partnerships to improve supply.</p>	<p>Include a new action to seek a more strategic mix of affordable homes on planning gain sites and publish a planning advice note on this.</p> <p>Include a new action to reduce the number of vacancies and long-term voids in stock owned by Registered Providers.</p> <p>Include a new action to make better use of existing housing stock owned by Registered Providers.</p> <p>Continue to act to reduce the number of empty homes.</p> <p>Include a new action to explore housing issues relating to an ageing population and explore whether there is a need for a new strategy to deal with this.</p> <p>Include a new action to join the Gateway to Homechoice Scheme and a separate action to explore new housing partnerships to maximise the additional affordable housing supply.</p>

<p>Question 2: If you are a housing association, how could you help improve the supply of the existing stock and how could the Council help you develop larger family homes?</p>	<p>Improve data collection relating to people prepared to downsize to make it more attractive to existing tenants under-occupying homes.</p> <p>Prioritise under-occupiers on new build sites and introduce a more flexible allocations policy to make downsizing more attractive to existing tenants.</p> <p>Extend existing affordable housing, tenure conversions from other affordable home ownership / market products with financial support from the Council.</p> <p>Prioritise housing for local residents.</p>	<p>Include a new action to explore housing issues relating to an ageing population and explore whether there is a need for a new strategy to deal with this.</p> <p>Include a new action to make better use of existing housing stock owned by Registered Providers.</p> <p>Include a new action to convert other tenures to affordable homes for rent.</p> <p>Include a new action to reduce the number of vacancies and long-term voids in stock owned by Registered Providers.</p> <p>Include a requirement for an applicant to have a location connection to Chelmsford to qualify to join the Housing Register.</p> <p>Publish a First Homes Planning Advice Note which includes local eligibility criteria for a period of 3 months from when a home is first marketed.</p>
<p>Question 3: Is there anything else you would like to add?</p>	<p>Consider the importance of the type of tenure, design, and policies for the allocation of homes.</p> <p>Manage competing priorities, in particular the Council's statutory duties to those in greatest need, including those in temporary accommodation / homeless and other demands such as key-workers, local Parish-wide need and developing sites with a balanced mix of affordable housing.</p>	<p>Include a new action to explore ways to make best use of the Council's housing policies for the allocation of homes.</p> <p>Include a new action to improve the supply and cost of temporary accommodation.</p> <p>Commit to undertaking a new Strategic Housing Market Assessment which will review a range of needs.</p>

	<p>Provide further guidance on First Homes and improving neighbourhoods.</p> <p>Update the Strategic Housing Market Assessment to inform decisions on balance of need.</p> <p>Consider better targeting of temporary accommodation with appropriate support to release more settled accommodation.</p> <p>Focus on the role of a good private sector that offers longer tenancies.</p> <p>Increase provision of affordable housing through the planning system and monitor delivery through the Local Plan and consider a different definition of affordable housing.</p> <p>Provide clearer information to a wider audience on need and policies.</p>	<p>Publish a First Homes Planning Advice Note.</p> <p>Include a new action to increase a range of specialist housing that includes support.</p> <p>Publish a Statistical Appendix which provides more detailed information on the Vision and Actions in the Strategy.</p> <p>Retain focus on working with private sector landlords and blended support for the rented sector and its tenants, to recognise the equally important functions of the private and public rented housing sectors.</p> <p>Commit to review the affordable housing policies in the Local Plan review commencing this year, which will include an assessment of different affordability levels within the definitions of Affordable Housing set out in national planning policy.</p>
<p>Question 4: If you are a private landlord or letting agent, what type of support would you like to see from the Council?</p>	<p>Guarantee rent to private landlords to make them more willing to consider housing applicants needing Housing Benefit.</p>	<p>Retain a focus on working with private sector landlords and blended support for the rented sector and its tenants to recognise the equally important functions of the private and public rented housing sectors.</p>
<p>Question 5: If you are a tenant renting from a private landlord, how would you suggest the Council could help you manage your tenancy?</p>	<p>Continue working with us to support management and sustainment of tenancies, promoting schemes and support already in place to those who need it.</p>	<p>Retain a focus on working with private sector landlords and blended support for the rented sector and its tenants to recognise the equally important functions of the private and public rented housing sectors.</p>

<p>Question 6: Do you have any other ideas or suggestions as to how the Council could help support this sector to meet local housing need?</p>	<p>Provide private rented sector incentives and limits on level of rent in this sector.</p> <p>Give priority to local residents for affordable housing and balancing demand to include lower paid public sector workers.</p>	<p>Retain focus on working with private sector landlords and blended support for the rented sector and its tenants to recognise the equally important functions of the private and public rented housing sectors.</p> <p>Publish First Homes Planning Advice Note which includes local eligibility criteria for a period of 3 months from when a home is first marketed.</p> <p>Include a requirement for an applicant to have a location connection to Chelmsford to qualify to join the Housing Register.</p>
<p>Question 7: Is there anything else you would like to add?</p>	<p>Recognise important role of private sector to a range of households and the long-term role it will play for households in the future.</p> <p>Increase the profile and provision of purpose-built private rented housing as a mainstream form of housing delivery.</p>	<p>Retain focus on working with private sector landlords and blended support for the rented sector and its tenants to recognise the equally important functions of the private and public rented housing sectors.</p> <p>Commit to undertaking a new Strategic Housing Market Assessment which will review a range of needs, including demand for purpose-built private rented homes.</p>
<p>Question 8: If you are a landlord, what could the Council do to improve the ability to use Disabled Facilities Grants to make homes more accessible?</p>	<p>Review the financial limits, especially when an extension is required which is more often the case with specialist adaptations.</p> <p>Consider greater flexibility on the type of works eligible for grant funding and early collaboration on new build wheelchair accessible dwellings.</p>	<p>Include a new action to make better use of existing housing association stock, reduce the number of empty homes and publicise the Disabled Facilities Grant. When applied in combination, there is potential to achieve greater flexibility and impact for individual households in need.</p> <p>Publish a Wheelchair Accessible Homes Planning Advice Note which summarises the need for wheelchair accessible affordable homes for rent using information from the Housing Register and will be updated annually.</p>

<p>Question 9. Do you think it would be helpful if the Council worked with others to develop a more strategic approach to meeting the housing needs of older people?</p>	<p>Ensure partnerships extend to charitable organisations as well as statutory bodies.</p> <p>Develop more flexible approaches and offer a range of support and appropriate accommodation options.</p>	<p>Commit to continue to speak with those we have worked with in developing the Housing Strategy.</p> <p>Include a new action to explore housing issues relating to an ageing population and explore whether there is a need for a new strategy to deal with this.</p>
<p>Question 10. If you are a landlord or provider of specialist accommodation what are the issues the Council should be aware of regarding the development of specialist accommodation?</p>	<p>Consider having a joint protocol/approach with Essex County Council over the provision and management of specialist and supported housing and review planning policy requirements on s106 sites, so that specialist housing is provided on larger sites. Also, CCC could consider whether any revenue funding, void indemnity cover or enhanced DFG can be provided.</p>	<p>Include a new action to explore housing issues relating to an ageing population and explore whether there is a need for a new strategy to deal with this.</p> <p>Include a new action to seek targeted partnership working with Essex County Council.</p>
<p>Question 11. Are there any other groups that should be considered? If so, what evidence should the Council look at to understand this need?</p>	<p>Provide a more positive approach and clearer guidelines regarding the implementation of planning policies to increase the supply of Gypsy and Traveller pitches and Travelling Showpeople plots.</p> <p>Address needs of homeless people and rough sleepers that require more support.</p> <p>Address the need for specialist accommodation for autistic adults in collaboration with adult social care.</p> <p>Address the need for move-on accommodation for care leavers.</p> <p>Secure more flexible and suitable housing options for older people.</p>	<p>Include a new action to explore housing issues relating to an ageing population and explore whether there is a need for a new strategy to deal with this.</p> <p>Include a new action to seek targeted partnership working with Essex County Council.</p> <p>Include a new action to seek a more strategic mix of affordable homes on planning gain sites and publish a planning advice note on this.</p> <p>Publish a Specialist Residential Accommodation Planning Advice Note which provides a method for calculating a commuted sum in lieu of on-site specialist residential accommodation that provides a flexible way to meet the variety of needs identified in the Housing Strategy.</p>

	<p>Apply a more flexible approach to the application of planning policies and provide equal recognition to the care element within the accommodation.</p> <p>Provide additional support for tenants that are experiencing mental ill health but have a home.</p>	<p>Commit to undertaking a new Strategic Housing Market Assessment and update the Gypsy and Traveller Accommodation Assessment which will review a range of needs, including specialist residential accommodation.</p> <p>Publish a Statistical Appendix which provides more detailed information on the Vision and Actions in the Strategy, and which will be updated annually. This includes information on the needs for Specialist Residential Accommodation from households in the greatest housing need.</p>
<p>Question 12. If you are a local community group, would you be interested in the possibility of helping to develop affordable homes to meet local need, e.g. within a local area or for a particular group?</p>	<p>Recognise that neighbourhood plans offer more local information on need and point to a greater need for smaller market homes.</p>	<p>Retain an action to develop community-led housing partnerships working with Eastern Community Homes who liaise with Parish Councils and neighbourhood groups.</p>
<p>Question 13. Is there anything else you would like to add?</p>	<p>Provide more accessible new build accommodation and accessible park homes for older people.</p> <p>Better integrate support solutions for those with dual diagnosis that are not currently clean/abstinent.</p> <p>Increase provision for those fleeing domestic abuse.</p> <p>Improve joint working and maximise technological support, as well as dwelling design, to improve safety.</p> <p>Recognise a role for Registered Providers to work with homeowners needing specialist accommodation to increase rented provision.</p>	<p>Publish a Wheelchair Accessible Homes Planning Advice Note which summarises the need for wheelchair accessible affordable homes for rent using information from the Housing Register and will be updated annually.</p> <p>Commit to undertaking a new Strategic Housing Market Assessment which will review a range of needs, including specialist residential accommodation.</p>

		<p>Include a new action to complete the programme for providing supported accommodation for those at risk of rough sleeping and identify what other gaps may still need addressing in the review of the Council's Homelessness and Rough Sleeping Strategy.</p> <p>Include a new action to explore housing issues relating to an ageing population and explore whether there is a need for a new strategy to deal with this.</p>
<p>Question 14: Do you think the Council should be using its resources (land and money) to help people become home-owners as a priority if it means it is less able to meet its duties to those who are homeless?</p>	<p>Only if resources would free up existing affordable housing stock.</p> <p>Not necessarily a binary choice - needs of vulnerable homeowners should not be ignored or those in private rented sector unable to access homeownership but not homeless.</p> <p>Focus on those who are homeless/severely overcrowded.</p> <p>Provide more flexible options such as community-led housing for existing social housing tenants.</p>	<p>Include a new action to explore housing issues relating to an ageing population and explore whether there is a need for a new strategy to deal with this.</p> <p>Include a new action to seek targeted partnership working with Essex County Council.</p> <p>Retain focus on working with private sector landlords and blended support for the rented sector and its tenants to recognise the equally important functions of the private and public rented housing sectors.</p> <p>Include a new action to improve the supply and cost of temporary accommodation.</p> <p>Include a new action to seek a more strategic mix of affordable homes on planning gain site and publish a planning advice note on this.</p>

		<p>Commit to reviewing the affordable housing policies in the Local Plan review commencing this year.</p> <p>Retain an action to develop community-led housing partnerships working with Eastern Community Homes who liaise with Parish Councils and neighbourhood groups.</p>
<p>Question 15. If the Council is able to nominate people to schemes such as First Homes, who should be prioritised, for example key workers, those moving on from social housing, those wanting to move into Chelmsford to access employment? Any other groups?</p>	<p>Consider key workers, existing residents, existing social tenants, lower income households and those employed in Chelmsford in different orders of priority depending on the respondent.</p>	<p>Publish a First Homes Planning Advice Note which includes local eligibility criteria for a period of 3 months from when a home is first marketed.</p>
<p>Question 16. Do you think the Council should do more to explain and promote 'intermediate' affordable homes such as shared-ownership and rent-to-buy?</p>	<p>Do not promote products but focus on providing more information about the availability and the advantages and disadvantages of the products.</p>	<p>Improve information/links on the Council's website.</p>
<p>Question 17: How would you like to see the Council tackle empty homes – what ideas or suggestions do you have for how they could be used to meet local need and demand? What information would you like to know about empty homes?</p>	<p>Tackle empty homes and provide better information on the scale and reasons for long-term empty dwellings, financial incentives, financial penalties, temporary housing solutions, skills training, compulsory purchase, sub-division of empty property, £1 homes scheme as operated in Liverpool.</p>	<p>Continue to act to reduce the number of empty homes.</p>
<p>Question 18. Is there anything else you would like to add?</p>	<p>Consider more self-build homes, impact of First Homes and need for additional private rented homes.</p>	<p>Retain an action to develop community-led housing partnerships working with Eastern Community Homes who liaise with Parish Councils and neighbourhood groups.</p> <p>Publish a First Homes Planning Advice Note.</p>

		<p>Retain focus on working with private sector landlords and blended support for the rented sector and its tenants to recognise the equally important functions of the private and public rented housing sectors.</p> <p>Commit to undertaking a new Strategic Housing Market Assessment which will review a range of needs, including demand for purpose build private rented homes.</p>
<p>Question 19: Are there any other partners the Council should be working with?</p>	<p>Registered Providers, companies supplying greener building products, local wildlife groups, a cross-section of charitable organisations, neighbouring councils, park home site owners, joint ventures with developers, NHS, neighbourhood plan groups and other community groups.</p>	<p>Include a new action to make better use of existing housing stock owned by Registered Providers.</p> <p>Include a new action to explore new housing partnerships to maximise the additional affordable housing supply.</p> <p>Commit to continuing to speak with those we have worked with in developing the Housing Strategy.</p> <p>Retain an action to develop community-led housing partnerships working with Eastern Community Homes who liaise with Parish Councils and neighbourhood groups.</p>
<p>Question 20: Any other comments or suggestions?</p>	<p>Secure greater participation in the development and monitoring of the Housing Strategy by the public/external bodies, local consultation through meetings.</p>	<p>Commit to continuing to speak with those we have worked with in developing the Housing Strategy.</p> <p>Commit to routinely reviewing and reporting on the progress of the Housing Strategy.</p>

	<p>Consider environmental grants to accommodation providers and how the council can support the move to Net Zero Carbon.</p> <p>Regularly review the strategy, include impact of Right to Shared Ownership, changes to shared ownership leases and raising mobility standards on new developments.</p> <p>Prioritise homes for healthcare workers.</p>	<p>Undertake to review any new environmental, sustainable, and accessible housing standards that are introduced at national level in the review of the Local Plan.</p> <p>Commit to undertaking a new Strategic Housing Market Assessment which will review a range of needs, including the need and demand for key worker housing.</p>
<p>Question 21: Are there any other indicators you think the Council should consider?</p>	<p>Include support and employment targets to aid move on from temporary to settled accommodation.</p> <p>Include housing and quality of life.</p> <p>Review demand for housing from younger persons living with parents.</p> <p>Record hidden homelessness.</p> <p>Secure customer satisfaction feedback on the Housing Service.</p> <p>Include national policy reviews.</p> <p>Involve community groups and associated housing outputs.</p> <p>Provide more efficient monitoring of processes and trends i.e., time spent in temporary accommodation.</p>	<p>Review all the actions in the Housing Strategy and include relevant targets where possible.</p> <p>Show expected outputs on an annual basis.</p> <p>Publish a Statistical Appendix which provides more detailed information on the vision and actions in the strategy and will enable better monitoring of progress made.</p> <p>Commit to continuing to speak with those we have worked with in developing the Housing Strategy.</p>

<p>Question 22: How do you think the Council should keep you informed of the progress of delivering this strategy?</p>	<p>Emails, website, social media, leaflets, performance reports, meetings, liaison with Parish Councils and Registered Providers were all suggested.</p>	<p>Commit to continuing to speak with those we have worked with in developing the Housing Strategy – this will include the variety of methods suggested.</p>
<p>Question 23: Any other comments?</p>	<p>Include better research and evidence on the sustainability of new housing.</p> <p>Improve infrastructure to support new homes.</p> <p>Secure greener building with more sustainable features and demonstrate better links in the strategy to Local Plan Policy DM25.</p> <p>Remove the aim to reduce energy consumption as this is better addressed in the Local Plan given the standardisation of building regulations and government targets are evidenced through the latter.</p> <p>Provide better links with neighbourhood plans.</p> <p>Provide more clarity on plans to prevent homelessness.</p> <p>Improve standards/size of new homes and access to private open space.</p> <p>Include fewer platitudes and provide clearer policy interventions with more explicit constraints.</p> <p>Initiate a better public debate on wider issues of land ownership to tackle wider inequalities of the housing market and artificial shortages in land supply for housing.</p>	<p>Undertake to review any new environmental, sustainable, and accessible housing standards that are introduced at national level in the review of the Local Plan.</p> <p>Include a new action to explore new housing partnerships to maximise the additional affordable housing supply.</p> <p>Review all the actions in the Housing Strategy and include relevant targets where possible.</p> <p>Include a new action to complete the programme for providing supported accommodation for those at risk of rough sleeping and will identify what other gaps need addressing in the review of the Council's Homelessness and Rough Sleeping Strategy.</p> <p>Commit to undertaking a new Strategic Housing Market Assessment which will review a range of needs, including the need and demand for key worker housing.</p> <p>Commit to reviewing the affordable housing policies in the Local Plan review commencing this year.</p>

Removal of Capital Gains tax exemption for housing and public subsidy for rental payments to address structural inequalities longer-term.

Secure more starter homes and affordable homes for rent and reduce the loopholes for developers to escape these obligations in the planning system.

Provide better references to Building for a Healthy Life, the Essex Design Guide and Livewell Development Accreditation Scheme in the Housing Strategy.

Retain a summary of the wider aims of our corporate plan and other key documents in Appendix 1 of the Housing Strategy.



Appendix 3 - Action Plan and Outputs

Activity	In place by	Resources	Output
1. Increasing the supply of affordable homes with a focus on larger units			
1a. Ensure compliance with the dwellings mix identified in the Council's current SHMA to help achieve the aim of increasing the supply of larger affordable dwellings for rent	2022 – outcome will be from year 3	Officer time	Higher proportion of larger family homes from 2023 – estimate increase of 6 4-bed homes pa. 2022= 0 2023 = 0 2024 = 4 4b 2025 = 4 4b 2026 = 4 4b
1b. As part of the review of the Local Plan, explore the option of increasing the current level of 35% of affordable homes, including 22% affordable housing for rent, from new development sites with need evidenced through the preparation of a new SHMA	2022 – outcome will be from year 5	Officer time	Increased proportion of affordable homes for rent and higher proportion of larger family affordable homes for rent from 2025
1c. Seek to ensure that the affordable rented element of First Homes exception sites best meet local housing needs	Sites identified in 2022 onwards	Officer time and land acquisition through existing capital programme	Increase in number of planned 3 bed homes from 2023+ estimate increase of 4 3-bed homes pa 2022 = 0 2023 = 0 2024 = 4 3b 2025 = 4 3b 2026 = 4 3b



1d. Seek a more strategic mix of affordable homes on planning gain sites	Sites identified in 2022 onwards	Officer time	Estimate increase of 1 4-bed and 1 3-bed pa from 2023 2022 = 0 2023 = 0 2024 = 1 4b 1 3b 2025 = 1 4b 1 3b 2026 = 1 4b 1 3b
1e. Identify smaller sites that could provide additional larger affordable homes	Planning granted for sites in 2022/2023 Completion of Woodhall Road in 2023	Officer time	Additional 5 4-bed and 2 3-bed in 2022/2023 11 3-bed and 8 4-bed 2023/2024 onwards 2022 = 5 4b, 2 3b 2023 = 5 3b, 4 4b 2024 = 6 3b, 4 4b 2025 = 0 2026 = 0
2. Increasing the supply of affordable homes from the existing housing stock			
2a. Make better use of existing housing stock owned by Registered Providers	Starting 2022 onwards	Use of commuted sums	1 4-bed and 1 3-bed p.a. 2022 = 1 4b, 1 3b 2023 = 1 4b, 1 3b 2024 = 1 4b, 1 3b 2025 = 1 4b, 1 3b 2026 = 1 4b, 1 3b

2b. Reduce the number of vacancies and long-term voids in stock owned by Registered Providers	Starting 2022 onwards	Use of commuted sums	5 additional 3-bed homes 2022 = 1 3b 2023 = 1 3b 2024 = 1 3b 2025 = 1 3b 2026 = 1 3b
2c. Reduce the number of empty private sector homes	From 2022	Officer time and capital resources	2 additional 3-bed homes 2022 = 0 2023 = 0 2024 = 0 2025 = 1 3b 2026 = 1 3b
2d. Convert other tenures to affordable homes	During 2022 / 2023	Use of commuted sums	5 additional 3-bed homes 2022 = 5 3b 2023 = 5 3b 2024 = 0 2025 = 0 2026 = 0
2e. Work with partners, in particular Registered Providers, to identify sites that have an existing planning permission and that could be developed to provide a better mix or increased level of affordable homes	From 2022	Use of commuted sums	5 additional 3- and 4-bed homes 2022 = 0 2023 = 0 2024 = 0 2025 = 2 3b 2026 = 3 4b

2f. Explore ways to make best use of the Council's housing policies for the allocation of homes	From 2022	TBC – depends on decision to join Gateway to Homechoice	TBC
2g. Improve the supply and cost of temporary accommodation	From 2022	Capital programme	20 3-bed 2022 and 2023 14 3-bed 2023 5 4-bed 2023 2022 = 15 3b 2023 = 19 3b, 5 4b 2024 = 0 2025 = 0 2026 = 0
3. Support landlords and tenants of rented homes			
3a. Produce and make available clear guidance to private landlords and tenants to help improve understanding of their rights and duties, including how to resolve problems	2022/2023	Officer time	Improved engagement including reduction in under-used affordable homes 1 3-bed p.a. 2022 = 1 3b 2023 = 1 3b 2024 = 1 3b 2025 = 1 3b 2026 = 1 3b
3b. Launch a forum for private landlords	2022	Officer time < £1,000	Better access and retention of PRS

3c. Introduce routine monitoring and reviews with Registered Providers operating in Chelmsford	From 2022	Officer time	Improved engagement including reduction in under-used affordable homes 1 3-bed p.a. 2022 = 1 3b 2023 = 1 3b 2024 = 1 3b 2025 = 1 3b 2026 = 1 3b
3d. Provide clear guidance and information for local councillors and others to help them understand the roles and responsibilities of the Council and landlords (both social and private) to support them when dealing locally with housing issues	2022	Officer time	Improved response to housing problems, best use of resources
4. Enabling the right supply of specialist housing to meet local need			
4a. Maximise opportunities through existing planning policy to meet the additional specialist housing needs identified in this Strategy.	Ongoing from 2022	Use of commuted payments for specialist housing / on-site provision on allocated strategic sites	Improved supply of specialist housing
4b. Complete the programme for providing supported accommodation for those at risk of rough sleeping	Completed by 2023	Use of DLUHC grant	33 additional 1-bed places with support



4. Enabling the right supply of specialist housing to meet local need

4c. Identify opportunities and bring forward plans to meet the needs of those who need support and accommodation due to mental health	Ongoing from 2022	Use of commuted payments for specialist housing / on-site provision on allocated strategic sites and combined funding from other partners	26 or more additional units with support
4d. Provide suitable temporary accommodation for those with physical disabilities and publicise the Disabled Facilities Grant	By 2023	DFG / Use of commuted payments for specialist housing / on-site provision on allocated strategic sites and combined funding from other partners	2 or more adapted family homes
4e. Ensure there is an adequate supply of specialist accommodation for those experiencing domestic abuse	From 2022 onwards	ECC Commissioning	14 units
4f. Improve the provision of temporary accommodation for young people	Ongoing from 2022	Combined funding from CCC and other partners	15 units
4g. Improve the provision of existing accommodation for young people	Ongoing from 2022	Use of commuted payments for specialist housing	20 units
4h. Work with partners to improve our joint understanding of the housing issues for an ageing population and whether there is a need for a new strategy to deal with this	2023	Joint commissioning with partners	Consistent understanding of housing need and development requirements



5. Developing effective partnerships

5a. Seek Homes England Investment Partner	2023	CCC resources	CCC become investment partners
5b. Join the Gateway to Homechoice Scheme	Ongoing from 2022	TBC	TBC
5c. Explore new housing partnerships to maximise additional affordable housing supply	From 2022	RP resources, CCC grant	Development of additional homes
5d. Develop Community-led Housing partnership working with Eastern Community	2022 ongoing	CLH Grant	Community led housing developments
5e. Seek targeted partnership working with Essex County Council	2022 ongoing	Public owned land	Independent Living scheme for older people – 60 units
5f. Explore issues and benefits of developing joint ventures and local housing companies to improve the supply of affordable homes	2022/2023	Officer time	Ensuring best use is made of available resources

Outputs	Year 1 - 2022	Year 2 -2023	Year 3 – 2024	Year 4 - 2025	Year 5 - 2026
Actions					
1a. Ensure compliance with the dwellings mix identified in the Council’s current SHMA to help achieve the aim of increasing the supply of larger affordable dwellings for rent	0	0	4 4b	4 4b	4 4b
1b. As part of the review of the Local Plan, explore the option of increasing the current level of 35% of affordable homes. including 22% affordable housing for rent, from new development sites with need evidenced through the preparation of a new SHMA	0	0	0	0	Increased proportion of affordable homes for rent and higher proportion of larger family affordable homes for rent from 2025
1c. Seek to ensure that the affordable rented element of First Homes exception sites best meet local housing needs	0	0	4 3b	4 3b	4 3b
1d. Seek a more strategic mix of affordable homes on planning gain sites	0	0	1 4b 1 3b	1 4b 1 3b	1 4b 1 3b
1e. Identify smaller sites that could provide additional number of larger affordable homes	5 4b 2 3b	5 3b 4 4b	6 3b 4 4b	0	0
2a. Make better use of existing housing stock owned by Registered Providers	1 4b 1 3b	1 4b 1 3b	1 4b 1 3b	1 4b 1 3b	1 4b 1 3b

2b. Reduce the number of vacancies and long-term voids in stock owned by Registered Providers	1 3b	1 3b	1 3b	1 3b	1 3b
2c. Reduce the number of empty private sector homes	0	0	0	1 3b	1 3b
2d. Convert of other tenures to affordable homes	5 3b	5 3b	0	0	0
2e. Work with partners, in particular Registered Providers, to identify sites that have an existing planning permission and that could be developed to provide a better mix or increased level of affordable homes	0	0	0	2 3b	2 4b
2f. Explore ways to make best use of the Council's housing policies for the allocation of homes	TBC	TBC	TBC	TBC	TBC
2g. Improve the supply and cost of temporary accommodation	15 3b	19 3b 5 4b	0	0	0
3a. Produce and make available clear guidance for circulation to private landlords and tenants to help improve understanding of their rights and duties, including how to resolve problems	Better access and retention of PRS	Better access and retention of PRS	Better access and retention of PRS	Better access and retention of PRS	Better access and retention of PRS
3b. Launch a forum for private landlords	Better access and retention of PRS	Better access and retention of PRS1	Better access and retention of PRS	Better access and retention of PRS	Better access and retention of PRS
3c. Introduce routine monitoring and reviews with Registered Providers operating in Chelmsford	1 3b	3b	1 3b	1 3b	1 3b

3d. Provide clear guidance and information for local councillors and others to help them understand the roles and responsibilities of the Council and landlords (both social and private) to support them when dealing locally with housing issues	Improved response to housing problems, best use of resources	Improved response to housing problems, best use of resources	Improved response to housing problems, best use of resources	Improved response to housing problems, best use of resources	Improved response to housing problems, best use of resources
4a. Develop plans for the use of resources secured through Local Plan Policy DM1 (c) (i) to meet the additional specialist housing needs identified in this Strategy.	Improve supply of specialist housing				
4b. Complete the programme for providing supported accommodation for those at risk of rough sleeping		33 additional 1-bed places with support			
4c. Identify opportunities and bring forward plans to meet the need for those who need support and accommodation due to mental health		2 or more adapted family homes			26 or more additional units with support
4d. Provide suitable temporary accommodation for those with physical disabilities and publicise the Disabled Facilities Grant		2 or more adapted family homes			
4e. Ensure there is an adequate supply of specialist accommodation for those experiencing domestic abuse					14 units
4f. Improve the provision of temporary accommodation for young people					15 units
4g. Improve the provision of existing accommodation for young people					20 units

4h. Work with partners to improve our joint understanding of the housing issues for an ageing population and whether there is a need for a new strategy to deal with this		Consistent understanding of housing need and development requirements	Consistent understanding of housing need and development requirements	Consistent understanding of housing need and development requirements	Consistent understanding of housing need and development requirements
5a. Seek Homes England Investment Partner Status		CCC become investment partners			
5b. Join the Gateway to Homechoice Scheme	TBC	TBC	TBC	TBC	TBC
5c. Explore new housing partnership to maximise additional affordable housing supply	Development of additional homes	Development of additional homes	Development of additional homes	Development of additional homes	Development of additional homes
5d. Develop Community Led Housing partnership working with Eastern Community	Community led housing developments	Community led housing developments	Community led housing developments	Community led housing developments	Community led housing developments
5e. Seek targeted partnership working with Essex County Council					Independent Living scheme for older people – 60 units
5f. Explore issues and benefits of developing joint ventures and local housing companies to improve the supply of affordable homes	Ensuring best use is made of available resources	Ensuring best use is made of available resources			

Chelmsford Housing Strategy 2022-2027

Statistical Appendix

March 2022

1. Statistical Appendix

1. Introduction

This Statistical Appendix provides information on the supply of and demand for affordable housing for rent, specialist residential accommodation, intermediate homes, and temporary accommodation in Chelmsford. The information in this Appendix has been used to formulate the Vision, Priorities, and Actions in Chelmsford City Council's Housing Strategy 2022-2027.

2. Affordable Homes for Rent

The Strategic Housing Market Assessment (SHMA) Update 2015 provides a summary of the affordable homes needed, based on the assessed supply of homes (re-lets of existing stock and planned new homes being completed) compared with information on households in housing need (becoming homeless, over-crowded and living in temporary accommodation).

Table 1: Size of additional units required to meet housing need in Chelmsford SHMA

	Gross annual need	Gross annual supply	Net annual need	As a % of total net annual need	Supply as a % of gross need
One bedroom	339	300	39	22.5%	88.4%
Two bedrooms	283	190	94	53.6%	67.0%
Three bedrooms	113	88	25	14.2%	78.0%
Four or more bedrooms	29	12	17	9.7%	41.9%
Total	764	589	175	100.0%	77.1%

Source: Strategic Housing Market Assessment Update (2015)

In all cases, the gross annual supply has been lower in recent years than that identified in the SHMA. Between 2018/19 and 2020/21 there has only been 50% of the gross annual supply for 1- and 2-bed homes, 40% of the gross annual supply for 3-bed homes and 30% of the gross annual supply needed for 4-bed homes.

The time households in Band 2 (urgent / homeless) on the Council's Housing Register wait for settled affordable housing for rent, shows local variation between the need and supply of homes depending on household size.



Table 2: Band Two Waiting Time

Bedroom size	Months waiting
1 bed	5.8
2 bed	12.6
3 bed	22.2
4+ bed	43.4

Source: Chelmsford City Council Housing Register (December 2021)

Table 2 shows that all households in Band 2 needing 1-bed homes have their housing need met within a year, demonstrating that there is an adequate supply of affordable 1-bed homes, supporting the information in Table 1 above¹.

Although there is a gap between the need and supply of 2-bedroom homes according to the SHMA, Table 2 shows that in practice most households are accommodated within one year. The waiting times for households needing larger 3- or 4-bed homes are considerably longer.

Table 2 also shows gross annual need, as recorded by applications to the Housing Register, is slightly higher than identified in the SHMA, at 818. This may be due in part to the backlog of larger families unable to move on from temporary accommodation.

Most of the gross annual supply should be from the re-letting of existing affordable homes, topped up by a smaller proportion of new-build affordable homes. Since 2015, when the SHMA was reviewed, the proportion of re-lets has declined, explaining why the gross annual supply shown is now lower. This seems to be a problem that is particularly relevant to Chelmsford, compared with neighbouring authorities in mid and north Essex as shown in Table 3 below:

Table 3: Existing Social Housing Stock Lettings

District	Social housing stock 2018/19	Percentage of lettings from existing stock 2021/22
Braintree	10,640	6.2%
Chelmsford	10,450	3.5%
Colchester	11,120	5.9%
Maldon	3,020	5.0%

Source: Continuous Recording of Lettings in Social Housing (CORE) 2018/2019

In other districts, the proportion of re-lets is higher and broadly comparable, regardless of the actual number of homes available. If the proportion of re-lets in Chelmsford was the same as Maldon, this would create an additional supply of over 150 homes a year.

¹By the end of 2021, an additional 38 one-bed spaces had been provided for single homeless, achieving a balance between 1-bed gross need and supply.



Of equal relevance is the number of housing association properties that are recorded as being empty or not available for letting. Table 4 below compares long term empty and unavailable housing association homes in Chelmsford with three other stock-transfer districts. Maldon and Rochford have a much smaller number of social housing homes in their districts, whereas Braintree has a number closer to that of Chelmsford. All three of these other districts have a considerably smaller number of longer-term empty and unavailable homes since 2018.

Table 4: Long-term empty and unavailable housing association homes

District	2016	2017	2018	2019	2020
Long term empty homes					
Chelmsford	44	52	73	125	186
Braintree	51	58	51	35	63
Maldon	19	16	14	20	29
Rochford	8	13	10	12	27
Not available for letting					
Chelmsford	12	20	28	69	71
Braintree	41	41	45	29	35
Maldon	8	1	7	6	9
Rochford	4	10	7	8	13
Total					
Chelmsford	56	72	101	194	257
Braintree	92	78	79	64	98
Maldon	27	21	21	26	38
Rochford	12	23	17	20	40

Source: MHCLG Live Tables

Increasing the proportion of larger affordable rented homes to address over-crowding would help improve the supply or churn from the existing housing stock.

Tables 6 -7 show how enabling an additional supply of larger homes over a five-year period (whether new build or through other means) can help improve the supply from the existing affordable housing stock.



Table 5: Number of applicants on Housing Register due to over-crowding or other housing need other than homelessness by bedroom size (Bands 3 and 4) Supply Comparison

Bedroom size	Number of households in Bands 3 and 4	Less available supply from meeting need of those in TA	Net outstanding need	Average gross supply 2019 to 2021 ²
1	152	79	73	107
2	123	16	107	156
3	100	(9)	109	52
4+	29	(18)	47	3

Source: Chelmsford City Council Housing Register (September 2021)

Table 5 above shows how for those needing a 1-bed home, even when giving priority to those who are homeless and in temporary accommodation, there is an adequate supply through the Housing Register to meet the needs of others. These would not be households that are over-crowded but those households that can be prevented from becoming homeless and / or offered move-on from supported housing in Chelmsford.

Table 5 shows that only 16 2-bedroom homes are available to those who are over-crowded (in 1-bedroom homes), or otherwise inadequately housed.

For those needing a larger, 3- or 4-bedroom home, the current shortage means that even those in temporary accommodation will not have their needs met within a year, as also shown above in Table 2. This means that there is a risk of an ever-growing backlog if supply does not improve, even if there is a reduction in need.

Tables 6 – 7 below show the cumulative effect of an additional 10 3-bed and 8 4-bed affordable homes for rent per annum for 5 years has on the number of households in housing need:

Table 6: Impact of Additional Four-bedroom Supply on Housing Need

4 Bed	Households in TA	Reduction in TA ³	Number of Households in Band 3 and 4	Increase in relets
Year 1	10	0	29	0
Year 2	2	8	29	0
Year 3	0	2	23	6
Year 4	0	0	15	8
Year 5	0	0	7	8
Total supply = 40 + 22 additional				22

Source: Chelmsford City Council Housing Register (December 2021)

²Calendar year. ³Reduction appears in the following year.



Table 6 shows that an increase in the supply of 4-bed homes would reduce the number of households in temporary accommodation which have become homeless for the first two years, before it then begins to help those households which are over-crowded. This means that in addition to an additional supply of 40 4-bed homes as planned, there is potential to also create an additional supply from relets of 22 3-bed homes for families living in over-crowded conditions.

Table 7: Impact of Additional Three-bedroom Supply on Housing Need

3-bed	Larger homes becoming available (carry forward relets from Table 6)	Households in TA	Reduction in TA ⁴	Number of Households in Band 3 and 4	Increase in relets
Year 1		49	0	100	0
Year 2		39	10	100	0
Year 3	6	23	16	100	0
Year 4	8	5	18	100	0
Year 5	8	0	18	87	13
Total supply = 50 + 13 additional	22				13

Source: Chelmsford City Council Housing Register (December 2021)

For those needing a 3-bedroom home, despite providing more additional homes a year, it takes longer to clear the backlog of those in temporary accommodation but by Year 4 this does begin to cascade down to those who are over-crowded, creating an additional supply from relets of 13 2-bedroom homes.

Tables 6 – 7 demonstrate that enabling an additional development of 90 affordable homes for rent consisting of 50 3-bed + 40 4-bed, has the potential to create a gross supply of 125 homes (90 new build and 35 relets), as well as reducing the number of households in temporary accommodation.

3. Specialist Residential Accommodation

By reviewing the support needs of those who become homeless and / or are currently needing temporary accommodation, we can obtain a clear estimate of the level of specialist residential accommodation required. Providing specialist accommodation for these groups will help reduce the future risk of homelessness, create a better pathway to independent living and reduce both the need and cost for temporary accommodation.

⁴Reduction appears in the following year.



Domestic Abuse

As a cause of homelessness, Chelmsford has the second highest level of any district in Essex. Not all cases require specialist support but 15% of those accepted as homeless require support as well as a safe place to live. Plans are already in place with partners to increase the provision for those who are single with complex needs and for male survivors. However, there is a need for at least 14 additional larger units of accommodation with support for families (at least 2-bedroom).

Mental Health

Mental health is the most common support need identified for homeless households. In many cases this support can be secured through accessing existing community-based services provided by primary care. There is an identified need for enhanced support provided through existing services that cater for single homeless who may have other needs as well. There is an average annual net need for 26 additional units of one bed accommodation to enable more independent living with support for those in need of specialist help to recover from mental ill health. Part of this identified need could be delivered as bedspaces (up to 12) solely for those in housing need who need more intensive specialist help to recover from mental ill-health. This type of provision (bedspaces) will be reviewed as part of the review of the Homelessness and Rough Sleepers Strategy.

Young People

There is no specialist residential accommodation for this group and the current net need is for 20 units of accommodation with support for young people (18 to 25) who need housing and require support to plan and manage living independently. This is in addition to the planned 15 additional, short-term bedspaces provided by the night-stop scheme jointly commissioned by Chelmsford City Council with Essex County Council and Colchester Borough Council due to be delivered in Spring 2022.

Physical Disabilities

Physical disabilities are mainly met through the Disabled Facilities Grant programme (DFGs) but there is a need for some of the temporary accommodation used by the Council to be adapted to meet the needs of both single people and families with physical disabilities. Two family size (3 or 4 bedroom) homes and two smaller (1 or 2 bedroom) units should be adapted specifically for use as temporary accommodation.

Older People

Understanding and responding to the housing need of an ageing population is something several partners and residents have expressed an interest in, working with the Council to explore and develop a more strategic and responsive approach in the future. The Housing Strategy will support continued work to meet this broad objective over the next five years.



4. The Need for Intermediate Affordable Homes

These are homes that cost more than social or affordable rented homes but are less than similar homes to buy or rent on the open market. Over the last 20 years the cost of buying a home in Chelmsford has quadrupled, as shown in Table 8 below.

Table 8: House price affordability Two Bed Terrace House

Year	House price	Monthly mortgage payment per month	Required household income per month
2021	285,000	1,516	5,306
2016	233,000	1,240	4,340
2011	172,500	918	3,213
2006	157,995	840	2,940
2001	79,995	425	1,487

Source:
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/medianhousepriceforationalandsnationalgeographiesquarterlyrollingyearhpsdataset09>

The SHMA concluded that although helpful to meet some demand for housing, there was no housing need that could be met through this type of housing. Recent comparisons of shared-ownership and fixed equity homes, like First Homes, are all more expensive than lower quartile market purchase homes and sometimes average rent levels for privately rented homes in Chelmsford.

Based on 35% gross income spent on housing costs; the following monthly incomes would be required to secure a two-bedroom terraced home in Chelmsford currently:

- First Homes (30% discounted sale) – the gross monthly household income would need to be £4,154.
- Shared ownership (part buy/part rent) the gross household monthly income would need to be £3,976.
- Private rent (median rent) gross monthly household income to secure a private rented dwelling (median rent) would need to be £3,675.

The average gross monthly household income for the CM2 area in Chelmsford is £2,833.

⁵Based on acquiring 40% equity with a 25-year mortgage at 5% interest rate and paying a rent calculated as an annual cost of 2.75% of the 60% of the unsold equity.

⁶Based on median private rent levels sourced from Rightmove for Chelmsford Dec 2021.

⁷This figure includes all households, some of which may be single people or retired people.



5. The Need for Temporary Accommodation

Local housing authorities may need to use temporary accommodation for cases of urgent need when there are no suitable settled affordable homes available. Nationally, the need for temporary accommodation has doubled over the last ten years and this corresponds to the rise in use of temporary accommodation in Chelmsford. Through the development of the Housing Strategy, and increased monitoring of housing need, we have a better understanding of the type of temporary accommodation that is needed in the short term.

The Council relies on various sources to access temporary accommodation for households whilst waiting for more settled, suitable affordable homes to become available. The most expensive options are those that are leased by the council from private landlords - these require a rent to be paid even when void (so the council is not receiving any income) and are properties of varying age, condition, and type.

Nightly lets and Bed & Breakfast (B&B) accommodation is also more expensive than the average cost, but these have the advantage that they can often be accessed (and agreements ended) at short notice and include an element of management from the provider.

Homes that are managed by Registered Providers that also provide support are also more expensive than average. However, these have the advantage that for some households, this may be the only option that is reasonable, especially if they have more complex support needs and may otherwise struggle to live independently.

The least expensive form of temporary accommodation is those that are owned by the Council, especially 'modular units', which have lower maintenance costs compared with conventional build properties. This also reduces the void time between lettings and rent loss. Although more cost effective than more conventional properties bought by the Council, the latter do provide a longer-term investment opportunity to offset higher revenue costs.

In the short-term, we expect to see a rising need for temporary accommodation and propose to increase the supply of council owned homes used as temporary housing, through a combination of market purchases and the development of more modular units.



Table 9 below, shows the use of and cost to the Council of different types of temporary accommodation in October 2021:

Type	Number households accommodated	Average annual net cost to the Council
Nightly lets	88	£6,517
Private Sector Leased	61	£11,556
RP owned	57	£3,480
B&B	34	£6,799
Council owned	24	£4,161
Modular homes	18	£2,084
RP with support	14	£8,836
Total	296	£6,204

Source: Chelmsford City Council.

The overall supply of 1-bed temporary accommodation has increased since the start of the Covid pandemic in early 2020. However, the Council is on track to meet the required supply set by the SHMA for settled accommodation and aim to be able to use some of the additional supply of supported housing to prevent and relieve homelessness, reducing the need for temporary accommodation for single people in the future.

The need for 2-bed temporary accommodation continues to be high. This is in part because households with a 3-bedroom plus housing need, may also have to use smaller two-bedroom accommodation on a temporary basis due to limited supply of larger affordable homes for temporary accommodation as well as general needs affordable homes. It is less expensive to work with private landlords to help prevent and relieve homeless for families of this size, as few if any will be affected by the benefit cap, so there are some private rented options that can still be used as temporary accommodation for those households with a two-bedroom need.

The most expensive temporary accommodation is 3- and 4-bed temporary accommodation because of the size and cost of the properties needed and the long wait in temporary accommodation households requiring this accommodation are likely to face before being offered a settled home. It therefore makes sense to increase the supply of 3-and 4 bed temporary accommodation. The provision of additional larger modular units will avoid the need in future to use B&B for families. In addition, acquiring more homes on the open market for use as temporary accommodation in the short to medium term, will create an investment opportunity which the Council can realise in the future, once a better supply of affordable homes is in place.

6. Conclusion

The information in this Statistical Appendix has been used to inform the Vision, Priorities, and Actions in Chelmsford City Council's Housing Strategy 2022-2027. The information presented in this Statistical Appendix will be reviewed on an annual basis to assist in the monitoring of the Action Plan and Outputs set out in the Appendix of the Chelmsford Housing Strategy 2022 – 2027.

