

Public Document Pack



RUSHMOOR BOROUGH COUNCIL

CABINET

*at the Council Offices, Farnborough on
Tuesday, 26th July, 2016 at 7.00 pm
in Concorde Room, Council Offices, Farnborough*

To:

Councillor D.E. Clifford, Leader of the Council
Councillor K.H. Muschamp, Deputy Leader and Business, Safety and Regulation
Portfolio

Councillor Sue Carter, Leisure and Youth Portfolio
Councillor Barbara Hurst, Health and Housing Portfolio
Councillor G.B. Lyon, Concessions and Community Support Portfolio
Councillor P.G. Taylor, Corporate Services Portfolio
Councillor M.J. Tennant, Environment and Service Delivery Portfolio

Enquiries regarding this agenda should be referred to Chris Todd, Democratic
Services, Democratic and Customer Services on 01252 398825 or e-mail:
chris.todd@rushmoor.gov.uk

A full copy of this agenda can be found here:
www.rushmoor.gov.uk/

AGENDA

1. **MINUTES** – (Pages 1 - 6)

To confirm the Minutes of the Meeting held on 28th June, 2016 (copy attached).

2. **DIGITAL ADVERTISING** – (Pages 7 - 16)
(Environment and Service Delivery)

To consider the Head of Financial Services' Report No. FIN1614 (copy attached), which sets out the next steps in the Council's digital advertising project.

3. **RUSHMOOR LOCAL PLAN WORK PROGRAMME** – (Pages 17 - 34)
(Environment and Service Delivery)

To consider the Head of Planning's Report No. PLN1624 (copy attached), which provides an update on the future work programme for the preparation of the new Rushmoor Local Plan.

4. **SECTION 106 DEVELOPER CONTRIBUTIONS ON SMALL SCALE RESIDENTIAL SITES AND AFFORDABLE HOUSING PROVISION** – (Pages 35 - 40)
(Business, Safety and Regulation)

To consider the Head of Planning's Report No. PLN1622 (copy attached), which sets out a proposal to cease seeking contributions from developers, under Section 106 agreements, in respect of small scale residential developments.

5. **FARNBOROUGH AIRPORT COMMUNITY ENVIRONMENTAL FUND** – (Pages 41 - 46)
(Environment and Service Delivery)

To consider the Head of Community and Environmental Services' Report No. COMM1615 (copy attached), which sets out details of applications for grants from the Farnborough Airport Community Environmental Fund and seeks approval of an amendment to a previously awarded grant.

6. **GRANTS TO VOLUNTARY ORGANISATIONS** – (Pages 47 - 50)
(Concessions and Community Support)

To consider the Head of Community and Environmental Services' Report No. COMM1616 (copy attached), which sets out applications for grants from voluntary organisations.

7. **COMMERCIAL PROPERTY ACQUISITIONS** – (Pages 51 - 58)
(Corporate Services)

To consider the Solicitor to the Council's Report No. LEG1609 (copy attached), which provides an update on the Council's progress in investing in commercial property assets in order to generate revenue income.

8. **EXCLUSION OF THE PUBLIC** –

To consider resolving:

That, subject to the public interest test, the public be excluded from this meeting during the discussion of the undermentioned item to avoid the disclosure of exempt information within the paragraphs of Schedule 12A to the Local Government Act, 1972 indicated against such item:

Item No.	Schedule 12A Para. No.	Category
9	3	Information relating to financial or business affairs

9. **PROVISION OF A COUNCIL DEPOT - UPDATE** – (Pages 59 - 64)
(Environment and Service Delivery)

To consider the Solicitor to the Council's Exempt Report No. LEG1610 (copy attached), which sets out the latest position regarding the provision of a new Council Depot, including the consideration of alternative sites.

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RUSHMOOR BOROUGH COUNCIL

CABINET

Tuesday, 28th June, 2016 at 7.00 p.m.
at the Council Offices, Farnborough

Councillor D.E. Clifford (Leader of the Council)
Councillor K.H. Muschamp (Deputy Leader and Business, Safety and
Regulation Portfolio)

a Councillor Sue Carter (Leisure and Youth Portfolio)
Councillor Barbara Hurst (Health and Housing Portfolio)
Councillor G.B. Lyon (Concessions and Community Support Portfolio)
Councillor P.G. Taylor (Corporate Services Portfolio)
Councillor M.J. Tennant (Environment and Service Delivery Portfolio)

An apology for absence was submitted on behalf of Councillor Sue Carter.

The Cabinet considered the following matters at the above-mentioned meeting. All executive decisions of the Cabinet shall become effective, subject to the call-in procedure, from **12th July, 2016**.

15. **MINUTES –**

The Minutes of the meeting of the Cabinet held on 31st May, 2016 were confirmed and signed by the Chairman.

16. **STREET HOMELESS SOLUTION – PROVISION OF A HOSTEL –**
(Health and Housing)

The Cabinet considered the Head of Environmental Health and Housing's Report No. EHH1607, which set out a proposal to use an empty, former barrack building on the Wellesley site in Aldershot to provide accommodation for rough sleepers. The Leader of the Council welcomed Trevor Pickup, Tony Keall and Simone Gleed, from the Society of St. James Housing Association, to the meeting.

Members were informed that the proposed project would provide specialist housing and intervention for rough sleepers with drug, alcohol and mental health issues. The accommodation would provide nine bed spaces for a three-year period. The specialist support would be provided by the Society of St. James Housing Association, which had experience of running similar projects elsewhere in Hampshire. The project had received interest and funding offers from nine partners, including the Grainger Trust, the Society of St James, the NHS Surrey and Borders Partnership (Mental Health), the NHS Inclusion Team and Hampshire County Council. In total, project backing from partners would equate to £108,000. The Society of St James would manage the hostel and the Council would have full nomination rights. This model would comply with the Department for Work and Pensions' definition of Exempt Specified Accommodation, which would mean that hostel tenants would be able to claim Housing Benefit instead of Universal Credit and this would be paid directly to the Society of St. James to cover staffing and management costs. It was confirmed that there was no requirement for the Council to provide any funding for the day-to-day running of the hostel. The Council would, however, be required to cover the annual rent and insurance costs of £2,200 per annum and a further £2,600 in the first year to cover the contribution to the Strategic Access Management and Monitoring Measures relating to the Special Protection Area. It was confirmed that these costs would be covered through the contribution from Hampshire County Council. A one off capital investment of £20,000 by the Council would be required to cover the costs of building materials.

The Cabinet expressed strong support for the project and considered that this would provide great assistance to the problem with rough sleepers, particularly in Aldershot. Members sought assurance that adequate facilities and support would be available to hostel residents once they were ready to move on from the hostel.

The Cabinet RESOLVED that

- (i) approval be given to seek planning permission for a change of use for the building;
- (ii) a variation to the Capital Programme of £20,000 in 2016/17 be approved; and
- (iii) a Supplementary Estimate of £34,700 in 2016/17, to reflect costs as set out in the Head of Environmental Health and Housing's Report No. EHH1607, for which the Council had already secured grant funding, be approved.

**17. TREASURY MANAGEMENT OPERATIONS 2015/16 –
(Corporate Services)**

The Cabinet received the Head of Financial Services' Report No. FIN1613, which set out the main treasury management activities during 2015/16 and provided an update on the current economic conditions affecting

treasury management decisions. The Report set out the actual prudential indicators relating to capital financing and treasury activities for 2015/16 and compared these to the indicators set in the Annual Treasury Management Strategy for the year, which had been approved by the Council on 26th February, 2015.

The Cabinet NOTED the Head of Financial Services' Report No. FIN1613 in relation to the treasury management activities which had been carried out during 2015/16.

18. FARNBOROUGH LEISURE CENTRE – CONSIDERATION OF OPTIONS FOR MAIN LIFT IN FOYER –
(Leisure and Youth)

The Cabinet considered the Solicitor to the Council's Report No. LEG1607, which sought approval to vary the 2016/17 Capital Programme to permit urgent works to the main lift at Farnborough Leisure Centre, following the commissioning of a lift consultant's report.

The Cabinet was informed that the existing lift was around 30 years old and had become increasingly unreliable. It was, currently, out of service and the lift maintenance company employed by the leisure centre operator had advised that repair of the lift had become uneconomic. Whilst there was a second lift elsewhere in the building, this main lift was the sole means of access to the gymnasium for wheelchair users and those with impaired mobility. An independent lift consultant had reported that, contrary to the opinion of the lift maintenance company, it was feasible to repair and upgrade the existing lift, to extend its life by an estimated five to ten years. It was recommended that the repair of the existing lift was the most cost effective option available to the Council.

The Cabinet RESOLVED that approval be given to a variation to the 2016/17 Capital Programme of £54,000 to enable the procurement of the repair and upgrade of the existing lift, as set out in the Solicitor to the Council's Report No. LEG1607.

19. GUILDFORD BOROUGH COUNCIL DRAFT LOCAL PLAN – CONSULTATION –
(Environment and Service Delivery)

The Cabinet considered the Head of Planning's Report No. PLN1621, which sought agreement to submit comments on Guildford Borough Council's Proposed Submission Local Plan: Strategy and Sites document, which was open to consultation until 18th July, 2016. The Cabinet was reminded that the Council had submitted comments on the draft Guildford Local Plan previously in September 2014.

The Report set out the context of this consultation in terms of National Planning Policy and explained how Hart, Rushmoor and Surrey Heath Councils together formed a Housing Market Area. It was explained that

Guildford, Waverley and Woking Councils were working together in a similar way. It was noted that 89% of Guildford Borough fell within the Metropolitan Green Belt. It was predicted in the document that Guildford would meet its objectively assessed housing need within its administrative area. The document also expressed a commitment to preserving the gap between Aldershot and the Ash and Tongham urban area.

The Cabinet discussed several elements of the consultation, including the extent of development proposed for the Ash and Tongham areas and the importance of ensuring that infrastructure was improved sufficiently to cope with the increase in the local population.

The Cabinet RESOLVED that the Council make representations on the Guildford Borough Proposed Submission Local Plan: Strategy and Sites consultation document, based on the comments set out in the Head of Planning's Report No. PLN1621.

20. **MEETINGS AND DECISIONS MANAGEMENT SYSTEM –**
(Corporate Services)

The Cabinet considered the Head of Democratic and Customer Services' Report No. DCS1604, which sought approval to license software which would provide an end to end system for managing meetings. The system would be primarily used to manage Member meetings but would also have a range of other applications, such as managing corporate groups and decision and report management.

The Report explained how the proposed system was already used by many other local authorities and contained a list of benefits to the Council, including moving towards a more paperless method of managing the Council's decision making process. If approved, installation would be carried out over the Summer 2016.

The Cabinet expressed support for the move towards a more paperless system and considered that the costs involved were justified.

The Cabinet RESOLVED that

- (i) the introduction of a meetings and decisions management system be approved, subject to the necessary procurement arrangements being completed; and
- (ii) a variation to the Capital Programme of £15,000 for the cost of the project in the first year and the inclusion of the revenue costs in the budget from the second year onwards, to be agreed by the Head of Democratic and Customer Services, in consultation with the Cabinet Member for Corporate Services and the Head of Financial Services, be approved.

21. **REVIEW OF PORTFOLIOS –**
(Corporate Services)

The Cabinet received the Head of Democratic and Customer Services' Report No. DCS1603, which provided the results of a review of the Cabinet portfolios, taking account of the comparative workloads.

The Report explained that the review had been carried out at the request of the Leader of the Council. The review had shown that responsibilities had evolved over time and as a result of this, the Leader of the Council and Deputy Leader had made changes to the responsibilities within portfolios that would provide a fairer workload for Cabinet Members. The changes were set in an appendix to the Report. It was noted that the Cabinet had made an undertaking to re-assess the Council's priorities and, once this had been completed, it was likely that a further review of the Cabinet portfolios would be carried out.

The Cabinet NOTED and ENDORSED the action taken in making changes to the Cabinet portfolios for 2016/17, as set out in the Head of Democratic and Customer Services' Report No. DCS1603.

The Meeting closed at 8.07 p.m.

CR. D.E. CLIFFORD
LEADER OF THE COUNCIL

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CABINET
26 JULY 2016

HEAD OF FINANCIAL SERVICES
REPORT NO: FIN1614

DIGITAL ADVERTISING

1. PURPOSE

- 1.1 The purpose of this report is to seek approval to move to the next steps in the digital advertising project, which forms part of the income generation stream of the Council's 8-point plan for achieving financial sustainability. The project also links to a second strand of the 8-point plan, by seeking to make better use of the Council's existing assets, and maximising their revenue return.

2. BACKGROUND

- 2.1 Cabinet considered report no. COMM1509 at its meeting of 28 April 2015 and subsequently approved the addition of digital advertising to the interactive wayfinders being installed as part of the Activation Aldershot project and the principle of pursuing further digital advertising opportunities within the Borough, in locations such as alongside motorways and key roads, car parks and civic buildings.
- 2.2 A project team was set up to explore the feasibility of these initiatives and to determine the approach to market.
- 2.3 Initial market testing has shown that there are a number of options for digital advertising that the Council could pursue which have the potential to provide a long-term, sustainable income stream.

- Fixed tower devices alongside M3 motorway
- Fixed devices alongside high traffic flow areas in the Borough
- Fixed device outside main entrance to Council Offices
- A trailer-mounted mobile screen

Visual representations of these devices are attached at Appendix A but note that these are examples only and may not represent the actual models purchased.

- 2.4 Issues identified by the project team and through the soft-market testing are set out below.

3 PROCUREMENT OPTIONS

- 3.1 There are a number of delivery options that could be considered as part of the procurement exercise:

In respect of permanent devices situated on Council-owned land, the Council

could:

- fully fund the capital investment in return for a share of the advertising income
- part fund the capital investment in return for a reduced share of the advertising income
- seek a ground rent only for devices funded by the supplier

In respect of mobile devices, which could be located at various sites within the Borough or hired out to other organisations, the Council could again either fully or part fund the capital investment, benefitting from a share of advertising income.

Additional income could be realised through the screening of sporting events or films.

Other options coming through the soft market testing include:

- capital funding by the supplier alongside an income share (thus giving the Council no at-risk initial outlay with all financial risk remaining with the supplier) or
- a sale and lease back option where the Council purchases the device but is able to lease it back to the supplier on days that it is not in use.

Consideration has also been given to setting a minimum income guarantee to ensure payback of any capital outlay over a stated period.

- 3.2 This type of procurement exercise is new to the Council and the project team have spent some time learning about the market and investigating the best route to market. The team have been talking to various suppliers and to other Councils who are developing similar projects. An initial tender for the trailer-mounted mobile screen confirmed that there is interest in the supply of the device, although none of the tenderers met the exact requirements that had been set out. What has also become evident is that the supply of the advertising management would be better served by offering the full package to the market (i.e. motorway and roadside signage, Council offices and mobile screen) rather than taking a phased approach, as the motorway advertising is the most appealing aspect to the 'out of home' digital advertising suppliers.
- 3.3 Some of the advertising suppliers we have engaged with have indicated that they tend to concentrate on areas within London or with the larger metropolitan Councils. However, we believe that the Borough has a lot to offer to the market, with its large commuter base, its ownership of land adjacent to the M3 and the significant value of events such as Farnborough International Airshow, with its plans for expansion of major exhibition and conference facilities. The Council is in a unique position to offer sites that take advantage of the M3 gateway.
- 3.4 The result of these investigations are likely to result in a more complex procurement exercise, with potential for various Lots to be awarded with the opportunity for suppliers to bid for some or all of the devices as well as some or all of the advertising package. The team believes that this will maximise the response from suppliers.
- 3.5 The team have had discussions with other local authorities who have developed their digital advertising offer and a strong theme coming through is the benefit of engaging some specialist advice in evaluating the local market potential, assessing the suitability of potential locations for devices, and preparing and

running the tender process.

- 3.6 This is a new and potentially significant area of income generation and it is vital that the Council adopts the best approach to maximise revenue and best serve its community, and that we learn from the skills employed on this project to inform future projects.

4 ADVERTISING POLICY

- 4.1 The Council needs to consider any risk to its reputation against the financial and wider economic benefits that could be derived from advertising. Prospective suppliers will be unable to evaluate the potential income stream without having regard to a clear advertising policy. A draft advertising policy is attached at Appendix B for consideration.
- 4.2 The policy is largely based on the Advertising Standards Authority's current UK Code. The Advertising Standards Authority is the UK's independent regulator of advertising across all media.
- 4.3 The draft policy sets out categories of advertising that will be unacceptable to the Council and additionally reserves the right to refuse certain advertising within its own residents' magazine or in the immediate vicinity of Council offices.

5 ADVERTISING CONSENT

- 5.1 Planning consent is required for the display of advertisements.
- 5.2 The planning process will include an element of public consultation.
- 5.3 Approval will be required from Highways England prior to erection of advertising adjacent to motorways or roads. Initial discussions point to approval not being refused unreasonably so long as guidelines are adhered to (in terms of distance from road, lighting etc.). The Council could choose to build into the tender that suppliers will be responsible for securing Highways England approval, as such firms often employ specialist planning resource to deal with such matters, or to pursue the approval ourselves.
- 5.4 It is proposed to report back to Cabinet on proposed locations subject to review by external specialists. Authority to apply for the necessary planning consents will be sought at that time.

6 BENEFITS

- Financial
- 6.1 With limited knowledge of this market, the expenditure and in particular the potential revenue stream, are difficult to estimate. However, soft-market testing indicates that the project could provide a significant additional income stream to the Council, with limited on-going costs and resource requirements.

- 6.2 Expectations around the potential for income generation need to be realistic given the range of variable factors on which this depends – many of which the Council cannot control.
- 6.3 Factors affecting income generation include the current economic climate, market forces and the attractiveness of the type and location of a platform (considering things such as audience reach, traffic flows and footfall.) Depending upon the size and type of organisation or business, some of the Council's assets and locations will be more attractive and advantageous than others.
- 6.4 At this stage indicative expenditure could be in the region of around £1,000,000 (again dependent on number and type of advertising platform and on whether the Council fully or part-funds the capital outlay).
- 6.5 Income potential could be in the region of £2,000,000 - £3,000,000 over a 7-year period delivering £285,000 - £430,000 per annum to the revenue funds before cost of capital and any other revenue implications are accounted for. Income is likely to be built up over time with lower returns in the earlier years while links are formed to national advertisers.
- 6.6 These figures are approximations only and a full business case would be presented to Cabinet after seeking expert advice.

Reputational

- 6.7 Digital advertising fits well with the Council's digital strategy and could have wider benefits for the local economy by showcasing local as well as national businesses, and demonstrating the Council's innovative and commercial approach.

7 OTHER ISSUES FOR CONSIDERATION

- 7.1 Advertising platforms will attract business rates. Under the procurement exercise, the Council could choose to make the supplier liable for the payment of the business rates, before advertising revenue is shared. The cost of business rates will be partially offset by the Council's share of the business rates under the Business Rates Retention Scheme, with additional rates income being generated if growth in rates is achieved above a baseline.
- 7.2 As noted above, if the Council's digital advertising strategy is realised, there will be a requirement for some on-going management of the devices and the advertising management contracts. At this stage, it is difficult to estimate the extent of resource required and whether this can be met from existing resource and where this might sit in the Council's organisational structure moving forwards. Any on-going revenue costs will be factored into the business case for Cabinet consideration.
- 7.3 While officers have identified potential sites for the proposed advertising platforms, it is intended that the specialists advise on the ultimate suitability of these locations. The recommendations would then be reported back for Cabinet consideration. As noted earlier in the report, public consultation would also take place as part of the planning process.

8 OTHER OPTIONS CONSIDERED

- 8.1 The Council could choose to manage the sale of advertising itself using internal resources. At this time, the Council does not have sufficient expertise or capacity internally to progress this option. An existing supplier, active in this market, will have the necessary contacts to secure greater advertising opportunities.
- 8.2 The Council could choose to proceed with tender specification without seeking external advice. Again, the Council does not have the necessary market knowledge or expertise to maximise the benefit from this potentially significant income stream and to protect it from risk, without recourse to an independent consultant.

9 CONCLUSIONS

- 9.1 The installation of digital advertising as described in this report has the potential to generate significant income for the Council. This provides an opportunity for income generation to offset the costs of services provided to our residents, which is a key part of the Council's 8-point plan for financial sustainability.
- 9.2 Due to the complexity of the project and the lack of specific knowledge in this area within existing resources, some expertise will be required to guide the Council through the process. Support will include researching options for the most advantageous route to market and assistance in tender preparation as well as assessing the suitability of locations.
- 9.3 The Council's position in having ownership of land adjacent to the motorway and in a key gateway site provides a unique opportunity to maximise income from this initiative.
- 9.4 Future income generated from these proposals will be closely monitored and reported to Cabinet as part of the Council's 8-point plan for financial sustainability and through the on-going budget monitoring process.

10 RECOMMENDATIONS

- 10.1 That Cabinet
- (i) delegates authority to the Head of Financial Services, in consultation with the Head of Service (or Director) responsible for Procurement and the Portfolio-holder for Corporate Services, to procure and appoint a consultant to support the project, to be funded from the flexible use of capital receipts, up to a value of £40,000;
 - (ii) approves the advertising policy set out at Appendix B.

AMANDA FAHEY - HEAD OF FINANCIAL SERVICES - EXT: 8440

Project Lead - John Trusler; Project Manager - Sue Adams; Procurement - Katherine Booker/Rodrick Msipo; Communications - Gill Chisnall.

DIGITAL ADVERTISING OPTIONS

1. ADVERTISING DEVICES

- 1.1 All of the examples shown in this appendix are for illustrative purposes only at this stage. No decisions have yet been made on the exact specification of the devices. As part of the project, the Council will seek advice as to the suitability of both the devices and the locations and public consultation will take place before any final decisions are made.

2 MOTORWAY ADVERTISING

- 2.1 Motorway advertising has the potential for significant income generation. The most effective model is understood to be two signs opposite each other, of around 5m wide x 7.5m high. Some existing examples are shown below:



3 ROADSIDE ADVERTISING

- 3.1 Roadside devices have the potential for reasonable advertising returns, directly linked to the traffic volumes. These devices are likely to be single-sided, with screen sizes of approximately 72", as illustrated:



4 FIXED DEVICE OUTSIDE COUNCIL OFFICES

4.1 It is proposed that this would be a double-sided screen of approximately 55”.



5 TRAILER-MOUNTED MOBILE SCREEN

5.1 A trailer-mounted mobile screen would provide the Council with the opportunity to advertise in various locations, to hire to local companies/events, and to use for the screening of films and sporting events. An example is shown below:



Rushmoor Borough Council Advertising Policy – DRAFT

Background

Rushmoor Borough Council is looking to increase revenue from its growing offer of advertising opportunities, particularly digital advertising.

The Council's approach is an open one and to approve adverts wherever possible. It recognises, however, that there are occasions when it will not be able to accept advertising because it considers it inappropriate or offensive. The purpose of this policy is to provide guidelines to advertisers on the type of advertising that the Council may permit.

General principles

All adverts must meet the Advertising Standards Authority's current UK Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing, known as the CAP Code – available at: <http://www.cap.org.uk/Advertising-Codes/Non-Broadcast.aspx>

The CAP Code is enforced by the Advertising Standards Authority (ASA), which can take steps to remove or have amended, an advert that breaches the rules.

The CAP Code includes provisions that adverts must:

- Be legal, decent, honest and truthful
- Reflect the spirit as well as the letter of the Code
- Be prepared with a sense of responsibility to consumers and society
- Not bring advertising into disrepute
- Conform to the Code
- Respect the principles of fair competition

In addition, any advertising should not bring the Council into disrepute.

Unacceptable products and services

The Council will not accept advertising that promotes any of the following:

- Tobacco
- Alcohol
- Gambling
- Pornography, advertising associated with 'adult industries'
- Advertising with an overtly sexual tone
- Weapons, dangerous products or materials
- Controlled drugs, legal highs and drug paraphernalia
- Advertising that relates to religions or religious beliefs
- Political or lobbying campaigns or specific politicians and political organisations
- Anything that could lead to the prosecution of the Council

Categories of advertising that the Council may refuse

The Council reserves the right not to accept certain types of advertising. These include:

- Advertising from legal or quasi-legal organisations limiting their services to one area of law, e.g. personal injury
- Advertising that offers credit, including payday loans
- Anything the Council considers unacceptable to its purpose or values
- Advertising that suggests that the Council endorses a product or service
- Anything that has been the subject of a complaint to the ASA, which the ASA has upheld

This list is not exhaustive and the Council reserves the right to refuse any advertising that it considers inappropriate.

In addition, the Council may not accept the following types of advertisement in its residents' magazine, Arena, on Council buildings or in Council grounds:

- Advertising from organisations or businesses that offer services in competition with the Council or its contractors
- Advertising from other towns and shopping centres that could be considered to be in competition with Aldershot, Farnborough or North Camp

Liability

The advertiser is responsible for ensuring compliance with all applicable laws and regulations in addition to Rushmoor Borough Council's advertising policy.

Publishing or displaying an advert should not be regarded as endorsement by the Council of any product or service. The Council accepts no responsibility for the quality or reliability of any product or service advertised.

The Council may amend these guidelines from time to time.

26 July 2016

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CABINET
26 July 2016

HEAD OF PLANNING
REPORT NO. PLN1624

Rushmoor Local Plan Work Programme

1. Purpose of Decision

- 1.1 The purpose of this report is to update the future work programme for the preparation of the new Rushmoor Local Plan. The current Local Development Scheme (LDS) is dated January 2016, and can be viewed at <http://www.rushmoor.gov.uk/lds>. The need to make some changes to the work programme is a direct result of the changes to the plan making process as required by the National Planning Policy Framework (NPPF) and supporting National Planning Practice Guidance (NPPG), but particularly the implications of this in terms of cross boundary working on key strategic planning issues.

2. National Planning Policy Framework

- 2.1 The NPPF was published in March 2012, post the adoption of the Rushmoor Core Strategy (October 2011). The NPPF contains some key messages, which are relevant to the preparation of the new Rushmoor Local Plan:
- Each local authority should produce a single Local Plan for its area, and additional development plan documents should only be produced where clearly justified;
 - There is an obligation on local authorities to assess and plan to meet objectively assessed development needs;
 - Plan making is bound by a statutory “Duty to Cooperate”;
 - Local authorities need to work with neighbouring authorities to assess needs for housing and economic growth, and to make every effort to meet those needs across housing market and functional economic areas;
 - Local authorities must be able to demonstrate evidence of ongoing cooperation on strategic priorities from the outset of plan making, right through to Examination.

3. Fulfilling the Duty to Cooperate

- 3.1 Mindful of the requirements of the NPPF, the Council has identified two key strategic cross boundary issues (relating to housing and employment) on which it must work jointly with neighbouring local authorities. Work has been undertaken to determine that the Council forms part of a Housing Market Area (HMA) and a Functional Economic Area (FEA) with Hart District and Surrey Heath Borough Councils (for further information, visit www.rushmoor.gov.uk/newlocalplan). In the light of this, there is a requirement (as set out in the NPPF) to prepare a joint evidence base to inform plan making in our respective authorities.

- 3.2 To progress this work (as required by the Duty to Cooperate), the Council, together with Hart and Surrey Heath Councils, set up a Joint Member Liaison Group on Housing and Employment. This Group meets to review the evolving evidence base, and to ensure that the three authorities are using all reasonable endeavours to work together to meet housing and employment needs, and fulfil the legal and soundness tests relating to the duty to cooperate at the Examination of the Local Plan for each authority.

4. The position in Rushmoor

- 4.1 Rushmoor is fortunate to have an adopted Core Strategy, and this will remain part of the Development Plan until it is replaced by a subsequent Local Plan. Although the Core Strategy is post the 2004 Planning and Compulsory Purchase Act, given that it is pre-NPPF, we are still required to update it to reflect the national policy context established by the NPPF. This is being undertaken through the preparation of a new Local Plan for Rushmoor.
- 4.2 As part of the evidence gathering for the new Rushmoor Local Plan, guided by the joint Member Liaison Group, a Joint Strategic Housing Market Assessment (SHMA) (covering Hart, Rushmoor and Surrey Heath) was published in December 2014. NPPG provides a broad methodology for the preparation of the SHMA, and the 2014 version was based on the most up to date statistical information at the time of its preparation.
- 4.3 The SHMA established a figure for “Objectively Assessed Housing Need” (OAHN) across the Housing Market Area. As part of this overall need, the SHMA identified a housing need for Rushmoor between 2011 and 2032 of 9,822 dwellings. Reflecting this evidence base, the Council published its Draft Rushmoor Local Plan Preferred Approach for consultation in June 2015. The draft Plan identified capacity (i.e. supply to help meet need) for 8,200 homes between 2011 and 2032, leaving a shortfall in supply against housing need of 1,600 homes.
- 4.4 In addition, a joint Employment Land Review was published in June 2015, and was based on the same employment forecasts as contained in the SHMA. As such, these two key pieces of evidence are intrinsically linked.
- 4.5 However, since the publication of the draft (Preferred Approach) Rushmoor Local Plan in 2015, national guidance, and the interpretation of that guidance by Inspectors at Local Plan Examinations and planning appeals, continues to evolve. In addition, the Government has released updated population projections, whilst Business Register and Employment Survey (BRES) data on employment for local authority for 2014 was published in September 2015. Moreover, all of the three major forecasting houses that produce employment forecasts at local authority level have updated forecasts since those used in the SHMA and the ELR.
- 4.6 In this context, mindful of the requirement as part of the Duty to Cooperate to work jointly with partner authorities, it is essential that the Councils undertake jointly a refresh of the SHMA and the ELR. This work is currently underway,

and will result in an updated figure for Objectively Assessed Housing Need across the Housing Market Area, shared between each of the three partner authorities (including Rushmoor). This figure for housing need must be available to inform the next stage of the new Local Plan for Rushmoor, which is a more formal consultation stage, and should be the version of the Plan that the Council anticipates it will submit for Examination. To inform the housing target in the new Local Plan, further scrutiny is required of the potential capacity (i.e. supply of housing sites) to determine if we can meet the refreshed objectively assessed housing need within Rushmoor in the first instance.

- 4.7 This also has implications for employment land requirements, and hence, the ELR must also be updated before the next version of the Local Plan can be progressed. This will help to ensure that the Local Plan protects the right type and quantity of employment sites in the right locations over the Plan period to 2032.
- 4.8 This further work is also beneficial in assisting with a response to a number of comments received through the consultation on the draft Local Plan last summer, which challenged elements of the evidence base, and in particular, raised objection to the fact that the potential shortfall in housing supply in Rushmoor should be accommodated in Hart.
- 4.9 As the housing and employment evidence documents are part of a joint evidence base with our housing market and functional economic area partners (Hart and Surrey Heath Councils), we cannot progress the Local Plan without them (mindful of the Duty to Cooperate).
- 4.10 Members will be aware that the Local Development Scheme was last updated in January 2016. At this time, it was envisaged that the updates to the key elements of the evidence base would be available by April/May 2016. However, due to circumstances beyond the Council's control (relating to staff resourcing at one of our Housing Market Area partner authorities), the updates to these key strands of the evidence base have taken longer than originally anticipated. This has had a knock on effect in terms of our ability to commission other elements of the evidence base, as these require an updated figure for objectively assessed housing need in the Borough before they can proceed with any certainty.
- 4.11 The Council therefore has no option but to amend the timetable for the remaining stages of preparation for the new Local Plan, to take account of the delays in the preparation of the joint evidence work. Whilst there will be some further delay to the timetable, this is nevertheless outweighed by the positive outcome in terms of ensuring that the emerging Local Plan is supported by an up to date, robust and jointly agreed, evidence base. This is very important, because this evidence base, and its interpretation in the Local Plan, will receive intense scrutiny by an Inspector (and potential objectors) at the Local Plan Examination (particularly in respect of the tests of soundness as they relate to the Duty to Cooperate). The evidence base documents are the building blocks for a robust Local Plan, and it is therefore better to take the

time to update the background work than to progress the Local Plan without it. To push ahead without updating the evidence base with our partners would be premature, and would put at risk the achievement of a “sound” Local Plan for Rushmoor.

5. Implications for the Local Plan work programme

5.1 In this context, it is necessary to revise again the work programme for the preparation of the Local Plan. Accounting for the timescale for the revision of joint evidence base documents, and the time required to reflect this in other elements of the evidence base, the net effect of this will be a delay of around four months in the adoption of the Local Plan, so this would now occur in March/April 2018 (rather than December 2017). The reasons for this delay, and the consequences for the timetable for the preparation of the new Local Plan, have been discussed with, and recognised by, the cross-party Local Plan Member Steering Group.

5.2 The revised timetable for the next steps in the preparation of the new Local Plan is set out below:

Key Milestones	Dates
Publication of updated SHMA	July 2016
Publication of updated ELR	July 2016
Publish draft Submission DPD	March 2017
Submission of DPD, SA Report and Proposals Map to SoS	June 2017
Examination	October 2017
Receipt of Inspector’s Report	January 2018
Adoption and publication of DPD and Proposals Map	March/April 2018

New Rushmoor Local Plan: proposed timetable for remaining stages in its preparation

5.3 With regard to potential risks to the Council in terms of extending the date of anticipated adoption of the new Local Plan, indications from the Government are that those Councils without a Local Plan that post-dates the 2004 Planning and Compulsory Purchase Act (P&CPA) are at greatest risk of intervention in plan making. As Rushmoor Council benefits from a post 2004 P&CPA Core Strategy, it would only be at risk from intervention were a Local Plan not to have been “published” by March 2018. As Members will see from the table in paragraph 5.2 of this report, the revised work programme envisages the **adoption** (rather than just publication of a consultation version) of the new Local Plan by March/April 2018 – subject of course to available resources at the Planning Inspectorate to support our Examination process in late 2017. This indicates that in spite of the slight delay, we remain at lower risk of intervention in the Plan making process than many other authorities.

6. Next Steps

- 6.1 Officers have incorporated the changes set out in paragraph 5.2 into a revised Local Development Scheme, and this is attached at Annex 1 of this report. Subject to agreement by Cabinet to the amended timetable for the Rushmoor Local Plan, the updated version will be placed on the Council's website with effect from 1st August 2016.
- 6.3 In addition, in agreement with the Portfolio Holder for Environment and Service Delivery, Officers will take the opportunity to make minor updates to the LDS. However, any future major changes to the work programme will be brought back to Cabinet for agreement in the form of a revised LDS.

7. Conclusions

- 7.1 Whilst unfortunate, the need to delay the work programme for the preparation of the new Local Plan is unavoidable. It is imperative that the background evidence is updated in partnership with Hart and Surrey Heath Councils, as this is key to securing a sound Plan. There is still a real focus on achieving adoption of a sound Local Plan for Rushmoor by spring 2018.
- 7.2 It is important to note, however, that there are still some risks associated with working jointly with other authorities on cross boundary strategic issues, complicated further by the new Housing and Planning Act (2016), and its implications for Plan making. This revised timetable for the preparation of the Local Plan is the best estimate on the basis of available information at this point in time. However, this does not preclude the need to come back to Cabinet at some point in the future to amend the timetable in response to circumstances that at present we are unable to foresee.

8. Recommendations

8.1 It is recommended that Cabinet:

- i) agree the revised timetable for the next steps in the preparation of the Rushmoor Local Plan as set out in paragraph 5.2 of this report;**
- ii) agree that an updated Rushmoor Local Development Scheme 2016 - 2019, incorporating the timetable changes agreed in recommendation i, be published on the Council's website, to come into effect from 1st August 2016;**
- iii) agree that any minor changes to the Local Development Scheme be delegated to the Head of Planning in conjunction with the Portfolio Holder for Environment and Service Delivery.**

Keith Holland
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ANNEX 1

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Our Local Development Scheme

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1 Introduction

1 Introduction

1.1 What is a Local Development Scheme?

1.1 A Local Development Scheme (LDS) is required under Section 15 of the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011). The LDS sets out the programme for preparing our future planning documents. It outlines what documents we will be working on, and what our timetables will be for producing them.

1.2 This version of the Local Development Scheme updates the previous version dated November 2014, and sets out our three year work programme between **August 2016 – August 2019**. We will continue to review and roll forward this document on a regular basis to take account of progress, monitoring and the latest Government policy and guidance.

1.2 Justification for the Work Programme

1.3 The National Planning Policy Framework (NPPF, 2012) states that each local planning authority should produce a Local Plan for its area, and that any additional development plan documents should only be used where clearly justified.

1.4 In addition, it is important that this work programme is realistic and 'fit for purpose'. The timetables set out in this document therefore reflect:

- The resources available to meet the work programme;
- The timing of elections, and the need to work around these for consultation events;
- The need to produce a robust and relevant evidence base, in partnership with neighbouring authorities where appropriate;
- The need to satisfy the Duty to Cooperate, as required by the Localism Act 2011;
- The need to undertake a detailed Habitats Regulations Assessment on our plans;
- Continued changes to national planning policy and legislation

Summary of this Local Development Scheme

1.5 In summary, the work programme in this document identifies:

- Preparation of a single 'Rushmoor Local Plan' Development Plan Document;
- Reference to potential future Supplementary Planning Documents;

1.6 Once adopted, the new Rushmoor Local Plan will supersede the policies in the Core Strategy (2011), the "saved" policies from the Rushmoor Local Plan Review (2000), and "saved" Policy NRM6 from the South East Plan.

Preparing the Rushmoor Local Plan 2

2 Preparing the Rushmoor Local Plan

2.1 What is the Rushmoor Local Plan?

2.1 By definition, a Local Plan is a Development Plan Document (DPD) that will guide future development in the Borough. This may be in the form of development management policies, site allocations or strategic policies on issues such as housing/employment needs and allocations.

2.2 The strategy we are developing for the future of the Borough will be set out in one Local Plan document entitled the 'Rushmoor Local Plan' and will encompass all of the issues outlined above. In addition we produce a number of supporting documents including Supplementary Planning Documents (SPD), an Authority Monitoring Report,⁽¹⁾ a Statement of Community Involvement,⁽²⁾ and this Local Development Scheme.

2.3 DPDs are particularly important because they are subject to wide public consultation and ultimately, to an independent examination, before they can be adopted. DPDs are examined to assess their 'soundness' (i.e. whether they are fit for purpose and have been properly consulted on). The procedure for developing and adopting a DPD (which applies to the new Rushmoor Local Plan) is set out below:

Key stages in Development Plan Document preparation are:

1. Consultation on the **scope of a sustainability appraisal** that will inform our plan-making activities
2. **Engagement with organisations** specified in Regulations, identification of the issues that the plan needs to consider, and preparation of an evidence base for the plan
3. **Further evidence gathering and public engagement.** Preparation and public consultation and engagement (likely to include consultation on an options or 'preferred approach' document)
4. **Publication of a proposed submission document (plan)** to allow for representations from the public & organisations on the soundness of the document that will be considered by an Inspector
5. **Submission to the Secretary of State** of the document, representations, and all the documents required by Regulations
6. **Examination by an Inspector** into the 'soundness' of the document, including public hearing sessions. Publication of the Inspector's recommendations
7. **Adoption** of the document by the Borough Council

1 A document setting out how we are performing against our timetables and whether our policies are meeting the overall objectives for future development in the borough

2 A document setting out how we will engage the community and stakeholders in preparing the Rushmoor Plan

2 Preparing the Rushmoor Local Plan

2.2 What documents have we already prepared?

2.4 As at July 2016 we have prepared and adopted the following documents:

2.2.1 Development Plan Documents

2.5 In October 2011 the Council adopted the Core Strategy Development Plan Document. This sets out an overarching, strategic framework for future development in the Borough up to 2027. It plans for the delivery of 6,350 new homes in the Borough up to 2027 of which about 4,250 will be at the Aldershot Urban Extension (known as Wellesley). It also sets out where new employment and retail development will be located and contains a number of policies relating to specific places in the Borough including Aldershot Military Town, Aldershot and Farnborough town centres and Farnborough Airport. There are also a number of core policies which apply borough-wide relating to issues such as affordable housing, renewable energy, biodiversity, infrastructure and transport.

2.6 The Core Strategy can be viewed at www.rushmoor.gov.uk/corestrategy.

2.2.2 Supplementary Planning Documents

2.7 As at July 2016, the following SPDs had been adopted. These are all available online at: www.rushmoor.gov.uk/spds.

Title of SPD	Brief Description	Adoption date
Sustainable Design & Construction	Promotes awareness of the impact new development has on the environment and encourages proposals to minimise this impact	April 2006
Housing Density & Design	Promotes well-designed housing at an appropriate density for the location of new development	April 2006
Farnborough Town Centre	Sets out a vision and key objectives for the town centre for the next 10-15 years. Provides guidance for new development proposals in the town centre	July 2007
Planning Contributions - Transport	Sets out the guidelines for developer contributions towards local transport schemes	April 2008
Aldershot Town Centre Prospectus	Sets out a strategy for regeneration based on viable investment and development options to attract and support investment in Aldershot town centre	January 2016
Aldershot Urban Extension	Sets out a vision and key objectives for development on surplus military land at the Aldershot Urban Extension	March 2009
Telecommunications	Sets out guidance for telecommunications developments	September 2009

Preparing the Rushmoor Local Plan 2

Car and Cycle Parking Standards	Sets out guidance on the provision of car and cycle parking spaces	March 2012
Buildings of Local Importance	Identifies buildings and structures of special architectural and historic interest and the approach to development proposals affecting them	March 2012
Shop Front Design Guide	Provides design guidance on the alteration or installation of shop fronts and shop signage in order to maintain or raise their design quality	February 2015
Development Affecting Public Houses	To provide further guidance in relation to how the Council determines planning applications that would result in the loss of a public house	June 2015
Farnborough Civic Quarter Masterplan	Sets out a vision, design and delivery principles to guide future development in the Civic Quarter in Farnborough	June 2015

2.2.3 Statement of Community Involvement

2.8 The Statement of Community Involvement (SCI) sets out how we will consult the local community and other interested parties on developing planning policy for Rushmoor, and on significant planning applications. We adopted our SCI in October 2013. The SCI is available online at www.rushmoor.gov.uk/sci.

2.3 What documents are we preparing?

2.9 This LDS identifies that over the period 2016 to 2019, we will progress a Development Plan Document entitled the 'Rushmoor Local Plan'. This will consider a number of issues such as the need for housing and employment, site allocations to meet these needs, general development management policies, airport related matters and town centre regeneration. A detailed timetable for, and a synopsis of the issues to be covered in, the new Rushmoor Local Plan is set out at Appendix A.

2.10 Supplementary Planning Documents (SPDs) may also be progressed over this period, but detailed timetables for SPDs are not included within this Local Development Scheme as it is not possible to foresee the subjects on which additional guidance is required. However, this does not preclude them from being prepared. Up to date information on adopted and emerging SPDs can be found on the Council's website at: www.rushmoor.gov.uk/spds.

2.3.1 Rushmoor Local Plan DPD

2.11 The new Rushmoor Local Plan will incorporate policies relating to need for housing and employment, site allocations to support this need where necessary, development management policies, airport related matters and town centre regeneration.

2.12 Once adopted, policies in the Rushmoor Local Plan will replace all policies in the adopted Core Strategy, saved policies within the Rushmoor Local Plan Review (2000), as well as saved policy NRM6 (relating to the Thames Basin Heaths Special Protection Area) of the former South East Plan.

2 Preparing the Rushmoor Local Plan

2.13 The Rushmoor Local Plan will be prepared to the following summary timetable. A more detailed timetable and synopsis is set out in Appendix A. Any minor changes to this timetable will be published on the Council's website at <http://www.rushmoor.gov.uk/lds>. Further detailed information on the new Local Plan for Rushmoor is available to view at <http://www.rushmoor.gov.uk/newlocalplan>.

Rushmoor Local Plan: Key Milestones	Timescale
Sustainability Appraisal Scoping	November 2014
Evidence gathering, identification of issues, preparation of Preferred Approach	January 2013 - March 2015
Public participation on Preferred Approach and Sustainability Appraisal Report	June/July 2015
Publish draft submission Local Plan for comment	March/April 2017
Submit Local Plan, Sustainability Appraisal Report and Proposals Map to Planning Inspectorate	June 2017
Receipt of Inspector's report	January 2018
Adoption and publication of Local Plan & Proposals Map	March/April 2018

2.4 What risks have been identified?

2.14 This Local Development Scheme is based on the best information available as at July 2016. However, several risks have been identified which may affect the ability to meet the timetable for the preparation of the new Local Plan. Hence, as far as possible, the Council will seek to minimise these risks. If it becomes clear that the timetable needs to be amended, up to date information will be placed on the website at <http://www.rushmoor.gov.uk/lds>.

Description of Risk	Minimising risks
Changes to national policy	
The Government continues to introduce legislative changes to the planning system. The Duty to Co-operate places greater need to ensure ongoing engagement and collaboration with relevant bodies. Moreover, further detail is awaited on many aspects of the Housing and Planning Act.	Officers will ensure continued awareness of national policy and legislative changes through the internet, professional journals, networking groups and training. Ongoing engagement and discussion will take place both formally and informally with other duty to co-operate bodies.
Elections	
Rushmoor Council elections will take place in May each year. There is a "purdah" period before each election during which the Council's decision making process is affected, as consultation cannot take place. After each election, new Members need to be briefed on relevant issues.	Preparation of the Rushmoor Local Plan is scheduled around election and purdah periods, and time has been allowed to brief new Members. However the views of new Members on the approach that is being developed cannot be prejudged and may cause additional delays.

Preparing the Rushmoor Local Plan 2

Description of Risk	Minimising risks
	A change of Government may also result in timing delays if it chooses to review the national planning policy framework (NPPF), and in fact, indications are that an update to the NPPF will be published later in 2016.
Resources	
<p>Rushmoor has a small team of 4 full time equivalent planning officers, plus one full time senior planning officer on a two year fixed contract. With other statutory and service requirements, this means that potential sickness and absence, and potential staff turnover, could have a significant impact on resources available to deliver the Rushmoor Plan. This LDS sets out a challenging timetable for the Team. Staff and financial resources are big risks to these timetables being delivered.</p> <p>The Government has also indicated that it will take steps to ensure that all Councils have a published Local Plan by 2017; failure to do so could result in Government intervention in the Plan making process. The consequence of this is likely to be increased pressure on resources at the Planning Inspectorate, such that there may be delays to the commencement of any Examination into the Local Plan until an Inspector becomes free to be allocated to the Council.</p>	<p>Detailed project planning will help to maximise the use of resources. Corporate measures are in place to manage leave and sickness. Close budgetary planning and monitoring will take place in order to manage financial resources effectively.</p> <p>Wherever possible, joint working will take place to help to minimise resource input.</p> <p>Early notification will be given to the Planning Inspectorate of the potential need to provide an Inspector to oversee the independent Examination of the Local Plan.</p>
Process issues	
<p>There is a risk that at the end of the process the Rushmoor Local Plan will be found 'unsound' – i.e. the Council will not be able to adopt it and will have to do additional work. There is also a risk of a High Court challenge by external parties. Throughout the process the Council seeks to engage the local community, stakeholders and relevant Duty to Cooperate bodies, however there is a real risk of consultation fatigue. Some issues are anticipated to be of significant local interest and will create a significant consultation response.</p>	<p>In order to minimise the risk of unsoundness or of a High Court Challenge, the Council will follow due process having regard to relevant statutory and policy guidance. Where appropriate, legal advice will be sought and relevant self assessment toolkits will be used throughout the process.</p> <p>Regular training and contact with planning peers will take place to ensure up to date knowledge of emerging policy and legislation. Regarding consultation, the Council will seek to do joint consultations wherever possible, and will seek to ensure that consultation and engagement is effective and relevant.</p>
Pack Page 28	

2 Preparing the Rushmoor Local Plan

Description of Risk	Minimising risks
<p>Satisfying the "Duty to Cooperate" is one of the biggest challenges in the Plan making process, and it is very resource intensive in terms of making progress on the assessment of, agreement on, and implementation of cross boundary strategic planning matters.</p> <p>In addition, the publication of new legislation and guidance may impact upon the preparation process.</p>	<p>Officers will continue to work with their counterparts at neighbouring local authorities in order to assess cross boundary strategic planning issues, and work with neighbouring authorities in the context of the NPPF and national planning practice guidance to seek to address and resolve those issues. However, it is still an area of the Plan making process that represents a significant source of risk.</p>
<p>Policy/application issues</p>	
<p>Rushmoor Borough contains part of the Thames Basin Heaths Special Protection Area (SPA) ⁽³⁾. The Council must ensure that any long term strategy does not have a significant effect on the integrity of the SPA.</p> <p>Ongoing changes for policy areas that are covered by the Local Plan, arising from the Housing and Planning Act, may have implications for the work required to support the preparation of the Local Plan. For example, guidance on affordable housing, the provision of "Starter Homes", brownfield registers and "Permission in Principle" continues to evolve. It is impossible to predict at this stage the depth and breadth of these implications, and there is certainly a potential risk in this respect to the timetable for the preparation of the new Local Plan,</p>	<p>The Council will ensure ongoing engagement with Natural England, and will continue to play an active role in relevant Officer and Member working groups.</p> <p>The Council will encourage pre-application discussions and seek to engage major landowners and developers in the development of the Rushmoor Local Plan document.</p> <p>A close watch will be kept on the evolution of national planning policy and guidance as it relates to the preparation of the new Local Plan. Particular attention will be paid to the need to incorporate this expediently into the Local Plan as it emerges, to avoid wherever possible any further delays to the plan preparation process.</p>
<p>Delivery issues</p>	
<p>Rushmoor Borough Council is required to demonstrate how its long term planning strategy, and any specific site proposals, will be delivered. However, in many instances the Council is not the responsible organisation for delivery. Delivery may be affected by a range of different factors including a changing economic climate.</p>	<p>The Council will work closely with delivery agencies during the preparation of the Rushmoor Local Plan. Where appropriate, flexibility and contingency will be built into the strategy to cope with changing circumstances, for example issues of viability. Monitoring of policies will be used to highlight whether a review of policies or documents is needed to meet delivery targets.</p>
<p>Relevant evidence base</p>	

3 An area of heathland forming part of Natura 2000, a European-wide network of sites of international importance for nature conservation. Pack Page 29

Preparing the Rushmoor Local Plan 2

Description of Risk	Minimising risks
A robust Rushmoor Local Plan needs to be supported by a relevant evidence base. However, this can be resource intensive (financially and in terms of staff time) to maintain. Moreover, there is a need to agree this jointly in many instances, and this adds time and complication to ensuring that the evidence base is completed in a timely fashion.	The Council will monitor key evidence through the Authority Monitoring Report. It will also seek to manage joint working with authorities on cross boundary strategic issues in an efficient way, notwithstanding the implications of joint working on progress.

2.5 Plan assessment and appraisal

2.15 Local Development Documents may also be subject to Habitats Regulations Assessments.⁽⁴⁾ It is best practice to publish the results of the assessment (where required) at the publication and submission stages for a Development Plan Document. Government guidance suggests Natural England must be consulted at the beginning of the process.⁽⁵⁾

2.16 We must also assess the policies and proposals in the Rushmoor Local Plan to ensure that they contribute to the aims of sustainable development. The results of this assessment are set out in a document called a Sustainability Appraisal. Documents relating to the Sustainability Appraisal process can be found on the Council's website at <http://www.rushmoor.gov.uk/sea>.

3 Finding out more

3 Finding out more

3.1 More details on the documents mentioned above can be found online at www.rushmoor.gov.uk/rushmoorplan.

3.2 During consultation periods, you can send your comments on the relevant Rushmoor Plan document to the Council's planning policy team. You can email us, send us a letter or make your representations online.

Telephone: 01252 398 789

Email: plan@rushmoor.gov.uk

Rushmoor Borough Council
Planning Policy
Council Offices
Farnborough Road
Farnborough
Hampshire
GU14 7JU

3.3 You can get copies of our documents from our website www.rushmoor.gov.uk or from the Council offices in Farnborough. During consultation periods, you can also view plans at the libraries in Aldershot and Farnborough.

3.1 Real time public information

3.4 It is the intention that the Rushmoor Local Plan document timetable as described in this Local Development Scheme is adhered to. If there is an unanticipated change from the agreed timetable, this will be made clear on the Council's web site at <http://www.rushmoor.gov.uk/newlocalplan>.

4 Appendix A

4.1 Profile of the Rushmoor Local Plan DPD

Local Development Document: Profile 1

Document Title	Rushmoor Local Plan Development Plan Document
Lead Section	Planning Policy and Conservation
Scope	Borough wide
Status	DPD (Development Plan Document)
Priority	High
Synopsis	<p>To provide strategic policies, detailed policies and land allocations to help to deliver the vision and objectives for the Borough through policies that:</p> <ul style="list-style-type: none"> • Set out the requirement for housing and employment land across the Borough • Review the boundary of the Built Up Area/Countryside • Cover housing development to include: <ul style="list-style-type: none"> • Site specific housing allocations, including land at Wellesley • Policies relating to affordable housing and housing mix • Policies relating to starter homes and self-build • Policies relating to the provision of specialist housing including housing for older persons, including extra care and provision for mobility housing • Policy relating to travellers' accommodation needs • Development management policies setting policy requirements for new residential development, including residential space and amenity standards, and water efficiency standards • Policies relating to the loss of housing and development on residential gardens • Cover employment uses including: <ul style="list-style-type: none"> • An overall strategy for identifying and protecting suitable and adequate employment land over the Plan period • The identification of precise boundaries for Strategic and Locally Important Employment Sites • Site specific policies for employment sites where appropriate • Deal with Town Centre and retail development including the allocation of town centre boundaries, shopping cores and local shopping areas, and guidance on the mix of uses permitted in these areas • Detail specific policies relating to the operation of Farnborough Airport • Cover infrastructure and transport provision

4 Appendix A

	<ul style="list-style-type: none"> • Address community facilities and the protection of public houses • Detail policies on the Thames Basin Heaths Special Protection Area, green infrastructure, biodiversity, countryside, and water and flooding matters • Set out open space and recreation policies • Provide policies to deal with design in the built environment, conservation, and archaeology • Set out the approach to telecommunications development • Provide a policy approach to dealing with pollution in association with new development
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Timetable

Key Milestones	Timescale
Commencement of document preparation	October 2014
Sustainability Appraisal (SA) Scoping	November 2014
Evidence gathering, identification of issues, consideration of different options	January 2013 - September 2016
Public participation on Preferred Approach Local Plan and SA Report	June/July 2015
Consideration of representations and discussions with community and stakeholders, ongoing development of the evidence base, preparation of draft submission Local Plan	July 2015 - December 2016
Publish draft Submission Local Plan for consultation	March/April 2017
Submission of Local Plan, Sustainability Appraisal Report and Proposals Map to SoS	June 2017
Hearing period	October 2017
Receipt of Inspector's report	January 2018
Adoption and publication of Local Plan and Proposals Map	March/April 2018

Management arrangements	Head of Planning/Rushmoor Plan Member Steering Group/Cabinet/Council
Resources	<p>Internal:</p> <ul style="list-style-type: none"> • Planning Policy and Conservation Officers as appropriate; Administration and technical support; Other Borough Council Officers' and Members' time and input • Rushmoor Plan budget to cover consultation, printing and design costs

Appendix A 4

	<p>External:</p> <ul style="list-style-type: none"> ● Rushmoor Plan budget allows for possible use of consultants ● Stakeholders
Approach to involving stakeholders & community	<p>Focused stakeholder and community involvement using a range of consultation methods that meet the minimum set out in Regulations, and which reflect the principles of engagement set out in the adopted Statement of Community Involvement</p> <p>Joint Rushmoor, Hart and Surrey Heath Member Steering Group, to deal with cross-boundary strategic matters relating to housing and employment</p>
Involvement of Others	<ul style="list-style-type: none"> ■ Environment Portfolio Holder ■ Development Management Committee as appropriate

CABINET
26 JULY 2016

HEAD OF PLANNING
REPORT NO. PLN1622

SECTION 106 DEVELOPER CONTRIBUTIONS ON SMALL SCALE RESIDENTIAL SITES AND AFFORDABLE HOUSING PROVISION

1. Purpose of Decision

- 1.1** This report sets out the justification for Cabinet agreement to the cessation of seeking contributions (under Section 106 agreements) towards infrastructure from small scale residential developments (10 dwellings or less), following changes to national planning guidance and recent court cases. Agreement is also sought to implement national planning guidance changes to the way in which affordable housing requirements are sought on sites where a vacant building is to be demolished or re-used.

2. Background

- 2.1** At the end of November 2014, the Government made changes to the circumstances in which affordable housing and S106 contributions could be sought. These changes are set out in more detail later in this report and were made through a Ministerial Statement and amendments to the National Planning Practice Guidance (NPPG), following a consultation earlier in 2014. Correspondence from Government made it clear that these changes were to be introduced with immediate effect.
- 2.2** The changes were part of the Government's plans for boosting housing delivery by reducing the financial burden on small house builders and also were to act as further encouragement for authorities to implement the Community Infrastructure Levy. There were a number of local authorities who did not agree with this, both in terms of policy and procedure, and two authorities collectively commenced a legal challenge through judicial review, to the changes on procedural issues.
- 2.3** The challenge, by Reading Borough Council and West Berkshire District Council, to the High Court succeeded in July 2015, and the government immediately deleted the guidance. This action had been supported by Rushmoor, and during this period we had continue to collect S.106 contributions on small residential development schemes, principally for the provision of open space and for local highway improvements. The contributions towards mitigating the impact on the Special Protection Area (through Suitable Alternative Natural Greenspace and Strategic Access and Monitoring Measures) has been unaffected by the Government changes.

- 2.4 However, the Government challenged the High Court ruling, and in May 2016, the Court of Appeal overturned the decision, with judges quashing the grounds on which the High Court case was won. The Government then quickly moved to reinstate the passages in the NPPG, and informed all local planning authorities.

3. Policy Changes

Limits to using S106 for pooled obligations

- 3.1 The first change to national planning guidance relates to restricting pooled contributions from sites of 10 dwellings or less. The changes in the NPPG state¹:

There are specific circumstances where contributions for affordable housing and tariff style planning obligations (section 106 planning obligations) should not be sought from small scale and self-build development:

- *contributions should not be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1000sqm*
- *affordable housing and tariff-style contributions should not be sought from any development consisting only of the construction of a residential annex or extension to an existing home*

- 3.2 Until now, the Council has collected S106 contributions from small new housing developments towards open space improvements and towards highways and transport improvements. These contributions are usually towards named sites (or a number of possible sites) or towards generally defined schemes and are based on a 'tariff style' calculation, i.e. a set charge per dwelling for example. The implication of this part of the NPPG changes suggest that the Council should not be seeking any open space or transport 'tariff' style' contributions from sites of 10 or less dwellings (they are unlikely to exceed the 1000 sq.m. threshold).

- 3.3 In Rushmoor, we do not seek affordable housing on sites of less than 15 dwellings so this part of the guidance does not affect our affordable housing policy.

¹ Mitigation for European sites is excluded from these limits so SAMM and SANG payments would not be affected.

Vacant Building Credit for Affordable Housing

- 3.4 The second change is the introduction of a new vacant building credit which requires the floorspace of any vacant building which is to be reused or demolished to be deducted from the calculation of any affordable housing contributions sought from relevant development schemes. In such cases, a financial credit is to be offered equivalent to the existing gross floor space of any vacant buildings brought back into any lawful use or demolished for re-development.
- 3.5 This financial credit applies to all schemes, regardless of size, and regardless of how long the building has been vacant. So, for example, a warehouse site (1,000sqm) could be demolished to make way for 100 dwellings. Whilst this would trigger a policy requirement for 35 affordable units (35% of the provision) (subject to viability), the existing floor space set to be demolished would need to be taken into account when determining the affordable housing contribution. This would, in effect, discount the need for 35 units before viability has even been considered.

4 Implications for Infrastructure and Affordable Housing in Rushmoor

- 4.1 The Solicitor to the Council has confirmed that the contributions currently sought towards open space and highway improvements from small housing developments would fall within the definition of contributions covered by the changes to national guidance set out in paragraph 3.1. This change therefore has an impact on future potential income for infrastructure. For example, applications for developments of less than 10 dwellings considered by the Council in 2012 – 2014 sought total contributions of about £450,000, to address the impact of these developments in the locality of the site. Hampshire County Council has also acknowledged the new guidance, recognising that it will no longer receive contributions to highway improvements from such schemes.
- 4.2 In relation to the introduction of the vacant building credit, essentially this means that as most development in Rushmoor is on previously developed sites, often with buildings that could be made vacant in time for any planning application to be determined, that those developments where we will be seeking affordable housing are likely to be able to justify a reduced or even nil provision.

5 Conclusions

- 5.1 The Court of Appeal judgement has clarified the position and confirmed the legitimacy of Government advice in the NPPG that, on applications for residential development of 10-units or less, planning obligations should not be sought to contribute to pooled funding “pots” intended to fund the provision of general infrastructure in the wider area. Authorities may however still seek to fund measures with the purpose of facilitating development that would otherwise be unable to proceed because of regulatory or EU Directive requirements (this would include SANG and SAMM payments).
- 5.2 It is understood that those local authorities that challenged the original decision are highly unlikely to take the matter further. The Council is therefore left with little alternative but to follow the new Government guidance over S.106 contributions on small sites.
- 5.3 There have been a number of development proposals that fall within this category, which have been granted permission since November 2014, and that have not yet been implemented but still could be. In some cases, developers have already requested a variation to the S.106 legal agreement to recognise the change in government advice. At present, the scheme of delegation does not allow officers to vary agreements so each case would need to go back to committee for decision. Consequently, authority is sought from Cabinet to allow the Head of Planning to vary S.106 legal agreements in this regard.

6. Recommendations

- 6.1 It is recommended that:
 - a) unless there are special circumstances, infrastructure contributions through planning obligations should no longer be sought from developments of 10-units or less, and which have a maximum combined gross floorspace of no more than 1,000sq.m.; and, that in appropriate cases, the vacant building credit provisions be applied in order to comply with the National Planning Practice Guidance as amended on 19 May 2016, and

- b) the Head of Planning be authorised to instruct the Solicitor to the Council to enter into deeds of variation to vary S.106 Planning Obligations previously entered into in respect of infrastructure contributions from residential developments of 10 units or less.

Keith Holland
Head of Planning

Contacts:

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AGENDA ITEM NO. 5

Cabinet
26 July 2016

Head of Community and Environmental
Services Report No. COMM1615

Farnborough Airport - Community Environmental Fund

Introduction

- This paper seeks approval to award grants from the Farnborough Airport Community Environmental Fund to assist local projects and to approve an amendment to a grant previously awarded to Mayfield Community Partnership.

Grants for local projects

- The Cabinet Member for Environment has considered two applications and has made award recommendations for all (Appendix A).

▪ Farnborough Bowling Club	£3,500
▪ Fernhill Primary School	£8,032
Total	£11,532

- The Community Environmental Fund is currently £45,024. Taking the two applications recommended in this paper totalling £11,532 would leave £33,492 available for allocation.
- The guidelines for allocating the funds are attached in Appendix B

Amendment of grant use

- In May 2016 Mayfield Community Partnership was awarded a £2,000 grant for stage one of the Hawley Community Garden project. This was for soil testing, the planning application and water site survey, and has come in under budget at £845. They would like to use the remainder of the funds on the next stage of the project, which includes the water supply, breaking up the concrete and fencing.

Recommendation

- Cabinet is recommended to approve the awards totalling £11,532 in Appendix A
- Cabinet is recommended to approve Mayfield Community Partnership using the remainder of their grant on the next stage of the project.

Peter Amies – Head of Community and Environmental Services

Contact – Alison Nicholls – Grants and Administration Officer
Tel 01252 398766 – email alison.nicholls@rushmoor.go.uk

Environment Fund applicant bid							
Name & address of Applicant	Farnborough Bowling Club						
Grant requested (Total cost of project)	£15,000 (£26,000)						
Purpose of grant	Bowling green renewal – to remove existing grass, level and re-seed the green						
Previous grants from this fund	2013 - £960 towards cost of renovating bowling green						
Distance from centre of runway (within 5 kilometres (3 miles))	Yes						
Other sources of funding for this project	£11,000 – club funds						
Accounts	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Income -</td> <td style="text-align: right;">£12,034</td> </tr> <tr> <td>Expenditure -</td> <td style="text-align: right;">£10,884</td> </tr> <tr> <td>Balances -</td> <td style="text-align: right;">£23,659</td> </tr> </table>	Income -	£12,034	Expenditure -	£10,884	Balances -	£23,659
Income -	£12,034						
Expenditure -	£10,884						
Balances -	£23,659						
Additional Info	<p>Established in 1947, the club is affiliated to Bowls England and Bowls Hampshire. Bowls has been played continuously since the formation of the Club at District, County and National level. The Club provides competitive and fun bowling to its members and is open to non-members twice a week. Of the 94 members, 75 are Rushmoor residents.</p> <p>The clubhouse and bowling Green is used every day in the bowling season between April and October. During the closed season the clubhouse is utilised for social events including darts and skittles, attended by members and guests. The clubhouse is also available for hire for social events and by external groups and organisations for corporate events such as team building days.</p> <p>The condition of the bowling Green has deteriorated over the last decade; the project to level and re-lay the Green will ensure that the club continues to thrive in the South Farnborough community, enhance its reputation and lead to increased membership. The club is currently developing an initiative to work with the local Nepalese community.</p> <p>The club enables members of the local community to keep active, enjoy the outdoors, develop skills and co-ordination, build confidence and to socialise and make new friends. Such benefits to the local community, particularly to the over 55's would be lost if the green was not there or deteriorated to the point where it becomes unplayable.</p> <p>Renovation of the green is the first of a number of environmental projects planned. Future plans include introducing energy efficient measures and improved disabled access</p>						
Aim of organisation/group	The club aims to continue to support the Bowls Development Alliance in meeting their targets of "Bringing 10,810 new people into the sport aged 55 and over, and 2,800 new people aged 16 and over with a disability into the sport."						
Application recommendation	£3,500						

Environment Fund applicant bid

Environment Fund applicant bid	
Name & address of Applicant	Fernhill Primary School
Grant requested (Total cost of project)	£8,032 (£8,032)
Purpose of grant	Outdoor adventure trail, seats and benches including delivery & installation: £5,062 – Playspace 3 £1,905 – 3x Cartmel tables £1,065 – 15x toadstools
Previous grants from this fund	2014 - £2,000 towards outdoor library
Distance from centre of runway (within 5 kilometres (3 miles))	Within range
Other sources of funding for this project	None
Accounts	Income - £757,839 Expenditure - £762,546 Balances - £9,278
Additional Info	<p>The adventure trail, made from wood, includes several components to create a developing climbing trail that develops fitness and agility.</p> <p>This will improve children’s playtime facilities on the field, allowing them to be active, developing their core strength, overall fitness and gross motor skills.</p> <p>Many of the children do not spend time outdoors in fields and on safe equipment, so this would give them similar opportunities to other children.</p> <p>During the Air show the children watch on the field.</p> <p>School is small and has limited fundraising abilities due to the deprivation of the local area. The equipment will initially benefit around 160 children, plus the new intake in subsequent years.</p>
Aim of organisation/group	“We make our decisions focused on our children and are committed to delivering equality in experience for them.”
Application recommendation	£8,032

Guidelines

- The Community Environmental Fund commenced in 2001. It is levied by Farnborough Airport on business aviation movements at a rate of £2 per aircraft movement and £5 per aircraft movement where the aircraft is a Boeing business jet or an Airbus A310 corporate jet.
- The fund is available to groups and organisations under the following criteria: -
 - Located within 5 kilometres (3 miles) from the centre of Farnborough Airport (taken to be halfway down the main runway)
 - Within this 5 kilometre radius, is demonstrably and regularly affected by aircrafts travelling to and from Farnborough Airport
 - Will result in the improvement or provision of an outdoor facility or area that is accessible to the public and able to be enjoyed by the community as a whole
 - Is a community or environment based bid, projects may include: -
 - Green or open spaces
 - Natural habitats
 - Environmental improvements or outdoor play
 - Community projects with an emphasis on improving the local environment or outdoor education

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Agenda Item 6

AGENDA ITEM NO. 6

Cabinet
26 July 2016

Head of Community and Environmental
Services Report No. COMM1616

Grants to Voluntary Organisations

1 Introduction

- This paper reports on the grants and public liability insurance for street parties awarded by the Cabinet Member for Concessions & Community Support and seeks approval to award £1,774 to Limbcare.

2 Grants to Voluntary Organisations

- The Cabinet Member for Concessions and Community Support has considered seven applications for grants and made awards in six cases for £1,000 or less:

▪ Aldershot & Fleet RUFC	£550
Towards the cost of manufacturing and installing railings around a newly installed patio, incorporating a gate for disabled access	
▪ Aldershot Rotary Club	£500
Towards the cost of the Kids Out day for children with Special Educational Needs	
▪ Friends of Brickfields Country Park	£300
Towards the cost of hiring a mobile farm for the annual Fun Day	
▪ Home-Start Rushmoor & Hart	£350
Towards the cost of activity packs for supported families	
▪ Mayfield Community Partnership	£500
Towards the cost of the Sports Festival and Fun Event in September	
▪ Southwood Church	£1,000
Towards the cost of purchasing audio-visual equipment for the Ignite project	
Total	£3,200

- An award was not made to the Pelly Concert Orchestra as the event is taking place outside Rushmoor and there is little benefit to Rushmoor residents.

- The application from Limbicare shown in Appendix A, is recommended to receive an award of £1,774.
- Limbicare will be allocated from funds set aside in 2015/16.
- The budget for voluntary organisations for 2016/17 is £20,000. Taking into account the six grants that have been awarded by the Cabinet member for £1,000 or less in this paper, will leave £16,800 available for allocation in the remainder of this financial year.

3 Street parties

- Awards have been made for two street parties to celebrate the Queen's Diamond Jubilee on 11th June to cover cost of public liability insurance:

▪ Highfield Gardens, Aldershot	£79
▪ Whites Road, Farnborough	£79
- Funding has been allocated from funds set aside in 2015/16.

4 Recommendation

Cabinet is recommended to:

- note the grants above for £1,000 or less totalling £3,200
- note the insurance payments for two street parties totalling £158
- approve the grant to Limbicare for £1,774

Peter Amies – Head of Community and Environmental Services

Contact – Alison Nicholls – Grants and Administration Officer
 Tel: 01252 398766 Email: alison.nicholls@rushmoor.gov.uk

FINANCIAL ASSISTANCE TO VOLUNTARY ORGANISATIONS	
SUMMARY SHEET	
Name of Applicant	Limbcare Ltd / Farnborough Shopmobility
Grant Requested (Total cost of project)	£1,774 (£60,000)
Purpose of Grant	£720 – stand-alone ticket validator £648 – replacement tyres for mobility scooters £406 – replacement batteries for mobility scooters
Previous Grants in last 3 years	None
Rent Relief	None
Rate Relief	None
Membership / Rushmoor Residents Assisted	85% of the Shopmobility annual scheme members are Rushmoor residents
Other sources of funding	<ul style="list-style-type: none"> • Annual membership • Limbcare currently paying for the day-to-day costs • Reconditioned mobility scooters & walking aids
Accounts	Income - £100,548 Expenditure - £104,826 Balances - £9,563
Aims of Organisation/General Comments	<p>The Limbcare charity provides a range of services for amputees, limb-impaired and the larger community.</p> <p>The aim of the Farnborough Shopmobility is to provide an accessible service to residents and visitors needing help through the Meads Shopping Centre.</p> <p>Opened in summer 2015, based in an unused office on the ground floor of The Meads carpark, it is currently open 4 hours a day Tuesday to Saturday and run by a team of volunteers and a paid engineer.</p> <p>The validator will enable those hiring equipment to validate their parking ticket giving free parking.</p> <p>The annual membership scheme will encourage disabled/elderly shoppers to return to Farnborough to rent a mobility aid with minimal fuss. Long term aims include becoming self-funding and to increase opening hours to 7 days a week with paid employees. Currently the charity funds the day-to-day costs.</p>
Application recommendation	£1,774

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AGENDA ITEM NO. 7

CABINET 26TH July 2016

SOLICITOR TO THE COUNCIL
REPORT NO. LEG1609

COMMERCIAL PROPERTY ACQUISITIONS

PURPOSE

The purpose of this report is to update Cabinet on the progress being made on investing in commercial property assets, using capital resources, in order to generate revenue income.

BACKGROUND

Making better use of property and assets is point 4 of the Council's 8 Point Plan which is a strategy to ensure financial and service sustainability, by reducing net revenue spend over the medium to long term.

This particular project has 3 separate strands:-

- Making better use of our existing property estate to drive an increased revenue stream
- Reviewing the community assets within our estate to reduce cost
- Acquiring new commercial property assets to increase revenue.

This report concerns the progress being made with acquiring new commercial assets.

PROJECT UPDATE

As part of this project, officers are looking to produce a property investment and an asset management strategy. The draft Asset Management Strategy, when completed will be discussed by officers and brought to cabinet for approval. This strategy has been delayed due to the pressure of work

Nonetheless, officers have begun to identify commercial property opportunities where acquiring such assets will enable the council to make a better return from using its capital than current interest rates achieved from having capital in the bank. The Council's Medium Term Financial Strategy has approved a move towards borrowing over time, and for this reason the current Public Loan Board 50 year long-term borrowing rate of 2.74% has been used in determining the loss of interest to the council in using its capital for such acquisitions. The offer rate is currently 2.74% but the Council qualifies for a 0.2% "certainty rate" reduction having completed the required Government document submissions in a continued and timely basis. It is anticipated that the PWLB rate may drop further in the coming weeks.

PROPERTIES

The confidential appendix details the properties that have been considered for acquisition.

Successful bids

Currently we have made 4 successful bids, two of which are in the borough:-

Unit 20 on the Blackwater Valley Way Industrial Estate



This acquisition has been completed with a tenant relocating from the Canna industrial estate in Guildford. This will start to generate an income after the 9 month rent free incentive period expires.

Wellesley House in Eelmoor Road, Farnborough

Completion of this acquisition is imminent with a programme of refurbishment being planned for October. A tenant is being sought for the vacant space, with the other tenant remaining in situ.



Optrex Business Park in Rotherwick Hook.

This is a small rural industrial estate 9,595sqft, in units from 300sqft to 2,000sqft, fully let to a range of small tenants on “easy in easy out” terms



169 High Street, Guildford.



This is a 7330sqft retail premises operating as Steamer Trading with a café at first floor level. To the rear of the premises are 4 small office units totalling 4,191sqft. The acquisition is therefore 63% retail based on floor space and 37% offices. In terms of rent it is 72% retail to 28% office.

Financial Implications of successful bids

The revenue generated from rent from the above 4 properties for 2016/2017 will be £186,000. The full years effect in the future should be £382,000. This is set out in more detail in the confidential appendix

Properties under offer

The confidential appendix gives details of the 4 properties that the council is currently bidding for. Generally, a success rate of 1 in 10 is reasonable but it is difficult to gauge the effect on the market of the Brexit decision. Two of these offers have been made below asking price to ensure that an IRR of 6% would be achieved were we to be successful.

Financial Implications of properties under offer

The confidential appendix set out the full year effect in terms of revenue that could be generated from rental income for each of these properties were the bid/s to be successful together with the IRR. The Council's acquisition of these properties will require significant use of cash resources. The Head of Finance is currently preparing a plan to determine the methods to be employed to raise cash funds taking due regard of interest cost minimisation and assurance of adequate ongoing liquidity.

All of these property acquisitions will be listed on the Council's balance sheet as additional investment properties. The acquisitions result in a change in the structure mix of all investments held. This new structure needs to be managed and contained for a period of time and careful consideration will need to be given to progressing with further acquisitions with a view being taken on the then market conditions as a result of the Brexit decision.

Properties considered but not proceeding

The confidential appendix lists other properties which have been considered for acquisition but are not proceeding. The Co-op in Addlestone and Speedfields Park in Fareham were both unsuccessful bids. Others have been dismissed for reasons such as struggling retail centres, location, lack of strength of covenant or where we were unable to bid within the timescales set by selling agents.

CONCLUSIONS

The Legal and Estates team working closely with Financial Services have had some good success in recent months in acquiring commercial properties in the retail, office and industrial sectors. The development of our Asset Management Strategy will look to ensure that we have a spread of acquisitions across all sectors to spread the risk. In particular, no acquisitions have yet been successful in the leisure sector.

RECOMMENDATION

That Cabinet notes the good progress made with this 8 Point Plan project and the effect on the Council's revenue position as set out in the confidential appendix.

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Agenda Item 9

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