

County Hall  
Rhadyr  
Usk  
NP15 1GA

8<sup>th</sup> July 2015

## Notice of Meeting:

### Strong Communities Select Committee

Thursday 16<sup>th</sup> July 2015 at 10.00am  
The Council Chamber, County Hall, Rhadyr, Usk, NP15 1GA

**\* There will be a pre-meeting for Select Committee Members in the Council Chamber at 9.30am**

## AGENDA

*The Council welcomes contributions from members of the public through the medium of Welsh or English. We respectfully ask that you provide us with adequate notice to accommodate your needs.*

Item No	Item
<b>PART A – SCRUTINY OF CRIME AND DISORDER MATTERS</b>	
No matters to discuss.	

<b>PART B – STRONG COMMUNITIES SELECT COMMITTEE</b>	
1.	Apologies for absence.
2.	Declarations of Interest.
3.	Public Open Forum.
4.	To confirm and sign the minutes of the Strong Communities Select Committee held on 11 <sup>th</sup> June 2015 (copy attached).
5.	Scrutiny of Affordable housing (copies attached): <ul style="list-style-type: none"> <li>i) Progress on committees recommendations on report 'A Place to Call Home' (original Cabinet response 2012)</li> <li>ii) Pre-decision scrutiny – Supplementary Planning Guidance</li> <li>iii) End of Year and New Three Programme Social Housing Grant</li> </ul>

<b>6.</b>	Pre-decision scrutiny - the statutory duty for housing in relation to the new Housing Act (copy attached)
<b>7.</b>	Scrutiny of Revenue & Capital Monitoring 2015/16 Period 1 Outturn Forecast Statement (copy attached)
<b>8.</b>	Work Programming (copies attached): <ul style="list-style-type: none"><li>i. Strong Communities Select Committee Work Programme 2015–16</li><li>ii. Cabinet Forward Work Planner.</li></ul>

**Paul Matthews**

**Chief Executive**

# Strong Communities Select Committee Membership

**Councillors:** D.L.S. Dovey  
A. Easson  
S.G.M. Howarth  
S. Jones  
R.P. Jordan  
V.E. Smith  
A.E. Webb  
K. Williams  
S. White

## Aims and Values of Monmouthshire County Council

### Building Sustainable and Resilient Communities

#### Outcomes we are working towards

##### **Nobody Is Left Behind**

- Older people are able to live their good life
- People have access to appropriate and affordable housing
- People have good access and mobility

##### **People Are Confident, Capable and Involved**

- People's lives are not affected by alcohol and drug misuse
- Families are supported
- People feel safe

##### **Our County Thrives**

- Business and enterprise
- People have access to practical and flexible learning
- People protect and enhance the environment

#### Our priorities

- Schools
- Protection of vulnerable people
- Supporting Business and Job Creation
- Maintaining locally accessible services

#### Our Values

- **Openness:** we aspire to be open and honest to develop trusting relationships.
- **Fairness:** we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.
- **Flexibility:** we aspire to be flexible in our thinking and action to become an effective and efficient organisation.
- **Teamwork:** we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.





**Minutes of the Strong Communities Select Committee meeting  
held in the Council Chamber, County Hall, Usk on  
Thursday 11<sup>th</sup> June 2015 at 10.00 a.m.**

**PRESENT:** County Councillor S.G.M. Howarth (Chairman)

County Councillors: D.L.S. Dovey, V.E. Smith and S. White

**OFFICERS IN ATTENDANCE:**

Mr R. Hoggins	- Head of Operations
Mr M. Howcroft	- Assistant Head of Finance
Mr M. Gatehouse	- Policy and Performance Manager
Miss H. Ilett	- Scrutiny Manager
Mrs S. King	- Senior Democratic Services Officer

**1. SCRUTINY OF CRIME AND DISORDER MATTER**

There were no Crime and Disorder matters to be discussed.

**2. APPOINTMENT OF THE CHAIRMAN**

We noted appointment of County Councillor S.G.M. Howarth as Chairman of the Strong Communities Select Committee.

**3. APPOINTMENT OF VICE CHAIRMAN**

We agreed that County Councillor V.E. Smith was appointed as Vice Chair of the Strong Communities Select committee.

The Vice Chair highlighted the importance of continuity and suggested that pre-meetings of the committee were held for the Chair/Vice Chair and officers.

**4. APOLOGIES FOR ABSENCE**

Apologies for absence were received from County Councillors A. Easson, S. Jones, A. Webb and K. Williams.

**5. DECLARATIONS OF INTEREST**

County Councillor V.E. Smith declared a personal non-prejudicial interest, pursuant to the Members' Code of Conduct, in relation to any matters relating to Usk Primary School as a Governor and in relation to any matters relating to Coleg Gwent, due to association with the college.

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**6. PUBLIC OPEN FORUM**

A member of the committee presented a question to the committee, on behalf of a member of the public as follows:

***'RE: Velothon Information/Sunday 14<sup>th</sup> June***

- 1. Where & when were the intentions of the County Council to make the Order publicised and advertised?*
- 2. Please provide a copy of the County Council resolution authorising the making of the Order, to include the reasoning enabling the County Council to be satisfied that S.3(1)(b) shall not apply.*
- 3. What is the statutory authority allowing the County Council to delegate the mitigation & enforcement of the Order to a private body & please provide a copy of the Council's resolution delegating its powers & its reasoning including its due diligence of the suitability of the body to exercise the County Council's duties to the public objectively & not to self serve. There were no members of the public present.*

*Nothing has been offered to mitigate my being confined to my property for 9+ hours on Sunday – I wonder what consideration the Council gave to businesses (rhetorical)'*

We resolved that the question would be passed onto the relevant officer to respond. We agreed that the committee would be copied into correspondence.

**7. CONFIRMATION OF MINUTES**

The minutes of the Strong Communities Select Committee meeting held on 30<sup>th</sup> April 2015 were confirmed as an accurate record and signed by the Chair, subject to the following amendment:

Page 1 **APOLOGIES FOR ABSENCE** – *delete: S. White.*

**8. PERFORMANCE REPORT: 2014/15 IMPROVEMENT OBJECTIVE AND OUTCOME AGREEMENT**

Context:

Strong Communities Select Committee were presented with the end of year data for the Improvement Objective and Outcome Agreement objectives, which were included under the remit of the committee.

Key Issues:

Across the whole authority an overview of measures in the national performance framework presented a positive improvement trajectory for the third consecutive year, 84% of indicators had improved since March 2014.

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Member Scrutiny:

- Clarification was requested regarding the process. We were advised that a letter would be sent from the Minister addressed to the Leader and this would be presented to full Council.
- The committee expressed concerns regarding performance in some aspects of communication, an example was provided regarding how arrangements for the Velothon had been communicated to the public. We were informed that 1000-2000 households had been surveyed at the end of 2014 and this would impact on results.
- The committee agreed that significant improvements to communication methods were required.
- Figures regarding sickness targets were explained, the targets related to days (not percentages). The headcount related to the number of individuals employed in total by the authority, however, figures were based on full time equivalent.
- In response to a query raised regarding the processes for waste management. We were informed that officers were working on options for the future management of recycling and different options that were available.
- We agreed that further data would be provided regarding residual waste in future reports.
- The committee highlighted that further information was required regarding waste provision, as it was under the remit of the Strong Communities Select Committee. We agreed that the relevant officer would be invited to present the waste service plan.
- The committee commended work of officers and the team, in relation to success of waste and recycling processes being developed.

**Committee's Conclusion:**

Chair's Summary:

The Committee welcomed details within the report, however, noted that Waste was an important issue within the remit of the Strong Communities Select Committee.

We agreed that developments in waste and recycling processes would be monitored by the committee and the waste plan would be presented by the relevant officer at a future meeting.

Report Recommendation:

Members agreed the recommendations as follows:

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1. That members scrutinise the performance achieved and impact made to assess progress and performance against the objectives.
2. That members identify and explore any areas of underperformance or concerns, and to seek assurance from those responsible for future activity where they conclude that performance needs to improve.
3. That members confirm the evaluation scores based on the evidence provided.
4. That members scrutinise the targets and any revisions for the key Performance Indicators that fall within the remit of the Select Committee.

**9. DRAFT REVENUE AND CAPITAL BUDGET OUTTURN REPORT 2014/15**

Context:

The committee were presented with the Draft Revenue & Capital Outturn 2014/15, which provided Members with information on the outturn position of the Authority for the 2014/15 financial year. The position is regarded as draft prior to external audit of Statement of Accounts.

It also provided summary information about the Council's reserve position as a consequence of year end movements and given recent reports in last quarter that have significant future implications.

Key Issues:

Officers updated members that reports would be developed in future, so that an additional section would be included in which the role of Select was highlighted. The role of select was to assess recommendations and consider whether or not they were reasonable. The purpose was to obtain a scrutiny critique of the cabinet decision.

The report identified a surplus of £31,000, which was commended as it had originally been intended to draw upon balances.

Member Scrutiny:

- A member requested explanations on how costs of redundancies were being met. In response, we were informed that it was difficult for redundancy costs to be identified at the outset. Officers confirmed that communication to members had to be improved. However, it had not been necessary to draw upon the reserve.
- Further scrutiny was identified for the passenger transport unit, in terms of the budget overspend and progress being monitored in it being reduced.
- Written details would be provided to the committee in relation to the new cattle market site in Penpergwm.

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- Issues relating to highways would be added to the work programme, specifically the committee requested that a review of the department was progressed.

**Committee's Conclusion:**

Chair's Summary:

The committee welcomed the report and noted that in future the responsibility of the select committee would be highlighted. We recognised that the Select committee were responsible for identifying whether effective budget monitoring was taking place and if budgets were spent within means.

We identified through the report the additional areas for scrutiny, which included, passenger transport unit and highways.

**Report Recommendation:**

Members agreed the recommendations as follows:

1. That Members consider the information contained within this report noting that the figures may be subject to adjustment through the external audit process.
2. That Members consider the position concerning revenue monitoring outturn resulting in the favourable replenishment of Council Fund reserves by £31,000 compared to the budgeted draw of £296,000.
3. That Members agree to the review of earmarked reserves resulting in the following adjustments:
  - a. Single status and Equal pay reserve - £1.052 million, redistributed to the following reserves:
    - Fixed Assets disposal reserve - £257k
    - Pension and Redundancy reserve - £600k
    - Schools library reserve - £195k to extinguish a deficit balance
4. That Members approve the redundancy payments identified in paragraph 3.1.6 included within the outturn figures
5. That Members consider the position concerning school balances and the implications on 2015-16 school budgets.
6. Members note the progress concerning the delivery of the saving mandates in 2014/15 and seek further reports to identify alternate savings and virements proposed by Directors to replace original proposals to ensure further pressure on the 2015/16 budget is reduced.
7. That Members consider the position concerning outturn capital monitoring resulting in an overall underspend
8. That Members approve the slippage schedule as identified in Appendix 2, building upon the recommendation at month 9 to review these at outturn.

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9. That Members approve the planned capital financing position as reported in para 3.7.
10. That Members approve the use of the capital outturn underspend to fund the capital priorities identified in

**10. CRIME AND DISORDER TRAINING: PRESENTATION**

We agreed that the item would be deferred to September.

**11. WORK PROGRAMMING**

**WORK PROGRAMME 2015-16**

Members discussed the Work Programme for the Strong Communities Select Committee. In doing so, the following points were noted:

- Special Meeting July 2015:
  - Solar Farms Business Case (to be considered jointly with members of Economy and Development Select Committee)
- Cattle Market:
  - To be considered by Economy and Development and copied to Strong Communities.
- Special Meeting 8<sup>th</sup> July 2015
  - Housing and Homelessness – Joint meeting with Adults Select.

**CABINET FORWARD WORK PLANNER**

Members considered and noted the Cabinet Forward Work Planner.

We noted items as follows:

- Raglan Community Hall – to be circulated to select committee members
- Anaerobic Digestion – to be included on a future agenda

**The meeting ended at 12.15pm.**

**SUBJECT: AFFORDABLE HOUSING TASK & FINISH GROUP –  
CABINET RESPONSE**  
**DIRECTORATE: Social and Housing Services**  
**MEETING: Strong Communities Select**  
**DATE: 19<sup>th</sup> January 2012**  
**DIVISION/WARDS AFFECTED: All**

**1. PURPOSE:**

- 1.1 To inform Strong Communities Select on the Cabinet Response to the Affordable Housing Task and Finish Group Report 'A Place to Call Home'.

**2. RECOMMENDATIONS:**

- 2.1 To note the contents of the report and appendices.

**3. KEY ISSUES:**

- 3.1 The Strong Communities Select Committee commissioned an investigation into affordable housing because of the increasing demand for affordable housing in Monmouthshire. A Task & Finish Group was established to undertake this work.
- 3.2 On behalf of the Committee, the Task & Finish Group subsequently published their findings in the report 'A Place to Call Home.'
- 3.3 The terms of reference of the Task & Finish Group were to critically appraise previous and current attempts to solve the problem of a lack of affordable housing and to evaluate options for addressing the lack of affordable housing in Monmouthshire by making recommendations to the Council and other partners.
- 3.4 Key evidence appraised included:
- Evidence of housing need
  - Need for intermediate housing
  - Average earnings
  - Equalities
  - The Allocations Policy
  - Suitability and availability of land
  - Implications of increasing planning gain
  - Opposition to affordable housing delivery
  - Revitalising rural communities
  - Older person's housing – new directions
  - Build your own affordable home

3.5 The findings and recommendations of the Task & Finish investigation have been considered by the Cabinet. The Cabinet welcomes the importance and recognition that the Committee is placing on affordable housing and more specifically welcomes the recommendations proposed by the Committee for further increasing and strengthening the provision of affordable housing in Monmouthshire. This report provides specific responses and feedback to the Committee with regards to the 'A Place to Call Home' report.

**4. REASONS:**

Increasing the supply of affordable housing and reducing the impact of market imbalances is a priority of the Monmouthshire Local Housing Strategy. As the Task & Finish Group's inquiry progressed it became evident that housing is a wide and complex arena with direct implications on society which is much more than meeting the targeted number of homes required. The Task & Finish Group's report will be used by the Cabinet and officers to help shape future policy on housing.

**5. RESOURCE IMPLICATIONS:**

The view of the Group was that it was time for a new approach regarding the best value disposal of Council owned land and would like to explore the possibility of making land for affordable housing available at less than best consideration to facilitate the delivery of affordable housing.

**6. CONSULTEES:**

**7. BACKGROUND PAPERS:**

Affordable Housing Task and Finish Group Report entitled 'A Place to Call Home – June 2011'.

**8. AUTHOR:**

Ian Bakewell, Housing & Regeneration Manager

**9. CONTACT DETAILS:**

Tel: 01633 644479

E-mail: [ianbakewell@monmouthshire.gov.uk](mailto:ianbakewell@monmouthshire.gov.uk)



<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
<p><b>Land Use</b></p> <p><b>R1)</b> A new policy be introduced to enable Council owned land to be used to explore the benefits of Community Land Trusts (CLT), which promote „affordability in perpetuity'. Members believe that this wider exploration of options would ensure sustainable affordable housing for Monmouthshire residents.</p>	<p>Housing &amp; Regeneration Services has been monitoring the progress of Community Land Trusts in Wales. Despite funding from the Welsh Government no affordable housing has been delivered by a Community Land Trust to date. The WG has now withdrawn its funding.</p> <p>The Rural Housing Enabler works closely with communities in Monmouthshire and all avenues of delivery are open to those communities. Should they wish to pursue the Community Land Trust as a method of delivery the RHE and the Council would support them.</p>		
<p><b>R2)</b> The Council re-examines its approach to land value incorporating a fresh look</p>	<p>We accept this and Housing &amp; Regeneration Services together with the Council's</p>		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
<p>at value. This would provide more flexibility to RSL's and others to provide new forms of housing.</p>	<p>Estates and Planning Departments have looked at land owned by the Council that would be suitable for the development of affordable housing. To date two sites have been built (Bersondy in Llanarth and Llandogo). The site in Cross Ash was refused planning permission and a further site in Mynyddbach, Shirenewton was approved on appeal. Housing &amp; Regeneration Services are awaiting a decision from Estates to sell the land to the RSL.</p> <p>We will continue to work together with our Estates staff to identify further parcels of land suitable for affordable housing.</p>		
<p><b>Identifying Need</b></p> <p><b>R3)</b> The Housing Department continuously gathers the evidence to adequately identify the true nature of the need for</p>	<p>Monmouthshire's Local Housing Market Assessment carried out in 2006 was</p>		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
intermediate housing. This will ensure a comprehensive and inclusive approach.	<p>updated for the LDP in 2010. Housing &amp; Regeneration Services will continue to monitor housing statistics on a quarterly basis and will update Members accordingly.</p> <p>Figures from the updated LHMA are as follows:</p> <p>Net Housing Requirement for Abergavenny Housing Market Area is 606. This can be split into 431 market and 175 affordable.</p> <p>Net Housing Requirement for Chepstow and Caldicot Housing Market Area is 527. This can be split into 374 market and 153 affordable.</p> <p>Net Housing Requirement for Monmouth Housing Market Area is 503. This can be split into 358 market and 145 affordable.</p>		
<b>R4)</b> The Council endeavours to work with	We accept this and recognise the need for more		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
Registered Social Landlords (RSLs) and partners such as the Rural Housing Enabler to a greater degree to fully explore all the options for intermediate housing products and options for the “hidden middle”.	intermediate housing. We will continue to work closely with our RSL partners (through the GENuS consortium), with the RHE and with the Welsh Government. New intermediate products such as ‘Rent to Buy’ and ‘Build Your Own Affordable Home’ are coming on stream and we will continue to look at new ideas and to negotiate low cost home ownership homes on S106 sites.		
<b>R5)</b> The Council actively identifies data that it can use immediately to plan for future housing requirements (including the Census 2011 data).	Housing & Regeneration Services review all available housing related data on a quarterly basis. This data will be made available to Elected Members. New census data will be included when it is available.		
<b>Partnership Working</b>			
<b>R6)</b> The Council establishes a Monmouthshire Strategic Housing	We accept this and will set up a Strategic Housing		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
Partnership that engages partners from the public, private and third sectors (for example Brecon Beacons National Park, RSLs, developers etc) in order to adopt a more business-like approach to planning future affordable housing, incorporating affordable housing Member advocates.	Advisory Group. This group will be chaired by the Cabinet Member for Social Care, Health and Housing and will include Members, Officers, RSLs, Private Developers, Lenders, Estate Agents etc. It is anticipated that the group will meet quarterly to discuss a different specific issue at each meeting.		
<b>R7)</b> The Council should be much more proactive in examining the potential to deliver affordable housing through partnerships with private enterprise, RSLs, CLTs and land owners.		Housing & Regeneration Services will continue to work proactively with partner RSLs, the RHE, land owners and private developers to explore new delivery options. The proposal to establish a Strategic Housing Advisory Group will help the Council to be proactive	
<b>R8)</b> The Council works with RSLs to review important policies such as those concerning under occupation, homelessness, empty homes,	This is accepted. Housing & Regeneration Services work closely (collectively and individually) with all of our		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
allocations policies in order to ensure best use is made of housing stock.	partner RSL's, including through the GENuS infrastructure, in respect of strategy and policy development. Officers are currently in discussion with the RSL partners in respect of the priorities listed. This relationship is a key element of the Housing & Regeneration Services enabling role and it is hoped that the co-location of the service with one of the GENuS partners will help to facilitate this.		
<b>R9)</b> All RSLs in Monmouthshire operate one common housing register and one common housing allocations policy.	The importance and benefits of a common housing register and allocations policy is accepted because of the shared benefits to stakeholders including better use of resources and easier system to understand. The Council established such an arrangement with local housing associations in		

Affordable Housing Task and Finish Group – Cabinet Response			
Scrutiny's Recommendation	Accept (plus Action)	Partially Accept (plus Rationale and Action)	Reject (plus Rationale)
	January 2011.		
<p><b>R10)</b> The Council exerts more strategic influence over the application process for affordable housing. This could allow the Council to act as gatekeeper for affordable housing in the County.</p>	<p>It is accepted that the Council must have the ability to exert strategic influence.</p> <p>The following are some of the ways in which maximum influence will be sought.</p> <ul style="list-style-type: none"> <li>• Supplementary Planning Guidance for Affordable Housing is in place</li> <li>• Close working relationship with Housing, Planning, GENuS (which has been strengthened by co-location of the Housing &amp; Regeneration Team) and RHE</li> <li>• Officers are represented on the GENuS strategic and operational groups</li> <li>• Promoting the wider benefits of affordable housing. This is a priority of GENuS as well.</li> </ul>		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
	<ul style="list-style-type: none"> <li>• The operation of S106 Working Group</li> <li>• The establishment of the proposed Strategic Advisory Group will further cement strategic advantage</li> <li>• The use of housing market and income data to inform the evidence base</li> <li>• The pending introduction of the Gwent Matrix to monitor the local RSL's and ensure they are aligned with the priorities of the Council</li> <li>• Need to be aware that Planning &amp; Housing will be geographically separate following the Council's strategic accommodation review</li> </ul>		
<b>Meeting Need</b>			
<b>R11)</b> In order to avoid placing greater	It is accepted that the		



<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
<p>pressure on the public purse including the Housing Benefit bill, the Council endeavours to improve its efforts to deliver affordable housing.</p>	<p>Council needs to continually review and improve its approach to delivering affordable housing. The Council can demonstrate a 'tool-kit' approach to meeting housing need in the County and the availability and the ongoing development of affordable housing is an integral part of that tool-kit. Again the Strategic Housing Advisory Group will have a key role in this regard.</p>		
<p><b>R12)</b> Under the auspices of the new LDP Policy for affordable housing, greater focus should be placed on intermediate housing. This could be achieved through the development of flexible tenure policies which would provide greater options for people whose life circumstances could be subject to change.</p>	<p>All new affordable housing delivered through S106 agreements has been neutral tenure (flexible tenure) for the last few years. The latest local housing market assessment has shown that we should be delivering more intermediate housing and we intend to negotiate a greater percentage of intermediate housing now and after the</p>		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
	LDP as been adopted.		
<b>R13)</b> Developer contributions through S106 Agreements (in urban areas) be increased up to 40% subject to ratification by the Affordable Housing Toolkit and setting a threshold of more than 5 dwellings (subject to viability).		<p>The Affordable Housing/Strategic Viability Study set out options which reflected the high level of need for affordable housing in the county whilst taking viability into consideration.</p> <p>A single target of 35% across the county would be very stretching for the M4 corridor settlements and it should be recognised that grant would need to be made available for this to be achieved. It is extremely unlikely that there will be any increase in social housing grant which would make this possible.</p> <p>The option of a split target of 25% in the M4 corridor and 35% elsewhere was thought to be more realistic.</p>	
<b>R14)</b> The Council continues to actively identify sites in rural areas for increased		It is intended that the rural sites allocated in the LDP will	

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
<p>affordable housing delivery. In recognition of the volatile economic situation and the difficulties that developers are experiencing, Members believe that a minimum 40% developer contribution would be a sustainable level of contribution for the forthcoming LDP period (2006-2021). Members recognise that the LDP 2006-2021 proposes a higher level of developer contribution for rural areas, however, Members recommend that all sites be subject to a viability assessment which will determine a viable level of developer contribution. Members recommend this be monitored by the Monmouthshire Strategic Housing Partnership.</p>		<p>be for 60% affordable housing/40% market housing. The 40% market housing is intended to cross-subsidise the affordable housing.</p> <p>In the Affordable Housing/Strategic Viability Study testing at 60% affordable housing (even without grant) showed that significant positive residual values can be achieved in rural parts of the county.</p> <p>Viability assessments are something that planning/housing have already agreed will be necessary. Due to the current economic situation all sites brought forward in the first years of the LDP period will have to undergo a viability assessment using the Three Dragons Toolkit. This will determine the percentage of affordable housing (neutral tenure and intermediate),</p>	

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
	We accept that this will be monitored by the Strategic Housing Advisory Group	together with other S106 requirements that will be viable for the developer to deliver.	
<b>R15)</b> In the interest of building cohesive and sustainable communities, there should be a more proportionate approach to identifying suitable locations in rural areas for affordable housing.		LDP has taken a proportionate approach to identifying suitable locations in rural areas for affordable housing by proposing to allocate small sites in all of our villages which are considered to be sustainable.	
<b>R16)</b> The design of any affordable home in village communities should be sympathetic to the location.	We accept this recommendation and this is something that planning and housing have been concerned about. It is the intention of planning to commission a design brief to send to RSL's planning to deliver affordable housing in our rural areas.		

<b>Affordable Housing Task and Finish Group – Cabinet Response</b>			
<b>Scrutiny's Recommendation</b>	<b>Accept (plus Action)</b>	<b>Partially Accept (plus Rationale and Action)</b>	<b>Reject (plus Rationale)</b>
<p><b>R17)</b> The Housing Department makes concerted efforts to proactively engage local communities to highlight the benefits to communities to overcome the unfortunate stigma attached to affordable housing. This will require clear explanation of the role affordable housing plays in ensuring sustainable communities.</p>		<p>Housing &amp; Regeneration Services recognise the importance of engaging with communities in order to facilitate the delivery of citizen centred outcomes. It is important that delivery outcomes are wider than the provision of bricks and mortar and contribute to the population outcomes for Monmouthshire. An example of such is the work Housing &amp; Regeneration Services undertakes with the Rural Housing Enabler to promote sustainable communities in our rural areas. We will continue to be proactive in our engagement with local communities, promoting the benefits of affordable housing and the added benefits that affordable housing can bring.</p>	



**SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN AFFORDABLE HOUSING SUPPLEMENTARY PLANNING GUIDANCE**  
**MEETING: STRONG COMMUNITIES SELECT COMMITTEE**  
**DATE: 16 JULY 2015**  
**DIVISION/WARDS AFFECTED: ALL**

**1. PURPOSE:**

- 1.1 The purpose of this report is to advise members of the results of the recent consultation on Draft Supplementary Planning Guidance (SPG) on Affordable Housing to support the policies of the Monmouthshire Local Development Plan (LDP).

**2. RECOMMENDATIONS:**

- 2.1 Members note the contents of this report and the recommended revisions to the Draft Affordable Housing SPG and comment accordingly.

**3. KEY ISSUES:**

3.1 Background

Council endorsed Draft Affordable Housing SPG to be issued for consultation purposes on 22 January 2015. The report to Council (which was rearranged from 18 December 2014) is attached as **Appendix A**. The SPG had earlier been reported to Strong Communities Select on 20 November 2014.

- 3.2 The consultation took place for a period of 6 weeks from Thursday 19th February 2015 to Thursday 2nd April 2015. A notice was placed in the Monmouthshire Free Press on 18 February 2015 and 388 individual notifications were sent out to:

- Specific (including Town and Community Councils), General and Other consultees, as identified in the LDP Community Involvement Scheme;
- Residents who were on the LDP consultation data base and had specifically requested to be notified of the SPGs;
- Agents/developers who work in the Council area.

- 3.3 11 replies were received. These have been split into 41 representations that are summarised, together with the suggested Council response, in the Report of Consultation provided as **Appendix B**.

- 3.4 The main themes arising from the consultation are considered to be:

- 3.4.1 Objections to affordable housing requirement being based on the theoretical capacity of the site when a density of 30 dwellings per hectare is not achieved.

Response: It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity and the text of the SPG has been amended accordingly.

3.4.2 Objections to the Council identifying a preferred Registered Social Landlord (RSL) for developers to work with.

Response: It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. The paragraph stating that the Council will identify a preferred RSL (paragraph 6.3.3, formerly 6.3.4), therefore, has been amended to provide a more neutral wording that explains the position. Paragraph 6.12 (formerly 6.9) has also been amended for clarity.

3.4.3 Clarification is requested on when an affordable housing financial contribution on small sites will be payable because of concerns over cash flow issues.

Response: Concerns regarding potential cash flow issues for small businesses are recognised. The Council is content to adopt a flexible approach in such circumstances. An additional paragraph has been added to clarify this, stating that commuted sums are normally required when 70% of the units on site are completed and occupied but that this is open to negotiation should viability considerations make that necessary.

3.4.4 Queries on how the Affordable Housing financial contribution is calculated.

Response: A number of detailed queries on this issue are addressed in the Report of Consultation. Some additional text has been added to the SPG to try and better explain the process.

3.4.5 Queries over neutral tenure requirements and the relationship with Policy SAH11 sites (rural housing allocations).

Response: It is recognised that the way in which the draft SPG is written has potential for causing confusion. Section 6 of the SPG on the options for the delivery of affordable housing has been amended to deal with SAH11 sites under a separate heading. All general affordable housing will be required to be built to Welsh Government (WG) Design Quality Requirements (DQR) and be neutral tenure. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues. If intermediate housing products are provided on SAH11 sites the standard of construction would not necessarily be DQR but would be negotiated to a standard agreed by the Council and its RSL partners.

3.4.6 Objection to the lack of flexibility in the definitions of affordable housing.

Response: It is considered that the Council needs to follow the definitions in TAN2, which sets out affordable housing policies for Wales, notwithstanding that other approaches may be acceptable under English planning policy. In any event, the greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. Provision of tenure neutral housing as set out in the SPG provides the flexibility to also achieve Low Cost Home Ownership. Other approaches are not considered to be appropriate for Monmouthshire as they will not be meeting the Council's housing need.

3.4.6 Objections to the viability implications of building affordable homes to DQR, commenting also that this requirement conflicts with the aim of ensuring that affordable units are indistinguishable from owner occupied homes.

Response: It is considered essential that DQR is achieved on neutral tenure properties (which is what the Council requires to meet its housing need) to achieve appropriate design, space standards and quality of new homes. Just because an affordable home is larger than a market home does not mean that it cannot be indistinguishable in terms of its external appearance, such as materials and elevational treatment. Should developers be able to demonstrate that the requirement for DQR would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment').



3.4.7 Objections to the viability implications of the proposed percentage payments to developers for the transfer of affordable housing to RSLs (42% of WG Acceptable Cost Guidance (ACG)).

Response: The greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. The maximum that an RSL can afford to pay based on the rental income they would receive from the properties is 42% of Welsh Government Acceptable Cost Guidance (ACG). Whilst the developer would receive a higher percentage of ACG for Intermediate Rent, for instance, this would not be meeting housing need in Monmouthshire. It is considered essential that the 42% of ACG transfer rate remains in order to meet housing need in Monmouthshire. Should developers be able to demonstrate that this would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment'). Further text has been added to paragraph 6.3.5 (new paragraph 6.3.4) to provide justification for the 42% transfer rate.

3.4.8 Concerns about the implications of 'pepper-potting'.

Response: It is considered that the principle of 'pepper-potting' is an important one. Nevertheless, there would be scope for flexibility in negotiating over design and layout if a developer argued a special justification. It is also recognised that the limit of 10 dwellings on a cluster of affordable homes may be overly restrictive and inflexible, particularly on a large scale development. It is recommended, therefore, that this figure be increased to 15.

3.4.9 The changes made in response to the objections referred to in paragraph 3.4.1 also have implications for the proposed approach to infill sites within Main Villages that are not allocations under Policy SAH11. Some revisions have been made to Section 4.4(D), therefore, to ensure consistency. There is also a need to provide clarity on how the suggested policy will be applied on larger sites in Main Villages where it is feasible to provide affordable housing on site.

3.4.10 An additional paragraph 6.11 has been added to clarify the position regarding service charges and ground rents.

3.5 An amended SPG, incorporating the changes arising from the issues identified above is attached as **Appendix C**.

3.6 Next steps

3.6.1 It is intended to report the revised Affordable Housing SPG, together with the results of the consultation, to Planning Committee, Cabinet and Council with a view to seeking the formal adoption of the document as SPG to support the Monmouthshire LDP.

3.6.2 Potentially, the contents of the SPG could affect the viability considerations that influenced the percentage of affordable housing required in LDP policy and the draft Community Infrastructure Levy (CIL) charging schedule that has also been subject to a recent consultation. The SPG sets out enhanced space standards, a revised housing mix and changes to percentage payments to developers for the transfer of affordable housing to Registered Social Landlords compared with what has been tested previously. The SPG will not be put forward for adoption, therefore, until the possible viability issues are fully understood in order to ensure that members can be made aware of the SPG's implications before they are asked to make a final decision. In this respect, the Council's consultants have been engaged to carry out additional financial modelling and the results of this are expected to be received in September.

#### **4. REASONS:**

- 4.1 Under the Planning Act (2004) and associated Regulations, all local planning authorities are required to produce a LDP. The Monmouthshire LDP was adopted on 27 February 2014 and decisions on planning applications are now being taken in accordance with policies and proposals in the LDP. The Affordable Housing SPG provides further explanation and guidance on the way in which the affordable housing policies of the LDP.

#### **5. RESOURCE IMPLICATIONS:**

- 5.1 Officer time and costs associated with the preparation of the SPG document and consultancy fees for further advice and viability testing (to be carried out in association with the implementation of CIL). These will be within the existing Development Plans budget.
- 5.2 A new funding stream will arise from processes introduced in association with the Affordable Housing SPG. LDP Policy S4, Affordable Housing, makes provision for financial contributions to be required to assist in funding affordable housing in the County where residential developments do not meet the thresholds for providing such housing on site. In addition, a process is set out in the SPG for requiring financial contributions in the exceptional circumstances where it is not appropriate or feasible to provide affordable housing on site.

#### **6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

- 6.1 These were considered in the report that was presented to Council on 22 January 2015 Council (rearranged from 18 December 2014) and which is attached as **Appendix A**.

#### **7. BACKGROUND PAPERS:**

- Monmouthshire Adopted LDP (February 2014)

#### **8. AUTHOR & 9. CONTACT DETAILS:**

Martin Davies (Development Plans Manager).

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**SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN AFFORDABLE HOUSING SUPPLEMENTARY PLANNING GUIDANCE**  
**MEETING: FULL COUNCIL**  
**DATE: 18 DECEMBER 2014**  
**DIVISION/WARDS AFFECTED: ALL**

**1. PURPOSE:**

- 1.1 The purpose of this report is to seek Council's endorsement of Draft Supplementary Planning Guidance (SPG) on Affordable Housing to support the policies of the Monmouthshire Local Development Plan (LDP), with a view to issuing for consultation purposes.

**2. RECOMMENDATIONS:**

- 2.1 Council endorse the Draft Affordable Housing SPG with a view to issuing for consultation purposes.

**3. KEY ISSUES:**

3.1 Background

The Monmouthshire County Council LDP 2011-2021 was adopted on 27 February 2014, superseding the Monmouthshire Unitary Development Plan (UDP), to become the adopted development plan for the County (excluding that part within the Brecon Beacons National Park). The LDP contains sufficient policies and proposals to provide the basis for deciding planning applications, and for determining conditions to be attached to planning permissions, but it was necessary to ensure that it avoided excessive detail. Selective use of SPG is a means of setting out more detailed thematic or site specific guidance on the way in which the policies of an LDP will be applied in particular circumstances or areas.

- 3.2 LDP Wales (2005) at paragraph 5.2 states that:

*'SPG does not form a part of the development plan but must be consistent with it. It may take the form of site specific guidance such as master plans, design guides or area development briefs, or thematic such as shopfront guidance or detailed car parking standards. It should be clearly cross-referenced to the relevant adopted plan policy or proposal, which it supplements, and may be issued separately from the plan. It should be made publicly available and its status made clear.'*

- 3.3 Paragraph 5.3 of LDP Wales further emphasises that SPG can be a material consideration in the determination of planning applications, provided that appropriate consultation has been undertaken and that it has been approved in accordance with the Council's decision making process:

*'While only the policies in the development plan have special status under section 38(6) of the 2004 Act in deciding planning applications, SPG may be taken into account as a material consideration. SPG should be prepared in accordance with an authority's CIS [Community Involvement Scheme]; consultation should involve the general public, businesses, and other interested parties and their views should be taken into account before the SPG is finalised. It should then be approved by a Council resolution. A statement of the consultation undertaken, the representations received and the authority's response to those representations should be made*

*available with the approved SPG, either in an annex or in a separate document. In making decisions on matters that come before it, the Assembly Government and the Planning Inspectorate will give substantial weight to approved SPG which derives out of and is consistent with the development plan, and has been prepared consistent with the above advice.'*

3.4 A programme for the preparation of SPG was endorsed by Planning Committee on 7 October 2014 and by Individual Cabinet Member decision on 22 October 2014

3.5 There is a need for Affordable Housing SPG as it has significant policy and/or financial implications for the implementation of the LDP. A number of allocated LDP sites are coming forward in the planning application process. The absence of adopted SPG does not prevent the Council achieving the required percentages of affordable housing as set out in LDP Policy S4 but it is obviously beneficial if appropriate guidance is provided to assist in the process. This is particularly advantageous in the case of rural housing allocations, which are covered by a new policy requiring them to provide 60% affordable housing, although, again, there has been a substantial amount of interest in a number of these sites, which to date are being progressed through pre-application discussions. A further new policy initiative in relation to affordable housing is that developments that fall below the threshold at which affordable housing is required on site are now required to make a financial contribution towards affordable housing provision in the locality. This is a matter that does require adopted SPG as it would be unreasonable to introduce this provision without appropriate consultation and a formal decision of the Council.

3.6 The Draft Affordable Housing SPG is attached to this report as an Appendix. The SPG provides background information on affordable housing issues, including national planning policy, the need for affordable housing in Monmouthshire, the planning application and negotiation process and LDP monitoring and targets. The main body of the SPG (Section 4) addresses seven types of situation where it is considered that further clarification is required:

- A) Where the affordable housing threshold of 5 or more is applicable, i.e. in Main Towns, Rural Secondary Settlements and Severnside Settlements.
- B) Where the affordable housing threshold is not met and financial contributions are required.
- C) Sites allocated in Main Villages under LDP Policy SAH11 with the specific purpose of providing 60% affordable housing.
- D) Other sites in Main Villages.
- E) Minor Villages.
- F) Conversions and sub-divisions in the open countryside.
- G) Departure applications in the open countryside.

A further policy area that requires explanation is the Affordable Housing Rural Exceptions policy (LDP Policy H7). A substantial part of the SPG (Section 6) also sets out the mechanisms that will be used to deliver affordable housing.

3.7 The SPG has been written with Housing & Communities, Senior Strategy and Policy Officer, with the assistance of the Rural Housing Enabler for Monmouthshire.

### 3.7 Next steps

3.7.1 As referred to in paragraph 3.3 above, for SPG to be given weight in the consideration of planning applications, appropriate consultation needs to be undertaken and any comments received should be taken into account in the Council's decision making process. Following a resolution to consult, targeted notifications will be sent to those considered to have an interest in the SPG topic, although all town and community councils will be consulted and notices will be placed in the press. Individuals and

organisations currently on the LDP consultation data base have been given the opportunity to request to be notified on some or all SPGs that they are interested in. All consultation replies will be analysed and responses/amendments reported for Members' consideration when seeking a resolution for the adoption of any SPG document.

#### **4. REASONS:**

4.1 Under the Planning Act (2004) and associated Regulations, all local planning authorities are required to produce a LDP. The Monmouthshire LDP was adopted on 27 February 2014 and decisions on planning applications are now being taken in accordance with policies and proposals in the LDP. The Affordable Housing SPG provides further explanation and guidance on the way in which the affordable housing policies of the LDP will be implemented.

#### **5. RESOURCE IMPLICATIONS:**

5.1 Officer time and costs associated with the preparation of the SPG document and carrying out the required consultation exercises. These will be within the existing Development Plans budget and carried out by existing staff.

5.2 A new funding stream will arise from processes introduced in association with the Affordable Housing SPG. LDP Policy S4, Affordable Housing, makes provision for financial contributions to be required to assist in funding affordable housing in the County where residential developments do not meet the thresholds for providing such housing on site. In addition, a process is set out in the SPG for requiring financial contributions in the exceptional circumstances where it is not appropriate or feasible to provide affordable housing on site.

#### **6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

##### **6.1 Sustainable Development**

An integrated equality and sustainability impact assessment was carried out in connection with the Deposit LDP. Under the Planning Act (2004), the LDP was required, in any event, to be subject to a Sustainability Appraisal (SA). The role of the SA was to assess the extent to which the emerging planning policies would help to achieve the wider environmental, economic and social objectives of the LDP. The LPA also produced a Strategic Environmental Assessment (SEA) in accordance with the European Strategic Environment Assessment Directive 2001/42/EC; requiring the '*environmental assessment*' of certain plans and programmes prepared by local authorities, including LDP's. All stages of the LDP were subject to a SA/SEA, therefore, and the findings of the SA/SEA were used to inform the development of the LDP policies and site allocations in order to ensure that the LDP would be promoting sustainable development. This SPG is expanding and providing guidance on existing LDP affordable housing policies, which were prepared within a framework promoting sustainable development. In addition, affordable housing makes an important contribution to the sustainability of our towns and villages by providing homes that local people on low incomes can afford to live in. It also a means of providing low cost homes for first time buyers. A commuted sum also has the potential to bring forward additional units of housing to meet the specific housing needs of vulnerable groups.

##### **6.2 Equality**

6.2.1 The LDP was also subjected to an Equality Challenge process and due consideration given to the issues raised. As with the sustainable development implications considered above, the SPG is expanding and providing guidance on these existing LDP affordable housing policies, which were prepared within this framework. New SPG will be subject to Equality Impact Assessments to ensure that informed decisions

can be made. Where practicable and appropriate, consultation will include targeted involvement of those with the relevant protected characteristics.

6.2.2 Assessments of Equality Impact will be required throughout the Plan's implementation wherever there is likely to be significant impact. In this respect, the LDP will be subject to an Annual Monitoring Report that will include consideration of Equality Impacts.

**7. CONSULTEES**

- Strong Communities Select
- Planning Committee
- SLT
- Cabinet

**7. BACKGROUND PAPERS:**

- Monmouthshire Adopted LDP (February 2014)

**8. AUTHOR & 9. CONTACT DETAILS:**

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## Draft Supplementary Planning Guidance Monmouthshire County Council Local Development Plan Affordable Housing Report of Consultation - July 2015

Respondent Number	79	Representation Number	1
Respondent Name	Mr & Mrs Roach		
Respondent Organisation	Trustees of the late Mrs H M Langham		
Summary of Representation	<p>Question section C of paragraph 4.4 noting that villages are different in many respects and that generalisations should not be made in terms of their sustainability and capacity to absorb development. Affordable housing is needed in rural areas but not necessarily at higher rates than elsewhere. Market housing may also be needed in villages, e.g. for downsizing. Maximum of 15 dwellings does not offer flexibility. Those settlements that can sustain larger developments should not be restricted to 15 dwellings.</p>		
Requested Change	No specific change requested, as above.		
LPA Response	<p>Noted, the comments made relate to the policies set out within the LDP and not the SPG itself. The LDP Policies were adopted in February 2014 and as a consequence cannot be changed. The points raised are not issues that are relevant to consideration of the SPG but question the policies themselves which would be matters for any LDP review. The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.</p>		
Recommendation	No change necessary.		

Respondent Number	79	Representation Number	2
Respondent Name	Mr & Mrs Roach		
Respondent Organisation	Trustees of the late Mrs H M Langham		
Summary of Representation	<p>Note that whilst the claim in sub-paragraph 6 of paragraph 4.4 (c) that the 60% affordable requirement will still provide land values sufficient to bring sites forward may be theoretically true it has not been in practice in relation to the allocated Mathern site. Developers are discouraged as the site is too small and is not a commercially viable proposition as they consider the 60% ratio of affordable housing prohibitive. Suggest a larger allocation would cause no disruption to Mathern or change the character of the settlement. The 60% affordable home requirement is too prohibitive.</p>		
Requested Change	No specific change requested, as above.		
LPA Response	<p>Noted, the comments made relate to a specific site allocation within the LDP. The LDP Policies and Proposals Map were adopted in February 2014 and as a consequence cannot be changed. The points raised are not issues that are relevant to consideration of the SPG but question the policies themselves which would be matters for any LDP review. The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.</p>		
Recommendation	No change necessary.		

Respondent Number	80	Representation Number	1
Respondent Name	Rachael Bust		
Respondent Organisation	The Coal Authority		
Summary of Representation	No specific comments to make.		
Requested Change	No change requested.		
LPA Response	Comment noted.		
Recommendation	No change necessary.		



Respondent Number	165	Representation Number	1
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	<p>Definitions are used in the SPG that come from a number of sources, need to move away from conventional and narrow views of what qualifies as affordable housing. Recommend the SPG retains a flexible and open mind to what can or might qualify as affordable housing in the County. Suggest the list is extended to refer to other forms of housing which may over time qualify as affordable housing including affordable rent models and simple discounted sale properties which may be particularly appropriate for Monmouthshire.</p>		
Requested Change	As noted above.		
LPA Response	<p>It is considered that the Council needs to follow the definitions in TAN2, which sets out affordable housing policies for Wales, notwithstanding that other approaches may be acceptable under English planning policy. In any event, the greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. Provision of tenure neutral housing as set out in the SPG provides the flexibility to also achieve Low Cost Home Ownership. The approaches suggested by the representor are not considered to be appropriate for Monmouthshire as they will not be meeting the Council's housing need.</p>		
Recommendation	No change.		

Respondent Number	165	Representation Number	2
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	The use of general site densities to calculate default housing quotas for sites needs to be treated with caution, there may be reasons why some sites deliver lower or higher numbers, a fixed flat rate/general rule is not appropriate.		
Requested Change	No specific change requested.		
LPA Response	The point made by the representor is accepted. It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity of 30 dph.		
Recommendation	<p>Amend the relevant paragraphs of the SPG as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)</p>		

Respondent Number	165	Representation Number	3
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Welcome the bullet points relating to viability at the top of page 10. They reflect the need for sites to be treated as individual projects which will be charged with meeting multiple planning objectives. The paragraph focuses on the percentage of affordable housing that will need to be considered in this assessment of viability. The type of homes proposed and price at which they are transferred could be just as important in some cases.		
Requested Change	No specific change requested.		
LPA Response	Comment noted.		
Recommendation	No change.		

Respondent Number	165	Representation Number	4
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	The preference for pepper potting is understandable but should be tempered. Provision should be made for different approaches to distribution.		
Requested Change	No specific change requested.		
LPA Response	It is considered that the principle of 'pepper-potting' is an important one. Nevertheless, there would be scope for flexibility in negotiating over design and layout if a developer argued a special justification. It is also recognised that the limit of 10 dwellings on a cluster of affordable homes may be overly restrictive and inflexible, particularly on a large scale development. It is recommended, therefore, that this figure be increased to 15.		
Recommendation	Amend the second sentence in the paragraph on Layout and Design in Section 4.4A to read  Properties for affordable housing will normally be in clusters of 6-15 units, depending on the overall size of the development.		

Respondent Number	165	Representation Number	5
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	The definitions of affordable housing listed in Section 6 should be left a little open ended to allow other forms of housing to qualify in order to help provide people in need into new homes.		
Requested Change	As noted above.		
LPA Response	It is considered that the Council needs to follow the definitions in TAN2, which sets out affordable housing policies for Wales, notwithstanding that other approaches may be acceptable under English planning policy. In any event, the greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. Provision of tenure neutral housing as set out in the SPG provides the flexibility to also achieve Low Cost Home Ownership. The approaches suggested by the representor are not considered to be appropriate for Monmouthshire as they will not be meeting the Council's housing need.		
Recommendation	No change.		

Respondent Number	165	Representation Number	6
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	<p>Concern with the requirement to build all affordable homes to DQR standard as this significantly increases the cost of provision and can reduce the amount of affordable housing a site can provide. Affordable homes could cover a larger area of the site and leaving less land for value generating development. Differentiation sits uneasily with a requirement for equality and similarity between affordable and market housing made elsewhere in the SPG. The DQR standard could remain as the objective/starting point but should not be enforced at all costs for all affordable housing.</p>		
Requested Change	No specific change requested.		
LPA Response	<p>It is considered essential that DQR is achieved on neutral tenure properties (which is what the Council requires to meet its housing need) to achieve appropriate design, space standards and quality of new homes. Just because an affordable home is larger than a market home does not mean that it cannot be indistinguishable in terms of its external appearance, such as materials and elevational treatment. Should developers be able to demonstrate that the requirement for DQR would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment').</p>		
Recommendation	No change.		

Respondent Number	165	Representation Number	7
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	<p>The 42% level of ACG proposed has the potential to cancel out substantial value with the price secured for the property failing to cover basic costs resulting in a double deduction - with one coming from less income generated from the whole development to pay for opening up and the second being an actual loss on the build of affordable accommodation. Recent examples from within the County indicate that a more flexible approach to %ACG is necessary and acceptable, starting at a relatively low level for social rented but then increasing for Low Cost Home Ownership and increase again for intermediate properties. Cannot see the justification for a figure of 42% and suggest the SPG should not identify a single figure. Flexibility is vital if sites are to deliver affordable housing. Sites such as Fairfield Mabey require a flexible approach. Suggest the maximum/minimum ACG % figures are removed or a more explicit reference is provided to these rates in the two bullet points at the top of page 10.</p>		
Requested Change	As noted above.		
LPA Response	<p>The greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. The maximum that an RSL can afford to pay based on the rental income they would receive from the properties is 42% of Welsh Government Acceptable Cost Guidance (ACG). Whilst the developer would receive a higher percentage of ACG for Intermediate Rent, this would not be meeting housing need in Monmouthshire. It is considered essential that the 42% of ACG transfer rate remains in order to meet housing need in Monmouthshire. Should developers be able to demonstrate that this would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment'). Further text will be added to paragraph 6.3.5 (new paragraph 6.3.4) to provide justification for the 42% transfer rate.</p>		
Recommendation	<p>Amend paragraph 6.3.5 (new number 6.3.4) to read:</p> <p>6.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).</p>		

Respondent Number	165	Representation Number	8
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Recommend the list of RSLs is removed or extended and is not imposed by the Council as suggested. This is at odds with national planning policy guidance.		
Requested Change	As noted above.		
LPA Response	It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.		
Recommendation	<p>Replace paragraph 6.3.4 (new number 6.6.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSL's development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new paragraph 6.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="padding-left: 40px;">Melin Homes  Monmouthshire Housing Association  The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	165	Representation Number	9
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Recommend implications of neutral tenure are explained, it is difficult to predict or see what financial impact this could have.		
Requested Change	As noted above.		
LPA Response	Amendments are suggested to add some additional explanation to the requirements for neutral tenure. Any viability implications arising from this will be dealt with on a site by site basis. A definition of neutral tenure is provided in paragraph 6.2 Types of Affordable Housing.		
Recommendation	<p>Amend paragraph 6.3.5 (new number 6.3.4) to read:</p> <p>6.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).</p>		

Respondent Number	165	Representation Number	10
Respondent Name	Tim Gent (Savills)		
Respondent Organisation	Mabey Bridge		
Summary of Representation	Recommend provision is made for decisions on affordable housing in full context of what each site is expected to deliver and the other dividends that development will deliver.		
Requested Change	As noted above.		
LPA Response	Comment noted. Each development will be assessed on its merits on a site by site basis. LDP Policy S7 does state that affordable housing will be given priority over other planning obligation requirements, once the infrastructure necessary to bring the site forward has been taken into account.		
Recommendation	No change.		



Respondent Number	184	Representation Number	1
Respondent Name	Christopher Knock (Agent)		
Respondent Organisation	Llangibby Estate		
Summary of Representation	In main villages set out in Policy S1 for 3 or more dwellings, 60% affordable housing is too high and will restrict development.		
Requested Change	No specific change requested.		
LPA Response	Noted, the LDP Policies were adopted in February 2014 and as a consequence cannot be changed. The draft SPG does however contain a specific section (4.4 D) relating to other sites in Main Villages, particularly small infill plots. The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.		
Recommendation	No change necessary.		

Respondent Number	1380	Representation Number	1
Respondent Name	Mrs Lynne Morgan		
Respondent Organisation			
Summary of Representation	Concerned by emphasis given to affordable housing by the Council. Suggests priority should be placed on infrastructure, schools, hospitals and roads to which problems will be exacerbated with increased housing. Notes funds should be directed to these areas in preference to social housing. Refers to traffic problems in Chepstow.		
Requested Change	No specific change requested.		
LPA Response	Comment noted. The provision of affordable housing is a major priority of the Council and as such it is important for documents such as the SPG to provide clear guidance on how LDP policies and the planning system can improve the supply of affordable housing for local people.		
Recommendation	No change necessary.		

Respondent Number	2030	Representation Number	1
Respondent Name	Mr G Howells		
Respondent Organisation			
Summary of Representation	Desperate Need for Social Housing, particularly 1 bed flats. Should be high priority particularly for under 35s.		
Requested Change	No change requested		
LPA Response	Comment noted.		
Recommendation	No change necessary.		

Respondent Number	2862	Representation Number	1
Respondent Name	Simon Tofts		
Respondent Organisation	Blue Cedar Homes		
Summary of Representation	Support the need to seek affordable housing from new developments but suggest off site contributions could be used as an alternative to on site provision in relation to developments that address needs such as retirement housing. State C3 Sheltered/Retirement Housing should be exempt from providing on site affordable housing as higher building costs and a longer selling period make retirement housing less viable than new homes in general. Purchasers are often 'downsizing' from large family homes. This frees up family housing needed by younger families.		
Requested Change	C3 sheltered/retirement housing should be explicitly exempt from providing on-site affordable housing.		
LPA Response	Paragraph 6.6 recognises that on-site provision of affordable homes can be difficult in sheltered retirement housing schemes because of management issues and puts forward the option of making off-site financial contributions for affordable housing. It is recognised that there are viability issues with sheltered housing schemes and it is suggested that an additional paragraph be added to acknowledge this.		
Recommendation	<p>Add new paragraph:</p> <p>It is recognised that some specialist housing schemes such as Sheltered Housing may be challenging to deliver and any affordable housing contribution would be subject to viability. Should it be necessary the Council will commission an independent viability assessment.</p>		

Respondent Number	2883	Representation Number	1
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>In relation to small sites financial contribution further clarification is required on:</p> <p>(1.1) Residual Value calculation, has any account been taken on the different values achieved across the borough?</p> <p>(1.2) Details of when the financial contribution is to be paid is required. Suggest that if it is required upfront/prior to sale/occupation the contribution would have to be borrowed. Question whether a small scale builder could borrow at this stage of the development.</p> <p>(1.3) Details of how and on what the money will be spent is required to provide confidence and justification of its requirement.</p>		
Requested Change	Details required on when the contribution will be required and how it will be spent.		
LPA Response	<p>(1.1)The commuted sum calculator can be used for different value areas in Monmouthshire. It also allows the user to input scheme specific values if these are available.</p> <p>(1.2)Concerns regarding potential cash flow issues for small businesses are recognised. The Council is content to adopt a flexible approach in such circumstances. It is recommended that an additional paragraph be added to clarify this.</p> <p>(1.3) The money raised through affordable housing contributions will be spent in the housing market area in which the development is located. It is recommended that an additional paragraph be added to clarify this.</p>		
Recommendation	<p>Add the following paragraphs:</p> <p>Commuted sums will be liable to be paid on completion and occupation of a percentage of units on site. This is normally 70% but will be open to negotiation should viability considerations make that necessary.</p> <p>Commuted sums gathered by the Council will be used to deliver affordable housing in the Housing Market Area (HMA) from which they are collected. The map below shows the three HMAs in Monmouthshire.</p>		

Respondent Number	2883	Representation Number	2
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>With reference to paragraph 6.3.4, flexibility should be allowed for provision on site for a developer to choose their preferred RSL partner particularly where no grant is involved. The LPA should not impose a RSL as this would be contrary to national guidance set out in TAN2. There should be flexibility to agree use of a non-zoned RSL with regard to specialist provision.</p>		
Requested Change	No specific change required.		
LPA Response	<p>It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.</p>		
Recommendation	<p>Replace paragraph 6.3.4 (new number 6.3.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSLs development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new number 6.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="text-align: center;">Melin Homes Monmouthshire Housing Association The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	2883	Representation Number	3
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>Paragraph 4.4 (A) sub paragraph 2 stating 'check the site area and estimate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare' should be changed. The site area should be based on net hectares and not gross hectares. Some flexibility should be considered around the 30dpha figure for example on heavily constrained or higher density brown field sites. Object to statement that 30dpha will be used for calculating affordable housing requirement where a development does not achieve this density, needs more flexibility.</p>		
Requested Change	<p>Suggest the wording be changed to 'Establish the net site area and calculate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare'</p>		
LPA Response	<p>Subsequent paragraphs explain that the calculation will be based on net density, but it is agreed that that the amendment suggested by the representor would be helpful in providing further clarity.</p> <p>With regard to point regarding flexibility in determining affordable housing requirements rather than relying on the flat rate of 30 dph, it is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity.</p>		
Recommendation	<p>Amend the second paragraph of 4.4(A) to read:</p> <p>Establish the net site area and calculate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare.</p> <p>Amend further paragraphs of Section 4.4(A) as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion</p>		

required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)

Respondent Number	2883	Representation Number	4
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	The section on viability testing needs to include advice on how an independent dispute resolution process would work where agreement cannot be reached, suggest wording that allows for a third party agreed by both sides.		
Requested Change	As noted above.		
LPA Response	If the Council has concerns regarding viability evidence submitted by developers it will appoint its own consultants to verify. It would be hoped that any disagreements could be resolved through negotiation and discussion. If the Council cannot accept the developer's figures then this could result in a refusal of a planning application and the matter could then be determined by a Planning Inspector on appeal. It is not considered appropriate to introduce a third party dispute resolution process.		
Recommendation	No change.		

Respondent Number	2883	Representation Number	5
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>(1)Need clarity on what the financial contributions relate to in the model examples of calculations in 4.4 section B. It is not clear if the final calculation is per dwelling or per scheme. Taking the first example on page 11 the scheme without the affordable contribution would now make a profit of £82,000 of which £53,625 would now be the affordable contribution leaving a profit of £29,175 or £14,587 per property.</p> <p>(2)Seek clarification that the figures used are taken from information gathered from small house builders rather than national developers as it is the small house builders of below 5 units that will be affected by the calculation.</p>		
Requested Change	Further clarification sought as noted above.		
LPA Response	<p>(1)The contribution set out in the example is per scheme not per dwelling. The figures used by the representor are incorrect and based on a misunderstanding. The commuted sum calculator includes a developer return of 20% in its calculations. In the example this is 20% of the market value or £36,000 per market dwelling. It is accepted, however, that the wording of the examples is not clear and they will be re-written to try and avoid such misunderstanding. (The examples also reduce the amounts paid to the developer by 'on costs of 9%' This is an error and would not be applied in practice. In addition the Welsh Government Acceptable Cost Guidance figures have been updated. The examples, therefore, will be amended accordingly).</p> <p>(2)The developer return and marketing costs used are those agreed for the viability testing used to inform the affordable housing policy in the LDP. However, the calculator allows for variation in developer return and marketing costs if this can be justified by evidence.</p>		
Recommendation	The model examples to be amended to provide greater clarity, remove the reference to 'on-costs of 9%' and update the ACG figures.		

Respondent Number	2883	Representation Number	6
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	In relation to layout and design on page 10, question how the reference to 'pepper potting' would work in a flatted scheme, where preference would be to provide all in one block, or an area of a block served by its own core, to ease future management and transfer to a RSL.		
Requested Change	No specific change requested.		
LPA Response	This point is not considered to be applicable to Monmouthshire as the provision of large blocks of flats would not be appropriate as not in keeping with the rural nature of the County's rural towns. It is considered that the principle of 'pepper-potting' is an important one. Nevertheless, there would be scope for flexibility in negotiating over design and layout if a developer argued a special justification. It is also recognised that the limit of 10 dwellings on a cluster of affordable homes may be overly restrictive and inflexible, particularly on a large scale development. It is recommended, therefore, that this figure be increased to 15.		
Recommendation	<p>Amend the second sentence in the paragraph on Layout and Design in Section 4.4A to read</p> <p>Properties for affordable housing will normally be in clusters of 6-15 units, depending on the overall size of the development.</p>		



Respondent Number	2883	Representation Number	7
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>(1)Suggest paragraph 6.3.1 contradicts 6.3 in relation to being built to DQR standard yet indistinguishable from private properties. Due to size differences and external layout requirements these will always look different to other private properties. It is understood that DQR compliance is only required if WG social housing grant is used in the scheme, suggest wording is amended to take account of this.</p> <p>(2)Para 6.3.2 says the same as 6.3.1 but states DQR only applies to social rented, need to clarify which paragraph is correct .</p>		
Requested Change	As noted above.		
LPA Response	<p>(1)It accepted that it is not a WG requirement to achieve its Design Quality Standard (DQR) if social housing grant is not being used. It is considered essential, however, that DQR is achieved on neutral tenure properties to achieve appropriate design, space standards and quality of new homes. Just because an affordable home is larger than a market home this does not mean that it cannot be indistinguishable in terms of its external appearance, such as materials and elevational treatment.</p> <p>(2) It is recognised that the way in which the draft SPG is written has potential for causing confusion, which appears to be the case in relation to this part of the representation. Paragraph 6.3.2 only deals with rural housing sites allocated under Policy SAH11. It is proposed, therefore, to re-write this section of the SPG to deal with SAH11 affordable housing under a separate heading. All general affordable housing will be required to be built to DQR standards and be neutral tenure. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues. If intermediate housing products are provided on SAH11 sites the standard of construction would not necessarily be DQR but would be negotiated to a standard agreed by the Council and its RSL partners.</p>		
Recommendation	<p>Rearrange section 6 and add a new paragraph 6.10:</p> <p>6.10 Affordable housing delivered under Policy SAH11</p> <p>6.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.</p> <p>6.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.</p>		

Respondent Number	2883	Representation Number	8
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>Paragraphs 6.3.5 and 6.3.6 specify different values at which different types of properties will be transferred to RSL, 42% is commonly used but other % figures are also used. There is no cost assigned to tenure neutral properties although paragraph 6.5 states this is the preferred choice. Question how this enables developers to take account of the cost of delivering affordable. Is it possible for the document to provide a cost for the tenure neutral option?</p>		
Requested Change	As noted above.		
LPA Response	<p>General affordable housing and Policy SAH11 affordable housing (rural village sites where the viability issues are more pressing because of the 60% requirement) are treated differently in terms of the quality standards required and the amounts paid to the developer. It is recognised that the way in which the draft SPG is written has potential for causing confusion, which appears to be the case in relation to this representation. It is proposed, therefore, to re-write this section of the SPG to deal with SAH11 affordable housing under a separate heading. All general affordable housing will be required to be built to DQR standards and be neutral tenure. Developers will then transfer the affordable housing to RSLs at 42% of Acceptable Cost Guidance. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues.</p>		
Recommendation	<p>Rearrange section 6 and add a new paragraph 6.10:</p> <p>6.10 Affordable housing delivered under Policy SAH11</p> <p>6.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.</p> <p>6.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.</p>		

Respondent Number	2883	Representation Number	9
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	Paragraph 7.3 should refer to the fact that a unilateral undertaking may also be an option if only a monetary contribution is required.		
Requested Change	As noted above.		
LPA Response	Agreed		
Recommendation	<p>Add an additional sentence to the last paragraph of paragraph 7.3:</p> <p>An unilateral undertaking may also be an option if only a monetary contribution is required. This is a simplified version of a planning agreement, which is relatively quick and straightforward to complete, and is entered into by the landowner and any other party with a legal interest in the development site.</p>		

Respondent Number	2883	Representation Number	10
Respondent Name	Mark Harris		
Respondent Organisation	Home Builders Federation		
Summary of Representation	<p>Agree with paragraph 7.2.2 and actually encourage the Council to declare this mix earlier in the process in order for the purchaser to agree a land value which accounts for the exact Councils affordable requirement prior to sale. This would reduce negotiations that often occur during s.106 stage. Some flexibility is still needed to take account of changes in the layout and mix of houses which may occur through the detailed planning stage.</p>		
Requested Change	No specific change requested.		
LPA Response	Comment noted. The viability implications of the required mix are recognised.		
Recommendation	No change.		

Respondent Number	2884	Representation Number	1
Respondent Name	Emyr Davies		
Respondent Organisation	Redrow Homes (South Wales) Ltd		
Summary of Representation	<p>Section 4.4A, fourth paragraph on page 9 states 'Should the development not be achieving 30 dwellings per hectare.... The affordable housing requirement should be based on the theoretical capacity of the site rather than the actual number of dwellings applied for'. Suggest this is not appropriate and is unnecessary as while 30dpha may be an average for new build in Monmouthshire every application has to be assessed on its merits and taking into account of the character and existing built form of an area for example. There appears to be no justification for deviating from agreeing a fixed percentage for affordable housing products on site. Applications cannot be assessed on what could theoretically be delivered on a site but only on what is actually proposed and on its merits.</p>		
Requested Change	No specific change requested.		
LPA Response	<p>The point made by the representor is accepted. It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity.</p>		
Recommendation	<p>Amend the relevant paragraphs of the SPG as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)</p>		

Respondent Number	2884	Representation Number	2
Respondent Name	Emyr Davies		
Respondent Organisation	Redrow Homes (South Wales) Ltd		
Summary of Representation	Refer to paragraph 6.3.4 'The Council will identify a preferred RSL to work in partnership with the developer' noting this is not considered reasonable and that if an RSL and a developer choose to work together to deliver what is required by a planning permission then this has to be acceptable.		
Requested Change	Suggest this paragraph is removed as it is clear elsewhere in the SPG in paragraph 6.9 of the Councils preferences to RSLs.		
LPA Response	It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.		
Recommendation	<p>Replace paragraph 6.3.4 (new number 6.3.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSL's development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new number 6.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="text-align: center;">Melin Homes Monmouthshire Housing Association The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	2884	Representation Number	3
Respondent Name	Emyr Davies		
Respondent Organisation	Redrow Homes (South Wales) Ltd		
Summary of Representation	<p>In the flow chart (page 21) it would be useful to clarify under pre application discussions with the LPA that these will be of a multi-disciplinary nature. Representatives from other relevant departments would also be present and developers will not be expected just to set up pre application meetings solely to discuss affordable housing requirements and then other meetings to meet with other departments.</p>		
Requested Change	<p>Amend wording to provide clarity that pre application discussions will not necessarily be solely related to affordable housing.</p>		
LPA Response	<p>Agreed. The pre-application process can include other Council officers, e.g. highways, biodiversity, depending on the level of service requested.</p>		
Recommendation	<p>Amend first box in the flow chart on page 21 to clarify the pre-application process.</p>		

Respondent Number	2885	Representation Number	1
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>Section (A) of paragraph 4.4 relates to the minimum assumed density of 30dpha on the basis of the theoretical capacity of the site has implications in that the actual affordable housing requirement might be substantially above the 25% or 35% figures contained in Poicy S4. Understand the reasoning behind the assumed density of 30dpha though it might not be possible to achieve this level of development on all sites. If the Council is content it does not conflict with the requirements of DES1 the theoretical density should not be 30dpha for its assessment of affordable housing provision. The SPG does not provide any indication that the assumed development density of 30dpha will be applied in the event that a higher density can be achieved on site, rather it would be expected that the yield would be based upon the 'total number of dwellings on the site'. Suggest the approach is inconsistent that could have significant bearing on viability.</p>		
Requested Change	<p>Recommend the 4th paragraph of page 9 of the SPG be deleted and that the affordable housing requirement be based on the actual number of dwellings to be provided on site in every case where this is known. Underline the importance of ensuring that the requirements set out in Policy S4 are subject to an assessment of viability.</p>		
LPA Response	<p>The point made by the representor is accepted. It is recognised that it would be unreasonable to require a higher percentage of affordable housing than that set out in LDP Policy S4 if there were good reasons to justify a development not achieving 30 dwellings per hectare. Policy S4, however, does require that the capacity of a development site will be based on an achievable density of 30 dwellings per hectare. This figure will still be used to establish whether or not a development achieves the threshold that requires affordable housing to be provided on site. It is accepted, however, that the percentage of affordable housing required should be based on the 'agreed' capacity of the site rather than the 'theoretical' capacity.</p> <p>It is considered, however, that no change is required in relation to the necessity to be aware of viability issues as this is sufficiently covered in the SPG (e.g. the two bullet points at the top of page 10)</p>		
Recommendation	<p>Amend the relevant paragraphs of the SPG as follows:</p> <p>If the capacity of the site is 5 or more dwellings then the affordable housing required to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.</p> <p>Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.</p> <p>In determining how many affordable houses should be provided on a</p>		

development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)

Respondent Number	2885	Representation Number	2
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>Section (B) of paragraph 4.4 provides guidance on financial contributions for affordable housing on small sites. This raises a number of viability issues that do not appear to have been fully addressed in the SPG. No indication is provided of when the financial contribution would be required, it is assumed this would be prior to the completion and sale of the open market properties which would create cashflow issues. Evidence of the Council's viability assessment should be provided so the impact can be fully understood. Concerned the implications of this may reduce the potential for small sites to come forward and for small scale developers to work in Monmouthshire, increasing the burden on larger developments to meet the identified need for affordable housing in the County. There is no evidence that the viability position would be any better for small scale builders.</p>		
Requested Change	No change requested, evidence should however be provided of the Council's viability assessment.		
LPA Response	Concerns regarding potential cash flow issues for small businesses are recognised. The Council is content to adopt a flexible approach in such circumstances. It is recommended that an additional paragraph be added to clarify this.		
Recommendation	<p>Add new paragraph:</p> <p>Commuted sums will be liable to be paid on completion and occupation of a percentage of units on site. This is normally 70% but will be open to negotiation should viability considerations make that necessary.</p>		



Respondent Number	2885	Representation Number	3
Respondent Name	Simon Coop (Nathanial Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>Bovis Homes consider the minimum of 60% affordable housing in Main Villages an appropriate mechanism for rural parts of the County, this should however be subject to viability and a reduced level should be permitted where the delivery of a scheme would otherwise be compromised. Abnormal costs are recognised in the SPG although it states there is no intention to use financial subsidy to support such sites, albeit stating that this is to be reviewed. There is concern that the Council has failed to appreciate that the key challenge can often relate to an inability of the Gross Development Value (GDV) to sustain the high land values that are being sought, particularly when viewed in context of other development costs. Additional costs should not be taken off land value as the owner may no longer be prepared to sell.</p>		
Requested Change	<p>The Council's minimum land value must be set at an appropriate level and that the use of subsidy or relaxation of targets should be considered to ensure delivery where costs are not supported by GDV.</p>		
LPA Response	<p>The 60% affordable housing requirement on allocated sites in rural villages is not negotiable and this is set out in Policy S4 which requires 'at least' 60% to be affordable. The sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly. The question of potential 'abnormal' costs will be taken into account on a case by case basis in considering specific viability issues that may be preventing a site coming forward. Initially, however, there is no intention to use financial subsidy to support 60% affordable housing sites as the amount of Social Housing Grant available is extremely limited. The situation will be reviewed after the first sites have been developed and an indication provided of the values at which land is changing hands. The Council may then introduce an expected minimum land value, which, if not achieved, may result in financial subsidy being made available to assist in bringing sites forward.</p>		
Recommendation	No change.		

Respondent Number	2885	Representation Number	4
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	The issue of land prices is only raised in the SPG in relation to allocated sites in main villages. Reasonable assumptions in relation to all costs including land should be taken into account throughout in assessing the level of affordable housing that can be sustained as part of a particular development.		
Requested Change	No specific change is requested.		
LPA Response	It is considered that no change is required in relation to the necessity to be aware of viability issues as this is sufficiently covered in the SPG (e.g. the two bullet points at the top of page 10)		
Recommendation	No change.		

Respondent Number	2885	Representation Number	5
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	An open book approach on testing of viability is welcomed although this must be appraised in a reasonable manner. Concern regarding the 4th para on Page 11 relating to how the calculator works, noting it does not reflect that affordable houses are subject to more stringent policy requirements impacting on the relative build costs for both market and affordable houses.		
Requested Change	No specific change requested.		
LPA Response	The assumption that the calculator works on the basis that the cost of building a market home is similar to the cost of an affordable home actually works in the developer's favour as it is the higher cost that is taken into account in the model. In the light of the consultation responses, however, the Council is reviewing the space standards and use of DQR for non-grant-funded housing. This may have implications for the calculator and if so will be reported.		
Recommendation	No change, depending on the results of further viability work.		

Respondent Number	2885	Representation Number	6
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	<p>The viability implications of neutral tenure are unclear. Paragraph 6.3.6 identifies different transfer values for different tenures with no indication of costs for neutral tenure. The variation between 38% and 60% of ACG is substantial and the implications should be set out much more clearly. 42% ACG value is more acceptable, although further justification should be provided.</p>		
Requested Change	No specific change requested.		
LPA Response	<p>General affordable housing and Policy SAH11 affordable housing (rural village sites where the viability issues are more pressing because of the 60% requirement) are treated differently in terms of the quality standards required and the amounts paid to the developer. It is recognised that the way in which the draft SPG is written has potential for causing confusion, which appears to be the case in relation to this representation. It is proposed, therefore, to re-write this section of the SPG to deal with SAH11 affordable housing under a separate heading. All general affordable housing will be required to be built to DQR standards and be neutral tenure. Developers will then transfer the affordable housing to RSLs at 42% of Acceptable Cost Guidance. More flexibility will be offered in relation to SAH11 sites because of the more difficult viability issues.</p>		
Recommendation	<p>Rearrange section 6 and add a new paragraph 6.10:</p> <p>6.10 Affordable housing delivered under Policy SAH11</p> <p>6.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.</p> <p>6.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.</p>		

Respondent Number	2885	Representation Number	7
Respondent Name	Simon Coop (Nathaniel Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	Refer to paragraph 6.3.4 noting the Council's identification of a RSL will remove flexibility from developers. As long as developers conform to the level and mix of affordable housing specified in the s.106 agreement they can partner with the RSL of their choice. Suggest this requirement conflicts with paragraph 12.4 of TAN2.		
Requested Change	No specific change requested.		
LPA Response	It is accepted that the Council cannot insist that a developer works with a specific RSL. There are sound reasons, however, for the Council's preference for working with the RSLs that are zoned for Monmouthshire. It is recommended therefore that paragraph 6.3.4 is deleted but that it is replaced by a more neutral wording. Paragraph 6.9 should also be amended for clarity.		
Recommendation	<p>Replace paragraph 6.3.4 (new number 6.3.3) with the following:</p> <p>The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSLs development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.</p> <p>Amend paragraph 6.9 (new number 6.12) to read:</p> <p>There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:</p> <p style="padding-left: 40px;">Melin Homes Monmouthshire Housing Association The Seren Group</p> <p>It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.</p>		

Respondent Number	2885	Representation Number	8
Respondent Name	Simon Coop (Nathanial Lichfield & Partners)		
Respondent Organisation	Bovis Homes		
Summary of Representation	Welcome paragraph 6.3.3 relating to liaison with the Council to agree the mix of affordable units prior to submission of an application. It should nevertheless be recognised that the mix can have a direct impact upon development viability, this should be considered when seeking to establish the preferred mix.		
Requested Change	No specific change requested.		
LPA Response	Comment noted. The viability implications of the required mix are recognised.		
Recommendation	No change.		

Respondent Number	2886	Representation Number	1
Respondent Name	Jason Price		
Respondent Organisation	Persimmon Homes		
Summary of Representation	<p>Suggest the ACG value of 42% is substantially lower than the percentage utilised in neighbouring authorities (typically 50%) where benchmark rental values are significantly lower than could be achieved in Monmouthshire. Question the justification of the inclusion of 42% without worked examples/calculations justifying the use of this percentage, and its conformity with the guidance contained within PPW.</p>		
Requested Change	No specific change requested.		
LPA Response	<p>The greatest need for affordable housing in Monmouthshire if people on the housing waiting list are to be accommodated is for housing for social rent. The maximum that an RSL can afford to pay based on the rental income they would receive from the properties is 42% of Welsh Government Acceptable Cost Guidance (ACG). Whilst the developer would receive a higher percentage of ACG for Intermediate Rent, this would not be meeting housing need in Monmouthshire. (With regard to the respondent's comment about adjoining authorities, Newport, for instance, is a large city with a range of needs). It is considered essential that the 42% of ACG transfer rate remains in order to meet housing need in Monmouthshire. Should developers be able to demonstrate that this would have an adverse impact on viability then the percentage affordable housing requirement can be renegotiated (as allowed for in LDP Policy S4, which states that the 35% and 25% requirements are 'subject to appropriate viability assessment'). Further text will be added to paragraph 6.3.5 (new paragraph 6.3.4) to provide justification for the 42% transfer rate.</p>		
Recommendation	<p>Amend paragraph 6.3.5 (new number 6.3.4) to read:</p> <p>6.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income that they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).</p>		

Respondent Number	2886	Representation Number	2
Respondent Name	Jason Price		
Respondent Organisation	Persimmon Homes		
Summary of Representation	There is a danger the implications of the SPG could be viewed in isolation of the emerging Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule (PDCS), compounding the impact of affordable housing in Monmouthshire by placing significant additional costs of developers.		
Requested Change	No specific change requested.		
LPA Response	It is acknowledged that currently there is inconsistency between the requirements of the Affordable Housing SPG and the viability testing carried out in connection with CIL. Further viability testing is being carried out for CIL in order that the implications of the SPG can be fully considered.		
Recommendation	No change.		

Respondent Number	2886	Representation Number	3
Respondent Name	Jason Price		
Respondent Organisation	Persimmon Homes		
Summary of Representation	Whilst affordable housing targets are subject to appropriate viability assessments, the methodology employed to assess viability utilises benchmark land values that do not accurately reflect the reality of housing development. The outcomes cannot be expected to provide developers with the comfort of knowing that it can be utilised as an effective tool for justifying a reduction in affordable housing provision where viability is an issue.		
Requested Change	No specific change requested.		
LPA Response	The benchmark land values were found sound at the LDP Examination, have been reviewed as part of the recent CIL viability study and will subsequently be tested in any CIL Examination. This is not a matter for consideration in relation to the SPG.		
Recommendation	No change.		

## **Appendix C**

# **Monmouthshire County Council Local Development Plan**

# **Draft Affordable Housing Supplementary Planning Guidance**

**July 2015**

**Planning Policy**

**Monmouthshire County Council**

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## **1. INTRODUCTION**

1.1 This note is one of a series of Supplementary Planning Guidance (SPG) Notes that have been prepared to provide supporting information and advice on the implementation of the Council's development plan policies. The Notes are intended to offer clear guidance on the main considerations that will be taken into account by the Council when reaching decisions on planning applications and in this case how planning policy on affordable housing will be delivered in practice.

### **1.2 Status**

1.2.1 This SPG is prepared in the context of the Monmouthshire County Council Adopted Local Development Plan (LDP), February 2014.

1.2.2 SPG supplements the Council's development plan, with only the policies contained in the development plan having the special status that Section 38 (6) of the Planning and Compulsory Purchase Act 2004 provides in the determination of planning applications. However, the Welsh Government (WG) advises that SPG may be taken into account as a material consideration in the determination of planning applications and appeals. Substantial weight will be afforded to SPG which derives out of and is consistent with the development plan (*Local Development Plan Wales 2005, para. 5.3*).

## **2. THE AFFORDABLE HOUSING ISSUE**

2.1 A significant issue for Monmouthshire is the fact that house prices are high in relation to earnings so that there is a need for additional affordable housing in the County in both urban and rural areas, particularly for those that live and work here.

2.2 Affordability of housing is a concern throughout Wales. In October 2014 the average house price for Wales was £170,900 and the house price to earnings ratio was 6.2:1. For comparison, in Monmouthshire the average house price in October 2014 was £269,700 and the house price to earnings ratio was 7.2:1 (Source: Hometrack 30/10/2014).

2.3 These figures illustrate how difficult it is for local people to purchase their first homes or move into larger homes in the County when their family circumstances change. For those people who live and work in the County it is even more difficult, as local earnings are much lower than the average for Wales. In 2014, the median earnings for Monmouthshire residents were £578.00 per week, compared to the Wales median of £479.00 per week. However, the median earnings by workplace presents a different picture with people working in the County earning only £466.00 per week, much lower than the £473.00 per week figure for Wales as a whole (NOMIS 23/01/15).

2.4 Monmouthshire is a county which is subject to inward migration so there will continue to be strong demand for housing with subsequent pressure on

house prices. With local earnings unlikely to catch up with the Wales average for the foreseeable future, housing will remain at a level way above what local people can afford.

2.5 The planning system is seen as an increasingly important means of improving the supply of affordable housing for local people. Monmouthshire County Council recognises this and is keen to ensure that developers and local people have clear guidance on how its development plan policies and decisions on planning applications will operate and thereby contribute to one of the desired outcomes of the Council's Single Integrated Plan, namely 'We want people to live in homes that are affordable, appropriate and where people want to live'. The importance of providing affordable housing was also recognised by the Council's Strong Communities Select Committee, which produced the report 'A Place to call Home' in June 2011. The recommendations of this report provided the context in which the LDP affordable housing policies were prepared.

2.6 This SPG has been prepared in the context of the most recent WG planning policy on affordable housing contained in *Planning Policy Wales Edition 7*, July 2014 and Technical Advice Note 2 *Planning and Affordable Housing*, June 2006.

2.7 *Planning Policy Wales (PPW) Edition 7, July 2014*

2.7.1 *PPW* provides the overarching national strategic guidance with regards to land use planning matters in Wales. Paragraph 4.4.3 states that Local Planning Authorities should: 'Ensure that all local communities - both urban and rural - have sufficient good quality housing for their needs, including affordable housing for local needs and for special needs where appropriate, in safe neighbourhoods.'

2.7.2 The housing section of *PPW* (paragraph 9.1.2) seeks the promotion of sustainable mixed tenure communities. It states: 'Local Planning Authorities should promote sustainable residential environments, avoid large housing areas of monotonous character and make appropriate provision for affordable housing.'

2.7.3 With regard to need, paragraph 9.2.14 states: 'A community's need for affordable housing is a material planning consideration which must be taken into account in formulating development plan policies.'

2.8 Definitions of Affordable Housing

2.8.1 Affordable housing is defined in paragraph 9.2.14 of *PPW*:

*'Affordable housing for the purposes of the land use planning system is housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers. ... Affordable housing includes social rented housing owned by local authorities and registered social*

*landlords and intermediate housing where prices or rents are above those of social rent but below market housing prices or rents.'*

- 2.8.2 These definitions of affordable housing contrast with general market housing:

*'All other types of housing are referred to as 'market housing', that is private housing for sale or rent where the price is set in the open market and occupation is not subject to control by the local planning authority.*

## 2.9 Affordability

- 2.9.1 There is a need also to define 'affordability'. WG guidance defines this as:

*'the ability of households or potential households to purchase or rent property that satisfies the needs of the household without subsidy' (WG TAN2, para 4.1).*

The subsidy referred to in the quotation above is a subsidy on the property itself, which helps make it more affordable. There are different levels of subsidy depending on the different types of tenure, therefore creating a wide range of affordable options.

- 2.9.2 This should be determined in each local housing market area in an authority's area and would be based on such factors as ratio of household income to the price of property.

## 3. **AFFORDABLE HOUSING NEED IN MONMOUTHSHIRE**

- 3.1 **Local Housing Market Assessment (LHMA)** - The Council's Housing Services section, with Torfaen and Blaenau Gwent County Borough Councils and Newport City Council, commissioned a LHMA across the four County areas in 2006. This suggested that there was a need for 659 affordable homes in Monmouthshire in the five year period from 2006. This was based on a requirement of 2,720 affordable homes in the study area as a whole and represented 37% of the total planned housing requirement.
- 3.2 Subsequently, an Update to the 2006 LHMA was carried out to provide evidence to support the LDP, using 2010 as its base year. This predicted a 5-year affordable housing need of 2,205 dwellings for the study area from 2010. This represented 32% of the then total planned delivery total for the three authorities of 6,950.
- 3.3 The Update report also disaggregated the study findings for each authority, in accordance with the requirements of TAN2. This projected a five year affordable housing need in the County of 478 dwellings, 29% of the then overall dwelling requirement of 1,636. This gave an annual requirement for affordable housing of 96 dwellings per year, a ten year requirement of 960 dwellings, which is the affordable housing need for 2011-21 that has to be addressed through the LDP.

#### **4. MONMOUTHSHIRE'S PLANNING POLICIES ON AFFORDABLE HOUSING**

- 4.1 Policy S4 of the Adopted Monmouthshire LDP is the primary means of achieving the affordable housing target referred to in the above paragraph. There is a further policy relating to affordable housing – Policy H7, Rural Exceptions, which is considered in section 5. Policy S4 sets out the thresholds at which affordable housing has to be provided and the percentage of affordable housing that will be required in each case, depending on the location of the development site:

## Policy S4 – Affordable Housing Provision

Provision will be made for around 960 affordable homes in the Local Development Plan Period 2011-2021. To meet this target it will be expected that:

- In Main Towns and Rural Secondary Settlements as identified in Policy S1 development sites with a capacity for 5 or more dwellings will make provision (subject to appropriate viability assessment) for 35% of the total number of dwellings on the site to be affordable.
- In the Severnside settlements identified in Policy S1 development sites with a capacity for 5 or more dwellings will make provision (subject to appropriate viability assessment) for 25% of the total number of dwellings on the site to be affordable.
- In the Main Villages identified in Policy S1:
  - Development sites with a capacity for 3 or more dwellings will make provision for at least 60% of the total number of dwellings on the site to be affordable.
- In the Minor Villages identified in Policy S1 where there is compliance with Policy H3:
  - Development sites with a capacity for 4 dwellings will make provision for 3 dwellings to be affordable.
  - Development sites with a capacity for 3 dwellings will make provision for 2 dwellings to be affordable.
- In the open countryside developments involving the conversion of existing buildings or sub-division of existing dwellings to provide 3 or more additional dwellings will make provision (subject to appropriate viability assessment) for 35% of the total number of dwellings to be affordable.
- Development sites with a capacity below the thresholds set out above will make a financial contribution towards the provision of affordable housing in the local planning authority area.

Other than in Main Villages, in determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up).

The capacity of a development site will be based on an assumed achievable density of 30 dwellings per hectare.

4.2 The settlement hierarchy referred to in Policy S4 is set out in LDP Policy S1, namely:

- **Main Towns:** Abergavenny, Chepstow and Monmouth
- **Sevenside Settlements:** Caerwent, Caldicot, Magor, Portskewett, Rogiet, Sudbrook and Undy
- **Rural Secondary Settlements:** Usk, Raglan, Penperlleni and Llanfoist
- **Main Villages:** Cross Ash, Devauden, Dingestow, Grosmont, Little Mill, Llandewi Rhydderch, Llandogo, Llanellen, Llangybi, Llanishen, Llanvair Kilgeddin, Mathern, Penallt, Pwllmeyric, Shirenewton/Mynyddbach, St Arvans, Trellech, Werngifford/Pandy
- **Minor Villages:** Bettws Newydd, Broadstone/Catbrook, Brynygwenin, Coed-y-Paen, Crick, Cuckoo's Row, Great Oak, Gwehelog, Llanarth, Llandegveth, Llandenny, Llangwm, Llanover, Llansoy, Llantilio Crossenny, Llantrisant, Llanvair Discoed, Llanvapley, Mitchel Troy, Penpergwm, The Narth, The Bryn, Tintern, Tredunnoch
- **Open Countryside**

4.3 There are seven types of situation that could arise in providing affordable housing under Policy S4 which need further consideration:

- A) Where the affordable housing threshold of 5 or more is applicable, i.e. in Main Towns, Rural Secondary Settlements and Sevenside Settlements.
- B) Where the affordable housing threshold is not met and financial contributions are required.
- C) Sites allocated in Main Villages under LDP Policy SAH11 with the specific purpose of providing 60% affordable housing.
- D) Other sites in Main Villages.
- E) Minor Villages.
- F) Conversions and sub-divisions in the open countryside.
- G) Departure applications in the open countryside.

4.4 Specific guidance in these matters is provided below:

**A) Where the affordable housing threshold of 5 or more is applicable, i.e. in Main Towns, Rural Secondary Settlements and Sevenside Settlements.**

When an application for residential development is received in these settlements the first step in its assessment will be to:

**Establish the net site area and calculate the capacity of the site based on an assumed achievable density of 30 dwellings per hectare.**

(It is a requirement of LDP Policy DES1 criterion i) that in order to make the most efficient use of land the minimum net density of residential development should be 30 dwellings per hectare. The net developable area is defined as excluding areas taken out for other uses such as employment or which are undevelopable for one reason or another and as including internal access roads and incidental open space between houses, play areas etc. Similar

considerations should be taken into account when calculating the site capacity in relation to Policy S4).

The capacity of a site is calculated as a 'net' figure. The number of any existing dwellings on a site that are to be demolished, therefore, would be taken away from an overall capacity based on an area calculation to give a final capacity figure for the purposes of Policy S4. Similarly, where a subdivision of an existing dwelling(s) is proposed, the net gain is the final number of dwellings proposed minus the number of original dwellings on the site.

**If the capacity of the site is 5 or more dwellings then the affordable housing requirement to be provided on site is calculated at 35% in Main Towns and Rural Secondary Settlements and 25% in Severnside settlements.**

Should the development not be achieving 30 dwellings per hectare and it is considered that there is not a material non-compliance with Policy DES1 i) then the affordable housing requirement should be calculated on the agreed capacity of the site.

**In determining how many affordable houses should be provided on a development site, the figure resulting from applying the proportion required to the total number of dwellings will be rounded to the nearest whole number (where half rounds up.)**

**If the capacity of the development site is below the threshold of 5 dwellings then a financial contribution towards affordable housing in the local planning authority area will be required (see B) below)**

When the threshold for affordable housing is met the following considerations will be taken into account in the implementation of Policy S4:

- Affordable housing should generally be provided on-site (unless there are exceptional circumstances that justify off-site provision, as considered in paragraph 6.6 below) and should reflect the characteristics of the locality or the rest of the site.
- The mix of house types, sizes and tenure should reflect local needs. (This must be established from the Council's Housing Services section on a site-by-site basis in accordance with the particular needs of the community in which the site is located).
- Provision for affordable housing will be secured through Section 106 Agreements and these agreements will also require that the affordable housing will be available in perpetuity and give priority to meeting local needs.
- Householder permitted development rights may be withdrawn so that control may be exercised over the enlargement or alteration of dwellings in ways that would change their affordability for future occupiers.
- In seeking to negotiate an element of affordable housing on a site the Council will take into account: site size, suitability, and the economics of



provision; whether there will be particular costs associated with development of the site; and whether the provision of affordable housing would prejudice the realisation of other planning objectives that need to be given priority in the development of the site. **(The percentage of affordable housing required is, under the terms of Policy S4, subject to appropriate viability assessment).**

- Where necessary, as part of such negotiations, the Council will undertake viability analysis of residential development sites using the Development Appraisal Toolkit developed by Three Dragons on behalf of South and West Wales local authorities. The Toolkit is a means of assisting all parties in their understanding of the economics of a particular development. The model enables the testing of claims that affordable housing requirements (along with other costs, such as those from additional infrastructure works, for example) would make a site uneconomic. This approach can employ the default data available for general analysis. For more accurate assessments of costs, revenues and constraints, however, an 'open book' approach, where the developer provides information on development costs and selling prices, is advocated.

### Layout and Design

The Council's preference is for 'pepper-potting' of affordable housing, rather than provision in enclaves. Properties for affordable housing will normally be in clusters of no more than 6 - 15 units, depending on the overall size of the development. The design and materials of dwellings built to comply with affordable housing policies should be similar to that of adjoining market housing, including the provision of garages where appropriate. Similarly, it will be expected that affordable housing layouts will comply with the Council's general design guidance and standards for new residential development.

### **B) Where the affordable housing threshold is not met and financial contributions are required.**

It is a basic principle of Policy S4 that all residential developments (down to the scale of a single dwelling) should make a contribution to the provision of affordable housing in the local planning authority area, irrespective of whether or not the size of the development falls below the threshold for on-site provision. The Council, however, would not wish to hinder the supply of dwellings from self-builders who could be building to meet their own needs. An exception to this principle, therefore, is that self-builders whose developments fall below the thresholds will not be required to make a financial contribution. A similar approach is taken in the application of the Community Infrastructure Levy and it is intended, for the purposes of this SPG, to adopt the same definition of 'self-build' as set out in the CIL Regulations 54A, 54B, 54C and 54D as inserted by the 2014 Regulations (Reproduced as Appendix 4).

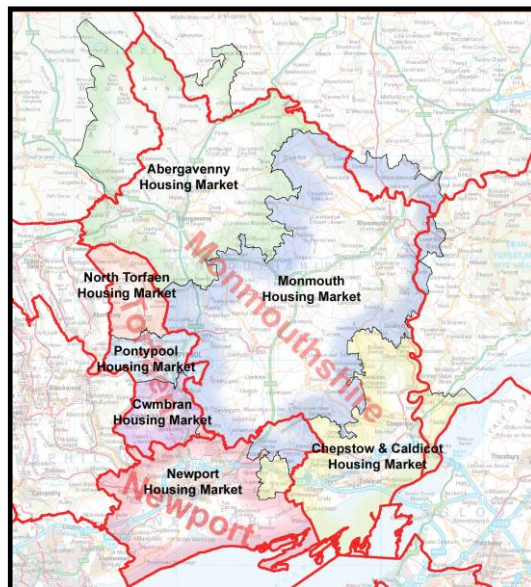
For those developments where a financial contribution is required, the commuted sum is calculated so that the developer and landowner of a scheme is no worse or better off financially, whether they provide the affordable

housing on-site or as a commuted sum. As it is important that there is a consistent and transparent mechanism for calculating commuted sums to be collected, the Council commissioned Three Dragons to design a Commuted Sum Calculator for this purpose.

The calculator is designed for the specific purpose of calculating a commuted sum and does **not** assess whether or not the scheme can afford the policy compliant amount of affordable housing. **Should there be issues of viability a full Viability Assessment would need to be undertaken (see A) above).**

Commuted sums will be liable to be paid on completion and occupation of a percentage of units on site. This is normally 70% but will be open to negotiation should viability considerations make that necessary.

Commuted sums gathered by the Council will be used to deliver affordable housing in the Housing Market Area (HMA) from which they are collected. The map below shows the three HMAs in Monmouthshire.



The contribution made by a developer as a commuted sum is the assessed difference in residual value of a 100% market housing scheme and a scheme with the policy requirement for affordable housing (or a lesser percentage where this is justified by viability considerations).

Residual value is the difference between the total scheme revenue (for the market and affordable housing) and the cost of the scheme. The calculator works on the basis that the cost of building the same type of market home (e.g. 3 bedroom terrace) is similar to the cost of the same type of affordable home. However, there are some costs that a developer of a market home has to meet which are additional to that for a typical affordable home. These are marketing costs and the level of return (profit) expected. These differences are taken into account in the calculations.

The mix and tenure of units used for the commuted sum calculation will be the equivalent of what would be required if the affordable housing was provided on-site.

### **Example Calculations**

i) For a two dwelling scheme in a rural area with a 35% affordable housing requirement, the financial contribution to meet a standard need for a 4 person 2 bed dwelling would be calculated as follows:

Two dwellings at 35% = 0.70

Toolkit calculates a financial contribution of the equivalent of 0.70 of a 4 person 2 bed dwelling for social rent using the assumptions of:

- an open market value for a 4 person 2 bed dwelling of £180,000
- or £138,600 when the developer return (20%) and marketing costs (3%) are taken into account
- an ACG band 5 rate of £175,500
- an RSL contribution to the developer of 42% of ACG (£73,710)
- this would have resulted in a subsidy from the developer if one affordable home was being provided of £64,890 (£138,600 minus £73,710)
- a financial contribution equivalent to 0.70 of the developer subsidy for one affordable home gives an overall financial contribution of £45,423 from the whole development.

ii) For a four dwelling scheme in Severnside with a 25% affordable housing requirement, the financial contribution to meet a standard need for a 4 person 2 bed dwelling would be calculated as follows:

Four dwellings at 25% = 1.00

Toolkit calculates 1.00 of a 4 person 2 bed dwelling for social rent using the assumptions of:

- an open market value for a 4 person 2 bed dwelling of £140,000
- or £107,800 when the developer return (20%) and marketing costs (3%) are taken into account
- an ACG band 4 rate of £161,600
- a RSL contribution to the developer of 42% of ACG (£67,872)
- this would result in a subsidy from the developer if one affordable home was being provided of £39,928 (£107,800 minus £67,872)
- a financial contribution equivalent to 1.0 of the development subsidy for one affordable home gives an overall financial contribution of £39,928 from the whole development

iii) For a 4 dwelling scheme in a Main Town with a 35% affordable housing requirement, the financial contribution to meet a standard need for a 5 person 3 bed dwelling would be calculated as follows:

Four dwellings at 35% = 1.40

Toolkit calculates 1.40 of a 5 person 3 bed dwelling for social rent in ACG Band 5 using the assumptions of:

- an open market value for a 5-person 3-bed dwelling of £190,000
- or £146,300 when the developer return (20%) and marketing costs (3%) are taken into account
- an ACG band 5 rate of £194,200
- an RSL contribution to the developer of 42% of ACG (£81,564)
- this would result in a subsidy from the developer if one affordable home was being provided of £64,736 (£146,300 minus £81,564)
- a financial contribution equivalent to 1.40 of the developer subsidy for one affordable home gives an overall financial contribution of £90,630 from the whole development

**C) Sites allocated in main villages under LDP Policy SAH11 with the specific purpose of providing 60% affordable housing.**

There is a specific issue in the County relating to the provision of affordable housing in rural areas due to the limited ability of existing residents in the countryside, particularly young people, to afford housing, which restricts their ability to remain within their existing communities if they are in housing need.

Given the relative unsustainability of the County's rural areas in comparison to its towns it was the Council's view that most villages were not appropriate locations for unrestrained market housing, even with the application of the Council's general requirements that new housing developments should make provision for a proportion of affordable housing. It was considered that the proportion of affordable housing provided in rural communities would need to be higher than elsewhere and that the main justification for new housing development in rural villages should be the need to provide affordable housing to meet local needs.

A number of housing sites have been allocated in Main Villages under LDP Policy SAH11 with the specific aim of providing affordable housing for local people. These sites are required under Policy S4 to provide a **minimum of 60% affordable housing**. The mix and tenure of the 60% affordable housing will be based on local housing need and this information can be established from the Council's Housing Strategy Officer on a site-by-site basis in accordance with the particular needs of the community in which the site is located.

Unlike general housing sites, therefore, **when the figure resulting from applying the proportion of affordable housing required to the total number of dwellings is not a whole number, there is no rounding down, only rounding up.**

Policy SAH11 sets a maximum size of development at 15 dwellings in order to ensure that any development is of a 'village scale', in keeping with character of the settlements. This amount may be smaller in certain villages, as set out in

Policy SAH11, which indicates the scale of development that is considered to be acceptable having regard to the characteristics of the village and the particular site. It is unlikely to be acceptable for these lower site capacities to be exceeded unless it can be clearly demonstrated that there is no adverse impact on village form and character and surrounding landscape.

The LDP *Affordable Housing Viability Study* confirmed that a requirement for 60% affordable housing on rural sites will enable developer contributions towards the cost of providing affordable housing as the high market values for housing in rural areas would still provide residual land values far in excess of existing agricultural land values that should be sufficient incentive to bring land forward for development. **It needs to be recognised that the sole purpose for allocating these sites is to provide affordable housing for local people in rural areas. Without the provision of 60% affordable housing there is no justification for releasing these sites and anticipated land values should reflect this accordingly.**

It is intended that this affordable housing will be brought forward using the mechanisms set out in section 6 below. The Council recognises that there may sometimes be abnormal costs that restrict the ability of a development to provide the financial subsidy to achieve affordable housing requirement. Initially, however, there is no intention to use financial subsidy to support 60% affordable housing sites. The situation will be reviewed, however, after the first sites have been developed and an indication provided of the values at which land is changing hands. The Council may then introduce an expected minimum land value, which, if not achieved, may result in financial subsidy being made available to assist in bringing sites forward.

Given the particular circumstances of these 60% affordable housing sites, the Council will not apply its normal policy of requiring ‘pepper-potting’ of affordable housing throughout a development. It is recognised that the best way of developing these sites and enabling the market housing to achieve its full potential for achieving financial subsidy for the affordable housing element is to allow the market dwellings to be grouped together.

All affordable housing achieved on LDP sites in Main Villages will give priority to local residents through the Council’s Rural Allocations Policy (Appendix 3).

#### **D) Other Sites in Main Villages**

Development boundaries for Main Villages were set at the same limits as in the previous Unitary Development Plan (UDP). These Village Development Boundaries (VDBs) were only extended where necessary to incorporate the 60% affordable housing sites allocated under LDP Policy SAH11. There is still scope, therefore, for infill development to take place within the VDB, as would have been the case under the previous UDP. LDP Policy S4 requires, however, that all sites in Main Villages provide 60 per cent affordable housing.

As with A) above, the first step in such cases should be to establish the net site area and calculate the capacity of the site based on an assumed

achievable density of 30 dwellings per hectare. If the capacity of the site is 3 or more dwellings then Policy S4, if strictly applied, would require the affordable housing to be provided on site to be 60%.

The Council recognises, however, that in most cases applying this percentage, together with the density requirements of Policy DES1 i), to small infill sites within the fabric of existing villages could result in a density of development that is out of keeping with its surroundings. In such cases, criterion I) of LDP policy DES 1 would need to be considered. This states that development proposals will be required to ensure that existing residential areas characterised by high standards of privacy and spaciousness are protected from over-development and insensitive or inappropriate infilling.

In such circumstances, it is considered likely that the requirements of Policy S4 and Policy DES1 i) could be relaxed on infill plots in Main Villages to allow a smaller percentage of affordable homes and a lower density of development than 30 dwellings per hectare.

On larger sites in Main Villages where it should be feasible to provide affordable housing on site then this would be the preferred option and the percentage required will normally be set at 35% of the theoretical capacity of the site (at 30 dwellings per hectare), subject to viability considerations and the effect of the development on the character and appearance of the area.

Where the site is too small to achieve an acceptable standard of design and layout if the affordable housing was provided on site, a financial requirement towards affordable housing in the local planning authority area would be required to compensate for allowing a non-compliance with Policy S4. This will be set at the equivalent of 35% of the agreed capacity of the site. The required financial contribution will be established using the Commuted Sum Calculator described in B) above.

A strict application of Policy S4 would also require conversion of existing buildings or sub-division of existing dwellings to make provision for 60% of the total number of resulting dwellings to be affordable. This would be inequitable, however, when it is considered that if such development was taking place in the open countryside only 35% affordable would be required. It is also recognised that the provision of affordable housing is not always practicable in conversion schemes. The Council, therefore, will adopt a more flexible approach in such situations, although generally a financial contribution towards affordable housing in the local planning authority area will still be required. This will be set at the equivalent of 35% of the agreed capacity of the site and utilise the Commuted Sum Calculator but careful consideration will be given to the viability and practical implications of conversion and sub-division applications in assessing the level of financial contribution required.

Infill developments in Main Villages on sites with a capacity that is less than 3 dwellings will make a financial contribution towards affordable housing in the local planning authority area. This will normally be set at the equivalent of 35% of the number of dwellings proposed in the development.

## **E) Minor Villages**

Policy S1 identifies Minor Villages where small scale development will be allowed in the circumstances set out in LDP Policy H3. Minor Villages are settlements that (subject to detail) are suitable for minor infill of no more than 1 or 2 dwellings resulting from the filling in of a small gap between existing dwellings. Policy H3 does contain an exception that allows for planning permission to be granted for up to 4 dwellings on an infill site that demonstrably fits in with village form (including not resulting in the loss of an open space that forms an important gap or open area) and is not prominent in the landscape.

As such proposals are 'exceptional' in that they go beyond the normal definition of 'minor infill', it was considered appropriate to seek a higher proportion of affordable housing than would normally be required. Policy S4, therefore, requires that in the Minor Villages identified in Policy S1 where there is compliance with Policy H3: development sites with a capacity for 4 dwellings will make provision for 3 dwellings to be affordable and development sites with a capacity for 3 dwellings will make provision for 2 dwellings to be affordable.

In such cases, it would be expected that the single open market dwelling will provide cross-subsidy towards the on-site provision of the affordable housing. Each site will be subject to a viability assessment which will determine the amount of cross-subsidy required.

Infill developments in Minor Villages, consisting of 1 or 2 dwellings, will make a financial contribution towards affordable housing in the local planning authority area. This will be set at the equivalent of 35% of the number of dwellings proposed in the development.

## **F) Conversion and sub-divisions in the open countryside**

Policy S4 requires that in the open countryside developments involving the conversion of existing buildings or sub-division of existing dwellings to provide 3 or more additional dwellings will make provision for 35% of the total number of dwellings to be affordable.

It is considered that this should always be the aim in dealing with applications of this type. Nevertheless, it is recognised that provision of affordable housing on site is not always practicable in such situations. It is also more difficult to estimate the capacity of a development proposal involving existing buildings in comparison with a simple area calculation.

The Council, therefore, will adopt a more flexible approach in such situations, although generally a financial contribution towards affordable housing in the local planning authority area will still be required. This will be set at the equivalent of 35% of the agreed capacity of the site and utilise the Commuted Sum Calculator but careful consideration will be given to the viability and practical implications of conversion and sub-division applications in assessing the level of financial contribution required.

## **G) Departure applications in the open countryside**

Policy S4 contains no requirement for affordable housing on proposals that do not comply with the LDP's spatial strategy, as set out in Policy S1. It would not have been appropriate to have written policy that anticipated an application being allowed that was totally contrary to other LDP policies regarding new build residential development in the open countryside. Nevertheless, it is normal practice in appeal situations to set out planning conditions and/or planning obligations that might be required should an Inspector decide to allow an appeal against the Council's refusal of any such application. It is necessary, therefore, to set out what the Council's position would be in such an appeal situation. In this respect it would be entirely appropriate to require a residential development to provide a proportion of affordable housing, notwithstanding that there is no direct policy justification for this in the LDP. Increasing the supply of affordable housing is a significant objective of national and local planning policies. For instance, paragraph 9.3.5 of Planning Policy Wales states: 'Where development plan policies make clear that an element of affordable housing, or other developer contributions, are required on specific sites, this will be a material consideration in determining relevant applications.'

It is considered, therefore, it should be a requirement that departure applications in the open countryside should make provision for 35% of the total number of dwellings in the development to be affordable, in order to be compatible with Policy S4 in relation to general housing development in high value areas in the County.

## **5. RURAL EXCEPTIONS POLICY**

- 5.1 Policy H7 of the Adopted UDP provides a further planning policy mechanism for the provision of affordable housing in rural areas of Monmouthshire (although the need for such sites will be reduced through the allocation of sites for 60% affordable housing in Main Villages). It makes provision for the siting of small affordable housing sites in or adjoining villages on land that would otherwise not be released for residential development. It is set out below:



## **Policy H7 – Affordable Housing Rural Exceptions**

**Favourable consideration will be given to the siting of small affordable housing sites in rural areas adjoining the Rural Secondary Settlements, Main Villages and Minor Villages identified in Policy S1 that would not otherwise be released for residential development provided that all the following criteria are met:**

- a) The scheme would meet a genuine local need (evidenced by a properly conducted survey or by reference to alternative housing need data) which could not otherwise be met in the locality (housing needs sub-area);**
- b) Where a registered social landlord is not involved, there are clear and adequate arrangements to ensure that the benefits of affordable housing will be secured for initial and subsequent occupiers;**
- c) The proposal would have no significant adverse impact on village form and character and surrounding landscape or create additional traffic or access problems.**

- 5.2 In seeking to identify such sites it needs to be recognised that isolated sites in the open countryside or those within small, sporadic groups of dwellings are unlikely to be acceptable. Policy H7 specifically refers to sites adjoining Rural Secondary Settlements, Main Villages and Minor Villages. Any proposals for locations other than these would be treated as ‘Departure’ applications and will need special justification. Another important consideration is the balance of the pattern of settlements in the community.
- 5.3. It will also be necessary to demonstrate that the scheme would meet a genuine local need. This local need would normally relate to the rural parts of the community council area in which the site is located. Evidence of local need can be established by a number of different means, including local surveys, local consultation events, other forms of primary evidence and housing register data. As with the affordable housing sites in Main Villages, the Council’s Rural Allocations Policy will apply.
- 5.4 Monmouthshire County Council positively encourages local people to build their own affordable home to meet their own housing needs through the rural exceptions policy. Single plot exception sites are only permitted with restrictions and the ‘Build Your Own Affordable Home’ scheme is explained in Appendix 2

## **6. OPTIONS FOR THE DELIVERY OF AFFORDABLE HOUSING**

- 6.1 The Council requires that affordable housing is managed by a Registered Social Landlord (RSL) zoned for development in Monmouthshire by the Welsh Government, as procedures are already in place to ensure that dwellings remain affordable in perpetuity.

## 6.2 Types of affordable housing.

The Council will use the following definitions of affordable housing:

- **Social rented housing** is let by RSLs to households taken from the Council's Housing Register who are eligible for social rented housing. Rents will be set at Welsh Government benchmark levels.
- **Intermediate housing** is homes for sale and rent provided at a cost above social rent but below market levels. These can include shared equity, and intermediate rent. All of these will be provided through a Registered Social Landlord (RSL).
- **Neutral Tenure** is where tenure of housing is not predetermined but can vary according to needs, means and preferences of households to whom it is offered. This incorporates the tenures described above. This arrangement gives flexibility in that it allows the tenure type of a property to change between occupiers, or even with the same occupier. So, for example, on first occupation a house might be social rented, but when that occupier vacates the property the next occupier may choose the Homebuy option. In another instance, a property might initially be rented, but if the economic circumstances of the occupier improve, they may choose to convert to Homebuy. **Neutral tenure is the delivery option preferred by Monmouthshire County Council.**
- **Specialist affordable housing** may be sought for people with specific accommodation requirements that may not otherwise be met and where a need has been identified. These can include sheltered retirement housing, adapted housing for households with a physical disability and supported housing, for example for young homeless people or people with learning difficulties.

6.3 The Council's preferred method of achieving affordable housing through Section 106 Agreements is for developers to build houses for transfer to a Registered Social Landlord (RSL). This method will ensure mixed communities where the required pepper-potting of the affordable housing units will achieve a scheme where the affordable units are otherwise indistinguishable from the owner occupied homes.

6.3.1 Prior to submission of a planning application developers will be expected to liaise with the Council to agree the mix of units required to meet housing need.

6.3.2 All affordable housing units, except for those delivered under Policy SAH11, that are built by the developer for transfer to a RSL must be constructed to the Welsh Government's Design Quality Requirements (DQR), which includes Lifetime Homes, or successor Welsh Government scheme. Developers' DQR Compliant house types will be checked to ensure that they meet the required standards.

6.3.3 The Council has a long term commissioning partnership with RSLs to secure the strategic provision of all types of housing accommodation. This covers minimum standards of service in management terms, allocation of Social Housing Grant, specialisms of the Housing Associations and the long-term

allocation of housing sites. The Council's preference is for developers to work with RSLs zoned by the Welsh Government for developing in Monmouthshire and it will normally allocate each site to its preferred RSL on the basis of the RSL's development capacity, other properties in the area, rental levels and other relevant issues. Should there be a need for specialist/purpose built disabled housing, for example, and an element of social housing grant was required the Council would only be able to allocate grant to a zoned RSL.

- 6.3.4 The financial arrangements for the transfer of completed affordable housing units from the developer to the RSL are to be calculated using the current Acceptable Cost Guidance rates published by the Welsh Government's Housing Directorate. The percentage that the RSL can afford to pay, based on the rental income they would receive for the properties, is 42% of ACG. This leaves the landowner/developer to fund the 58% which in the past would have been covered by Social Housing Grant. The developer will then be expected to sell the properties to the RSL at this percentage rate. (This percentage rate does not apply to units delivered under Policy SAH11).
- 6.4 When negotiating option agreements to acquire land for residential development, developers should take account of affordable housing requirements. The amount of Social Housing Grant (SHG) that is available to the Council is very limited and is not normally made available for the delivery of Section 106 sites. The Council's preferred financial arrangements for the provision of affordable housing, as outlined in paragraph 6.3.4, have been agreed following consultation with the RSLs to ensure a consistent and equitable approach that also provides certainty for developers when they are preparing their proposals.
- 6.5 Affordable housing land or dwellings that are transferred to a RSL will be used to provide affordable housing on a neutral tenure basis to qualifying persons from the Council's Housing Register.
- 6.6 To achieve the aim of developing mixed and balanced communities the Council seeks to provide affordable housing on-site. Only in exceptional circumstances will off-site provision be considered. This might occur, for instance, in situations where the management of the affordable housing cannot be effectively secured (as in sheltered retirement housing schemes). In such cases it may be possible for off-site new build housing or refurbishment/conversion of existing properties to provide a satisfactory alternative that meets the needs of the local community. Such schemes would be subject to the financial arrangements outlined in paragraph 6.3.5 above. In the exceptional circumstances where on-site provision is not considered appropriate and off-site units cannot be delivered as an alternative site is not available, the Council will consider accepting a commuted payment in lieu of on-site affordable housing provision, utilising the Commuted Sum Calculator referred to in 4.4.B) above.
- 6.7 It is recognised that some specialist housing schemes such as Sheltered Housing may be challenging to deliver and any affordable housing contribution

would be subject to viability. Should it be necessary the Council will commission and independent viability assessment.

6.8 There are a number of people living in the County Council area that have specific housing requirements as a result of learning/physical disabilities and/or medical conditions. In certain circumstances, where particular housing needs cannot be met through use of existing affordable housing stock, new purpose built special needs units may be required. Where there is evidence of need, and it is considered appropriate by the Council, special needs housing may be provided as part of the affordable housing contribution through the involvement of a RSL to ensure that these units remain affordable in perpetuity.

6.9 It is recognised that the development costs of providing specific needs affordable housing may be higher than general needs affordable housing and therefore it may be acceptable for a lower proportion of affordable units to be provided, subject to an assessment of viability.

#### 6.10 Affordable housing delivered under Policy SAH11

6.10.1 Affordable housing delivered under Policy SAH11 will be a mix of social rented units and intermediate housing depending on the local need identified by the Council. All units for social rent will be constructed to Welsh Government Design Quality Requirements, which includes Lifetime Homes. Intermediate housing will be constructed to a standard agreed by the Council and their RSL partners.

6.10.2 Affordable housing delivered under Policy SAH11 will be transferred to the Council's preferred RSL at 38% of Welsh Government ACG for social rented units, 50% of ACG for low cost home ownership units and 60% of ACG for intermediate rent units.

#### 6.11 Service Charge and Ground Rents

Rents or purchase price are usually seen as the main measures of affordability, but the whole cost of occupation could be significantly higher where service charges and/or ground rents are also payable, for example in a block of apartments. Where there are to be service charges and/or ground rent then these should also be set at an affordable level if properties are to be classed as affordable. If at the time of determining a planning application the level of service charge or ground rent is not known, an appropriate condition or section 106 agreement clause will be applied.

6.12 There are currently three Registered Social Landlords zoned by the Welsh Government to operate within Monmouthshire. These are:

Melin Homes  
Monmouthshire Housing Association  
The Seren Group

It should be noted that whilst these are the current zoned RSL partners in Monmouthshire, changing circumstances might result in the Council fostering different partnership links in the future and seeking approval from Welsh Government.

## **7. THE PLANNING APPLICATION AND SECTION 106 PROCESS**

### **7.1 Type of Planning Application**

7.1.1 Where new or additional housing is to be provided as part of a planning application on sites where the policy threshold has been exceeded affordable housing will be sought in accord with Adopted LDP Policy S4. This would apply to the following types of planning applications:

- All outline, full or change of use applications
- All renewal applications, including where there has been no previous affordable housing obligation

7.1.2 Affordable housing will be required on sites falling below the threshold if the Council considers that there has been a deliberate attempt to subdivide the site or phase the total development in an attempt to avoid the threshold.

### **7.2 Negotiation and Application Process**

7.2.1 The provision of affordable housing is just one of a number of issues that need to be taken into account in applications for residential development. Discussion and detailed negotiations will also need to cover such matters as design, layout, density, landscape, open space and recreation provision, education, access and other financial contributions that may be needed. Developers should refer to other LDP policies and SPG in this respect.

7.2.2 In implementing the affordable housing policies of the adopted development plan, the Council will seek to ensure that there is close consultation between planning, housing and legal officers concerned with the operation of these policies, as well as other external agencies, including developers and RSLs. In order to ensure that negotiations on affordable housing provision are conducted as effectively as possible, the Council will expect all parties involved to follow the procedures outlined:

**Pre Application Discussions**  
With Planning and Housing Officers to establish the element of affordable housing required. There is a formal pre-application service which is available at a cost and which can include other Council officers from sections such as Highways and Biodiversity, dependent on the level of service required.



**Submission of Planning Application**  
The proposal should contain an element of affordable housing which meets the housing needs identified by Housing Officers, clearly identifying how the affordable housing requirements are proposed to be met, including the appropriate mix, number, type and locations of dwellings.  
*(It is recognised that this information might not be readily available if the application is in outline.)*



**Further Detailed Negotiations where necessary**  
Planning Department in consultation with the Housing Department consider the local need for affordable housing (quantity and type).  
Effective and early partnership between developer, RSL and the Council is critical. The Officer report to Planning Committee will require information on the mechanisms for providing affordable housing. This should include that the developer build and transfer to a RSL, which is the Council's preference. In order to transfer to a RSL detailed plans of dwellings would need to be confirmed as meeting their requirements.



**Consideration by Council's Planning Committee**



**If recommendation to approve is accepted, Planning Committee resolve to grant planning permission subject to planning conditions and the signing of a Section 106 Agreement, including an agreed Affordable Housing Scheme.**  
Council's Solicitor prepares Section 106 Agreement with Developer, in consultation with RSL where necessary. Legal agreement signed by all parties.



**Council issues decision on planning application.**

### 7.3 Section 106 Agreements

The precise form of Section 106 Agreement will depend on the circumstances of individual cases including the ownership of the site and the terms of any obligation or agreement between the owner and a RSL. However, Section 106 legal agreements will normally include clauses setting out requirements with regard to the following issues:

- The mix of affordable housing types, sizes sought as part of the development
- The location and distribution of affordable housing within the development site
- The minimum design standards required for the affordable housing units
- The timing of the construction and occupation of the affordable housing in relation to the development of the whole site, including appropriate restrictions on general market housing occupation
- The price, timing and conditions for the transfer of the land or affordable housing to a RSL
- The arrangements regarding the future affordability, management and ownership of the affordable housing
- With outline applications (where the proposed number of dwellings is not known, but where there is a likelihood that the site threshold will be exceeded) the Agreement will ensure that the appropriate proportion of new housing will be affordable.

It will be necessary for the Section 106 Agreement to include appropriate long-term occupancy arrangements. The Council will require full nomination rights, which will be exercised according to the Council's allocations policy as current at the time. The key requirement is that any housing that is provided as affordable should remain in the affordable housing stock each time there is a change of occupant.

The flowchart set out above is unlikely to be applicable to small scale developments that fall below the affordable housing thresholds set out in Policy S4 and that, therefore, require a financial contribution. A standard template will be prepared for Section 106 agreements in such circumstances to ensure that there is no undue delay in the determination of the application. An unilateral undertaking may also be an option if only a monetary contribution is required. This is a simplified version of a planning agreement, which is relatively quick and straightforward to complete, and is entered into by the landowner and any other party with a legal interest in the development site.

## **8. MONITORING AND TARGETS**

- 8.1 As referred to in Section 3 above, the affordable target for the Monmouthshire LDP is 960 affordable dwellings over the plan period 2011-2021. This is based on the findings of a 2010 Update to the LHMA carried out in 2006.

8.2 The LDP estimated that the potential affordable housing provision if all sites achieve their maximum requirement is as follows:

• <b>35% on new sites in Main Towns and Rural Secondary Settlements</b>	<b>446</b>
• <b>25% on new sites in Severnside settlements</b>	<b>242</b>
• <b>60% on rural housing allocations in Main Villages</b>	<b>120</b>
• <b>20% on large site windfalls</b>	<b>68</b>
• <b>20% on current commitments</b>	<b>108</b>
• <b>Completions 2011 – 2013</b>	<b>127</b>
• <b>Small site windfalls</b>	<b>74</b>
<b>Total</b>	<b>1,185</b>

8.3 The period for this estimate had a base date of 1 April 2013. In the period 2013 to 2014 there were 36 affordable housing completions out of an overall total completions of 230 dwellings.

8.4 The Council is required to produce an Annual Monitoring Report (AMR) that has to be published in the October following the preceding financial year. The first LDP AMR, therefore, will be in October 2015. The LDP monitoring framework includes a number of indicators relating to affordable housing. This is reproduced as Appendix 5 to this document.



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E Mail: [shirleywiggam@monmouthshire.gov.uk](mailto:shirleywiggam@monmouthshire.gov.uk)

**Potential developers** should contact the Development Control Section:

#### **Development Management Section**

Planning Applications Manager, County Hall, Rhadyr, Usk, Monmouthshire,  
NP15 1GA

Tel: 01633 644800. Email: [planning@monmouthshire.gov.uk](mailto:planning@monmouthshire.gov.uk)

### **Welsh Government:**

#### **Housing Directorate**

Rhydycar, Merthyr Tydfil CF48 1UZ

Tel: 0300 062 8153

Email: [Darrel.giles-minett@wales.gsi.gov.uk](mailto:Darrel.giles-minett@wales.gsi.gov.uk)

#### **Planning Division**

Cathays Park, CARDIFF. CF10 3NQ

Tel: 02920 801421.

Email: [neil.hemmington@wales.gsi.gov.uk](mailto:neil.hemmington@wales.gsi.gov.uk)

### **Registered Social Landlords:**

#### **Melin Homes**

Ty'r Efail, Lower Mill Field, Pontypool, Torfaen. NP4 0XJ

Tel: 08453 101102.

Email: [peter.davies@melinhomes.co.uk](mailto:peter.davies@melinhomes.co.uk)

**Monmouthshire Housing Association**

Nant-Y-Pia House, Mamhilad Technology Park, Mamhilad, Monmouthshire,  
NP4 0JJ

Telephone: 01495 767184

Email: [greg.jones@monmouthshirehousing.co.uk](mailto:greg.jones@monmouthshirehousing.co.uk)

**The Seren Group**

Exchange House, The Old Post Office, High Street, Newport, NP20 1AA

Tel: 01633 679911

**David James**

**Rural Housing Enabler Monmouthshire**

C/o Monmouthshire Housing Association, Nant-Y-Pia House, Mamhilad Technology  
Park, Mamhilad, Monmouthshire, NP4 0JJ

Tel: 07736 098103

Email: [david.james@rhe-monandpowys.co.uk](mailto:david.james@rhe-monandpowys.co.uk)

## APPENDIX 1

### ACG Floor Areas

<b>Unit Type</b>	<b>Floor Area m<sup>2</sup></b>
7 person 4 bed house	114
6 person 4 bed house	110
5 person 3 bed house	94
4 person 3 bed house	88
4 person 2 bed house	83
3 person 2 bed bungalow	58
3 person 2 bed flat (walk up)	65
3 person 3 bed flat (common access)	59
2 person 1 bed flat (walk up)	51
2 person 1 bed flat (common access)	46
5 person 3 bed bungalow (wheelchair)	115
4 person 2 bed bungalow (wheelchair)	98
3 person 2 bed bungalow (wheelchair)	80

## **APPENDIX 2**

### **Build Your Own Affordable Home**



## **BUILD YOUR OWN AFFORDABLE HOME**

### **Single plot rural exception sites explained**

#### **What are single plot rural exceptions sites?**

Monmouthshire County Council positively encourages local people to build their own affordable home to meet their own housing needs – so long as the site is in a recognisable rural settlement and its future value is controlled so that it remains affordable to other local people in the future. Sites may be permitted in rural areas outside existing settlement limits as an exception to the normal planning policies that restrict housing development in such areas.

#### **Is it only affordable housing which is allowed?**

Yes. We make an exception to normal planning policies only because there is a pressing need in Monmouthshire to help provide local people with affordable housing in rural areas. Open Market housing development continues to be strictly controlled outside existing settlement limits, as set out in the adopted Local Development Plan.

#### **So what is the catch?**

Single plot rural exception sites are only permitted with restrictions. These are:

- The value of the property is based on a standard cost of construction plus a nominal plot value. This typically works out at around 60% of open market value. A legal agreement is used to ensure that future sale of the property is capped at this percentage of market value forever. The value of the affordable property will then rise (or fall) directly in proportion to the housing market.
- The property cannot be larger than 100 square metre gross internal floor area. This includes any integral or attached garage. Normal permitted development rights will be removed so that express permission has to be sought for any future extensions.
- The house must be built to exacting quality and design standards, meeting the Lifetime Homes standards and satisfying the sustainable construction, energy and water efficiency aspects of level 3 of the Code for Sustainable Homes. It

must be sympathetically designed in relation to its setting, particularly as it is being granted permission as an exception to normal planning policies.

## Can anyone apply?

To obtain planning permission, the applicant must satisfy Monmouthshire County Council that:

- The site is in a suitable location.

And

- The initial occupier of the affordable home is in housing need and has a strong local connection.

## How do I apply for planning permission?

The application should be made by the prospective occupier of the proposed affordable dwelling. You need to do some groundwork before you make the planning application, contacting the following in this order:

1. First, you should contact the Senior Strategy and Policy Officer in Housing & Communities. This officer will liaise with the planning department on your behalf to establish whether your site is considered to be in a suitable location. Sites must be in locations that demonstrably form part of a recognisable named settlement. Please note that development in the open countryside, isolated from any recognisable settlement, will not be permitted.
2. If the site appears to have potential, the Senior Strategy and Policy Officer in Housing Services will arrange to interview you to establish whether or not you are in housing need and have a strong local connection. Existing homeowners with particular issues can still be eligible where it can be shown that their existing property is not suitable for their ongoing needs, and they have a strong local connection.
3. You will then be asked to approach your Community Council for confirmation of your local connection. At this stage, the Community Council should limit itself to confirming facts about the applicant's personal connection to the local area. When a planning application is made, the Community Council will be consulted in the normal manner for its comments on the proposed site and design.
4. Once you have obtained a preliminary "green light" from the above and you **are confident that you can fund the project**, you have some assurance that it is worthwhile employing an architect or builder to draw up your building plans. It is sensible to discuss the emerging design with the Planning Officer

before making your planning application, to establish whether it is likely to be found acceptable.

Finally, you are ready to make a planning application.

## The Application Process

### Who can apply?

Because planning permission is granted as an exception to normal policies, the Council must ensure that the affordable homes will genuinely meet local housing need. To do so, the Council will assess the housing need and the local connection of the prospective occupier. Consequently, applicants must normally be the prospective occupiers of the proposed dwelling. This does not prevent the applicant from using an agent to help them to submit the planning application.

Speculative applications from landowners and developers will not be successful, because they cannot identify with certainty the prospective occupants. The eligibility of the occupants is critical to the decision to allow development as an exception to normal planning policies.

### **Step 1: contact the Senior Strategy & Policy Officer at Monmouthshire County Council, Housing & Communities**

**Mrs Shirley Wiggam  
Housing and Communities  
Monmouthshire County Council  
Ty'r Efail  
Lower Mill Field  
Pontypool  
NP4 0XJ**

**Tel: 01633 644474/07769 616662  
Email: shirleywiggam@monmouthshire.gov.uk**

### **Step 2: contact your Community Council**

# **Build Your Own Affordable Home: Single Plot Rural Exception Sites**

It is recognised that in Monmouthshire the price of housing has risen to a level beyond that which many local people can afford. Therefore, the need for affordable housing is one of the Council's more pressing concerns, both in urban and rural areas.

The single plot rural exceptions scheme is a self-help solution that enables families to use their own resources to provide affordable housing that meets their needs within their community. The construction of such affordable housing is funded from householders' own resources, which can include the sale of existing property as well as through a commercial mortgage. Utilising the resources of those families who are able to provide new affordable housing to meet their own needs means that the local community benefits over the long term from an increased stock of local affordable homes.

Monmouthshire County Council is able to allow the development of affordable housing through the use of single plot rural exception sites under policy H7(Affordable Housing Rural Exceptions) of the existing adopted Local Development Plan.

## **Extracts from Monmouthshire County Council's Local Development Plan**

### **Policy S1 – The Spatial Distribution of New Housing Provision**

The villages that are considered most likely to be suitable for single plot rural exception sites are those identified as Main and Minor Villages in Policy S1 of the Local Development Plan. Proposals in villages and hamlets not identified in Policy S1 of the Local Development Plan will not comply with Policy H7. These are minor settlements where new residential development will not normally be allowed because of their small size and sporadic nature and often because of the potential harm that development would cause to their open, rural character and/or sensitive landscape setting. Each proposal will be treated on its merits, however, and you are encouraged to discuss your site with the Senior Strategy and Policy Officer in Housing Services.

### **Policy H7 – Affordable Housing Rural Exceptions**

**H7** Favourable consideration will be given to the siting of small affordable housing sites in rural areas adjoining the Rural Secondary Settlements, Main Villages and Minor Villages identified in Policy S1 that would not otherwise be released for residential development provided that all the following conditions are met:



- (a) The scheme would meet a genuine local need (evidenced by a properly conducted survey or by reference to alternative housing need data) which could not otherwise be met in the locality (housing needs sub-area);
- (b) Where a registered social landlord is not involved, there are clear and adequate arrangements to ensure that the benefits of affordable housing will be secured for initial and subsequent occupiers; and
- (c) The proposal would have no significant adverse impact on village form and character and surrounding landscape or create additional traffic or access problems.

With regard to criterion (a) the local need for single plot rural exceptions sites will be established through the tests set out in this information pack.

## **Suitability of Location**

Whilst wishing to address affordable housing needs in the rural areas, the Council must balance this with the need to promote sustainable patterns of development and to protect the open countryside from widespread development. In this respect, the Council considers that there will be cases where these wider environmental and sustainability interests will take precedence over the economic and social sustainability issues surrounding affordable housing.

## **Design**

Proposals for single plot rural exception sites will need to comply with the current adopted Local Development Plan policies. As these potential sites will usually be outside the areas normally considered suitable for residential development, it is especially important to achieve an appropriate design. In this respect, full applications will be required for single plot rural exception sites and an early dialogue with Planning Officers is therefore essential.

### **Policy DES 1 – General Design Considerations**

**DES1** All development should be of a high quality sustainable design and respect the local character and distinctiveness of Monmouthshire's built, historic and natural environment. Development proposals will be required to:

- (a) Ensure a safe, secure, pleasant, and convenient environment that is accessible to all members of the community, supports the principles of community safety and encourages walking and cycling;
- (b) Contribute towards sense of place whilst ensuring that the amount of development and its intensity is compatible with existing uses.
- (c) Respect the existing form, scale, siting, massing, materials and layout of its setting and any neighbouring quality buildings.

- (d) Maintain reasonable levels of privacy and amenity of occupiers of neighbouring properties where applicable.
- (e) Respect built and natural views and panoramas where they include historical features and/or attractive or distinctive built environment or landscape.
- (f) Use building techniques, decoration, styles and lighting to enhance the appearance of the proposal having regard to texture, colour, pattern, durability and craftsmanship in the use of materials.
- (g) Incorporate existing features that are of historical, visual or nature conservation value, and use the vernacular tradition where appropriate.
- (h) Include landscape proposals for new buildings and land uses in order that they integrate into their surroundings, taking into account the appearance of the existing landscape and its intrinsic character, as defined through the LANDMAP process. Landscaping should take into account, and where appropriate retain, existing trees and hedgerows;
- (i) Make the most efficient use of land compatible with the above criteria, including that the minimum net density of residential development should be 30 dwellings per hectare, subject to criterion (l) below;
- (j) Achieve a climate responsive and resource efficient design. Consideration should be given to location, orientation, density, layout, built form and landscaping and to energy efficiency and the use of renewable energy, including materials and technology;
- (k) Foster inclusive design;
- (l) Ensure that existing residential areas characterised by high standards of privacy and spaciousness are protected from overdevelopment and insensitive or inappropriate infilling.

Where an applicant owns land which could provide a number of possible sites, the Council will seek to utilise the most environmentally sustainable and appropriate site as advised by the Council. Applicants are therefore strongly advised to discuss the alternatives at an early stage, and follow the advice given by the case Planning Officer.

## **Layout**

The dwelling size should not exceed 100 square metre gross internal floor space (i.e. a simple measurement of floor space between internal walls) and overall plot size

must be appropriate in terms of the general pattern of development in the surrounding area, but not normally exceeding 0.1 ha.

Sites which form part of the curtilage of an existing property must provide an appropriately sized plot for the new dwelling. In this respect, it will be important to achieve a ratio of dwelling size to overall plot size which is in keeping with surrounding properties. Such sites must also respect the existing character and setting of the original property, so as not to adversely alter the character or create a cramped form of development.

Materials of construction should be sympathetic to those in use locally.

Attached garages will count against the 100 square metres. It is appreciated, however, that there will generally be a need for garaging and for ancillary buildings to store gardening equipment, garden furniture etc. The size of such outbuildings will be strictly controlled. Detached garages of appropriate dimensions and height may be permitted if they are not intrusive upon the wider locality, reflect the local rural vernacular in both style and materials and remain subordinate to, and do not detract from, the character and appearance of the main dwelling. They should be sited as unobtrusively as possible, to the side or rear of the dwelling. Outbuildings should be modest in size and sensitively located.

Applications for single plot rural exception sites should include details of any proposed garages and outbuildings in order that the overall impact of a scheme can be fully assessed. The Council will need to be satisfied at the time of the original application that adequate ancillary garages and storage space can be achieved for the dwelling in order to avoid pressure for further, possibly harmful, development at some future date. If overlarge outbuildings are required then this could result in a reduction in the size of dwelling that might be allowable if this is necessary to limit the overall impact of the development in the landscape.

## **Housing Need and Strong Local Connection**

Applicants will need to demonstrate that they are unable to afford a suitable home currently available in the locality.

Housing need is demonstrated if the household unit has no home of its own, or is renting from a housing association but would like to become an owner-occupier, or is in unsuitable accommodation. For example:

- the current housing may be too large or too small for the household
- be in a poor state of repair
- be too costly for the household to maintain or sustain.

- be in a location that is a long way from existing employment, schools or support networks and that the cost or availability of transport is prohibitive to the particular household

Strong local connections with the settlement in question will need to be demonstrated by the household (Appendix A). These include working locally, residing locally, or having family members who need support in the local area.

Assessments of whether a household is in housing need or not, has strong local connections and is unable to afford a suitable home in the locality will be made by the Council's Housing Services following completion of a standard form and submission of supporting documentation. Applicants will be expected to be proactive in obtaining confirmation of their local connection from the Community Council.

Purchasers of the property in the future must also meet the local needs criteria in Appendix A. As a requirement of the section 106 legal agreement, the property cannot change hands without the written consent of Monmouthshire County Council. This will only be forthcoming if the Council is satisfied that the new purchaser has a strong local connection as defined in the section 106 legal agreement.

### **Affordable in Perpetuity**

Rural exception sites are permitted in order to benefit the long term sustainability of the community, and as such it is important that the property remains affordable for successive occupiers for the lifetime of the building. To achieve this, the model section 106 legal agreement in Appendix C puts a Restriction on the Title of the property, to the effect that the property cannot change hands without the written consent of Monmouthshire County Council. The Land Registry will effectively enforce this provision, as it will not be possible for a solicitor to register a new ownership with the Land Registry without the appropriate letter from Monmouthshire County Council.

A draft section 106 legal agreement should be submitted with the planning application, with agreed heads of terms in accordance with those attached at Appendix C. The section 106 agreement must be ready for all parties to sign by the time the application is ready for decision by the Council.

The "formula price" of the affordable property will be determined by the cost of construction as set out on page 10 of this pack, plus a nominal plot value of £10,000, expressed as a percentage of open market value. Extraordinary construction costs will only be taken into account at the discretion of the local planning authority, where such costs can be robustly justified as unavoidable.

The future sale of the property will be subject to the fixed percentage of open market value as detailed in the section 106 agreement. There is no scope for it to enter into the open housing market without recycling of proceeds.

In order to ensure that dwellings remain affordable, a dwelling size restriction will be imposed. The size of dwellings will normally be restricted to no more than 100 square metre gross internal floor space, with a curtilage not exceeding 0.1 ha.

Furthermore, permitted development rights to extend properties in the future will be removed by planning condition, in order to ensure that the Council retains control over the future affordability of the property. Future values will, in any event, be based on original floor space and exclude later additions.

### **Standard Conditions for Rural Exception Sites**

In order to provide a consistent and manageable approach to rural exception sites. Monmouthshire County Council proposes to use standard conditions on all rural exception sites that ensure:

- sustainable construction, energy and water efficiency aspects equivalent to level 3 of the Code for Sustainable Homes will apply to **all** schemes
- meeting Lifetime Homes Standards will apply to **all** schemes

### **Standard Conditions for Single Plot Rural Exception Sites**

In addition, standard conditions for single plot rural exception sites will include:

- restrictions on size of the property (to not exceed 100 square metres)
- removal of permitted development rights so that express permission has to be sought for any future extension, including garage and carport extensions

In the majority of cases, 100 square metres is adequate for a family of five persons. Larger properties are, by definition, more expensive and run counter to the primary aim of ensuring affordability.

Permitted development rights of the affordable dwellings will normally be removed to ensure that properties are not extended or altered in any way as to increase values beyond an affordable level. Exceptions will only be made where clearly justified. The normal permitted development rights will not prevent consideration of adaptations or extensions in certain circumstances, for instance, where required by an occupant with disabilities or to accommodate appropriate extensions for family growth.

The Council recognises that some households will need more space, for example to cater for very large families. Where an application is received to amend or remove a

standard condition, the applicant will be expected to demonstrate that the household's needs are genuine. The national definition of overcrowding (Appendix C) will be a factor in assessing what size of property is justified. The needs of disabled residents for physical space (for wheelchairs, etc.) will also be taken into account.

## Site Suitability Guidelines

The Local Development Plan (LDP) enables Monmouthshire County Council to allow affordable housing on sites that would not obtain planning permission for open market housing, as an exception to normal planning policies.

The site, however, must be in a location that demonstrably forms part of a recognisable named settlement. Sites that would constitute isolated or sporadic development, or which would adversely affect the landscape or rural character, are not considered acceptable and will be refused planning permission in line with existing LDP policies.

## Calculating the Formula Price

Affordable housing that is granted as an exception to normal planning policies must remain affordable for ever. This is achieved through a section 106 legal agreement, which defines what the “formula price” is for the affordable property.

The price for affordable housing that is built on single plot rural exception sites is calculated from standard construction costs and a nominal plot value. This is expressed as a percentage of market value to create the “formula price”.

The **nominal plot (land) value** applied is **£10,000** per building plot.

The **standard Cost of Construction** that applies is **£1,300** per square metre.

These figures apply regardless of the actual build or land cost. The combined total of these figures is the initial affordable value.

The initial affordable value is then converted into a percentage of the property’s potential Open Market Value (i.e. the property’s value if it were not subject to the affordability restrictions in the section 106 legal agreement). This percentage is the “**formula price**”.

The formula price determines how much the property could be sold for in the future. As it is a percentage of open market value, it will go up or down in line with market prices.

### Worked Example

In this example, the affordable property is a 2 bed house of 70 square metres in size. The value is based on the gross internal floor space (i.e. a simple measurement of the floor space between the internal walls. Each floor of the property is included – in our example, the ground floor is 35 square metres and the first floor is 35 square metres.

One builder has quoted £81,000, another builder has quoted £85,000 and a third builder has quoted £97,000. The actual construction price is irrelevant, because the property’s affordable value is based on a formula price. Instead the affordable value will be calculated as follows. The formula for the initial affordable value is: standard cost of construction x floor space + nominal plot value:

$$\begin{aligned}
 &= (\mathbf{£1,300 \times 70 \text{ sqm}}) + \mathbf{£10,000} \\
 &= \mathbf{£91,000 + £10,000} \\
 &= \mathbf{£101,000}
 \end{aligned}$$

Let us assume that the market value for a 2 bed property in this location is £165,000 (actual value to be based on an independent surveyor’s/estate agent’s valuation of the property).

Formula price equals nominal cost as a proportion of market value:

$$\begin{aligned}
 &= \mathbf{£101,000/£165,000} \\
 &= \mathbf{61.2\%}
 \end{aligned}$$

The section 106 legal agreement would therefore specify the formula price as 61.2% of open market value. Future sale of the property must be at 61.2% of whatever the open market value is at that point in time. Thus the property will go up or down in value in line with market prices.



## If You Need to Sell in the Future

The value of the property is set in the section 106 legal agreement, as a percentage of open market value.

Resale of the property must be to a marketing plan that has been agreed with the Council, as required by the legal agreement. It must be offered for sale at the formula price for six months. Persons wishing to purchase the property must meet the Council's criteria for being in housing need (see Appendix A).

Over six months, the pool of potential purchasers widens from the local area, then Monmouthshire-wide, then to the Council or one of the Council's nominated partners and finally to anyone else. This is known as the cascade mechanism. The details of which are specified in the section 106 legal agreement for the property.

In the highly unlikely event of an owner being unable to sell at the formula price in this six month period, he/she may apply to have the formula price removed. If the Council agrees to its removal, then half of the difference between the affordable and the open market value will be recouped by the Council and used towards the provision of affordable housing elsewhere.

These requirements have been reached in discussion with mortgage lenders to ensure that they satisfy most mortgage lenders' criteria. They provide a balance between trying to ensure that affordable properties remain affordable in perpetuity, prioritising local people, and minimising the financial risks for lenders.

## Lifetime Homes Standards

All affordable homes must be built to the lifetime homes standard to ensure that they are accessible and can be easily adapted should their occupiers experience mobility difficulties in the future. Homes built to this standard are "future-proofed" not only for the potential needs of their occupiers, but also for the needs of visiting friends and relatives. The Lifetime Homes standard requires the following:

### Access

1. Where car parking is adjacent to the home, it should be capable of enlargement to attain 3.3metres width.
2. The distance from the car parking space to the home should be kept to a minimum and should be level or gently sloping.
3. The approach to all entrances should be level or gently sloping (Gradients for paths should be the same as for public buildings in the Building Regulations).
4. All entrances should be illuminated and have level access over the threshold and the main entrance should be covered.

5. Where homes are reached by a lift, it should be wheelchair accessible.

### **Inside the Home**

6. The width of internal doorways and halls should conform to Part M of the Building Regulations, except where approach is not head on and the hallway is less than 900mm clear width, in which case the door should be 900mm rather than 800mm wide. Entrance level doorways should have a 300mm nib or wall space adjacent to the leading edge of the door.
7. There should be space for the turning of wheelchairs in kitchens, dining areas and sitting rooms and adequate circulation space for wheelchair users elsewhere.
8. The sitting room (or family room) should be at entrance level.
9. In houses of two or more storeys, there should be space on the ground floor that could be used as a convenient bed space.
10. There should be a downstairs toilet which should be wheelchair accessible, with drainage and service provision enabling a shower to be fitted at any time.
11. Walls in bathrooms and toilets should be capable of taking adaptations such as handrails.
12. The design should incorporate provision for a future stair lift and a suitably identified space for potential installation of a through-the-floor lift from the ground to the first floor, for example to a bedroom next to the bathroom.
13. The bath/bedroom ceiling should be strong enough, or capable of being made strong enough, to support a hoist at a later date. Within the bath/bedroom wall provision should be made for a future floor to ceiling door, to connect the two rooms by a hoist.
14. The bathroom layout should be designed to incorporate easy access probably from a side approach, to the bath and WC. The wash basins should also be accessible.

### **Fixtures and Fittings**

15. Living room window glazing should begin at 800mm or lower, and windows should be easy to open/operate.
16. Switches, sockets and service controls should be at a height usable by all (i.e. between 600mm and 1200mm from the floor).

## Do you qualify for affordable housing?

The Council wishes to make it as easy as possible for residents to be able to find out if they qualify for the ‘Build Your Own Single Plot’ affordable home.

### Applicants must demonstrate:

That they have a suitable plot of land (this is assessed by a planning officer)

That they are in need of a house in the area and would contribute towards community sustainability

That they have strong local connections and need to live in the area where they propose to build

That they are unable to secure a suitable home currently available on the open market

### What are the main housing need, local connection and affordability qualification criteria?

Local Housing Need	Strong Local Connections & Need to Live in the Local Area	Affordability and Availability of Housing in the Area
<ul style="list-style-type: none"> <li>• No home of your own – e.g. living with your parents</li> <li>• Current housing not suitable for current needs</li> <li>• Housing Association tenant but would like to become an owner-occupier</li> </ul>	<ul style="list-style-type: none"> <li>• Parents are permanent residents in the area</li> <li>• Parents were permanently resident in the area at the time of the applicants birth and applicant was a permanent resident of the area for 5 continuous years as a child</li> <li>• Currently living in the area and have been for 5 continuous years</li> <li>• Currently employed in the area</li> <li>• Have an offer of work in the area</li> <li>• Applicant needs to live in the area to care for a relative or receive support/childcare</li> </ul>	<ul style="list-style-type: none"> <li>• If buying your mortgage should not be more than 25% of your gross household income</li> <li>• If renting, your rent should be less than 25% of your income</li> <li>• Your total household income is not large enough to buy a suitable house on the open market</li> <li>• There are no suitable properties in the area</li> </ul>

For more information please contact Shirley Wiggam, Senior Strategy & Policy Officer on 01633 644474

## APPENDIX 3

### Rural Allocations Policy

## Affordable Housing

## Rural Allocations Policy

The purpose of the policy is to ensure that homes developed for local people are allocated as intended. This policy is to be used in addition to both Monmouthshire County Council's Common Allocations Policy and any other or succeeding allocations policy for letting of affordable housing in Monmouthshire.

The Registered Social Landlord requires assurance for its future business security that the local connection policy will not be allowed to cause empty properties. There is flexibility built into this policy to allow a broadening of both occupancy levels and geographical connection in order to allow properties to be tenanted swiftly and therefore ensure that the affordable housing resource is utilised.

The Rural Allocations Policy will be used to allocate the first 10 homes on all new housing sites and on all subsequent lettings of these properties (once identified via the first round of lettings) in rural areas of Monmouthshire other than:

- The main settlements of Abergavenny, Caldicot, Chepstow, Monmouth and Usk (Abergavenny includes the waiting list areas of Mardy and Croesonnen and the settlement of Monmouth includes the waiting list area of Wyesham)

### **Geographical Criteria**

The aim of this policy is to ensure that households with strong links to rural areas are given the opportunity to remain in these communities thus helping to maintain sustainability in the future. The local qualification will be based on villages within the Community Council boundary where the properties are located and then will cascade out to the immediately adjoining communities using community council boundaries.

As there are some rural areas in Monmouthshire where development is unlikely due to land supply and topography, the Council reserves the right to widen qualification to a neighbouring Community Council on occasions where there is a proven local need.

## **Under Occupation**

Priority will be given to applicants who have a local connection and who fully occupy a property in line with local housing allowance size criteria. One spare room will be considered whereupon a tenancy is affordable or there are exceptional circumstances. In the case where there are more applications received that meet the rural housing lettings criteria than there are properties to allocate, these applications will then be assessed to the current allocation policy.

## **Rural Housing Lettings Criteria**

In priority order:

1. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application and are owed a reasonable preference as defined by the Housing Act 1996.
2. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application and who need to live in the community in order to provide support to a dependent child or adult or to receive support from a principal carer.
3. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application and who are principally (> 20 hours per week) employed in the community (defined as the Community Council area).
4. Applicants who have lived in the community (defined as the Community Council area) for a continuous period of at least 5 years at the time of application or those who have lived in the community for a period of five years but have had to move out of the area to access accommodation.
5. Applicants who have previously lived in the community for a period of at least 5 years and who need to move to the community in order to provide support to a dependent child or adult or to receive support from a principal carer.
6. Applicants who have been principally (> 20 hours per week) employed in the community (defined as the Community Council area) for a continuous period of at least 5 years.
7. Applicants who have previously lived in the community for a period of at least 5 years.
8. Applicants with a firm offer of employment in the community and who would otherwise be unable to take up the offer because of a lack of affordable housing.

Applicants will be prioritised using the above criteria, however, if more than one applicant has the same priority, the applicant who has lived (or previously lived) in the Community Council area for the longest will be given priority. Applicants who have the same priority and who will be fully occupying the property will be given priority over those applicants who have the same priority and who will be under-occupying.

In the event there is no suitable [insert Community Council] applicant, these criteria will then be applied in the same order to applicants from immediately adjoining

communities as set out above. Should there be no suitable applicant from the Community Council area where the properties are located or from the immediately adjoining Community Council areas then the properties will be allocated to applicants with a connection to Monmouthshire in line with the Monmouthshire Homesearch Allocations Policy.

**It should be noted however that the Council reserves the right to nominate applicants for rural vacancies, who do not meet the above criteria, where it is considered that the circumstances of the individual case warrant special consideration. Such cases can only be considered for the offer once the decision has been agreed by the Common Housing Register Operational Sub Group and the Housing and Regeneration Manager.**

### **Evidence of Local Connection**

In all cases, the applicant will be expected to demonstrate their local connection, for example by providing service bills, bank statements, medical registration documents and so forth. Applicants living at home with parents and looking to leave home for the first time would be expected to provide evidence to show that they have local criteria which may include evidence that their parents have achieved the local connection.

Applicants not living in the Community, but who are applying for reasons of employment must provide evidence to show that they are principally employed within the area, including the date of commencement of employment and confirmation from their employer of employment status, and whether this is likely to continue for the foreseeable future.

Applicants will also be asked to consent to the landlord making enquiries of the electoral register and council tax records should it be necessary to confirm local connection.

### **Future Voids**

The properties identified for each site will remain ear marked for all future lettings. Therefore all future lettings for these properties will also be carried out as per this policy.

### **Monitoring**

The Council will ensure that lettings through this policy will not dominate the main allocation scheme. The Rural Allocations Policy will be monitored on an ongoing basis to ensure that overall reasonable preference for allocation in Monmouthshire is given to applicants in the reasonable preference groups.

The policy will also be monitored in order to assess its impact, the outcome of which will be regularly reported.

The policy will also be monitored to ensure that void properties are re-let to qualifying households who satisfy the Rural Allocations Policy.

## APPENDIX 4

### Extract from The Community Infrastructure Levy (Amendment) Regulations 2014

#### “Exemption for self-build housing

##### 54A

- (1) Subject to paragraphs (10) and (11), a person (P) is eligible for an exemption from liability to pay CIL in respect of a chargeable development, or part of a chargeable development, if it comprises self-build housing or self-build communal development.
- (2) Self-build housing is a dwelling built by P (including where built following a commission by P) and occupied by P as P’s sole or main residence.
- (3) The amount of any self-build communal development that P can claim the exemption in relation to is to be determined in accordance with paragraphs (4) to (6).
- (4) Subject to paragraph (5), development is self-build communal development if it is for the benefit of the occupants of more than one dwelling that is self-build housing, whether or not it is also for the benefit of the occupants of relevant development.
- (5) Development is not self-build communal development if it is:
  - (a) wholly or partly made up of one or more dwellings;
  - (b) wholly or mainly for use by the general public;
  - (c) wholly or mainly for the benefit of occupants of development which is not relevant development; or
  - (d) to be used wholly or mainly for commercial purposes.
- (6) The amount of any self-build communal development that P can claim the exemption in relation to must be calculated by applying the following formula:

$$\frac{X \times A}{B}$$

Where:

X = the gross internal area of the self-build communal development;

A = the gross internal area of the dwelling in relation to which P is claiming the exemption for self-build housing; and

B = the gross internal area of the self-build housing and relevant development, provided that the self-build communal development is for the benefit of that housing and that relevant development.

- (7) In this regulation, “relevant development” means development which is authorised by the same planning permission as the self-build housing in question, but which does not include the self-build housing or the self-build communal development.
- (8) In order to claim the exemption in relation to self-build communal development, P must assume liability to pay CIL in respect of that development (and may do so jointly in respect of the chargeable development) and either claim the exemption:
  - (a) at the same time as P claims the exemption in respect of the self-build housing; or
  - (b) where the self-build housing is granted permission through a phased planning permission, in relation to any phase of that permission.
- (9) An exemption or relief under this regulation is known as an exemption for self-build housing.
- (10) An exemption for self-build housing cannot be granted to the extent that the collecting authority is satisfied that to do so would constitute a State aid which is required to be notified to and approved by the European Commission.
- (11) Where paragraph (10) applies, the collecting authority must grant relief up to an amount which would not constitute a State aid which is required to be notified to and approved by the European Commission.

### **Exemption for self-build housing: procedure**

#### **54B**

- (1) A person who wishes to benefit from the exemption for self-build housing must submit a claim to the collecting authority in accordance with this regulation.
- (2) The claim must:
  - (a) be made by a person who:
    - (i) intends to build, or commission the building of, a new dwelling, and intends to occupy the dwelling as their sole or main residence for the duration of the clawback period, and



- (ii) has assumed liability to pay CIL in respect of the new dwelling, whether or not they have also assumed liability to pay CIL in respect of other development;
  - (b) be received by the collecting authority before commencement of the chargeable development;
  - (c) be submitted to the collecting authority in writing on a form published by the Secretary of State (or a form substantially to the same effect);
  - (d) include the particulars specified or referred to in the form; and
  - (e) where more than one person has assumed liability to pay CIL in respect of the chargeable development, clearly identify the part of the development that the claim relates to.
- (3) A claim under this regulation will lapse where the chargeable development to which it relates is commenced before the collecting authority has notified the claimant of its decision on the claim.
- (4) As soon as practicable after receiving a valid claim, and subject to regulation 54A(10), the collecting authority must grant the exemption and notify the claimant in writing of the exemption granted (or the amount of relief granted, as the case may be).
- (5) A claim for an exemption for self-build housing is valid if it complies with the requirements of paragraph (2).
- (6) A person who is granted an exemption for self-build housing ceases to be eligible for that exemption if a commencement notice is not submitted to the collecting authority before the day the chargeable development is commenced.

### **Exemption for self-build housing: completion of development**

#### **54C**

- (1) A person (P) granted an exemption for self-build housing in respect of development (D) must comply with this regulation.
- (2) Within six months of the date of the compliance certificate for D, P must submit a form to the collecting authority confirming that D is self-build housing or self-build communal development (as the case may be).
- (3) The form referred to in paragraph (2) must:

- (a) be submitted in writing on a form published by the Secretary of State (or a form to substantially the same effect);
- (b) include the particulars specified or referred to in the form; and
- (c) be accompanied by the documents specified or referred to in the form.

## **Withdrawal of the exemption for self-build housing**

### **54D**

- (1) This regulation applies if an exemption for self-build housing is granted and a disqualifying event occurs before the end of the clawback period.
- (2) For the purposes of this regulation, a disqualifying event is:
  - (a) any change in relation to the self-build housing or self-build communal development which is the subject of the exemption such that it ceases to be self-build housing or self-build communal development;
  - (b) a failure to comply with regulation 54C;
  - (c) the letting out of a whole dwelling or building that is self-build housing or self-build communal development;
  - (d) the sale of the self-build housing; or
  - (e) the sale of the self-build communal development.
- (3) Subject to paragraphs (5) and (6), where this regulation applies the exemption for self-build housing granted in respect of the self-build housing or self-build qualifying development is withdrawn and the relevant person is liable to pay:
  - (a) an amount of CIL equal to the amount of CIL that would have been payable on commencement of the development if the exemption had not been granted; or
  - (b) where regulation 54A(11) applies, the amount of relief granted.
- (4) The relevant person must notify the collecting authority in writing of the disqualifying event before the end of the period of 14 days beginning with the day on which the disqualifying event occurs.
- (5) The collecting authority must notify the relevant person at least 28 days before taking any action in relation to a disqualifying event under paragraph (2)(b), informing them of the date after which they intend to take any such action.

- (6) If the relevant person submits to the collecting authority a form which complies with the requirements of regulation 54C(3) before the date mentioned in paragraph (5), the exemption is not withdrawn and the collecting authority may take no further action in relation to that disqualifying event.
- (7) As soon as practicable after receiving the notice of the disqualifying event (or the expiry of the period in paragraph (5), as the case may be) the collecting authority must notify the relevant person in writing of the amount of CIL payable under paragraph (3).
- (8) In this regulation “relevant person” means the person benefitting from the exemption for self-build housing in respect of the dwelling or communal development which has ceased to qualify for the exemption”.

### **Interpretation**

(Regulation 3 (1) (a) (b) of The Community Infrastructure Levy (Amendment) Regulations 2014):

‘clawback period’ means - in relation to the exemption for self-build housing, the period of three years beginning with the date of the compliance certificate relating to the relevant dwelling

**APPENDIX 5**  
**Extract from LDP Monitoring Framework**

## Affordable Housing

**Strategic Policy:** S4 Affordable Housing

**LDP Objectives Supported:** 1, 3, and 4

**Other LDP Policies:** SAH1-10, SAH11

Monitoring Aim / Outcome	Indicator	Target	Trigger for Further Investigation	Source Data / Monitoring Method
To provide 960 affordable dwelling units over the plan period	The number of additional affordable dwellings built* over the plan period	Deliver 96 affordable dwellings per annum 2011-2021 (total of 960 over the plan period)	Further investigation if 10% less or greater than the LDP strategy build rate for 2 consecutive years	JHLAS / S106 monitoring
	Number of affordable dwellings secured on new housing sites	<ul style="list-style-type: none"> <li>35% of the total number of dwellings to be affordable on sites of 5 or more dwellings in the Main Towns and Rural Secondary Settlements identified in Policy S1</li> <li>25% of the total number of dwellings to be affordable on sites of 5 or more dwellings in the Severnside Settlements as identified in Policy S1</li> <li>60% of the total number of dwellings to be affordable on sites of 3 or more dwellings in the Main Villages identified in Policy S1</li> <li>Minor Villages: sites with capacity for 4 dwellings make provision for 3 to be affordable; and sites with capacity for 3 dwellings make provision for 2 to be affordable.</li> </ul>	Further investigation if the proportion of affordable housing achieved on development sites in each area falls below the requirement set out in Policy S4	JHLAS / planning applications database / S106 monitoring

Monitoring Aim / Outcome	Indicator	Target	Trigger for Further Investigation	Source Data / Monitoring Method
	Number of affordable dwellings permitted / built on Main Village sites as identified in Policy SAH11	Main Village sites to collectively deliver 20 affordable dwellings per annum 2014-2021	Further investigation if 10% less or greater than the target build rate for 2 consecutive years from 2014	JHLAS / planning applications database / S106 monitoring
	Number of affordable dwellings built through rural exception schemes	No target	None	JHLAS/ planning applications database
	Affordable housing percentage target in Policy S4	Target to reflect economic circumstances	Further investigation if average house prices increase by 5% above the base price of 2012 levels sustained over 2 quarters	Home Track / Land Registry

\*Core Indicators

**SUBJECT: SOCIAL HOUSING GRANT PROGRAMME**  
**DIRECTORATE: Enterprise**  
**MEETING: Strong Communities Select**  
**DATE: 16th July 2015**  
**DIVISION/WARDS AFFECTED: All**

**1. PURPOSE:**

The purpose of this report is to brief the Single Cabinet Member on the completion of the Social Housing Grant programme for 2014/2015 and seek approval for the new SHG Programme for 2015-2018.

**2. RECOMMENDATIONS:**

To recommend that Cabinet approves the contents of the programme.

**3. KEY ISSUES:**

- It is recognised in Monmouthshire that house prices have risen to a level beyond that which is affordable to many local people. The average house price is currently £243,600 (Wales comparison £167,700) and the lower quartile affordability ratio is 9:1. Therefore, the provision of affordable housing is one of the Council's more pressing concerns, both in urban and rural areas (Source: Hometrack 5 May 2015).
- The number of applicants on the Common Housing Register is currently 2890.
- During 2014/2015 there were 249 homeless applications determined with a duty being accepted to 112. The Council's Housing Options Team dealt with 758 housing enquiries.

**4. REASONS:**

The Social Housing Grant allocation for Monmouthshire for 2014/2015 was:

Main SHG Programme	£1,144,759.35
Additional Funding made available by WG	£ 448,992.00

The final figure drawn down from the Welsh Government was £1,593,751.35.

This is an excellent performance with Monmouthshire successfully spending 100% of its grant allocation plus £448,992 of additional funding. In 2014/2015, although only 15 homes were completed, there are a further 60 currently under construction. Two of which are disabled bungalows – one for a family in Caldicot with a severely disabled child.

**4. Contd...**

Melin Homes successfully undertook three mortgage rescues using £237,000 of Monmouthshire's Recycled Capital Grant (RCG) currently being held by them. This successfully prevented three families from becoming homeless. All of them have been able to remain home owners on Homebuy Terms with an interest free equity loan. One of the cases involved a family with 6 children, one of whom is disabled. The 50% equity loan allowed the mother and children to remain in the family home following divorce.

The Social Housing Grant allocation for Monmouthshire for 2015 - 2018 is once again £1,144,759 for each of the three years.

The Programme Delivery Plan for 2015 - 2018 is appended to this report. Working closely with our RSL partners we have been able to build up a very healthy reserve schemes list and should be in a position to take up any additional funding made available by the Welsh Government again this year.

Of the schemes currently under construction, one is a block of six flats for clients of ABHB and Monmouthshire Social Services' Mental Health Teams. This is Major's Barn in Abergavenny and is being developed in partnership with the In One Place Project. MHA and Melin have also been asked to purchase properties suitable for adaptation to house three clients with disabilities that cannot be accommodated in existing stock. MHA has agreed to look for two properties while Melin will be assisting with one for a lady who is already a tenant of theirs.

**5. RESOURCE IMPLICATIONS: None**

**6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

Affordable housing makes an important contribution to the sustainability of our towns and villages by providing homes that local people on low incomes can afford to live in. It also a means of providing low cost homes for first time buyers.

**7. CONSULTEES:**

**8. BACKGROUND PAPERS: None**

**9. AUTHOR:**

Shirley Wiggam, Senior Strategy & Policy Officer, Housing & Communities

**10. CONTACT DETAILS:**

**Tel:** 01633 644474/07769 616662

**E-mail:** shirleywiggam@monmouthshire.gov.uk



## The “Equality Initial Challenge”

Name: Shirley Wiggam		Please give a <b>brief description</b> of what you are aiming to do.	
Service area: Housing & Communities		Single Member Cabinet Report for approval of Social Housing Grant Programme 2015 - 2018	
Date completed: 29 May 2015			
Protected characteristic	Potential <b>Negative</b> impact Please give details	Potential <b>Neutral</b> impact Please give details	Potential <b>Positive</b> Impact Please give details
Age			Will provide new housing to increase RSL stock
Disability			Will provide new housing to increase RSL stock
Marriage + Civil Partnership			Will provide new housing to increase RSL stock
Pregnancy and maternity			Will provide new housing to increase RSL stock
Race			Will provide new housing to increase RSL stock
Religion or Belief			Will provide new housing to increase RSL stock
Sex (was Gender)			Will provide new housing to increase RSL stock
Sexual Orientation			Will provide new housing to increase RSL stock
Transgender			Will provide new housing to

			increase RSL stock
Welsh Language			Will provide new housing to increase RSL stock

Please give details about any potential <b>negative Impacts</b> .	How do you propose to <b>MITIGATE</b> these <b>negative impacts</b>
➤	➤
➤	➤
➤	➤
➤	➤

**Signed**

**Designation**

**Dated**

## EQUALITY IMPACT ASSESSMENT FORM

<b>What are you impact assessing</b>	<b>Service area</b>
Social Housing Grant Programme Cabinet Report	Housing & Communities
<b>Policy author / service lead</b>	<b>Name of assessor and date</b>
Shirley Wiggam	

### 1. What are you proposing to do?

Seek Single Cabinet Member Approval for the 2015-2018 Social Housing Grant Programme.

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age	No	Race	No
Disability	No	Religion or Belief	No
Gender reassignment	No	Sex	No
Marriage or civil partnership	No	Sexual Orientation	No
Pregnancy and maternity	No	Welsh Language	No

3. Please give details of the negative impact

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

We undertake community consultation on rural housing sites.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

Monmouthshire's Common Housing Register and the Local Housing Market Assessments are used to assess housing need.

**Signed**.....Shirley Wiggam.....**Designation**...Senior Strategy & Policy Officer.....**Dated**...29 May 2015.....

### The “Sustainability Challenge”

<b>Name of the Officer</b> completing “the Sustainability challenge”  <b>Shirley Wiggam</b>		Please give a <b>brief description</b> of the <b>aims</b> proposed policy or service reconfiguration  Social Housing Grant Programme – programme for new build affordable housing for next 3 years	
<b>Name</b> of the Division or service area  Housing & Communities		<b>Date</b> “Challenge” form completed  29 <sup>th</sup> May 2015	
Aspect of sustainability affected	<b>Negative impact</b>  <b>Please give details</b>	Neutral impact  <b>Please give details</b>	<b>Positive Impact</b>  <b>Please give details</b>
<b>PEOPLE</b>			
Ensure that more people have access to healthy food			
Improve housing quality and provision			Provide more affordable housing to address housing need both in urban and rural areas of Monmouthshire
Reduce ill health and improve healthcare provision			It is well documented that good quality affordable housing reduces ill health
Promote independence			Some of the new stock will be used to provide the opportunity for vulnerable people to live independently for the first time in

			their lives. Better quality new OAP stock built to lifetime homes standards will allow elderly people to live independently for longer.
Encourage community participation/action and voluntary work			We are engaging with local communities in rural areas to ascertain need with regard to size and tenure of properties. We will also be giving local people the opportunity to comment on design.
Targets socially excluded			
Help reduce crime and fear of crime			All new properties are built to Secure by Design standards.
Improve access to education and training			Apprenticeships will be available for young people on some of these development sites.
Have a positive impact on people and places in other countries			
<b>PLANET</b>			
Reduce, reuse and recycle waste and water			All new properties will be built to at least Code 3+ of the Code for Sustainable Homes. This may include recycling rainwater.
Reduce carbon dioxide emissions			All new properties will be built to at least Code 3+ of the Code for Sustainable Homes.

Prevent or reduce pollution of the air, land and water			
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)			Steps are taken to enhance wildlife habitats on new development sites.
Protect or enhance visual appearance of environment			
<b>PROFIT</b>			
Protect local shops and services			New homes in rural areas help protect local services.
Link local production with local consumption			
Improve environmental awareness of local businesses			
Increase employment for local people			
Preserve and enhance local identity and culture			
Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc			
Increase and improve access to leisure, recreation			



or cultural facilities			
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What are the potential negative Impacts	Ideas as to how we can look to <b>MITIGATE</b> the <b>negative impacts</b> (include any reasonable adjustments)
➤	➤
➤	➤
➤	➤
➤	➤

**The next steps**

- If you have assessed the proposal/s as having a **positive impact please give full details** below

New affordable housing has a positive impact on local communities as detailed above.

- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

**Signed**

**Shirley Wiggam**

**Dated 29 May 2015**

**PROGRAMME DELIVERY PLAN: Main Programme 2015/2016**

**Monmouthshire**

**Cash Limited Allocation (CLA) £1,144,759**

*Please read "Notes on Completion of Programme Delivery Plan Workbook" before inserting data.  
Insert schemes that require SHG and/or drawing down RCG in 2015/16*

Scheme Details				Units		Planning		Estimated Grant (SHG) £'000s and Tranches								Total SHG & RCG £'000s		
Ref	Consortium	RSL	Scheme Name	Theme	Total Units	No. Int Rent Units	O	D	Q1	T	Q2	T	Q3	T	Q4	T	SHG	RCG
01034	Genus	Monmouthshire	West End School, Caldicot	HS	17	0		Yes	498	2pp							498	
01017	Genus	Monmouthshire	Major's Barn, Abergavenny	HS	6	0		Yes	143	2							143	
00617	Genus	Monmouthshire	Mynyddbach, Shirenewton	HS	2	0		Yes					237	2			237	
00037	Genus	Monmouthshire	Cae Mawr Grove, Caldicot	HS	1	0		Yes					162	2			162	
00038	Genus	Monmouthshire	Green Lane, Caldicot	HS	4	0		Yes			8	2					8	
00868	Genus	Monmouthshire	1 Greenfield, Caldicot	HS	2	0		Yes			97	2					97	
New	Genus	Melin	48 Lapwing Avenue, Caldicot	MR	1	0		N/A									0	88
																	0	
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				TOTAL	33	0										TOTAL	1,145	88

Do Not include RCG in Tranche payments

\*The total SHG must not exceed the CLA\*

**PROGRAMME DELIVERY PLAN: Main Programme 2016/2017**

**Monmouthshire**

**Forward Indicator £1,144,759**

*Please read "Notes on Completion of Programme Delivery Plan Workbook" before inserting data.  
Insert schemes that require SHG and/or drawing down RCG in 2016/17*

Scheme Details				Units		Planning		Estimated Grant (SHG) £'000s and Tranches								Total SHG & RCG £'000s		
Ref	Consortium	RSL	Scheme Name	Theme	Total Units	No. Int Rent Units	O	D	Q1	T	Q2	T	Q3	T	Q4	T	SHG	RCG
01034	Genus	Monmouthshire	West End School	HS	17	0		Yes	195	2							195	
New	Genus	Monmouthshire	Old Hereford Road, Abergavenny	SH / OPS	17	0		No	465	1&2pp							465	
New	Genus	Monmouthshire	85 Park Crescent, Abergavenny	OPS	6	0		No	67	1							67	
New	Genus	Monmouthshire	Brookside, Caldicot	OPS	30	0		No							206	1&2pp	206	
New	Genus	Monmouthshire	St Cadocs Court, Raglan	HS	11	0		No					212	1&2			212	
00607	Genus	Charter	Old Shipyard, Sudbrook	HS	5	0		Yes									0	42
																	0	
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				TOTAL	86	0									TOTAL		1,145	42

Do Not include RCG in Tranche payments

\*The total SHG must not exceed the forward indicator\*

**PROGRAMME DELIVERY PLAN: Main Programme 2017/2018**

**Monmouthshire**

**Forward Indicator £1,144,759**

*Please read "Notes on Completion of Programme Delivery Plan Workbook" before inserting data.  
Insert schemes that require SHG and/or drawing down RCG in 2017/18*

Scheme Details					Units		Planning		Estimated Grant (SHG) £'000s and Tranches								Total SHG & RCG £'000s	
Ref	Consortium	RSL	Scheme Name	Theme	Total Units	No. Int Rent Units	O	D	Q1	T	Q2	T	Q3	T	Q4	T	SHG	RCG
New	Genus	Monmouthshire	Old Hereford Road, Abergavenny	SH / OPS	17	0		No	285								285	
New	Genus	Monmouthshire	85 Park Crescent, Abergavenny	OPS	6	0		No	315								315	
New	Genus	Monmouthshire	Brookside, Caldicot	OPS	30	0		No	200								200	
New	Genus	Monmouthshire	St Cadocs Court, Raglan	HS	11	0		No	300								300	
00678	Genus	Monmouthshire	Ty Freeman, Gwehelog	HS	2	0		Yes	45								45	
																	0	
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																	0	
				TOTAL	66	0										TOTAL	1,145	0

Do Not include RCG in Tranche payments

\*The total SHG must not exceed the forward indicator\*

# PROGRAMME DELIVERY PLAN: Outstanding SHG Requirement for 2018/2019

<b>Monmouthshire</b>	<b>Total SHG Value of Schemes</b>	<b>2,391</b>
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*Please read "Notes on Completion of Programme Delivery Plan Workbook" before inserting data.*

**Insert schemes featured in earlier years which have an outstanding SHG requirement. Do not include any new or reserve schemes.**

Scheme Details					Units		Total SHG
Ref	Consortium	RSL	Scheme Name	Theme	Total Units	No. Int Rent Units	SHG
01034	Genus	Monmouthshire	Old Hereford Road, Abergavenny	SH / OPS	17		800
New	Genus	Monmouthshire	Brookside	OPS	30		1,372
New	Genus	Monmouthshire	St Cadocs Court, Raglan	HS	11		139
New	Genus	Monmouthshire	Ty Freeman, Gwehelog	HS	2		80
				TOTAL	60	0	2,391

## Recycled Capital Grant (RCG) 2015/2016

### Monmouthshire

RSL	Total
Melin	762,691
Charter	294,659
Monmouthshire	0
<b>TOTAL</b>	<b>1,057,350</b>



**Scheme Data**

**Monmouthshire**

**Include all schemes that have not received a "tender" stage approval  
(this includes schemes that feature in the three year programme & reserve schemes)**

RSL	Scheme Name	Theme	Units	Int Rent	Tranche 1 SHG	Tranche 2 SHG	Total Scheme Grant	Earliest Financial Year to claim Tranche 1	Earliest Financial Year to claim Tranche 2	Who owns the land/building?	Any problems envisaged with acquisition?	Outline planning	Detailed planning	Any problems envisaged with receiving planning?	Is the scheme tendered/contract agreed?	Is Revenue funding required?	Is the scheme identified in the SPOP?	Notes
Melin	Auckland House, Gilwern	HS	14	0	552	707	1259			Private landowner	Not known	No	No	No	No	No	No	
Monmouthshire	Brookside, Caldicot	OPS	30	0	0	1778	1778		2016/17	MHA	No	No	No	No	No	No	No	
Monmouthshire	Cae Mawr Grove, Caldicot	HS	1	0	0	162	162		2015/16	MHA	No	No	Yes	No	Yes	No	No	Disabled Bungalow
Monmouthshire	Cae Mawr Road, Caldicot	HS	7	0	0	565	565		2016/17	MHA	No	No	No	No	No	No	No	
Melin	Chepstow Road, Raglan	HS	10	0	250	542	792	2016/17	2017/18	MCC	No	No	No	No	No	No	No	
Melin	Coed Glas, Abergavenny	HS	10	0	240	490	730	2016/17	2017/18	MCC	No	No	No	No	No	No	No	
Monmouthshire	Elm Road, Caldicot	HS	3	0	0	302	302		2015/16	MHA	No	No	Oct-15	No	No	No	No	
Monmouthshire	Greenfield, Caldicot	HS	2	0	0	118	118		2015/16	MHA	No	No	Yes	No	No	No	No	Funding-part smaller props-part SHG
Monmouthshire	Green Lane, Caldicot	HS	4	0	0	252	252		2015/16	MHA	No	No	Yes	No	No	No	No	Funding-part smaller props-part SHG
Monmouthshire	Longcroft Road, Caldicot	HS	4	0	0	237	237		2016/17	MHA	No	No	Dec-15	No	No	No	No	
Monmouthshire	Major's Barn, Abergavenny	HS	6	0	0	336	336		2015/16	MHA	No	No	Yes	No	Yes	No	No	Under construction
Melin	Mulberry House, Abergavenny	HS	30	0	560	849	1409	2017/18	2018/19	Private Landowner	Unknown	No	No	Possibly	No	No	No	Site contains listed building-envisage possible planning problems
Monmouthshire	Mynyddbach, Shirenewton	HS	2	0	40	197	237	2015/16	2015/16	MCC	Sale agreed	No	Yes	No	No	No	No	Welsh Timber Frame Pilot Project
Monmouthshire	Oakley Way, Caldicot	HS	10	0	0	860	860		2018/19	MHA	No	No	No	No	No	No	No	
Monmouthshire	Old Hereford Road, Abergavenny	SH/OPS	17	0	250	1300	1550	2016/17	2016/17	MCC	Sale agreed	No	Oct-15	No	No	Yes	No	To be tendered together with 85 Park Crescent. Supported Housing part will require revenue funding - under discussion with Social Services
Charter	Old Shipyard, Sudbrook	HS	5	0	0	42	42		2016/17	Private Landowner	No		Yes	No	S106 Site	No	No	Top up for S106 site
Monmouthshire	85 Park Crescent, Abergavenny	OPS	6	0	67	315	382	2016/17	2016/17	MHA	No	No	Oct-15	No	No	No	No	
Melin	Park Crescent, Abergavenny	OPS	8	0	220	458	678	2018/19	2018/19	Private Landowner	Unknown	No	No	No	No	No	No	
Monmouthshire	Park Road, Caldicot	HS	2	0	0	183	183		2016/17	MHA	No	No	Sep-15	No	No	No	No	
Melin	Pennyfarthing Lane, Undy	HS	6	0	138	278	416	2017/18	2018/19	MCC	Unknown	No	No	No	No	No	No	
Monmouthshire	Poplar's Close, Mardy	HS	3	0	0	302	302		2016/17	MHA	No	No	Nov-15	No	No	No	No	
Monmouthshire	St Cadoc's Court, Raglan	HS	11	0	0	651	651		2016/17	MHA	No	No	Sep-15	No	No	No	No	
Monmouthshire	Ty Freeman, Gwehelog	HS	2	0	0	125	125		2016/17	MHA	No	No	Yes	No	Yes	No	No	
Monmouthshire	West End School, Caldicot	HS	17	0	331	1163	1494		2015/16	MHA	No	No	Yes	No	Yes	No	No	Under construction
Melin	48 Lapwing Avenue, Caldicot	MR	1		0	88	88		2015/16	MR Applicant								Completion Date 15/5/15
Monmouthshire	Two Adapted Properties, Abergavenny	HS	2	0	0	250	250		2015/16		Not known	No	No	No	No	No	No	See accompanying letter.
Melin	One Adapted Property, Abergavenny	HS	1	1	0	160	160		2015/16		Not known	No	No	No	No	No	No	Property for existing tenant who urgently needs an adapted property



**SUBJECT: LOCAL HOUSING MARKET ASSESSMENT**  
**DIRECTORATE: Enterprise**  
**MEETING: Strong Communities Select**  
**DATE: 16<sup>th</sup> July 2015**  
**DIVISION/WARDS AFFECTED: All**

**1. PURPOSE:**

The purpose of this report is to brief the Select Committee on the completion of the Local Housing Market Assessment, April 2015 (LHMA) for Monmouthshire.

**2. RECOMMENDATIONS:**

To recommend that Cabinet adopts the LHMA, April 2015.

**3. KEY ISSUES:**

- 3.1 Undertaking this assessment has identified the need for 474 additional affordable housing units per year over the next 5 years. **These figures are not an annual delivery target** as new build homes are not the total solution to the supply of affordable homes in the County. The Council's target remains as 960 affordable homes over the period of the Local Development Plan (LDP) 2011-2021.

Delivery figures for the previous 5 years are:

- 2010-2011 63 units
- 2011-2012 75 units
- 2012-2013 63 units
- 2013-2014 48 units
- 2014-2015 15 units

- 3.2 Housing and Community Services has set up a new Private Sector Housing Team and are working with private sector landlords to increase the availability of units for private rent whilst also trying to bring empty properties back into use.

- 3.3 Headline figures from the report for the three affordable housing tenures are:

- Social rent 271/year
- Low Cost Home Ownership 157/year
- Intermediate Rent 46/year

**4. REASONS:**

- Under the Housing Act 1985 Local Authorities have a statutory duty to assess the County's housing need.
- The production of the LHMA has been specified by the Welsh Government in two main documents: "Local Housing Market Assessment Guide" produced in March 2006 and "Getting Started with your LHMA" produced in March 2012.
- The guides enable authorities to derive overall figures for the number of households requiring additional housing in their areas and to determine what this means in terms of market and affordable housing provision.
- This information will allow authorities to develop sound planning policies to deliver the right mix of housing in terms of tenure.
- The analysis takes account of household projections, homeless data, housing register data, house prices, rental prices, household incomes, dwelling stock turnover and housing supply data.

**5. RESOURCE IMPLICATIONS:** None

**6. CONSULTEES:**

**7. BACKGROUND PAPERS:** Local Housing Market Assessment Guide, March 2006, Welsh Government; Getting Started with Your Local Housing Market Assessment March 2012, Welsh Government.

**8. AUTHOR:**

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# Monmouthshire County Council

## Local Housing Market Assessment

April 2015



Monmouthshire County Council

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## Summary

This Local Housing Market Assessment utilises the Welsh Government's Guidance Documents *Local Housing Market Assessment Guide, March 2006* and *Getting Started with your Local Housing Market Assessment, March 2012*. The latter, a step by step guide, outlines a quantitative approach to calculating housing need which can be used consistently across Local Authorities.

This LHMA estimates a net need of 474 additional affordable units per annum up until 2020, however, this figure is not an annual delivery target. The figure is simply an indication of current and projected need for affordable housing within the County and sets a benchmark which the Council can work towards within the scope of the Council's Adopted Local Development Plan 2011-2021.

This is a headline figure for the whole County and a more detailed assessment of need, property type and tenure at ward level is contained within the report.

The Assessment has been undertaken by Housing and Communities with the assistance of David James, Rural Housing Enabler for Monmouthshire.

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# Introduction

1.1 Introduction

1.2 National Policy Framework

1.3 Local Development Plan

1.4 Methodology



## 1. Introduction

1.1 All local authorities have a requirement to consider the housing accommodation needs of their localities under section 8 of the Housing Act 1985. Local Housing Market Assessments are a crucial part of the evidence base for preparing Local Development Plans and Local Housing Strategies.

### 1.2 Planning Policy Wales (PPW)

Planning Policy Wales (PPW) updated in July 2014 by the Welsh Government (WG) provides the overarching national strategic guidance with regard to land use planning matters in Wales. Paragraph 4.4.3 states that Local Planning Authorities should:

‘Ensure that all local communities - both urban and rural - have sufficient good quality housing for their needs, including affordable housing for local needs and for special needs where appropriate, in safe neighbourhoods.’

To ‘establish the nature and level of housing requirements’ in the locality’s housing market and provide a robust ‘joint evidence base for local housing strategies and local development plans’ all Welsh local authorities are required to undertake Local Housing Market Assessments (Ministerial Interim Planning Policy Statement 01/2006 Housing; TAN 2, 2006).

For clarification, affordable housing is defined as:

‘Affordable housing for the purposes of the land use planning system is housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers. However, it is recognised that some schemes may provide for stair-casing to full ownership. Where this is the case there must be secure arrangements in place to ensure the recycling of capital receipts to provide replacement affordable housing. Affordable housing includes social rented housing owned by local authorities and registered social landlords and intermediate housing where prices or rents are above those of social rent but below market housing prices or rents. All other types of housing are referred to as ‘market housing’, that is private housing for sale or rent where the price is set in the open market and occupation is not subject to control by the local planning authority (PPW, paragraph 9.2.14).

### 1.3 Local Development Plan (LDP)

Monmouthshire County Council’s Local Development Plan (LDP) was adopted on 27th February 2014. The chosen level of housing provision in the LDP is 4,500 dwellings over the plan period 2011-2021. It

accommodates the level of growth indicated by the 2008-based Welsh Government Household projections, which projected an increase for the County of 3,969 households between 2011-2021 (or about 4,100 dwellings), with a small allowance (10 dwellings per year) to be met in that part of Monmouthshire included in the Brecon Beacons National Park, together with an additional requirement for the period 2006-2011.

The 2011-based Welsh Government household projections were issued after the LDP Examination had taken place. In any event, these indicated a much lower rate of household growth than suggested in the 2008-based projections and it is unlikely that these figures could have formed a satisfactory basis for the future planning of the County.

A significant issue for Monmouthshire is the fact that house prices are high in relation to earnings so that there is a need for additional affordable housing in the County in both urban and rural areas, particularly for those that live and work in Monmouthshire.

It is an objective of the plan to provide a level of housing that is sufficient to provide a wide ranging choice of homes, both for existing and future residents, while ensuring that local needs for appropriate, affordable and accessible housing are met as far as possible, particularly in towns but also in rural areas, so long as such housing can assist in building sustainable rural communities.

Previous LHMA work identified an annual requirement for affordable housing of 96 dwellings per year, a 10-year requirement of 960 dwellings, which is the affordable housing need for the plan period 2011-2021 that the LDP seeks to address. Policy S4 of the LDP sets out the threshold levels at which affordable housing will be required, together with varying percentage requirements for affordable housing depending on the location of the development. Development sites with a capacity below the thresholds set out in Policy S4 are required to make a financial contribution towards the provision of affordable housing in the local planning authority area.

#### **1.4 Methodology and Data Sources for Assessing Housing Need**

This Local Housing Market Assessment has utilises the Welsh Government's guidance documents:

***Local Housing Market Assessment Guide, March 2006***

and

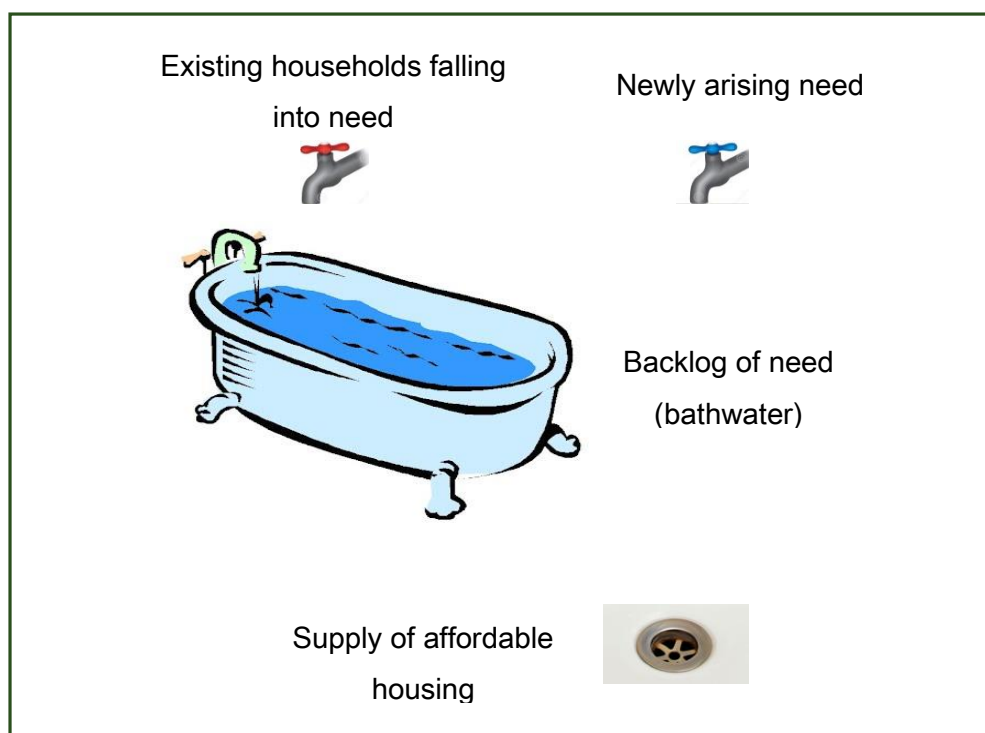
***Getting Started with your Local Housing Market Assessment - A Step by Step Guide, March 2012.***

The guidance aims to enable local authorities to develop an

understanding of the nature and level of housing demand and need in their local housing markets and outlines a quantitative approach to calculating housing need which can be used consistently across Local Authorities.

The guide uses the bath analogy developed by Bramley et al (1998, p.34) to assess housing need. Illustrated in Figure 1. The model conceptualises newly arising (housing) need as water from the taps, new (affordable) housing provision as water escaping through the plughole and the backlog (of housing need) as the level of water in the bath. The model has been expanded in the guide to take account of the broader housing market.

**Figure 1 Bath Analogy**



The LHMA provides a snapshot of the housing market at a particular point in time which is projected forward 5 years, however, the fluidity of the housing market requires regular updates to ensure a robust and valid evidence base. It is, therefore, intended to review the data within this LHMA every two years.

For planning purposes, the outputs required from the LHMA can be derived using only secondary data, enabling local planning authorities to move quickly to the policy approach towards mixed communities set out in Planning Policy Wales, TAN 1 and TAN 2. Large-scale data collection exercises such as a local household surveys are not necessary to achieve the requirements of this policy approach provided that there is sufficient information from other sources to estimate housing requirements and therefore affordable housing need. Sources of information used to undertake this LHMA are:

Census Data (2011)  
 Hometrack Intelligence Service  
 CACI Pay Check Information  
 Monmouthshire's Common Housing Register

Monmouthshire County Council has a robust Common Housing Register which is utilised by all of the housing associations operating in Monmouthshire. The system is web based which allows applicants to contact the Homesearch Team via the website to update their details should their circumstances change.

The guide suggests that analysis should be undertaken at ward level as data is available at this level for all stages of the analysis. However, it is acknowledged that some authorities may consider alternative spatial scales to be more appropriate. The housing market information in this assessment has been analysed at ward level, however, the towns of Abergavenny, Monmouth, Chepstow, Caldicot and Magor have been treated as sub market areas and the data for the wards within those areas has been amalgamated to give a housing need picture for each of these sub market areas. In the small market towns of Monmouthshire people do not normally express a wish to live in a particular ward and will go anywhere within the town where housing becomes available.

The wards combined for each sub market area are given in Table 1 below.

**Table 1 Sub Market Area/Wards**

<b>Sub Market Area</b>	<b>Wards</b>	
<b>Abergavenny</b>	Cantref	Lansdown
	Castle	Mardy
	Croesonen	Priory
	Grofield	
<b>Monmouth</b>	Dixton with Osbaston	Overmonnow
	Drybridge	Wyesham
<b>Chepstow</b>	Larkfield	St Kingsmark
	St Christopher's	Thornwell
	St Mary's	
<b>Caldicot</b>	Caldicot Castle	Green Lane
	Dewstow	Severn
	West End	
<b>Magor/Undy</b>	Mill	The Elms

# Housing Market Analysis

- 2.1 Average House Prices
- 2.2 Urban Housing Market
- 2.3 Property Types
- 2.4 Price by Bed Count & Type
- 2.5 Affordability
- 2.6 Housing Turnover
- 2.7 Private Rented Sector



## 2. Housing Market Analysis

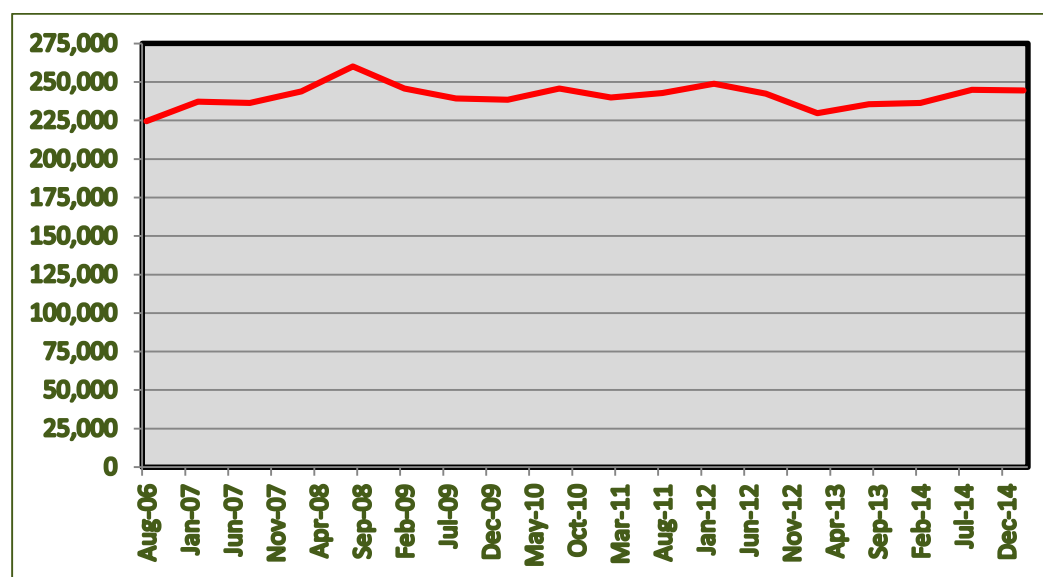
Monmouthshire is a predominantly rural county situated in south east Wales and is noted for its rich and diverse landscape. It covers an area of approximately 88,000 hectares and shares a border with the neighbouring counties of Newport, Torfaen and Powys in Wales and Gloucestershire and Herefordshire in England. The estimated population is 91,323 (Source: Census 2011). The main towns in the county are Abergavenny, Monmouth, Chepstow, Caldicot, Usk and Magor/Undy.

### 2.1 Average House Prices

An examination of average house prices in Monmouthshire since August 2006 indicates there has been an overall increase of 8.9% during that time. For the length of time involved the percentage increase is relatively small. Further examination of the figures show that from a starting point of £224,606 in August 2006 a peak of £260,196 was reached in August 2008, but as recently as February 2013 the average was only £229,715. Currently the average house price in Monmouthshire is £244,574.

Figure 1 illustrates the average house prices from August 2006 to February 2015.

**Figure 2 Average House Prices within Monmouthshire**

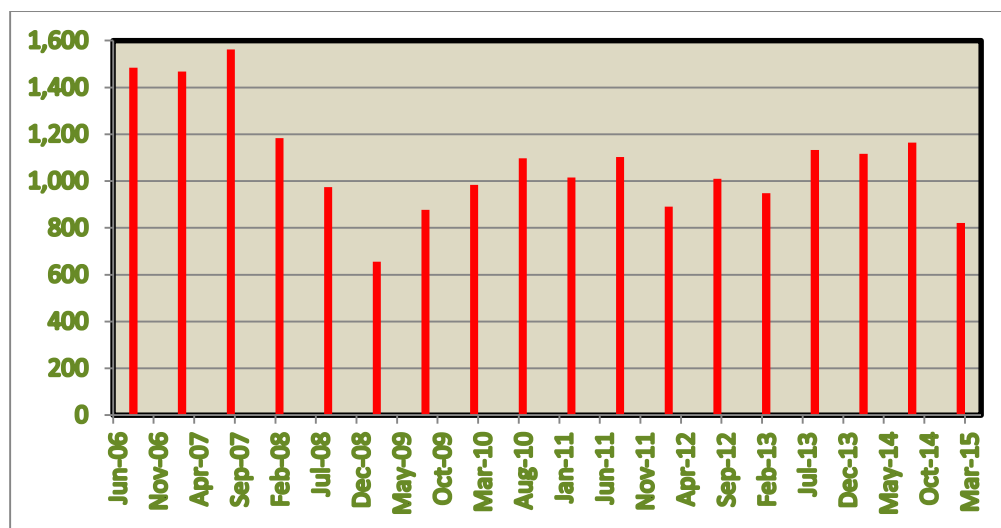


Source: Hometrack 23.04.15

Of course an examination of house prices in isolation fails to show critical factors affecting house prices such as supply and demand, mortgage availability, new builds, the private rental sector etc. One simple, easy to illustrate facet which is related to many of the factors detailed above is the number of properties which have been either sold or valued. This data is a good general indicator of the local housing market. In Monmouthshire's

case, Figure 2 clearly illustrates the difference in the local housing market pre and post the economic recession, with 1,562 properties sold or valued in the six month period up until August 2007, whereas only 655 properties were sold or valued in the six months prior to February 2009. There has been some variance in the numbers of properties sold or valued every six months since then, but one thing is clear, Monmouthshire is unlikely to return to the housing market bubble of the mid 2000s for the foreseeable future, if ever again.

**Figure 3 Number of Properties Driving the Average Property Price within Monmouthshire**



Source: Hometrack 23.04.15

Within Monmouthshire there are of course significant differences in house prices between different areas. Generally the highest house prices are in the rural areas, but as there can often be periods where there are very few house sales in these parts of the county, it is difficult to provide accurate evidence to illustrate the fact. Therefore rather than attempt to show the average house prices of the rural areas of Monmouthshire, it is much easier to illustrate the house prices of the towns.

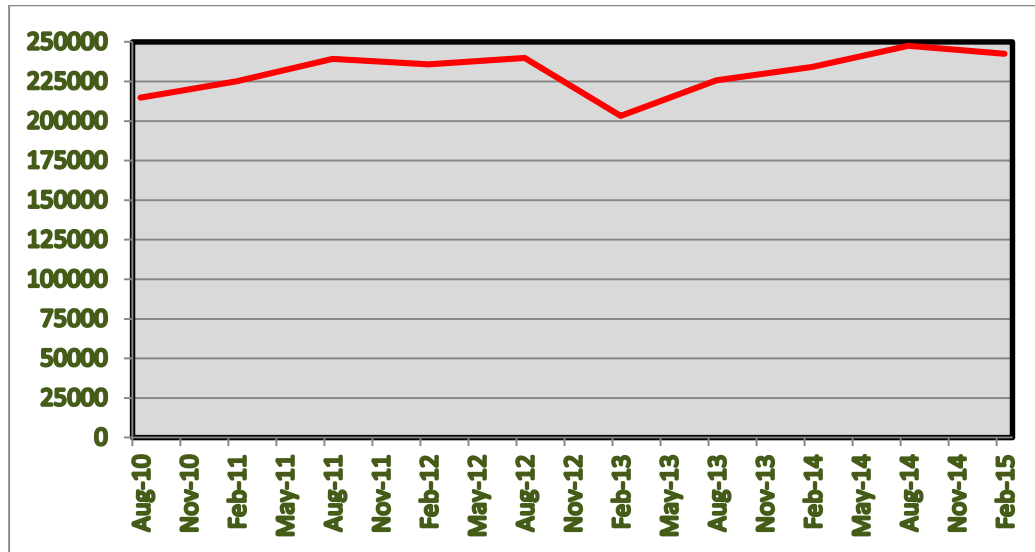
## 2.2 Urban Housing Market

There are 3 main towns in Monmouthshire and one other part of the county which is built up as to be urban in nature. In the north east of the county lies **Monmouth**, which is very close to the border with England, has good road transport links and is known for its private schools. Although this area is perceived as wealthy, there are also areas of the town which are much less affluent. There are four electoral wards which make up the town of Monmouth - Dixton with Osbaston, Drybridge,



Overmonnow and Wyesham and these have been combined to calculate the average house prices for the town.

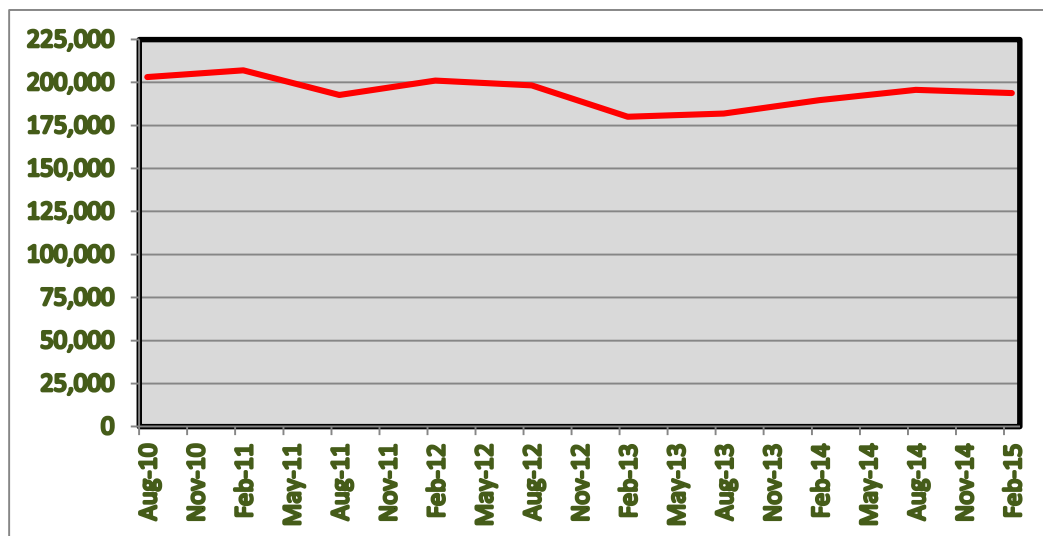
**Figure 4 Average House Prices in Monmouth**



Source: Hometrack 23.04.15

In the south east of the county lies **Chepstow**, which is adjacent to the M48 and very close to the original Severn Bridge. The town sits at the entrance to the Wye Valley and its racecourse holds major events throughout the year. As the town is a short drive from Bristol, a high percentage of residents cross the River Severn daily to travel to work. There are five electoral wards which make up Chepstow - Larkfield, St. Christopher's, St. Mary's, St. Kingsmark and Thornwell and these have been combined to calculate the average house prices for the town.

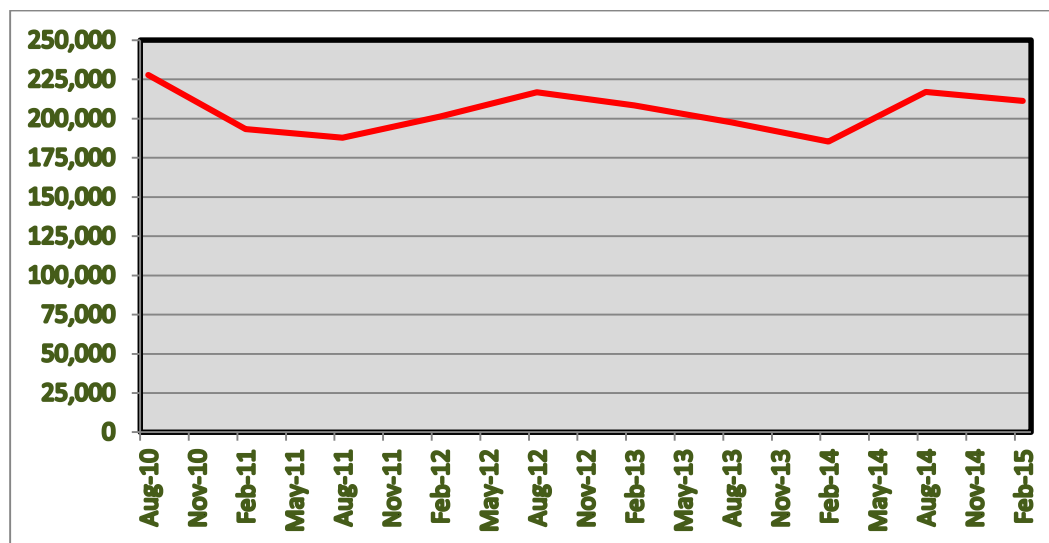
**Figure 5 Average House Prices in Chepstow**



Source: Hometrack 23.04.15

In the north west of the county lies **Abergavenny**. The town has excellent road and rail transport links and a hospital. The town's proximity to the Brecon Beacon National Park makes walking, cycling and many other outdoor activities readily accessible. The Abergavenny Food Festival and Cycling Festival attract thousands of visitors to the town annually. There are seven electoral wards which make up Abergavenny - Cantref, Castle, Croesonen, Grofield, Lansdown, Mardy and Priory and these have been combined to calculate the average house price for the town.

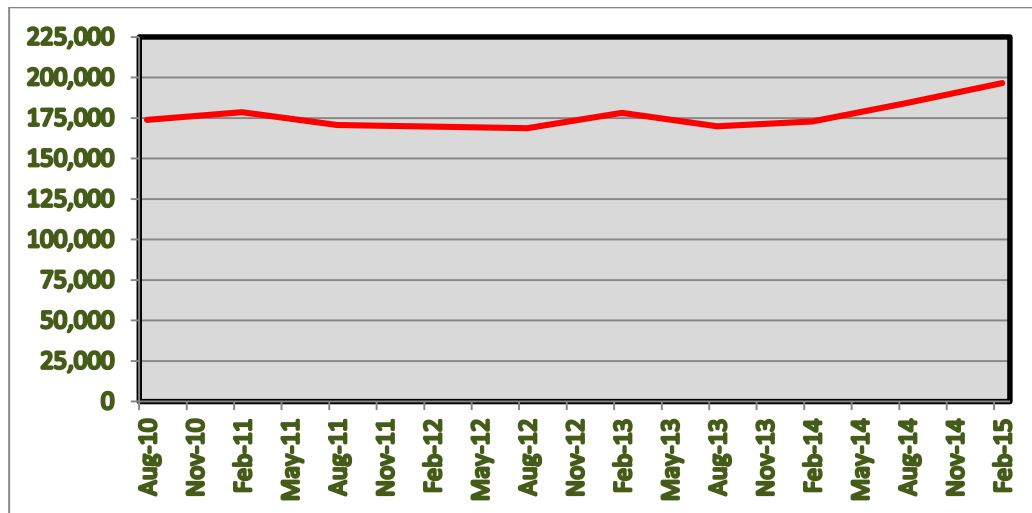
**Figure 6 Average House Prices in Abergavenny**



Source: Hometrack 23.04.15

Also in the southern part of the county between Magor/Undy and Chepstow is **Caldicot**. With east to west traffic mostly accommodated along the M4, the town does not benefit from through traffic in the same way as Abergavenny and Monmouth do, despite this Caldicot Castle and Country Park is a major tourist attraction. Caldicot's proximity to the UK motorway network is a big plus point for people wanting to live close to the Monmouthshire countryside yet commute to work. Five electoral wards make up Caldicot: Caldicot Castle, Dewstow, Green Lane, Severn and West End and these have been combined to calculate the average house prices for the area.

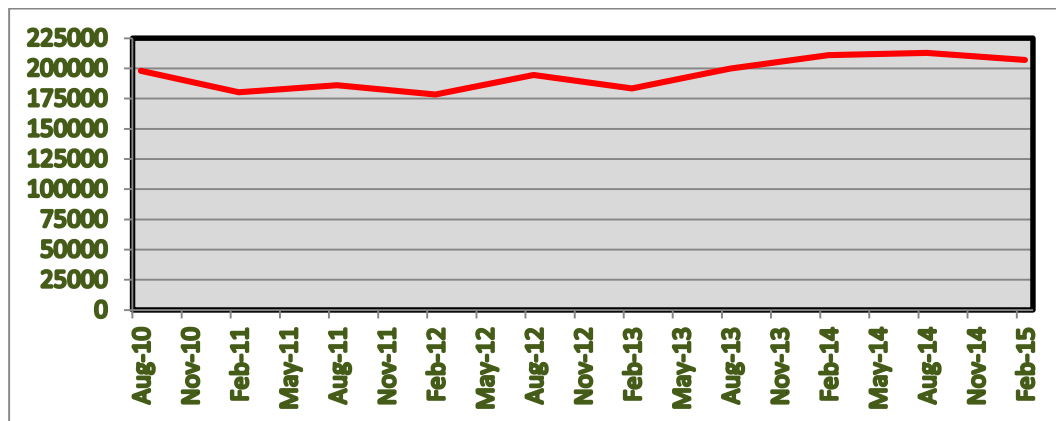
**Figure 7 Average House Prices in Caldicot**



Source: Hometrack 23.04.15

In the southern part of Monmouthshire, in close proximity to the M4 lies the urban area known as **Magor with Undy**. This area is roughly half way between Newport and the Severn Crossings and has excellent transport links. Along the M4 in this area are located numerous businesses which utilise the easy access to the United Kingdom’s motorway network for distribution elsewhere. Two electoral wards make up Magor with Undy, Mill and The Elms and these have been combined to calculate the average house prices for the area.

**Figure 8 Average House Prices in Magor with Undy**

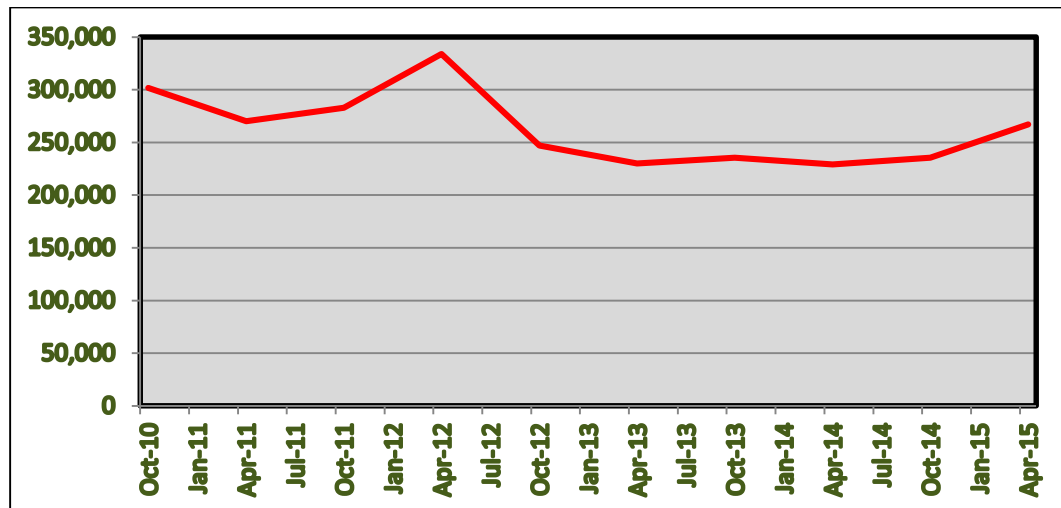


Source: Hometrack 23.04.15

Almost geographically central to the other towns in Monmouthshire is the town of **Usk**. Unlike the other towns and urban areas of the county, Usk feels very rural in nature as it is much smaller in scale. Usk is a short distance from the A449 and relatively easy to access via A4042. This makes the town a desirable place to live. As well as good access to the main road network Usk also has a lot of local employment including Monmouthshire’s County Hall, Coleg Gwent, Usk/Prescoed Prison, BAE

Systems Munitions Glascoed as well as many agricultural based businesses. The house prices in the town reflect its desirability, although as the amount of data is much less than in the other urban areas there is a fair degree of price fluctuation, which suggests some caution should be given to the figures.

**Figure 9 Average House Prices in Usk**



Source: Hometrack 15.07.15

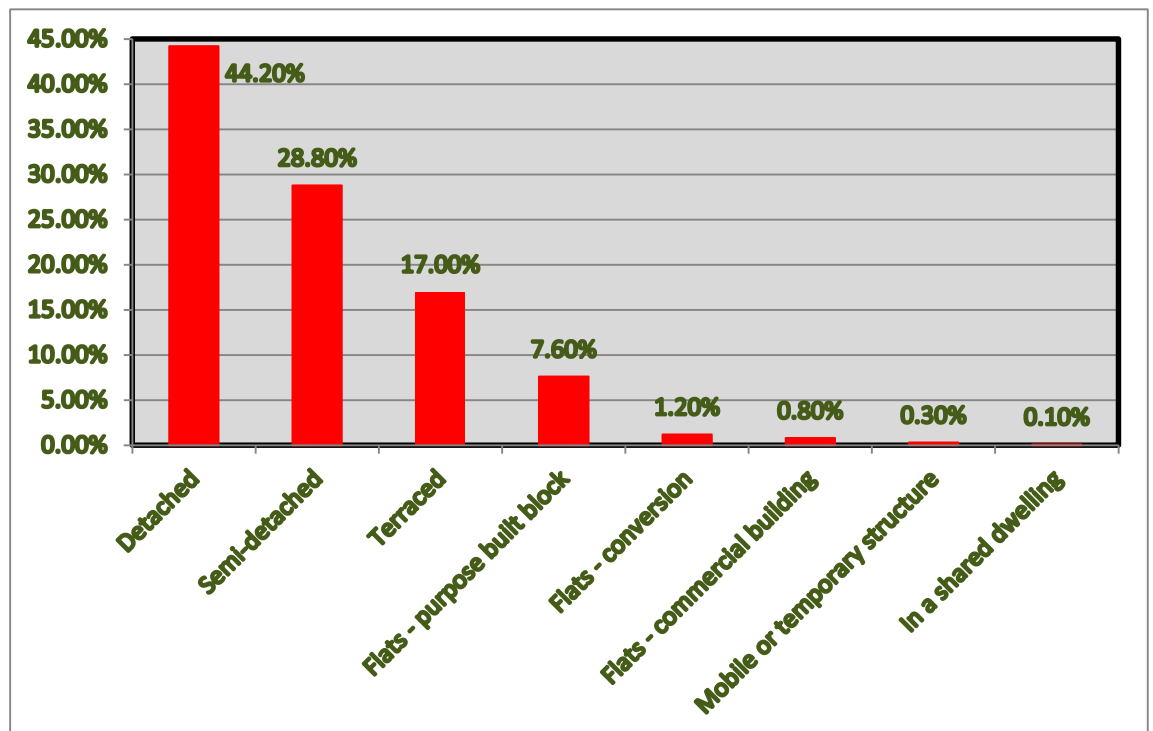
As can be seen from the various graphs, there are differences between each of the six urban areas in terms of average house price. It is clear that Monmouth is the most expensive area to purchase a home. Recently the house prices for Magor with Undy have risen, so currently the cheapest place to purchase a home is in Chepstow. There is quite a range in the average house prices in Abergavenny, which probably reflects the significant differences between certain areas in the town, with some houses being amongst the most expensive in the county. With the exception of Monmouth the average house prices in the three other areas are all below the average for the county as a whole. This shows that in the rural areas of Monmouthshire house prices are generally a lot higher than in the towns. A major factor in the price differences between urban and rural areas is that the majority of housing stock in rural areas is large and detached so it must be remembered it is not just the location that affects the price.

### 2.3 Property Types

Monmouthshire is a predominantly rural county and therefore a large proportion of its housing is situated in rural areas where the dwelling density is much less than in the towns. This is reflected in the property types in the county with the majority being detached. As Figure 9 shows, nearly 45% of all property in Monmouthshire is detached, which equates to slightly below 17,000 houses. This compares to approximately 28% in

the rest of Wales. When comparing the other property types with the rest of the country, they are all lower than the Wales average, particularly so terraced properties. Terraced properties account for approximately 28% of all housing in Wales, whereas in Monmouthshire only 17% of properties are terraced.

**Figure 10 Property Types**



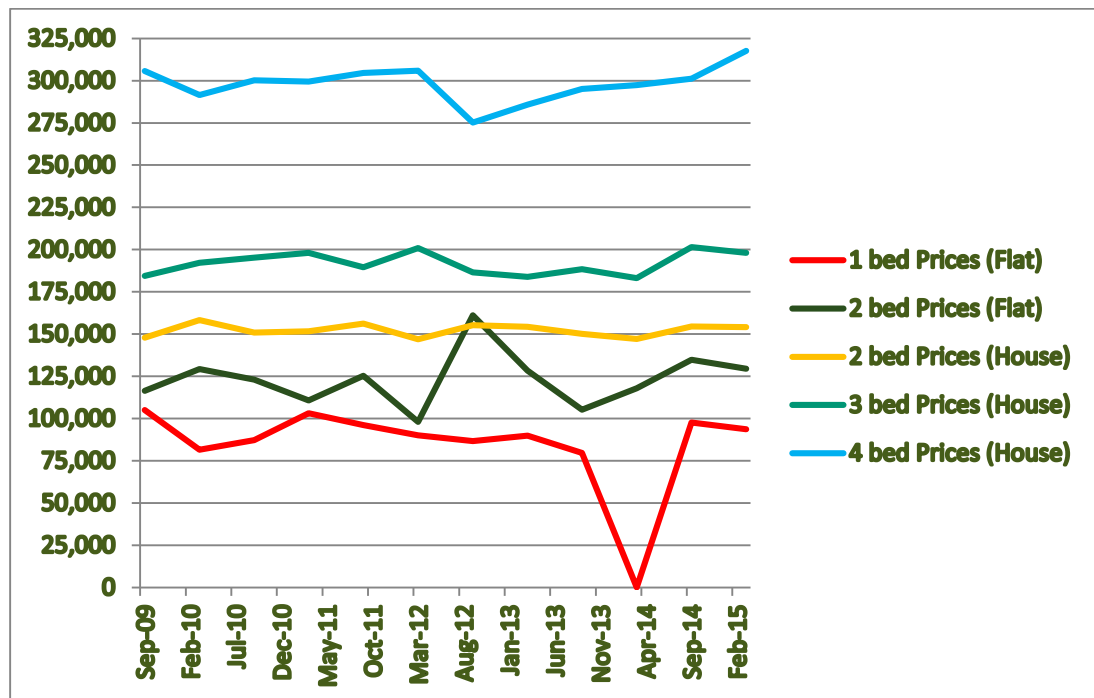
Source: Hometrack 5.06.15

## 2.4 Price by Bed Count and Type

In addition to location and property types having a significant impact on property prices, the number of bedrooms is also a major factor. Although it is not simply the case that a larger number of bedrooms is reflected by an increase in price. Throughout the country the large majority of housing has three bedrooms so that means there is greater supply. Two and four bedroomed houses, on the other hand, are far fewer in number so there is a bedroom premium to be paid. These generalisations are reflected in the prices of houses in Monmouthshire when examined by the number of bedrooms. Figure 10 illustrates the differences between bedroom count and also between flats and houses. The graph clearly shows the premium paid for four bedroom houses over and above those with three bedrooms and also shows that there is not a significant difference between two and three bedroomed houses. There is a premium paid for two bedroom houses over two bedroom flats, but as numbers of flat sales are far fewer the

reliability of the data can be questionable and this is illustrated by the fluctuations in the average price.

**Figure 11 Average House Price by Bed Count and Type**



Source: Hometrack 05.06.15

Without going into significant detail the price per bedroom paid when purchasing a two or four bedroom house is roughly £75,000 per bedroom, a three bedroom house is roughly £55,000 per bedroom and a two bedroom flat roughly £65,000 per bedroom. Although the price for a one bedroom flat is illustrated, because numbers of one bedroom flats are very low these figures must be treated with caution, as is illustrated by the zero figure for March 2014 where no one bedroom flats were sold in the preceding six month period.

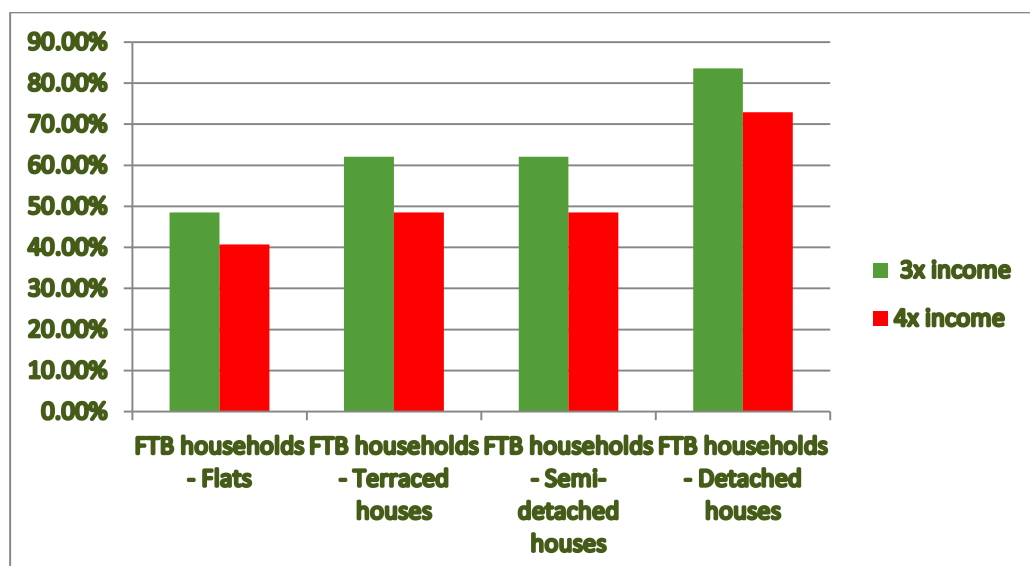
## 2.5 Affordability

Housing affordability together with average house prices are usually the headline grabbing figures of the housing market especially as both are easily grasped. Prior to the economic downturn the number of times of someone's income a house cost didn't seem to matter as mortgages at multiple times incomes were readily available. In 2015 the mortgage market is much more constrained with the ability to borrow a maximum of about four times income being the norm. So with the current house price to income ratio for Monmouthshire being 7:1, it is easy to see just how difficult it is for someone to enter the housing market, especially for first time buyers.

Although Monmouthshire has higher average house prices than the rest of Wales it also has a lot of high earners with nearly two thousand households earning over £100,000. Therefore a better reflection of affordability is the lower quartile house price to income ratio which compares the lower quartile of house prices against the lower quartile of incomes in the county. Currently the lower quartile house price to income ratio is 10:1.

Probably a better way to grasp that ratio is realising that nearly 50% of first time buyer households are priced out of the local housing market based on mortgage availability at four times income. As could be expected at three times income the problem becomes even worse with over 60% of first time buyer households priced out of the market. Figure 11 shows the percentages of first time buyers priced out of the market for each house type at both three times and four times income.

**Figure 12 First Time Buyer's Priced Out of the Housing Market**



Source: Hometrack 5.06.15

Another important factor to consider about people's ability to afford housing is where they work. Working close to home, with reduced commuting times and less impact on the environment is much more sustainable, but for those people who live and work in Monmouthshire they are at a distinct financial disadvantage compared to people who work outside the county. The 2014 Annual Survey of Hours and Earnings for Monmouthshire residents is £577.60 per week, compared to the GB average of £520.80 and the Wales average of £479.40. The earnings per workplace on the other hand paints a different picture as Monmouthshire based employees are earning only £466.00 per week compared to the Wales earnings at £473.40 per week and the GB earnings at £520.20 per week. For public sector employees the differences between Monmouthshire and other areas of Wales may not sound significant, but

for people who work in the smaller local businesses and in tourism and agriculture these differences will be significant. As the Annual Survey of Hours and Earnings does not provide data below local authority level, it is presumed that rural Monmouthshire residents are at the biggest disadvantage if they work close to home as they are quite likely to be employed in the tourism and agricultural sectors.

Hometrack does allow for an examination of house price to income information at ward level and also allows for lower quartile information to be viewed. This information, although treated with some caution because the amount of data available can be small in the rural wards, does illustrate the difficulty faced by Monmouthshire's rural residents in accessing home ownership. Table 2 below lists some of the lower quartile house price to income ratios for rural wards in Monmouthshire and it clearly shows how difficult it can be for local people to own a home in these communities.

**Table 2 Lower Quartile House Price to Income Ratios for a Sample of Rural Wards**

Ward	House Price to Income Ratio
Crucorney	11.56:1
Raglan	11.99:1
Llangybi Fawr	12.53:1
Devauden	13.33:1
Llanover	14.84:1
Llantilio Crossenny	16.21:1

Source: Hometrack 5.06.15

As can be seen, these ratios are far in excess of the figures for the county as a whole and many rural based residents who work in Monmouthshire have no hope of owning a home of their own.

With the various facets detailed in this section of the LHMA it is important to look at these collectively to see how they impact of the local housing market. It is, therefore, important to examine the housing turnover in Monmouthshire over recent years. The turnover of the housing stock really does confirm whether Monmouthshire has a vibrant or suppressed housing market and probably confirms whether or not the county is a place people want to live.

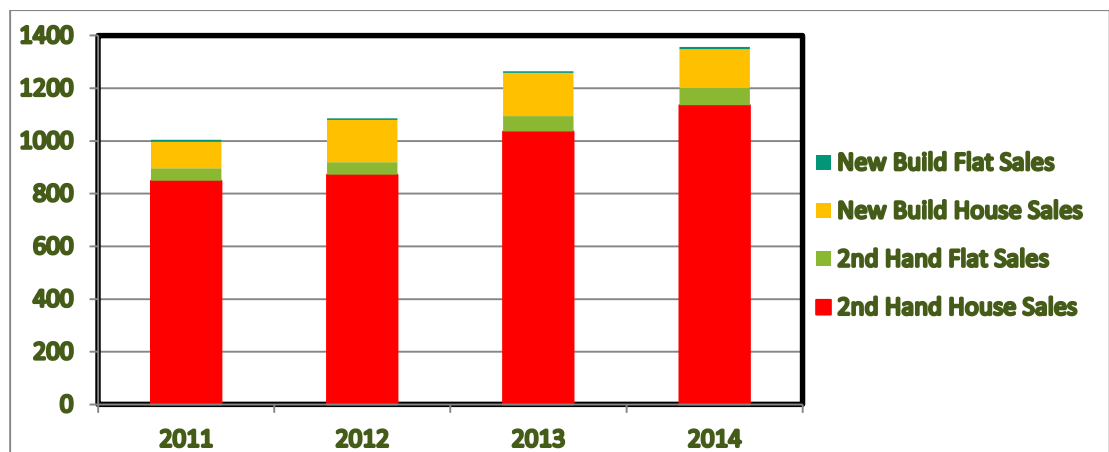
## 2.6 Housing Turnover

Since 2011, turnover as a percentage of private housing stock has increased each year, from 2.5% in 2011, to 2.7% in 2012, to 3.2% in 2013 and to 3.4% in 2014. This shows there is an increasing demand for housing in Monmouthshire, probably fuelled by mortgage finance being



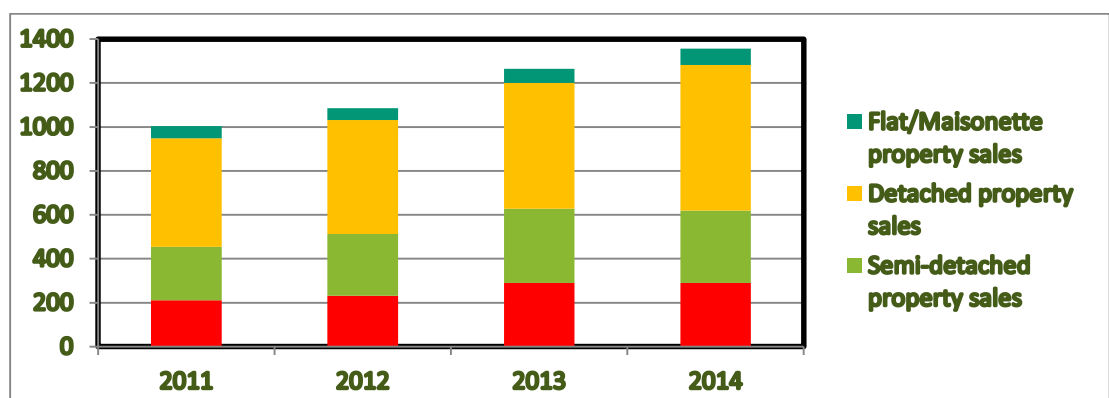
more readily available and people re-locating to the county from more expensive market areas elsewhere. Although there has been an increase in new-build house sales, this does not account for the overall increase and as Figure 12 shows, new build house sales fell slightly from 164 in 2013 to 147 in 2014. With Monmouthshire's Local Development Plan being adopted in February 2014 there should be another increase in new build house sales in the county over the next few years as newly available sites are released for development. Figure 13 shows the annual turnover by property type.

**Figure 13 Monmouthshire's Annual Housing Turnover by Broad Type and Age**



Source: Hometrack 23.04.15

**Figure 14 Annual Turnover by Property Type**



Source: Hometrack 23.04.15

## 2.7 Private Rented Sector

The private rented sector is important in meeting the housing requirements of those who are in housing need but cannot access social rented housing and those who cannot afford market housing. Since the

change in legislation allowing Local Authorities to utilise the private rented sector to house homeless applicants it has become increasingly important to grow this sector in Monmouthshire.

Housing & Communities commissioned a series of Rental Market Reports from Hometrack which provided an analysis of residential rental markets across the county in April 2013. These reports were produced at post code district level, and six were produced to cover all the post code districts in the county. All post code district rental markets apart from NP16 were classed as 'inactive'. This means that compared to the rest of England and Wales they were smaller markets with poor coverage and low turnover of rental properties. NP16 was classed as 'active' meaning that it was a large to moderate sized market, but with a relatively low variety of different rental properties available.

**Table 3 Number of Properties for Rent and Range of Rents  
March 2012 – March 2013**

Post Code	No. of 1 Bed	Rent Range (£)	No. of 2 Bed	Rent Range (£)	No. of 3 Bed	Rent Range (£)	No. of 4 Bed	Rent Range (£)
NP4	64	250-649	235	300-799	221	350-999	30	650-1249
NP7	59	300-699	125	300-749	90	400-999	51	500-1800
NP15	14	400-649	35	400-699	47	450-949	31	650-1399
NP16	76	300-599	103	400-799	116	550-899	66	600-1800
NP25	32	350-599	88	400-749	57	550-999	48	650-1850
NP26	36	350-1249	105	400-749	89	450-899	66	350-1850

It is a priority of the Council to develop private sector housing, not only because of the Housing (Wales) Act 2014, allowing the Council to use the private sector to discharge legal duties, but also due to the on-going shortage of social housing in the County. The Council wants a private rented sector that is a viable and attractive alternative to other forms of tenure in terms of availability and location, quality and affordability.

The Council's main focus for developing the sector, together with Torfaen County Borough Council, is through the establishment of a joint Private Sector Housing Team. The team is a vehicle for the investment of additional resources dedicated to promoting and facilitating private sector housing solutions across both Monmouthshire and Torfaen. A key component will be to work closely with existing and potential private landlords who will be able to acquire support and advice from the team.

# Vulnerable Groups

3.1 BME Applicants

3.2 Gypsies and Travellers

3.3 Accommodation for Older People

3.4 Adapted Housing

3.5 Housing and Mental Health



### 3. Vulnerable Groups

#### 3.1 Black and Minority Ethnic Applicants

The number of Black and Minority Ethnic (BME) applicants on Monmouthshire's Common Housing Register is very low with 90.4% of households on the register being white British. This correlates with the 2011 Census figures for the county. Tables 4 and 5 below shown the BME make-up of the housing register and Monmouthshire as a whole.

**Table 4 BME Groups on Housing Register**

Ethnic Group	Percentage
White; English/Welsh/Scottish/Northern Irish/British	90.4%
White; Irish	0.3%
White; Gypsy or Irish Traveller	0.2%
White; Other White	1.1%
Mixed/Multiple Ethnic Groups; White and Black Caribbean	0.2%
Mixed/Multiple Ethnic Groups; white and Black African	0%
Mixed/Multiple Ethnic Groups; White and Asian	0.1%
Mixed/Multiple Ethnic Groups; Other Mixed	0.1%
Asian/Asian British; Indian	0%
Asian/Asian British; Pakistani	0%
Asian/Asian British; Bangladeshi	0.1%
Asian/Asian British; Chinese	0%
Asian/Asian British; Other Asian	0%
Black/African/Caribbean/Black British; African	0%
Black/African/Caribbean/Black British; Caribbean	0%
Black/African/Caribbean/Black British; Other Black	0.3%
Other Ethnic Group; Arab	0.1%
Other Ethnic Group/ Any Other Ethnic Group	0%
Not stated	6.9%
Not known	0.2%

Source: Monmouthshire Homeseach – June 2015

**Table 5 BME Groups – Monmouthshire**

<b>Ethnic Group</b>	<b>Percentage</b>
White; English/Welsh/Scottish/Northern Irish/British	96.10%
White; Irish	0.43%
White; Gypsy or Irish Traveller	0.10%
White; Other White	1.49%
Mixed/Multiple Ethnic Groups; White and Black Caribbean	0.19%
Mixed/Multiple Ethnic Groups; white and Black African	0.06%
Mixed/Multiple Ethnic Groups; White and Asian	0.25%
Mixed/Multiple Ethnic Groups; Other Mixed	0.18%
Asian/Asian British; Indian	0.27%
Asian/Asian British; Pakistani	0.06%
Asian/Asian British; Bangladeshi	0.04%
Asian/Asian British; Chinese	0.21%
Asian/Asian British; Other Asian	0.40%
Black/African/Caribbean/Black British; African	0.09%
Black/African/Caribbean/Black British; Caribbean	0.05%
Black/African/Caribbean/Black British; Other Black	0.02%
Other Ethnic Group; Arab	0.08%
Other Ethnic Group/ Any Other Ethnic Group	0.07%

Source: Census 2011

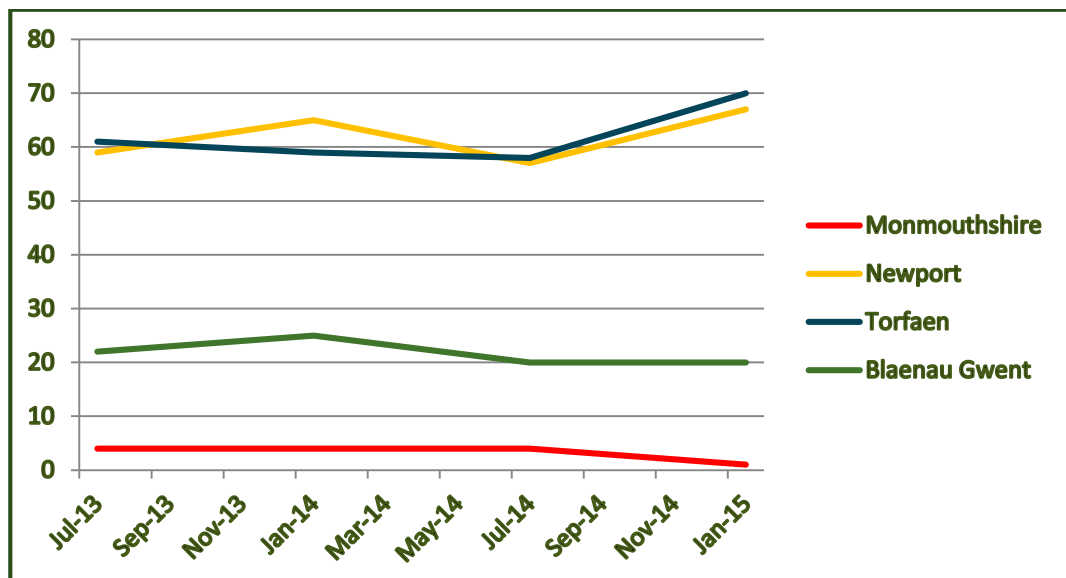
### **3.2 Gypsies and Travellers**

A Gypsy and Traveller Accommodation Needs and Sites Study was carried out in December 2009 to inform the Monmouthshire Local Development Plan. The study assessed the need for additional authorised gypsy, traveller and travelling show people site provision in the County. This required the identification of whether there should be any extra site provision on public or private sites and whether or not there was any need to plan for the provision of transit sites/emergency stopping places. It found that Monmouthshire had a very low gypsy and traveller population with only one authorised site (with one caravan) and accordingly that there was very little need for gypsy and traveller sites in Monmouthshire. However, given that a planning application had been submitted to the Council for 4 pitches, the study concluded that this represented a need. The site in question, at Llangeview near Usk, was subsequently granted planning permission on appeal for a revised scheme comprising of 2 caravans. Given that no other specific need was identified, the study concluded that no other new provision needed to be found through plan allocations.

A key data source relating to gypsy and traveller communities is the bi-annual Gypsy and Traveller caravan survey conducted by each local authority in Wales in January and July of each year. This is a count of caravans rather than households and only features those caravans that the Council is aware of. As this count is undertaken on a specific date unauthorised encampments which occur on other dates are not recorded. Figure 14 shows the authorised gypsy and traveller caravan count for Monmouthshire and neighbouring Welsh local authorities between July 2013 and January 2015. It is evident from the figures that in comparison with other authorities Monmouthshire appears to have a very low gypsy and traveller population.

Monmouthshire County Council is currently undertaking a new Gypsy and Traveller Accommodation Assessment which will be prepared by February 2016 and submitted to the Welsh Ministers for approval.

**Figure 15 Authorised Gypsy & Traveller Caravan Count - Monmouthshire and Surrounding Area: July 2013 – January 2015**



Monmouthshire County Council is currently undertaking a new Gypsy and Traveller Accommodation Assessment which will be completed February 2016.

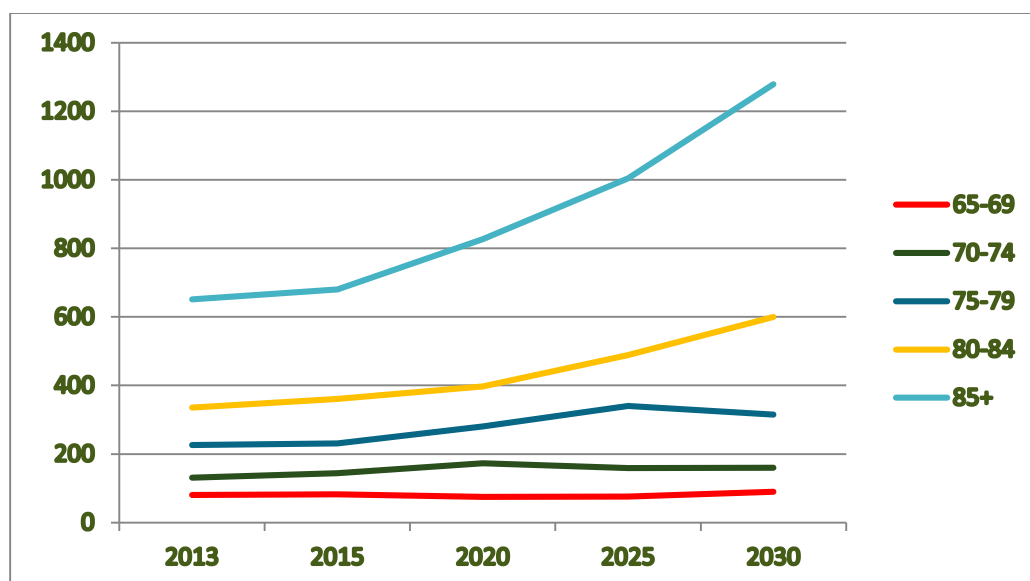
### 3.3 Accommodation for Older People

The LHMA also identified a need for an additional 68 one bedroom units and 10 two bed units per year for older people. There is an over-supply of unsuitable OAP units in some areas and this is likely to be addressed over the next few years as our RSL partners reconfigure and replace existing sheltered accommodation that is no longer fit for purpose.

When considering older persons housing needs it is important to factor in the increasing number of older people with dementia, particularly women.

It is estimated that 25% of women in the 85+ age group will suffer from dementia compared to 19.5% of men. Figure 15 shows the expected increase in people with dementia until 2030.

**Figure 16 Residents of Monmouthshire Predicted to Have Dementia**



Source: Daffodil, February 2015

### 3.4 Adapted Housing

The LHMA has identified that there will be a need for 3 units of purpose built adapted accommodation per year. This is likely to be an underestimate as it is known that many people requiring adapted accommodation do not register due to the lack of suitable adapted units within the county. The majority of need for adapted properties is for low level adaptations rather than purpose built accommodation and this is being driven by Monmouthshire's ageing population. Over 90% of disabled facilities grants (DFGs) are awarded to people over the age of 65.

### 3.5 Housing and Mental Health

Housing is a particular issue for people with mental ill-health as poor housing conditions and unstable tenancies can exacerbate mental health problems while periods of illness can in turn lead to tenancy breakdown. Minimising exposure to risk factors such as domestic abuse, overcrowding and homelessness can reduce the prevalence of mental illness. The number of people with mental ill-health in Monmouthshire presenting as homeless is shown in Table 6 below. In addition Monmouthshire Gateway Housing Support Service manages delivery of support services to people who are homeless or threatened with homelessness. During 2014/2015 the Gateway received a total of 1,079 referrals, of which 32% identified that mental health issues were their lead area of need.

**Table 6 People with Mental Health Issues Presenting as Homeless**

Year	Presenting as Homeless	Mental Health Issues	Percentage
2012/2013	220	33	15%
2013/2014	170	15	11%
2014/2015	112	12	10%

In line with the Welsh Government strategy “Together for Mental Health 2012-2016” county council housing officers are working closely with social care and mental health practitioners to improve access to secure affordable housing for people suffering from mental ill-health by ensuring that those in housing need are registered on Homesearch. By working together, Monmouthshire County Council Housing and Social Care, Aneurin Bevan Health Board and partner RSLs can make transition from hospital to supported tenancies easier. Officers are currently working with the In One Place Programme to provide 6 apartments in Abergavenny to allow mental health clients currently in hospital to live independently with support provision. Four units for people with learning disabilities have also been delivered in Monmouth and have another 7 units are in the pipeline for Abergavenny.



# Backlog of Need

4.1 Definition

4.2 Total Backlog



## **4. Backlog of Need**

### **4.1 Definition**

The backlog of affordable housing need can be defined as the current number of households 'lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the local housing market without assistance' (LHMA Guide, 2006, paragraph 6.5). Monmouthshire operates a Common Housing Register which is utilised by all housing associations operating in the County. All applicants for all tenures are registered on one list which ensures that there is no double counting. This register also captures homeless households which the local authority has a statutory duty to assist.

Housing registers include a proportion of applicants who are not in housing need and the guidance recommends that a reduction be made to account for this. For the purposes of this assessment those households with sufficient financial resources to satisfy their housing need on the open market were excluded.

### **4.2 Total Backlog**

Tables 5 to 7 display the following data:

Table 5 shows the gross backlog of households in affordable housing need per annum until 2020.

Table 6 shows a further breakdown of this need by bedroom size and property type.

Table 7 shows the backlog of households in need of intermediate rented housing and low cost home ownership by ward/sub market area and number of beds.

**Table 7 Gross Backlog of Affordable Housing Need/Annum**

Ward/Sub Market Area	Gross Annual Social Rented Housing Need	Gross Annual Intermediate Rented Housing Need	Gross Annual LCHO Housing Need
Abergavenny	97.4	2.0	7.8
Caerwent	5.2	0.4	0.8
Caldicot	51.4	1.4	8.0
Chepstow	79.0	1.8	10.2
Crucorney	4.4	0.2	0
Devauden	0.6	0	0
Goytre Fawr	11.0	0.2	2.0
Llanbadoc	0.4	0	0
Llanelly Hill	6.0	0	1.4
Llanfoist Fawr	7.4	0.2	1.6
Llangybi Fawr	1.4	0	0.2
Llanover	2.0	0	0.2
Llantilio Crossenny	0.6	0	0.2
Llanwenarth Ultra	1.8	0	0
Magor/Undy	18.0	0.4	0.8
Mitchel Troy	0.2	0	0.8
Monmouth	48.6	1.8	5.4
Portskewett	3.6	0.2	0.4
Raglan	8.8	0.2	1.4
Rogiet	6.0	0	0.6
Shirenewton	1.4	0.2	0.2
St Arvans	1.6	0	0.2
Trellech United	2.4	0	0.2
Usk	14.6	0.6	2.8
<b>Total</b>	<b>373.8</b>	<b>9.6</b>	<b>45.2</b>

Figures are number of households

**Table 8 Backlog of Social Rented Housing Need by Ward/Sub Market Area and Property Type**

Ward	1 Bed	1 Bed	1 Bed	2 Bed	2 Bed	2 Bed	3 Bed	3 Bed	3 Bed	4 Bed	Grand Total
	AH	GN	OAP	AH	GN	OAP	AH	GN	OAP	GN	
Abergavenny	1.0	47.2	14.0	0.2	25.6	2.8	0	6.4	0.2	0	97.4
Caerwent	0	2.0	1.2	0	1.6	0	0	0.4	0	0	5.2
Caldicot	0.2	21.2	12.4	0.2	12.4	2.0	0	2.8	0.2	0	51.4
Chepstow	0	31.4	11.6	0.2	27.8	1.4	0	6.4	0.2	0	79.0
Crucorney	0	2.6	0.6	0	0.6	0	0	0.6	0	0	4.4
Devauden	0	0.4	0	0	0.2	0	0	0	0	0	0.6
Goytre Fawr	0	3.85	1.4	0	4.0	0.4	0	1.2	0.2	0	11.0
Llanbadoc	0	0.2	0	0	0	0	0	0	0.2	0	0.4
Llanelly Hill	0	2.2	1.0	0	1.4	0.2	0	1.0	0.2	0	6.0
Llanfoist Fawr	0	4.8	1.0	0	1.4	0	0	0.2	0	0	7.4
Llangybi Fawr	0.4	0.2	0.6	0	0.2	0	0	0	0	0	1.4
Llanover	0	0.6	0.6	0	0.6	0	0	0.2	0	0	2.0
Llantilio Crossenny	0	0	0.2	0	0.2	0	0	0.2	0	0	0.6
LLanwenarth Ultra	0	1.0	0.2	0	0.4	0	0	0.2	0	0	1.8
Magor/Undy	0	5.4	4.4	0	5.8	0.2	0	2.0	0	0.2	18.0
Mitchel Troy	0	0	0	0	0.2	0	0	0	0	0	0.2
Monmouth	0	22.6	8.2	0	10.0	0.6	0.20	6.4	0.4	0.2	48.6
Portskewett	0	0.8	0.8	0	1.0	0.2	0	0.4	0.2	0.2	3.6
Raglan	0	1.4	4.2	0.2	1.4	0.6	0	0.6	0	0.4	8.8
Rogiet	0	2.4	1.0	0	1.6	0.2	0	0.8	0	0	6.0
Shirenewton	0	0.8	0.2	0	0	0.2	0	0.2	0	0	1.4
St Arvans	0	0.6	0.8	0	0	0	0	0	0	0.2	1.6
Trellech United	0	1.0	0.2	0	1.0	0	0	0.2	0	0	2.4
Usk	0.2	5.4	3.4	0	3.2	0.8	0	1.6	0	0	14.6
<b>Total</b>	<b>1.85</b>	<b>158.0</b>	<b>68.0</b>	<b>0.8</b>	<b>100.6</b>	<b>9.6</b>	<b>0.2</b>	<b>31.8</b>	<b>1.8</b>	<b>1.2</b>	<b>373.8</b>

AH = Adapted Housing  
GN = General Needs Housing  
OAP = Older Persons Housing

**Table 9 Backlog of Intermediate Rent and LCHO Need by Ward/Sub Market Area and Number of Beds**

Ward/Sub Market Area	IR 1 Bed	IR 2 Bed	IR 3 Bed	IR 4 Bed	LCHO 2 Bed	LCHO 3 Bed
Abergavenny	0.8	0.6	0.4	0.2	5.8	2.0
Caerwent	0.4	0	0	0	0.8	0
Caldicot	1.0	0.4	0	0	6.6	1.4
Chepstow	1.4	0.4	0	0	6.8	3.4
Crucorney	0	0.2	0	0	0	0
Devauden	0	0	0	0	0	0
Goytre Fawr	0.2	0	0	0	0.8	1.2
Llanbadoc	0	0	0	0	0	0
Llanelly Hill	0	0	0	0	0.8	0.6
Llanfoist Fawr	0	0.2	0	0	1.2	0.4
Llangybi Fawr	0	0	0	0	0.2	0
Llanover	0	0	0	0	0.2	0
Llantilio Crossenny	0	0	0	0	0.2	0
Llanwenarth Ultra	0	0	0	0	0	0
Magor/Undy	0.4	0	0	0	0.8	0
Mitchel Troy	0	0	0	0	0.8	0
Monmouth	1.2	0.4	0.2	0	4.4	1.0
Portskewett	0.2	0	0	0	0.4	0
Raglan	0.2	0	0	0	1.0	0.4
Rogiet	0	0	0	0	0.2	0.4
Shirenewton	0.2	0	0	0	0.2	0
St Arvans	0	0	0	0	0.2	0
Trellech United	0	0	0	0	0.2	0
Usk	0.2	0.4	0	0	2.0	0.8
<b>Total</b>	<b>6.2</b>	<b>2.6</b>	<b>0.6</b>	<b>0.2</b>	<b>33.6</b>	<b>11.6</b>

IR = Intermediate Rent

LCHO = Low Cost Home Ownership

# Newly Arising Need

5.1 Definition

5.2 Household Projections

5.3 New Households Priced Out  
of the Market

5.4 Existing Households Falling  
into to Need



## 5. Newly Arising Need

### 5.1 Definition

Newly arising need can be defined as the projected number of households in housing need that will form during the LHMA period. This involves making an estimate of the future change in the number of new households that will form on an annual basis. The WG Guidance documents recommend that the most recent WG Household Projections be used provided that they are fit for purpose. The guidance also states that it is important to use the same data sources as those used for an authority's Local Development Plan (LDP).

### 5.2 Household Projections

The 2011-based Household Projections were not used for Monmouthshire's LDP as they were issued after the LDP Examination had taken place. As these indicated a much lower rate of household growth than suggested in the 2008-based projections the figures could not have formed a satisfactory basis for the future planning of the County. The Planning Policy Team, therefore, based their calculations on the 2008-based projections shown in Table 10. These projections were also used to inform the LHMA.

**Table 10 2008 Household Projections**

Overall Change	2015	2016	2017	2018	2019	2020	Change
1 person	13,097	13,389	13,671	13,957	14,223	14,500	1,403
2 person (no children)	15,211	15,424	15,632	15,808	15,993	16,144	933
2 person (1 adult, 1 child)	1,503	1,531	1,559	1,587	1,616	1,645	142
3 person (no children)	1,987	1,972	1,941	1,908	1,868	1,831	-156
3 person (2 adults, 1 child)	2,653	2,644	2,644	2,641	2,641	2,646	-7
3 person (1 adult, 2 children)	696	704	714	724	734	744	48
4 person (no children)	431	424	412	400	387	374	-57
4 person (2+ adults 1+ children)	3,353	3,283	3,220	3,164	3,113	3,067	-286
4 person (1 adult, 3 children)	242	247	252	258	264	269	27
5 + person (no children)	29	27	25	24	22	20	-9
5 + person (2+ adults, 1+ children)	1,702	1,671	1,646	1,628	1,610	1,592	-110
5 + person (1 adult, 4+ children)	107	110	114	117	120	123	16
<b>Total</b>	<b>41,011</b>	<b>41,426</b>	<b>41,830</b>	<b>42,216</b>	<b>42,601</b>	<b>42,955</b>	<b>1,944</b>

As can be seen in Table 8, much of this change is accounted for amongst smaller households, for example, 1,403 one person households and 933 two person households with no children. However it should not be assumed that there will be an equivalent increase in the demand for smaller affordable properties as some of these newly forming households will satisfy their own need in the private sector and may chose a larger property than they actually need should their financial circumstances allow.

Welsh Government household projections are only available at local authority level and in order to disaggregate population growth to ward level a further set of calculations is required using household census data. The 2011 Census data was used to calculate the proportion of households residing within each ward. These proportions were then applied to the 1,944 figure to provide an estimated breakdown of emerging households at electoral ward level. Table 12 shows the figures disaggregated to ward level.

After disaggregating the household projection figures to electoral wards a further calculation was required to convert these figures into property types. The Common Housing Register Allocations Policy shown in Table 11 below was then used to determine the number of bedrooms suitable for each household category.

**Table 11 Allocations Policy**

Accommodation Size	Household Types	Change
1 bedroom	1 person	1,403
	2 person (no children)	933
2 bedroom	2 person (1 adult, 1 child)	142
	3 person (no children)	-156
	3 person (2 adults, 1 child)	-7
3 bedroom	3 person (1 adult, 2 children)	48
	4 person (no children)	-57
	4 person (2+ adults, 1+ child)	-286
4 bedroom	4 person (1 adult, 3 children)	27
	5+ person (no children)	-9
5 bedroom	5+ person (2+ adults, 1+ children)	-110
	5+ person (1 adult, 4+ children)	16
<b>Total</b>		<b>1,944</b>

The results of this exercise are shown in Table 13.



**Table 12 Household Projections Disaggregated to Wards**

Wards	Census-All Households	Census Household Area Proportions	Total Growth	Annual Growth
Caerwent	728	0.019	37.02	7.40
Caldicot Castle	791	0.020	40.22	8.04
Cantref	904	0.024	45.96	9.19
Castle	821	0.021	41.74	8.35
Croesonen	1041	0.027	52.93	10.59
Crucorney	857	0.022	43.58	8.72
Devauden	598	0.016	30.41	6.08
Dewstow	824	0.021	41.90	8.38
Dixton with Osbaston	1034	0.027	52.57	10.51
Drybridge	1426	0.037	72.51	14.50
Goytre Fawr	993	0.026	50.49	10.10
Green Lane	860	0.022	43.73	8.75
Grofield	911	0.024	46.32	9.26
Lansdown	952	0.025	48.41	9.68
Larkfield	820	0.021	41.69	8.34
Llanbadoc	514	0.013	26.13	5.23
Llanelly Hill	1716	0.045	87.25	17.45
Llanfoist Fawr	803	0.021	40.83	8.17
Llangybi Fawr	719	0.019	36.56	7.31
Llanover	922	0.024	46.88	9.38
Llantilio Crossenny	697	0.018	35.44	7.09
Llanwenarth Ultra	622	0.016	31.63	6.33
Mardy	632	0.017	32.13	6.43
Mill	961	0.025	48.86	9.77
Mitchel Troy	500	0.013	25.42	5.08
Overmonnow	1100	0.029	55.93	11.19
Portskewett	884	0.023	44.95	8.99
Priory	1047	0.027	53.24	10.65
Raglan	852	0.022	43.32	8.66
Rogiet	698	0.018	35.49	7.10
Severn	751	0.020	38.19	7.64
Shirenewton	868	0.023	44.13	8.83
St Arvans	659	0.017	33.51	6.70
St Christopher's	1028	0.027	52.27	10.45
St Kingsmark	1198	0.031	60.91	12.18
St Mary's	964	0.025	49.02	9.80
The Elms	1416	0.037	72.00	14.40
Thornwell	1158	0.030	58.88	11.78
Trellech United	1064	0.028	54.10	10.82
Usk	1155	0.030	58.73	11.75
West End	785	0.021	39.91	7.98
Wyehsam	960	0.025	48.81	9.76
<b>Total</b>	<b>38233</b>	<b>1</b>	<b>1944.00</b>	<b>383.80</b>

**Footnote:**

**Census-All Households Figures divided by Total of All Households Figure (38,233) = Area Proportions.**

**Area Proportion figures multiplied by projected change 2015-2020 figure of 1,944 = Total Growth.**

**Total Growth divided by 5 gives Annual Growth.**

**Table 13 Projected Household Increase 2015-2020 Disaggregated by Ward**

Ward	Social Rent Need	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed
Abergavenny	12.44	14.95	-0.13	-1.89	0.12	-0.60
Caerwent	1.53	1.84	-0.02	-0.23	0.01	-0.07
Caldicot	15.13	18.18	-0.16	-2.30	0.14	-0.73
Chepstow	18.10	21.75	-0.20	-2.75	0.17	-0.88
Crucorney	4.00	4.80	-0.04	-0.61	0.04	-0.19
Devauden	1.50	1.80	-0.02	-0.23	0.01	-0.07
Goytre Fawr	3.15	3.78	-0.03	-0.48	0.03	-0.15
Llanbadoc	1.88	2.26	-0.02	-0.29	0.02	-0.09
Llanelly Hill	6.27	7.54	-0.07	-0.95	0.06	-0.30
Llanfoist Fawr	2.40	2.89	-0.03	-0.36	0.02	-0.12
Llangybi Fawr	2.07	2.49	-0.02	-0.31	0.02	-0.10
Llanover	3.11	3.73	-0.03	-0.47	0.03	-0.15
Llantilio Crossenny	1.02	1.22	-0.01	-0.15	0.01	-0.05
Llanwenarth Ultra	1.22	1.46	-0.01	-0.18	0.01	-0.06
Magor/Undy	7.38	8.87	-0.08	-1.12	0.07	-0.36
Mitchel Troy	1.36	1.64	-0.01	-0.21	0.01	-0.07
Monmouth	12.33	14.82	-0.13	-1.87	0.11	-0.60
Portskewett	2.35	2.83	-0.03	-0.36	0.02	-0.11
Raglan	1.67	2.00	-0.02	-0.25	0.02	-0.08
Rogiet	0.82	0.99	-0.01	-0.13	0.01	-0.04
Shirenewton	1.75	2.10	-0.02	-0.26	0.02	-0.08
St Arvans	0.81	0.97	-0.01	-0.12	0.01	-0.04
Trellech United	2.16	2.59	-0.02	-0.33	0.02	-0.10
Usk	1.55	1.87	-0.02	-0.24	0.01	-0.08
<b>Total</b>	<b>106.01</b>	<b>127.38</b>	<b>-1.15</b>	<b>-16.09</b>	<b>0.98</b>	<b>-5.13</b>

Table does not sum due to rounding of individual figures

The figures in Table 13 are the projected newly arising need 2015-2020 and do not take into account the backlog of housing need.

### 5.3 New Households Priced Out of the Market

We cannot assume that all of the newly emerging households will require affordable housing as many households will prefer to meet their own housing need in the private sector, either through buying their own home or renting in the private sector. An important part of the LHMA, therefore, is to calculate the proportion of households priced out of the housing market, which gives you the number of additional new households in need of affordable housing.

Household income data from CACI Paycheck was used together with house price and market rent information from Hometrack to help estimate how many newly forming households will be in housing need for social rent, intermediate rent and low cost home ownership. Two entry level house prices were calculated for the county using Hometrack property price data. For Abergavenny, Caldicot and Chepstow the entry level house price was deemed to be £132,031 (see Appendix 1) and for everywhere else in the county it was £151,758.

The Welsh Government guidance figure of 3.5 times the gross household income of a single earner household was used to calculate the amount that first time buyers could expect to borrow (WAG, March 2006, 6.13).

The annual growth figures in Table 14 below for Abergavenny, Caldicot, Chepstow, Monmouth and Magor/Undy are an average of the annual growth figures for the wards in each of those housing market areas.

**Table 14 Number of Emerging Households Priced out of Housing Market Entry Level**

Ward	Annual Growth	Able to afford a mortgage	In need of LCHO	In need of IR	In need of SR
Abergavenny (Total for all wards)	64.15	25.49	19.73	6.49	12.44
Caerwent	7.40	2.88	2.26	0.73	1.53
Caldicot (Total for all wards)	40.79	7.50	12.43	5.73	15.13
Chepstow	52.55	12.08	15.82	6.55	18.10
Crucorney	8.72	1.06	2.41	1.26	4.00
Devauden	6.08	1.93	1.94	0.70	1.50
Goytre Fawr	10.10	2.65	3.07	1.23	3.15
Llanbadoc	5.23	0.96	1.66	0.73	1.88
Llanelly Hill	17.45	3.20	5.55	2.42	6.27
Llanfoist Fawr	8.17	2.03	2.68	1.06	2.40
Llangybi Fawr	7.31	1.83	2.46	0.94	2.07
Llanover	9.38	2.06	3.00	1.22	3.11
Llantilio Crossenny	7.09	2.94	2.55	0.58	1.02
Llanwenarth Ultra	6.33	2.16	2.32	0.63	1.22
Magor/Undy (Total for both wards)	24.17	4.33	9.34	3.12	7.38
Mitchel Troy	5.08	1.28	1.85	0.58	1.36
Monmouth (Total for all wards)	45.96	11.62	16.74	5.27	12.33
Portskewett	8.99	2.25	3.35	1.03	2.35
Raglan	8.66	2.69	3.40	0.91	1.67
Rogiet	7.10	3.31	2.45	0.52	0.82
Shirenewton	8.83	2.81	3.36	0.91	1.75
St Arvans	6.70	3.02	2.36	0.50	0.81
Trellech United	10.82	3.59	4.00	1.08	2.16
Usk	11.75	5.30	4.02	0.87	1.55
<b>Total</b>	<b>388.81</b>	<b>108.97</b>	<b>128.75</b>	<b>45.06</b>	<b>106.01</b>

Table 14 shows the total projected household growth for each ward together with the number of households able to afford a mortgage and the number of households priced out of the market (Source: CACI 2015 and Hometrack 25/2/25)

#### 5.4 Existing Households Falling into Need

The LHMA also needs to take account of existing households that may fall into need each year due to homelessness. WG guidance states that this should be estimated by looking at recent trends. Ministry of Justice data is available at Local Authority level and can be used to identify the number of mortgage and landlord possession claims leading to orders. The analysis of this data together with the average homelessness figure allows

an annual average figure to be established and projected forward for each year of the LHMA period.

Over the period 2009/10 to 2013/14 there were 313 mortgage possession claims and 405 landlord possession claims leading to orders. During the same period there were 804 homeless presentations. Divided by 5 this gives an average of 304.4 existing households falling into need each year until 2020. To give an estimation of distribution at ward level the census ward level proportions were applied to the 304.37 figure and an indicative breakdown of bedroom size required was factored in by applying the proportionate demand identified from the Common Housing Register. The results are shown in Table 15.

**Table 15 Number of Existing Households Falling into Need per Annum**

Ward	1 Bed	2 Bed	3 Bed	4 Bed	Total
Abergavenny	22.48	17.24	6.62	3.87	50.21
Caerwent	2.60	1.99	0.76	0.45	5.80
Caldicot	14.31	10.96	4.20	2.47	31.94
Chepstow	18.42	14.11	5.43	3.17	41.13
Crucorney	3.06	2.34	0.90	0.53	6.83
Devauden	2.13	1.63	0.63	0.37	4.76
Goytre Fawr	3.54	2.71	1.04	0.61	7.90
Llanbadoc	1.83	1.40	0.54	0.32	4.09
Llanelly Hill	6.12	4.69	1.80	1.05	13.66
Llanfoist Fawr	2.86	2.19	0.84	0.49	6.38
Llangybi Fawr	2.56	1.97	0.75	0.44	5.72
Llanover	3.29	2.52	0.97	0.57	7.35
Llantilio Crossenny	2.48	1.90	0.73	0.43	5.54
Llanwenarth Ultra	2.22	1.70	0.65	0.38	4.95
Magor/Undy	8.48	6.50	2.50	1.46	18.94
Mitchel Troy	1.78	1.37	0.52	0.31	3.98
Monmouth	16.11	12.36	4.75	2.78	36.0
Portskewett	3.15	2.42	0.93	0.54	7.04
Raglan	3.04	2.33	0.89	0.52	6.78
Rogiet	2.49	1.91	0.73	0.43	5.56
Shirenewton	3.09	2.37	0.91	0.53	6.90
St Arvans	2.35	1.80	0.69	0.40	5.24
Trellech United	3.79	2.91	1.12	0.65	8.47
Usk	4.12	3.16	1.21	0.71	9.20
<b>Total</b>	<b>136.30</b>	<b>104.48</b>	<b>40.11</b>	<b>23.48</b>	<b>304.37</b>

# Affordable Supply

6.1 Social Housing Stock



6.2 Social Housing Lettings

6.3 Committed Supply

## 6. Affordable Housing Supply

WG guidance suggests that the supply of affordable housing expected over the next five years should be considered in order to counterbalance demand from newly arising and backlog need. The two main strands to this analysis are projected lets and committed supply.

### 6.1 Existing Affordable Housing Stock (RSLs)

Table 14 shows the combined stock managed by RSLs in Monmouthshire disaggregated to ward level. Of the 5740 homes, 44 are adapted properties for people with a disability, 551 are sheltered housing, 896 are OAP housing and the remaining 4249 are general needs housing.

**Table 16 Registered Social Landlord Stock**

Ward	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed	6 Bed	Total
Abergavenny	571	462	404	32	0	0	1469
Caerwent	45	26	27	2	0	0	100
Caldicot	255	338	289	15	0	0	897
Chepstow	241	221	390	32	1	0	885
Crucorney	8	21	23	0	0	0	52
Devauden	8	8	4	0	0	0	20
Goytre Fawr	30	27	32	3	0	0	92
Llanbadoc	0	0	4	0	0	0	4
Llanelly Hill	79	33	88	0	0	0	200
Llanfoist Fawr	29	87	57	16	0	0	189
Llangybi Fawr	14	14	10	0	0	0	38
Llanover	28	20	12	0	0	0	60
Llantilio Crossenny	0	11	10	0	0	0	21
Llanwenarth Ultra	19	26	32	2	0	0	79
Magor/Undy	90	30	48	5	0	0	173
Mitchel Troy	0	24	9	0	0	0	33
Monmouth	274	253	285	15	0	0	827
Portskewett	46	11	16	2	0	0	75
Raglan	50	44	13	2	0	0	109
Rogiet	50	37	49	4	0	1	141
St Arvans	11	6	18	0	0	0	35
Shirenewton	9	7	7	0	0	0	23
Trellech United	4	31	24	0	0	0	59
Usk	100	42	16	1	0	0	159
<b>Total</b>	<b>1961</b>	<b>1779</b>	<b>1867</b>	<b>131</b>	<b>1</b>	<b>1</b>	<b>5740</b>

## 6.2 Social Housing Lettings

Past letting trends were analysed over the previous 3 years – 2012, 2013 and 2014 – and an average was taken in order to predict the likely number of lets that will come forward each year of the LHMA period (WAG, 2006b, para. 6.53). Like the housing register data used in calculating the backlog of need, this lettings data did not contain transfers.

**Table 17 Lettings Data from 2012 – 2014**

Year	Number of Lets
2012	348
2013	365
2014	343
<b>Average (mean)</b>	<b>352</b>

## 6.3 Committed Supply

In addition to projected lets, the anticipated quantity of affordable housing 'already planned to be built over the time period of the assessment' should also be considered (WAG, 2006b, para. 6.81). Data sources used to determine this were:

- Social Housing Grant Programme
- Joint Housing Land Availability Study
- Local Development Plan

Planning applications granted permission subject to S106 agreements and other RSL schemes were also included and only schemes highly likely to be delivered over the next five years were considered. The relevant data was formatted by ward, property size and property type. Table 16 shows the committed supply of affordable housing over the next five years.

Over the next five years the total number of properties planned is as follows:

- Neutral tenure affordable housing 883

Of these 138 will be delivered through the Social Housing Grant Programme and 745 through S106 obligations.



**Table 18 Committed Supply of Affordable Housing over the next 5 years**

Ward	1 Bed	2 Bed	3 Bed	4 Bed	1 Bed OAP	2 Bed OAP	2 Bed AH	Total
Abergavenny	46	48	17	3	3	12	0	129
Caldicot	22	12	11	1	18	12	1	77
Chepstow	28	63	26	5	0	5	0	127
Crucorney	0	7	2	0	0	0	0	9
Devauden	0	7	2	0	0	0	0	9
Goytre Fawr	8	15	6	1	0	2	0	32
Llanbadoc	0	0	2	0	0	0	0	2
Llanelly Hill	6	6	0	0	2	4	0	18
Llanfoist Fawr	14	17	3	0	0	6	0	40
Llanwenarth Ultra	2	0	0	0	0	0	0	2
Llangybi	2	1	1	0	0	0	0	4
Magor/Undy	22	67	24	6	0	8	0	127
Mitchel Troy	0	4	5	0	0	0	0	9
Monmouth	46	64	27	3	0	6	0	146
Portskewett	12	33	11	3	0	6	0	65
Raglan	14	13	4	0	0	0	0	31
Rogiet	6	8	4	1	0	0	0	19
Shirenewton	0	7	4	0	0	0	0	11
Trellech United	4	8	3	0	0	0	0	15
Usk	4	5	2	0	0	0	0	11
<b>Total</b>	<b>236</b>	<b>385</b>	<b>154</b>	<b>23</b>	<b>23</b>	<b>61</b>	<b>1</b>	<b>883</b>

# Key Findings

7.1 Social Rented Housing

7.2 Low Cost Home Ownership

7.3 Intermediate Rent



## 7. Key Findings

The net shortfall of affordable housing is calculated by taking the backlog of need (housing Register data divided by five for each year of the LHMA period) and adding existing households falling into need and newly arising need. The committed supply of affordable housing is deducted from this figure leaving the estimated annual shortfall. It would, however, be inaccurate to assume that each unit would only be occupied once over the next five years and not allowing for turnover could potentially inflate the requirement for new affordable housing. Current levels of turnover were calculated by dividing average lets over the last three years by existing social rented stock and the related ward level turnover for each property type was factored into the net shortfall for each ward to determine the annual affordable dwelling requirement.

### 7.1 Social Rent

The backlog of housing need from Monmouthshire's Common Housing Register is 1,869. Dividing this figure by 5 for each year of the LHMA gives an annual figure of 373.80. Existing households falling into need due to homelessness has been calculated as an additional 304.40 households per year and newly arising need as 111.13. The newly arising need figure is calculated using the Household Projections for Monmouthshire (2008). This gives a gross need of 789.33. The combined lets and committed supply figure is 504.74. This gives a net need of 284.59 which then needs to be multiplied by the turnover rate (the average turnover rate used is 0.952) to give the annual social rented need for Monmouthshire. This figure is 270.90.

### 7.2 Low Cost Home Ownership (LCHO)

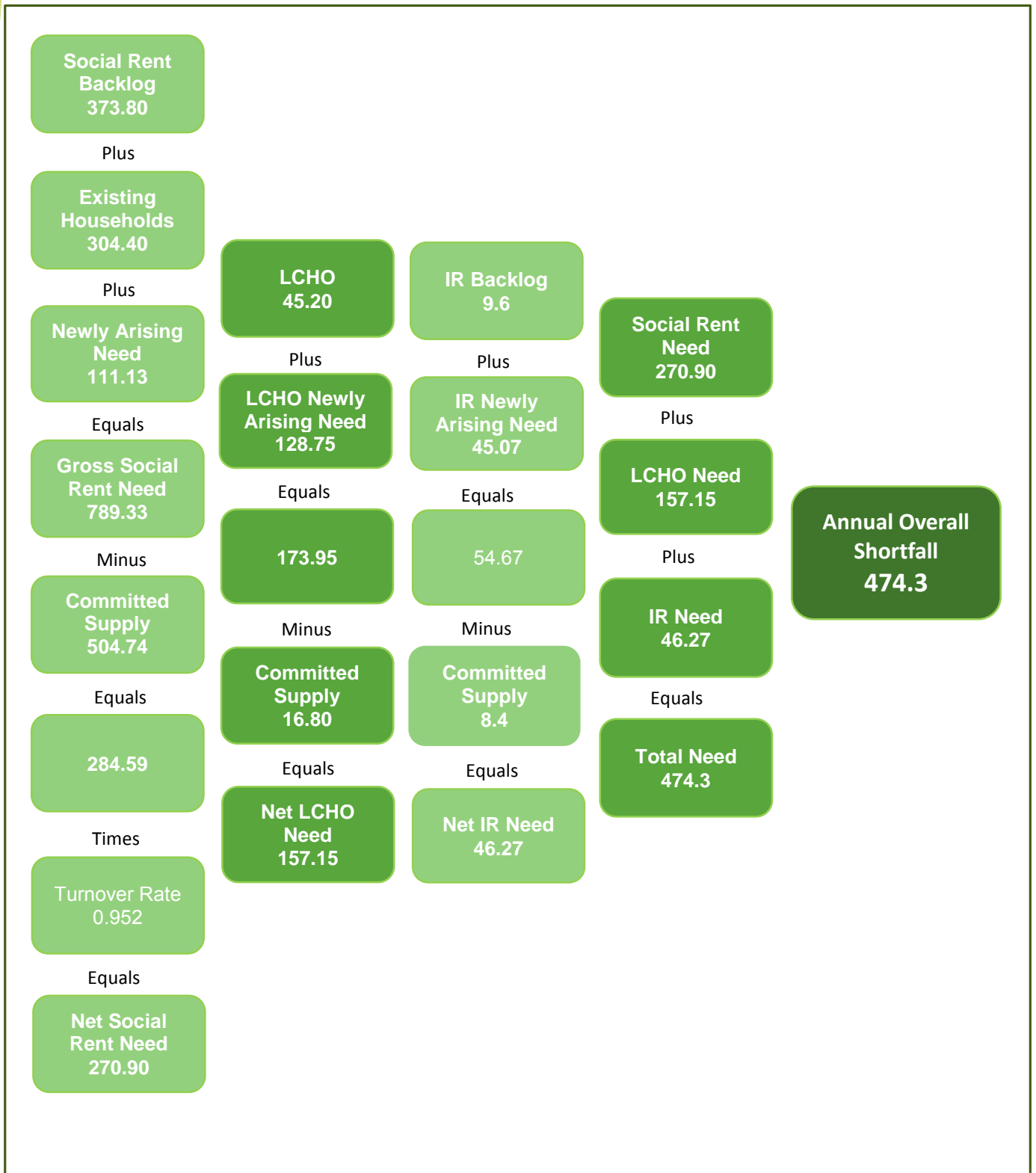
The annual backlog for LCHO is 45.20 and the newly arising need is calculated as 128.75. This gives a gross need of 173.95. When the committed supply of 16.80 is deducted this gives a net annual need of 157.15.

### 7.3 Intermediate Rent

The annual backlog for Intermediate Rent is 9.6 and the newly arising need is 45.07. This gives a gross need of 54.67. Deducting the committed supply of 8.4 units per year gives an annual need figure of 46.27.

These overall annual calculations are shown in Figure 16.

**Figure 17 Affordable Housing Annual Shortfall**



# Conclusions



## 8. Conclusions

This LHMA has utilised the Welsh Government Guidance to estimate the housing requirements within Monmouthshire from 2015 to 2020. A variety of secondary data was used including figures from Homesearch (Monmouthshire Common Housing Register), WG household projections, residential possession orders, homelessness data, house prices, incomes, dwelling stock turnover and committed supply. In depth analysis of these sources has produced a robust update of previous findings.

The annual shortfall of affordable housing in Monmouthshire from 2015 – 2020 is 474.3. The highest need across all wards is for one and two bedroom properties (304 and 143 respectively). The figure of 474, however, should not be taken as an annual target for the delivery of affordable housing as new build homes are not the total solution to the supply of affordable homes in the County. The Council is working with private landlords to increase the supply of private rented homes and also to bring empty homes back into use. The figure is simply an indication of current projected need for affordable housing within the county and sets a benchmark which the Council can work towards.

The affordable housing target remains the LDP target of 960 units over the plan period 2011 - 2021 and Council officers are working hard with the development industry to secure the delivery of strategic site allocations as these will make the largest contribution to housing delivery in the longer term. The Council has also been looking at a range of mechanisms to bring forward affordable housing, including the allocation of small sites in rural areas which will deliver 60% affordable housing, the use of public sector land assets and supporting direct delivery by RSL partners through the Social Housing Grant Programme.

This assessment pulls together all the available data in order to produce an accurate and detailed picture of housing need in Monmouthshire. There are many factors that impact on the supply and demand for housing and these will be reviewed on a regular basis in order to update the LHMA. This will ensure that both the Local Authority and its partners have a clear understanding of housing need in Monmouthshire and that they are able to work together to ensure the best outcomes possible for Monmouthshire residents.

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# Appendices





## APPENDIX 1

### Methodology for LHMA Entry Level House Price (LHMA 3.3)

Hometrack's Housing Information system (HIS) has been used extensively in the formulation of Monmouthshire's Local Housing Market Assessment (LHMA). The information used as evidence to support the argument for using more than one housing market area in the LHMA was accessed on 11<sup>th</sup> March, 2015.

Monmouthshire has a very diverse housing market with many sub-markets both within and across its boundaries. Although the sub-markets are often small areas, using evidence to support these is very difficult, because the amount of data available is very limited. This means using statistical areas such as output areas and lower output areas is not possible, because quite often there is little if any data to provide accurate house price averages which would withstand close scrutiny. Therefore, although electoral wards are not statistically comparable with each other, they provide a level of geography where sufficient evidence is nearly always available to produce accurate house price information. The electoral ward geography has therefore been used to help identify housing sub-markets within Monmouthshire and because they are a political geography which is widely recognised, it is relatively easy for people to associate themselves with the areas.

The HIS average house price information provided a range of averages for wards in Monmouthshire, from £126,750 up to £440,107. These figures confirm the significant diversity in house prices in the county, where the lower quartile house price in Monmouthshire is £160,000. Lower quartile house prices are often used to indicate where the entry level is for people entering the housing market and in Monmouthshire there are six wards with average house prices below the £160,000 figure. It was therefore decided that these wards have significantly different housing markets to the rest of the county so they have been separated from the other wards to produce a lower priced housing area to be included within the LHMA.

The wards in question are St Christophers and Thornwell in Chepstow, Green Lane, West End and Severn in Caldicot and Croesonen in Abergavenny. As these wards all sit within larger urban areas, they are therefore deemed as the access point for housing in these 3 settlements. Within the LHMA a two-bedroom home is deemed to be a starter home, so where available (in St Christopher's the price of 3 bedroom houses were used as there was insufficient data for two bedroom homes) the average house prices for two bedroom houses have been used in these wards to provide the figure for the lower priced market area.

Thirty eight different house prices were included in the calculations, resulting in a figure of £132,031 for a two bedroom house. As previously mentioned, this figure is used within the LHMA for the Abergavenny, Caldicot and Chepstow housing sub-market areas. The entry level house price for all other areas within Monmouthshire is £151,758.

**APPENDIX 2 Social Housing Backlog (Households)**

<b>Wards</b>	<b>AH 1 Bed</b>	<b>GN 1 Bed</b>	<b>SH 1 Bed</b>	<b>AH 2 Bed</b>	<b>GN 2 Bed</b>	<b>SH 2 Bed</b>	<b>AH 3 Bed</b>	<b>GN 3 Bed</b>	<b>SH 3 Bed</b>	<b>AH 4 Bed</b>	<b>GN 4 Bed</b>
Abergavenny	1.00	47.20	14.00	0.20	25.60	2.80	0.00	6.40	0.20	0.00	0.00
Caerwent	0.00	2.00	1.20	0.00	1.60	0.00	0.00	0.40	0.00	0.00	0.00
Caldicot	0.20	21.20	12.40	0.20	12.40	2.00	0.00	2.80	0.20	0.00	0.00
Chepstow	0.00	31.40	11.60	0.20	27.80	1.40	0.00	6.40	0.20	0.00	0.00
Crucorney	0.00	2.60	0.60	0.00	0.60	0.00	0.00	0.60	0.00	0.00	0.00
Devauden	0.00	0.40	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00
Goetre Fawr	0.00	3.80	1.40	0.00	4.00	0.40	0.00	1.20	0.20	0.00	0.00
Llanbadoc	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00
Llanelly Hill	0.00	2.20	1.00	0.00	1.40	0.20	0.00	1.00	0.20	0.00	0.00
Llanfoist Fawr	0.00	4.80	1.00	0.00	1.40	0.00	0.00	0.20	0.00	0.00	0.00
Llanbygi Fawr	0.40	0.20	0.60	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00
Llanover	0.00	0.60	0.60	0.00	0.60	0.00	0.00	0.20	0.00	0.00	0.00
Llantilio											
Crossenny	0.00	0.00	0.20	0.00	0.20	0.00	0.00	0.20	0.00	0.00	0.00
Llanwenarth Ultra	0.00	1.00	0.20	0.00	0.40	0.00	0.00	0.20	0.00	0.00	0.00
Magor/Undy	0.00	5.40	4.40	0.00	5.80	0.20	0.00	2.00	0.00	0.00	0.20
Mitchel Troy	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00
Monmouth	0.00	22.60	8.20	0.00	10.00	0.60	0.20	6.40	0.40	0.00	0.20
Portskewett	0.00	0.80	0.80	0.00	1.00	0.20	0.00	0.40	0.20	0.00	0.20
Raglan	0.00	1.40	4.20	0.20	1.40	0.60	0.00	0.60	0.00	0.00	0.40
Rogiet	0.00	2.40	1.00	0.00	1.60	0.20	0.00	0.80	0.00	0.00	0.00
Shirenewton	0.00	0.80	0.20	0.00	0.00	0.20	0.00	0.20	0.00	0.00	0.00
St Arvans	0.00	0.60	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
Trellech United	0.00	1.00	0.20	0.00	1.00	0.00	0.00	0.20	0.00	0.00	0.00
Usk	0.20	5.40	3.40	0.00	3.20	0.80	0.00	1.60	0.00	0.00	0.00
<b>Totals</b>	<b>1.80</b>	<b>158.00</b>	<b>68.00</b>	<b>0.80</b>	<b>100.60</b>	<b>9.60</b>	<b>0.20</b>	<b>31.80</b>	<b>1.80</b>	<b>0.00</b>	<b>1.20</b>
<b>Grand Total</b>	<b>373.80</b>										

**APPENDIX 2**

**Falling Into Need (Households)**

<b>Wards</b>	<b>GN 1 Bed</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>GN 4 Bed</b>
Abergavenny	22.49	17.24	6.62	3.87
Caerwent	2.60	1.99	0.76	0.45
Caldicot	14.30	10.96	4.21	2.46
Chepstow	18.43	14.13	5.42	3.17
Crucorney	3.06	2.34	0.90	0.53
Devauden	2.13	1.63	0.63	0.37
Goetre Fawr	3.54	2.71	1.04	0.61
Llanbadoc	1.83	1.40	0.54	0.32
Llanelly Hill	6.12	4.69	1.80	1.05
Llanfoist Fawr	2.86	2.19	0.84	0.49
Llanbygi Fawr	2.56	1.97	0.75	0.44
Llanover	3.29	2.52	0.97	0.57
Llantilio Crossenny	2.48	1.91	0.73	0.43
Llanwenarth Ultra	2.22	1.70	0.65	0.38
Magor/Undy	8.47	6.50	2.49	1.46
Mitchel Troy	1.78	1.37	0.52	0.31
Monmouth	16.11	12.35	4.74	2.77
Portskewett	3.15	2.42	0.93	0.54
Raglan	3.04	2.33	0.89	0.52
Rogiet	2.49	1.91	0.73	0.43
Shirenewton	3.09	2.37	0.91	0.53
St Arvans	2.35	1.80	0.69	0.40
Trellech United	3.79	2.91	1.12	0.65
Usk	4.12	3.16	1.21	0.71
<b>Total</b>	<b>136.31</b>	<b>104.50</b>	<b>40.12</b>	<b>23.47</b>
<b>Grand Total</b>	<b>304.4</b>			

**APPENDIX 2**

**Newly Arising Need (Households)**

<b>Wards</b>	<b>GN 1 Bed</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>GN 4 Bed</b>
Abergavenny	14.95	-0.13	-1.89	0.12
Caerwent	1.84	-0.02	-0.23	0.01
Caldicot	18.18	-0.16	-2.30	0.14
Chepstow	21.75	-0.20	-2.75	0.17
Crucorney	4.80	-0.04	-0.61	0.04
Devauden	1.80	-0.02	-0.23	0.01
Goetre Fawr	3.78	-0.03	-0.48	0.03
Llanbadoc	2.26	-0.02	-0.29	0.02
Llanelly Hill	7.54	-0.07	-0.95	0.06
Llanfoist Fawr	2.89	-0.03	-0.36	0.02
Llanbygi Fawr	2.49	-0.02	-0.31	0.02
Llanover	3.73	-0.03	-0.47	0.03
Llantilio Crossenny	1.22	-0.01	-0.15	0.01
Llanwenarth Ultra	1.46	-0.01	-0.18	0.01
Magor/Undy	8.87	-0.08	-1.12	0.07
Mitchel Troy	1.64	-0.01	-0.21	0.01
Monmouth	14.82	-0.13	-1.87	0.11
Portskewett	2.83	-0.03	-0.36	0.02
Raglan	2.00	-0.02	-0.25	0.02
Rogiet	0.99	-0.01	-0.13	0.01
Shirenewton	2.10	-0.02	-0.26	0.02
St Arvans	0.97	-0.01	-0.12	0.01
Trellech United	2.59	-0.02	-0.33	0.02
Usk	1.87	-0.02	-0.24	0.01
<b>Total</b>	<b>127.38</b>	<b>-1.15</b>	<b>-16.09</b>	<b>0.98</b>
<b>Grand Total</b>	<b>111.13</b>			

**APPENDIX 2**

**Total Gross Need (Households)**

<b>Wards</b>	<b>AH 1 Bed</b>	<b>GN 1 Bed</b>	<b>SH 1 Bed</b>	<b>AH 2 Bed</b>	<b>GN 2 Bed</b>	<b>SH 2 Bed</b>	<b>AH 3 Bed</b>	<b>GN 3 Bed</b>	<b>SH 3 Bed</b>	<b>AH 4 Bed</b>	<b>GN 4 Bed</b>
Abergavenny	1.00	84.64	14.00	0.20	42.71	2.80	0.00	11.13	0.20	0.00	3.99
Caerwent	0.00	6.44	1.20	0.00	3.57	0.00	0.00	0.93	0.00	0.00	0.46
Caldicot	0.20	53.68	12.40	0.20	23.20	2.00	0.00	4.71	0.20	0.00	2.60
Chepstow	0.00	71.58	11.60	0.20	41.73	1.40	0.00	9.08	0.20	0.00	3.34
Crucorney	0.00	10.46	0.60	0.00	2.90	0.00	0.00	0.89	0.00	0.00	0.56
Devauden	0.00	4.34	0.00	0.00	1.82	0.00	0.00	0.40	0.00	0.00	0.38
Goetre Fawr	0.00	11.12	1.40	0.00	6.68	0.40	0.00	1.76	0.20	0.00	0.64
Llanbadoc	0.00	4.29	0.00	0.00	1.38	0.00	0.00	0.25	0.20	0.00	0.33
Llanelly Hill	0.00	15.86	1.00	0.00	6.02	0.20	0.00	1.85	0.20	0.00	1.11
Llanfoist Fawr	0.00	10.55	1.00	0.00	3.57	0.00	0.00	0.68	0.00	0.00	0.52
Llanbygi Fawr	0.40	5.25	0.60	0.00	2.14	0.00	0.00	0.44	0.00	0.00	0.46
Llanover	0.00	7.62	0.60	0.00	3.09	0.00	0.00	0.70	0.00	0.00	0.59
Llantilio Crossenny	0.00	3.71	0.20	0.00	2.09	0.00	0.00	0.78	0.00	0.00	0.44
Llanwenarth Ultra	0.00	4.68	0.20	0.00	2.09	0.00	0.00	0.67	0.00	0.00	0.39
Magor/Undy	0.00	22.74	4.40	0.00	12.22	0.20	0.00	3.37	0.00	0.00	1.73
Mitchel Troy	0.00	3.42	0.00	0.00	1.55	0.00	0.00	0.32	0.00	0.00	0.32
Monmouth	0.00	53.54	8.20	0.00	22.22	0.60	0.20	9.27	0.40	0.00	3.09
Portskewett	0.00	6.78	0.80	0.00	3.39	0.20	0.00	0.97	0.20	0.00	0.76
Raglan	0.00	6.44	4.20	0.20	3.71	0.60	0.00	1.24	0.00	0.00	0.94
Rogiet	0.00	5.88	1.00	0.00	3.50	0.20	0.00	1.41	0.00	0.00	0.44
Shirenewton	0.00	5.99	0.20	0.00	2.35	0.20	0.00	0.85	0.00	0.00	0.55
St Arvans	0.00	3.92	0.80	0.00	1.79	0.00	0.00	0.57	0.00	0.00	0.61
Trellech United	0.00	7.39	0.20	0.00	3.88	0.00	0.00	0.99	0.00	0.00	0.67
Usk	0.20	11.39	3.40	0.00	6.34	0.80	0.00	2.58	0.00	0.00	0.72
<b>Total</b>	<b>1.80</b>	<b>421.69</b>	<b>68.00</b>	<b>0.80</b>	<b>203.96</b>	<b>9.60</b>	<b>0.20</b>	<b>55.83</b>	<b>1.80</b>	<b>0.00</b>	<b>25.65</b>
<b>Grand Total</b>	<b>789.33</b>										

**APPENDIX 2**

**Lets + Committed Supply**

<b>Wards</b>	<b>AH 1 Bed</b>	<b>GN 1 Bed</b>	<b>SH 1 Bed</b>	<b>AH 2 Bed</b>	<b>GN 2 Bed</b>	<b>SH 2 Bed</b>	<b>AH 3 Bed</b>	<b>GN 3 Bed</b>	<b>SH 3 Bed</b>	<b>AH 4 Bed</b>	<b>GN 4 Bed</b>
Abergavenny	0.33	31.20	26.94	0.33	38.00	5.40	0.00	18.07	0.00	0.00	1.40
Caerwent	0.00	0.00	1.67	0.00	0.33	0.33	0.00	2.00	0.00	0.00	0.00
Caldicot	0.53	9.73	14.60	0.53	42.73	4.07	0.00	9.53	0.00	0.00	0.33
Chepstow	0.00	11.93	7.67	0.00	19.93	5.00	0.00	13.87	0.00	0.00	1.33
Crucorney	0.00	0.00	1.33	0.00	0.93	0.67	0.00	0.40	0.00	0.00	0.00
Devauden	0.00	0.00	0.00	0.00	0.93	0.33	0.00	0.40	0.00	0.00	0.00
Goetre Fawr	0.00	2.60	0.67	0.00	2.53	1.40	0.00	1.27	0.00	0.00	0.20
Llanbadoc	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.73	0.00	0.00	0.00
Llanelly Hill	0.00	3.20	3.07	0.00	3.00	1.47	0.00	4.33	0.00	0.00	0.00
Llanfoist Fawr	0.00	3.13	2.00	0.00	8.87	1.20	0.00	1.60	0.00	0.00	0.33
Llanbygi Fawr	0.00	0.40	2.33	0.00	0.20	1.33	0.00	0.67	0.00	0.00	0.00
Llanover	0.00	0.00	6.00	0.00	0.67	0.00	0.00	0.33	0.00	0.00	0.00
Llantilio Crossenny	0.00	0.00	0.00	0.00	0.00	1.00	0.00	1.33	0.00	0.00	0.00
Llanwenarth Ultra	0.00	0.40	4.00	0.00	3.67	0.00	0.00	1.67	0.00	0.00	0.00
Magor/Undy	0.00	4.40	6.33	0.00	13.80	1.93	0.00	5.80	0.00	0.00	1.20
Mitchel Troy	0.00	0.00	0.00	0.00	1.73	1.33	0.00	0.87	0.00	0.00	0.00
Monmouth	0.33	19.80	6.33	0.33	23.73	1.87	0.00	12.47	0.00	0.00	0.93
Portskewett	0.00	3.07	4.67	0.00	7.13	1.20	0.00	2.20	0.00	0.00	0.60
Raglan	0.33	2.80	3.33	0.33	2.93	2.00	0.00	0.80	0.00	0.00	0.33
Rogiet	0.00	1.20	1.33	0.00	1.60	1.67	0.00	1.13	0.00	0.00	0.53
Shirenewton	0.00	0.00	1.00	0.00	0.60	0.00	0.00	0.80	0.00	0.00	0.67
St Arvans	0.00	0.00	1.67	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00
Trellech United	0.00	1.80	0.00	0.00	1.13	0.67	0.00	0.20	0.00	0.00	0.33
Usk	0.00	1.40	10.67	0.00	0.60	1.00	0.00	0.40	0.00	0.00	0.00
<b>Total</b>	<b>1.53</b>	<b>97.07</b>	<b>105.61</b>	<b>1.53</b>	<b>175.07</b>	<b>33.87</b>	<b>0.00</b>	<b>81.87</b>	<b>0.00</b>	<b>0.00</b>	<b>8.20</b>
<b>Grand Total</b>	<b>504.74</b>										

**APPENDIX 2**

**Net Social Housing Need (Households)**

Wards	AH 1 Bed	GN 1 Bed	SH 1 Bed	AH 2 Bed	GN 2 Bed	SH 2 Bed	AH 3 Bed	GN 3 Bed	SH 3 Bed	AH 4 Bed	GN 4 Bed
Abergavenny	0.67	53.44	-12.94	-0.13	4.71	-2.60	0.00	-6.94	0.20	0.00	2.59
Caerwent	0.00	6.44	-0.47	0.00	3.24	-0.33	0.00	-1.07	0.00	0.00	0.46
Caldicot	-0.33	43.95	-2.20	-0.33	-19.53	-2.07	0.00	-4.82	0.20	0.00	2.27
Chepstow	0.00	59.65	3.93	0.20	21.80	-3.60	0.00	-4.79	0.20	0.00	2.01
Crucorney	0.00	10.46	-0.73	0.00	1.97	-0.67	0.00	0.49	0.00	0.00	0.56
Devauden	0.00	4.34	0.00	0.00	0.88	-0.33	0.00	0.00	0.00	0.00	0.38
Goetre Fawr	0.00	8.52	0.73	0.00	4.15	-1.00	0.00	0.50	0.20	0.00	0.44
Llanbadoc	0.00	4.29	0.00	0.00	1.38	0.00	0.00	-0.48	0.20	0.00	0.33
Llanelly Hill	0.00	12.66	-2.07	0.00	3.02	-1.27	0.00	-2.48	0.20	0.00	1.11
Llanfoist Fawr	0.00	7.42	-1.00	0.00	-5.30	-1.20	0.00	-0.92	0.00	0.00	0.18
Llanbygi Fawr	0.40	4.85	-1.73	0.00	1.94	-1.33	0.00	-0.23	0.00	0.00	0.46
Llanover	0.00	7.62	-5.40	0.00	2.42	0.00	0.00	0.36	0.00	0.00	0.59
Llantilio Crossenny	0.00	3.71	0.20	0.00	2.09	-1.00	0.00	-0.56	0.00	0.00	0.44
Llanwenarth Ultra	0.00	4.28	-3.80	0.00	-1.58	0.00	0.00	-1.00	0.00	0.00	0.39
Magor/Undy	0.00	18.34	-1.93	0.00	-1.58	-1.73	0.00	-2.43	0.00	0.00	0.53
Mitchel Troy	0.00	3.42	0.00	0.00	-0.18	-1.33	0.00	-0.55	0.00	0.00	0.32
Monmouth	-0.33	33.74	1.87	-0.33	-1.51	-1.27	0.20	-3.20	0.40	0.00	2.16
Portskewett	0.00	3.71	-3.87	0.00	-3.74	-1.00	0.00	-1.23	0.20	0.00	0.16
Raglan	-0.33	3.64	0.87	-0.13	0.78	-1.40	0.00	0.44	0.00	0.00	0.61
Rogiet	0.00	4.68	-0.33	0.00	1.90	-1.47	0.00	0.27	0.00	0.00	-0.10
Shirenewton	0.00	5.99	-0.80	0.00	1.75	0.20	0.00	0.05	0.00	0.00	-0.12
St Arvans	0.00	3.92	-0.87	0.00	1.79	0.00	0.00	-0.43	0.00	0.00	0.61
Trellech United	0.00	5.59	0.20	0.00	2.75	-0.67	0.00	0.79	0.00	0.00	0.34
Usk	0.20	9.99	-7.27	0.00	5.74	-0.20	0.00	2.18	0.00	0.00	0.72
<b>Total</b>	<b>0.27</b>	<b>324.63</b>	<b>-37.61</b>	<b>-0.73</b>	<b>28.89</b>	<b>-24.27</b>	<b>0.20</b>	<b>-26.03</b>	<b>1.80</b>	<b>0.00</b>	<b>17.45</b>
<b>Grand Total</b>	<b>284.58</b>										

**APPENDIX 2**

**Turnover Rate**

<b>Wards</b>	<b>AH 1 B</b>	<b>GN 1 B</b>	<b>SH 1 B</b>	<b>AH 2 B</b>	<b>GN 2 B</b>	<b>SH 2 B</b>	<b>AH 3 B</b>	<b>GN 3 B</b>	<b>SH 3 B</b>	<b>AH 4 B</b>	<b>GN 4 B</b>
Abergavenny	1	0.92	0.93	1	0.88	0.92	1	0.93	0.99	1	0.96
Caerwent	1	1.00	1.00	1	0.95	0.97	1	1.00	0.97	1	0.93
Caldicot	1	0.95	0.94	1	0.92	0.86	1	0.96	0.97	1	0.97
Chepstow	1	0.96	0.88	1	0.86	0.96	1	0.74	-0.67	1	0.98
Crucorney	1	1.00	1.00	1	0.83	0.98	1	1.00	0.89	1	1.00
Devauden	1	1.00	1.00	1	1.00	0.84	1	1.00	0.95	1	1.00
Goetre Fawr	1	0.93	1.00	1	0.96	0.98	1	1.00	0.89	1	0.98
Llanbadoc	1	1.00	1.00	1	1.00	1.00	1	1.00	1.00	1	0.92
Llanelly Hill	1	0.78	1.00	1	0.96	0.88	1	1.00	0.93	1	0.95
Llanfoist Fawr	1	0.98	1.00	1	0.82	0.92	1	1.00	1.00	1	0.98
Llanbygi Fawr	1	1.00	1.00	1	0.83	1.00	1	1.00	0.90	1	0.93
Llanover	1	1.00	1.00	1	0.79	0.92	1	1.00	1.00	1	0.97
Llantilio Crossenny	1	1.00	1.00	1	1.00	1.00	1	1.00	0.90	1	0.87
Llanwenarth Ultra	1	1.00	1.00	1	0.79	0.86	1	1.00	1.00	1	0.95
Magor/Undy	1	1.00	0.90	1	0.93	0.96	1	0.67	1.00	1	0.98
Mitchel Troy	1	1.00	1.00	1	1.00	0.88	1	1.00	0.90	1	0.93
Monmouth	1	0.94	1.00	1	0.91	0.92	1	1.00	0.98	1	0.97
Portskewett	1	0.93	1.00	1	0.87	0.88	1	1.00	1.00	1	1.00
Raglan	1	1.00	0.94	1	0.92	0.98	1	0.95	0.91	1	1.00
Rogiet	1	1.00	1.00	1	0.92	1.00	1	1.00	0.88	1	0.99
Shirenewton	1	1.00	1.00	1	0.89	1.00	1	1.00	1.00	1	1.00
St Arvans	1	1.00	1.00	1	0.85	1.00	1	1.00	1.00	1	0.94
Trellech United	1	0.75	1.00	1	1.00	0.97	1	1.00	0.96	1	1.00
Usk	1	0.95	0.86	1	1.00	1.00	1	0.99	0.92	1	1.00



**APPENDIX 2**

**Total Annual Social Rent Need**

<b>Wards</b>	<b>AH 1 Bed</b>	<b>GN 1 Bed</b>	<b>SH 1 Bed</b>	<b>AH 2 Bed</b>	<b>GN 2 Bed</b>	<b>SH 2 Bed</b>	<b>AH 3 Bed</b>	<b>GN 3 Bed</b>	<b>SH 3 Bed</b>	<b>AH 4 Bed</b>	<b>GN 4 Bed</b>
Abergavenny	0.67	49.40	-12.03	-0.13	4.14	-2.39	0.00	-6.47	0.20	0.00	2.48
Caerwent	0.00	6.44	-0.47	0.00	3.07	-0.32	0.00	-1.07	0.00	0.00	0.43
Caldicot	-0.33	41.61	-2.07	-0.33	-17.99	-1.78	0.00	-4.61	0.19	0.00	2.21
Chepstow	0.00	57.51	3.48	0.20	18.76	-3.47	0.00	-3.55	-0.13	0.00	1.96
Crucorney	0.00	10.46	-0.73	0.00	1.64	-0.65	0.00	0.49	0.00	0.00	0.56
Devauden	0.00	4.34	0.00	0.00	0.88	-0.28	0.00	0.00	0.00	0.00	0.38
Goytre Fawr	0.00	7.91	0.73	0.00	3.97	-0.98	0.00	0.50	0.18	0.00	0.43
Llanbadoc	0.00	4.29	0.00	0.00	1.38	0.00	0.00	-0.48	0.20	0.00	0.31
Llanelly Hill	0.00	9.85	-2.07	0.00	2.91	-1.11	0.00	-2.48	0.19	0.00	1.06
Llanfoist Fawr	0.00	7.28	-1.00	0.00	-4.33	-1.11	0.00	-0.92	0.00	0.00	0.18
Llanbygi Fawr	0.40	4.85	-1.73	0.00	1.62	-1.33	0.00	-0.23	0.00	0.00	0.43
Llanover	0.00	7.62	-5.40	0.00	1.90	0.00	0.00	0.36	0.00	0.00	0.58
Llantilio Crossenny	0.00	3.71	0.20	0.00	2.09	-1.00	0.00	-0.56	0.00	0.00	0.38
Llanwenarth Ultra	0.00	4.28	-3.80	0.00	-1.25	0.00	0.00	-1.00	0.00	0.00	0.37
Magor/Undy	0.00	18.34	-1.74	0.00	-1.46	-1.67	0.00	-1.62	0.00	0.00	0.52
Mitchel Troy	0.00	3.42	0.00	0.00	-0.18	-1.17	0.00	-0.55	0.00	0.00	0.30
Monmouth	-0.33	31.66	1.87	-0.33	-1.37	-1.17	0.20	-3.20	0.39	0.00	2.08
Portskewett	0.00	3.47	-3.87	0.00	-3.26	-0.88	0.00	-1.23	0.20	0.00	0.16
Raglan	-0.33	3.64	0.82	-0.13	0.71	-1.37	0.00	0.42	0.00	0.00	0.61
Rogiet	0.00	4.68	-0.33	0.00	1.74	-1.47	0.00	0.27	0.00	0.00	-0.10
Shirenewton	0.00	5.99	-0.80	0.00	1.56	0.20	0.00	0.05	0.00	0.00	-0.12
St Arvans	0.00	3.92	-0.87	0.00	1.52	0.00	0.00	-0.43	0.00	0.00	0.58
Trellech United	0.00	4.19	0.20	0.00	2.75	-0.65	0.00	0.79	0.00	0.00	0.34
Usk	0.20	9.53	-6.28	0.00	5.74	-0.20	0.00	2.15	0.00	0.00	0.72

**Total Annual Social  
Rent Need**

**270.88**

**APPENDIX 3**

**LCHO Backlog (Households)**

<b>Wards</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>Total</b>
Abergavenny	5.80	2.00	7.80
Caerwent	0.40	0.40	0.80
Caldicot	6.40	1.60	8.00
Chepstow	8.20	2.00	10.20
Crucorney	0.00	0.00	0.00
Devauden	0.00	0.00	0.00
Goetre Fawr	1.60	0.40	2.00
Llanbadoc	0.00	0.00	0.00
Llanelly Hill	1.40	0.00	1.40
Llanfoist Fawr	1.20	0.40	1.60
Llangybi	0.00	0.20	0.20
Llanover	0.20	0.00	0.20
Llantilio Crossenny	0.20	0.00	0.20
Llanwenarth Ultra	0.00	0.00	0.00
Magor/Undy	0.80	0.00	0.80
Mitchel Troy	0.80	0.00	0.80
Monmouth	4.60	0.80	5.40
Portskewett	0.40	0.00	0.40
Raglan	1.20	0.20	1.40
Rogiet	0.60	0.00	0.60
Shirenewton	0.20	0.00	0.20
St Arvans	0.20	0.00	0.20
Trellech United	0.20	0.00	0.20
Usk	2.40	0.40	2.80
<b>Total</b>	<b>36.80</b>	<b>8.40</b>	<b>45.20</b>

**APPENDIX 3****Newly Arising Need (Households)**

<b>Wards</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>Total</b>
Abergavenny	14.60	5.13	19.73
Caerwent	2.26	0.00	2.26
Caldicot	10.32	2.11	12.43
Chepstow	10.60	5.22	15.82
Crucorney	2.41	0.00	2.41
Devauden	1.94	0.00	1.94
Goetre Fawr	1.23	1.84	3.07
Llanbadoc	1.66	0.00	1.66
Llanelly Hill	3.16	2.39	5.55
Llanfoist Fawr	2.01	0.67	2.68
Llangybi	2.46	0.00	2.46
Llanover	3.00	0.00	3.00
Llantilio Crossenny	2.55	0.00	2.55
Llanwenarth Ultra	2.32	0.00	2.32
Magor/Undy	9.34	0.00	9.34
Mitchel Troy	1.85	0.00	1.85
Monmouth	13.56	3.18	16.74
Portskewett	3.35	0.00	3.35
Raglan	2.41	0.99	3.40
Rogiet	0.81	1.64	2.45
Shirenewton	3.36	0.00	3.36
St Arvans	2.36	0.00	2.36
Trellech United	4.00	0.00	4.00
Usk	2.85	1.17	4.02
<b>Total</b>	<b>104.41</b>	<b>24.34</b>	<b>128.75</b>

**APPENDIX 3**

**Gross Need (Households)**

<b>Wards</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>Total</b>
Abergavenny	20.40	7.13	27.53
Caerwent	2.66	0.40	3.06
Caldicot	16.72	3.71	20.43
Chepstow	18.80	7.22	26.02
Crucorney	2.41	0.00	2.41
Devauden	1.94	0.00	1.94
Goetre Fawr	2.83	2.24	5.07
Llanbadoc	1.66	0.00	1.66
Llanelly Hill	4.56	2.39	6.95
Llanfoist Fawr	3.21	1.07	4.28
Llangybi	2.46	0.20	2.66
Llanover	3.20	0.00	3.20
Llantilio Crossenny	2.75	0.00	2.75
Llanwenarth Ultra	2.32	0.00	2.32
Magor/Undy	10.14	0.00	10.14
Mitchel Troy	2.65	0.00	2.65
Monmouth	18.16	3.98	22.14
Portskewett	3.75	0.00	3.75
Raglan	3.61	1.19	4.80
Rogiet	1.41	1.64	3.05
Shirenewton	3.56	0.00	3.56
St Arvans	2.56	0.00	2.56
Trellech United	4.20	0.00	4.20
Usk	5.25	1.57	6.82
<b>Total</b>	<b>141.21</b>	<b>32.74</b>	<b>173.95</b>

**APPENDIX 3****Committed Supply**

<b>Wards</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>Total</b>
Abergavenny	1.60	0.80	2.40
Caerwent	0.00	0.00	0.00
Caldicot	0.00	0.00	0.00
Chepstow	0.00	0.00	0.00
Crucorney	0.80	0.00	0.80
Devauden	0.80	0.00	0.80
Goetre Fawr	0.40	0.40	0.80
Llanbadoc	0.00	0.00	0.00
Llanelly Hill	1.20	0.00	1.20
Llanfoist Fawr	1.20	0.00	1.20
Llangybi	0.20	0.00	0.20
Llanover	0.00	0.00	0.00
Llantilio Crossenny	0.00	0.00	0.00
Llanwenarth Ultra	0.00	0.00	0.00
Magor/Undy	0.60	0.00	0.60
Mitchel Troy	0.40	0.80	1.20
Monmouth	3.80	1.00	4.80
Portskewett	0.80	0.00	0.80
Raglan	0.00	0.00	0.00
Rogiet	0.00	0.00	0.00
Shirenewton	0.80	0.00	0.80
St Arvans	0.00	0.00	0.00
Trellech United	0.80	0.40	1.20
Usk	0.00	0.00	0.00
<b>Total</b>	<b>13.40</b>	<b>3.40</b>	<b>16.80</b>

**APPENDIX 3****Total Net LCHO Need (Households)**

<b>Wards</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>Total</b>	<b>Total Annual LCHO Need</b>
Abergavenny	18.80	6.33	25.13	<b>157.15</b>
Caerwent	2.66	0.40	3.06	
Caldicot	16.72	3.71	20.43	
Chepstow	18.80	7.22	26.02	
Crucorney	1.61	0.00	1.61	
Devauden	1.14	0.00	1.14	
Goetre Fawr	2.43	1.84	4.27	
Llanbadoc	1.66	0.00	1.66	
Llanelly Hill	3.36	2.39	5.75	
Llanfoist Fawr	2.01	1.07	3.08	
Llangybi	2.26	0.20	2.46	
Llanover	3.20	0.00	3.20	
Llantilio Crossenny	2.75	0.00	2.75	
Llanwenarth Ultra	2.32	0.00	2.32	
Magor/Undy	9.54	0.00	9.54	
Mitchel Troy	2.25	-0.80	1.45	
Monmouth	14.36	2.98	17.34	
Portskewett	2.95	0.00	2.95	
Raglan	3.61	1.19	4.80	
Rogiet	1.41	1.64	3.05	
Shirenewton	2.76	0.00	2.76	
St Arvans	2.56	0.00	2.56	
Trellech United	3.40	-0.40	3.00	
Usk	5.25	1.57	6.82	
<b>Total</b>	<b>127.81</b>	<b>29.34</b>	<b>157.15</b>	

**APPENDIX 4**

**Intermediate Rent Backlog (Households)**

<b>Wards</b>	<b>GN 1 Bed</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>GN 4 Bed</b>	<b>Total</b>
Abergavenny	0.8	0.6	0.4	0.2	2
Caerwent	0.4	0	0	0	0.4
Caldicot	1	0.4	0	0	1.4
Chepstow	1.4	0.4	0	0	1.8
Crucorney	0	0.2	0	0	0.2
Devauden	0	0	0	0	0
Goytre Fawr	0.2	0	0	0	0.2
Llanbadoc	0	0	0	0	0
Llanelly Hill	0	0	0	0	0
Llanfoist Fawr	0	0.2	0	0	0.2
Llangybi	0	0	0	0	0
Llanover	0	0	0	0	0
Llantilio Crossenny	0	0	0	0	0
Llanwenarth Ultra	0	0	0	0	0
Magor/Undy	0.4	0	0	0	0.4
Mitchel Troy	0	0	0	0	0
Monmouth	1.2	0.4	0.2	0	1.8
Portskewett	0.2	0	0	0	0.2
Raglan	0.2	0	0	0	0.2
Rogiet	0	0	0	0	0
Shirenewton	0.2	0	0	0	0.2
St Arvans	0	0	0	0	0
Trellech United	0	0	0	0	0
Usk	0.2	0.4	0	0	0.6
<b>Total</b>	<b>6.2</b>	<b>2.6</b>	<b>0.6</b>	<b>0.2</b>	<b>9.6</b>

**APPENDIX 4**

**Newly Arising Need (Households)**

<b>Wards</b>	<b>GN 1 Bed</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>GN 4 Bed</b>	<b>Total</b>
Abergavenny	2.60	1.95	1.30	0.65	6.49
Caerwent	0.73	0.00	0.00	0.00	0.73
Caldicot	4.09	1.64	0.00	0.00	5.73
Chepstow	5.09	1.46	0.00	0.00	6.55
Crucorney	0.00	1.26	0.00	0.00	1.26
Devauden	0.18	0.35	0.18	0.00	0.70
Goetre Fawr	1.23	0.00	0.00	0.00	1.23
Llanbadoc	0.18	0.36	0.18	0.00	0.73
Llanelly Hill	0.61	1.21	0.61	0.00	2.42
Llanfoist Fawr	0.00	1.06	0.00	0.00	1.06
Llangybi	0.24	0.47	0.24	0.00	0.94
Llanover	0.30	0.61	0.30	0.00	1.22
Llantilio Crossenny	0.14	0.29	0.14	0.00	0.58
Llanwenarth Ultra	0.16	0.32	0.16	0.00	0.63
Magor/Undy	3.12	0.00	0.00	0.00	3.12
Mitchel Troy	0.15	0.29	0.15	0.00	0.58
Monmouth	3.51	1.17	0.59	0.00	5.27
Portskewett	1.03	0.00	0.00	0.00	1.03
Raglan	0.91	0.00	0.00	0.00	0.91
Rogiet	0.13	0.26	0.13	0.00	0.52
Shirenewton	0.91	0.00	0.00	0.00	0.91
St Arvans	0.12	0.25	0.12	0.00	0.50
Trellech United	0.27	0.54	0.27	0.00	1.08
Usk	0.29	0.58	0.00	0.00	0.87
<b>Total</b>	<b>26.00</b>	<b>14.06</b>	<b>4.36</b>	<b>0.65</b>	<b>45.07</b>



**APPENDIX 4**

**Gross Need Intermediate Rent (Households)**

<b>Wards</b>	<b>GN 1 Bed</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>GN 4 Bed</b>
Abergavenny	3.40	2.55	1.70	0.85
Caerwent	1.13	0.00	0.00	0.00
Caldicot	5.09	2.04	0.00	0.00
Chepstow	6.49	1.86	0.00	0.00
Crucorney	0.00	1.46	0.00	0.00
Devauden	0.18	0.35	0.18	0.00
Goetre Fawr	1.43	0.00	0.00	0.00
Llanbadoc	0.18	0.36	0.18	0.00
Llanelly Hill	0.61	1.21	0.61	0.00
Llanfoist Fawr	0.00	1.26	0.00	0.00
Llangybi	0.24	0.47	0.24	0.00
Llanover	0.30	0.61	0.30	0.00
Llantilio Crossenny	0.14	0.29	0.14	0.00
Llanwenarth Ultra	0.16	0.32	0.16	0.00
Magor/Undy	3.52	0.00	0.00	0.00
Mitchel Troy	0.15	0.29	0.15	0.00
Monmouth	4.71	1.57	0.79	0.00
Portskewett	1.23	0.00	0.00	0.00
Raglan	1.11	0.00	0.00	0.00
Rogiet	0.13	0.26	0.13	0.00
Shirenewton	1.11	0.00	0.00	0.00
St Arvans	0.12	0.25	0.12	0.00
Trellech United	0.27	0.54	0.27	0.00
Usk	0.49	0.98	0.00	0.00
<b>Total</b>	<b>32.20</b>	<b>16.66</b>	<b>4.96</b>	<b>0.85</b>

**APPENDIX 4****Committed Supply**

<b>Wards</b>	<b>GN 1 Bed</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>GN 4 Bed</b>	<b>Total</b>
Abergavenny	0	2	1.2	0.2	
Caerwent	0	0	0	0	
Caldicot	0	0	0	0	
Chepstow	0	0	0	0	
Crucorney	0	0	0	0	
Devauden	0	0	0	0	
Goetre Fawr	0	0.4	0.2	0	
Llanbadoc	0	0	0	0	
Llanelly Hill	0	0	0	0	
Llanfoist Fawr	0	0	0	0	
Llangybi	0	0	0	0	
Llanover	0	0	0	0	
Llantilio Crossenny	0	0	0	0	
Llanwenarth Ultra	0	0	0	0	
Magor/Undy	0	0	0	0	
Mitchel Troy	0	0	0	0	
Monmouth	0	2	1.6	0	
Portskewett	0	0	0	0	
Raglan	0	0	0	0	
Rogiet	0	0	0	0	
Shirenewton	0	0	0	0	
St Arvans	0	0	0	0	
Trellech United	0	0	0	0	
Usk	0.4	0.4	0	0	
<b>Total</b>	<b>0.4</b>	<b>4.8</b>	<b>3</b>	<b>0.2</b>	<b>8.4</b>

**APPENDIX 4****Total Net Need (Households)**

<b>Wards</b>	<b>GN 1 Bed</b>	<b>GN 2 Bed</b>	<b>GN 3 Bed</b>	<b>GN 4 Bed</b>	<b>Total Annual Intermediate Rent Need</b>
Abergavenny	3.40	0.55	0.50	0.65	<b>46.27</b>
Caerwent	1.13	0.00	0.00	0.00	
Caldicot	5.09	2.04	0.00	0.00	
Chepstow	6.49	1.86	0.00	0.00	
Crucorney	0.00	1.46	0.00	0.00	
Devauden	0.18	0.35	0.18	0.00	
Goetre Fawr	1.43	-0.40	-0.20	0.00	
Llanbadoc	0.18	0.36	0.18	0.00	
Llanelly Hill	0.61	1.21	0.61	0.00	
Llanfoist Fawr	0.00	1.26	0.00	0.00	
Llangybi	0.24	0.47	0.24	0.00	
Llanover	0.30	0.61	0.30	0.00	
Llantilio Crossenny	0.14	0.29	0.14	0.00	
Llanwenarth Ultra	0.16	0.32	0.16	0.00	
Magor/Undy	3.52	0.00	0.00	0.00	
Mitchel Troy	0.15	0.29	0.15	0.00	
Monmouth	4.71	-0.43	-0.81	0.00	
Portskewett	1.23	0.00	0.00	0.00	
Raglan	1.11	0.00	0.00	0.00	
Rogiet	0.13	0.26	0.13	0.00	
Shirenewton	1.11	0.00	0.00	0.00	
St Arvans	0.12	0.25	0.12	0.00	
Trellech United	0.27	0.54	0.27	0.00	
Usk	0.09	0.58	0.00	0.00	
<b>Total</b>	<b>31.80</b>	<b>11.86</b>	<b>1.96</b>	<b>0.65</b>	<b>46.27</b>

## The “Equality Initial Challenge”

Name: Shirley Wiggam		Please give a <b>brief description</b> of what you are aiming to do.	
Service area: Housing & Communities		Single Member Cabinet Report for adoption of Local Housing Market Assessment May 2015	
Date completed: 7 July 2015			
Protected characteristic	Potential <b>Negative</b> impact Please give details	Potential <b>Neutral</b> impact Please give details	Potential <b>Positive</b> Impact Please give details
Age		X	
Disability		X	
Marriage + Civil Partnership		X	
Pregnancy and maternity		X	
Race		X	
Religion or Belief		X	
Sex (was Gender)		X	
Sexual Orientation		X	
Transgender		X	
Welsh Language		X	

Please give details about any potential <b>negative Impacts</b> .	How do you propose to <b>MITIGATE</b> these <b>negative impacts</b>
➤ None	➤
➤	➤
➤	➤
➤	➤

**Signed Shirley Wiggam**

**Designation Senior Strategy & Policy Officer**

**Dated 7 July 2015**

## EQUALITY IMPACT ASSESSMENT FORM

<b>What are you impact assessing</b>	<b>Service area</b>
Local Housing Market Assessment Cabinet Report	Housing & Communities
<b>Policy author / service lead</b>	<b>Name of assessor and date</b>
Shirley Wiggam	

### 1. What are you proposing to do?

Seek Adoption of Local Housing Market Assessment for Monmouthshire May 2015

2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age	No	Race	No
Disability	No	Religion or Belief	No
Gender reassignment	No	Sex	No
Marriage or civil partnership	No	Sexual Orientation	No
Pregnancy and maternity	No	Welsh Language	No

3. Please give details of the negative impact

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

Monmouthshire's Common Housing Register, Ministry of Justice Data, CACI Paycheck Data, 2011 Census, 2008 Household Projections, Homelessness Data, Hometrack Housing Market Analysis Data, Welsh Government Guidance Documents

**Signed**.....Shirley Wiggam.....**Designation**...Senior Strategy & Policy Officer.....**Dated**...29 May 2015.....



### The “Sustainability Challenge”

<b>Name of the Officer</b> completing “the Sustainability challenge”  <b>Shirley Wiggam</b>		Please give a <b>brief description</b> of the <b>aims</b> proposed policy or service reconfiguration  <b>Local Housing Market Assessment May 2015.</b> This is a statement of need as of May 2015.	
<b>Name</b> of the Division or service area  Housing & Communities		<b>Date</b> “Challenge” form completed  7 July 2015	
Aspect of sustainability affected	<b>Negative impact</b>  <b>Please give details</b>	Neutral impact  <b>Please give details</b>	<b>Positive Impact</b>  <b>Please give details</b>
<b>PEOPLE</b>		X	
Ensure that more people have access to healthy food		X	
Improve housing quality and provision		X	
Reduce ill health and improve healthcare provision		X	
Promote independence		X	
Encourage community participation/action and		X	

voluntary work			
Targets socially excluded		X	
Help reduce crime and fear of crime		X	
Improve access to education and training		X	
Have a positive impact on people and places in other countries		X	
<b>PLANET</b>			
Reduce, reuse and recycle waste and water		X	
Reduce carbon dioxide emissions		X	
Prevent or reduce pollution of the air, land and water		X	
Protect or enhance wildlife habitats (e.g. trees, hedgerows, open spaces)		X	
Protect or enhance visual appearance of environment		X	
<b>PROFIT</b>			
Protect local shops and		X	

services			
Link local production with local consumption		X	
Improve environmental awareness of local businesses		X	
Increase employment for local people		X	
Preserve and enhance local identity and culture		X	
Consider ethical purchasing issues, such as Fairtrade, sustainable timber (FSC logo) etc		X	
Increase and improve access to leisure, recreation or cultural facilities		X	

What are the potential negative Impacts	Ideas as to how we can look to <b>MITIGATE</b> the <b>negative impacts</b> (include any reasonable adjustments)
➤ None	➤
➤	➤
➤	➤

➤	➤
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## The next steps

- If you have assessed the proposal/s as having a **positive impact please give full details** below

N/A
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- If you have assessed the proposal/s as having a **Negative Impact** could you please provide us with details of what you propose to do to mitigate the negative impact:

N/A
-----

**Signed**

**Shirley Wiggam**

**Dated 7 July 2015**

## REPORT

<b>SUBJECT</b>	<b>REVENUE &amp; CAPITAL MONITORING 2015/16 PERIOD 1 OUTTURN FORECAST STATEMENT</b>
<b>DIRECTORATE</b>	<b>Chief Executive's Unit</b>
<b>MEETING</b>	<b>Strong Communities Select Committee</b>
<b>DATE</b>	<b>16th July 2015</b>
<b>DIVISIONS/WARD AFFECTED</b>	<b>All Authority</b>

### 1. PURPOSE

- 1.1 The purpose of this report is to provide Members with information on the forecast revenue outturn position of the Authority at the end of period 1 which represents month 2 financial information for the 2015/16 financial year. Revenue and Capital forecasting is being brought forward by a month against the usual timescale to provide members with relevant financial information before summer recess.
- 1.2 This report will also be considered by Select Committees as part of their responsibility to,
- assess whether effective budget monitoring is taking place,
  - monitor the extent to which budgets are spent in accordance with agreed budget and policy framework,
  - challenge the reasonableness of projected over or underspends, and
  - monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.

### 2. RECOMMENDATIONS PROPOSED TO CABINET

- 2.1 That Members consider the position concerning the first period of revenue monitoring in 2015/16 (£252,000 deficit) and seek assurance of the action Chief Officers are taking to address the over spends in their service areas.
- 2.2 A caveated use of reserves is sought in relation to redundancy costs incurred by services this year totalling £13,000, whilst services will continue to find compensatory savings additional to the mandates to mitigate the net cost pressure by end of financial year.
- 2.3 Members consider the position concerning period 1 capital monitoring with a revised budget of £58.406 million for the 2015/16 financial year.

### 3. MONITORING ANALYSIS

#### 3.1 Revenue Position

- 3.1.1 Revenue budget monitoring information for each directorate's directly managed budgets is provided together with information on corporate areas.

### 3.1.2 Responsible Financial Officer's Summary of Overall Position Period 1

<b>Table 1: Council Fund 2015/16 Outturn Forecast Summary Statement at Period 1 ( Month 2 )</b>	<b>Annual Forecast @ Month 2</b>	<b>Revised Annual Budget @ Month 2</b>	<b>Forecast Over/(Under) Spend @ Month 2</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Social Care & Health	38,315	37,796	519
Children & Young People	51,527	51,253	274
Enterprise	10,195	9,857	338
Operations	16,732	16,098	634
Chief Executives Unit	6,716	6,837	(121)
Corporate Costs & Levies	18,364	18,351	13
<b>Net Cost of Services</b>	<b>141,849</b>	<b>140,192</b>	<b>1,657</b>
Attributable Costs – Fixed Asset Disposal	233	233	0
Interest & Investment Income	(81)	(51)	(30)
Interest Payable & Similar Charges	3,454	3,656	(202)
Charges Required Under Regulation	5,610	5,610	0
Contributions to Reserves	90	90	0
Contributions from Reserves	(1,404)	(1,314)	(90)
<b>Amounts to be met from Government Grants and Local Taxation</b>	<b>149,751</b>	<b>148,416</b>	<b>1,335</b>
General Government Grants	(67,642)	(67,642)	0
Non-Domestic Rates	(26,737)	(26,737)	0
Council Tax	(60,594)	(60,094)	(500)
Council Tax Benefits Support	6,004	6,097	(93)
<b>Net Council Fund (Surplus) / Deficit</b>	<b>782</b>	<b>40</b>	<b>742</b>
<b>Budgeted contribution from Council Fund</b>	<b>0</b>	<b>(40)</b>	<b>0</b>
	<b>0</b>	<b>0</b>	<b>0</b>

3.1.3 The bottom line situation, a £742,000 potential overspend, has continued to be mitigated significantly by anticipated net Council Tax receipts and favourable treasury considerations. The net cost of services pressure is £1,657,000.

3.1.4 Redundancy costs this financial year that require reserve funding have been identified as £13,000 within the Social Services directorate. This call on reserves is expected to increase as the year progresses and further restructures are approved. This is a little different for schools where instead a resource of £300,000 is provided for by CYP, with schools only bearing any costs above that level.

- 3.1.5 As part of the outturn report presentation to Cabinet and Selects it was explained that it would be prudent to review adhoc savings made during the year in more detail to assess those that could be of a permanent or long term nature that could be considered by members as replacing the mandated savings not made in 2014-15 totalling £571,000.
- 3.1.6 However more recently, Cabinet on 17<sup>th</sup> June 2015 approved additional funding to Childrens Social Care of £400,000 over and above the £900,000 additional resources provided to the service for 2015-16. The consequence of which being that Directors have volunteered one off savings to fund the investment and this has delayed the review identified above, which will now take place before the next report.
- 3.1.7 The £400k has not been reflected in the month 2 financial reports as the report was only considered by Cabinet very recently on 17<sup>th</sup> June 2015, and Directorates would not yet have formally amended their forecasts.
- 3.1.8 But in terms of manually adjusting the situation for the purpose of this monitoring report, the outturn deficit can be reduced by £400,000 and £90,000 in respect of approved use of reserves. So the revised deficit at month 2 can be calculated as £252,000.
- 3.1.9 In respect of the Social Services & Health overspend (£519,000). As mentioned this overspend will be managed by temporary budget contributions of £400,000 and an approved use of Reserves (£90,177) from a maximum authorised draw of £153,347. This would alter the Social Care deficit to £29,000.
- 3.1.10 Given the financial challenges that will continue to face the Authority for the foreseeable future, Chief Officers continue to be tasked with ensuring that services live within the budgets and savings targets set for the current financial year. Monitoring reports will seek to contain the information on what is being done to manage the over spends identified and the positive action that is required to ensure that the budget is not breached.
- 3.1.11 A summary of main pressures and under spends within the Net Cost of Services Directorates are presented here:

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0  Red= Adverse (Green) = Favourable	Headline Comment
<b>Social Care &amp; Health (SCH)</b>					
<b>ADULT SERVICES</b>					
Aids for Daily Living	(99)	0	(99)	(99)	Underspend is a result of reduced partner contributions due to stock purchases from the Intermediate Care Fund
Severn View DC	(31)	0	(31)	(31)	Underspend due to low Superannuation take up and manager temporarily reduced to a 3 day week.
Mardy Park Rehabilitation Unit	(29)	0	(29)	(29)	Section 33 income is running ahead of budget
Mardy Park	95	0	95	95	Overspend as a result of Employee Savings not being met and income budget now grossly overstated as

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0  Red= Adverse (Green) = Favourable	Headline Comment
					resident numbers continue to dwindle. A report on the future provision of services at Mardy is currently being compiled.
Severn View Residential	73	0	73	73	Combination of mandate savings not being achieved plus lower income charges from less full paying clients.
Transition Co-operative	(32)	0	(32)	(32)	Relates to income from staff seconded to an external agency. This underspend has been earmarked to fund overspends within Children's Services
Adult Services Man/Support	(59)	0	(59)	(59)	One off Intermediate Care Funding of £59K to pay for the Direct Care team manager
Monnow Vale	39	0	39	39	Due to the PFI and contribution charges being more than budget.
<b>CHILDREN SERVICES</b>					
Fostering Allowances and Payments For Skills	168	0	168	168	We are paying out an additional £91K this year in allowances for an extra 7 SGO's being £59K and £32K due to age related rate increases. The age mix of children has altered meaning children moving into higher age categories thus attracting higher allowance rates.
Younger People's Accommodation	(99)	0	(99)	(99)	A vast amount of work has been undertaken in this budget over the past two years to deliver, at present, an underspend. This budget is prone to volatility and we will continue to monitor over the year before deciding on viring budget to a different cost centre.
Ty'r Enfys	(44)	0	(44)	(44)	This facility is currently closed and we anticipate reopening in January 2016.
Counsel Costs	73	0	73	73	Present activity levels are the same as last year and as such exhibiting a similar overspend.
Therapeutic Service	(26)	0	(26)	(26)	Vacant Play Therapist post until August 2015
External Placements - LAC	411	0	411	411	Current activity is 47 placements and we are seeing a full year effect of placements that only entered the system in the latter part of last year.
External Placement - Non-LAC	(76)	0	(76)	(76)	This cost centre is generally used to fund the over spend within S026.
SCYP - Placement & Support Team	85	0	85	85	There is an over spend of £15K against staff travel and employee



Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse (Green) = Favourable	Headline Comment
					efficiency savings not being achieved. The remainder is connected to conveyance of children and assessment costs in excess of the budget.
SCYP - Supporting Children & Young People Team	68	0	68	68	£31K relates to staff travel and employee efficiency savings not being achieved. The remainder is attributable to conveyance of children over and above the budget.
Disabled Children	66	0	66	66	Large part of overspend relates to the continued use of agency staff to cover sickness absenteeism.
FRS – Family Support Team	(92)	0	(92)	(92)	A large element of the under spend is within section 20 and conveyance of children costs. We will consider moving some budget to other cost centres prior to the month 6 forecast.
Bus Cases / Temp Funding - Cabinet 06/05/15	212	0	212	212	4 Social Workers for 6 months (Oct-Mar) over and above establishment. It has been agreed these costs will be met with reserve funding.
<b>COMMUNITY CARE</b>					
Community Learning Disability Team (CLDT)	(118)	0	(118)	(118)	Due to continued success of achieving Continuing Care Funding for clients
Other see Appendix 6	(66)	n/a	(66)	(66)	
<b>Total SCH at Month 2</b>	<b>519</b>	<b>0</b>	<b>519</b>	<b>519</b>	<b>Total SCH Outturn at Month 2</b>

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse Green = Favourable	Headline Comment
<b>Children &amp; Young People (CYP)</b>					
Management	44	n/a	44	44	Efficiency savings for the directorate still to be identified
Support Services	11	n/a	11	11	ICT server and database upgrades necessary
Additional Learning needs	32	n/a	32	32	Reduced SLA Income and staffing changes have resulted in a projected overspend
Primary Breakfast Initiative Grant	61	n/a	61	61	Take up continues to increase and therefore resulting in additional

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse Green = Favourable	Headline Comment
					staffing requirements.
Community Education Youth General	0	114	114	114	Progression made towards mandate saving. Additional funding avenues being explored in order to reduce current forecasted overspend.
Other see Appendix 7	12	n/a	12	12	
<b>Total CYP at Month 2</b>	<b>160</b>	<b>114</b>	<b>274</b>	<b>274</b>	<b>Total CYP Outturn at Month 2</b>

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse (Green) = Favourable	Headline Comment
<b>Enterprise (ENT)</b>					
Sustainability	29	33	62	62	Sections' inability to achieve the expected income targets.
Cemeteries	(40)	n/a	(40)	(40)	Increase in budgeted income along with lower than anticipated expenditure,
County Farms Unit	(30)	n/a	(30)	(30)	Lower than anticipated maintenance costs
Markets	40	70	110	110	Overspend on employee costs due to delayed implementation of restructure along with unbudgeted overtime. The section is also forecasting an inability to meet the increase income target (Mandate £50k Markets Income)
Community Hubs	(73)	125	52	52	Increase staffing costs are due to the delayed implementation of the Community Hubs restructure and the mandated savings of £250k relating to a full year of savings. The community Hubs are likely to achieve savings of six months from September 2015.
Whole Place	(26)	n/a	(26)	(26)	Staff vacancies - Delayed appointment
ICT General Overheads	(20)	120	100	100	The 100k savings that were to be achieved through in-house software development and the sale of products will not occur. Other options to look for alternative savings are being actively sought.
Museums ,Shirehall, Caldicot Castle & Country Parks	60	20	80	80	Budget does not reflect the cost to run the service. Historic budget assumptions along with 24k savings from 13-14 carried forward will not be made. Income on target for 15-16 but spend to achieve this income will be over budget.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse (Green) = Favourable	Headline Comment
Other see Appendix 8	30	0	30	30	
<b>Total ENT at Month 2</b>	<b>(30)</b>	<b>368</b>	<b>338</b>	<b>338</b>	<b>Total ENT Outturn at Month 2</b>

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse (Green) = Favourable	Headline Comment
<b>Operations (OPS)</b>					
Home To School Transport	185	115	300	300	The over spend against budget is due to similar issues to that in 2014-15, in particular the assumed ALN transport savings have proven unachievable, budgeted increased income levels were not made whilst at the same time corporate budget decisions regarding reductions in overtime costs were imposed. A mandate has been put forward to highlight the fact that the service cannot operate within its existing budget and has requested further funding via the MTFP in 2016-17.
Building Cleaning	(40)	90	50	50	Overspend due to delayed implementation of the mandate saving - transferring public conveniences to town councils.
Schools Catering	55	n/a	55	55	increased costs due to the councils need to comply with Healthy Eating In Schools agenda, along with additional training courses and a reduction in budgeted meals
Procurement	(72)	n/a	(72)	(72)	Underspend due to reduced third party expenditure.
Resources	300	n/a	300	300	Review of the eligibility of property services professional fees being charged to Capital projects
Accommodation	(125)	n/a	(125)	(125)	Underspend due to a reduction in premises and supplies and services costs on all accommodation
Highways	(25)	25	0	0	Advertising income will not be fully achieved as Cabinet approval was only granted in May. Early estimates are that 50% of original £50k income will be generated. It is anticipated that this will be found by other mitigating underspends.
Refuse & Cleansing	42	86	128	128	There are two mandates that will not be fully achieved in 15-16.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse (Green) = Favourable	Headline Comment
Operations					£86k on mandate 36 "Route Optimisation", where there was £50k of transport leasing costs built into the saving but we own the vehicle that we reduced from the fleet and therefore no leasing savings can be achieved. Also, the mandate originally cut 6 FTE posts, but only 5 FTE posts could be cut leaving a pressure of £26k. Also £40k shortfall on additional external income budget, ( £50k in 14-15 and a further £50k in 15-16 was introduced). We have secured an additional £60k of this increase. There is also one other mandate in 15-16, mandate 37b "Modernising Trade Waste Services", where there is £40k of additional income to be received from the introduction of Trade waste recycling, to start in September 15.
Other see Appendix 9	(2)	0	(2)	(2)	
<b>Total OPS at Month 2</b>	<b>318</b>	<b>316</b>	<b>634</b>	<b>634</b>	<b>Total OPS Outturn at Month 2</b>

Chief Executive's Office (CEO)					
Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse (Green) = Favourable	Headline Comment
Reduced benefits activity and bad debt provision	(120)	n/a	(120)	(120)	<b>Total CEO Outturn at Month 2</b>

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0 Red= Adverse (Green) = Favourable	Headline Comment
<b>Corporate (COL)</b>					
Audit Commission Fees (Certification Grant)	(35)	n/a	(35)	(35)	Forecasted saving in relation to the auditing of grant claims

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0  Red= Adverse (Green) = Favourable	Headline Comment
Claims)					
Early Retirement Pension Costs	130	n/a	130	<b>130</b>	Additional cost of redundancies notified in latter part of 2014/15
Crematoria Dividend	(50)		(50)	<b>(50)</b>	Additional dividend over and above that presumed in para 3.1.7 above. The forecast is based on 2014-15 activity.
Insurance Premium Payment(Direct)	(34)	n/a	(34)	<b>(34)</b>	Based on potential 5% increase in premium. Dependent on Insurance tender for new period starting 1st October
Other see Appendix 11	<b>2</b>	<b>0</b>	<b>2</b>	<b>2</b>	
<b>Total COL at Month 2</b>	<b>13</b>	<b>0</b>	<b>13</b>	<b>13</b>	<b>Total COL Outturn at Month 2</b>

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0  Red= Adverse (Green) = Favourable	Headline Comment
<b>Appropriations (APP)</b>					
Attributable Costs - Fixed Asset Disposal	(30)	n/a	(30)	<b>(30)</b>	Investment income forecast to be higher than budget as advantageous short term loan deals were entered into earlier in the year, but the main spend on the 21C schools program is now expected to be at least mid-year
Interest Payable and Similar Charges	(202)	n/a	(202)	<b>(202)</b>	Reduction in rate on temporary borrowing offset by higher level of debt at 01/04/15 due to loans being taken out early when at attractive rates
Priority Investment Reserve	(90)	n/a	(90)	<b>(90)</b>	9/5/15 Cab report Children's Services development - funded from reserves - part apportioned to 2015-16.
Other see Appendix 12	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total APP at Month 2</b>	<b>(322)</b>	<b>0</b>	<b>(322)</b>	<b>(322)</b>	<b>Total App Outturn at Month 2</b>

<b>Financing (FIN)</b>					
Council Tax	(500)	n/a	(500)	<b>(500)</b>	Surplus due to projected better CT Collection rates
Benefit Support	(93)	n/a	(93)	<b>(93)</b>	Forecast extrapolated from CT Benefits system based upon benefits awarded to date
<b>Total Financing</b>	<b>(593)</b>	<b>0</b>	<b>(593)</b>	<b>(593)</b>	<b>See also Appendix 13</b>

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 0  Red= Adverse (Green) = Favourable	Headline Comment
<b>Grand Total @ Month 2</b>	<b>165</b>	<b>798</b>	<b>863</b>	<b>863</b>	

3.1.12 More detailed monitoring information together with a narrative of more significant variance over £25,000 is provided in the Select Appendices 2 to 5.

## 3.2 SCHOOLS

3.2.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 2 projections.

Draft Council Fund Outturn 2015/16– Schools Summary outturn position at Month 2 (Period1)	(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000	(B) Budgeted Draw on School Balances 2015-16 £'000	(C) Variance on Budgeted Reserve Draw £'000	(D) Draw Forecasted on School Balances @ Month2 £'000	Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000
<b>Clusters</b>					
Abergavenny	(412)	124	(24)	100	<b>(312)</b>
Caldicot	(426)	275	(23)	252	<b>(174)</b>
Chepstow	98	36	9	45	<b>143</b>
Monmouth	(424)	166	27	193	<b>(231)</b>
Special	24	(18)	(10)	(28)	<b>(4)</b>
	<b>(1,140)</b>	<b>583</b>	<b>(21)</b>	<b>562</b>	<b>(578)</b>

3.2.2 School balances at the beginning of the financial year amount to £1,140,000. The Schools budgeted draw upon balances is forecasted to be £562,000 for 2015/16, therefore leaving £578,000 as forecasted closing reserve balances.

3.2.3 Within these summary figures, of particular note, is the deficit reserve position forecasted for the Chepstow Cluster, although Chepstow Comprehensive School are budgeted to reduce their own school balance through the school recovery plan, the other primary schools within the cluster all plan to draw upon their balances. The draw on school balances to balance school budgets is forecasted for 24 out of the total 37 Monmouthshire Schools.

3.2.4 5 schools exhibited a deficit position at the start of 2015/16; Chepstow Comprehensive (£388,688) and Llandogo (£12,346) were the only schools that showed an increased deficit reserve balance during 2014/15 and these two schools are forecasted to remain in deficit, albeit with an improving position, at the end of 2015/16 by (£314,793) and (£3,581) respectively. Llanvihangel Crocorney (£15,040) is forecasted to increase its deficit in 2015/16 to (£20,382) and Castle Park (£39,730) to (£37,418) a slight improvement on 2014/15. Mounton House Special School (£25,593) moved into a deficit position at the end of 2014/15, but is now forecasted to move to a positive £3,988 balance by the end of 2015/16. The only school currently forecasted to move into deficit balance from a credit balance position is Rogiet Junior and Infants (£4,584).

3.2.5. Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

Financial Year-end	Net level of School Balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16 (Forecast)	(578)

3.2.6 There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to 5% of budget share. Using 2015/16 delegated budget levels, this would equate to £2.18 million. Members may wish to seek a comfort that balances aren't being used to subsidise and sustain core costs such as staffing.

3.27 Further information on Schools is provided in Children & Young People Select appendix 5.

### 3.3 **2015/16 Savings Progress**

3.3.1 This section monitors the specific savings initiatives and the progress made in delivering them in full by the end of 2015/16 financial year as part of the MTFP budgeting process.

In summary they are as follows,

#### **2015/16 Mandated Budgeted Savings Progress at Month 2**

DIRECTORATE	Specific Savings Initiatives 2015/16 £'s	Savings Identified @ Month 2 £'s	% Progress In Savings Achieved	Delayed Savings to 2016/17 £'s	Savings Unachievable in 2015/16 £'s
Children & Young People	1,514,000	1,400,000	93%	0	114,000
Social Care & Health	274,000	274,000	100%	0	0
Enterprise	1,392,983	1,024,983	73.5%	145,000	223,000
Operations	1,517,000	1,191,000	83%	115,000	211,000
Chief Executives Office	85,000	85,000	100%	0	0
<b>Total Budgeted Savings</b>	<b>4,782,983</b>	<b>3,974,983</b>	<b>83%</b>	<b>260,000</b>	<b>548,000</b>

3.3.2 Forecasted mandated savings are currently running at 83%, with £548,000 being deemed unachievable at the end of month 2, and a further £260,000 unlikely to crystallise in 2015-16.

3.3.3 The emphasis of reporting savings has changed from previously where savings were reported when they were manifest, however the judgement is now whether saving is forecast to be achieved.

3.3.4 The savings appendix also has a traffic light system to indicate whether savings are likely to be achieved or have reasons explaining the mandates delayed implementation. The following savings mandates are still reported to be high or medium risk.

#### Operations (OPS)

- The Home to School Policy Changes of £115,000 have been delayed due to other budget pressures within the Transport Section
- The £50,000 saving for the Transfer of Public Conveniences to Town Councils has not been achieved and £40,000 of additional external income has not been achieved within the Waste section.
- Delay in income generation of £10,000 in regard to Trade Waste re-cycling, This will hopefully be recovered in the second half of the financial year
- Highways advertising income forecasting a £25,000 shortfall due to later than expected implementation during the financial year following Cabinet Approval
- Route Optimisation has £86,000 of unachievable costs due to unattainable savings in regard to leasing costs and delay in restructuring

#### Enterprise (ENT)

- Museums, Shirehall & Castles and Tourism – the Tourism aspects exhibit a £20,000 shortfall due to unattainable green screen savings and staffing contracts
- The delayed implementation of the Community Hubs project has led to a £125,000 savings shortfall.
- Sustainable Energy Initiatives is reporting £33,000 of unachievable income targets
- In House development of ICT systems and associated income generation estimated at £100,000 will not occur which additional savings of £20,000 still be found from software contracts.
- MCC Markets are indicating that the extra income of £70,000 from the Markets and associated activities is unachievable

#### Children and Young People (CYP)

- The Youth Service are forecasting to achieve £86,000 of the mandated savings (£200,000) and are trying to identify the shortfall which has been reported as an over spend at month2.

#### Social Care & Health (SCH)

- The Mandates for Adult Social Care Service re-design and the transfer of SCH Transition project staff to Bright New Futures are forecast to be fully achieved.

#### Chief Executive's Office

- All current financial year savings have been identified within the Chief Executive's section of responsibility.



### 3.4 Capital Position

3.4.1 The summary Capital position as at month 2 is as follows

<b>MCC CAPITAL BUDGET MONITORING 2015-16 AT MONTH 2 by SELECT COMMITTEE</b>						
<b>CAPITAL BUDGET SELECT PORTFOLIO</b>	<b>Annual Forecast  £'000</b>	<b>Slippage Brought / Forward  £'000</b>	<b>Total Approved Budget 15/16  £'000</b>	<b>Provisional Capital Slippage to 2016/17  £'000</b>	<b>Revised Capital Budget 2015/16  £'000</b>	<b>Forecasted Capital Expenditure Variance  £'000</b>
<b>Children &amp; Young People</b>	<b>33,058</b>	<b>7,267</b>	<b>43,101</b>	<b>(17,310)</b>	<b>33,058</b>	<b>0</b>
<b>Adult</b>	<b>81</b>	<b>35</b>	<b>46</b>	<b>0</b>	<b>81</b>	<b>0</b>
<b>Economic &amp; Development</b>	<b>531</b>	<b>531</b>	<b>0</b>	<b>0</b>	<b>531</b>	<b>0</b>
<b>Strong Communities</b>	<b>7,426</b>	<b>2,940</b>	<b>4,486</b>	<b>0</b>	<b>7,426</b>	<b>0</b>
<b>Capital Schemes Total</b>	<b>41,096</b>	<b>10,773</b>	<b>47,633</b>	<b>(17,310)</b>	<b>41,096</b>	<b>0</b>

**MCC CAPITAL BUDGET MONITORING 2015-16 AT MONTH 2 By SCHEME CATEGORY**

<b>CAPITAL BUDGET SCHEME</b>	<b>Annual Forecast</b> £'000	<b>Slippage Brought / Forward</b> £'000	<b>Total Approved Budget 15/16</b> £'000	<b>Provisional Capital Slippage to 2016/17</b> £'000	<b>Revised Capital Budget 2015/16</b> £'000	<b>Forecasted Capital Expenditure Variance</b> £'000
<b>Asset Management Schemes</b>	3,047	889	2,158	0	3,047	0
<b>Future Schools</b>	31,586	6,699	42,197	(17,310)	31,586	0
<b>Other School development Schemes</b>	269	219	50	0	269	0
<b>Infrastructure &amp; Transport</b>	2,782	670	2,112	0	2,782	0
<b>Regeneration Schemes</b>	947	947	0	0	947	0
<b>Sustainability Schemes</b>	81	81	0	0	81	0
<b>County Farm Schemes</b>	352	151	201	0	352	0
<b>Inclusion Schemes</b>	1,198	248	850	0	1,198	0
<b>ICT Schemes</b>	188	188	0	0	188	0
<b>Other Schemes</b>	646	581	65	0	646	0
<b>Capital Schemes Total</b>	<b>41,096</b>	<b>10,773</b>	<b>47,633</b>	<b>(17,310)</b>	<b>41,096</b>	<b>0</b>

3.4.2 There have been no revisions to the Capital programme in the first two months of the financial year.

**3.5 Proposed Slippage to 2016-17**

3.5.1 The only proposed slippage apparent at month 2 relates to 21c schools initiative, and reflects the latest cashflow profile provided by CYP colleagues.

**3.6 Capital Outturn**

3.6.1 After allowing for the slippage volunteered by services, the capital programme for 2015-16 is forecasting to spend to budget at Month 2.

3.6.2 This prediction is unlikely to be the reality because the levels of actual expenditure incurred by the end of month 2 doesn't provide a sufficiently robust measure on which to base a greater accuracy of forecast.

3.6.3 A significant factor in this is that the overall spending at month 2 hasn't even been sufficient to clear the provisions for work completed during 2014-15 but not invoiced by the end of the year, which you may expect to be cleared rather promptly in 2015-16.

Net provision made in respect of 2014-15 works (£1,754,734)  
 Expenditure to end of month 2 £1,147,502

### 3.7 Capital Financing and Receipts

3.7.1 Given the anticipated capital spending profile reported in para 3.1.1, the following financing mechanisms are expected to be utilised.

<b>MCC CAPITAL FINANCING BUDGET MONITORING 2015-16 AT MONTH 2 By FINANCING CATEGORY</b>						
<b>CAPITAL FINANCING SCHEME</b>	<b>Annual Forecast Financing</b>	<b>Slippage Brought / Forward</b>	<b>Total Approved Financing Budget 15/16</b>	<b>Provisional Budget Slippage to 2016/17</b>	<b>Revised Financing Budget 2015/16</b>	<b>Forecasted 2015/16 Capital Financing</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Supported Borrowing	2,420	0	2,420	0	2,420	0
General Capital Grant	1,462	0	1,462	0	1,462	0
Grants and Contributions	20,769	3,953	16,816	(8,655)	12,114	0
S106 Contributions	690	690	0	0	690	0
Unsupported borrowing	16,585	1,274	15,311	(8,655)	7,930	0
Earmarked reserve & Revenue Funding	898	409	489	0	898	0
Capital Receipts	15,549	4,414	11,135	0	15,549	0
Low cost home ownership receipts	33	33	0	0	33	0
Unfinanced	0	0	0	0	0	0
<b>Capital Financing Total</b>	<b>58,406</b>	<b>10,773</b>	<b>47,633</b>	<b>(17,310)</b>	<b>41,096</b>	<b>0</b>

### 3.8 Useable Capital Receipts Available

3.8.1 In the table below, the effect of the changes to the forecast capital receipts on the useable capital receipts balances available to meet future capital commitments is shown. This is also compared to the balances forecast within the 2015/19 MTFP capital budget proposals.

#### Movement in Available Useable Capital Receipts Forecast

TOTAL RECEIPTS	2015/16	2016/17	2017/18	2018/19
	£000	£000	£000	£000
Balance b/f 1 <sup>st</sup> April	17,440	7,084	21,408	11,697
Receipts forecast to be received in year as 2015/19 MTFP	10,235	25,220	2,150	0
Increase / (decrease) in forecast receipts forecast at month 2	(4,576)	4,880	(150)	2,000
Deferred Capital Receipts	4	4	4	4
Less: Set aside Capital Receipts	0	(10,452)	0	0
Less: Receipts to be applied	(2,937)	(76)	(509)	(509)
Less :21C Schools programme	(12,612)	(5,252)	(11,207)	(650)
<b>TOTAL Actual / Estimated balance c/f 31<sup>st</sup> March</b>	<b>7,084</b>	<b>21,408</b>	<b>11,697</b>	<b>12,542</b>
<b>TOTAL Estimated balance reported in 2015/19 MTFP Capital Budget proposals</b>	<b>11,660</b>	<b>21,104</b>	<b>11,542</b>	<b>10,388</b>
<b>Increase / (Decrease) compared to MTFP Capital Receipts Forecast</b>	<b>(4,576)</b>	<b>304</b>	<b>(154)</b>	<b>(2,154)</b>

**Points to note:** The decrease in the Capital receipts balance of £4.5m compared to the MTFP at 31/3/2016 is mainly due to the delay in the receipt of one LDP receipt.

3.8.2 The Council has agreed to the inclusion of 21c schools initiative within the Capital Program and this relies on utilising £29.721 million of capital receipts during this next 4 year MTFP period. Consequently the balance of capital receipts available for other schemes during this MTFP window has considerably reduced.

3.8.3 Despite changes in the timing of individual receipts, which remains a risk to the Council to ensure it has sufficient receipts to fund its expenditure aspirations in the years necessary and avoid temporary borrowing costs, the balance of capital receipts available to fund capital expenditure, at the end of this next MTFP window has been revised to circa £10.3 million, as a consequence of additional receipts predominantly LDP related.

### 3.9 Reserve Usage

3.9.1 Revenue and capital monitoring reflects an approved use of reserves. Building upon the inclusion of a reserve summary provided as part of 2014-15 the following table indicates the anticipated position both at the end of 2015-16 but also the predicted position for 2016-17 based on decisions already made.

SUMMARY EARMARKED RESERVES POSITION 2015-16									
Earmarked Reserves:	2014-15	Revenue Approved Usage		Capital usage	2015-16	Revenue Budget Usage		Capital usage	2016-17
	b/fwd	Replenishment of Reserves	Draw on Reserves		c/fwd	Replenishment of Reserves	Draw on Reserves		c/fwd
Invest to Redesign	(1,483,521)	(60,228)	583,362	402,095	(558,292)	(96,827)	60,737		(594,382)
IT Transformation	(639,840)	0	0	103,091	(536,749)				(536,749)
Insurance and Risk Management	(2,250,388)	0	0		(2,250,388)				(2,250,388)
Capital Receipt Generation Reserve	(460,342)	0	233,357	79,512	(147,473)			135,191	(12,282)
Treasury Equalisation Reserve	(990,024)	0	0		(990,024)				(990,024)
Redundancy and Pensions Reserve	(599,936)	0	325,434		(274,502)		192,196		(82,306)
Capital Investment Reserve	(1,620,945)			528,611	(1,092,334)			518,541	(573,793)
Priority Investment Reserve	(1,973,294)	0	446,223	648,877	(878,194)				(878,194)
Museums Acquisitions Reserve	(59,798)				(59,798)				(59,798)
Elections Reserve	(83,183)	(25,000)	0		(108,183)	(25,000)	100,000		(33,183)
Grass Routes Buses Reserve	(160,615)	(5,000)	25,913		(139,702)	(5,000)			(144,702)
Sub Total	(10,321,887)	(90,228)	1,614,289	1,762,186	(7,035,640)	(126,827)	352,933	653,732	(6,155,802)
<b>Restricted Use Reserves</b>									
Chairman's Reserve	(36,754)				(36,754)				(36,754)
Youth Offending Team	(382,226)				(382,226)				(382,226)
Building Control trading reserve	(490)				(490)				(490)
Outdoor Education Centres Trading Reserve	(190,280)				(190,280)				(190,280)
I Learn Wales	(48,674)				(48,674)				(48,674)
<b>Total Earmarked Reserves</b>	<b>(10,980,311)</b>	<b>(90,228)</b>	<b>1,614,289</b>	<b>1,762,186</b>	<b>(7,694,064)</b>	<b>(126,827)</b>	<b>352,933</b>	<b>653,732</b>	<b>(6,814,226)</b>

3.9.2 This indicates that by the end of 2016-17 the Council is likely to utilise over 40% of the useable earmarked reserves brought forward from 2014-15.

#### 4 REASONS

4.1 To improve budget monitoring and forecasting information being provided to Senior Officers and Members.

#### 5 RESOURCE IMPLICATIONS

5.1 As contained in the report.

#### 6 EQUALITY AND SUSTAINABLE DEVELOPMENT IMPLICATIONS

6.1 The decisions highlighted in this report have no equality and sustainability implications.

#### 7 CONSULTEES

Strategic Leadership Team  
All Cabinet Members  
All Select Committee Chairman  
Head of Legal Services  
Head of Finance

## **8 BACKGROUND PAPERS**

8.1 Month 2 monitoring reports, as per the hyperlinks provided in the Select Appendices

## **9 AUTHOR**

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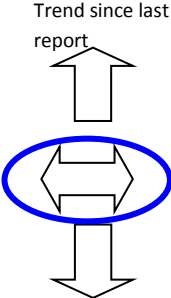

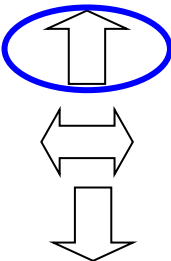
### **Appendices**

- Appendix 1 Mandated Savings Progress Report
- Appendix 2 Strong Communities Select Committee portfolio position statement
- Appendix 3 Economy and Development Select Committee portfolio position statement
- Appendix 4 Adult Select Committee portfolio position statement
- Appendix 5 Children and Young People Select Committee portfolio position statement


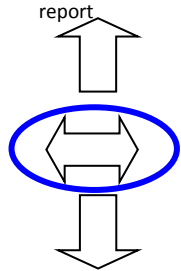

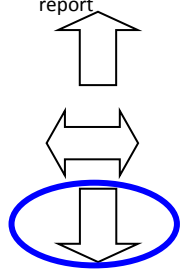
Mandate Summary	RAG Month 10	RAG Month 2
1 Leisure		
2 Housing		
5 Sustainable Energy Initiatives		
6 Museums & Castles		
14 Home to School Transport		
15 Facilities		
16 Schools Delegated budgets		
18 School Library Service		
20 Gwent Music		
24 Transition – Bright New Futures		
25 Fleet Rationalisation		
26 Property Rationalisation		
28 Community Hubs		
31 ICT savings		
33 Adult Social Care ( &34)		
35 Transformation of ALN		
36 Route Optimisation		
37a Waste Services		
37b Trade Waste		
37c Grey Bag & Nappy Collection		
40a Democracy		
41 Highways		
41a Abergavenny Markets		
42 Youth Service		


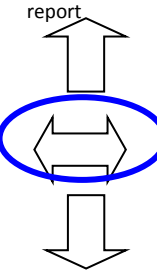

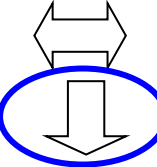
## Budget Mandates

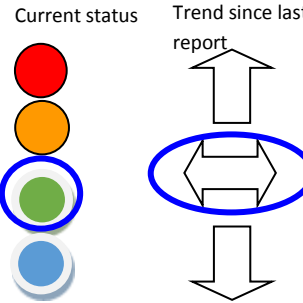
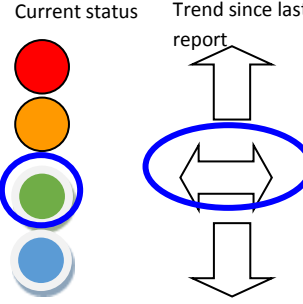
### Progress and Next Steps at Month 2


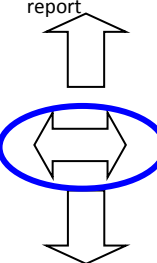

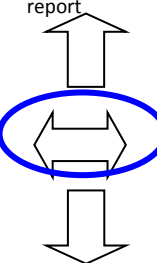
Mandate RAG	Progress for month one and two	Next Steps	Type	Year-end target	Forecasted to be achieved	Variance	Owner
<p><b>Mandate 1 Leisure.</b></p> <p>Current status  Trend since last report </p>	<p>Restructure process complete. All departments have individual service plans. All plans tracked and monitored by the individual service area. Full ownership of delivery by individual teams. All Leisure income targets are on track to meet budgets and will continue to be monitored.</p>	<p>Continue to review the 3 G pitch project and review its income generation targets. Continue to review all business plans. Work with finance on e-payments.</p> <p>3G income - red (being supported by other income areas)</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>155,000</p> <p>265,983</p> <p>420,983</p>	<p>155,000</p> <p>265,983</p> <p>420,983</p>	<p>0</p> <p>0</p> <p>0</p>	Ian Sanders
<p><b>Mandate 2 Housing</b></p> <p>Current status  Trend since last report </p>	<p><b>Commercialisation of the care line service. One housing solutions service with TCBC, expansion of shared housing scheme, B&amp;B reduction and a restructure.</b></p> <p>Detailed plans in place for all projects to ensure they remain on track. The long term average trend has been reversed in the first two months of 15/16 with an average of 24 installs per month and a removal rate of 16 so the trend is definitely positive and if maintained would result in us hitting our target of 800 clients. Projections indicate the service will generate the income necessary to meet the budget. All non-financial benefits - Green</p>	<p>Continue to drive marketing plan and further develop the website and on line payment options. Continue to work with Social Care teams to raise awareness of care line's benefits and functionality. Continue to develop the cultures of both teams to develop a one team ethos.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>25,000</p> <p>30,000</p> <p>55,000</p>	<p>25,000</p> <p>30,000</p> <p>55,000</p>	<p>0</p> <p>0</p> <p>0</p>	Ian Bakewell

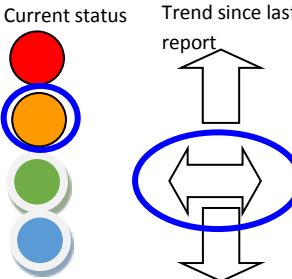
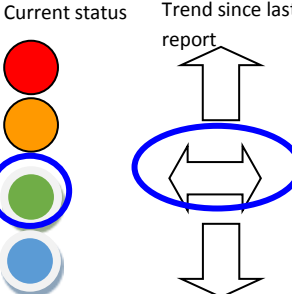



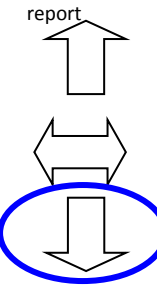

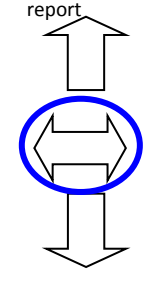
<p><b>Mandate 5 *</b></p> <p><b>Sustainable Energy Initiatives</b></p> <p>Current status  Trend since last report </p>	<p>2014/15 &amp; 2015/16 – savings*</p> <p><b>Investing in biomass boilers, solar farms and reduction in Carbon Commitment.</b></p> <p>Expected income targets not achieved.</p>	<p>Review target for 15/16.</p> <p>Review delivery plan and mandate.</p> <p>Cabinet report out for consultation currently to create a solar farm.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>33,000</p> <p>33,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>33,000</p> <p>33,000</p>	<p>Ben Winstanley</p>
<p><b>Mandate 6</b></p> <p><b>Museums &amp; Castles</b></p> <p>Current status  Trend since last report </p>	<p>Fully integrate cultural services, tourism services and attractions within tourism, leisure and culture section. Maximise synergies &amp; achieve a sustainable long term business footing.</p> <p>Income generation target for 15/16 10K shortfall.</p> <p>Weddings – Amber</p> <p>Countryside savings – Green</p> <p>Savings from Volunteers – Red</p> <p>Income made by fundraiser – Green.</p> <p>Fundraiser in place.</p> <p>Income from learning – Green.</p> <p>Savings from shared service model at Chepstow TIC – Green.</p> <p>Income from green screen – Red</p> <p>Income from rental of Abergavenny Red Square window - Green</p>	<p>Castle reporting an 80K overspend</p> <p>Review the budgets to reflect the cost to run the service.</p> <p>Review budget savings from 13/14 that have been carried forward as these will not be made.</p> <p>Review the spend in order to achieve the income and re-model the targets.</p> <p>15/16 salary budget only supports the service until October 2015/16, potential overspend but will not know the full effect until a decisions is made regarding the future of the TIC.</p> <p>Review marketing plan for Green screen.</p> <p>Continue to review the use of volunteers.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>81,000</p> <p>109,000</p> <p>190,000</p>	<p>71,000</p> <p>99,000</p> <p>170,000</p>	<p>10,00</p> <p>10,000</p> <p>20,000</p>	<p>Ian Saunders</p>

<p><b>Mandate 14</b></p> <p><b>Home to School Transport</b></p> <p>Current status  Trend since last report </p>	<p>Post 16 travel grant removed. - Green Removal of the non-statutory element of travel grants to post 16 students by July – Green</p> <p>Increase in post 16 charging – achieved increase in costs in 14/15 and will sustain however the 29k target for 15/16 will not be delivered as already realised.</p> <p>Transport Policy on hold.</p> <p>There is currently no progress on change of policy on statutory distances and pick up points due to members exploring other options.</p>	<p>Waiting for further steer on policy direction for home to school transport.</p> <p>Pressure mandate being submitted to address current underfunded budget for 16/17</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>115,000</p> <p>115,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>115,000</p> <p>115,000</p>	<p>Roger Hoggins/ Richard Cope</p>
<p><b>Mandate 15 *</b></p> <p><b>Facilities - transfer functions to other providers</b></p> <p>Current status  Trend since last report </p>	<p>2014/15 mandate*</p> <p><b>Building Cleaning / Community Services</b> <b>Engaging with town and community councils, 'friends of' and clubs to take on service related costs. Considerable work has already been undertaken e.g. Linda Vista, Bailey Park, public conveniences.</b></p> <p>Activities during 2015/16 will be more challenging and this will need to be approached in a more flexible way. It is highly unlikely that we will achieve full year savings on this for 2015/16.</p>	<p>Review the delivery plan and consider opportunities for 2016/17. Contain in mandate proposal to re-align.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>100,000</p> <p>0</p> <p>100,000</p>	<p>10,000</p> <p>0</p> <p>10,000</p>	<p>90,000</p> <p>0</p> <p>90,000</p>	<p>Roger Hoggins</p>

<p><b>Mandate 16</b></p> <p><b>schools delegated budgets</b></p> <p>Current status    Trend since last report</p> 	<p>Schools being supported to seek opportunities for savings. Cluster led meetings. All schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage.</p>	<p>Ensure the identified 'quick wins' are developed and continue to be published, shared and evaluated throughout all schools. Highlight schools who need more significant support and agree action to mitigate any financial challenges. Continue to review resource impact for foundation phase. Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>1,124,000</p> <p>1,124,000</p> <p>1,124,000</p>	<p>1,124,000</p> <p>1,124,000</p> <p>1,124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>
<p><b>Mandate 18 *</b></p> <p><b>School library service - combine with general library service</b></p> <p>Current status    Trend since last report</p> 	<p>2014/15 mandate with 2015/16 savings*</p> <p>Savings achieved – mandate delivered</p>	<p>No next steps necessary</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>20,000</p> <p>20,000</p>	<p>0</p> <p>20,000</p> <p>20,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Sharon Randall – Smith</p>

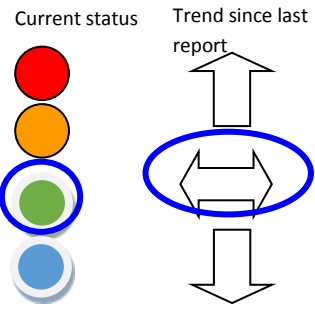
<p><b>Mandate 20 Gwent Music</b></p> <p>Current status  Trend since last report </p>	<p><b>Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-</b></p> <p>Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e. Newport. Introduce an instrument charge. Not fill the vacant post. Music access fund agreed as of 19<sup>th</sup> June by cabinet.</p>	<p>To continue to work with Gwent music to develop the music provision for Monmouthshire schools in light of the reductions. To launch the access fund to all schools from September</p> <p>Gwent music have worked very successfully on income generation and very closely with Monmouthshire to achieve this.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nicky Wellington</p>
<p><b>Mandate 24 * Transition - Bright New Futures ( SC&amp;H)</b></p> <p>Current status  Trend since last report </p>	<p>2014/15 mandate*</p> <p><b>In 2014 we combined our Transitions Project Team within Bright New Futures Project. ( based in Bridges)</b></p> <p><b>This has established a shared service model.</b></p> <p>No action necessary in relation to the mandate savings.</p> <p>We continue to deliver savings with this partnership working.</p>	<p>Plan to review near the end of the five year project. Review to include :- Budgets Service Resource / secondments. Etc...</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>14,000</p> <p>14,000</p>	<p>0</p> <p>14,000</p> <p>14,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Julie Boothroyd</p>

<p><b>Mandate 25</b></p> <p><b>Fleet Rationalisation</b></p>  <p>Current status</p> <p>Trend since last report</p>	<p><b>The savings for this mandate were being achieved from the reduction of fleet vehicles across the authority.</b></p> <p>This fleet reduction has been achieved therefore the budget mandate is on target to be achieved by year end. The restructure element due to protection of employment policy did not achieve 100% however shortfalls will be made from other savings within the service.</p> <p>There are other operational opportunities currently being considered :- ICT 22 – the connected worker has made progress, this is at the trailing stage, ICT 13– the pool car booking system – this has not progressed.</p>	<p>No next steps for fleet reduction as complete.</p> <p>Continue to review the 2 ICT projects and report progress.</p> <p>Ensure shortfall in restructure savings are met within service area.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>62,000</p> <p>62,000</p>	<p>0</p> <p>62,000</p> <p>62,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Debbie Jackson</p>
<p><b>Mandate 26</b></p> <p><b>Property rationalisation</b></p>  <p>Current status</p> <p>Trend since last report</p>	<p><b>These savings are predicted on the need to reduce our operational portfolio and maximise revenue streams from our investment holdings. Revenue savings are largely accrued through the reduction in utilities costs, rates, repairs and maintenance.</b></p> <p>Rental of buildings – Green Release of Boverton house – 9 K short due to exam commitment. Rates Savings on vacant buildings - Green Rental Grant reductions – Dedicated member of staff now responsible for this.</p>	<p>Review the property rationalisation delivery plan and amend to account for Boverton House shortfall. Permissions for any disposal will continue through the usual council process. Work alongside agile working policy owner to explore further opportunities for greater agile working.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>20,000</p> <p>80,000</p> <p>100,000</p>	<p>20,000</p> <p>80,000</p> <p>100,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Ben Winstanley</p>

<p><b>Mandate 28</b></p> <p><b>Community Hubs</b></p> <p>Current status  Trend since last report </p>	<p><b>It's about delivering services in a different way and aligning them with the Whole Place philosophy. This will introduce major changes to how the library and one stop shop services are delivered. We will create a hub in each town where face to face services will be delivered. The contact centre will sustain a reliable and informed first point of contact for people contacting us other than face to face.</b></p> <p>Employee consultation / selection and resource management is underway.</p> <p>Budget saving shortfall mainly due to the delay of the implementation of the restructure. The mandate describes the full year's savings and now only 50% will be achieved due to the Sept implementation date.</p>	<p>Project plan requires continuous monitoring, updating and adjusting to reflect the project developments.</p> <p>Review training plan for both operations (ensure training fits the needs of the new services)</p> <p>Continue to review the reporting lines of both new services to ensure consistency and synergy between the two.</p> <p>Continue to support the staff to ensure open 2 way communication. Ensure HR are available to offer consistent advice and guidance and support to staff where and when appropriate in order to support the project timelines.</p> <p>There is a 73K mitigating underspend included that offsets the mandate saving.</p>	<table border="1"> <tr> <td>Income</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Savings</td> <td>250,000</td> <td>125,000</td> <td>125,000</td> </tr> <tr> <td>Total</td> <td>250,000</td> <td>125,000</td> <td>125,000</td> </tr> </table>	Income	0	0	0	Savings	250,000	125,000	125,000	Total	250,000	125,000	125,000				Deborah Hill-Howells
Income	0	0	0																
Savings	250,000	125,000	125,000																
Total	250,000	125,000	125,000																
<p><b>Mandate 31</b></p> <p><b>ICT Savings (SRS &amp; custom built software solutions)</b></p> <p>Current status  Trend since last report </p>	<p><b>The mandate's aim was to :- Drive cost efficiencies and income generation opportunities within the Shared Resource Service (SRS). This will subsequently result in MCC benefiting from reduced budget without any significant impact to service. And generate ongoing savings and user benefit from custom built software solutions being generated, then productised and sold commercially.</b></p> <p>SRS have found 130K of their proposed 150K. They hope to make 20k by year end on employee savings. The software solutions savings will not occur and other options are being considered for alternative savings.</p>	<p>Continue to work with SRS to identify and deliver savings where possible.</p> <p>Continue to develop options for alternative savings.</p>	<table border="1"> <tr> <td>Income</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Savings</td> <td>250,000</td> <td>130,000</td> <td>120,000</td> </tr> <tr> <td>Total</td> <td>250,000</td> <td>130,000</td> <td>120,000</td> </tr> </table>	Income	0	0	0	Savings	250,000	130,000	120,000	Total	250,000	130,000	120,000				Peter Davies
Income	0	0	0																
Savings	250,000	130,000	120,000																
Total	250,000	130,000	120,000																

**Mandate 33&34**

**Adult Social Care**



**The service is continuing its journey on practice change and restructuring itself to meet future mandate savings with community links and innovative approaches to domiciliary care, coupled with less reliance on admissions to residential care.**

The size of the saving is challenging however the service is working together as a whole team in order to continue to review its performance in order to meet the targets. Change in practice will need to continue at pace and be significant, this will continue to take time. It is still uncertain if following re-assessment savings will be realised due to dependency and acceptance of different solutions available. All targets currently on track to deliver. Dementia care matters training has commenced with vigour and early signs are that it will support the changes in practice required.

Continue to review the structures and workforce to establish the resource, knowledge and skills moving forward.

Service transformation will continue to evolve and approval sought as the programme develops.

Continue to deliver and ongoing evaluation of the training.

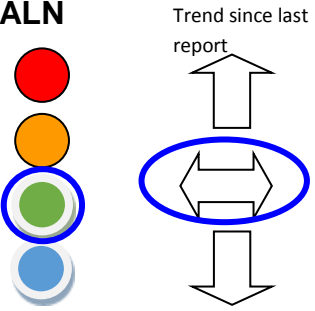
Continue to capture and work with savings ideas from the teams.

Continue to review IT build.

Income	0	0	0
Savings	260,000	260,000	0
Total	260,000	260,000	0

Julie Boothroyd

**Mandate 35 Transformation of ALN**




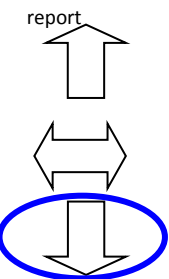

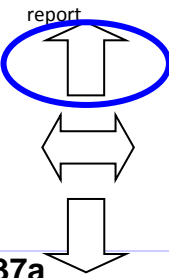

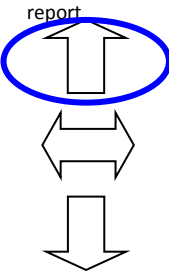
**We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.**

Savings fully met for this year. Stages 1 and 2 are complete and the team have commenced consultation with families as part of the stage 3. Community consultation is considered robust and well evidenced. Difficulty in predicting the outcome of consultation until full consultation is complete. All options present opportunities for delivering the target savings.


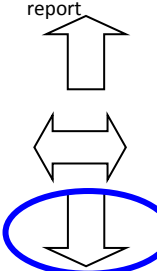
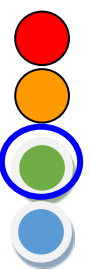
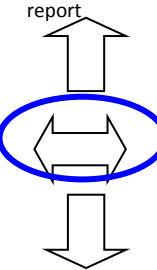

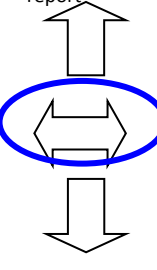
All timescales of delivery of the mandate to stay in line with the 'complete review' timetable. Continue to review and adapt the consultation both internally and in the community and families. Finance milestone to be built into the delivery plan. Ensure stage 3 is monitored and kept on track.

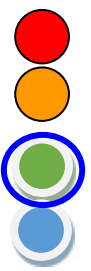
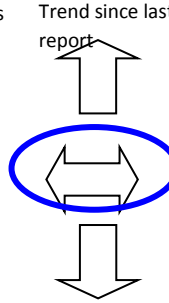

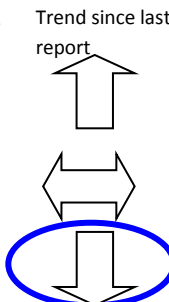
Income	0	0	0
Savings	120,000	120,000	120,000
Total	120,000	120,000	120,000

Sharon Randall-Smith

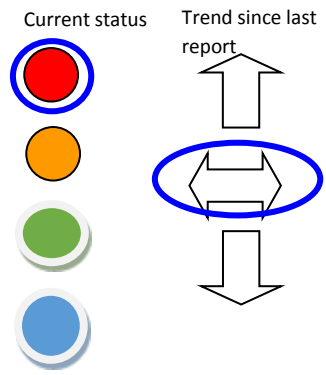
<p><b>Mandate 36 *</b> <b>Route Optimisation</b></p> <p>Current status: </p> <p>Trend since last report: </p>	<p>Mandate from 2014/15</p> <p>Due to the changing to routes the mandate related to the reduction in fleet.</p> <p>There were 50K of transport costs built into the saving but as MCC owned the vehicle that we reduced from the fleet therefore there were no leasing savings achieved. The mandate reduced 6 FTE posts but operationally only 5 FTE could be lost leaving a further pressure.</p>	<p>Review the on-going operation and budgets and re-align in line with service needs.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>270,000</p> <p>270,000</p>	<p>0</p> <p>184,000</p> <p>184,000</p>	<p>0</p> <p>86,000</p> <p>86,000</p>	<p>Rachel Jowitt</p>
<p><b>Mandate 37</b> <b>Waste – Project Gwyrd</b></p> <p>Current status: </p> <p>Trend since last report: </p>	<p><b>5 authority partnership whose purpose is to provide the best environmental, cost effective and practical solution for waste after recycling and composting has been maximised in each area</b></p>	<p>Regular review</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>250,000</p> <p>250,000</p>	<p>0</p> <p>250,000</p> <p>250,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Rachel Jowitt</p>
<p><b>Mandate 37a</b> <b>Waste Services</b></p> <p>Current status: </p> <p>Trend since last report: </p>	<p><b>The mandate is about re-aligning the service in order to be as customer focused and efficient as possible. To reduce duplication of services which provide clarity on responsibility and service delivery. To remove duplication and harmonise working practices.</b></p> <p>Vacancies have been deleted therefore savings have been achieved.</p>	<p>No relevant Next Steps</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Rachel Jowitt</p>



<p><b>Mandate 37b Trade Waste</b></p> <p>Current status </p> <p>Trend since last report </p>	<p><b>This mandate has 2 elements. The introduction of trade waste recycling. And Realignment of 2 schedule changes.</b></p> <p>It has been identified that this may possibly be a pressure and this will continue to be reviewed. More detail will be available in month 6.</p>	<p>Continue to review operational impact. Establish any potential mitigating actions.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>30,000</p> <p>10,000</p> <p>40,000</p>	<p>20,000</p> <p>10,000</p> <p>30,000</p>	<p>10,000</p> <p>0</p> <p>10,000</p>	<p>Rachel Jowitt</p>
<p><b>Mandate 37c Grey bag &amp; nappy collection.</b></p> <p>Current status </p> <p>Trend since last report </p>	<p><b>This mandate relates to the removal of the free supply of grey refuse bags and the removal of the hygiene/ nappy collection.</b></p> <p>The mandate has been delivered the savings have been achieved.</p>	<p>Continue to review as still early stages. No other next steps relevant.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>180,000</p> <p>180,000</p>	<p>0</p> <p>180,000</p> <p>180,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Rachel Jowitt</p>
<p><b>Mandate 40a Democracy</b></p> <p>Current status </p> <p>Trend since last report </p>	<p>This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :-  Management restructure – Green.  Increased income generation – Green  Removal of a vacant post – Green  Reduction in mileage budget – Green  All action plans delivered in order to achieve the savings.</p>	<p>In relation to budget delivery no next steps</p> <p>Non budget Service improvements.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Tracy Harry</p>

<p><b>Mandate 41 Highways</b></p> <p>Current status</p>  <p>Trend since last report</p> 	<p>This mandate was made up of :-</p> <p>Employee restructure – Green  Material savings – Green  Plant saving – Green.  Re-negotiating with sub-contractors – Green  Additional income from skips &amp; scaffolding – green.  Operational fuel, stores &amp; procurement savings - Green.  Commercial advertising – Red.</p>	<p>Advertising income will not be fully achieved as cabinet only recently approved it. Early estimates are that 50% of the income will be generated. This shortfall will be found by other mitigating underspends.</p>		<p>Income 55,000  Savings 395,000  Total 450,000</p>	<p>55,000  370,00  425,000</p>	<p>0  25,000  25,000</p>	<p>Tony Wallen</p>
<p><b>Mandate 41a Abergavenny Markets</b></p> <p>Current status</p>  <p>Trend since last report</p> 	<p><b>The objective was to run additional market stalls on existing market days in Neville street and St Johns Square, Abergavenny. Expansion of flea markets and boot sales and to hold special markets/events in Cross Street Abergavenny.</b></p> <p>The service has been unable to generate the additional income. This mainly due to operational, resource and PR challenges.</p> <p>Welsh Classes ( 10K)  Finders fees ( 10K)</p>	<p>Critically review current structures and operation and business model.</p>	<p>Income 70,000  Savings 0  Total 70,000</p>	<p>70,000  0  70,000</p>	<p>0  0  0</p>	<p>70,000  0  70,000</p>	<p>Ben Winstanley</p>

**Mandate 42  
Youth Service**



The Youth Service is exploring new ways of working. They are embracing this opportunity in an innovative way. Small groups are exploring ideas to generate income streams and savings whilst ensuring quality service is maintained.

Sourced and secured ESF funding for pre and post 16 for a period of 3 years. 130k per year secured and runs an academic year so circa 70k will be in this financial year.

Secured 10k from Supporting People's Programme to assist with Post 16 support for 1 year

Community Kitchen in Abergavenny has been awarded 5 star rating by Environmental Health and is now operational. Taking bookings for buffets; children's parties and lunches for community members

Skate Park Shop in Abergavenny is near opening  
Finalising details with Legal on contract with local business  
Audit and accounts have been set up  
Marketing ready to go out

Propel is steadily progressing  
Courses ready to advertise  
Staffing being trained currently to deliver

Wellbeing is steadily progressing  
Courses being written  
Staff who have expertise in this area are finding it difficult to fit in this as well as working with young people on their case load as these are the priority

Meetings with all schools to look at new roles for staff and outcomes required to meet funding criteria.  
Planning and writing of resources and courses to be completed over summer period  
Programme to start delivery on 2<sup>nd</sup> September 2015

Meet with SPP to finalise grant.  
Case load young people to be supported. Commence project in July 2015.

Market and promote menus and packages available  
Official opening in September 2015 in Kitchen.

Set income targets once steady business flow is established.  
Shop to be operational by September 2015  
Set income targets once steady business flow is established

Still awaiting for HUB section to promote courses.  
On-line payment will be crucial and awaiting developments on this work.

Still awaiting for HUB section to promote courses  
Meeting with staffing team to look at where time can be found in order to free staff up to deliver specialised courses and offer more packages to families and young people

Income	200,000	100,000	100,000
Savings	0	0	0
Total	200,000	100,000	100,000

Tracey Thomas

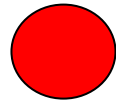
### Summary Month 10

### Summary – Month 2

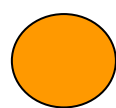
### Key

Current status

Current status



Concerns identified with delivery of target.  
Continue to closely review & monitor.



Monitoring & required to keep on track



On target to achieve budget



On target and over acceding.

## Strong Communities Select Committee

### Portfolio Position Statement Month 2 (2015/16)

#### 1 Head of Operations Commentary

1.1 This is a month 2 report so is early in the financial year. Nevertheless the report highlights some significant budgetary issues that continue from the 2014/15 financial year, including the PTU budget assumptions and those for school meals. The pressures have been assessed and in some instances have been listed as pressures within the wider budget setting process. If they are not managed through the corporate process then it will fall back upon the Operations department to find alternative savings or greater income during the year to balance the department's budget overall. A pressure has arisen through a review of Property services charging, resulting in some Property Services costs no longer being able to be allocated to the capital budget. This is a change from established custom and practice and officers are investigating how this may best be managed. At present the income assumptions surrounding grounds maintenance and SWTRA are modest and performance in these areas will improve the projected out turn, officers will revise these assumptions further into the year when turnover becomes clearer.

#### 2 Revenue Outturn Forecast

2.1 The combined budget and outturn forecast for this portfolio is

Service Area	Budget at Month 2 £000's	Forecast Outturn £000's	Variance at Month 2 £000's
Chief Executive's Office	6,837	6,716	(121)
Operations	16,098	16,732	634
Corporate	18,351	18,414	63
Appropriations	8,224	7,976	(248)
Financing	(145,376)	(145,969)	(593)
<b>Total</b>	<b>(95,866)</b>	<b>(96,131)</b>	<b>(265)</b>

2.2 The most significant over and underspends are

Service	Overspend Predicted £000's	Underspend Predicted £000's	Commentary on forecasted outturn
<b>CEO</b>			
Benefits		<b>(120)</b>	£57,000 under spend against the Benefits budget reflecting current activity levels. £49,000 underspend against the budget that was earmarked for topping up the bad debt provision (this is based on last year's activity) £13,000 additional Admin Grant from DWP

<b>Service</b>	<b>Overspend Predicted</b>  £000's	<b>Underspend Predicted</b>  £000's	<b>Commentary</b>  <b>on forecasted outturn</b>
Operations – Passenger Transport Unit	<b>300</b>		Assumed ALN transport savings have proven unachievable, budgeted increased income levels were not made whilst at the same time corporate budget decisions regarding reductions in overtime costs were imposed. A mandate has been put forward to highlight the fact that the service cannot operate within its existing budget and has requested further funding via the MTFP in 2016-17.
Operations – Building Cleaning	<b>50</b>		Delayed implementation of mandate saving of transferring public conveniences to Town Councils.
Operations – School Catering	<b>55</b>		Increased costs to comply with Healthy Eating in Schools Agenda and a reduction in budgeted meals
Operations – Procurement		<b>72</b>	Vacancy savings and reduced third party expenditure
Operations – Property Services	<b>300</b>		A review of property service charging which means that overheads cannot be charged to capital schemes
Operations – Accommodation costs		<b>125</b>	Maintenance costs for Magor and Usk are underspent mainly due to reduced costs as buildings are relatively new.
Operations - Waste	<b>126</b>		Savings from mandates could not be achieved – leasing costs could not be saved as vehicles were already owned and therefore a budget did not exist. Only five out of six posts could be removed. Additional income of 40k from trade waste will be delayed as the implementation date is September 2015.

<b>Corporate Services</b>	<b>Overspend Predicted</b>  £000's	<b>Underspend Predicted</b>  £000's	<b>Commentary</b>  <b>on forecasted outturn</b>
<b>CORPORATE</b>			
Audit Commission Fees (Certification)		<b>(35)</b>	Forecasted saving in relation to the auditing

Grant Claims)			of grant claims
Early Retirement Pension Costs	<b>130</b>		Additional cost of redundancies notified in latter part of 2014/15
Insurance Premium Payment(Direct)		<b>(34)</b>	Based on potential 5% increase in premium. Dependent on Insurance tender for new period starting 1st October
<b>APPROPRIATIONS</b>			
Attributable Costs - Fixed Asset Disposal		<b>(30)</b>	Investment income forecast to be higher than budget as advantageous short term loan deals
Interest Payable and Similar Charges		<b>(202)</b>	£128k - Reduction in rate on temporary borrowing offset by higher level of debt at 01/04/15 due to loans being taken out early when at attractive rates; Plus £10k saving relating to a budget reduction in 2014/15 for the Abergavenny library. Also reduction in saving of £16k due to the delay of an LDP receipt into 2016/17
Charges Required Under Regulation	<b>74</b>		The shortfall mainly relates to MRP payable relating to vehicles purchased from borrowing (unbudgeted) in 1415.
Contribution from Reserves	<b>90</b>		9/5/15 Cab report Children's Services development - funded from reserves - part apportioned to 2015-16.
<b>FINANCING</b>			
Council Tax		<b>(500)</b>	Surplus due to projected better CT Collection rate
Benefit Support		<b>(93)</b>	Forecast extrapolated from CT Benefits system based upon benefits awarded to date

2.3 Please see Appendix 9,10,11,12 and 13 for further analysis of the directorate expenditure at month 2.

### 3 2015-16 Savings Progress

3.1 The savings required by the 2015-16 budget mandates have not yet been fully secured.

3.2 Operations Budgeted savings were £1,517,000 and at month 2, £1,201,000 have been identified. Of the remaining savings, £115,000 are delayed until 2016/17 and currently £201,000 are deemed to be unachievable.

3.3 Chief Executives budgeted savings were £85,000. These have all been achieved.

<b>Man. No.</b>	<b>Description</b>	<b>Target Savings £'s</b>	<b>Forecast Savings Identified £'s</b>	<b>Delayed Till 2016/17 £'s</b>	<b>Unachievable £'s</b>
	<b>STRONG COMMUNITIES</b>				
14	Home to School Policy Changes	115,000	0	115,000	0
15	Facilities - Transfer functions to other providers	100,000	10,000	0	90,000
25	Transport Review and Rationalisation	62,000	62,000	0	0
36	Cost Neutral Waste Service	270,000	184,000	0	86,000
37	Project Gwyrdd	250,000	250,000	0	0
37a	Waste Mgt - Efficiency & Realignment	50,000	50,000	0	0
37b	Waste Mgt - Modernising Trade Waste Services	40,000	40,000	0	0
37c	Waste Mgt - Collection changes, Grey bags and nappies	180,000	180,000	0	0
41	Highways	450,000	425,000	0	25,000
	<b>Total Operations</b>	<b>1,517,000</b>	<b>1,201,000</b>	<b>115,000</b>	<b>201,000</b>
	<b>CHIEF EXECUTIVES'</b>				
40a	Democracy & Regulation	85,000	85,000	0	0
	<b>Total CEO</b>	<b>85,000</b>	<b>85,000</b>	<b>0</b>	<b>0</b>

Please see Savings Mandate Progress Appendix 1 for further details on savings



#### 4 Capital Outturn Forecast

4.1 The capital budget of £4,485,758 had been increased by slippage from 2014/15 of £2,939,759 to a new total of £7,425,517. The budget is separated under the following headings

<b>Strong Communities</b>	<b>Annual Forecast</b> £000's	<b>Original Budget</b> £000's	<b>Slippage from 2014/15</b> £000's	<b>Total Approved Budget</b> £000's	<b>Annual Overspend / (Underspend) Month 2</b> £000's
Development Schemes Over £250k	11	0	11	11	0
Development Schemes Under £250k - Essential Works	783	410	373	783	0
Development Schemes Under £250k - Other Recommend	836	270	566	836	0
Infrastructure	2783	2112	671	2783	0
IT Schemes - Infrastructure/Hardware	147	0	147	147	0
IT Schemes - Web Related	35	0	35	35	0
Low Cost Home Ownership	33	0	33	33	0
Maintenance Schemes - General	346	201	145	346	0
Renovation Grants	654	600	54	654	0
Section 106	705	0	705	705	0
Specific Grant Funded	0	0	0	0	0
Maintenance Schemes - Property	1093	893	200	1093	0
<b>Grand Total</b>	<b>7,426</b>	<b>4,486</b>	<b>2,940</b>	<b>7,426</b>	<b>0</b>

#### 5 Supporting Financial Monitoring Workbooks (ctrl click to access)

Important: Please do not Check Out Files

[Revenue Monitoring Month 2 Chief Executives Office](#)

[Revenue Monitoring Month 2 Operations](#)

[Revenue Monitoring Month 2 Corporate](#)

[Revenue Monitoring Month 2 Appropriations](#)

[Capital Monitoring Month 2 Strong Communities Select](#)

## Economy & Development Select Committee Portfolio Position Statement Month 2 (2015-16)

### 1 DIRECTOR'S COMMENTARY

2015-16 is a year in which Enterprise is charged with delivering on some of its most challenging efficiency and income generation targets. As such, it's difficult to provide accurate commentary on a forecast position taken at month 2. The early position however does reflect the lead-in time taken to develop new Community Hubs and whilst ground can be re-gained on implementation now that the HR processes have been all but worked through, a shortfall in the target is likely. It is envisaged that this will be offset with additional income through Estates and Housing and delaying appointment/holding open vacant posts wherever possible. In relation to a further pressure point, Community Education, the franchise agreement has been recently reduced significantly and as such, a staff restructure report is currently making its way through the Select process in readiness for July cabinet. Caldicot Castle continues to exhibit pressures in relation to inability to hit income targets in light of the overall investment needs attached to running a scheduled ancient monument and whilst SRS efficiencies have been identified in the main, £100k of new income remains unidentified around software development. Given that the replacement social care system will soon be up and running, a commercialisation opportunity exists which will be explored and further work continues on the integration of legacy software systems across partners. In short, whilst an over-spend is evident at this early stage, I remain confident in the efforts taken to redress this.

### 2 Revenue Outturn Forecast

2.1 The combined budget and outturn forecast for this portfolio is

Service Area	Budget at Month 2 £000's	Forecast Outturn £000's	Variance at Month 2 £000's
Community led Delivery	1,928	2,066	138
Commercial and People Development	4,101	4,201	100
Enterprise Management	397	397	0
Development Planning	931	931	0
Tourism, leisure and Culture	2,500	2,600	100
<b>Total</b>	<b>9,857</b>	<b>10,195</b>	<b>338</b>

2.2 The most significant over and underspends are

Service	Overspend Predicted £000's	Underspend Predicted £000's	Commentary on forecasted outturn
Markets	110		Delayed implementation of restructure, increased overtime demands and inability to meet budget mandate savings of increasing income by 50k
Sustainability	62		Inability to meet income targets from PV schemes etc.

Cemeteries		40	Increase in income
County Farms		40	Lower than anticipated maintenance costs
Industrial Units	20		Higher than anticipated maintenance costs
Community Hubs	52		Delays in implementation of Community Hubs Restructure – likely to be in place September
Whole Place		26	Staff Vacancies
ICT Technology	100		Savings from budget mandate about income generation of 100k from software sales will not occur
Museums	10		Green screen savings will not occur
Caldicot Castle	80		Historic budget underfunding and savings from previous year not achieved
Tourism	10		Overspend due to staff costs. Efforts are being made to reduce this further by use of volunteers
<b>TOTAL</b>	<b>444</b>	<b>106</b>	<b>Net Total 338</b>

2.3 Further analysis of Economic and Development Select Expenditure can be found in the workbook link provided below

### 3 2015-16 Savings Progress

3.1 The savings required by the 2015-16 have not yet been secured.

3.2 Enterprise budgeted savings were £1,392,983 and at month 2, £1,024,983 have been identified. Of the remaining savings £145,000 are delayed and currently £223,000 are deemed to be unachievable.

Man. No.	Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed Till 2016/17 £'s	Unachievable £'s
	<b>ECONOMY &amp; DEVELOPEMNT</b>				
1	Dev of Leisure & Outdoor services	420,983	420,983	0	0
2	Collaboration of Housing services	55,000	55,000	0	0
5	Sustainable Energy Initiatives	33,000	0	0	33,000

6	Museums, Shirehall, Castles & Tourism	190,000	170,000	20,000	0
26	Property Review	100,000	100,000	0	0
28	Community Hubs & Contact Centre	250,000	125,000	125,000	0
31	ICT Savings	250,000	130,000	0	120,000
40	Planning income	24,000	24,000	0	0
41a	Market Income	70,000	0	0	70,000
	<b>TOTAL ENTERPRISE</b>	<b>1,392,983</b>	<b>1,024,983</b>	<b>145,000</b>	<b>223,000</b>

3.3 Further detailed analysis of Savings mandates are contained in Appendix 1.

#### 4 Capital Outturn Forecast

4.1 There was no original budget for capital schemes within this portfolio however capital slippage from 2014/15 of £530,735 has been allowed into 2015/16. The budget is separated under the following headings

<b>Economy &amp; Development</b>	<b>Annual Forecast</b> £000's	<b>Original Budget</b> £000's	<b>Slippage from 2014/15</b> £000's	<b>Total Approved Budget</b> £000's	<b>Annual Overspend / (Underspend) Month 2</b> £000's
Development Schemes Over £250k	4	0	4	4	0
Section 106	527	0	527	527	0
<b>Grand Total</b>	<b>531</b>	<b>0</b>	<b>531</b>	<b>531</b>	<b>0</b>

Further details of all the schemes are contained in capital workbook link below.

#### 5 **Supporting Financial Monitoring Workbooks (ctrl click to access)**

Important: Please do not Check Out Files

[Revenue Monitoring Month 2 Enterprise](#)

[Capital Monitoring Month 2 Economy and Development Select](#)

## Adult Select Committee Portfolio Position Statement Month 2 (2015-16)

### 1 DIRECTOR'S COMMENTARY

- 1.1 Even though very early in the year, we are set to deliver an outturn overspend of £157,503, with £90,277 reserve funded. This is different to the reported position due to the additional Children's Services funding agreed by Cabinet on 6<sup>th</sup> May which has yet to be adjusted for.
- 1.2 Looking at Children's Services, after the additional budget allocation we are set for a £254,579 overspend, with £90,277 subject to reserve funding. We are still experiencing budgetary pressures from external placements and the full year cost burden of placements that started part way through 2014/15. Continued work on current placements may allow us to reduce the outturn downwards as we progress through the year.
- 1.3 On a positive note Adult Services is exhibiting an under spend of £97,076 after allocating £60,000 to Children's Services. The Community Care division is still reporting good results with another year set to deliver an under spend, being £106,846. This division is continuing its journey on practice change and restructuring itself to meet future mandate savings with community links and innovative approaches to domiciliary care, coupled with less reliance on admissions to residential care.

### 2 Revenue Outturn Forecast

- 2.1 The combined budget and outturn forecast for this portfolio is

Service Area	Budget at Month 2 £000's	Forecast Outturn £000's	Variance at Month 2 £000's
Adult Services	7,067	7,049	(18)
Community Care	19,668	19,561	(107)
Commissioning	1,971	1,967	(4)
Resources & Performance	946	918	(28)
<b>Total before £60k budget reallocation to Children's services</b>	<b>29,652</b>	<b>29,495</b>	<b>(157)</b>

2.2 The most significant over and underspends are

<b>Service</b>	<b>Overspend Predicted £000's</b>	<b>Underspend Predicted £000's</b>	<b>Commentary on forecasted outturn</b>
Disability Equipment (GWICES)		<b>(99)</b>	Advanced stock purchases in 2014/15 by the Intermediate Care Fund
Monnow Vale	<b>39</b>		Historic budget did not fully account for pooled costs.
Transition secondment		<b>(32)</b>	Staffing cost budgeted but secondment continues to be met by 3 <sup>rd</sup> party
Management team		<b>(59)</b>	Intermediate Care Funding has paid for Direct Care team manager post
Direct Residential Care	<b>139</b>		Employee efficiency and previous mandate savings not deliverable along with falling client numbers resulting in lower income
Domiciliary Care and Community meals	<b>8</b>		Net effect of past savings not made in full
Day Centres		<b>(14)</b>	Net employee cost savings at Severn View
Community Care		<b>(107)</b>	Net effect of savings within Community Learning Disability Team from continuing Health Care applications transferring client funding to Health Board
Commissioning		<b>(4)</b>	Small net saving associated with Drybridge Gardens
Resources		<b>(28)</b>	Net underspend in IT and Finance provision
<b>TOTAL</b>	<b>186</b>	<b>(343)</b>	<b>Net Total (157)</b>

2.3 Further analysis of the Costs centres contained within the Adult Select Service areas can be obtained from the detailed budget monitoring in the links included below.

### 3 2015-16 Savings Progress

3.1 As at month 2 we are on track to meet our mandated savings as illustrated below: -

<b>Man. No.</b>	<b>Description</b>	<b>Target Savings £'s</b>	<b>Forecast Savings Identified £'s</b>	<b>Delayed Till 2016/17 £'s</b>	<b>Unachievable £'s</b>
	<b>SOCIAL CARE &amp; HEALTH</b>				
24	Bright new futures	14,000	14,000	0	0
33	Sustaining Independent Lives in the Community	260,000	260,000	0	0
	<b>TOTAL SCH</b>	<b>274,000</b>	<b>274,000</b>	<b>0</b>	<b>0</b>

3.2 Further details on the savings mandates can be found in Appendix 1.

#### 4 Capital Outturn Forecast

4.1 A summary of this year's capital schemes are shown below: -

<b>Social Care &amp; Health</b>	<b>Annual Forecast</b> £000's	<b>Original Budget</b> £000's	<b>Slippage from 2014/15</b> £000's	<b>Total Approved Budget</b> £000's	<b>Annual Overspend / (Underspend) Month 2</b> £000's
IT Schemes – Infrastructure/Hardware	35	0	35	35	0
Maintenance Schemes - Property	47	47	0	47	0
<b>Grand Total</b>	<b>82</b>	<b>47</b>	<b>35</b>	<b>82</b>	<b>0</b>

4.2 Further details of all the schemes are contained in the workbook link below.

There is a potential additional scheme involving the Mardy Park carpark reconfiguration that secured capped and finite Intermediate Care Funding from Welsh Government in 2014-15. This scheme did not feature in capital programme during 2014-15 as it did not obtain necessary planning consensus to proceed in the fashion advocated. The resources granted must be spent by end of March 2016, the project is due to receive further planning consideration shortly and may necessitate an urgent recommendation to Cabinet for inclusion in 2015-16 capital programme.

#### 5 **Supporting Financial Monitoring Workbooks (ctrl click to access)**

Important: Please do not Check Out Files

[Revenue monitoring Month 2 Social Care and Health](#)

[Capital monitoring Month 2 Adult Select](#)

## Children & Young People Select Committee Portfolio Position Statement Month 2 (2015-16)

### 1.1 CYP DIRECTOR'S COMMENTARY

The Directorate's Month 2 position is a forecasted over spend of £274,000, which we are anticipating will fall as we progress through the year. The Youth Service remains a volatile area having been subject to a £200,000 saving mandate. Whilst a significant amount of this saving has been identified, the service is working hard to recoup the remaining amount.

### 1.2 SCH DIRECTOR'S COMMENTARY

Looking at Children's Services, after the additional budget allocation to be received, we are set for a £254,579 overspend, with £90,277 subject to reserve funding. We are still experiencing budgetary pressures from external placements and the full year cost burden of placements that started part way through 2014/15. Continued work on current placements may allow us to reduce the outturn downwards as we progress through the year

## 2 Revenue Outturn Forecast

2.1 The combined budget and outturn forecast for this portfolio is

Service Area	Budget at Month 2 £000's	Forecast Outturn £000's	Variance at Month 2 £000's
21st Century Schools	0	0	0
Individual School Budget	43,783	43,783	0
Resources	1,424	1,485	61
Standards	5,449	5,548	99
Youth	597	711	114
<b>CYP Directorate</b>	<b>51,253</b>	<b>51,527</b>	<b>274</b>
Children's Services	7,796	8,471	675
<b>Total C&amp;YP Select</b>	<b>59,049</b>	<b>59,998</b>	<b>949</b>

2.2 The most significant over and underspends are

Service Heading	Overspend Predicted £000's	Underspend Predicted £000's	Commentary on forecasted outturn
STANDARDS			
Management	44		Efficiency savings for the directorate still to be identified
Support Services	11		ICT server and database upgrades necessary
Additional Learning needs	32		Reduced SLA Income and staffing changes have resulted in a projected overspend
RESOURCES			



Primary Breakfast Initiative Grant	<b>61</b>		Take up continues to increase and therefore resulting in additional staffing requirements.
<b>YOUTH</b>			
Community Education Youth General	<b>114</b>		Progression made towards mandate saving. Additional funding avenues being explored in order to reduce current forecasted overspend.
<b>CHILDRENS SERVICES</b>			
Fostering Allowances and Payments For Skills	<b>168</b>		We are paying out an additional £91K this year in allowances for an extra 7 SGO's being £59K and £32K due to age related rate increases. The age mix of children has altered meaning children moving into higher age categories thus attracting higher allowance rates.
Younger People's Accommodation		<b>(99)</b>	A vast amount of work has been undertaken in this budget over the past two years to deliver, at present, an under spend. This budget is prone to volatility and we will continue to monitor over the year before deciding on viring a budget to a different cost centre.
Ty'r Enfys		<b>(44)</b>	This facility is currently closed and we anticipate reopening in January 2016.
Counsel Costs	<b>73</b>		Present activity levels are the same as last year and as such exhibiting a similar overspend.
Therapeutic Service		<b>(26)</b>	Vacant Play Therapist post until August 2015
External Placements – LAC	<b>411</b>		Current activity is 47 placements and we are seeing a full year effect of placements that only entered the system in the latter part of last year.
External Placement - Non-LAC		<b>(76)</b>	This cost centre is generally used to fund the over spend within S026.
SCYP - Placement & Support Team	<b>85</b>		There is an over spend of £15K against staff travel and employee efficiency savings not being achieved. The remainder is connected to conveyance of children and assessment costs in excess of the budget.
SCYP - Supporting Children & Young People Team	<b>68</b>		£31K relates to staff travel and employee efficiency savings not being achieved. The remainder is attributable to conveyance of children over and above the budget.
Disabled Children	<b>66</b>		Large part of overspend relates to the continued use of agency staff to cover sickness absenteeism.
FRS – Family Support Team		<b>(92)</b>	A large element of the under spend is within section 20 and conveyance of children costs. We will consider moving some budget to other cost

			centres prior to the month 6 forecast.
Bus Cases / Temp Funding - Cabinet 06/05/15	<b>212</b>		4 Social Workers for 6 months (Oct-Mar) over and above establishment. It has been agreed these costs will be met with reserve funding.

2.3 Further analysis of the Service Areas contained within CYP Select can be found in the workbook link provided below.

### 3 2015-16 Savings Progress

3.1 The savings required by the 2015-16 have not yet been secured.

3.2 Children & Young People's budgeted savings were £1,514,000 and at month 2 £1,400,000 have been identified. Of the remaining savings £114,000 are currently deemed to be delayed in year..

Man. No.	Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed In year £'s	Unachievable £'s
	<b>Children &amp; Young People</b>				
16	Delegated Schools Budget	1,124,000	1,124,000	0	0
18	School Library Service	20,000	20,000	0	0
20	School Music Service	50,000	50,000	0	0
35	CYP / Additional Needs / Mounton House	120,000	120,000	0	0
42	Youth Service	200,000	86,000	114,000	0
	<b>TOTAL C&amp;YP</b>	<b>1,514,000</b>	<b>1,400,000</b>	<b>114,000</b>	<b>0</b>

3.3 Further analysis of the Savings mandates can be found in Appendix 1.

#### 4. **SCHOOLS**

4.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 2 projections.

<b>Draft Council Fund Outturn 2015/16– Schools Summary outturn position at Month 2 (Period1)</b>	<b>(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000</b>	<b>(B) Budgeted Draw on School Balances 2015-16 £'000</b>	<b>(C) Variance on Budgeted Reserve Draw £'000</b>	<b>(D) Draw Forecasted on School Balances @ Month2 £'000</b>	<b>Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000</b>
<b>Clusters</b>					
Abergavenny	(412)	124	(24)	100	<b>(312)</b>
Caldicot	(426)	275	(23)	252	<b>(174)</b>
Chepstow	98	36	9	45	<b>143</b>
Monmouth	(424)	166	27	193	<b>(231)</b>
Special	24	(18)	(10)	(28)	<b>(4)</b>
	<b>(1,140)</b>	<b>583</b>	<b>(21)</b>	<b>562</b>	<b>(578)</b>

4.2 School balances at the beginning of the financial year amount to £1,140,000t. The Schools budgeted draw upon balances is forecasted to be £562,000 for 2015/16, therefore leaving £578,000 as forecasted closing reserve balances.

4.3 Within these summary figures, of particular note, is the deficit reserve position forecasted for the Chepstow Cluster, although Chepstow Comprehensive School are budgeted to reduce their own school balance through the school recovery plan, the other primary schools within the cluster all plan to draw upon their balances. The draw on school balances to balance school budgets is forecasted for 24 out of the total 37 Monmouthshire Schools.

4.4 5 schools exhibited a deficit position at the start of 2015/16; Chepstow Comprehensive (£388,688) and Llandogo (£12,346) were the only schools that showed an increased deficit reserve balance during 2014/15 and these two schools are forecasted to remain in deficit, albeit with an improving position, at the end of 2015/16 by (£314,793) and (£3,581) respectively. Llanvihangel Crocorney (£15,040) is forecasted to increase its deficit in 2015/16 to (£20,382) and Castle Park (£39,730) to (£37,418) a slight improvement on 2014/15. Mounton House Special School (£25,593) moved into a deficit position at the end of 2014/15, but is now forecasted to move to a positive £3,988 balance by the end of 2015/16. The only school currently forecasted to move into deficit balance from a credit balance position is Rogiet Junior and Infants (£4,584).

4.5 Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

<b>Financial Year-end</b>	<b>Net level of School Balances</b>
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16 (Forecast)	(578)

- 4.6 There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to no more than £50,000 for a primary school and £100,000 for a secondary school. Members may wish to seek a comfort that balances aren't being used to subsidise and sustain core costs such as staffing.
- 4.7 Individual School Balances are available in the workbook link provided below.

## 5 Capital Outturn Forecast

- 5.1 The total budget for Capital Schemes within the Children & Young People portfolio is £50,368,595 comprising an original budget of £43,100,948 together with authorised capital slippage from 2014/15 of £7,267,647. The budget is separated under the following headings

<b>CHILDREN &amp; YOUNG PEOPLE</b>	<b>Annual Forecast</b>  £000's	<b>Original Budget</b>  £000's	<b>Slippage from 2014/15</b>  £000's	<b>Slippage to 2016/17</b>  £000's	<b>Total Approved Budget</b>  £000's	<b>Annual Overspend / (Underspend) Month 2</b>  £000's
Development Schemes Over £250k	19	0	19		19	0
Education Strategic Review	31,855	42,247	6,917	(17,310)	31,855	0
Maintenance Schemes Property	1,185	854	331		1,185	0
<b>Grand Total</b>	<b>50,369</b>	<b>43,101</b>	<b>7,268</b>	<b>(17,310)</b>	<b>33,059</b>	<b>0</b>

The only slippage identified as needing to be slipped to 2016-17 at month 2 relates to 21c schools expenditure, and accords with the latest cashflow projection.

- 5.2 Further details of all the schemes are contained in the workbook link below.

## 6 Supporting Financial Monitoring Workbooks (ctrl click to access)

Important: Please do not Check Out Files

[Revenue monitoring Month 2 Social Care and Health](#)

[Revenue monitoring Month 2 Children & young people](#)

[Schools reserves](#)

[Capital monitoring Month 2 Children & Young people Select](#)

## *Monmouthshire's Scrutiny Forward Work Programme 2015*

Strong Communities Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
Special Meeting with Adults	Joint Housing Solution Service	Ongoing scrutiny of the performance of the Joint Housing Solution Service (jointly with Torfaen Council).	Ian Bakewell	Performance Monitoring
Housing Special	Homelessness update	Homelessness remains a risk which both Adults Select and Strong Communities Select are jointly responsible for scrutinising.	Ian Bakewell	Performance Update
(8 <sup>th</sup> July 10am)	Housing Register: (6 monthly update) - Policy change - Progress Report	→ Scrutiny of a policy change to the housing register. → Progress monitoring report including MHA performance monitoring.	Ian Bakewell Karen Durrant	Policy Change Performance Update
	Anti-poverty Welfare Reform	Discussion on the following: → What are each doing to prepare tenants and residents ahead of Universal Credit? → What are they doing (community development) in terms of employment and skills to support tenants to be 'work ready'?	Monmouthshire Housing Association  Melin Housing  Charter Housing	Policy Discussion
Special Meeting of Economy and Strong Communities  14 <sup>th</sup> July 2015 10am	Solar Farm	Pre-decision scrutiny of the business case  * Deferred from 11 <sup>th</sup> June 2015. *	Ian Hoccum	Pre-decision scrutiny

## *Monmouthshire's Scrutiny Forward Work Programme 2015*

<b>Strong Communities Select Committee</b>				
<b>Meeting Date</b>	<b>Subject</b>	<b>Purpose of Scrutiny</b>	<b>Responsibility</b>	<b>Type of Scrutiny</b>
<b>16<sup>th</sup> July 2015</b>	<b>Affordable Housing</b>	Progress on Committee's Recommendations	Kellie Beirne Shirley Wiggam	Performance Monitoring
		Pre-decision Scrutiny of the Supplementary Planning Guidance	Martin Davies	Pre-decision Scrutiny
		End of Year and New Three Programme Social Housing Grant Report	Shirley Wiggam	Performance Monitoring
	<b>Local Housing Market Assessment</b>	Pre-decision scrutiny of the statutory duty for housing in relations to the new Housing Act.	Shirley Wiggam	Pre-decision Scrutiny
	<b>Month 2 Budget Monitoring</b>	To review the financial situation for the directorate, identifying trends, risks and issues on the horizon with overspends/underspends).	Mark Howcroft	Budget Monitoring
<b>10<sup>th</sup> Sep 2015</b>	<b>Whole Place</b>	Progress on WAO Recommendations. Community Plans	Deb Hill Howells	Performance Monitoring
	<b>Anaerobic Digestion</b>	Pre-decision scrutiny of Business Case.	Carl Touhig	Pre-decision Scrutiny
	<b>Crime and Disorder</b>	Safer Monmouthshire plan Police and Crime Plan Priorities	Sharran Lloyd Police and Crime Commissioner	Policy Development / Performance Monitoring
<b>Special Meeting Before 21<sup>st</sup> September 2015</b>	<b>Local Flood Risk Management Strategy</b>	Strategic Environmental Assessment and Habitats Risk Assessment to return to the committee.	Dave Harris Tim England (NRW)	Performance Monitoring
	<b>Public Protection</b>	6-monthly performance report based on themes: Trading Standards and Licensing	Dave Jones	Performance Monitoring
	<b>Annual Complaints Report</b>	Discussion on the annual complaints report in respect of regeneration and culture directorate.	Annette Evans	Statutory Reporting
<b>5<sup>th</sup> Nov 2015</b>	<b>Month 6 Budget Monitoring</b>	To review the financial situation for the directorate, identifying trends, risks and issues on	Mark Howcroft	Budget Monitoring

## *Monmouthshire's Scrutiny Forward Work Programme 2015*

<b>Strong Communities Select Committee</b>				
<b>Meeting Date</b>	<b>Subject</b>	<b>Purpose of Scrutiny</b>	<b>Responsibility</b>	<b>Type of Scrutiny</b>
		the horizon with overspends/underspends).		
10 <sup>th</sup> Dec 2015	TBC			
28 <sup>th</sup> Jan 2016	TBC			
10 <sup>th</sup> March 2016	Month 9 Budget Monitoring			
28 <sup>th</sup> April 2016	TBC			

### Meeting Dates to be confirmed for:

- × GAVO - Discussion on progress in line with recent Service Level Agreement (May 2015)
- × Safer Monmouthshire Plan - sign off 3<sup>rd</sup> June 2015, first invitee Police, second invitee Fire Authority,
- × Anaerobic Digestion Project Report - deferred from 30<sup>th</sup> April 2015 meeting
- × Passenger Transport Unit - Finance scrutiny



## Council and Cabinet Business – Forward Plan

Monmouthshire County Council is required to publish a Forward Plan of all key decisions to be taken in the following four months in advance and to update quarterly. The Council has decided to extend the plan to twelve months in advance, and to update it on a monthly basis.

Council and Cabinet agendas will only consider decisions that have been placed on the planner by the beginning of the preceding month, unless the item can be demonstrated to be urgent business

Subject	Purpose	Consultees	Author
<b>8<sup>th</sup> JULY 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
Private Water Supplies (Wales) Regulations 2010			Huw Owen
<b>15<sup>th</sup> JULY 2015 – CABINET</b>			
Income Generation Strategy	To provide a strategy for maximising the income opportunities available to the Council		Joy Robson
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16, meeting 1 on the 25 <sup>th</sup> June 2015.		Dave Jarrett
MTFP and Budget Proposals for 2016/17	To provide Cabinet with revenue budget proposals for 2016/17 for consultation purposes		Joy Robson
Budget Monitoring report – month 2	The purpose of this report is to provide Members with information on the forecast outturn position of the Authority at end of month reporting for 2015/16 financial year.		Joy Robson/ Mark Howcroft
Additional Grant Funding for Local Authorities	To provide Members with an update on the Wales Retail Relief Scheme for 2015.		Ruth Donovan



Subject	Purpose	Consultees	Author
Restructure of Community Learning	To consider a restructure of the Community Learning service in light of evolving user needs and reducing funding position	Cabinet SLT	Deb Hill-Howells / Andrea Charles
Programme board update			Kellie Beirne
Merton Green, Caerwent S106 Funding			Mike Moran
Raglan – Proposed Community Hall	To inform members of the progress that the Raglan Village Hall Association has made in developing plans for a new village hall within the Raglan Community	Cabinet SLT	Deb Hill Howells
ICT in schools			Peter Davies/Sian Hayward
Additional funding request for the replacement Social Services IT system	To request additional funding from the invest to redesign reserve to finance the costs of building the Social Care system replacement.		Sian Hayward
<b>22<sup>nd</sup> JULY 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
Draft supplementary planning guidance (SPG) - Primary Retail Frontages	To endorse draft SPG to issue for consultation	SLT Planning Cabinet	Jane Coppock
Social Housing Grant Programme			Shirley Wiggam
Usk park project partnership			Abigail Barton
Local Housing Market Assessment			Shirley Wiggam
<b>29<sup>th</sup> JULY 2015 – SPECIAL CABINET (2pm)</b>			
Hardship relief			Peter Davies
CMC <sup>2</sup> Strategic Review and Year 4 Business Plan	To endorse the review of CMC <sup>2</sup> and future business strategy and approve year ahead business plan	Cabinet SLT	Peter Davies Sian Hayward
Play sufficiency audit report			Nicola Bowen / Ian Saunders

Subject	Purpose	Consultees	Author
Major Events Strategy	To set out a Major Events Strategy through which to co-ordinate all local community and organised events in the county	SLT Cabinet	Ian Saunders
Supporting Monmouthshire Businesses' competitiveness	To assist Monmouthshire businesses to improve their competitiveness and online trade	SLT Cabinet	Peter Davies
Evaluation of community Coordination			Matt Gatehouse
Mardy Park	Review of Mardy Park Resource Centre, Abergavenny		Colin Richings
21 <sup>st</sup> Century schools Capital Programme	21 <sup>st</sup> Century schools capital programme		Simon Kneafsey
The future of Llanfair Kilgeddin VA primary	The future of Llanfair Kilgeddit VA primary school		Cath Sheen
<b>30<sup>th</sup> JULY 2015 – SPECIAL COUNCIL (2pm)</b>			
Chief Officer SCH			Peter Davies
<b>30<sup>th</sup> JULY 2015 – COUNCIL (5pm)</b>			
Cultural Service Review			Ian Saunders
Chief Officer Report			Sarah McGuinness
Chief Officer Report			Kellie Beirne
Solar Farm Business Case	To secure financial approval for the construction of an Authority owned solar farm at Oak Grove Farm, Crick		Ben Winstanley / Ian Hoccom
The Future Food Waste Treatment Strategy: Outline Business Case & Inter Authority Agreement	for the Council to consider the inclusion of MCC in the Heads of the Valleys Anaerobic Digestion Procurement. To agree the Outline Business Case and the Inter Authority Agreement which commits the Council to the procurement and partnership and a 15-20 year contract.	SLT Cabinet	Rachel Jowitt
UKs Rural Wireless Superfast Broadband			
ICT in schools			Sian Hayward
<b>26<sup>th</sup> AUGUST 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			

Subject	Purpose	Consultees	Author
Prohibition of sky lantern and mass balloon release on council owned land			Laurence Dawkins
<b>2<sup>nd</sup> SEPTEMBER 2015 – CABINET</b>			
Local Development Plan – annual monitoring report	To seek approval to submit the first AMR on the LDP to the Welsh Government	SLT Planning Cabinet	Jane Coppock
Capital Budget Proposals	To outline the proposed capital budget for 2016/17 and indicative capital budgets for the 3 years 2017/18 to 2019/20		Joy Robson
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16, meeting 2 held on 30 <sup>th</sup> July 2015		Dave Jarrett
Review of allocation policy		Cabinet Members Leadership Team Appropriate Officers	Ian Bakewell
Affordable Housing SPG			Mark Hand
Options appraisal future service delivery			Kellie Beirne
Monmouthshire Crowdfunding platform	To seek approval for the development of a crowdfunding platform that together with Authority loan finance will support business growth and job creation	Cabinet SLT Member Seminar Pre-scrutiny	Peter Davies
<b>9<sup>th</sup> SEPTEMBER 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
SPG Programme annual review	To endorse draft SPG programme for 2015/16	SLT Planning Cabinet	Jane Coppock
Expansion of Ysgol Gymraeg Y Fenni to include a nursery class			Susan Hall
<b>23<sup>rd</sup> SEPTEMBER 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
SPG Programme annual review	To endorse draft SPG programme for 2015/16	SLT Planning	Jane Coppock

Subject	Purpose	Consultees	Author
		Cabinet	
<b>24<sup>th</sup> SEPTEMBER 2015 – COUNCIL</b>			
MCC Audited Accounts 2015/16 (formal approval)	To present the audited Statement of Accounts for 2014/15 for approval by Council		Joy Robson
ISA 260 report – MCC Accounts	To provide external audits report on the Statement of Accounts 2015/16		WAO
Local Development Plan – annual monitoring report	To seek approval to submit the first AMR on the LDP to the Welsh Government	SLT Planning Cabinet	Jane Coppock
Affordable Housing SPG			Mark Hand
<b>7<sup>th</sup> OCTOBER 2015 – CABINET</b>			
<b>14<sup>th</sup> OCTOBER 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
<b>28<sup>th</sup> OCTOBER 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
<b>4<sup>TH</sup> NOVEMBER 2015 – CABINET</b>			
Budget Monitoring Report – Month 6	The purpose of this report is to provide Members with information on the forecast outturn position of the Authority at end of month reporting for 2015/16 financial year.		Joy Robson/ Mark Howcroft
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16, meeting 3 held on 24 <sup>th</sup> September 2015		Dave Jarrett
Effectiveness of Council Services: quarterly update			Matt Gatehouse
<b>11<sup>th</sup> NOVEMBER 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
Expansion of Ysgol Gymraeg Y Fenni to include a nursery class			Susan Hall
<b>25<sup>th</sup> NOVEMBER 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			

Subject	Purpose	Consultees	Author
<b>NOVEMBER 2015 – COUNCIL</b>			
Gambling Policy			Linda O’Gorman
Casinos report			Linda O’Gorman
<b>2<sup>nd</sup> DECEMBER 2015 – CABINET</b>			
Council Tax Base 2016/17 and associated matters	To agree the Council Tax Base figure for submission to the Welsh Government, together with the collection rate to be applied for 2016/17 and to make other necessary related statutory decisions.		Sue Deacy/ Ruth Donovan
Reviews of Fees and Charges	To review all fees and charges made for services across the Council and identify proposals for increasing them in 2016/17		Joy Robson
Community Infrastructure Levy			Mark Hand
Revenue & Capital Budget final proposals after public consultation	To present revenue and capital budget proposals following receipt of final settlement		Joy Robson
<b>23<sup>RD</sup> DECEMBER 2015 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
Local Government (Wales) Act 1994 The Local Authorities (Precepts)(Wales) Regulations 1995	To seek approval of the proposals for consultation purposes regarding payments to precepting Authorities during 2016/17 financial year as required by statute.		Joy Robson
<b>DECEMBER 2015 – COUNCIL</b>			
Community infrastructure levy			Mark Hand
<b>6<sup>TH</sup> JANUARY 2016 – CABINET</b>			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16, meeting 4 held on 19 <sup>th</sup> November 2015.		Dave Jarrett

Subject	Purpose	Consultees	Author
<b>21<sup>ST</sup> JANUARY 2016 – COUNCIL</b>			
Final Budget Proposals			Joy Robson
<b>27<sup>TH</sup> JANUARY 2016 – INDIVIDUAL CABINET MEMBER DECISIONS</b>			
Local Government (Wales) Act 1994 The Local Authorities (Precepts) (Wales) Regulations 1995	To seek Members approval of the results of the consultation process regarding payments to precepting Authorities for 2016/17 as required by statute		Joy Robson
<b>3<sup>RD</sup> FEBRUARY 2016 - CABINET</b>			
Budget Monitoring report – month 9	The purpose of this report is to provide Members with information on the forecast outturn position of the Authority at end of month reporting for 2015/16 financial year.		Joy Robson/Mark Howcroft
Welsh Church Funding Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16, meeting 5 held on the 17 <sup>th</sup> December 2015.		Dave Jarrett
<b>25<sup>TH</sup> FEBRUARY 2016 - COUNCIL</b>			
Final Composite Council Tax Resolution	To set budget and council tax for 2016/17		Joy Robson
Treasury Management Strategy 2016/17	To accept the annual treasury management strategy		Joy Robson
<b>2<sup>ND</sup> MARCH 2016 - CABINET</b>			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16 meeting 6 held on the 21 <sup>st</sup> January 2016		Dave Jarrett

Subject	Purpose	Consultees	Author
2015/16 Education & Welsh Church Trust Funds Investment & Fund Strategy	The purpose of this report is to present to Cabinet for approval the 2016/17 Investment and Fund strategy for Trust Funds for which the Authority acts as sole or custodian trustee for adoption and to approve the 2015/16 grant allocation to Local Authority beneficiaries of the Welsh Church Fund.		Dave Jarrett
<b>13<sup>TH</sup> APRIL 2016 - CABINET</b>			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16, meeting 7 held on the 25 <sup>th</sup> February 2016		Dave Jarrett
<b>4<sup>TH</sup> MAY 2016 - CABINET</b>			
Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2015/16, meeting 8 held on the 24 <sup>th</sup> March 2016		Dave Jarrett