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4 March 2019

Dear Sir/Madam

CABINET

A meeting of the Cabinet has been arranged to take place on **TUESDAY 12TH MARCH, 2019 at 6.00 PM IN THE COMMITTEE ROOM** District Council House, Lichfield to consider the following business.

Access to the Committee Room is via the Members' Entrance.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Neil Turner'.

Neil Turner BSc (Hons) MSc
Director of Transformation & Resources

To: Members of Cabinet

Councillors Wilcox (Chairman), Pritchard (Vice-Chair), Mrs Little, Leytham, A Yeates and Spruce



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AGENDA

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FUTURE RE-DEVELOPMENT OF BIRMINGHAM ROAD SITE, LICHFIELD – COMMISSIONING BRIEF



CLlr Ian Pritchard – Cabinet Member for Economic Growth, Environment and Development

Date: 12th March 2019

Agenda Item: 3

Contact Officer: Craig Jordan

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Email: craig.jordan@lichfielddc.gov.uk

Key Decision? YES

Local Ward Cllrs Lax, O'Hagan, Greatorex

Members

CABINET

1. Executive Summary

- 1.1 The report presents to members a draft brief intended to commission consultants to develop plans for the future long term re-development of the Birmingham Road site in Lichfield City Centre as well as other sites within the wider city centre. The brief has been prepared under the auspices of a cross-party member task group of the Economic Growth, Environment and Development (Overview and Scrutiny) Committee and takes into account inputs from a wide variety of external stakeholders and local interest groups. Cabinet is asked to consider the brief and approve this prior to a procurement exercise taking place. Cabinet is also asked to delegate authority to the Cabinet member for Economic Growth, Environment and Development to award a contract for the work subject to the costs being within agreed budgets.

2. Recommendations

- 2.1 That the Cabinet approves the draft brief for the purposes of engaging consultants to undertake a planning exercise in respect of Birmingham Road, Lichfield and the wider city centre.
- 2.2 That the Cabinet delegates to the Cabinet Member for Economic Growth, Environment and Development in consultation with the Head of Economic Growth the authority to appoint consultants to carry out the commission following a procurement exercise and subject to the costs being within agreed budgets.

3. Background

- 3.1 Following the demise of the previous Friarsgate scheme which would have been located on the Birmingham Road site in Lichfield, members have been keen to determine alternative plans for the long term future of the site in question.
- 3.2 In September 2018 a cross-party member task group was set up to consider what types and mix of development would be suitable to bring forward on the Birmingham Road site having regard to the needs of Lichfield and the aspirations of residents and businesses.
- 3.3 Since its inception the member task group has met on a regular basis and carried out detailed assessments of Lichfield city as a place that people come to access services and facilities and gaps in provision that exist. As part of its work the group has held workshops to consider the strengths, weaknesses, opportunities and threats of the city (a SWOT analysis) and from this determined a range of needs and demands. The group has also taken into account factors impacting upon town/city centres and high streets including changes in the retail sector and patterns of consumer behaviour.

- 3.4 All of the aforementioned work has subsequently informed the development of a brief intended to commission professional consultants to formulate a plan for the Birmingham Road site and the wider Lichfield city centre. The draft text in the brief is attached at **Appendix 1** to this report.
- 3.5 The finalised brief will be issued alongside a tender specification when procurement of a consultant to undertake the work is carried out. As such what the draft text sets out is the scope of the work required by the District Council and the intended outputs and outcomes. Whilst providing detailed background information and including references to possible development types and combinations of development derived from the deliberations of the cross-party member task group, the brief is not meant to be overly prescriptive nor pre-judge the work of the successful bidder.
- 3.6 The Cabinet is asked to consider the draft brief and confirm that it is content that it suitably captures the work that the Council requires to be undertaken on its behalf.
- 3.7 Subject to the brief being judged acceptable, it is proposed that a procurement exercise is duly carried out enabling the Council to appoint consultants. The procurement will follow the Council's normal procedures and take into account relevant advice and guidance from the Council's new procurement partner, Wolverhampton City Council. A budget of £60,000 has been included in the Council's Medium Term Financial Strategy (MTFS) to cover the cost of the work. Staffordshire County Council has previously indicated a willingness to contribute a sum of monies also toward this work. Discussions are presently on-going with the County Council to confirm a contribution and the level of this. The Cabinet is asked to delegate authority to the Cabinet member for Economic Growth, Environment and Development to award a contract for the work subject to the bid cost being in line with the agreed budget.

Alternative Options	1. The Cabinet could decide not to endorse the draft brief or to agree it but with amendments.
Consultation	1. The brief has been prepared by a cross-party member task group part of the EGED (O&S) Committee. It has been shared with key external stakeholders and other interested parties and an officer project board and comments received have been input in to the version now presented to Cabinet
Financial Implications	<p>1. A sum of £60,000 has been included in the Council's Medium Term Financial Strategy to cover the cost of this commission.</p> <p>2. A contribution toward the overall cost of the commission is being sought from Staffordshire County Council. The level of any contribution is not known at this time.</p>
Contribution to the Delivery of the Strategic Plan	1. The brief is intended to produce plans for the re-development of the Birmingham Road site and other areas of Lichfield City Centre which will help sustain the future of the city and the services it provides to residents and visitors. The outcomes then of the proposed work will substantially contribute to a healthy and vibrant local economy, support local communities and continue to make the district a welcoming place for people to work and live.
Equality, Diversity and Human Rights Implications	1. Insert equality, diversity and human rights implications in bullet point format. Include any contribution towards the Council's equalities objectives, whether an equality impact assessment has been undertaken and (where relevant) the impact on people with protected characteristics.
Crime & Safety Issues	1. This is not an issue for this report

GDPR/Privacy Impact Assessment	1. This is not an issue for this report
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	Risk Description	How We Manage It	Severity of Risk (RYG)
A	The Cabinet does not agree the brief or seeks fundamental changes	The brief has been prepared under the auspices of a cross-party member task group and officer project board, the latter with external representation. It is intended to reflect the outcome of deliberations about the future needs of Lichfield city and the scope for development on Birmingham Road. However the brief itself is to facilitate the development of plans and proposals which will be the subject of further discussion and debate in the future including by the Council.	Green
B	Staffordshire County Council does not confirm a contribution towards costs	It is considered that the budget figure will be sufficient to deliver the intended outputs without the need for further contributions.	Green

Background documents
None

Relevant web links
www.lichfielddc.gov.uk/birminghamroad

DRAFT COMMISSIONING BRIEF TEXT

COMMISSIONING BRIEF

1. SUMMARY AND OBJECTIVES

This commission is a once in a generation opportunity to rethink the future direction of development in the Cathedral city of Lichfield, Staffordshire, at a time when the future of city centres is topical both locally and nationally. Its objective is to propose a way forward for a key city centre development site and in so doing also capture a dynamic, sustainable, deliverable vision for the future of the city centre.

The objective of this brief is to commission a multi-disciplinary team to consider and develop options for the redevelopment of a major site known as 'Birmingham Road,' in Lichfield City Centre, and to do so in the context of a wider City Centre development strategy. The site and the city centre are shown on the plans attached at **Annex C**.

The development recommendations must be commercially viable, deliverable, compliant with adopted and emerging local plans and strategies, and of the highest quality commensurate with a development in a historic Cathedral city.

In carrying out the commission the appointed team will report to a Project Officer Board made up of District, County and City representatives, and also a Task Group of District Councillors. The team will further be expected to support the District Council in its stakeholder and public engagement throughout the process as necessary. This support may include engagement with potential funders and development partners in conjunction with the District Council.

2. BACKGROUND AND INTRODUCTION

Lichfield is a vibrant Cathedral City in Staffordshire, centrally located, with excellent transport links by both road and rail, to all parts of the country. Positioned within Lichfield District, the city has a population of approximately 30,000 and serves a wide catchment area. The city has a vibrant mix of historic streetscape and modern development, with a large number of listed buildings and the Cathedral at its heart. It has weekly markets in the largely pedestrianised centre.

It is a reasonably affluent city, which is attractive to both residents and visitors alike. However, despite significant visitor attractions both in the city and nearby, there is a real opportunity to improve its status in terms of national awareness amongst the general public. Visitors tend to come for a half day, rather than a longer stay in the city.

A large proportion of the working population of Lichfield commutes daily to the larger cities of Birmingham and Derby, the Black Country, or towns such as Tamworth, and Sutton Coldfield. Similarly, these other centres are perceived by some to be larger or more varied shopping destinations, and to have leisure facilities that Lichfield does not currently offer.

Birmingham Road

The Birmingham Road site is a 2.8 hectare (7 acre) site in the heart of Lichfield City Centre. The site incorporates a range of previous and existing uses; namely an operational bus station, a multi-storey car park, council offices, former police station, former car showroom/garage site, and associated public realm and car and coach parking.

Over the last ten years various proposals for a significant retail-led mixed-use redevelopment scheme on the Birmingham Road site, have been developed but not implemented due to a variety of factors. In June 2018, against a

backdrop of unfavourable market conditions and rapidly changing patterns in the retail sector, the District Council took the decision not to progress an agreed, but unfunded, scheme and re-consider the future of the site.

The council is in the enviable position of having a relatively blank canvas site in the heart of the city, at a time when the future of the high street is being completely reimagined for the twenty first century. This commission seeks to appoint an appropriate professional team to engage with the council and key stakeholders, to develop ideas and capture best practice, and propose a way forward for the site in the context of its prominent position in the city. It is a chance to reshape the landscape, facilitate long term sustainable change, and enable linked development across the wider city centre.

The council is keen to move quickly, and to avoid ‘reinventing the wheel.’ A significant amount of work was done on the aforementioned previous schemes in terms of traffic impact, survey work, etc. These are listed in **Annex B** and will be made available to the appointed team.

The council has complete ownership of the site which has, in part, been demolished to ground level. Ground remediation, removal of obstructions, etc. is still required. The existing multi-storey car park, whilst continuing to operate currently, would have been demolished under the previous proposals. Demolition, as part of any new proposals, would therefore be acceptable in principle, however the timing of such, and the provision of any replacement parking would need to be taken into account given its proximity to the existing Three Spires Shopping Centre and Garrick Theatre. The District Council offices were not part of the previous development proposals but could be incorporated if appropriate (see below).

City Centre

The masterplan exercise should take into account the above, along with policies and proposals set out in the current and emerging Local Plan, Neighbourhood Plan and City Strategic Plan documents. In carrying out the commission, specific reference should be made to these and how the scheme supports the objectives, requirements or aspirations of these key documents. It is vital that outputs from the commission include a clear direction on both the future of the Birmingham Road site but also other key areas and sites which combined make up the wider city centre.

A number of other city-wide projects are being considered or are underway, for instance the Cathedral has some significant plans, and St Mary’s in the market square has recently been restored as a new library and arts space. Potential developments on Lombard Street and Eastern Avenue are being brought forward, and may also impact on the Birmingham Road site. The District Council and County Council also have potential development opportunities, particularly the Bird Street Car Park site, which should be given careful consideration. Any proposals for Birmingham Road should therefore be made in the context of an understanding of the wider city development potential.

Lichfield is a green city, with significant open spaces within it, Beacon Park, Stowe Pool, Cathedral Close, the Remembrance Garden, etc. This sense of space, openness, greenery, and tranquillity are important components of Lichfield’s appeal. They must be preserved and enhanced by any scheme. The Council consider that high quality public realm will be a key component of any proposal.

The city, with the Cathedral at its heart, is a vibrant cultural destination, with a wide range of busy festivals, arts groups, and activities functioning all year around. It is already successfully bringing people into the high street for such activities and seeks to build on this in terms of any new development plans. Encouraging people to live, work, and visit the city centre should be at the heart of any proposals.

3. DEVELOPMENT ELEMENTS

Whilst the Council do not wish to pre-empt or pre-judge the master-planning exercise, it is imperative that the lessons learnt from the previous attempts to find a solution to the site are not lost. Crucially, given the importance of the site in the city centre and the role it could play in the overall health and well-being of Lichfield and the district the Council is keen to see progress with the delivery of development. A significant amount of effort has gone into establishing city-

wide groups to formulate ideas, including via the setting up of a dedicated District Council cross-party member task group. Further consultation has taken place with city wide key stakeholders and the general public. This exercise, and the previous responses to the Friarsgate scheme, have helped identify some key aspects and issues to be considered when moving forward.

It should be noted that the following elements are in no particular order of priority nor should be taken as exhaustive. There may be scope for alternative elements of development on the site which may emerge as part of the commission.

A. Attractions and The Arts

The Council, and key stakeholders, are keen to further develop Lichfield as a destination city both nationally and internationally. Its links to David Garrick, Dr Johnson, The Lunar Society, and of course the Cathedral story, are all strong potential attractions in the city, and close by is the National Memorial Arboretum. The city is a good location to visit slightly further afield attractions too such as Drayton Manor Park, Black Country Museum, Tamworth Castle, etc. However, a priority is to develop the city as a destination where visitors come for more than a half day or day, being able to stay and patronise the various offers which complement the city's attractions.

Development should enhance and support the existing culture, atmosphere, activities, conservation area, etc. rather than conflict or damage them. Notable visitor attractions in historic settings include the Cathedral itself of course, but also St Mary's, Dr Johnson's Birthplace Museum, Erasmus Darwin's House, and the Guildhall (which is a popular arts venue and meeting space).

Hotel accommodation in the city has historically been underprovided, although recent developments have included additional provision (e.g. Premier Inn). There is a perception that there remains a shortage of good quality hotel accommodation to support a growing tourism offer, and this should be explored.

The city has a vibrant arts scene, with a major annual arts festival, and a range of other smaller similar events throughout the year. The Garrick Theatre is a key leisure facility in the city, and St Marys in the Market Square (which also now accommodates the city library) also provides flexible arts space. The Cathedral has a varied and vibrant arts programme of its own which has proved to be very successful at bringing people into the city centre and has been nationally recognised.

The provision of arts facilities, events and entertainment is a key component of the current Lichfield city centre 'offer' and this, combined with the vibrancy of its historic streetscape, should be considered carefully in developing proposals for the site and the wider city context.

The new development opportunities for Birmingham Road should take these into account and consider how to complement and support existing provision rather than compete.

B. Employment

A key aspiration of the Lichfield City Neighbourhood Plan is to encourage more employment in the city, and there is a lack of high-quality modern office space. Consideration should be given to the current market demand for this provision in Lichfield, and whether inclusion of commercial office development in some form would be appropriate. The role of the public sector as employer and any specific locational requirements relating to this should form part of this consideration.

C. Food, Beverage and night time economy

Lichfield is very well provided for in terms of cafes, and coffee shops. Bird Street has a reputation as the centre of the food offer in the City, and the council is keen to protect this and retain its vibrancy and reputation. Many of these providers are independents but there are some larger chains and franchises represented.

There may be an opportunity for additional food offers in conjunction with the wider development, e.g. leisure facilities, and these should be explored.

The City has a vibrant, growing, nationally recognised, food festival and regular 'street food' events. Along with a wide programme of arts and other activities (see below) this has been very successful at bringing both residents and tourists into the city, and should be taken into account when considering new food offers, both in terms of type, scale, and location.

Notwithstanding the above, the night-time economy is not perceived to be fulfilling its potential. The focus of restaurant trade in Bird Street, draws people away from the market square and Three Spires and there is a limited offer around the Garrick Theatre. There are a large number of pubs in the city centre, both major chains like Wetherspoons and Joules, and independents including some micropubs, however there is no nightclub and only one or two late night venues. There is no live music venue and performance space other than at the Garrick, the Guildhall and a few pubs.

D. Heritage

The city has a wealth of historic assets, most notably the Cathedral with its famous three spires, but also grade 1 listed St John's Alms-houses, the historic Guildhall, and a large number of listed properties in the city centre. The historic core has been largely retained with a mix of Tudor, Georgian and Victorian properties making up a mixed and very attractive streetscape.

Development must respect and reflect the historic nature of the city and in particular the listed buildings adjacent to the site and the context of the conservation area. In particular grade 1 listed St John's Hospital, and the former Grammar School (part of the council buildings) which are immediately adjacent to the site. Consideration should be given to the impact the development will have on the grade 1 listed Cathedral, and grade 2* listed St Marys. Other heritage assets, and the wider heritage streetscape are also vitally important for the city in terms of its ambiance, and attractiveness to visitors. Careful consideration should be given to views in and around the city and the development, especially at points of arrival and through routes between areas. Existing cycle paths, and walking routes, which criss-cross the city, should be taken into account.

The cathedral is developing plans for improved visitor facilities, and this, coupled with the recent restoration of St Marys and provision of a new library and arts centre – with the tourist information point located here too, are consistent with firmly planting the centre of Lichfield in the market square. Pedestrian links, signage, orientation, and street furniture are all important aspects of ensuring that any development in the city is part of a cohesive city-wide approach.

The Cathedral Close has a large number of historic properties, as does the market square. The city centre has retained its historic 'ladder' street plan with the Cathedral at one end (North West) and the Birmingham Road site at the other (South East) and this should be considered as a key historic context when looking at the Birmingham Road site.

E. Housing.

The Council recognises that a number of residential development schemes in the city in recent years have been targeted at the elderly, or more affluent individuals, and is keen to redress this balance whilst mindful of commercial viability of any scheme. Affordability of housing is an issue in Lichfield City and the district as whole, particularly for young people and families.

Depending on the overall development mix, residential development could be a key part of the scheme.

A suitable mix of housing which will help create a vibrant City Centre for all, and improve its sustainability as a retail, commercial and leisure destination, would be desirable. Any proposals for residential provision should be compliant with local planning policies, and housing need data.

F. Leisure.

Lichfield has a vibrant events programme, but a lack of a suitable permanent leisure provision. There is a limited public sports centre and swimming pool offer at the Friary School for instance, but this is in a poor condition.

It has been noted that there is a lack of activities for young adults, and young families in the city. Although there is some local provision, residents often travel elsewhere for activities such as cinema, swimming, gym, bowling, children's indoor play, etc.

Previous schemes have included the provision of a cinema, and this has been consistently argued as a key desirable from respondents to consultation events in the City. Previous schemes for the site also included a gym and associated facilities. The council is keen to consider the options around provision of these and how this might best integrate with a wider scheme.

With retail gradually reducing in its significance as the core land use in city centres, the council anticipate that such leisure uses will be increasingly important for sustainable city centres. However, leisure provision must be supported by evidence of demand and commercial viability and consideration as to whether a city centre site is the most appropriate location.

G. Public Realm & Open Spaces

The development should include exciting and imaginative public realm design. Public spaces should be generous and include high quality landscaping, public art, etc.

It is considered particularly important to improve the 'welcome' those arriving in Lichfield receive. This includes the spaces immediately outside the City Station and on the corner of St Johns Street and Birmingham Road. Further to this imaginative use of public space, pedestrian routes, and wayfinding are needed to encourage footfall around the city.

The city as a whole has a good provision of public open spaces, with Beacon Park, Minster Pool and Stowe Pool all in the heart of the city. The market square is also a popular location for other events, however, this at times creates challenges in terms of diary clashes with the city markets.

New development should provide an appropriate mix of development and public open space, and ensure connectivity between existing retail areas, city destinations (such as the Cathedral, Garrick, and St Marys/Library) and points of arrival either by public transport or car.

Signage, street furniture, lighting, etc. should be consistent with a city-wide aspiration for a common palette, this being an objective of the Lichfield City Business Improvement District (BID) and City Centre Strategic Partnership.

H. Retail

Provision of additional retail use within the new development is a difficult balance to strike, especially in light of the current challenges facing the traditional high street.

Some consider that Lichfield is under performing for its size in terms of the retail offer, with shoppers electing to go elsewhere to access a wider choice. However, in contrast others consider Lichfield's smaller more independent retail offer to be attractive and 'different' from the larger town centres. This paradox will be a key challenge for the scheme.

Any retail provision should be considered in the context of the mix of the proposed development uses on the site, for instance supporting leisure or arts provision, and the general retail offer across the city. The city's current retail centre, the Three Spires Shopping Centre, and the historic retail offer around the Market Square,

Bird Street, Market Street, Bore Street, Conduit Street and Tamworth Street, should not be impacted negatively by the new development, especially given the already challenging retail environment.

Consultation and previous studies have suggested that retail should generally be aimed at further developing smaller independent, and 'high end' providers as part of a 'destination' retail experience, continuing to develop Lichfield as a city centre attractive to both residents and tourists. Niche/artisan retail is seen as a key component of Lichfield's retail offer.

However, as noted above, for its size Lichfield is lacking in traditional large retail names and loses out in terms of the shopping experience compared to Tamworth, Sutton Coldfield and Birmingham. A few major names such as Debenhams, Boots, etc. are present but others are not. Marks and Spencer has recently closed its food outlet. Consideration needs to be given as to whether these providers believe Lichfield is unattractive for larger stores because of its size or demographic, or whether the barrier is the availability of larger sites.

The commission should consider current market trends in terms of retail development, and endeavour to retain some flexibility in terms of the nature, scale and scope of future retail provision.

I. Adjacent land and property

The existing district council offices and car park are located immediately adjacent to the site. The property includes the original historic council chamber, grammar school and associated buildings which are considered of significance. The rest of the building however is of more recent build yet inefficient and expensive to operate and maintain. It may be possible to include the council offices in the Birmingham Road development plans but careful consideration would need to be made in respect of:

- The economic justification for redevelopment and value benefits
- Benefits for the wider scheme
- Careful consideration of the historic buildings

Consideration of this aspect of the potential development will require close liaison with the District Council. How the Birmingham Road development interfaces with the City Station will be a key consideration (see transport section below) both for transport infrastructure works, but also in terms of visitor welcome and public realm.

J. Transport & Connectivity

The Birmingham Road site is a key transport hub for the city with bus station, coach and car parking within it, and the city rail station immediately adjacent. A key part of the commission will be to review existing transport provision and in the context of any re-development plans for the site determine the future location of the aforementioned facilities including the scope for enhanced connectivity between the same.

The city railway station, which is located adjacent to the development is presently an unattractive arrival point. On leaving the station visitors will be faced with the development which should be inviting and attractive, and clearly linking into routes into the city centre. Previous re-development schemes on Birmingham Road included the potential to include improvements to the City Station site, and car park as part of a cohesive scheme, but costs were an issue. The functional relationship between the rail station and development on the Birmingham Road site should be considered again as part of the commission.

Consideration of the impact of development on highways, road widening, or realignments, etc. should be given, but no detailed survey work or traffic impact assessments will be necessary. Birmingham Road, and the junction with St Johns Street to the south and Greenhill to the north are busy and congested (the County Council do have proposals for improvements to this area). Frog Lane is a one-way street. Access to the site generally, and in terms of servicing, will be a key factor to consider.

Car Parking will be a key consideration. The site includes an existing multi-storey car park which is at the end of its useful life and will require demolition. Consideration must be taken as to existing car parking provision in the city, the likely impact of any other developments on this provision, and the necessary provision for any new proposals in the context of the existing District Council's city-wide car parking strategy. A brief car parking statement is attached as **Annex A**.

The appointed team will be required to engage with transport stakeholders, County Council, and where appropriate rail and bus operators, etc.

K. Sustainability

Best practice in terms of sustainability should be considered. Whether this be in landscaping, drainage, selection of materials, incorporation of public transport, pedestrian and cycle friendly design, or energy efficiency, etc.

Consider the impact of achieving BREEAM excellent, and outline the considerations the Council should review in this respect.

Consider the most appropriate requirements for sustainability in respect of the development design, e.g. housing standards, and how these might be included in any subsequent development brief.

4. OUTCOMES AND OUTPUTS

The commission is intended to deliver a way forward for the Birmingham Road site and wider city centre. The successful bidding team will be required therefore to undertake an appraisal of the existing city centre, determine the needs of Lichfield and use this to inform proposals for Birmingham Road and other locations where development of certain uses would be suited. In terms of Birmingham Road the requirement would be for a proposed development mix that is:

- Deliverable
- Appropriate
- Best practice
- Sustainable
- Economically viable
- Imaginative
- Vibrant
- Respectful of its context
- Consistent with need and market demand
- Supportive of the wider city centre

The commission should specifically aim to deliver the following outputs:

- A high level overview of Lichfield City Centre including commentary on development needs and opportunities
- Develop a scheme for the Birmingham Road site in block plan form which suggests a potential development mix and locations of key elements (including any public realm), including options where appropriate
- A high-level design brief including physical and functional relationships with adjoining land and property
- A set of development principles which could be used as the basis for generating a future development brief.
- Proposals for transport infrastructure requirements directly or indirectly affected by the development of the site including, but not limited to, car parking, pedestrian and cycle routes, bus station provision, coach parking provision and connectivity to rail services and the station.
- Recommendations for expanding the development area given the conclusions of the team, including consideration of the District Council office site, and the City Station frontage.
- An analysis of stakeholder issues, and key drivers and how these relate to the proposals put forward by the team
- A considered, market led, assessment of likely commercial viability of the options proposed, and their relative economic and social benefits to the District Council.
- A report outlining the optimum development mix for the Birmingham Road site

- Consideration of how the optimum scheme can demonstrate best practice in sustainability and environmental impacts
- A work programme showing how the optimum development mix or suggested variations could be delivered including different delivery options available to the Council as landowner.
- A commentary and recommendations on potential funding routes including public sector grants, loans and other forms of market interventions linked to delivery.

In producing the requirements above it will be expected that the successful bidding team will carry out the following tasks:

- A strategic review of the wider city context, including significant development sites earmarked for development or already coming forward, with commentary on how these impact on the Birmingham Road site.
- A review of planning context and the impact of the Local Plan, Neighbourhood Plan, and similar reports and documents
- Carry out desktop studies and market testing to establish the likely response to the proposals from the wider market and hence their viability
- A review of market trends in similar cities, and consideration of current best practice in future high street development and investment, including Government initiatives and reports.
- A review of delivery options

ANNEX A: Lichfield City Parking Statement

Lichfield District Council provides slightly more than 2000 publicly available parking spaces in Lichfield City Centre.

The car parks provide a mixture of long and short stay parking with some lower rate car parks serving Beacon Park.

The cars parks operate on a Pay and Display basis. Short Stay car parks are charged at £1.00 per hour up to four hours, stays in excess of this and up to twenty four hours cost £8.00. Long Stay car parks cost £2.10 for four hours, £3.20 for six hours or £4.30 for twenty four hours. Sunday parking costs £1.00 for the full day in either type of car park. The full tariff structure is shown on the authority's website. Charges apply from 07:30 to 18:30 daily including Sunday.

Pay by Phone is available on all car parks and a continuing shift from payment at the machines to this method of payment is ongoing. Permits are available for the long stay facilities which offer a substantial discount compared to the daily fees in exchange for advance payment.

Car park rates are regularly benchmarked against those of neighbouring authorities and private operators to ensure that our parking offer remains competitive.

Long Stay parking is primarily aimed at the needs of city centre residents and workers whereas the short stay facilities are intended to facilitate retail and leisure visitors.

Visitors forming part of organised tours are an increasingly important factor in the visitor economy and parking facilities for coaches are provided in the Birmingham Road, Bus Station which also accommodates scheduled services.

Reserved bays for Blue Badge holders are provided as required by government guidelines and these customers are allowed to park free of charge with no time limit on their length of stay. If the reserved bays are full badge holders are allowed to make use of any other bay, also free of charge and as a result of this Blue Badge occupancy is considerably in excess of 100% of the reserved provision.

The main car parking facilities are the Multi Storey short stay car park in Birmingham Road (330 spaces), The Friary multi storey long stay (367 spaces), and the two deck car park at Lombard Street offering both short and long stay (270 spaces in total).

All car parks have CCTV and are patrolled regularly throughout the day.

In common with other authorities car park occupancy fell markedly following the 2008 financial crisis but unlike most other Staffordshire councils we have seen a slow but continuing rebound in occupancy rates.

Bird Street car park continues to have our highest occupancy rates and is often effectively full at peak periods but either of the two multi storey facilities will normally have spare spaces in all but the most exceptional circumstances.

Additional information on LDC car parks is available on our website.

Although the District Council is the largest operator in Lichfield significant numbers of additional parking spaces are provided by the rail operator and by various private concerns.

	Chargeable Spaces			Free Spaces				Long Stay	Short stay	Parks
	Cars	Coaches	Mother & Child	Disabled	Total cars	Motor cycles	Residents			
Multi storey										
Levitts Field	322 normal spaces			10	344	4			344	
	12 compact vehicle bays									
Lichfield City CP										
FRIARY CAR PARK	367*			21	388	8 + 10 cycle	18	388		
FRIARY INNER	45				45				45	
SANDFORD STREET	63			2	65			65		
BIRD STREET	169			8	177	6			177	
LOMBARD STREET **	263			6	269	20 cycle		135	128	
CROSS KEYS	31				31			31		
REDCOURT	80			3	83	4		83		
GREENHILL	13				13			13		
*GRESLEY ROW	35			3	38				38	
**BACKCESTER										
*Upper	38				38	2			38	
Middle	32		6	8	46				46	
*Lower	41				41			41		
BUS STATION										
Car	61			2	63			63		
Coach		5								
BIRMINGHAM ROAD	34			1	35			35		
COUNCIL HOUSE	76			3	79				79	
UNIVERSITY	48				48			48		
UNI-STAFF AREA	31				31			31		
UNIVERSITY NEW AREA	116				116			116		
BUNKERS	58			4	62		12			62
SHAW LANE	39			2	41					41
GREENHOUGH ROAD	77			2	79					79
Total	2033	5	6	76	2108	29	40	1021	905	182

* Friary chargeable spaces includes 12 bays sold to Bromford at full permit rate.

ANNEX B: Supporting Documentation

The following information has been collated and developed in connection with previous schemes for the Birmingham Road site, and will be made available to the successful masterplan team, or is already available online via the Lichfield District Council planning portal:

Previously approved planning application reference 15/01365/FULM – approved 27th May 2016 - for mixed use development on the site known as 'Friarsgate,' and associated documents, reports and designs including but not limited to:

- WYG Heritage Statement November 2015
- WYG Extended phase 1 habitat survey November 2015
- BSP Consulting phase 1 desk-based study November 2015
- BSP Flood Risk Assessment and Drainage Strategy and Severn Trent Water sewer record and capacity Assessment document (which formed part of the flood risk assessment previously)
- WYG Noise Assessment November 2015
- WYG Air Quality Assessment November 2015 & January 2016
- WYG Arboricultural Report November 2015
- WYG Archaeological Desk Based Assessment 2015
- WYG Nocturnal Emergence and Dawn Swarm Re-entry Bat Surveys November 2015
- Waterman BREEAM & Code for Sustainable Homes Pre-assessment November 2015
- Development Planning Ltd – Lichfield Bus Station, Bus Station User Guide

ANNEX C: Site Plans (to be included in final brief)

The Birmingham Road Site is wholly in the ownership of Lichfield District Council. It should be noted that the former 'Tempest Ford' garage site had been demolished, and the police station building is due to be demolished (subject to planning) in Spring 2019. The bus station and the multi-storey car park currently remain in full use.

- Birmingham Road Overview Plan
- Birmingham Road Site 1-2500
- LDC Aerial 2016

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Multi Storey Car Park, Refurbishment Project

Report of the Cabinet Member for Economic Growth, Environment & Development Services :
Councillor Ian Pritchard



Date	12 March 2019
Agenda Item	4
Contact Officers	Craig Jordan/John Roobottom
Tel Numbers	308202/687546
Email	craig.jordan@lichfielddc.gov.uk john.roobottom@lichfielddc.gov.uk
Key Decision?	YES
Local Ward Members	Although situated in the town centre, the car park is a major asset of this Council and therefore an issue affecting all Wards.

Cabinet

1. Executive Summary

- 1.1 Due to the previously planned demolition in connection with the Friarsgate project, maintenance work on the Birmingham Road, Multi Storey car park has been limited to essential items only for some years.
- 1.2 This has led to a backlog of tasks which will now need to be completed in order to ensure the continued structural integrity of the car park and also to make sure that the facility can provide a reasonably pleasant and inviting offer for our customers.
- 1.3 The intention of this project is to provide for a minimum five year life extension to the structure with no further major works expected in that period.
- 1.4 If redevelopment intentions for the area were to change making retention of the facility for the longer term desirable, additional structural works would be required, but none of the works proposed in this report would prejudice this course of action.
- 1.5 It is likely that the works would be split into two areas with one tender for structural and decorative works and a second for lighting improvements. However, if advice from our new purchasing providers at Wolverhampton City Council was to the contrary, the two operations could be combined into one tender.

2. Recommendations

- 2.1 That Cabinet approves the procurement of works to undertake a refurbishment of the Multi Storey car park.
- 2.2 That Cabinet delegates to the Cabinet Member for Economic Growth, Environment and Development Services, in consultation with the Head of Economic Growth, the authority to appoint contractors following a procurement exercise and subject to the costs being within agreed budgets.

That Cabinet agree to recommend to full Council :

- The inclusion of a new project in the Capital Programme with a total cost of up to **£300,000** (including **£50,000** of contingency) funded by the restricted earmarked reserve entitled 'Birmingham Road Car Park Repairs and Renewals'.

- A change to the revenue budget to reflect the savings identified in the revenue implications section of this report

3. Background

- 3.1 The structure has been regularly inspected by consultant engineers and their recommendations form the core of the works proposed for the structural tender. These will include : replacing the failing upper deck covering, repairs to various areas of damaged concrete, anti-corrosion treatment to structural steelwork, replacement of the damaged Birmingham Road height limiters, replacement of fire doors and frames, a deep clean of the entire building and localised improvements to paintwork and lining. Based on the engineers advice and experience of similar works it is expected that these works will cost in the region of **£150,000**.
- 3.2 The lighting fit is a mixture of units many of them thought to date from a major refurbishment carried out around 30 years ago. As well as presenting an ever increasing maintenance requirement, these units are extremely energy hungry by modern standards. Due to the marked variety in the performance of the existing units and the fact that a large number of them are not functioning, it is not practical to produce exact figures but based on projections carried out for the Friary Car Park project, it is expected that a complete refit with modern LED units would offer a sufficient pay back in reduced energy and maintenance costs to reach a breakeven point five years after a change over. Experience from the Friary Car Park project suggests that these works will cost in the region of **£100,000**. The scope of this scheme would also be extended to include some relatively minor works to the wiring and control systems to make sure that they comply with modern standards.
- 3.3 Income from the car park has been set aside in a dedicated sinking fund to provide for such works and this project can be easily funded from within these amounts as the fund value at 1 April 2018 was **£2,057,328** and this projected to rise to **£2,207,000** by 31 March 2019. We are required to consult with the Railway Pension Fund in their role as owners of the Three Spires Shopping Centre before drawing on these funds, but they have indicated their agreement in principle to this course of action.
- 3.4 Deck closures will be required as a minimum but it is hoped to avoid or at least minimise any general closure of the whole facility. The tender will be structured to encourage potential contractors to reduce disruption for customers and to keep loss of income to the lowest practical level.

Alternative Options	Do not carry out any significant works. This carries the risk of further deterioration with increased costs in the long run.
Consultation	In compliance with the lease and sinking fund requirements, the Railway Pension Fund have been consulted on this matter and have indicated their agreement.

Financial Implications

1. The project is intended to commence during Q1 of financial year 2019/20 with completion during Q2 of the same year.
2. The intended spend will be taken from the dedicated sinking fund set up to allow for major works to this facility. These amounts would not be available for any other purpose.
3. The modernised lighting fit will deliver substantial savings in both energy and maintenance cost.

Capital Programme

The recommended Capital Programme budget and funding for the project is detailed below :

Details	2019/20	2020/21	2021/22	2022/23
Structural works	150,000			
Lighting works	100,000			
Contingency	50,000			
Total spend	£ 300,000	0	0	0
Funded by :				
Earmarked Reserve	£ 300,000	-	-	-
Total funding	£ 300,000	£0	£0	£0

Revenue Budget

The approved and revised revenue budget (assuming approval for the project and a 60% reduction in energy consumption) for the Multi Storey car park is detailed below :

Details	2019/20	2020/21	2021/22	2022/23
Premise related costs				
Electricity	21,360	23,500	25,850	28,440
Business rates	36,690	38,100	39,570	41,090
Other	3,500	3,560	3,600	3,640
Supplies and services				
Fees	1,800	1,800	1,800	1,800
Share of general car park costs	26,000	26,000	26,000	26,000
Total direct expenditure	£89,350	£92,960	£96,820	£100,970
Car Parking Fees	(£347,790)	(£347,790)	(£347,790)	(£347,790)
Net direct income	(£258,440)	(£254,830)	(£250,970)	(£246,820)
Electricity cost reduction	(£6,500)	(£14,000)	(£16,000)	(£17,000)
Reduction in maintenance costs	(£2,500)	(£5,000)	(£5,000)	(£5,000)
Revised Net Income	(£267,440)	(£273,830)	(£271,970)	(£268,820)

Average occupancy of the car park is 51%.

Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> 1. Vibrant and Prosperous Economy. The improvements will ensure that the car park continues to provide city centre car parking in support of the retail and visitor economies. 2. Healthy and Safe Communities. The lighting improvements will be a contributory factor in the reduction for the potential of anti-social behaviour.
Equality, Diversity and Human Rights Implications	The improved lighting fit will be of particular benefit to persons with eyesight difficulties.
Crime & Safety Issues	No major impacts on crime and safety issues are expected but a well lit environment is one of the principles in the Secured by Design standards for car park operation.
GDPR/Privacy Impact Assessment	No formal assessment has been undertaken but there are no expected impacts on privacy or data security issues.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	That the repairs fail to deliver the expected life extension	The works are as recommended by qualified and respected civil engineers	Green
B	The works period exceeds expectations leading to an extended closure	The tender will be written in such a way as to encourage the reduction of any closures.	Green
C	Tender costs are above expectations	The guide prices are based on solid examples and if prices exceed the recommended brackets no award of tender will be made without further approval from Councillors.	Green
D	The repairs fall below an acceptable standard	The works specification has been drawn up with the assistance of the consultants and the tender specification will require suitable guarantee periods for the repairs.	Green
E			

Background documents

Relevant web links

High Speed Rail 2 – Additional Provision (phase 2a) and Environmental Statement Consultation

Report of the Cabinet Member for Economic Growth, Environment & Development Services:

Councillor I. Pritchard



Date: 12 March 2019

Agenda Item: 5

Contact Officer: Ashley Baldwin/ Craig Jordan

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CABINET

Key Decision? **YES**

Local Ward Members Cllr S. Barnett, Cllr R. Cox, Cllr T. Marshall, Cllr I. Pritchard, Cllr B. Rayner, Cllr M. Stanhope, Cllr M. Tittley, Cllr M. Wilcox.

1. Executive Summary

- 1.1 In July 2018, the Government deposited a Bill seeking powers to construct and operate the proposed phase of HS2 linking Fradley in the West Midlands and Crewe in Cheshire (Phase 2a).
- 1.2 The Government has proposed a number of changes to this proposed route.
- 1.3 Certain changes can be made within the existing scope of the Bill and a Supplementary Environmental Statement 2 has been prepared and deposited in Parliament.
- 1.4 This report addresses the issue of petitioning against Additional Provision 2 (an additional provision seeks to allow the promoters of the Bill to extend its scope. It is a package of proposed amendments to a Bill) and responding to the environmental statement consultation. This follows on from the Cabinet reports on 5th September 2017 and 5th December 2017 associated with the Hybrid Bill.

2. Recommendations

- 2.1 The portfolio holder for Economic Growth, Environment & Development Services in consultation with the Head of Economic Growth be given delegated authority to agree to a joint response with Staffordshire County Council and other local authorities;
- 2.2 Table 1 be submitted to Staffordshire County Council to assist in developing the joint response;
- 2.3 That Cabinet agree to continue with petitioning the Hybrid Bill in relation to the Common Lane issue;

3. Background

- 3.1 High Speed 2 (HS2) is a Government backed proposal to develop a high speed rail line between London and the West Midlands (Phase 1) with later spurs to Manchester and Leeds (Phase 2).
- 3.2 Phase 2a relates to the extension of Phase 1 from Lichfield District in the West Midlands to Crewe in Cheshire. Phase 2b is the route which will extend from Phase 1 up to Leeds via Nottingham and Sheffield.

- 3.3 On 30 November 2015, George Osborn (then Chancellor) confirmed the acceleration of the western leg of the route from West Midlands to Crewe, referred to as Phase 2a.
- 3.4 In July 2018, the Government deposited a Bill seeking powers to construct and operate the proposed phase of HS2 linking Fradley in the West Midlands and Crewe in Cheshire.
- 3.5 The Bill was accompanied by an Environmental Statement ('the main ES') that reports the environmental impact of the planned new railway.
- 3.6 On the 5th December 2017 Lichfield District Council Cabinet agreed to object to the HS2 Bill by way of petitioning. This was undertaken jointly with Staffordshire County Council, through the use of parliamentary agents Sharpe Pritchard (see paras 3.23 – 3.24 for more information).

Additional Provision 2, the Environmental Statement and the Supplementary Environmental Statement

- 3.7 The Government has proposed a number of changes to the proposed HS2 route between the West Midlands and Crewe.
- 3.8 Certain changes can be made within the existing scope of the Bill and a Supplementary Environmental Statement 2 (SES2) has been prepared and deposited in Parliament. This reports on the likely significant environmental effects of this group of changes.
- 3.9 There are a number of other proposed changes that will require amendments to the Bill which are outside the original proposals and are contained within Additional Provision 2 (AP2). The AP2 Environmental Statement (AP2 ES) reports on the likely significant environmental effects of the amendments included within the AP. Both the AP2 and the AP2 ES have also been deposited in Parliament.
- 3.10 The Supplementary Environmental Statement 2 (SES2) and the Additional Provision 2 Environmental Statement (AP2 ES) are separate environmental statements.
- 3.11 The SES2 (Part 1) reports on the likely significant environmental effects of updated environmental information, changes to the design and construction scheme assumptions within the existing powers and limits of the Bill.
- 3.12 The AP2 ES (Part 2) reports on the likely significant environmental effects of the amendments in the AP (i.e. amendments to the Bill which are outside the scope of the existing powers and limits of the Bill).
- 3.13 The key changes can be summarised as (not all directly impact Lichfield District):
- Design and construction assumptions include (SES2):
 - A review of the earthworks and movement of materials, taking into account changes in design and opportunities to reduce the overall surplus of excavated materials that would need to be transported by road. This has resulted in changes across the whole route, which include identifying 17 sites for the local placement of surplus excavated material on land already required for construction; The sites of specific relevance to Lichfield District are:
 - On the south side of Pipe Ridware embankment, extending east and west across the stopped-up section of Pipe Lane, north-east of Quintons Orchard, and a retained section of Pipe Lane. Existing hedgerow, adjacent to the stopped –up section of Pipe Lane, will be lost and re-provided along the existing alignment.

The material will be regraded so that it can be returned to agricultural use (SES2-001-004).

- Surplus excavated material will be placed permanently to the north and south sides of Blithbury South and Blithbury North cuttings. One area for the placement of surplus excavated material will be located to the south-east of the Newlands Lane auto-transformer feeder station to the north of the HS2 route, and two areas will be located to the south-east and south-west of the Newlands Lane auto transformer feeder station to the south of the HS2 route. The material will be graded so that it can be returned to agricultural use (SES2-001-007).
- Surplus excavated material will be placed permanently to the south of Moreton South embankment, north of Jonghams Lane. Existing hedgerow, which separates the temporary stockpiles, will be lost as a result of the placement of surplus excavated material. The hedgerow will be re-provided along its existing alignment. The material will be graded so that it can be returned to agricultural use (SES2-001-008).
- Changes to assumed borrow pit depths based on additional historical information relating to likely ground conditions and changes to the design of a number of borrow pits relating to the recharge of groundwater; diversion of watercourses; and/or the reduction in the area of borrow pits to allow for utility works. In addition, hydrogeological models have been developed for the relevant borrow pits;
- Changes to the construction programme. These take account of refinements to construction methods and changes to earthworks and the movement of materials;
- Changes to a number of railway systems compounds required for the installation of a slab track formation relating to operational characteristics such as construction duration, worker numbers and traffic movements; and
- Additional utility works and the provision of associated construction compounds.
- Other changes that can be made within the existing powers of the Bill and are reported in the SES2, include:
 - Lowering of Kings Bromley viaduct, Bourne embankment and River Trent viaduct;
 - A noise attenuation bund for 9 residential properties at Woodhouse Farm will be provided within land between Pipe Ridware embankment and Pipe Lane, up to 9.5m in height from ground level (SES2-001-005);
 - Relocation of a balancing pond;
 - Extension of a noise fence barrier;
 - Landscape earthworks in the vicinity of the Stone Infrastructure Maintenance Base-Rail (IMB-R);
 - Increase in length and changes to the design of the M6 Meaford Viaduct;
 - Reconfiguration of the existing West Coast Main Line (WCML) tracks between the A500 Shavington Bypass and Madeley Bridleway 2;
 - New construction traffic routes and new permanent farm access routes; and
 - Changes to environmental mitigation.

3.14 The AP2 petitioning period commenced on Friday 8 February and the last date for depositing a petition against the proposals is 15:00 on Friday 15 March. In relation to the SES2 and AP2 ES the consultation runs until 23:45 on Friday 29 March 2019.

Matters for the Cabinet to consider

3.15 Table 1 identifies the fundamental points that arise for Lichfield District as a result of AP2, AP2 ES and SES2.

Table 1: Lichfield District Council comments on AP2 AP2ES and SES2

Matter	Comment
A	<p>The closure of Common Lane is unsatisfactory. This is a point the Council have previously petitioned on. The petitioning was undertaken because it appeared that HS2 Ltd were intending to close Common Lane for a period of five years, without a substitute.</p> <p>The Phase 2A Bill as introduced gives power to the nominated undertaker to stop up Common Lane permanently where the proposed railway crosses it at Barn Farm, near to its junction with the A515 Lichfield Road at Riley Hill Farm¹. Because the closure is mentioned in table 1 in Schedule 5 to the Bill, no substitute road is to be provided. If it had been mentioned in table 2 of Schedule 5, it could not happen until the date on which a substitute road is first open for public use².</p> <p>The effect of the closure without a substitution would be that traffic which needed to get onto the main road network would, instead of going roughly south along Common Lane onto the A515 at the Riley Hill Farm junction, would instead have to go roughly north along Common Lane and Crawley Lane to the junction at Kings Bromley, at the point where Richard Crosse Primary School is located.</p> <p>As well as bringing traffic to the school, large farm and HGV vehicles would be directed to the centre of the village which is under a Traffic Order restricting the movements of HGV vehicles.</p> <p>HS2 Ltd provided the following assurance (as part of a wider package):</p> <p style="text-align: center;"><i>Common Lane</i></p> <p><i>22 (a) Recognising Staffordshire County Council's request for Common Lane to not be permanently stopped up and subject to the satisfaction of the condition in paragraph (b), the Secretary of State will require the nominated undertaker to design and construct a permanent alternative vehicular route between Common Lane and A515 Lichfield Road to the north of the Proposed Scheme to replace that part of Common Lane which is to be permanently stopped up under the Bill between points P6 and P7 on Sheet No. 1-05 of the plans deposited with the Bill ("the Alternative Route").</i></p> <p><i>(b) The assurance in paragraph (a) is subject to the successful promotion of an amendment to the Bill through the introduction of an Additional Provision, and any requisite environmental information, which confers on the Secretary of State the land and works powers to acquire compulsorily the additional land required for the provision of the Alternative Route and to construct the Alternative Route.</i></p> <p><i>(c) The Promoter will use reasonable endeavours to promote the Additional</i></p>

¹ Schedule 4, paragraph 2(1) and Schedule 5, table 2

² Schedule 4, paragraph 2(3)

Matter	Comment
	<p><i>Provision referred to in paragraph (b).</i></p> <p>Therefore while there is an assurance which includes the provision for a new link road there will be a period of 5 years during the construction period when Common Lane will be closed, and the new substitute road will not be available until then. This is not considered a satisfactory solution and it is considered necessary to enter into further petitioning. The primary concern relates to HS Ltd interpretation of the assurance and undertaking.</p>
B	<p>Routing of traffic along Wood End Lane in respect of the Land at Watery Lane Planning permission.</p> <p>This is considered a matter for the highways authority to comment upon. Lichfield District Council would wish to ensure that the positive engagement with the developer of this site and HS2 Ltd continues to ensure the delivery of this development.</p>
C	<p>Akin to the above, the changes indicate that on Wood End Lane there would be substantial hedgerow loss. The Council's analysis of these hedgerow losses is that it is unclear whether these are to be translocated, translocated 'if possible', or removed and replaced. This is a matter that requires clarification.</p>
D	<p>A detailed analysis of the consultation indicated that a section of Tomhay Wood (Ancient Scheduled Natural Woodland (ANSW)), adjacent to Wood End Lane may be required for widening. This does not appear to be addressed. This is a matter that will need to be clarified and if appropriate addressed adequately.</p>
E	<p>A concern raised by the Council previously related to the use of the Rugeley Power Station site as a source of Power. This consultation provides a solution to alleviate the Council's concern in this regard. However the changes do present some potential landscape and natural environment concerns. There will be a number of pylons required (circa 38m tall), plus substantial land take for the Parkgate Transformer Farm arises from the need to provide supply.</p> <p>A pertinent issue here is the potential for landscape impact which the County Council will provide further guidance on. As a general point the inclusion of new overhead powerlines will have an impact of views.</p>
F	<p>The hedgerow and woodland impacts at the revised spur arrangement at Handsacre require clarification.</p>
G	<p>Bishton Lane is likely to result in impact on hedgerows, with the 'proposed hedgerow habitat creation'.</p>
H	<p>The landscape assessment proposes no additional mitigation. 5.15.256: Construction of the amendment will give rise to a higher magnitude of change on the landscape character of the Bromley Park Plateau farmland Landscape Character Area than is currently the case and will potentially result in additional major adverse significant effect.</p>
I	<p>Construction of two pylon lines will require removal of vegetation along Newlands Lane to enable vehicular access to the crane pads. Lichfield District Council were given assurances regarding the retention and safeguarding of Noddys Oak, a veteran tree alongside Newlands Lane. Since the requirements and design have changed it is necessary to ensure these assurances are maintained to make certain the veteran Oak in question is not affected.</p>
J	<p>It is essential that the changes arising from AP2 take account of their impact on European designated sites. In this regard the supporting documents will need to include a Habitat Regulations Assessment. This is a matter that Natural England are best to advise upon.</p>
K	<p>The overall levels of Nitrogen Dioxide emissions as a result of HS2 Phase 2a are reduced as a result of changes. However the baseline levels have increased, due the method of calculating baseline levels. The decrease is welcomed, however the impact of Nitrogen</p>

Matter	Comment
	Dioxide is a critical point in the context of the Council's comment at Matter J.
L	Some of the changes associated with noise will most likely result in improvements in noise levels, this is commended.
M	It is apparent that limited ecological surveys have been conducted across the proposed additional provision and amendment areas.
N	<p>The ecological information provided by HS2 at this time is incomplete with a number of areas along the proposed route having only partial protected/priority species and habitat data. As such it is clear HS2 have not applied best practice and worked to the mitigation hierarchy as would be expected by a national infrastructure project. In the absence of such information, HS2 are proposing mitigation/compensation without having a clear understanding of what their impact is. In these areas of the project where there is currently a dearth of ecological understanding HS2 has adopted a 'worst case scenario approach' (however it remains unclear how they have reached the determination of what represent an ecological 'worst case'). The worst case scenario approach is appropriate for impact assessment but not for the approach to avoidance, minimisation and mitigation, as it does not meet the 2017 EIA Regulations requirement to demonstrate reduction and avoidance of impacts. Where important features e.g. veteran trees and important hedgerows are outside the construction footprint but could potentially be affected by construction route widening, the ES should make clear measures required to protect these. Also it is apparent that within Lichfield District there are further opportunities for avoidance and reduction of ecological impact and these have not been considered.</p>
O	<p>It is recognised that HS2 Ltd are assessing biodiversity impact using their own bespoke quantitative assessment metric and that their proposed target of 'no-net-loss' to biodiversity value is to only be achieved at a route wide level. However it is to be noted that based upon the information supplied in the Phase 2a Supplementary ES that the Lichfield District is likely to suffer a notable net-loss to its biodiversity value (i.e. net-habitat value) should the project proceed as stated. It is apparent that even in situations where the ES details compensatory habitat creation to account for losses of notable habitat (UK BAP habitats) the compensation is likely to result in notable net-loss. This is due to compensatory habitat within Lichfield District only being described in terms of size (ha). This means the loss of a 10ha priority habitat will (in some cases but not all) be compensated for via the creation of 10ha of same habitat type elsewhere within the boundary of the Hybrid Bill. This is presented as a no-net-loss scenario with the ES but it is considered to represent a notable net-loss. This is because of two factors not recognised within the ES:</p> <ul style="list-style-type: none"> • Failure of the ES to recognise the existing biodiversity value of a donor site prior to compensatory habitat creation occurring upon it. • Failure of the ES to recognise any temporal factor in the creation of compensatory habitat (i.e. when creating woodland a minimum of 20 years should be considered necessary to allow for its establishment and to reach a biodiversity value similar to

Matter	Comment
	the established woodland that has been lost and compensated for).

Next steps

- 3.16 The Council has previously worked closely with Staffordshire County Council in petitioning and responding to the Environmental Statements. This has worked effectively with both parties being successful in securing positive changes to the HS2 proposals. Continuing with this approach is considered the most effective way forward. In part due to its effective success in the past, but also there are benefits to both Authorities working collaboratively because of the specialists skills within each Authority.

Petitioning

- 3.17 From the original announcements in January 2012 of the Government's intentions to progress with proposals for a High Speed rail network the District Council has maintained a strong and principled objection. It is not considered that the project will deliver economic benefits to residents and businesses in the District and more so will result in harm to the local environment and amenity. Whilst of this view the Council has accepted that ultimately decisions over Phase 1 and Phase 2 are not ones being made locally but by Parliament and therefore local concerns may well be overridden. In the circumstances it has been recognised that the most appropriate approach is to seek to maximise any benefits that could come from HS2 and minimise the adverse impacts. It is in this context that officers of the District Council have worked with partners to engage with HS2 Limited to ensure that the detailed aspects of Phase 1 and now Phase 2a take account fully of social, environmental and economic concerns relevant to the project and Lichfield District.
- 3.18 Although much effort and time has been expended to influence the route design and proposed mitigation measures for Phase 2a, as with Phase 1a the proposals contained in the Phase 2a Hybrid Bill did not fully address the concerns articulated by local residents, this Council or Staffordshire County Council.
- 3.19 The Hybrid Bill offered an opportunity for local authorities, local communities, individuals and other interested parties to challenge the Government's proposals and seek to have changes made to the proposed scheme. This process is known as 'Petitioning' which involves a formal document being drafted and sent to Parliament by an affected party and then subject to the affected party establishing that it has sufficient standing, that party duly presenting its case to the Select Committee in the Houses of Parliament.
- 3.20 In April 2014, the District Council took the decision to formally petition against the HS2 Phase 1 Hybrid Bill. In doing so members will recall that the process delivered some positive results with the line of route now planned to go under rather than over the A38, West Coast Main Line in a cutting at Streethay, a lowering of the height of the route generally through the District and changes meaning the protection of the Trent and Mersey Canal and its surrounds.
- 3.21 In the report considered by the Cabinet on 5th September 2017 the concerns regarding the Hybrid Bill and associated proposed mitigation were identified. It is these matters that were considered on 5th

December 2017 and were subject to petitioning by the Council.

- 3.22 In deciding whether or not to petition on AP2 the Council will have to consider the nature of its concerns but also why it has an interest in these matters. This latter point is important as when the Select Committee comes to deciding whether or not to hear a petitioner's case it will want to establish that the petitioner is "specially and directly affected". If the Committee does not believe that a petitioner is so affected, it can prevent the petitioner being heard if its standing is challenged by the promoter. Parliamentary Agents have advised that this 'rule' applies to any prospective petitioner and is intended to ensure the process of petitioning is not abused. Regarding HS2 and the Hybrid Bill the proposals impact upon individual landowners, local communities and local services and infrastructure.

How can the District Council Petition?

- 3.23 If Cabinet were minded to petition there is already a Council approval in place to facilitate this. The AP2 is a component of the Hybrid Bill. On 19 December 2017 Council approved petitioning the Hybrid Bill which enables Cabinet to petition the AP2. The District Council has previously used the service of Sharpe Pritchard as its Parliamentary Agents. Parliamentary Agents are solicitors approved by the House of Commons and Lords to undertake this work on behalf of bodies seeking to petition.

Making a response to matters which do not require petitioning

- 3.24 With the exception of point A the matters identified within Table 1 do not indicate the need to petition on AP2. AP2 is an addition to the Hybrid Bill, on this basis the resolution made by Full Council enables Cabinet to approve petitioning on the AP2. However the Council are still able to respond to the Environmental Statements. Matters B - O raised within table 1 are considered best addressed through feedback to the environmental statement consultation.
- 3.25 It is essential that were the Council of the view that the points raised under the original petitioning are not adequately addressed then further petitioning be agreed. This is considered the pertinent point for matter A in table 1.

Alternative Options	<ol style="list-style-type: none">1. Cabinet could decide not to formally petition regarding matter A in table 1. This is not recommended because this may result in an unsatisfactory resolution to a matter the Council have previously petitioned on.2. Cabinet recommends to not provide the comments at table 1 to the County Council to assist in informing their response. This would result in a vacuum of information that should inform the Environmental Statement consultation.3. The Council could decide to support other bodies who decide to petition. At the time of writing officers are not aware of any other organisations that are petitioning on points that would warrant Lichfield District Council supporting their stance.
Consultation	<ol style="list-style-type: none">1. Awareness of the AP2, AP2 ES and SES2 were provided to ward members. During the Hybrid Bill Environmental Statement a report was presented to Economic Growth, Environment and Development (Overview and Scrutiny) Committee in September 2017. This Bill preceded these Additional Provisions.

Financial Implications	1. A general reserve to support petitioning of HS2 was established in connection with Phase 1. The current balance of the reserve is approximately £40, 000 this is considered sufficient to meet the costs of petitioning Phase 2a.
Contribution to the Delivery of the Strategic Plan	1. The development of HS2 would not accord with the objectives of the Strategic Plan for Lichfield District unless a consequence of its development the scheme would generate jobs and wealth creation in the District and have no adverse environmental impacts
Equality, Diversity and Human Rights Implications	1. HS2 Phase 2a will impact upon individual residents, businesses and local communities in the District. As part of the Bill an Equalities Impact Assessment was prepared.
Crime & Safety Issues	1. There may be crime and safety issues linked to both the construction and operation of HS2 Phase 2a however the nature of these issues is not known at this stage. Such details will be reported to members in due course when the information becomes available.
GDPR/Privacy Impact Assessment	1. A Privacy Impact Assessment has been undertaken.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Failure to petition AP2	Lichfield District Council officers and members continue to support Staffordshire County Council and other parties in their petitioning of the AP2 and engage with HS2 Limited to seek resolution of matters prior to the Select Committee stage.	Yellow
B	The comments raised by Lichfield District Council are not agreed by Staffordshire County Council.	Lichfield District Council officers and members will continue dialogue with Staffordshire County Council. Where Staffordshire County Council are not in alignment there will be a need to ensure clarification is sought over their stance.	Yellow

Background documents

High Speed Rail (West Midlands – Crewe) Additional Provision 2 (February 2019) and associated documents
Lichfield District Council Cabinet Report – 5 December 2017
Lichfield District Council Cabinet Report – 5 September 2017

Relevant web links

[High Speed Rail \(West Midlands – Crewe\) Additional Provision 2 \(February 2019\) and associated documents](#)

[Lichfield District Council Cabinet Report – 5 December 2017](#)

[Lichfield District Council Cabinet Report – 5 September 2017](#)

Expenditure for Planning Support

Report of Councillor I Pritchard

Cabinet Member for Economic Growth, Development & Environment

Date: 12 March 2019

Agenda Item: 6

Contact Officer: Claire Billings

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Key Decision? YES



CABINET

1. Executive Summary

- 1.1 There is a present need to procure temporary planning officer support to deal with issues such as permanent recruitment; increased workloads; maternity leave and dedicating existing resources to service improvement work. At the same time, there is a limited availability of suitably qualified and experienced planners in the recruitment market.
- 1.2 The use of recruitment agencies to engage consultant planners is limited due to the existing procurement limits over a rolling 4-year period. It is therefore requested that extensions to the limits for certain recognised specialist agencies is given, to allow greater flexibility for procurement of consultant planners and to ensure that agencies used previously to supply quality consultants may be used going forward. Cabinet endorsement is therefore sought to approve the level of expenditure for each of the agencies set out below. This will allow timely and best value engagement of suitable interim planning consultants when needed, within both Development and Economic Growth Services. Consultants are only used when it is not feasible or physically possible to recruit permanent employees.
- 1.3 Any spend associated with agency, consultant planners will be contained within existing budgets, such as planning fee income or the existing planning fee increase that is targeted on planning services, and no request is being made for additional budget as part of this report.
- 1.4 Officers are also working with the Procurement team to fully explore the option of procurement via framework agreement arrangements going forward. While the work will continue on this alternative procurement, there is a need to put the recommendation forward in this report to provide appropriate professional staffing to deal with present and anticipated service requirements.

2. Recommendations

- 2.1 That Cabinet approves, over a 4-year period (2018/19 to 2021/22), the extension of procurement limits, up to a limit of £150,000 of expenditure from existing budgets, for any of the following recruitment agencies, to allow procurement of temporary planning officer resources:

Matchtech Group Ltd, Oyster Partnership, Vivid Resourcing, Park Avenue Recruitment, Carrington West, Macdonald and Company and G2 Recruitment

3. Background

- 3.1 There is a current need to cover temporary resource demands within the Council's planning teams. Such demands arise for various reasons, such as timescales for successful recruitment to vacant posts; high and demanding workloads; maternity leave; and dedicating existing resources to service improvement initiatives. At the same time, there is a limited availability of suitably qualified and experienced planners in the consultancy recruitment market. Consultants are only used when it is not feasible or physically possible to recruit permanent employees.
- 3.2 The Council has previously used Urban Vision, via a Framework agreement, to provide consultancy support on a range of specialist planning and environmental matters. However, this Framework Agreement has expired and, due to organisational changes for the provider, suitable interim planner support is no longer available from them.
- 3.3 Temporary interim consultant planners have therefore been engaged through specialist recruitment agencies. Going forward, the use of appropriate Framework Agreements to engage interim consultant planners will be fully explored via the Council's procurement team. However, at present there are existing arrangements in place to seek competitive quotations from specialist agencies and this procurement route has proved successful. This direct procurement will therefore allow the present and anticipated needs to be met while other options are being explored with the Procurement team.
- 3.4 It is requested that Cabinet approval be given to extend procurement limits to any of the named organisations in the Recommendation section of this report, up to a limit of £150,000 for any organisation. This will allow officers to seek three competitive quotations from specialist recruitment agencies in accordance with contract procedure rules to address temporary resource demands. The agencies have been selected due to their specialist nature in providing planning staff and that they will allow at least three competitive quotations to be sought from the relevant part of the recruitment market.
- 3.5 It is to be noted that any spend associated with the procurement of consultant planners will be contained within existing budgets and no request is being made for additional budget as part of this report. These existing budgets are, for example, general planning fee income or the existing planning fee increase that is targeted on planning services. The current level of spend, commitments and additional procurement limits up to £150,000 per organisation is set out in the table below:

Organisation	Spend and Commitments to 26/02/2019	Commitments anticipated 2019	Additional procurement limit to 2021/22	Procurement limit for 4 years to 2021/22
Vivid Resourcing	24,000		126,000	150,000
Carrington West	13,000		137,000	150,000
Matchtech	67,000	42,000	41,000	150,000
Oyster Partnership			150,000	150,000
Macdonald & Company			150,000	150,000
G2			150,000	150,000
Park Avenue		25,000	125,000	150,000

Alternative Options	Alternative options to the use of framework consultants (who have already been successful in tendering via the open market) would be to use alternative consultancy support on a case-by-case tender basis. This would add delay to the process; incurring potential costs at appeal (unreasonable delay) and no guarantee that appropriate (without conflicts of interest) and more cost effective consultants could be procured within very short time-frames.
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Consultation	None
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Financial Implications	It is intended all costs associated with required consultant planners will be met within existing budgets - accordingly no additional budget is requested.
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Contribution to the Delivery of the Strategic Plan	The development of planning policy, processing of planning applications and defending appeals in an effective and timely manner, ensures the delivery of additional housing, businesses and essential infrastructure for the District (planned economic growth).
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Equality, Diversity and Human Rights Implications	None
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Crime & Safety Issues	None
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GDPR/Privacy Impact Assessment	None
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	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Procurement Challenge	Engaged with procurement team on whether there were any alternative options to the proposed procurement option such as a framework agreement. Confirmed that this was not appropriate at present and further development of this option is proposed going forward. Confirmed with procurement team that the approach set out in this report is appropriate.	Yellow. The Council could be challenged on the nature of the procurement.
B	Failure to secure further temporary officer support would impact on the effective and efficient processing of planning applications and appeals and the delivery of service improvements – undermining the delivery of the Local Plan and planned	To extend and secure temporary officer cover, through any consultancy so long as best value is demonstrated.	Yellow. The Council would be at risk of failing to effectively process planning applications and secure service improvements – impacting on planned economic growth with resultant impacts on housing supply and business growth (reduced New Homes

sustainable economic growth and placing undue pressure on planning officers within the team who already have high workloads.		Bonus and business rate retention)
Background documents: MTFS report to Cabinet Feb 2019		

Relevant web links: None

Allocation of Strategic Community Infrastructure Levy (CIL) Funding

Report of the Cabinet Member for Economic Growth, Environment & Development Services:

Councillor I. Pritchard



Date: 12th March 2019

Agenda Item: 7

Contact: Maxine Turley/Ashley Baldwin

Officer:

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Key Decision? **YES**

Local Ward: All

Members

CABINET

1. Executive Summary

- 1.1 The report summarises the assessment of applications made for Community Infrastructure Levy (CIL) funding undertaken by Strategic Infrastructure Group (SIG) and Joint Members and Officers Group (JMOG), and makes recommendations on the allocation of £300,000 of Strategic CIL funding.
- 1.2 The report also identifies further work being carried out to improve the procedures around the CIL allocations process and to ensure that recommendations are focused on delivering key strategic infrastructure.

2. Recommendations

- 2.1 That Cabinet approves the allocation of £300,000 of Strategic CIL funding to the projects set out within Table 2 of this report.
- 2.2 That Cabinet note the evaluation and development being completed by SIG, following recommendation by JMOG, regarding the process of allocating Strategic CIL funding in the future.

3. Background

- 3.1 The Local Plan Strategy adopted in February 2015, sets out the strategic spatial policy context for the development and use of land in Lichfield District. It is recognised that there is a requirement for significant investment in infrastructure to support the level of sustainable development identified through the Local Plan Strategy.
- 3.2 CIL is a planning charge on development, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. On the 19th April 2016 following formal public consultation and an examination in public, the District Council adopted a CIL Charging Schedule enabling it to apply charges to qualifying development for the purposes of delivering key infrastructure. Approval was also given to commence charging CIL from the 13th June 2016.
- 3.3 CIL Regulation 123 is the requirement for a published list of infrastructure projects or types of infrastructure that the Charging Authority (District Council) intends will be, wholly or partly funded by

CIL. The District Council adopted a Regulation 123 list at the same time as adopting a CIL Charging Schedule on the 19th April 2016.

- 3.4 To facilitate the appropriate allocation of CIL funds to those infrastructure requirements identified on the Regulation 123 list in July 2016 the District Council adopted a governance structure and procedural arrangements. Additional guidance (Allocating and Spending: CIL Additional Guidance) for applicants relating to allocating and spending of the strategic element of CIL funding was duly approved by JMOG in April 2018.
- 3.5 This first strategic CIL bidding round opened on 20th July 2018 and closed on 16th September 2018, with the aim of allocating a first tranche of £300,000 of strategic CIL money to priority infrastructure requirements across the district. Applicants requesting funding for infrastructure projects were invited to complete an Expression of Interest Form and could access direct support in navigating the process from Support Staffordshire. The Council subsequently received 22 applications requesting funding from the first round.
- 3.6 The applications were spread across a broad range of infrastructure needs and included a varied level of funding requests. All of the applications were initially assessed against criteria set out within the Allocating and Spending CIL: Additional Guidance. The majority of submissions failed to meet the eligibility criteria, a number fell outside the requirements set out within the CIL Regulations, others were submitted by organisations that did not have the ability to complete proposed works (e.g. did not own the land or have the necessary consents), a number failed to secure appropriate permissions and some simply did not address infrastructure requirements on the Regulation 123 list.
- 3.7 In the case of 6 applications these either did fully meet the criteria or it was thought potentially could do so with the provision of additional information. These projects were;
- Back the Track
 - Lichfield St Johns Community Link
 - King Edward VI School
 - Netherstowe School
 - Staffordshire Country Explorer
 - Westgate Practice Expansion
- 3.8 JMOG agreed at its October 2018 meeting that SIG should engage with the organisations responsible for the listed 6 applications to facilitate a resubmission for consideration at JMOG's January 2019 meeting. A resubmission deadline for the 6 applicants was set for the 3rd January 2019.
- 3.9 5 re-submissions were made within the stated deadline. Netherstowe School application was submitted after the deadline and as such disqualified from the assessment process.
- 3.10 Table 1 below provides a summary of the eligible resubmitted applications.

Table 1 – Summary of Submitted Proposals

Applicant	Project Title	Project Summary	Total Project Cost	Funding Request
Burntwood Action Group	Back the Track	Cycle walking track between Brownhills and Lichfield along a disused railway line.	£35,000	£35,000
Lichfield & Hatherton Canal	Lichfield St Johns Community	Reinstatement of Lichfield and Hatherton Canal between London Road and Cricket Lane,	£50,000	£35,000

Applicant	Project Title	Project Summary	Total Project Cost	Funding Request
Restoration Trust	Link	Lichfield.		
Staffordshire County Council	Staffordshire Countryside Explorer	Improvements to facilities, access routes and site enhancement within Chasewater Country Park.	£152,000	£44,000
Westgate Practice	Westgate Practice Refurbishment	Revision of existing building to provide additional clinical rooms and improved facilities.	£322,699.	£185,619
Staffordshire County Council	King Edward VI School	The provision of additional secondary school places in Lichfield: King Edward VI School.	£4,700,174	£1,801,850

3.11 SIG at its meeting on 17th January 2019 assessed the submissions identified within Table 1 against the following criteria (as set out within the Allocating and Spending CIL Additional Guidance) with a view to identifying projects that could proceed to JMOG for consideration: funding.

- The need for the project
- The public benefit of the project
- The deliverability of the project
- The value for money that the project provides.

3.12 After assessment SIG agreed that the following recommendations for funding should be made to JMOG. The recommendations for funding were supported by specific conditions that could be included within particular grant agreements to safeguard against identified risks. SIG agreed that the 'Back the Track' application did not clearly articulate need, benefit or value to enable a meaningful assessment of the submission and therefore did not recommend the allocation of any funding. SIG also recognised that the application received relating to increased educational provision at King Edward VI school was significantly greater than the funding available.

3.13 Table 2 provides the recommended project allocation and relevant specific grant condition.

Table 2 - Recommended Strategic CIL Allocations

Project	Funding Request	Recommended Funding Allocation	Specific Grant Agreement Condition
Back the Track	£35,000	No allocation	No Comment
Lichfield St Johns Community Link	£35,000	£35,000	Planning Permission is secured before allocation of any CIL Funds.
Staffordshire Countryside Explorer	£44,000.00	£44,000	CIL funding to only be allocated if project secures the level of match funding identified within the application.
Westgate Practice Refurbishment	£185,619.00	£120,000	To be allocated to the delivery of 'Phase Three' identified within Section 6 of the submitted application (improvements to

Project	Funding Request	Recommended Funding Allocation	Specific Grant Agreement Condition
			increase clinical provision).
King Edward VI School	£1,801,850	£101,000	CIL funding to be allocated to a project element which will be delivered in the early stages of the project.

- 3.14 JMOG considered SIG's recommendations at its meeting on the 30th January 2019. Members noted the recommendation to not allocate funding to 'Back to the Track'. They considered that the project idea could make an effective positive contribution across a number of identified infrastructure needs, but at this time it was agreed that SIG's assessment regarding the currently submitted application was accurate.
- 3.15 The Cabinet is asked to consider the allocations as recommended by JMOG articulated in Table 2 of this report and if agreeable endorse these.
- 3.16 Following the completion of this first round of applications and allocations it is prudent to review the allocation process. There are areas in the current procedures that could be improved to ensure that quality bids come forward and robust and meaningful recommendations can be made in respect of suggested CIL spend. Given some of the learning from this first round, JMOG has therefore requested that SIG develop and evaluate a range of options which singularly or collectively will ensure that the allocation of future strategic CIL funding continues to support the delivery of identified strategic infrastructure needs. Recommendations will be considered by JMOG at its March 2019 meeting and a subsequent report brought to a future Cabinet meeting

Alternative Options	<ol style="list-style-type: none"> 1. Cabinet recommends to not allocate funding to one or more identified projects. This would result in a delay in enabling delivery of improvements to strategic infrastructure elements which are identified within the Regulation 123 list. 2. Cabinet recommends the application process is reopened to identify alternative strategic infrastructure projects. This would result in a significant delay in enabling delivery of improvements to strategic infrastructure which is required to enable the district to develop in a sustainable way. 3. Cabinet recommend alternative funding allocations to those projects that have been recommended for the receipt of CIL funding. Alternative levels would be difficult to justify, further a reduction on funding would risk timely delivery and could result in an erosion of project deliverables.
Consultation	<ol style="list-style-type: none"> 1. Consultation has been undertaken with both SIG and JMOG in line with the CIL Administration and Governance arrangements
Financial Implications	<ol style="list-style-type: none"> 1. Officer time will be needed to transfer funding to projects and monitor project delivery. 2. Funding allocations will support the delivery of projects which have secured other external funding, maximise the financial investment in infrastructure within the district. 3. There is no impact on District Council budgets.

Contribution to the Delivery of the Strategic Plan	<ol style="list-style-type: none"> 1. Supports the priority of a vibrant and prosperous economy as it assists in the delivery of improvements in educational provision. 2. Supports the priority of a Healthy and Safe community by supporting projects which will provide increased health provision and improve places where our communities can be active. 3. Supports the priority of clean, green and welcoming places to live by assisting in creating and delivering improvements to green spaces within the district.
Equality, Diversity and Human Rights Implications	<ol style="list-style-type: none"> 1. An Equality Impact Assessment has been completed.
Crime & Safety Issues	<ol style="list-style-type: none"> 1. There are no crime and safety issues.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Slow or none delivery by projects following allocation.	Grant agreements will included a clawback mechanism in the event of deemed slow progress or non-delivery. Progress with be monitored and managed by officers and reported to both SIG and JMOG.	Yellow
B	Allocated funding supporting investment in elements which are outside the scope of the submitted application.	Through the Grant Agreements funding will be released against individual milestones across the delivery timeline of the approved project.	Yellow

Background documents

CIL Governance Administration procedures
 CIL Expression of Interest Form
 Allocating and Spending CIL Additional Guidance
 Community Infrastructure Levy Charging Schedule
 Local Plan Strategy

Relevant web links

[CIL Expression of Interest Form](#)
[Allocating and Spending CIL Additional Guidance](#)
[CIL Governance Administration procedures](#)
[Community Infrastructure Levy Charging Schedule](#)
[Local Plan Strategy 2015](#)

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Homelessness and rough sleeper housing pathway proposals and potential use of s106 commuted sums



Councillor Ashley Yeates, Cabinet Member for Regulatory Services, Housing & Wellbeing

Date: 12TH March 2019

Agenda Item: 8

Contact Officer: Gareth Davies/ Lucy Robinson

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Key Decision? YES

CABINET

1. Executive Summary

- 1.1 This report outlines some initiatives being developed by the housing team to reduce homelessness and rough sleeping in the district. This includes enhancing our existing services to provide tenancy sustainment and training for our more vulnerable customers, encouraging greater involvement with the Private Rented Sector (PRS) and a proposal to work in partnership with Cannock Chase District Council to jointly procure a provider to deliver a housing pathway for rough sleepers and those at risk of homelessness with multiple and complex needs.
- 1.2 The report also updates Cabinet on the outcome of the tender exercise for using the commuted sum¹ monies included in the approved Capital Programme to deliver new affordable homes, outlined in the Cabinet report dated 13th February 2018 and proposes an alternative option for using the money to purchase properties to reduce the incidence of homelessness and rough sleeping.

2. Recommendations

- 2.1 That Members approve and delegate to the Head of Service and Cabinet Member the award of the procurement exercise for a partner to deliver the homelessness and rough sleeper housing pathway service costing up to £125,000 for an initial 2 year period, with possible extension of 2 years, subject to the success of the project and availability of funds.
- 2.2 That Members approve the alternative use for the Approved Capital Programme projects funded by commuted sum monies and potentially from existing external grant to purchase properties to provide accommodation as part of the proposed housing pathway model.
- 2.3 That Members approve and recommend to Council the delegation of next steps to the Head of Service and Cabinet Member, to acquire property for this project from a minimum approved budget of £400,000² up to a maximum of £809,000 of additional housing reserves³ with oversight by the s151 officer and monitoring officer. Additional expenditure will only occur if the project proves successful and further capacity is required.

¹ Where constraints preclude the delivery of affordable housing on site, it is possible for the council to negotiate a commuted sum in lieu of this on site delivery. Any money received as a commuted sum must be spent on affordable housing delivery within the district.

² The unallocated Section 106 Affordable Housing Monies Approved Budget.

³ Through the use of Approved Housing Budgets related to DCLG monies of £212,000 and Decent Homes Standard of £197,000.

- 2.4 That Members approve the creation of a sinking fund to provide funding for upgrades to the properties and an earmarked reserve for the transfer of any surplus between income and spend to enable reinvestment in future options to alleviate homelessness and rough sleeping.

3. Background

- 3.1 In July 2018, we launched the application process for approved Registered Providers (RPs) to bid for up to £400,000 of commuted sums held in council reserves. It was hoped that the competitive process between RPs would give the panel comprising officers, the Head of Service and Cabinet Member, a number of bids to evaluate, with the funding being awarded to the scheme that scored the highest according to the assessment criteria. Unfortunately only one bid was received and following assessment, the panel found it did not meet the pre-requisite requirements set out in the original evaluation criteria. After careful consideration and discussion with the RP, the panel decided that the bid did not meet all the required outcomes; in particular the need for homes to be delivered to Lifetime Homes standards⁴ and the provision of additional affordable rented accommodation, and therefore declined the application.
- 3.2 Running parallel to the application process, as part of the implementation of the Homeless Reduction Act 2017(HRA 2017), the housing team have been reviewing the options available to enable the council to discharge the new duties to prevent and relieve homelessness. Through this work it has become apparent that an increasing proportion of customers accessing the service display multiple and complex housing needs and the accommodation options available to them are therefore very limited. Access to the majority of RP stock is based on an assessment of a customer's ability to sustain a tenancy, with higher risk customers often being denied access to accommodation without a package of support in place. The erosion of support available from the statutory and voluntary sector and the lack of supported accommodation within the district⁵ makes options for rehousing this cohort extremely difficult, and may have impacted upon the increase in rough sleepers⁶ reported over the last year.
- 3.3 Due to the rising needs of those presenting as homeless, lack of supported accommodation, increase in rough sleeping and the reluctance of RPs to accept individuals with more complex needs into their tenancies without support, supported by the government's latest Rough Sleeping Strategy 2018⁷ the team have set the vision to have options available for all our rough sleepers by 2020. To do this, using Flexible Homelessness Support Grant (FHSG) awarded to us to implement the provisions of the HRA 2017 we are developing the following initiatives:
- **Tenant Ready Training**
This is aimed at customers with low level support needs that currently lack all the skills to enable them to successfully sustain a tenancy. It will initially be targeted at those who have had a previous failed tenancy, first time tenants or those classed at high risk of tenancy failure. Examples of the training modules will include preparing to be a good tenant and neighbour, understanding the tenancy conditions and how to look after the home and personal money management. We plan to pilot this training for 2 years, delivered by the Housing Options Officers and a new Tenancy Sustainment Officer.
 - **Tenancy Sustainment Officer**
For those individuals who have more complex needs and require ongoing support to sustain a tenancy, we are expanding the service to offer personalised support to a customer for a period of up to six

⁴ Lifetime Homes is a set of 16 design criteria that allow a home to flex and adapt to disability needs, e.g. level access to the front door, wider interior door widths and circulation space on the ground floor, ability to easily install adaptations such as ground floor level access shower, stair lift etc.

⁵ Following the closure of the Foyer Scheme in Lichfield in 2016, the only supported accommodation provision has been 15 units of accommodation for those with enduring mental health provided by Advance Housing.

⁶ We estimate there are between five and seven people sleeping rough on our streets every night; the last official count conducted on 7.11.18 reported 5.

⁷ The government's Rough Sleeper Strategy requires us to have plans in place to end rough sleeping by 2027 and halve it by 2022.

months to ensure their tenancy starts well. It is anticipated that this support will vary in intensity according to the needs of the individual. This support will also be offered to individuals who are already in accommodation, but where it is at risk of failure and will form part of our homeless prevention offer to support the Housing Options Team fulfil their statutory duties. Failure of a tenancy has consistently been one of the main reasons for homelessness- see Appendix A. The Tenancy Sustainment Officer will also be a key link between the council and private landlords to enable us to expand our PRS offer for customers. The post will be advertised on a fixed term contract for 2 years.

- **Landlord Offer**

We are exploring options to encourage more private sector landlords to work with us which are still being developed. We have consulted with landlords on our initial proposals at the Private Landlords Forum meeting in January 2019 and received positive feedback.

- **Other Initiatives**

We are hoping to procure Advice Aid, an online tool from Shelter that provides customers with tailored advice to try and prevent homelessness. In addition, we are also ring-fencing £7,000 of the FHSG each year for the Housing Options Team to spend on homeless prevention; for example to allow them to request identification for a rough sleeper, without which they would be unable to claim benefits and be rehoused.

- **Homeless & Rough Sleeper Pathway – see Appendix B**

In conjunction with Cannock Chase District Council, we are seeking to commission a delivery partner to provide an independent and impartial outreach service to our rough sleepers and other homeless customers that need support. This organisation will also provide at least 5 units of supported accommodation within the district, creating a seamless pathway into accommodation for these customers. It is anticipated this accommodation will support those individuals with the most acute needs, forming part of the Housing First model⁸, but also flex to cater for those with lower level support needs who may be at risk of homelessness. This will be a two year project, with the view to extend if successful outcomes are achieved and the funding source remains.

Given the potential total value of this contract delivered over the four year period, the council will be seeking open tenders through the OJEU procurement process throughout the period of March, with support from Wolverhampton Council's Procurement Team. It is anticipated the service will be operational from the beginning of June 2019.

- 3.6 As we have no retained housing stock, we will be reliant on our RP partners or the PRS to provide the accommodation for the initiative. We have already engaged with the largest RP Bromford who has confirmed that they would, in principle, be willing to support the scheme with the provision of some accommodation, however if the successful provider needs to procure private rented properties where rents are much higher, the cost of the scheme may become unaffordable. An option is for the council to purchase properties for the provider to use as part of expanding the initiative.
- 3.7 We are therefore proposing to use the Approved Capital Programme budgets to purchase some properties for the project providing up to 4 units of accommodation, to contribute towards alleviating rough sleeping and homelessness in the district. This accommodation is likely to be in the form of houses located within, or near to the city centre, providing accommodation options for those individuals with low to medium level support needs. We would look to the successful provider to lease these properties from the council at a charge based on affordable rent levels, taking on responsibility

⁸ The Housing First model originated in America with several pilots now having taken place in the UK. The premise of this model is the provision of accommodation with the only conditionality being the willingness of the individual to maintain the tenancy, the level of support provided is tailored to the individual.

for the day to day repairs, housing management and support provision through a robust lease and service level agreement. The costs for this service will be covered by housing benefit, through the support exempt accommodation rules, meaning the council could expect a return on investment. This return would need to cover the council's costs such as relevant insurances and maintenance for the fabric of the building, with a proportion being ring-fenced as a sinking fund to provide the required upgrades to the properties in as required. Any remainder can be reinvested into providing future options to alleviate homelessness and rough sleeping.

- 3.8 We have sought advice from the Ministry of Housing, Communities and Local Government (MHCLG) on the need for a Housing Revenue Account and they have confirmed that we do not need to open one until we own 200 homes. All we would need to do is write to MHCLG to advise them that we were acquiring (or leasing or building) homes and seek direction to be excluded from the need for a HRA by the Secretary of State under s74 (3) d of the Local Government and Housing Act 1989.

Alternative Options	<p>Homeless & Rough Sleeper Pathway</p> <ul style="list-style-type: none"> To do nothing is not an option; we are required by government to have a plan to halve rough sleeping in the district by 2020 and end it by 2027. Continuing with the current system will not help to alleviate this issue and place increased strain on the Housing Options Team. <p>Approved Capital Programme Budgets (including the Commuted Sums)</p> <ul style="list-style-type: none"> Invite our approved RPs to retender - Based on the feedback received from the RPs, to be successful it is likely we would need to increase the amount of funding available, revise our original criteria, have a longer lead in times or consider including council land opportunities. This option was discounted based on the time delays for retender, the increased council investment and having to compromise our original outcomes, in addition to the greatest risk of receiving no viable tenders. Bridge viability gap on a new development(s) – Another option is to provide funding to bridge the gap on the ‘unviable’ proportion of new homes on a site that is not viable at the full policy complaint level of affordable (currently 35%) once confirmed by the District Valuer after an independent viability assessment and subject to compliance with state aid requirements. There is however the possibility that Homes England may bridge this gap in exceptional circumstances once an RP has been agreed with the developer, so this option should be pursued in the first instance. It would however need a clause inserting into the s106 agreement and negotiation with the developer if we wanted to achieve this before an RP was in place at outline planning permission stage. Purchase empty homes - This option would bring numerous benefits but it is the most time consuming and resource intensive option we considered. It has therefore been discounted due to the risk of the developer requesting their contribution back and us not being able to support our customers in need in the required timescales. Council built homes – Using the money to build affordable homes on council land would be a potential use of the funding once the council's housing company has been formed but as there is no definite date for this the money could not be spent in a reasonable timescale. Any homes purchased could be transferred to the housing company once established if appropriate.
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Consultation

- The tenancy sustainment officer post and homeless and rough sleeper pathway was approved in principal by the Leadership Team in a briefing to update them on the implementation of the HRA.
- We invited bids for the commuted sums at our RP event in July, with prior communications with all approved RP's to inform them about the upcoming opportunity. RP's were also receptive to the proposed sustainment package.
- The proposals were endorsed by the Community, Housing and Health Overview and Scrutiny committee at its meeting on 9th January 2019. Members were very supportive of the initiatives outlined to try and reduce homelessness and rough sleeping in the district.
- We consulted private landlords at a landlord's forum meeting on the 24th January 2019 on our proposals around the pathway and tenancy sustainment and received positive feedback.

Financial Implications

- The pathway will be part funded by some of the ring fenced FHSG of £326,000 allocated by the government for the 3 financial years 2017-2020. We have also submitted bids to the governments Rapid Rehousing Pathway Scheme and PRS Access Scheme for funding towards the project and we are currently awaiting a response as to whether we have been successful.
- We did some soft market testing to assess the likely costs of a homelessness and rough sleeper pathway scheme, with providers indicating costs ranging from £40,000 per annum for Lichfield District alone. Since this time we have revised our specification and are also working with Cannock Chase, which will result in some economies of scale so it is difficult to give a comparable figure for two local authorities. However, as the potential cost for 2 districts is over the Official Journal of the European Union (OJEU) levels we need to go out to tender through this route and so we have given a limit of up to £125,000 per annum for the 2 districts in the tender submission.

The projected financial implications of the proposal for the two councils for an initial 2 year period are detailed below:

Homelessness and Rough Sleeper Pathway Service for Lichfield District and Cannock Chase District Council			
	2019/20	2020/21	Total
Total Income	(£125,000)	(£125,000)	(£250,000)
Service provision	£125,000	£125,000	£250,000
Revenue Financial Implications	£0	£0	£0

- The funding to purchase the homes will use c£400k of s106 monies that is part of the Approved Capital Programme; this must be spent on affordable housing delivery. Other commuted sums negotiated will be added once they are received and further purchases may be considered once adequate sums are received or from other housing reserves. We have further approved housing related Capital Programme budgets (DCLG monies of £212,000 and Decent Homes Standard of £197,000) that we propose to use on further property acquisitions if the project proves successful and further capacity is required.

- The potential revenue implications related to the purchase of these homes is shown below:

Acquisition			
Development	Base	+20%	-20%
Dwellings	4	4	4
Acquisition Costs	£400,000	£480,000	£320,000

Annual Rental based on Acquisition Costs of £400,000			
Development	Base	-1%	+1%
Gross Rental Yield	5%	4%	6%
Rental Income	(£18,000)	(£14,000)	(£22,000)
Running Costs (70%)	£12,600	£9,800	£15,400
Sinking Fund (20%)	£3,600	£2,800	£4,400
Homelessness and Rough Sleeper Reserve (10%)	£1,800	£1,400	£2,200
Revenue Financial Implications	£0	£0	£0

- The proposed purchases may allow the council to reduce the use of bed and breakfast temporary accommodation budget of £11,000 per annum which would result in a saving to the council and it could create a small return on the investment.
- The homeless and rough sleeper pathway contract may be procured for less if suppliers have access to council owned affordable properties rather than having to find properties through the private sector.

Contribution to the Delivery of the Strategic Plan

- The pathway will contribute most significantly towards the themes of 'healthy and safe communities' and being a 'clean, green welcoming place' by reducing homelessness and providing new affordable homes. It will also assist towards rough sleepers building new lives.
- In addition, the support element tied with accommodation will contribute to the 'vibrant and prosperous economy' by creating local jobs.

Equality, Diversity and Human Rights Implications

- The pathway will have a positive impact for those in housing need, particularly those deemed as vulnerable and at risk of homelessness and rough sleeping.

Crime & Safety Issues

- The provision of supported accommodation options will potentially reduce the issues of anti-social behaviour created by some of our rough sleepers who have been using various car parks to sleep in.

GDPR/Privacy Impact Assessment

- No identified concerns

Health & Wellbeing Implications

- The provision of the initiatives and the purchase of new affordable homes will significantly contribute to the health and wellbeing of vulnerable people at risk of homelessness and rough sleeping by providing supported accommodation options.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Developer requests their contribution to be returned as we exceed legal timescales.	Ensure alternative options assessed, appraised and approved swiftly. Give greater weight to the options with quicker outcomes.	Green
B	Properties purchased require significant work with unforeseen costs.	Use in house expertise or consultants or to fill knowledge gaps. Budget for technical fees and surveys required. Sinking fund for repairs, paid for via a percentage of the rental income which is ring-fenced for this purpose.	Yellow
C	Management of properties on completion of sale.	Ensure correct insurances and maintenance agreements in place to cover large scale works. Partner required to deliver housing management, day to day repairs etc. Require robust SLA with break clauses for non-compliance.	Yellow
D	Risks that the tenants could purchase their property through the governments Right to Buy (RTB) scheme.	RTB rules: to qualify a tenant must hold a secure or assured tenancy and have at least 3 years tenancy history as a public sector tenant (Council, Housing Association or Registered Provider). The property must also be self-contained. As our proposal is to provide shared accommodation which will be time limited it will be exempt from RTB rules.	Green
E	Properties do not lend themselves to be used as shared ownership, location, type etc.	Input from the organisation that is successful in the tender exercise prior to purchase. This organisation will have a history of delivering shared accommodation and be able to give expertise as to the best type of property and location for this type of accommodation.	Green
F	Lack of rough sleepers/homeless applicants require the accommodation, resulting in void loss.	Detailed understanding of the cohort of individuals ascertained through our Housing Options Team. Alternative options have been considered for the properties if perceived demand does not materialise, such as temporary accommodation or general needs lets through a further partner arrangement. We could also transfer the homes to the council's housing company once formed.	Green
G	Properties purchased could lose value with changes to the market.	Any investment is made for the long term, the likelihood of prolonged low property prices is slim and would not grossly affect the rental income from the homes, only the price if we chose to sell.	Green
H	The rent on housing properties is exempt from VAT and therefore if sufficient properties were acquired this may result in a breach of the VAT partial exemption 5% limit. This would mean we could not reclaim circa £100,000 of VAT per annum.	At present our level is circa 2% and this equates to £40,000. Therefore the Council has headroom of circa £60,000 and this equates to circa 14 further property acquisitions before the limit is reached (assuming no other changes to VAT in the Council). Therefore we will monitor the level of acquisitions and their impact on the VAT limit.	Green

Background documents

Lichfield District Council (2013-2017) Housing Strategy: <https://www.lichfielddc.gov.uk/Residents/Housing/Housing-strategy/Download-our-housing-strategies>

Habinteg (2010) Lifetime Homes Criteria:

http://www.lifetimehomes.org.uk/data/files/For_Professionals/accessible_revisedlthstandard_final.pdf

MHCLG (2018) Rough Sleeping Strategy:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733421/Rough-Sleeping-Strategy_WEB.pdf

MHCLG(2018): Rough Sleeper Strategy Delivery Plan: <https://www.gov.uk/government/publications/rough-sleeping-strategy-delivery-plan>

Reasons for Homelessness Decisions by LDC 2014-2018

Reason for Homelessness	2014-15	2015-16	2016-17	2017-18	Total
1. Left hospital	2	3	1	1	7
2. Left other institution or LA care	2	2	2	3	9
3. Left prison/on remand	0	2	0	0	2
4. Loss of rented or tied accommodation due to termination of assured shorthold tenancy	11	14	19	13	57
5. Loss of rented/tied accommodation due to reasons other than termination of shorthold tenancy	2	8	3	6	19
6. Mortgage arrears (repossession or other loss of home)	2	3	0	0	5
7. Non-violent breakdown of relationship with partner	8	14	10	15	47
8. Other	5	1	3	6	15
9. Other forms of harassment	2	3	3	1	9
10. Other forms of violence	0	0	1	0	1
11. Other relatives or friends no longer willing or able to accommodate	10	3	8	10	31
12. Parents no longer willing or able to accommodate	21	22	27	23	93
13. Rent arrears on Housing Association or other registered provider dwellings	2	1	3	1	7
14. Rent arrears on Local Authority or other public sector dwellings	1	1	0	0	2
15. Rent arrears on private sector dwellings	0	4	4	3	11
16. Violent breakdown of relationship, involving associated persons	0	1	1	2	2
17. Violent breakdown of relationship, involving partner	5	5	7	12	29
Total	73	87	92	96	346

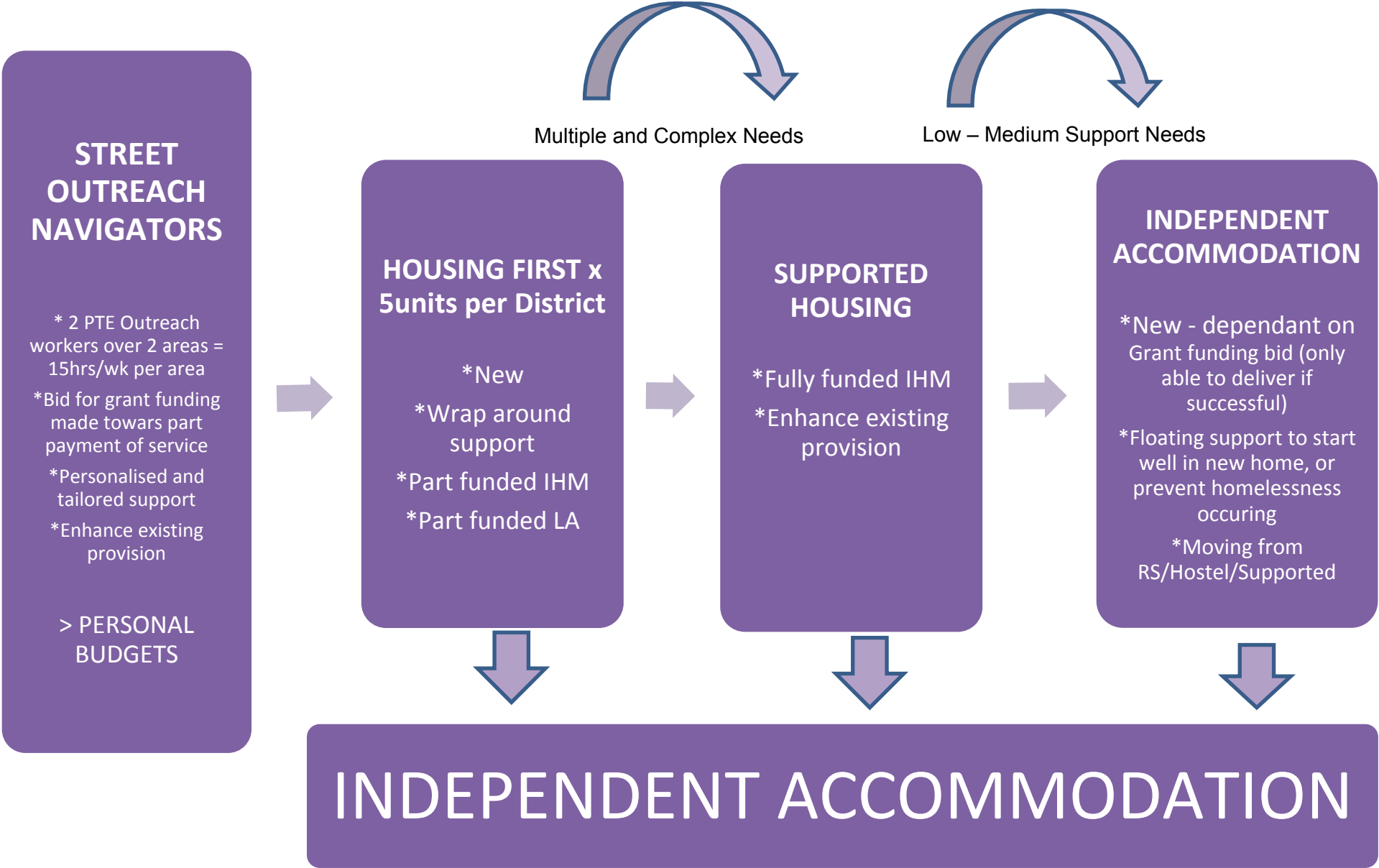
The Tenancy Sustainment Officer will assist in reducing applications in categories 4,5,13 and 14.

Note: since the implementation of the HRA in April 2018, the team have seen a 250% increase in homeless applications in the first 6 months.

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HOMELESS & ROUGH SLEEPER HOUSING PATHWAY: CANNOCK & LICHFIELD

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Pension Contributions

Cabinet Member for Finance and Democratic Services

Date: 12 March 2019

Agenda Item: 9

Contact Officer: Anthony Thomas

Tel Number: 01543 308012

Email: Anthony.thomas@lichfielddc.gov.uk

Key Decision? YES

Local Ward Members Full Council



Cabinet

1. Executive Summary

- 1.1 A contribution rate review that sets a contribution strategy for each employer is currently undertaken by the Pension Fund Actuary on a three yearly basis.
- 1.2 The contribution strategy is based on two methodologies set by the Actuary:
 - A **payroll element** based on **16.2%** of pensionable pay.
 - A **past service element** that is fixed irrespective of the level of pensionable pay to reduce the risk of shortfalls occurring in pension contributions given Council payrolls are reducing.
- 1.3 The last valuation took place in 2016 and covered the three years 2017/18 to 2019/20 and the next valuation will formally take place during 2019 and will cover the three year period 2020/21 to 2022/23.
- 1.4 To aid financial planning, the Actuary has produced provisional modelling for the 2019 valuation however to finalise the valuation, two decisions need to be taken by each Member Authority specifically for the past service element:
 - The contribution strategy to be adopted and;
 - The payment frequency either in three annual instalments or in one payment at the start of 2020/21 at a discount of circa **5%**.
- 1.5 Staffordshire Pension Authority have requested a decision on the Council's preferred contribution strategy by **31 March 2019**.

2. Recommendations

- 2.1 To approve that the contribution strategy is based on the Pension Fund Actuary's preferred strategy.
- 2.2 Subject to the approval of 2.1, to further approve the upfront payment of the three year past service element in advance in April 2020 subject to the final level being within the approved Medium Term Financial Strategy (MTFS).

3. Background

- 3.1 The Pension Fund Actuary undertakes a triannual valuation to check progress against the plan to ensure the Council's Pension Fund liabilities are fully funded. The contribution strategy produced by the Pension Fund Actuary must attempt to close any deficit over a set period of time.
- 3.2 The next valuation will formally take place in 2019 and will cover the three year period 2020/21 to 2022/23 and **all Authorities currently have a deficit which ultimately must be paid**.
- 3.3 The contribution strategy is twofold with a percentage of pensionable pay (16.2% for Lichfield DC) and a fixed monetary amount related to the past service element.

3.4 There are a number of alternative options available for the past service element related to:

- The **contribution strategy** to be adopted:
 1. The Actuary's **preferred strategy** where contributions continue to increase annually.
 2. An **alternative strategy** provided by the Actuary with frozen contributions.
 3. A **voluntary strategy** based on option 1 with higher voluntary contributions.
- The **payment frequency** to be adopted:
 1. In **three annual payments**.
 2. In **one upfront payment** in April 2020 resulting in a payment discount of circa **5%**.

Alternative Options

Preferred Strategy of the Pension Fund Actuary				
Advantages		Disadvantages		
<ul style="list-style-type: none">• The cost is within the Approved MTFS with savings.• It is the Pension Fund Actuary’s preferred strategy of stepping up contributions if this is affordable.• The risk of a future unsustainable increase beyond the three year period is reduced.		<ul style="list-style-type: none">• It does not maximise the potential return (with discounts of circa 5%) on investment available from the pension fund.		
Financial Implications:				
Details	2020/21	2021/22	2022/23	Total
Annual Payment	£1,063,000	£1,171,000	£1,282,000	£3,516,000
Upfront Payment	£3,340,200			£3,340,200
Alternative Strategy provided by the Pension Fund Actuary				
Advantages		Disadvantages		
<ul style="list-style-type: none">• The cost is within the Approved MTFS with significant savings.		<ul style="list-style-type: none">• It is not the Pension Fund Actuary’s preferred strategy.• The risk of a future unsustainable increase beyond the three year period is increased.• The next valuation could coincide with the ending of transitional arrangements for Fair Funding and Business Rates thereby creating a significant budget pressure.		
Financial Implications:				
Details	2020/21	2021/22	2022/23	Total
Annual Payment	£958,000	£958,000	£958,000	£2,874,000
Upfront Payment	£2,730,300			£2,730,300
A Voluntary Strategy				
Advantages		Disadvantages		
<ul style="list-style-type: none">• It seeks to maximise the potential return (with discounts of circa 5%) on investment available from the pension fund.• The risk of a future unsustainable increase beyond the three year period is further reduced.		<ul style="list-style-type: none">• It would create a budgetary pressure that would need to be funded.		
Financial Implications:				
Details	2020/21	2021/22	2022/23	Total
Annual Payment	£1,115,000	£1,276,000	£1,441,000	£3,832,000
Upfront Payment	£3,640,400			£3,640,400

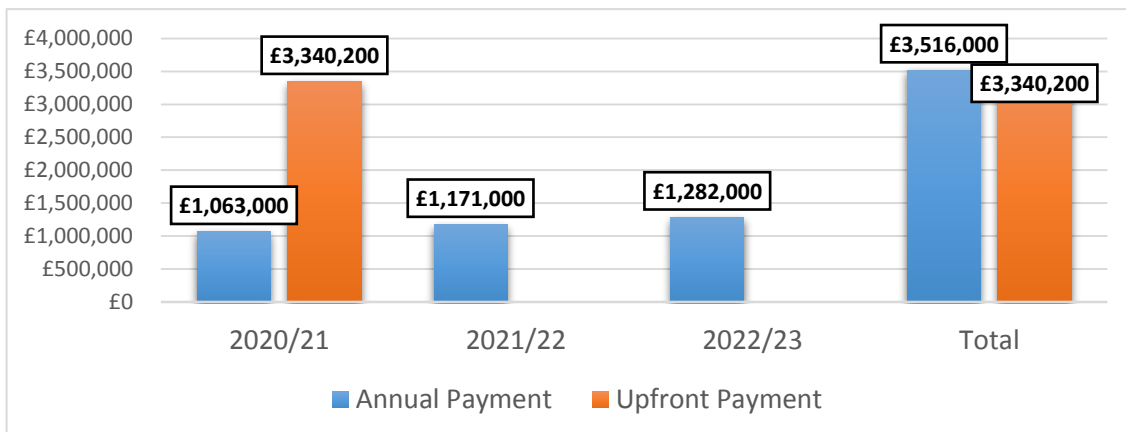
Consultation

There has been no consultation specifically about this Report due to the statutory nature of calculations.

Financial Implications

Cash Flow Implications

- The cash flow implications of the two payment options based on the Actuary's preferred strategy are:



- The single upfront payment in April 2020 would mean over the three years there would be less money available to invest resulting in a loss of investment income at a budgeted rate of **1%**.

Accounting Requirements and Budgetary Implications

- In the event that the Council decides to make an upfront payment, the entire payment would not be shown in the 2020/21 revenue budget.
- This is because accounting requirements are that payments are matched to the three years covered by the valuation.
- To comply with the accounting requirement and reflect that a prepayment of future year's payments has taken place, adjustments are allowed to be made to the Pension Fund balances in the Council's Balance Sheet.
- The budgetary implications can be identified by comparing the preferred strategy's annual accounting based payment plus the loss of investment income to the Approved Budget:

Details	2020/21	2021/22	2022/23	Upfront Payment
Approved Budget ¹	£1,018,000	£1,163,000	£1,308,000	£3,489,000
Accounting based payments under the Preferred Strategy	£1,009,850	£1,112,450	£1,217,900	£3,340,200
Variance	(£8,150)	(£50,550)	(£90,100)	(£148,800)
Loss of Investment Income @ 1%	£25,000	£12,000	(£2,000)	£35,000
Variance to Approved Budget	£16,850	(£38,550)	(£92,100)	(£113,800)

- The additional budgetary pressure resulting from the loss of investment income will be managed within existing approved budgets.
- It is recommended that at this stage until the figures are finalised, the projected savings are held as a contingency amount in the Medium Term Financial Strategy.

¹ Includes an annual contribution from the Joint Waste Service.

Contribution to the Delivery of the Strategic Plan	The Medium Term Financial Strategy (MTFS) underpins the delivery of the Strategic Plan.
Equality, Diversity and Human Rights Implications	None identified in this report.
Crime & Safety Issues	None identified in this report.
GDPR/Privacy Impact Assessment	None identified in this report.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	The provisional figures change	Liaison with pension fund with any changes reflected in Money Matters Reports and the Medium Term Financial Strategy	Green - Tolerable
B	<p>The adoption of the alternative freeze strategy means the Authority needs to consider:</p> <ul style="list-style-type: none"> That the probability of much higher increases from 1 April 2023 onwards would increase. The contribution strategy will be reviewed in three years' time and the Actuary retains the right to change employers' strategies at that time. Any increases potentially could coincide with transition on changes to Local Government Finance ceasing creating a significant budgetary pressure. The fairness between current and future generations of taxpayers given a freeze strategy delays payments until later years. 	Implementation of the Pension Fund Actuary's recommended preferred contribution strategy	Green - Tolerable

Background documents <ul style="list-style-type: none"> Medium Term Financial Strategy (Revenue and Capital) 2018-2023 (MTFS). Contribution rate review for the Staffordshire Pension Fund dated 18 January 2019 plus supplementary information provided by the Actuary.

Relevant web links
