

Agenda



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Date: 3 November 2022
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A meeting of the Cabinet

will be held on Friday 11 November 2022 at 10.30 am
Meeting Room 1, Abbey House, Abbey Close, Abingdon, OX14 3JE

To watch this virtual meeting, follow this link to the council's [YouTube channel](#).

Cabinet Members:

Councillors

Emily Smith (Chair)	Debby Hallett
Bethia Thomas (Vice-Chair)	Helen Pighills
Andy Crawford	Sally Povolotsky
Neil Fawcett	Judy Roberts

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Patrick Arran
Head of Legal and Democratic

Agenda

Open to the Public including the Press

1. Apologies for absence

To record apologies for absence.

2. Minutes

(Pages 3 - 8)

To adopt and sign as a correct record the minutes of the Cabinet meeting held on 30 September 2022.

3. Declarations of interests

To receive declarations of disclosable pecuniary interests, other registrable interests and non-registrable interests or any conflicts of interest in respect of items on the agenda for this meeting.

4. Urgent business and chair's announcements

To receive notification of any matters which the chair determines should be considered as urgent business and the special circumstances which have made the matters urgent, and to receive any announcements from the chair.

5. Public participation

To receive any questions or statements from members of the public that have registered to speak.

6. Recommendations and updates from other committees

To consider any recommendations to Cabinet from other committees.

7. Housing Delivery Strategy and Action Plan

(Pages 9 - 56)

To consider the report of the head of housing and environment and the deputy chief executive - place.

8. Council Tax Reduction Scheme 2023/24

(Pages 57 - 62)

To consider the head of finance's report.

9. Vale Partnership Grants

(Pages 63 - 66)

To consider the head of policy and programmes' report.

10. Five Councils Partnership Governance

(Pages 67 - 71)

To consider the report of the deputy chief executive – partnerships.

Minutes of a meeting of the Cabinet



held on Friday 30 September 2022 at 10.30 am
at 135 Eastern Avenue, Milton Park, OX14 4SB

Open to the public, including the press

Present in the meeting room:

Cabinet members: Councillors Emily Smith (Chair), Bethia Thomas (Vice-Chair), Andy Crawford, Helen Pighills, Sally Povolotsky and Judy Roberts
Officers: Steve Culliford (Democratic Services Team Leader) and Mark Stone (Chief Executive)

Remote attendance:

Cabinet members: Councillor Debby Hallett
Officers: Samantha Allen (Conservation Officer), Patrick Arran (Head of Legal and Democratic), John Backley (Technical Services Manager), Harry Barrington-Mountford (Head of Policy and Programmes), Laura Driscoll (Licensing Team Leader), Adrian Duffield (Head of Planning), Diane Foster (Licensing and Community Safety Manager), Simon Hewings (Head of Finance), Suzanne Malcolm (Deputy Chief Executive – Place), Candida Mckelvey (Broadcasting Officer), Mark Minion (Head of Corporate Services), Adrianna Partridge (Deputy Chief Executive – Transformation and Operations), Richard Spraggett (Strategic Finance Officer), and David Wilde (Technology Consultant)

18. Apologies for absence

An apology for absence was received from Councillor Neil Fawcett.

19. Minutes

RESOLVED: to approve the minutes of the Cabinet meeting held on 22 July 2022 as a correct record and agree that the Chair signs them as such.

20. Declarations of interests

None

21. Urgent business and chair's announcements

None

22. Public participation

Cabinet received statements from members of the public as follows:

- (1) Jason Atherton made a statement objecting to the introduction of maximum hackney carriage fares as these would not cover business costs.
- (2) Raleigh Hullock made a statement on behalf of the South and Vale Taxi Drivers' Association, objecting to the proposal to introduce maximum hackney carriage fares in South Oxfordshire district and asked that the council consulted with the Association to find a workable solution.
- (3) David Lawrie made a statement on behalf of the National Private Hire and Taxi Association objecting to the introduction of maximum hackney carriage fares as this could threaten the local taxi industry.

The chair thanked the speakers for their contributions.

23. Recommendations and updates from other committees

Cabinet noted updates from the Scrutiny Committee and Joint Audit and Governance Committee. The latter had made a recommendation to Cabinet on the treasury outturn 2021/22 report, which was considered later in the meeting (minute 32 refers).

24. Hackney carriage fares

Cabinet considered the head of legal and democratic's report on a proposal to introduce maximum hackney carriage fares. The report set out the results of a consultation exercise on the proposals.

The report explained that in June 2021, the council had adopted a new joint taxi licensing policy with South Oxfordshire District Council. This included the intention to set a maximum tariff for journeys carried out by hackney carriages licensed within the Vale district. Journeys outside of the district would not be affected by the maximum fares.

The Cabinet member responsible for the licensing service reported that the aim of the policy was to protect the public, reduce the risk of fraudulent fares, and ensure consistency, whilst allowing for competition between taxi companies. The council must balance the needs of the local taxi trade with the need to protect the public. The council had to be mindful of the increasing cost of living. There had been increases in the charge for carrying more than four people on one journey, and for the soiling charge. The recommended tariff had taken these points into consideration and would be more in line with other councils. However, the maximum fares were not set in perpetuity; the Cabinet member recommended that the tariff was kept under review.

Other Cabinet members agreed and considered that the council should adopt the maximum fare tariff as set out in Appendix C to the report. These were uncertain economic times and the tariff proposed should be reviewed regularly. In doing so, officers were asked to find a method of consulting the public and taxi users. Officers were also asked to work with the South and Vale Taxi Drivers' Association as part of the review. The review should be undertaken as soon as practicable.

RESOLVED: to

- (a) note the results of the consultation at Appendix B to the head of legal and democratic's report to Cabinet on 30 September 2022;

- (b) adopt the proposed maximum hackney carriage fares at Appendix C with effect from 1 October 2022; and
- (c) agree to review the hackney carriages fares as soon as practicable.

25. Adoption of powers from Oxfordshire County Council under Land Drainage Act

Cabinet considered the report of the head of development and regeneration. This set out a request from Oxfordshire County Council for Vale of White Horse District Council to act as its agent to operate and manage the responsibilities of the lead local flood authority within the Vale district. The functions the county council was looking to discharge were:

- local flood investigations
- the determination of applications for consent to alter a watercourse
- investigation of any nuisance caused by erecting or altering an obstruction or culvert in a watercourse
- enforcement action to comply with county council policy for watercourse/ditch clearing enforcement

The Cabinet member reported that this work was already being carried out by this council's staff. The proposal was to regularise this arrangement. The work would be fully funded by the county council. Cabinet members supported the proposal.

RESOLVED: to

- (a) support the request from Oxfordshire County Council for Vale of White Horse District Council to adopt powers under the Land Drainage Act, as set out in paragraph 8 of the head of development and corporate landlord's report to Cabinet on 30 September 2022;
- (b) subject to Council approving the adoption of powers in (c) below, that Cabinet authorises the head of development and corporate landlord, in consultation with the head of legal and democratic, to negotiate and finalise the agreement with Oxfordshire County Council and enter into agreement to adopt the powers from Oxfordshire County Council;

RECOMMENDED to Council to:

- (c) to approve the adoption of powers under an agency agreement with Oxfordshire County Council.

26. Great Coxwell Conservation Area Appraisal and Boundary Review Adoption

Cabinet considered the head of planning's report on the draft Great Coxwell Conservation Area appraisal and boundary reviews. The review had been subject to public consultation, the results of which were set out in the report.

The Cabinet member reported that the review had been carried out at the neighbourhood plan steering group's request. The review had recommended an extension to the conservation area boundary.

The proposals had received local support. Cabinet welcomed the review proposals also.

RESOLVED to:

- (a) adopt the Great Coxwell Conservation Area boundary, as per the proposed revisions shown at Appendix 1 to the head of planning's report to Cabinet on 30 September 2022;
- (b) adopt the Great Coxwell Conservation Area Appraisal and Management Plan as amended; and
- (c) authorise the head of planning, in consultation with the relevant Cabinet member, to make minor changes, typographical corrections or non-material amendments to the Great Coxwell Conservation Area Appraisal and Management Plan document prior to formal publication and statutory notification requirements.

27. Update on the Corporate Transformation Programme, and the Technology and Customer Workstreams

Cabinet considered the report of the deputy chief executive – transformation and operations. The report set out the progress made in implementing the council's transformation programme. This included the proposed structure of the transformation team, and the further development of transformation outcomes.

The Cabinet welcomed the progress made on the transformation programme to date. The programme would improve the council's interaction with the public and customers, deliver even higher standards of service and increased efficiencies, and provide greater value for money. Cabinet noted that officers would be involved in the design and build stages of any transformation, and there would be continuous review of progress against the programme.

RESOLVED: to note the update on the transformation programme and progress to date on the technology and customer workstreams.

28. Business case for Transforming IT and Systems of Planning and Regulatory Services

Cabinet considered the report of the deputy chief executive – transformation and operations. This set out a business case for the transformation of IT and systems for the council's regulatory services, including planning, environmental protection, food safety, community safety, waste, and licencing services. The transformation would be enabled by the procurement of new IT solutions.

The report set out two options:

- Option 1 – full public procurement for new IT solutions through open market tenders
- Option 2 – procurement of fit for purpose IT solutions through the GCloud 12 Framework Agreement

Cabinet supported option 2, as this would mitigate the risk of procuring an unproven solution and provide a quicker result. Whereas option 1, which might require external support, was likely to take more time to achieve the desired outcomes. Cabinet also

supported the business case for the replacement of IT systems as an 'invest to save' initiative. Cabinet also noted the confidential appendix containing exempt information.

RESOLVED: to

- (a) approve the business case and recommended procurement option for the replacement of the Planning and Regulatory Services IT systems as an Invest to Save initiative; and
- (b) authorise the deputy chief executive - transformation and operations, in consultation with the head of finance, to approve contracts subject to costs being within the business case.

29. Corporate Performance Report - Quarter 1, 2022/23

Cabinet considered the Corporate Performance Report for quarter 1 in 2022/23. This covered the period 1 April to 30 June 2022.

The Cabinet member welcomed the improvements in the quality of the document and was open to any suggestions to improve it further.

Cabinet welcomed the report; it showed good progress against the corporate objectives. Cabinet suggested that members should share the report with their local residents and parish councils.

RESOLVED: to note the Corporate Performance Report, Quarter 1, 2022/23.

30. Climate Action Plan Performance Report - Quarter 1, 2022-23

Cabinet considered the Climate Action Plan Performance Report for quarter 1, 2022/23. This formed part of the Corporate Performance Report but had been separated out to produce a report concentrating solely on the council's performance in tackling the climate emergency through its corporate objectives.

Cabinet welcomed the production of this separate report and thanked officers and the Climate Emergency Advisory Committee for their work to date. Performance had been strong, but the report showed some areas where further work was needed. It was noted that the Climate Emergency Advisory Committee and the Scrutiny Committee would both be considering this report shortly.

RESOLVED: to note the Climate Action Plan Performance Report, Quarter 1, 2022/23.

31. Budget monitoring - quarter 1, 2022/23

Cabinet considered the head of finance's budget monitoring report for quarter 1, 2022/23.

The Cabinet member reported that, as at 30 June 2022, there was a predicted revenue overspend at the financial year-end, being 31 March 2023. The council had experienced rising costs from inflationary increases. In terms of the capital programme, only a small proportion had been spent but the programme would be re-profiled accordingly. Increases in interest rates were expected to bring higher returns on the council's treasury investments during the year. Officers would closely monitor the effect of the economic downturn on the council's budgets.

Cabinet welcomed the report.

RESOLVED: to note the Budget Monitoring Report, Quarter 1, 2022/23.

32. Treasury outturn 2021/22

Cabinet considered the head of finance's report, which showed the treasury outturn for the 2021/22 financial year. The report had been considered by the Joint Audit and Governance Committee, which recommended to Cabinet to note that the committee was satisfied that the council's treasury activities in 2021/22 had been carried out in accordance with the treasury management strategy and policy.

Cabinet noted that towards the end of the 2021/22 financial year, interest rates had begun to rise, resulting in increased income on the council's financial investments. As such, the budget target income had been exceeded. Performance of the in-house managed portfolio exceeded benchmarks. Externally managed performance was modestly below benchmarks. There had been no breaches of the counterparty limits or prudential indicators during the year.

Cabinet welcomed the report and thanked the Joint Audit and Governance Committee and officers for their work.

RESOLVED to:

- (a) note that Joint Audit and Governance Committee is satisfied that the treasury activities are carried out in accordance with the treasury management strategy and policy;

RECOMMENDED to Council to:

- (b) approve the treasury management outturn report for 2021/22; and
- (c) approve the actual 2021/22 prudential indicators within the report.

The meeting closed at 12.00 noon

Chair:

Date:

Cabinet Report



Report of Head of Housing and Environment and Deputy Chief Executive -
Place

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Wards affected: All

Cabinet member responsible: Judy Roberts

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To: CABINET

Date: 11 November 2022

Housing Delivery Strategy and Action Plan

Recommendations

- (a) That Cabinet considers and adopts the joint Housing Delivery Strategy 2022-2024
- (b) That, subject to recommendation (a), Cabinet considers and adopts the associated Action Plan

Purpose of Report

1. To present the joint Housing Delivery Strategy 2022-2024 for consideration.
2. Subject to the joint Housing Delivery Strategy 2022-2024 being approved, for the Action plan to be considered.
3. Subject to the Action Plan being accepted, for Cabinet to approve the specific next steps identified.

Corporate Objectives

4. This strategy meets the following themes within the Corporate Plan 2020-2024.
 - Providing homes that people need

- Tackling the Climate emergency
- Building healthy communities
- Working in Partnership

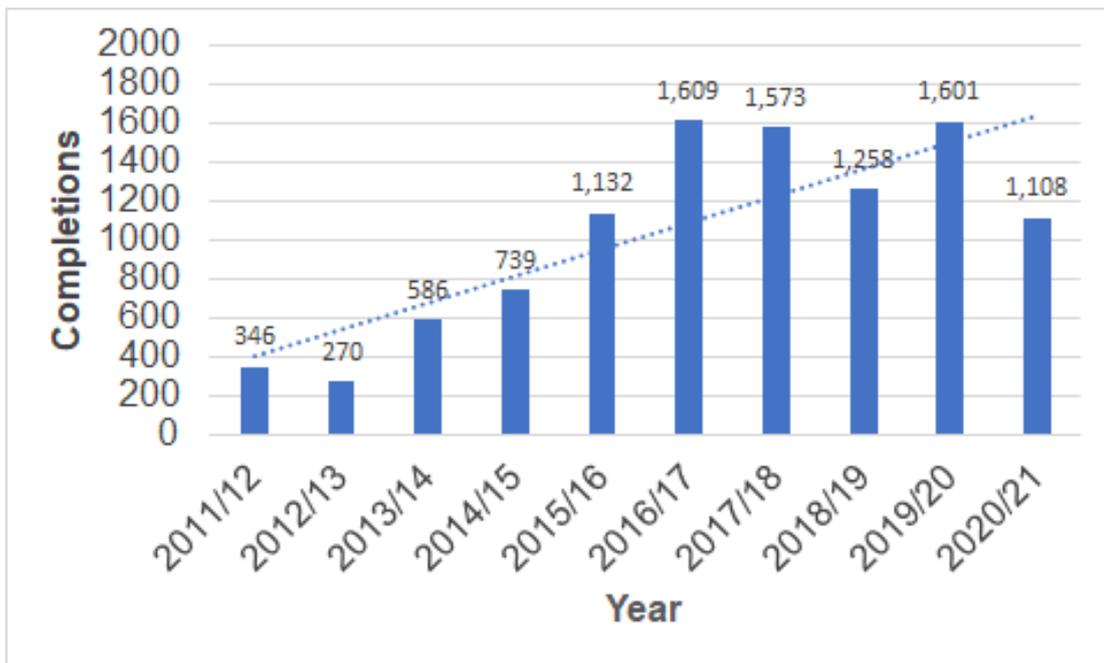
Background

5. Everyone needs a home. The availability, affordability, location and quality of housing have major impacts on people's lives and their sense of wellbeing. Increasing the supply of housing remains a priority for national Government with 216,490 new homes being completed in 2020/21, of which 90 per cent were new build and just 24 per cent were considered as affordable, using the National Planning Policy Framework definition.
6. The terms "Affordable housing" and "Social housing" are often used interchangeably in the media and elsewhere. They generally mean the same thing, which is sub-market rent level housing, most usually provided by councils or housing associations (Registered Providers). However "Affordable Rents" and "Social Rents" do have specific meanings. Affordable Rent is defined by national planning guidance as being up to 80 per cent of prevailing market rents in each area. Social Rents (also defined by planning guidance) are calculated according to government rent regime guidance, and typically fall between 45 and 60 per cent of market rents.
7. In Vale of White Horse, the high cost of housing has meant that new homes and homes built for "affordable rent" remain unaffordable locally to those on lower incomes. In 2021 the Government introduced funding through Homes England for social rent in areas with "high affordability pressures" including Vale of White Horse. Additionally, The Housing and Planning Act 2016 introduced Starter Homes as a new affordable housing product, the prototype for what are now called First Homes. This Act also updated a requirement for local authorities to hold a register of applicants and potential sites for self-build and custom-built housing.
8. Heavily influenced by the concerns arising from Grenfell Tower fire, The Charter for Social Housing Residents was published in November 2020 and emphasised the importance of residents being safe in their homes, informed and listened to, and complaints being dealt with fairly and quickly. The aspirations in the Charter are to be strengthened in the proposed Social Housing Regulation Bill 2021. This will introduce a more rigorous inspection and rectification regime, with new powers granted to the housing Ombudsman. The rights of tenants in all tenures may be strengthened further if the proposed Renters Reform Bill 2021 becomes legislation as it aims to ban no fault evictions, extend the decent homes standard to private rented properties; and introduce a ban on landlords having blanket exclusions of those on benefits.
9. Furthermore, The Levelling Up and Regeneration Bill contains a number of proposals which will impact on the delivery of new homes. It plans to replace the current Section 106 (S. 106) and Community Infrastructure Levy (CIL) with a new locally set infrastructure levy, gives greater weight to Neighbourhood Plans, already widely in place across the district. The Bill also proposes the use of national and local design codes to set the expected standards of good design to which all new developments must adhere. It includes measures to unlock sites and aims to increase the build out rates for new homes including sites where planning

permission has been gained but development is not taking place – known as land banking.

10. Locally, the council plays a role through its Local Plan in enabling it to meet the challenges that the district faces whilst protecting what is valued about the district, and also building on opportunities to make it an even better place. The current Local Plan sets out how development will be planned and delivered across Vale of White Horse to 2031. It sets out a vision, shows the strategy which responds to that vision and how it will be delivered working in partnership with everyone with a stake in the future of the district. It also includes policies that are used when determining planning applications. It identifies appropriate areas and sites for development, such as new homes, offices, shops and community facilities, and also outlines how valuable historic and natural environments will be protected and enhanced. The policies in the Local Plan are used to help make decisions on planning applications in the district.
11. More broadly, the council plays a significant role in the development and success of the whole housing system, regardless of tenure. Enforcement within the private rented sector, management of the housing allocations policy for social housing and support for those who are, or are at risk of, homelessness.
12. Housing plays a central role in the council’s ambition to take action to tackle the climate emergency, and the strategy outlines its desire to reduce the carbon contribution of existing homes through retrofitting. New developments should look to reduce carbon emissions both in the methods by which homes are constructed (embodied carbon in materials and construction methods), and in the design of the homes. The council is constrained by the requirements of national building regulations, although these have been updated to require reduced carbon emissions. Regulations will be further strengthened when the Future Homes Standard comes into effect in 2025 which will require new builds to produce 75-80% less carbon emissions.
13. The council does have a track record of delivery of affordable houses and has exceeded its target for completions for the past 6 years, delivering 10,222 in total, with last year’s figures reflecting the impact of the pandemic on slowing the rate at which homes were completed

Housing Target for new homes - Vale of White Horse (Local Plan 2031)	
2011 - 2031	20,560
Oxford City Unmet need (additional)	2,200
Annual Target	819 dwellings per annum



14. The council wants to see more developments like the exemplar project located in Southmoor. The [Springfield Meadows](#) Passivhaus scheme is a multi-award-winning project of 25 Climate Positive homes. Benefitting from diverse shared outdoor spaces and private gardens, it consists of 9 affordable houses and 16 for open market sale. They are all well designed, high-performance homes, which provide comfortable, low-carbon living. Springfield Meadows has been awarded One Planet Living Global Leader status by the leading UK environmental charity Bioregional, and many other awards. This development seeks to lock in more carbon than it emits and generate more energy than it uses.

15. The council is keen to continue to work in partnership with Community Land Trusts to provide low cost, community-led housing such as the Oxfordshire Community Land Trust scheme at Croft's Court, Cumnor.

Housing Delivery Strategy

16. The council, working with an external housing consultant, began work earlier this year to develop a Housing Delivery Strategy which would meet the corporate objectives outlined and look to address delivery of more affordable and social housing at a local level.

17. The strategy document for approval is shown in Appendix 1, and outlines four strategic housing priorities which encapsulate the existing activity and future ambitions. These are:

- Providing homes to meet current and future local need
- Delivering housing that is truly affordable
- Valuing and supporting council and community led housing initiatives
- Planning for well-designed net zero carbon housing.

Action Plan

18. To deliver the Housing Delivery Strategy, officers have identified a strategic action plan, which is shown in Appendix 2. This action plan is split into short-, medium- and long-term actions and, subject to its approval, officers will aim to deliver within the timescales identified
19. As part of the operational restructure approved by the Head of Paid Service in February 2022, a new service team was created under the Head of Housing and Environment to focus on Housing Delivery. Recruitment to the post of Housing Delivery Manager is currently underway.

Options for delivery of new social housing

Needs Assessment from the Housing Register

20. It is vital in considering any new social housing that the specific requirements are considered to ensure that properties are in the right location and to meet the most need. The details of the specific needs to be addressed will come from a regular and more detailed interrogation of the housing register by officers to establish where supply may not be meeting the demands, such as where there some hard to place households or areas where there is a demand for affordable housing but a lack of supply.
21. It is not possible to state exactly what the council would be requiring from new social housing as the needs would change on a regular basis. However the following criteria will be used to enable officers to create a specification:
 - Location
 - Need for adaptation
 - Accessibility
 - Size of family to be accommodated
 - Requirement of local services
22. This information on housing need will be shared with potential providers of social housing to help them to take account of need in their plans to bring forward new housing.

Sources of funding

23. The council can place planning obligations on developers of new sites under Section 106 (S.106) of the Town and Country Planning Act 1990, and where these obligations cannot be achieved on site the council can receive financial contributions, called commuted sums, in lieu of the on-site delivery of affordable housing.
24. In October 2020, Cabinet approved a framework for Registered Providers and other housing providers to apply for grant funding to subsidise the delivery of affordable homes. The assessment criteria include environmental considerations, for example the carbon footprint of the project.

25. The council invites bids for affordable housing grant from housing providers to enable delivery of additional affordable homes where subsidy is required to make the project financially viable.
26. As identified within the action plan for the Housing Delivery Strategy, there is a need to agree criteria and put in place a framework and to agree a set of principles which inform the priorities for use of S.106 funding and can demonstrate value for money. By having such criteria, the council can have more confidence that available resources will be used in a coordinated and strategic way and aligned to identified priorities.

Strategic options for providing new social housing

27. There are four strategic options that could be pursued.
- Option 1 - Continue to invest into schemes presented by Registered Providers. Invest S.106 or council capital funds into schemes presented by Registered Providers of housing to bring forward otherwise unaffordable schemes to be social housing. This represents a continuation of the current approach to using S.106 funds.
 - Option 2 - Invest into council-owned property. Invest S106 or council capital funds into property, to be owned by the council and provided to those with a housing need at social rent.
 - Option 3 Support community led housing to deliver affordable housing, using S.106 or council capital funds. The models for community led housing can include social and affordable rent and low-cost home ownership.
 - Option 4 - Reject the options and not invest in housing schemes. This is the 'do nothing' option and will significantly restrict the increase in affordable and social housing in the district and not meet corporate aspirations. Additionally, if this option is taken it should be recognised that S.106 receipts that can only be invested in social housing will not be able to be spent.
28. Overall it is officers' recommendation that a balanced approach, following options 1,2 & 3, should be taken. Before Option 2 can be taken forward, the council will need to identify suitable funds to invest into social housing, and create a suitable budget for doing so, and any decision requiring finance would still have to come back to Cabinet/Council.

Council-owned housing considerations

29. Although the council currently has no plans to purchase its own housing stock, if this was to change in future it would need to consider if the local authority should operate its own housing stock, there are a number of factors to be taken into account before reaching a decision to proceed.

Housing revenue account

30. A Housing Revenue Account (HRA) is intended to record expenditure and income on running a council's own housing stock and closely related services or facilities, which are provided primarily for the benefit of the council's own tenants. A local

authority may hold up to 199 homes outside the HRA under Direction. Once the 200-home threshold is reached, a local authority must open an HRA and may borrow prudentially to continue their building within the HRA. To hold property outside the HRA, the council must write to the Secretary of State for Housing, Communities and Local Government to apply for a direction that permits these homes to be held outside the HRA; this is usually a formality, though in some instances there is a duty to consult. Any council dwellings that are built outside the HRA must be covered by a direction.

Financial model for purchase and operate

31. The council needs to ensure that it is using best value when purchasing property and operating as a social landlord. A full financial appraisal will identify the most prudent way to fund the scheme. There will then be costs involved in operating the property including:

- depreciation of capital
- insurance
- emergency repairs
- medium- and long-term maintenance
- housing officers to manage tenancy, ensure rent and service charges is paid, follow eviction procedures where required
- grounds maintenance

All of these costs need to be factored into determining the lifetime of the asset, and which rent level is appropriate to ensure that the housing costs are not being subsidised by the taxpayer.

Right to buy obligations

32. 'Right to Buy' allows most council tenants to buy their council home at a discount.

Obligations to meet with the social charter

33. The new Charter for Social Housing will apply to all social housing and will place obligations on all social landlords.

Economies of scale

34. The number of properties that are owned will have an impact on the value of resources. For example, regardless of the number properties owned, there will be a need for housing staff to manage the tenancies, and access to repairs and maintenance staff who can look after the properties.

Approach to all housing issues

35. This strategy sets the vision of how the council wants more suitable and affordable housing to be delivered. In addition, further work, as indicated within the action plan, will be undertaken on the following issues:

- review of the private rental sector within the district, with the aim of bringing forward a strategy to help ensure that private rent, in all its forms, works for tenants, landlords and residents, including Homes of Multiple Occupation (HMOs).
 - review of the number of empty properties within the district, and how the council can work with property owners to maximise the number of them brought back into use as homes
 - working closely with Registered Providers of housing
36. Together, and working alongside the current and future Local Plan, these will form an overall strategic approach to improving the availability, affordability, location and quality of housing.

Climate and ecological impact implications

37. The Housing Delivery Strategy has set one of its priorities as “Planning for well-designed net zero carbon housing.” In addition it meets several actions within the corporate plan.
38. Any new homes directly purchased by the council in the future will need to have a financial appraisal for retrofitting to ensure that it meets the minimum standards but aims for higher where possible. Where financially viable, properties would be designed to zero carbon standards on a previously developed site.

Financial Implications

39. As identified within the Action Plan, any action requiring additional resources to that already identified within the existing budget will require further approval.
40. The report above identifies where additional resources would be required to deliver the specific action within the Action Plan to purchase properties and the associated resources required to support that.
41. The council will complete financial due diligence in advance of any grant funding being made available to a Registered Provider of Housing.
42. Any council decision that has financial implications must be made with the knowledge of the council’s overarching financial position. For Vale, the position reflected in the council’s medium-term financial plan (MTFP) as reported to Full Council in February 2022 showed that the council was able to set a balanced budget for 2022/23, but that there is expected to be a budget gap in future years.
43. This future funding gap is predicted to increase to over £3.7 million by 2026/27. As there remains no certainty on future local government funding, following the announcement of a one-year spending review by government, and as the long-term financial consequences of the Coronavirus pandemic remain unknown, this gap could increase further. Every financial decision made needs to be cognisant of the need to address this funding gap in future years.
44. S.106 monies held by the council are developer contributions received in lieu of affordable housing and cannot be used support general revenue budgets. The council’s current received balance for S.106 monies is approximately £4 million.

Legal Implications

45. Housing Act 1985, Section 9 allows a local authority to provide housing accommodation by erecting houses, or converting buildings into houses, on land acquired by them, or by acquiring houses.
46. The Housing Act 1985, as amended gives eligible tenants of social rented housing the right to buy their property at a discount. Any tenancies granted that do not fall within one of the exceptions will be secure tenants under the Act.
47. The Social Housing Regulation Bill 2022-23 was introduced on 8 June 2022. It proposes to make all registered social housing providers subject to a new regulatory regime, with failing social landlords facing unlimited fines if they fail to meet expected standards. The Bill aims to have “more people living in decent, well looked-after homes enjoying the quality of life they deserve”.
48. Funding Agreements to be entered into in respect of grant funds to limit risk.
49. Should the council decide to purchase property in the future Legal will be instructed in connection with any procurement required and to carry out the conveyancing in respect of any properties.

Risks

50. There is a risk that the Action Plan will not be delivered to the timescale indicated. To minimise this outcome, Heads of Service have reviewed the Action Plan and will work corporately to deliver the actions, and a dedicated risk register will need to be developed which covers the entire plan and takes account of current resources available for its delivery.
51. The council transferred its housing stock as part of a Large-Scale Voluntary Transfer (LSVT), and has since been reliant upon external organisations to deliver social housing. It is therefore a risk that the council has chosen not have expertise in this area if it decided to purchase new social housing of its own. This risk is mitigated by the creation of a new team and recruitment of a suitably experienced Housing Delivery Manager, and the use of experienced external consultants to produce the strategy.
52. There is a risk that conditions on S. 106 funds may prevent the delivery of desired future schemes. This would only be known once the housing needs assessment has been completed, and could result in compromises being made between the perfect type and location of property, and the conditions of the funding. The mitigation is that a financial appraisal will be undertaken, overseen by the Head of Finance, prior to purchase.
53. If the council decided to purchase property, it would be a risk that suitable property will not be available, or once bought may have structural or other issues. This risk would be mitigated by the use of the experienced property team within the Development & Corporate Landlord service
54. It is possible that if the council decided to own property, but wished an external organisation to manage them on its behalf, it may not find a suitable organisations to do such work in the medium term.

Conclusion

55. The Housing Delivery Strategy outlines a direction of travel in how the council will increase the amount of affordable and social housing in the district, whilst taking account of important factors relating to the local community and environment.
56. The associated Action Plan identifies a wide range of actions that services from across the council will undertake to support in the delivery of that strategy.
57. Additionally, by continuing to use S.106 funds to support applications from Registered Providers and supporting community led housing initiatives the council has a clear opportunity to support the provision of the four key objectives as set out in the Housing Delivery Strategy.

South Oxfordshire and Vale of White Horse

Housing Delivery Strategy 2022 – 2024

October 2022

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Introduction

Everyone needs a home. The availability, affordability, location and quality of housing have a major impact on people's lives and their sense of wellbeing. This joint housing strategy considers the housing opportunities and challenges for the areas covered by our two district councils, South Oxfordshire and Vale of White Horse and sets out our ambitions for the future. Our two councils share many characteristics and are committed to working together. We cover an area in the South of England that is largely rural, with historic market towns and villages nestled amongst beautiful countryside, much of which is green belt or areas of outstanding natural beauty.

The attractiveness of the area makes it a desirable place to live. The proximity of the major urban areas of Oxford, Reading, Swindon and London, all within commutable distances, adds to the pressures on housing. It is an expensive place to rent or buy on the open market, and the provision of affordable housing is essential to balance this and ensure people on lower incomes can live and thrive in the area. Our councils have a good track record of supporting delivery of social housing at affordable rent, but this remains unaffordable for many people as it is set at up to 80% of market rent, and want to see where possible more affordable housing at social rent which is lower.

As well as the need to provide affordable housing for people on the housing register we are also concerned about the rising prices of open market housing which is becoming out of reach of many. Local Plans for South Oxfordshire and Vale of White Horse set out how local housing need has and will be met through identifying suitable locations for housing. Our aspirations for affordable housing will be a key policy within our new Joint Local Plan that is currently in development. Both councils are committed to involving local communities in proposals for new housing and are keen to support a growing interest in community led housing.

For our residents already living in the area we provide a range of services and grants to help people live safely and securely in their own homes for as long as possible. This can be through grants to adapt homes through to making sure that landlords are meeting their legal obligations to maintain rented properties to good standards. We also want to see empty homes, which can be a blight on an area if left empty, brought back into use as quickly as possible.

The quality of new and existing housing is important too, including the environmental impact of the materials used to build new homes, and the energy requirements and cost of maintaining a comfortable temperature indoors. Part of our commitment to tackling the climate emergency is to reduce the carbon emissions from homes. Energy use in homes contribute around 14% of all carbon emissions in the UK ([Committee on Climate Change](#)) We also want new homes to be a part of neighbourhoods that are well connected where facilities that support everyday living are no more than a 20 minute walk or cycle away.

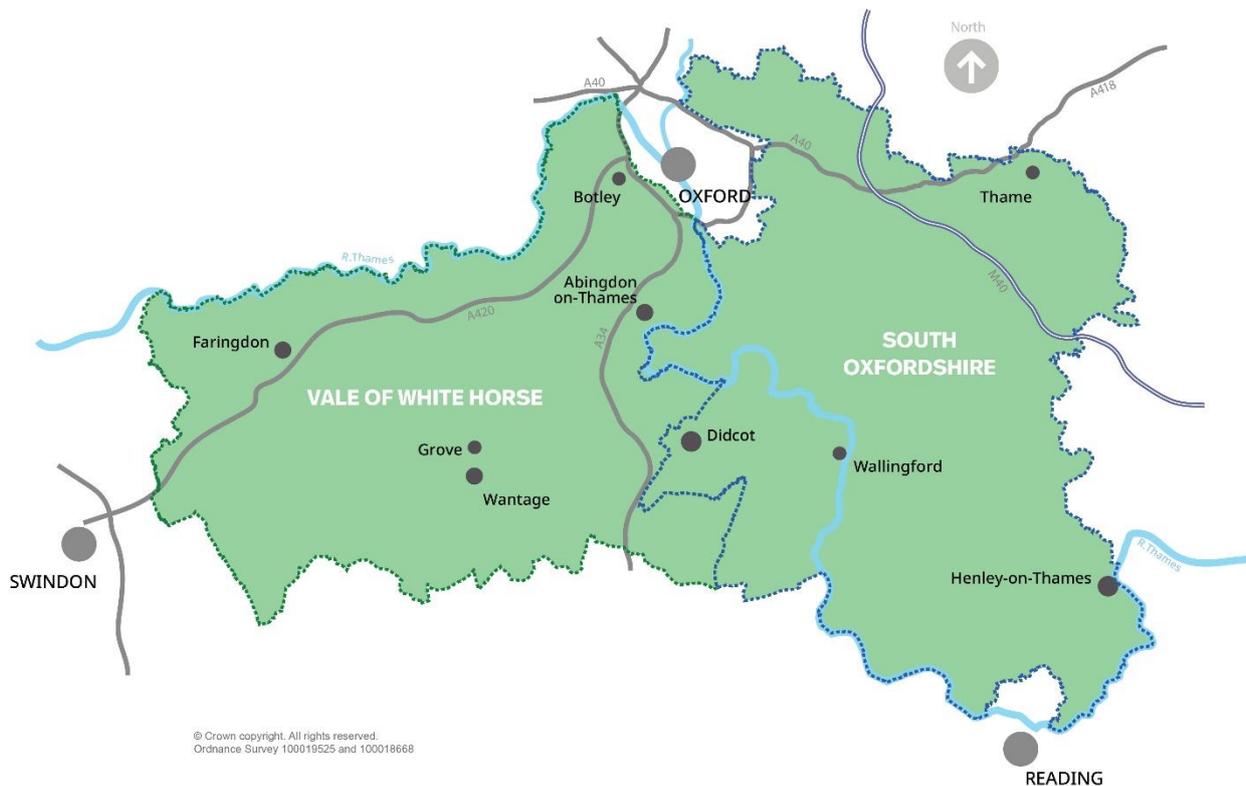
We recognise the value of working with our partners who are a part of delivering our housing aspirations. We recognise the contribution others make in providing good quality affordable homes. A third of all properties in our districts are rented by either private or social landlords and it is vital that we strengthen our working relationship with both. Our partners are mentioned throughout the strategy in the many ways that they contribute to and share our ambitions.

Whilst our two councils share many characteristics and are committed to working together, we also recognise the distinct needs and issues within each district council and this strategy must be flexible enough to respond to individual needs where required.

We have four strategic housing priorities which incapsulate our existing activity and future ambitions. These are:

- Providing homes to meet current and future local need
- Delivering housing that is truly affordable
- Valuing and supporting council and community led housing initiatives
- Planning for well-designed net zero carbon housing.

For each of these we set out why this is priority, what we are already doing and what we plan to do in the future. This housing strategy is for two years to align it with the Corporate Plan and will be reviewed and updated following on from when the next Corporate Plan is agreed. Our ambitions are focused on the role of the councils in setting the framework for and enabling the delivery of housing, working with a wide range of partners to make this happen.



Context

Housing is high on the agenda both locally and nationally. This housing strategy sits within a suite of other South Oxfordshire and Vale of White Horse policy documents, Oxfordshire wide policies and national policy that relates to housing. Those that have the greater influence are summarised here.

The Corporate Plans of both councils, set out the main ambitions between 2020 and 2024, highlight housing and housing related themes including:

<u>South Oxfordshire*</u>	<u>Vale of White Horse*</u>
<ul style="list-style-type: none"> ● Homes and infrastructure that meet local needs <p>Highlights for housing:</p> <ul style="list-style-type: none"> - Garden Towns and Villages - New council owned homes - Low carbon new build - Retrofitting existing homes - Eliminating homelessness - Empty Properties - Funding - Using planning policy and processes. 	<ul style="list-style-type: none"> ● Providing the homes that people need <p>Highlights for housing:</p> <ul style="list-style-type: none"> - Homes that people can afford - Housing delivery that supports the environment and healthy living - Policy framework to support aspirations - Review use of S106 monies - Garden Towns and Villages - Encourage low carbon new build - Active travel.
<ul style="list-style-type: none"> ● Action on climate emergency <p>Highlights for housing:</p> <ul style="list-style-type: none"> - Delivering council owned net zero homes - Advocacy for net zero homes across district. 	<ul style="list-style-type: none"> ● Tackling the climate emergency <p>Highlights for housing:</p> <ul style="list-style-type: none"> - Zero carbon construction requirements and for new build - Retrofitting existing homes.
<ul style="list-style-type: none"> ● Improving economic and community wellbeing <p>Highlights for housing and placemaking:</p> <ul style="list-style-type: none"> - Well-connected communities - Active travel 	<ul style="list-style-type: none"> ● Building healthy communities <p>Highlights for housing and placemaking:</p> <ul style="list-style-type: none"> - Building strong communities - Active travel - Homelessness prevention

*Link to webpage for Corporate Plan in more detail.

These themes will help shape the [Joint Local Plan](#) which is under development and going through a series of consultations with a view to adoption in late 2024. This will update and replace the currently separate local plans for each district. The housing strategy will use the most up to date evidence presented in the current drafts of Joint Local Plan and refer to the

agreed Local Plans for existing policy, for example on the required housing delivery numbers and affordable housing requirements.

Both districts place high value on supporting communities to develop a shared vision for their area through Neighbourhood Plans. Neighbourhood Plans can help to shape the way in which strategic policies are translated into changes within an area, although not all Neighbourhood Plans will include a reference to housing. As of June 2022 in South Oxfordshire there are 26 [Neighbourhood Plans](#) that have been made (that is fully adopted as statutory plans) and 26 are under development at various stages. In Vale of White Horse there are 15 [Neighbourhood Plans](#) that have been made and 11 more are underway.

Another local policy to highlight here is our [Joint Homelessness and Rough Sleeping Strategy](#) 2020-2025 This made changes to the councils' approach to meet the new requirements of the Homeless Reduction Act 2017. The Act placed a greater emphasis on early intervention to prevent homelessness and widened the scope of responsibility towards those threatened with homelessness. The two councils committed to prevent homelessness wherever possible; end incidents of homelessness at the earliest opportunity; and to end the need for rough sleeping.

We have set targets to reflect the priority we place on responding effectively to the climate emergency, sharing good practice and making best use of Government funding.

South Oxfordshire	Carbon neutral by 2030
Vale of White Horse	75% reduction in carbon emissions by 2030 and carbon neutral by 2045

Increasing the supply of housing, including affordable housing, remains a priority for national Government, with a previously stated ambition to deliver 300,000 homes a year, a considerable increase in the trends over the last 20 years. In 2020-21 216,490 new homes, were completed 90% of which were new build and 24% were affordable using the National Planning Policy Framework definition of affordable housing. Government policy is important in shaping national funding opportunities. In our areas the high cost of housing has meant that new homes and homes built for “affordable rent” remain unaffordable locally to those on lower incomes. In 2021 the Government introduced funding through Homes England for social rent in areas with “high affordability pressures” including South Oxfordshire and Vale of White Horse. The Housing and Planning Act 2016 introduced Starter Homes as a new affordable housing product, the prototype for what are now called First Homes. This Act also updated a requirement for local authorities to hold a register of applicants and potential sites for self-build and custom-built housing.

After a series of housing consultation documents the Government published The Charter for Social Housing Residents in November 2020. This was heavily influenced by the concerns arising from Grenfell Tower fire where so many social housing tenants tragically lost their lives. It emphasised the importance of residents being safe in their homes, informed and listened to, and complaints being dealt with fairly and quickly. The aspirations in the Charter are to be strengthened in the Social Housing Regulation Bill 2021. This will introduce a more rigorous inspection and rectification regime, with new powers granted to the housing Ombudsman. The rights of tenants in all tenures are being strengthened in the Renters Reform Bill 2021 which will ban no fault evictions, extend the decent homes standard that social landlords must meet to private rented properties; and introduce a ban on landlords having blanket exclusions of those on benefits.

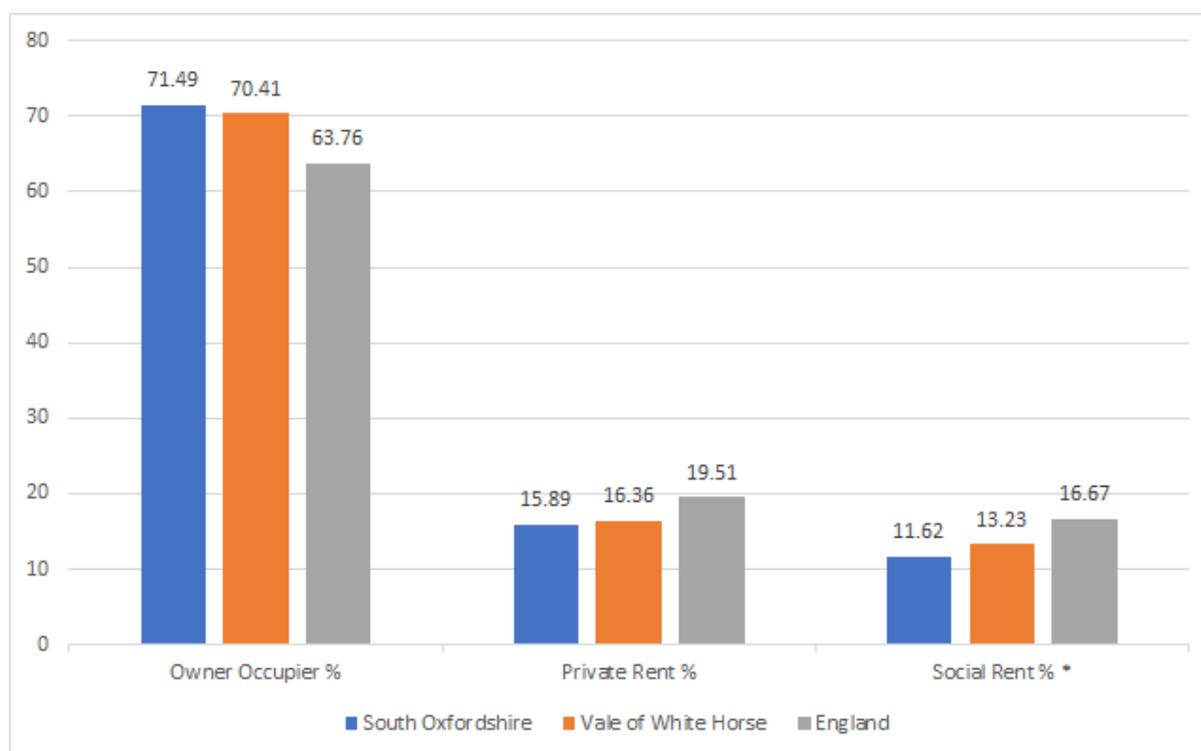
At the time of writing in 2022 the Levelling Up and Regeneration Bill is progressing through the stages prior to becoming an Act. The Bill contains a number of proposals which will impact on the delivery of new homes. Significantly the Bill does not include the target of 300,000 new homes a year. It plans to replace the current Section 106 and Community Infrastructure Levy (CIL) with a new locally set infrastructure levy, calculated based on the gross development value of the site. It is not yet clear how this will impact on the provision of affordable housing previously required in Section 106 agreements. The new Bill also gives greater weight to Neighbourhood Plans, already widely in place across South Oxfordshire and the Vale of White Horse, which engage local communities in a dialogue about local housing needs. The Bill proposes the use of national and local design codes to set the expected standards of good design to which all new developments must adhere. It includes measures to unlock sites and aims to increase the build out rates for new homes including sites where planning permission has been gained but development is not taking place – known as land banking.

Providing homes to meet current and future local need

The amount of housing required in the district council localities of [South Oxfordshire](#) and [Vale of White Horse](#) was agreed in the current Local Plans. These will be replaced by a new Joint Local Plan to 2041 covering both Districts, and the targets for housing delivery may change. Housing targets are based on projections of current and future population profiles and anticipate the impact of future economic growth on housing demand.

Tenure

The predominant tenure in both districts is home ownership, making up almost three quarters of all housing. The availability of affordable housing to rent is significantly below that of the private rented sector, reinforcing the need for a proportionate increase in the affordable rented sector. The next section on affordable housing examines this in more detail.



*Social rent includes affordable and social rent (these are Government definitions explained on page 16)

Ref: ONS 2020 subnational estimates of dwellings by tenure without confidence interval; and national estimates by tenure converted into %.

Housing targets

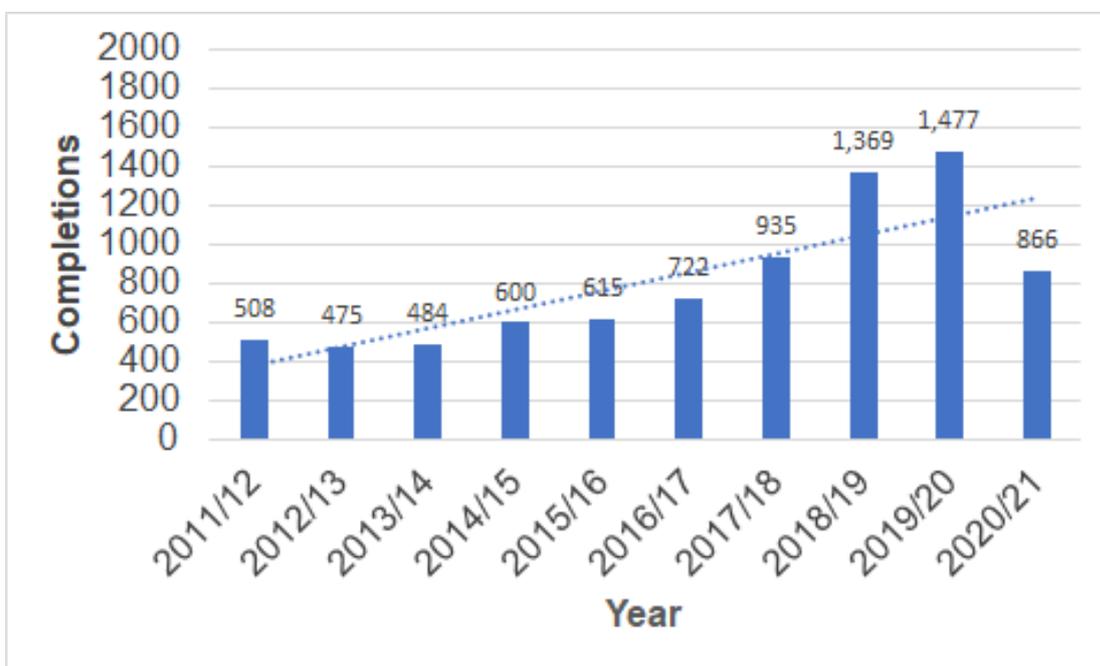
South Oxfordshire is a rural district with a population of 143,800 (source: 2020). The vast majority of households, 84.2%, are economically active (source: October 2020 – September 2021) and the unemployment rate is low at 3.2%. Vale of White Horse is similar with a population of 137,000 (source: 2020), with 82.5% of households being economically active (source: October 2020 – September 2021) and a low unemployment rate of 3.2%. Not all these working households are well paid. 40% of employees in South Oxfordshire earn £25,000 a year or less, and in the Vale of White Horse the figure is 32%. The high cost of market housing, both for sale and rent in the area, create a greater need for affordable housing for people who are on lower incomes. Over time home ownership has been

declining amongst younger age groups as house prices increase. The challenge of affordability in our districts is illustrated in greater detail in the next section on delivering housing that is truly affordable.

In practice precise demand for housing and the type and size of housing people want can change as a consequence of social and cultural changes. For example, the changing working patterns emerging from the trend post pandemic towards more people wanting to work from home is likely to put higher premium on housing with space to work from. Similarly, as the next generation of people get older, and patterns of care have changed to support people to live independently in their homes for as long as possible, the expectation that older people will downsize has been replaced with a more realistic expectation of moving to a home that is the right size for them (not necessarily what they would be assessed as needing). These changes do not affect the current overall housing targets.

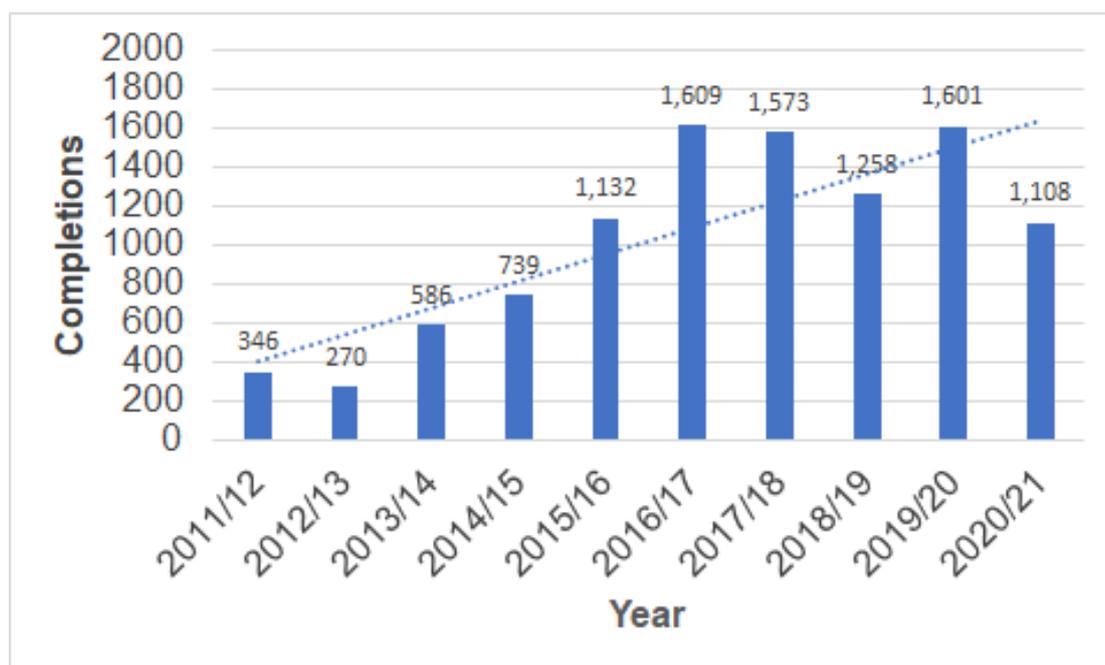
An updated housing needs assessment will need to take the up-to-date required mix of housing stock.

Housing target for new homes - South Oxfordshire (Local Plan 2035)	
2011 - 2035	18,600
Oxford Unmet need (additional 2021-35)	4,950
2011 – 26 annual targets	900 dwellings per annum
2026 – 32 annual targets	1120 dwellings per annum
2032 – 35 annual targets	1110 dwellings per annum



South Oxfordshire have seen a steady rise in the number of completions each year, delivering a total of 8051 homes in the last ten years, exceeded their target between 2017 to 2020. The figures for 2021 will have been affected by the impact of Covid which saw a slowing down of the rates at which homes were built.

Housing Target for new homes - Vale of White Horse (Local Plan 2031)	
2011 - 2031	20,560
Oxford City Unmet need (additional)	2,200
Annual Target	819 dwellings per annum



Vale of White Horse have exceeded this target for completions for the past 6 years, delivering 10,222 in total, with last year’s figures reflecting the impact of the pandemic on slowing the rate at which homes were completed.

Together the two districts have a strong trajectory delivering 50% of all new housing in Oxfordshire in the 7 years between 2013 and 2020.

Within these overall targets will be a requirement for affordable housing. Both South Oxfordshire and Vale of White Horse are expensive places to buy or rent on the open market. Both councils have Local Plan targets which seek a proportion of housing to be affordable. The redraft of these local plans in the Joint Local Plan provides an opportunity to review these targets for tenure mix reflecting identified need for affordable housing, and in particular to look again at what constitutes an affordable rent. The evidence for this and the options available are covered in more detail under the section on the affordable housing priority.

Specialist housing need

Specialist housing can be categorised either by the design or the services offered.

A percentage of housing built must meet specialist needs. The categorisations for specialist housing relate to design and space standards, layout and access to meet the requirements for people with disabilities or limitations associated with ageing. Building for specialist needs also includes housing with support services for a range of needs.

Most older people aged over 65 occupy homes that are not dissimilar to the rest of the population in the districts as they have a substantial number of healthy years ahead of them, on average until they reach their mid-80s. In South Oxfordshire and Vale of White Horse 90% of older people continue to live in their own homes and in less than twenty years it is likely that a quarter of the owner occupier stock will be occupied by people aged over 65 (Wessex Economics study). [Oxfordshire County Council](#) predict a 55% increase in the number of those aged 85 or more across Oxfordshire between 2017 and 2030. This is likely to bring increased need for support as age brings greater mental or physical frailty. The County's policy, supported by district councils, is to enable people to stay in their own homes for as long as possible, although also anticipating an improvement in peoples housing options as they age based on their housing needs.

Both district councils have policies that require a percentage of new housing to be built to building regulation standards that are accessible and adaptable (Part M (4) Category 2), and a percentage to be built to wheelchair accessible standards (Part M (4), Category 3). These differ between affordable and market housing as the following table shows. These requirements will increase the stock of local housing over time in the districts that make it easier for people to live in their homes for longer.

South Oxfordshire - Housing Mix
All affordable housing and at least 15% of market housing on sites of over 10 dwellings should meet Category 2 standards
At least 5% of affordable housing should meet Category 3 standards
All affordable housing and 1 and 2 bed market housing to meet the Nationally Described Space Standards

Vale of White Horse - Space Standards
On major residential developments 15% of market dwellings and all affordable housing to meet Category 2 standards
On sites of 100 units or more 5% of affordable housing should meet Category 3, and 2% of market housing if a demonstrable need.

Both Local Plans currently include policies that encourage future provision of specialist housing for older people or those with special needs. As part of the Joint Local Plan data will be refreshed to determine the future needs for specialist housing based on changing models of care and the likely choices people will make in the future.

Working in partnership

Building and maintaining strong relationships with housing associations who are registered providers for social housing is essential. We value the contribution that registered providers make to providing existing and new affordable homes in the area and see them as essential partners in this.

We also recognise the value of building good working relationships with developers to deliver both large and small high quality housing schemes. We have been pleased to promote exemplar schemes in the area such as the Springfield Meadows Passivhaus development and our work on Garden Communities, described in more detail in a later section.

Intervening in the existing housing market

Private Sector Housing

Owner occupiers are the predominant tenure in South Oxfordshire and Vale of White Horse. We are keen to identify how many of these homes remain empty and unused in the longer term so that we can develop a strategy to bringing empty homes back into use. As of August 2022, there were 146 empty homes in South Oxfordshire and 108 in Vale of White Horse. Properties that remain empty impact on housing supply, and if left empty for a long time can impact on the surrounding community by for example attracting anti-social behaviour or vermin. Our council tax policies require an additional 100% council tax to be paid after two years, increasing again for each subsequent year. Our first task will be to identify the homes that are not occupied and have been empty for more than two years. We will then set out how we intend to work with owners to bring them back into use, including as affordable homes, and whether council tax increases are set at a level to incentivise bringing homes back into use, and the potential use of Compulsory Purchase Order powers.

The private rented sector is relatively small in both districts. We have a statutory duty to register properties that are houses in multiple occupation (HMOs) and to respond to complaints from tenants about poor standards in homes. As of September 2022, there were a total of 124 HMOs registered across South and Vale, 53 in South and 71 in Vale. The number of HMOs has increased significantly in recent years, in 2017/18 there were only 7 registered across South and Vale, 4 in South and 3 in Vale. It should be noted that only larger HMOs are required to register, and HMOs are clearly growing in numbers around the borders with Oxford City. We have a steady stream of enquiries and complaints from private sector tenants. But no landlord convictions in the last 5 years. Our approach is to encourage, train and inform landlords, and our website has information for both tenants and landlords setting out legal obligations and contact details for our private sector team.

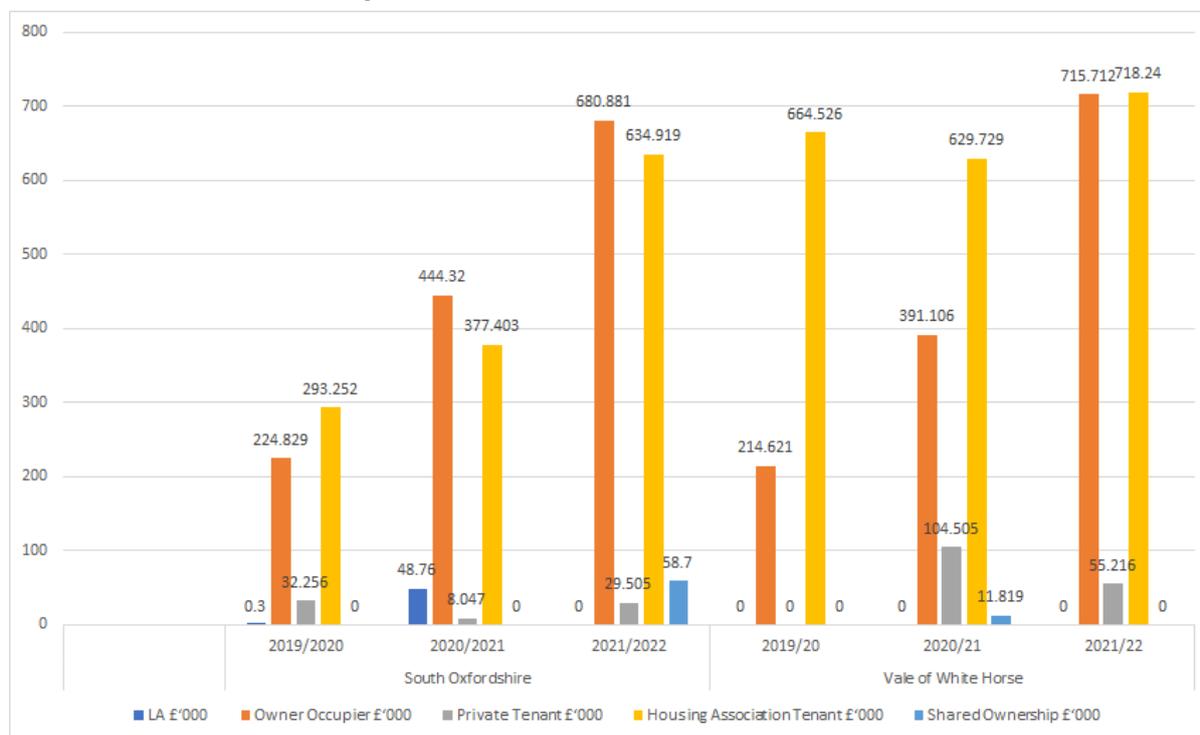
We have developed good working relationships with a number of private landlords in the area through White Horse Lettings, the councils' in-house social lettings agency. In the previous three years White Horse Lettings secured 112 new tenancies in South Oxfordshire and 115 tenancies in the Vale of White Horse.

Both landlords and tenants have obligations and our approach in the first instance is to work with both when something goes wrong, only taking enforcement action where other routes have been exhausted.

Adapting existing homes

Helping people to stay in their own homes for as long as possible means having the ability to adapt existing homes and planning for new homes that meet lifetime needs. The Disabled Facilities Grant is available to assist people to continue to live in their own homes. The following table shows the level of investment by tenure for the last three years. This shows that use of this funding for people living in their own homes and housing associations (registered providers) has increased significantly but is still relatively low for those who are private sector tenants or in shared ownership.

Disabled Facilities Grant spend



There are a range of other loans and grants available to support vulnerable residents to repair to remain in their own homes, rented and owned. Promoting Disabled Facilities Grant and other loans and grants on a regular basis is important for take up.

What is being achieved?

- The new Joint Local Plan and supporting evidence base will update the housing needs of both Districts to 2041. This will include a reappraisal of affordable housing definitions and targets.
- We are working with a range of stakeholders; landowners, local developers, housing associations, community led housing schemes, to bring forward sites in the Local Plans for market and affordable housing.

What more needs to be done?

- The completion of the Joint Local Plan will update housing targets for the area, including settings requirements for specialist and affordable housing
- We will identify the number and location of homes that have remained empty for more than two years and support as many as possible to be brought back into use as homes

- We will assess the need to develop our policy on Houses in Multiple Occupation to take account of growing numbers of HMO dwellings
- We will continue promotional campaigns to encourage the take up housing loans and grants
- We will support existing tenants and landlords when something goes wrong, using our enforcement powers where necessary
- We will work with Oxfordshire County Council to commission a local study to provide a better understanding of the impact of changing models of care, and individual expectations on the current and future provision of specialist housing options.

Delivering housing that is truly affordable

South Oxfordshire and Vale of White Horse are high-cost housing areas, where those on average or below average incomes are priced out of the market. Building a mix of homes where people on a range of incomes and occupations can live is essential for creating and maintaining towns and villages as vibrant places. For both councils the provision of affordable housing is central to this.

The high cost of housing in the area is not reflective of the level of earnings in our districts. In South Oxfordshire in 2021 40% of employees earn £25,000 a year or less, and in the Vale of White Horse the figure is 32% as the following table shows.

Area	< £20K	£20-£25K	£25-30	£30-35K	£35-40K	£40-45K	£45K+
SODC %	27	13	14	10	10	6	20
VOWH %	21	11	11	11	10	7	29

ONS Annual earnings survey of hours and earnings April 2021

Buying a house in the area, or building your own, is currently and will be out of reach of most households on average earnings. The trend is for these ratios to increase as house prices continue to rise faster than earnings. These are broad measures of affordability as households looking to purchase will be of varying compositions, may have more than one income, but may also have additional costs such as childcare. Nonetheless many essential workers have incomes that mean they are priced out of the housing market in our districts.

- Sales and retail assistants £12.9K
- Care workers £17.4K
- Teaching assistants £13.2K
- Chefs £19.5k
- Nursing auxiliaries and assistants £19.7K
- Social workers £32.4K
- Nursery and primary teachers £34.1K.

ONS earnings April 2021

The above examples (for the South East) of gross average earnings for a sample of types of work show that even in better paid jobs the percentage of earnings needed to rent larger properties or to buy is out of the reach of employees doing the essential jobs.

The following table illustrates the mid-point average cost of purchasing a home in both areas against average earnings for 2020.

District Council	Median House Prices £	Affordability Ratio	Annual Mortgage Cost £
SODC	390,000	12.07	18,480
VOWH	345,000	8.94	16,368

For those in the lowest quarter of earnings lowest quartile homes are still unaffordable as the following table shows.

District Council	Lowest Quartile House Prices £	Affordability Ratio	Annual Mortgage Costs £
SODC	307,500	-12.55	14,580
VOWH	275,000	-10.24	13,584

House prices are from ONS March 2021 for September 2020. The affordability ratio is a common measure of affordability, dividing house prices by earnings. A ratio of more than 4 is unaffordable. Annual mortgage costs assume a 10% deposit, 2.3% interest rate and a 25-year loan.

The picture for private rents for households is similar. Up to 35% of gross income is generally considered a maximum affordable rent. On this basis only smaller properties are affordable in our area for those on average incomes and larger properties become increasingly unaffordable. People on low incomes eligible for Local Housing Allowance would not be likely to afford the average private sector rents in the area as these are significantly above LHA rents, unless they top up the rent from their already constrained finances.



Summary of median monthly rents recorded between 1 October 2020 to 30 September 2021 for all bedroom categories by administrative area for England - Source: VOA's administrative database as at 30 September 2021 (extrapolated to annual figure)

Those with statutory housing needs

Another way of looking at the need for affordable housing is to look at those people who are on the two councils' waiting lists for homes. A single snapshot for a week in April 2022 shows 354 households in urgent or exceptional need of housing in South Oxfordshire and 282 in urgent or exceptional need in Vale of White Horse. Although the numbers of applicants to the housing register each week is fairly stable, we do not yet know the impact of the cost of living crisis, or the long-term impact of recent refugee/asylum programmes to support those fleeing war or persecution.

Local authorities have obligations to help in the prevention and resolution of homelessness, and this is outlined within the [Housing Allocations Policy](#). One of the main requirements is for the holding of a housing needs register from which social or affordable housing can be allocated.

Priority on the councils' housing registers is determined by a banding scheme. This scheme takes into account the "reasonable preference" categories of housing need and once accepted as eligible and qualified by the councils to join the housing register, applicants will be placed into one of four bands, which have been designed to reflect broad categories of housing need.

These bands are:

Band 1- Exceptional Need for Housing

Band 2- Urgent Need for Housing

Band 3- Significant Need for Housing

Band 4- No Housing Need / Adequately Housed

The currently number of placements (singles, couples or individual families) who are on that register is as follows:

South Oxfordshire – [Housing Needs Register](#)

Bedroom need	1	2	3	4	Grand total
Band 1 - Exceptional	46	7	4	1	58
Band 2 - Urgent	140	64	46	46	296
Band 3 – Significant	396	166	176	80	818
Band 4 Adequately housed	1031	485	145	4	1665
Total	1613	722	371	131	2837

Vale of White Horse – Housing Needs Register

Bedroom need	1	2	3	4	Grand total
Band 1 - Exceptional	37	2	0	1	40
Band 2 - Urgent	93	72	35	42	242
Band 3 - Significant	297	109	133	89	628
Band 4 – Adequately housed	720	406	97	14	1237
Total	1147	589	265	146	2147

We are currently in a period where both general inflation measured by RPI or CPI is rising, and house price inflation is increasing at an even faster rate. This trend is predicted to continue for several years. Housing is a major cost to household budgets and the broader economic climate makes the provision of affordable housing crucial.

Providing affordable housing

Affordable housing has a range of definitions updated most recently in the [National Planning Policy Framework 2021](#). Broadly they can be summarised as:

For rent:

- Affordable rent - Up to 80% of market rent (including service charges). In practice many social housing providers set this at LHA level.
- Social rent – Rent to Local Authorities and Housing associations, typically around 50-60% market rent, set by a Government formula
- Rent to buy – 80% of market rent with an option to purchase at a discount at regular intervals

For the intermediate market to assist home ownership:

- Shared ownership – where the property is part owned and part rented
- Shared equity – where the property is part owned but no rent is paid on the remainder owned by the housing provider (a rare product)

Discounted market housing:

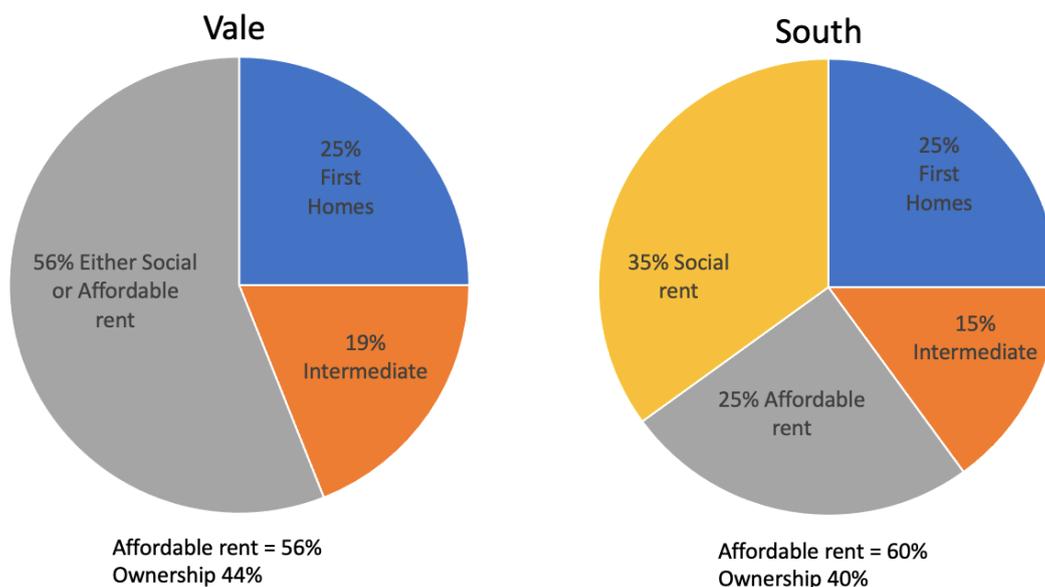
- First Homes – a new product launched in 2021 for first time buyers with a combined income of £80,000 or less. Sold at minimum of 30% of market value at a maximum price of £250,000.

Because of the deficit in affordable housing both councils have clear targets for new developments of 10 or more dwellings to deliver affordable housing as part of the development or make a financial contribution contribute to affordable housing off site. This threshold can be lowered in designated rural areas (national parks, Areas of Outstanding Natural Beauty and areas designated as rural where the population is below 3,000 and with low density populations) by applying to the Secretary of State for an exemption, and we are considering this as part of our work on the Joint Local Plan. In South Oxfordshire the requirement for affordable housing is 40% of new housing and 50% adjacent to the city of Oxford. Average overall achievement for affordable housing in South Oxfordshire since 2011, the start date of the Local Plan, is 40%. In Vale of White Horse the requirement is 35% across the whole district, achieved on average since the start date of the Local Plan in 2011. These targets represent considerable success in affordable housing delivery and will be re-examined in the Joint Local Plan.

The high cost of renting in our areas mean that for many households on our housing register affordable rents at 80% of market rent will be too high. We are therefore looking at how we can achieve a greater percentage of social rented homes on both large and smaller sites. Our Joint Local Plan will provide the evidence to support a change in our current policy to support the delivery of a higher percentage of socially rented homes. The Government funding regime has already recognised this need as South Oxfordshire and Vale of White Horse are areas where Government funding for new homes will be provided for social rent. [Shelter](#) estimate that nationally there are 1.4 million fewer socially rented homes than in 1980, and this is a welcome change in Government policy ensuring housing is affordable for those on lower incomes.

In May 2021 the Government formalised their First Homes policy as a low-cost route into home ownership, providing new guidance. They defined First Homes as affordable housing and now require new developments that meet the threshold to provide 25% of affordable housing as First Homes. First Homes must continue to be sold at the original percentage discount price in perpetuity. Because this is a new product the impact of First Homes is not yet fully understood, but it will reduce the numbers of affordable homes for rent if it is simply added on and the requirements for shared ownership and affordable rent are simply adjusted down. The current tenure mix sought in each council is:

Tenure Mix Currently Sought



Working in partnership to deliver affordable homes

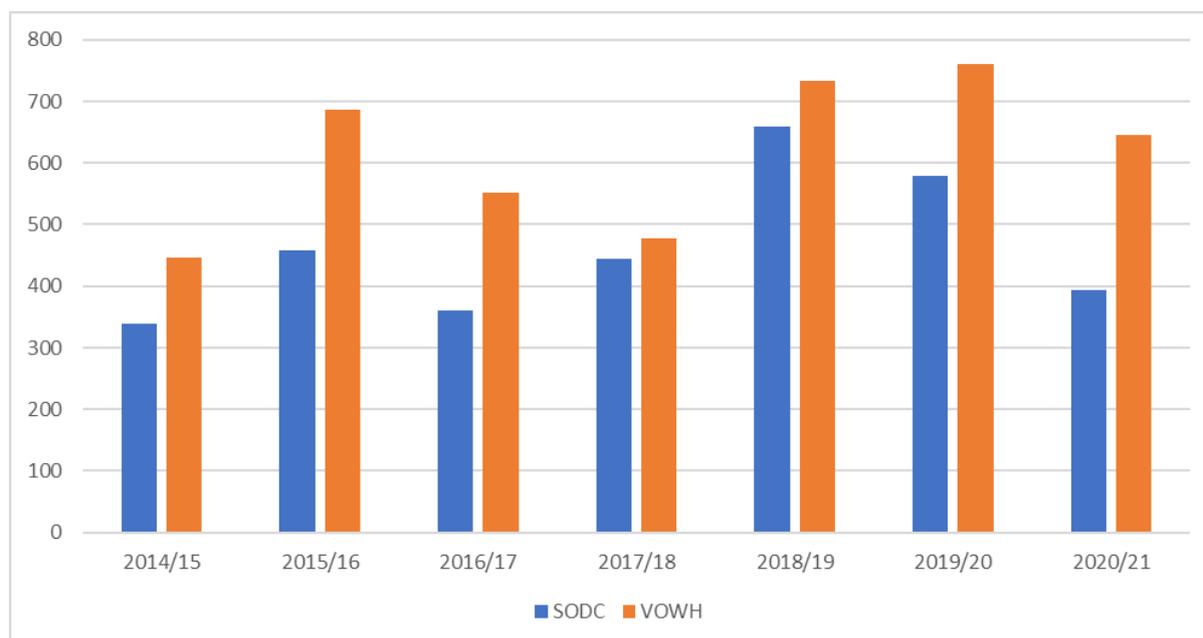
As stock transfer authorities our two councils do not currently own or manage affordable homes, although we do own and manage temporary accommodation and both councils own and operate mobile homes sites (one in South and two in Vale). We have carried out a strategic property review from which we will identify sites, including mobile homes sites, that could be used for future affordable housing. We will work with housing associations and other partners to make the best use of land opportunities, where we can have an influence on the disposal of land suitable for affordable housing.

The majority of affordable housing in our two areas will continue to be delivered by housing associations who are registered providers of affordable homes with access to government grant funding through Homes England and other routes. We will strengthen our engagement with housing associations with a local presence to better understand the profile of existing and planned affordable housing owned and managed by them, and how we can better support them in their future delivery ambitions

An improved appreciation of the needs and challenges of housing association tenants can help us to better understand the challenges of accessing affordable and social rent for low-income households.

The following chart show the increasing supply of affordable housing let by registered providers in our two areas.

Register Provider lettings



We are exploring opportunities to build affordable housing directly to increase the overall numbers of affordable homes delivered, complementing the work of registered providers by piloting exemplar approaches for low carbon living or addressing a specific unmet need. Our first scheme on Broadway Didcot is intended as an exemplar scheme to deliver affordable housing that contributes low or negative carbon emissions. More information on this scheme is in the section on planning for well-designed net zero carbon housing.

We are also keen to support community led housing that contributes to the provision of affordable housing, and this is covered in more detail on the following section on council and community led initiatives.

Council and external funding for new affordable homes

Most affordable housing is delivered through the larger strategic sites as part of the Section 106 agreement, a legal agreement covering what the developer must provide as part of the development, including affordable housing. Where it is not possible or desirable to provide new affordable housing directly on site the councils may accept a payment for affordable housing in lieu of direct provision. This Section 106 funding for affordable housing is then designated to provide affordable housing elsewhere.

Registered providers who purchase or directly build and manage affordable housing in the area will in the main be applying for national affordable housing funding programmes, managed through Homes England.

We are keen to complement national funding by using our locally available funds to deliver against our local priorities. Housing providers are invited to apply for these funds if they meet certain criteria. Although some funding has been allocated in the last few years for various housing association and community led schemes and direct council provision, better use could be made of this funding with a more pro-active approach and clearer criteria against which to prioritise competing bids.

Affordable housing funding was also delivered through the Future Oxfordshire Partnership government funded housing and growth deal. New funding is no longer available, but the Vale of White Horse secured funding for three schemes.

Homes to prevent homelessness

Our Joint Homelessness and Rough Sleeping Strategy 2020 -2025 sets out our three aims:

- To prevent homelessness wherever possible
- To end homelessness at the earliest opportunity
- To end the need for rough sleeping.

The strategy defines how we will achieve these aims, our strong progress to date and our future challenges. The strategy was developed following a review of homelessness services that included a stakeholder engagement.

The strategy highlights the importance of a supply of social or supported lettings to prevent or relieve homelessness and shows how the number of lettings by registered providers have increased over the last 5 years. It also shows how we have developed good working relationships with a number of private landlords in the area through White Horse Lettings, the councils' in-house social lettings agency. In the previous three years White Horse Lettings secured 112 new tenancies in South Oxfordshire and 115 tenancies in the Vale of White Horse.

It is now widely accepted that appropriate and secure accommodation is vital to end rough sleeping, and also that accommodation is needed that recognises the often complex needs of rough sleepers. Although provision for those who have been sleeping rough have

improved and new services have been secured the strategy concludes that there is still a need to improve the availability of supported accommodation for vulnerable people.

What is being achieved?

- We have achieved affordable housing targets of 40% for South Oxfordshire and 35% for Vale of White Horse, delivering much needed affordable housing to the districts
- We have used our Section 106 funding and secured external funding to support the delivery of affordable housing through housing associations, direct council delivery, and community led schemes
- We have published a Joint Homelessness and Rough Sleeping Strategy setting the framework for our future ambitions.

What more needs to be done?

- In our new Joint Local Plan we will set an updated requirement for social rented housing across the area, at a level that takes account of local income levels
- We will consider applying to the Secretary of State for a lower threshold for seeking a contribution towards affordable housing in new developments in rural areas
- We will evaluate the impact of First Homes on affordable rent and consider whether to increase the percentage of rent to intermediate affordable housing for sale (First Homes and Shared Ownership)
- We will require local connection criteria (which we have piloted at Grove Airfield) and consider key worker status for applicants for the purchase of First Homes. We will consider whether to introduce a greater discount (discounts can be 30%,40% or 50%) for first homes in some areas
- We will evaluate sites owned by the councils for their potential as future sites for affordable housing for council direct build, community led development and delivering affordable housing in partnership with other providers
- We will develop a pro-active approach and an evaluation model for use of our Section 106 funds for affordable housing, engaging with registered providers and community led schemes and developing a programme of spend that matches the resources available
- We will also use our Section 106 funding and our capital funding where this available, for direct council purchase or delivery
- We will use our resources and assets for direct delivery of affordable homes, preferably for social rent, to complement provision from registered providers and address unmet need in the area
- We will consider the steps necessary to be well prepared as councils to bid for Homes England funding
- We will improve our knowledge and data collection on affordable housing from registered providers delivering affordable housing in our area
- We will work with registered providers to deepen our understanding off affordability issues and the challenges for low-income households of increasing cost of living and energy bills.
- When requested we will support registered providers in their bids for Home England or other funding in line with our priorities.

Valuing and supporting council and community led housing initiatives

Both councils are at an early stage of a journey assessing where council led and community led housing initiatives offer a different way to do housing development. Although the majority of housing will be delivered through larger strategic sites, smaller schemes that involve the local community in the creation of housing to address local needs bring an added dimension. A community led approach can help to build an understanding and shared support for why housing is needed in an area and how best to achieve it. This can increase the available affordable housing and generate a better understanding of the factors that contribute to people feeling that somewhere is a good place to live. It can bring communities together who share a common interest, for example communal housing for older people. It can also promote newer approaches to housebuilding, improved design and architectural features, building more carbon efficient homes, and include communal facilities, and can strengthen connections between residents, foster inter-generational links, and help to combat isolation.

There is a range of approaches that the council is keen to support, some of which will be linked to Neighbourhood Plans. These are not mutually exclusive. The councils have carried out a strategic property review of land and property assets that gives the basis for identifying potential sites for community led development or council direct build. There is scope to look further at other unused or underused land or assets held by other public sector bodies and we are keen to take this forward through the “One Public Estate” model to deliver shared priorities.

Rural and First Homes Exception Sites

This is where development is permitted in locations not normally supported for housing, often agricultural or land outside the built edge of a village, where the need for affordable housing has been demonstrated. The affordable housing on rural exception sites in our two districts are required to be affordable in perpetuity. Applicants for the housing should have a local connection and already be resident in the area or with a family or work connection. Data on pre-existing Rural Exception Sites in South Oxfordshire and Vale of White Horse is not available but there are thought to be only a few.

Rural Exception sites can be a good model where a local parish or community want to increase affordable housing in partnership with a Housing Association. It can also be the planning consent basis for Community Land Trusts. There are two rural exception sites in the pipeline, both with planning consent at the time of writing.

First Homes Exception sites are similar to rural exception sites in that they are permitted in locations not normally supported for housing to provide first homes. At the time of writing there are no First Homes exception sites, although this may change.

Community Land Trusts

Community Land Trusts (CLTs) started as a concept in the United States and is now a much broader international movement. CLTs are a form of community led housing where the assets are held collectively in a not-for-profit trust, ensuring affordability in perpetuity. Members of the CLT are drawn from people who live and/or work in the locality. The affordable housing is in the first instance for households with a local connection. CLTs tend to be on smaller sites delivering a modest number of homes, but can be larger, for example

the planned 60 homes CLT for [Kennett](#) in East Cambridgeshire. They can include all types of affordable housing. Most CLTs build housing to high net zero carbon standards and high architectural standards. For example, [Hook Norton](#) in Cherwell district aims to build to Passivhaus standards, linking up with a local energy supply through a micro-grid.

Both districts have a CLT in progress. Vale of White Horse has [Oxfordshire Community Land Trust](#) at Botley, and South Oxfordshire have [Thame Community Land Trust](#) which were both consented as Rural Exception Sites.

Cohousing

Cohousing, sometimes referred to as cooperative or collaborative housing, is a model where a group of potential households come together to create housing jointly with intentional community space as well as private space. They tend to have a strong community minded ethos of living together in a mutually supportive way. As with CLTs there is growing interest nationally in this model of housing. It involves collective resident control, stewardship and decision making. It can be of any tenure. The [LILAC](#) scheme in Leeds is for affordable rent. [Marmalade Lane](#) in Cambridge started as leasehold properties.

Cohousing can meet the needs of a particular interest group and is sometimes promoted as a model for housing for older people that helps to combat social isolation and loneliness bringing the benefits of a combination of private space and shared communal facilities. One of the first cohousing schemes in the country was High Barnet's [New Ground](#) which started life as the Older Women's Co-housing Community.

We do not yet have any cohousing in the area but are considering this as one of several models for groups of people who are interested in self build. Local research has shown that 46% of those on the self and custom build register would like to be part of a group or an association.

Self and custom build (SCB)

District local authorities, including South Oxfordshire and Vale of White Horse are required to keep registers of interest in self build and custom build. Broadly self-build refers to individuals directly organising the design and build of a home. Custom build refers to scheme where a housebuilder or developer, sometimes with the help of a third party, builds out a multi-home scheme where the initial owners are directly involved in the final design and layout of the scheme. Self and custom building can be affordable or community led housing, including building for rent or at a lower cost for home ownership. Councils have a duty to give permission for enough suitable plots to meet the demand from their registers. Both councils have policies to support custom and self-build housing. We have appointed an officer dedicated to developing and improving our approach to custom and self-build. Our currently policies which are under review as part of the preparation for the Joint Local Plan are:

South Oxfordshire:

- Support self and custom build
- Seek a 3% allocation of the proportion of developable plots on strategic sites
- Require Neighbourhood Plans to consider CSB and where appropriate identify sites
- Sites to be marketed for an appropriate time

Vale of White Horse:

- Support self and custom build
- May contribute towards affordable housing provision or market housing
- Permissioned sites marketed for at least 12 months

Both councils have reviewed current policy and practice to improve how SCB is managed and supported and to remove duplicate entries on the register. This has revealed a need to remove multiple individual entries from the register and to add the category of household (for couples or family groups) to the existing categories of individual or group households and introduce a mechanism where applicants who are no longer interested can be removed or remove themselves. Consideration is also being given to introducing local connection criteria and a fee for registration. A more pro-active approach will be taken to highlighting available sites and fostering the formation of groups.

Direct council build of affordable housing

As councils that have transferred their previously owned housing stock to housing associations neither council prioritised the knowledge, skills or capacity to directly build and develop new housing. Both councils have an ambition to contribute to the direct delivery of affordable housing, to demonstrate exemplar design and build standards and/or to provide affordable homes in geographical areas or to meet a specialist need where these are in short supply. We will create a new housing delivery team to make better use of our land and assets, funds and capacity to borrow, to begin providing council owned homes again. Where it makes sense and delivers a faster or better outcome we will work in partnership with other providers to achieve this. We will evaluate the options for managing any future council owned homes, including undertaking an assessment of whether this offers an opportunity to further enhance the councils' in-house organisational resilience, capacity, skills and knowledge, whilst being mindful that any model must also be cost-effective.

The first potential direct build project is now underway to demolish and rebuild vacant council buildings on Broadway Didcot, in South Oxfordshire, starting with the appointment of a project manager, cost consultant and clerk of works to advise on the business case for community space and affordable housing. For this project the council is keen to look at options to build to high standards of energy efficiency and zero carbon (or better), including looking at Passivhaus standards.

Timescales and resources

The council and community led schemes in progress have had long lead in times, largely because they involve earlier and thorough community consultation and engagement. This is not untypical. [The National CLT Network](#) estimate that in 2020 345 CLTs had built around 1,000 homes since 2008 and were accelerating with 7,000 homes in the pipeline. (In contrast 57,644 affordable homes were completed in England ([link](#)) in one year in 2019-20). Although support has been available through the regional community housing hub - Collaborative Housing - the time and expertise required to get through all the stages of land acquisition, planning and build requirements is considerable. For this priority to be accelerated locally additional resources will be required to encourage enable and support new schemes.

What is being achieved?

- A strategic property review has been completed for both councils and Asset Management Groups have been established
- We will continue to support the development of Neighbourhood Plans in areas that are developing or do not yet have one
- Each council has policies on rural exception sites and self and custom build, and are in the process of bringing these together in the Joint Local Plan
- The development of Community Land Trusts has been supported in both districts
- Policies and management of self-build and custom build are being reviewed and improved
- We have signed up to a One Public Estate approach with other public sector organisations in Oxfordshire.

What more needs to be done?

- We will create a new housing delivery team
- We will enhance staff resources with specialist skills to accelerate bringing forward sites for housing development for both large sites and community led schemes
- Resources will be enhanced to support and encourage soundly based community-led housing schemes, to assist with access to funding, and to accelerate the timeframes for delivery
- Policies to support the delivery of community led housing will be updated in the Joint Local Plan
- Suitable sites for development for community led or direct council development will be identified from the strategic property review
- We will use a One Public Estate approach to make better use of public sector owned land to achieve shared objectives
- We will build our internal capacity to support direct council delivery of affordable homes which complements and adds to the provision of affordable housing through registered providers
- We will explore the viability of council borrowing and access to other funding to achieve direct delivery of affordable homes, preferably for social rent, on council owned land.

Planning for well-designed net zero carbon housing (as a minimum)

Creating quality places to live is about more than just the numbers of homes. It is also about creating good places to live, build to high standards which minimise or eliminate a net increase in carbon emissions. Places where people can thrive, that are well connected to everyday facilities and transport links, where walking and cycling and healthy lifestyles are encouraged through the design of the development, and open and green spaces are an integral part of the surrounding area. This is supported by changes to the National Planning Policy Framework which has been amended requiring all Local Planning Authorities to emphasise quality in approved schemes, low carbon and biodiversity.

Our ambitions to improve the quality of housing to move towards net zero carbon homes, or better, does not just apply to new developments. As well as addressing carbon reduction in new developments we have initiated a programme of supporting retrofitting in existing homes.

Housing plays a central role in our joint ambitions to take action to tackle the climate emergency. We want to reduce the carbon contribution of existing homes through our action on retrofitting. In new developments we want to reduce carbon emissions both in the methods by which homes are constructed thinking about embodied carbon in materials and construction methods, and in the design of the homes. We are constrained by the requirements of national building regulations, although these have been updated to require reduced carbon emissions. Regulations will be further strengthened when the Future Homes Standard comes into effect in 2025. This will require new builds to produce 75-80% less carbon emissions. A recent [study](#) estimated that housing contributes a quarter of all carbon emissions across our two districts. Energy prices have seen a massive increase during 2022 and better insulation of homes to reduce their carbon footprint has the added benefit of contributing to reducing fuel bills

Setting a high bar for good design

Our existing Local Plans include policies that help to ensure high quality design in new developments. As part of our work to bring together and enhance our existing policies we have agreed a new [Joint Design Guide](#) demonstrating how high quality and sustainable development can be achieved and will publish the final version during 2022. The code sets out the steps and design principles that are to be followed when designing a scheme to submit for a planning application. Key elements are:

- Place and setting
- Natural environment
- Movement and connectivity
- Space and layout
- Built form
- Climate and sustainability.

Garden Communities

The garden communities' principles encapsulate the features that contribute to creating good places to live – a wide mix of housing, attractive green and open spaces and good links between homes, shops, community facilities and workplaces. Garden Community Status awarded by Government, brings with it access to funding and advice. The two garden communities in South Oxfordshire (Didcot and Berinsfield) and one in the Vale of White Horse (Dalton Barracks) are all progressing.

[Didcot Garden Town](#) was awarded garden community status in 2015 and is the most advanced. Over 10,000 homes have been approved or are under construction. Three sounding boards for residents, business and parish councils provide an important link with the surrounding locality. The development embraces sustainable design with low carbon emissions, water use efficiency, and evaluation of the environmental impact throughout all stages of the planning and construction of the site.

[Berinsfield](#) was awarded garden village status in 2019. Extra funding has been secured to support masterplanning the site for potentially 1,700 homes, and to meet commitments on carbon reduction, working together with Homes England, Oxfordshire County Council, and the housing associations SOHA and Sovereign, taking a One Public Estate approach to combine our resources and assets. The ambition is to create a vibrant community integrating the existing Berinsfield village with the new development.

[Dalton Barracks](#) was awarded garden village status in 2019 and is at the early stages of planning and securing funding to deliver on ambitions for the future. This is not likely to be at the stage of delivery during the timescale covered by this housing strategy.

Direct council building of low carbon housing

With the need for the council to show leadership and a positive example in developing a fair transition to a low carbon future the council obtained a final appraisal on the options for developing the building to EPC A standards (a measure of energy efficiency), zero carbon or PassivHaus affordable homes at 116-120 Broadway, Didcot. This is a council led development towards the tackling the Climate Emergency theme.

Exemplar low carbon developments

We want to see more developments like the exemplar project located in Southmoor in the Vale of White Horse. [Springfield Meadows](#) Passivhaus scheme is a multi-award-winning project of 25 Climate Positive homes. Benefitting from diverse shared outdoor spaces and private gardens, it consists of 9 affordable houses and 16 for open market sale. They are all well designed, high-performance homes, which provide comfortable, low-carbon living. Springfield Meadows has been awarded One Planet Living Global Leader status by the leading UK environmental charity Bioregional, and many other awards. This development seeks to lock in more carbon than it emits and generate more energy than it uses.

Retrofitting existing homes

Existing buildings are a major contributor to carbon emissions. Reducing the carbon emissions in existing homes by improving insulation and bringing down energy consumption is another essential component in tackling and taking action on the climate emergency. It also contributes to tackling fuel poverty, particularly important at this time of rising energy costs. Better insulation also reduces energy bills which more than doubled between 2021 and 2022 bringing a much greater number of households into fuel poverty. The Government

have a number of programmes targeted at improving the energy efficiency of existing homes by improving insulation and upgrading heating systems. These programmes, to retrofit homes, appear to have had poor take up in Oxfordshire with only 0.5% of homes having benefited from ECO (Energy Companies Obligation) or the Green Deal, despite 8.5% of households locally estimated to be living in fuel poverty.

For all existing homes, it is vital that they are able to become as environmentally sustainable as possible. Insulation, solar panels, modern heating systems, water minimisation and other similar retrofitting technologies must all be actively considered for all tenures. The strategy is to help all tenures access the funding, for example ECO 4 is looking to make £1 billion a year available across England with 50% of which will be delivered through local authorities.

Help residents to lower energy consumption

A significant part of reducing carbon footprint, and also reducing costs for homeowners and tenants, is the ability to reduce the amount of energy used. We want to help all residents reduce their energy consumption and we will support them in this. Advice on how to adapt homes and reduce energy consumption is key but we must also consider what practical and financial help is available to tenants, either directly or indirectly. We will work with local housing providers to do this. Also critical is encouraging benefit take-up as this is often used as a proxy for access to schemes that help with fuel bills.

We recognised we could do more to improve the take-up of national programmes or schemes to retrofit homes and have reviewed our existing practices and committed to:

- Working with all the councils across Oxfordshire on the Environmental Advisory Group (a sub-group of the Future Oxfordshire Partnership) to develop joint sustainable and coordinated interventions
- Improving publicity and promoting schemes through our newsletters and other council communications to help residents make greener choices
- Developing a database of local installers based on national accreditation for retrofit
- Better understanding the links between retrofit and fuel poverty

We have given this high priority in our corporate plans for the next two years.

South Oxfordshire: under the theme of homes and infrastructure that meets local needs, there is a specific action on retrofit and fuel poverty: 'support and encouragement for the retrofit of our existing housing stock for low-carbon performance and to eliminate fuel poverty'.

Vale of White Horse: in the tackling the climate emergency theme, there is a project to 'work with local partners and Government to encourage retrofitting houses with sustainable energy schemes; help residents to take advantage of schemes that come along to help with costs.

The future of housing in the climate emergency

We will show leadership by making tackling climate change integral to our housing strategy for both new build and existing homes. Some of the changes we want to see need to take place at national level and we will continue to add our voice to expressing the urgency for national change. The major study [Pathways to Net Zero Oxfordshire](#) observed that

Oxfordshire as a whole has made good progress, reducing carbon emissions by 17% in the last 10 years, and at a time of growth. But there is still a long way to go. Building regulations to reduce carbon emissions by 60% will not take effect until 2025. The number of existing owner occupied or rented homes that have been retrofitted is relatively small. By making the reduction of carbon emissions one of our four priorities in this strategy we demonstrate good practice and at the same time stimulate the local market for renewable energy goods and services.

Both councils have sought to reduce carbon emissions and adapt to climate change, where possible, through policies in their Local Plans, that aim to reduce the carbon emissions from new housing developments. These have contributed towards the reduction in carbon emissions in Oxfordshire a time of growth. Policies relating to the efficient use of resources, promoting sustainable design and construction, renewable and low carbon energy, and carbon reduction have all played a part in addressing the need to reduce carbon emissions. South Oxfordshire District Council also require an energy statement to be submitted, setting out how a developer can demonstrate compliance with policies and demonstrate a reduction in carbon emissions. Our ambitions are to do more and in our new Joint Local Plan we will bring forward more ambitious policies to tackle climate change and reduce carbon emissions to net zero as a minimum.

What is being achieved?

- We have secured garden town and village status to define expectation of not just numbers but also the quality for Didcot Town and the villages of Berinsfield and Dalton Barracks
- We have implemented a new Joint Design Guide which will be reviewed when the new Joint Local Plan is adopted
- We have said that acting on the climate emergency must run through all our activities including housing
- We have brought in expert advice to take forward the master planning of garden communities and zero carbon developments, working with a range of partners
- We are sharing sound advice with developers and encouraging low carbon options
- We have committed to supporting and encourage retrofitting existing homes to reduce energy consumption and reduce carbon emissions.

What more needs to be done?

- The Joint Local Plan we will include ambitious policies to help tackle climate change and ensure high quality design in new development
- Our delivery team will recruit for appropriate skills and expertise to maintain momentum in direct build of council housing and also accelerating the pace of bringing forward garden community and zero carbon developments
- We will take account of the carbon contributions at all stages of design and build to reduce embodied carbon through the use of materials and construction methods
- We will keep make best use of the improvements in the use of renewables and modern methods of construction in our affordable housing policies and practice
- We will encourage and assist further carbon neutral and climate positive housing developments in our districts

- We will work to ensure that our garden villages and town achieve higher standards of design and are climate positive
- We will introduce more ambitious climate criteria in the conditions for our affordable grant funding
- We will promote new opportunities to invest in retrofitting homes as these become available and seek to secure additional funding from any appropriate future opportunities.

Housing Delivery Strategy Action Plan

The resources required to deliver these actions will either be found from within existing resources, or a separate report for decision will be brought to councillors where additional resources are required

Short term – Aim to be complete by end of March 2023

Action	Description	Strategic Priority Area	Scope	Lead Service Area + Support Service(s)	Measurable outcome
1.1	Empty Homes – Identify the number of empty homes in the districts and consider the need for a strategy for reduction	1	Use existing data on homes empty for more than 2 years. Any outline of a strategy for reduction will focus on the benefits for all, the tools available to the council and the resources required.	Housing Needs	Report to councillors
1.2	S.106 funding – Update process and criteria for award of S.106 funds to social and affordable housing schemes. Ensure that the role of low carbon developments is fully recognised.	2,4	As described	Housing Delivery	Report to councillors
1.3	Resources - Appoint a Housing Delivery Manager and create a Housing Delivery team	2,3,4	To deliver this strategy, and identified actions.	Housing Delivery	Service Manager is in post

1.4	Closer working with Registered Housing Providers - Work with Registered Providers of social housing to ensure the councils have an up to date and accurate picture of all registered social and affordable housing in the districts.	2	Request data from significant RPs Aim for data on 90%+ of social housing. <ul style="list-style-type: none"> • Number of bedrooms • Location • Tenure 	Housing Needs	List of all RP properties in both districts (not for publication)
1.5	Information for residents – Ensure that information on housing, particularly advice on grants, loans and maximising energy efficiency, is up to date and clear on council webpages	1, 4	Review (and update) currently provided advice. Any information related to retrofitting existing homes, or building new homes, to lower carbon.	Housing	Updated webpages
1.6	Closer working with Registered Housing Providers and other land and/or property owning organisations – Investigate opportunities to deliver more affordable and social rent.	1,2,3,4	Use the outcome from the Strategic Property Review	Strategic Property Housing Delivery	Begin dialogue
1.7	Closer working with Registered Housing Providers – Request retrofit plans to understand plans to decarbonise social housing stock	4	Existing plans	Housing Delivery	Begin dialogue

Medium term – Aim to be complete by end of March 2024*

Action	Description	Strategic Priority Area	Scope	Lead Service + support Services	Measurable outcome
2.1	Private Rental Sector Strategy - Develop a draft Private Rental Sector Strategy for consultation, leading to formal approval.	1	This will include <ul style="list-style-type: none"> • Approach to the management of Houses of Multiple Occupation How to ensure a private rental sector that works for all	Housing Needs	Report to councillors of draft strategy for consultation
2.2	First Homes - Evaluate the local impact of First Homes policy	2		Housing Delivery	Report to councillors
2.3	First Homes - Develop a strategic approach to First Homes in the districts	2	Introduce local connection and local eligibility criteria and consider the need for a higher minimum discount level	Housing Delivery/Planning Policy	Report to councillors of draft strategy for consultation
2.4	Closer working with Registered Housing Providers - Work with Registered Providers of social housing in the districts to ensure that the Charter for Social Housing is delivered and that the	2	Feedback from Registered Providers on plans	Housing Delivery	Completed financial model Purchase of properties Identified model for management of

	voice of the tenant is taken into account.				tenancies and property
2.5	Closer working with Registered Housing Providers - Work with Registered Providers of social housing to ensure that any bids for funding are supported in line with corporate priorities	2,4	S.106 funding bids	Housing Delivery	Ongoing relationship with Registered Providers Regular report on supported bids to cabinet members
2.6	Resources - Develop the Housing Delivery team to ensure that they have the skills, qualifications and experience to deliver the relevant actions within this plan. Must include ability to evaluate zero and low carbon house building	3, 4	Housing Delivery team	Housing Delivery	Ongoing work
2.7	Community Led Housing - Develop a policy and process for accessing community led housing schemes	3,4		Housing Delivery Planning policy Planning	Report to councillors
2.8	Community Led Housing - Provide support and assistance to successful community led housing schemes to enable them to deliver affordable housing	3,4		Housing Delivery Planning	Ongoing work Regular report on supported bids to councillors
2.9	Increase social housing - Assess council-owned sites for suitability for use for housing, and develop a process to take suitable sites forward for consideration	3,4	Using existing sites identified by the review of existing assets in each council area.	Strategic Property Housing Delivery	Information will form part of development reports for specific sites

2.10	Increase social housing - Using data from the Housing Register and other sources, ensure that housing need plays a vital role in informing the delivery of new affordable and social housing	1	Use of existing social register to identify needs, including <ul style="list-style-type: none"> • Location • Property size • Adaptations • Amenities 	Housing Needs Housing Delivery	
2.11	Leadership – Review this strategy, and the progress of actions, in line with the corporate plan	1,2,3,4	The strategy and the action plan	All services covered by this action plan	Report to councillors

Long term – post March 2024*

Action	Description	Strategic Priority Area	Scope	Lead Service + support Services	Measurable outcome
3.1	<p>Local Plan - Complete the new Joint Local Plan with overall housing targets including affordable and specialist housing targets. Specifically to take account of</p> <ul style="list-style-type: none"> • Social rent • Threshold for affordable housing in rural areas • % of affordable homes • % of first homes • Community led housing • Specialist accommodation eg for older people • Type and size of new homes • Self and custom-build 	1,2,3		Planning Policy	Joint Local Plan is adopted
3.2	Increase social housing - Make better use of One Public Estate approach to identify suitable sites for affordable housing or other housing related shared objectives	3		Property	Report to councillors

3.3	Zero/low carbon housing - Encourage and assist carbon neutral and climate positive housing development in our districts	4		Planning Policy	Number of zero/low carbon homes built in the districts
3.4	Increase social housing – Bring through a pipeline of suitable sites for development as social housing. Opportunities for the councils to consider direct build, operate and maintain must be considered. Ensure that the role of low carbon developments is fully recognised	3, 4		Housing Delivery Planning Strategic Property	Number of council assets used to create new housing

*Specific timescales for delivery will be worked up within each strategic action. Regular updates on timescales for delivery will be provided to each council

Cabinet Report



Report of Head of Finance

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To: CABINET on 11 November 2022

To: SCRUTINY COMMITTEE on 14 November 2022

To: COUNCIL on 7 December 2022

Council tax reduction scheme 2023/24

Recommendations

Cabinet recommends to Council that for the 2023/24 financial year onwards the council continues to adopt the previous 2022/23 Council Tax Reduction (CTR) scheme but with the following amendments:

- to remove the 91.5 per cent limit (cap) when calculating the council tax bill,
- to remove the band E restriction for all residents, so that qualifying residents will have their CTR calculated at 100 per cent of their council tax bill, after any deductions and based on their property's actual council tax band, and
- to reintroduce the second adult rebate scheme to working age residents, in order to give a maximum 25 per cent reduction where they live with another adult on a low income.

Purpose of Report

1. The purpose of this report is to enable the council to adopt and implement a modified council tax reduction scheme for the financial years 2023/24 onwards.

Corporate Objectives

2. The council is required by statute to adopt a scheme to help those on low incomes to meet their council tax liability. In accordance with the strategic objective "running an

efficient council” by having a scheme we meet this objective whilst, at the same time, considering the views of residents, service users and other stakeholders.

Background

3. From April 2013, the national scheme to help people on low incomes pay their Council Tax (Council Tax Benefit), was abolished and a local scheme was introduced called Council Tax Reduction (CTR) scheme. The Government continued to fund the new scheme, but with a 10 per cent reduction in funding from the previous CTB scheme. In 2013, the council decided to keep the new CTR scheme as close to the old CTB scheme as possible.
4. For the financial year 2014 onwards, the council decided several changes for working age people (the scheme for people of pension age is decided nationally by the Government) would be made to ensure everyone contributes on a fairer basis to council services and help act as an incentive to encourage people to seek work. The changes were:
 - The removal of second adult rebate – where the applicant liable for council tax lives with another adult who is not liable for council tax, so does not receive a single person discount. If that other adult’s income is below a certain amount, the applicant can receive help with their council tax based on the other adult’s income, regardless of the applicant’s income.
 - The calculation of working age CTR is based on 91.5 per cent of their council tax liability, rather than 100 per cent. There were exemptions to this. These were applicants who were considered disabled, in receipt of War Widows Pensions, War Disablement Pensions or a single parent with a child under 5 years old. To be considered disabled, the applicant had to receive one of the following in their Council Tax Reduction award:
 - Disability premium.
 - Enhanced disability premium.
 - Severe disability premium.
 - A disability premium for dependants.
 - Enhanced disability premium for dependants.
 - Disabled earnings disregard.
 - A Council Tax disability reduction.
 - In receipt of Employment Support Allowance at any rate.
 - An applicant living in a property banded F, G and H would have their CTR calculated on band E. The same exemptions to this applied as to the reduction of CTR to 91.5 per cent.
 - The period of extended payment (where an applicant receives CTR based on the income they had when unemployed when they return to employment) was extended from 4 weeks to 13 weeks.

Proposals for 2023/24 onwards

5. It is proposed to reverse three of the amendments made to the scheme that were approved from April 2014. In summary, it is proposed the changes will:
 - i. provide greater support for low income working individuals and families that have previously been penalised financially and
 - ii. Provide a fairer council tax reduction scheme for all residents on a low income.

Why changes are being proposed

6. Council tax collection data indicate that the current minimum charge of 8.5 per cent and Band E restriction causes hardship for working individuals and families. Considering the current cost of living crisis and the cost to collect the potential shortfall this change should help reduce potential hardship that this minimum charge could bring them and their children.

Proposed changes to reintroduce Second Adult rebate

7. Second adult rebate is where the applicant liable for council tax lives with another adult who is not liable for council tax, so does not receive a single person discount. If that other adult's income is below a certain amount, the applicant can receive help with their council tax based on the other adult's income, regardless of the applicant's income.
8. The current system was designed to ensure everyone contributes to council services and to try and encourage people to return to work.

Proposed changes to remove the Council Tax Liability restriction

9. Currently, except those in a protected group, there is a restriction so their CTR is a maximum of 91.5 per cent and calculated to a maximum of Band E if they live in a higher banded property.
10. It is proposed to remove those restrictions, so all applicants can have their CTR calculated on 100 per cent of their council tax bill and their actual council tax band.
11. When changes were made to the 2014 scheme, it was decided that those not in a protected group may be encouraged or incentivised to return to work by being financially penalised with the 91.5 per cent cap. However, due to the cost-of-living crisis, it is more likely that these taxpayers are simply unable to pay this shortfall and, as a result, incur further recovery costs and see their arrears increase.

Consultation on the proposed scheme

12. A four-week public consultation was undertaken between Monday 10 October 2022 and Monday 7 November 2022. 12 local stakeholders were invited to comment along with 1,000 Vale residents. A total of 76 responses were received at the point of writing this report. 42 of the respondents were existing council tax reduction scheme recipients; 29 were non recipients; and 5 were stakeholder organisations, including Oxfordshire County Council and the Police and Crime Commissioner for Thames Valley.

13. The consultation highlighted that there is overall support for the three proposed changes to the scheme whilst certain scheme changes received a variety of considerations.
14. On the proposal to **remove the 91.5 per cent limit**, when calculating the council tax bill all residents not currently in a protected group, 66 per cent of respondents to this question either strongly agreed or agreed with the proposal. However, 14 per cent disagreed with this proposal and 20 per cent neither agreed nor disagreed with the proposal.
15. On the proposal to **remove the band E restriction** when calculating the council tax bill all residents not currently in a protected group, 43 per cent of respondents to this question either strongly agreed or agreed with the proposal. However, 24 per cent disagreed with this proposal and 33 per cent neither agreed nor disagreed with the proposal. The main issue of contention was regarding giving CTR to those in a large expensive house. However, the misconception here is that the properties in question are large privately owned properties rather than social housing.
16. On the proposal to **reinstate second adult rebate**, 66 per cent of respondents to this question either strongly agreed or agreed with the proposal. However, 22 per cent of respondents disagreed whilst 12 per cent neither agreed nor disagreed with the proposal. The main issue of contention was regarding giving assistance where the whole household income is not being considered.

Options

17. Based on the current situation and the responses to the consultation received to date it is recommended that Cabinet should recommend to Council **o proceed** with the modifications listed below. Therefore, in view of the foregoing, the scheme that is recommended to Council to adopt for 2023/24 onwards is the 2022/23 scheme but with the following amendments:
 - to **remove the 91.5 per cent** limit when calculating the council tax bill, and **remove the band E restriction** for all applicants, so that their CTR is calculated at 100 per cent of their council tax bill after any deductions and based on their property's actual council tax band.
 - to **reinstate Second adult rebate**
18. The other options are to only consider some of the modifications listed above or do nothing.

Climate and ecological impact implications

19. None

Financial Implications

20. If all the proposals are accepted into the CTR scheme there will be an approximate overall cost of around £184,000 per annum. However, as the costs are shared by the precepting authorities, approximately 78 per cent of the cost (£144,000) falls on Oxfordshire County Council, with the Police and Crime Commissioner (Thames Valley) funding £20,000 and the Vale £13,000.

Detailed below are the total costs if the restrictions were removed for the 2023/2024 financial year.

	Claims affected	Total additional cost	OCC	Police	VoWHDC	Parish
Removal of Band E restriction	24	£11,235	£8,763	£1,236	£786	£449
Removal of 8.5% deduction	1400	£171,767	£133,978	£18,894	£12,024	£6,871
Removal of both Band E restriction and 8.5% deduction	1400	£184,046	£143,556	£20,245	£12,883	£7,362
(*) Second adult rebate	28	£6,537	£5,099	£719	£458	£261

- The 24 claimants who are affected by the band E restriction are also affected by the 8.5 per cent deduction so are double hit by restriction, meaning the total claims affected are 1,400 and not 1,424.
- Please note that line 3 “removal of both Band E restriction and 8.5 per cent deduction” is the estimated maximum cost to each precepting authority as at 1 April 2023 if both changes are approved. Note, the combined impact total is not the same as simply adding lines 1 and 2 together.
- Second adult rebate claims (*) are a guide only. There will be no immediate cost to the precepting authorities as at 1 April 2023, as taxpayers will need to apply to have this reduction, therefore the above is purely an assumption over time.

21. Any council decision that has financial implications must be made with the knowledge of the council’s overarching financial position. For Vale, the position reflected in the council’s medium-term financial plan (MTFP) as reported to Full Council in February 2022 showed that the council was able to set a balanced budget for 2022/23, but that there is expected to be a budget gap in future years.

22. This future funding gap is predicted to increase to over £3.7 million by 2026/27. As there remains no certainty on future local government funding, following the announcement of a one-year spending review by government, and as the long-term financial consequences of the Coronavirus pandemic remain unknown, this gap could increase further. Every financial decision made needs to be cognisant of the need to address this funding gap in future years.

Legal Implications

23. The current council tax reduction scheme was adopted in 2022/23. There is a statutory duty to adopt a 2023/24 scheme by 11 March 2023. If this deadline is not adhered to, the council’s 2022/23 scheme will automatically be rolled over as a consequence.

Risks

24. There is a risk that the current CTRS caseload could increase, resulting in expenditure exceeding current estimates. However, over recent years we have seen only a slight increase in the caseload from 4,909 in June 2019 to 5,067 in June 2022. This trend has continued even during the pandemic when the caseload only increased slightly to 5,118 in June 2020 and 5,199 in June 2021. There is no indication that a similar trend would not be expected during the cost-of-living crisis.
25. Changing a council tax reduction scheme which levels up categories of all claimants without being supported by robust principles and consultation, could be open to legal challenge on equalities grounds. However, to mitigate this, the council has ensured that it has fully complied with the necessary consultation and equality requirements.

Other implications

26. The council undertook an Equality Impact Assessment (EIA) of the proposed changes. There were no actions to take, as by their nature, the proposals address the disadvantages which currently exist for certain categories of claimant considered at risk of discrimination. Where data was available, the EIA did not find any significant variance from the general population of either the Vale or nationally.

Conclusion

27. The council must adopt a local council tax reduction scheme for 2023/24 by 11 March 2023 and it is proposed that this be based on a scheme which intends to support all residents on low incomes with help towards paying their council tax. The proposals in this report as proposed by the Cabinet Member for Finance, is to enhance the current scheme to ensure it helps residents during the cost-of-living crisis; continues to be fair on all residents and protects the vulnerable.

Background Papers

None

Cabinet Report



Report of Head of Policy and Programmes

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Date: 11 November 2022

Vale Partnership Grants

Recommendations

That Cabinet agrees to:

(a) Cease the process to explore the commissioning of information and advice services from 2023 onwards (as previously agreed in October 2021).

(b) Extend the current Partnership Grants to Oxfordshire South and Vale Citizen's Advice Bureau and Wantage Independent Advice Centre (now known as Vale Community Impact) and Community First Oxfordshire towards the provision of services across the district to 31 March 2024, subject to approval of the 2023/24 budget by full Council.

(c) Consider potential partnership models for the Partnership Grant fund with the intention to commence a new funding scheme from April 2024 onwards subject to approval of the 2024/25 budget by full Council.

Purpose of Report

1. The purpose of the report is to seek a decision from Cabinet on the future of the council's Partnership Grant fund.

Corporate Objectives

2. The council's Partnership Grant fund supports the Corporate Plan objective of building healthy communities. It also supports the equality objective to support

communities to deliver better outcomes for disadvantaged groups and encourage community cohesion.

Background

3. The council has for many years provided funding for organisations to provide community advice, support and outreach services in the district. This has been in the form of partnership grants for which there is currently a budget of £154,920 per annum.
4. The organisations currently receiving funding are as follows:
 - Oxfordshire South and Vale Citizen's Advice Bureau (CA) £88,920 to deliver advice services across the district.
 - Wantage Independent Advice Centre (WIAC) now known as Vale Community Impact (VCI) £58,000 to deliver advice services across the district.
 - Community First Oxfordshire (CFO) £8,000 to offer outreach support and training programmes to community organisations across the district.
5. The formal approval of this funding comes to an end this financial year (March 2023).
6. On [1 October 2021 Cabinet](#) considered a number of options for this fund and agreed to:
 - a) commission an organisation to provide information and advice services from 2023 onwards (budget permitting); and
 - b) extend the current partnership grants to Oxfordshire South and Vale Citizen's Advice Bureau, Wantage Independent Advice Centre (now known as Vale Community Impact), and Community First Oxfordshire towards the provision of services across the district in 2022/23.

Further considerations

7. The 2022/23 extension of the existing partnership grants was completed earlier in the year and stage payments have been released to the three organisations in accordance with grant conditions.
8. Following the Cabinet decision in October 2021, officers commenced the detailed process of exploring commissioning information and advice services. However, it became apparent at the early stages of developing a specification, that the direction of travel did not align with the partnership approach being delivered through the Covid-19 pandemic and more recently the support response to refugees and asylum seekers being welcomed across the district and residents affected by the cost-of-living crisis.
9. The organisations currently being funded and working in partnership with us, have and continue to deliver excellent service and have embraced a highly flexible approach to supporting our local residents and targeting their services to meet resident need and our agreed priorities.

10. VCI and Citizens Advice have worked with officers on the development and distribution of government grants to assist residents in hardship since 2020. They assessed eligibility and offered a holistic package of support for the Emergency Assistance Grant, Winter Support Grant, two Covid Support Grants, Household Support Funds 1 and 2 and are prepared to distribute Household Support Fund 3 if required.
11. It is officers' view that having flexibility within community partnership arrangements is essential in the current climate, and officers recommend Cabinet reconsider the proposed option to 'commission an organisation to provide information and advice services from 2023 onwards'.
12. Whilst a commissioning route does offer some benefits as outlined in the paper presented to Cabinet in October 2021, the current flexible operating model is providing an efficient and effective route to allocate Government funding and provide support to our most vulnerable residents at a time of challenge and uncertainty.
13. If Cabinet supports this change in approach, officers recommend continuation of the existing funding arrangements for 12 months (until March 2024) subject to approval of the budget by Council in February 2023. This would allow a new Partnership Grant fund policy to be prepared and considered during the year (2023/24); with applications to be made and determined by Cabinet in readiness for approval of the budget by the Council for 2024/25.

Climate and ecological impact implications

14. Officers will continue to have discussions as part of annual monitoring with the current grant recipients, about their commitment to climate action in general, and how they may make positive contributions to the climate emergency across their work and organisation. Any potential future partnership model or policy will ensure this is incorporated into it.
15. All three organisations are currently supporting the council's climate emergency by offering energy saving advice to residents and/or communities as part of their current cost of living advice services, which includes energy saving measures to cut home energy bills.

Financial Implications

16. The council has had an ongoing partnership grants budget to fund voluntary organisations for several years now. £154,920 per annum is included in the medium-term financial plan for 2023/2024, 2024/2025 and 2025/2026, subject to the annual budget setting process and approval by Full Council.
17. Any council decision that has financial implications must be made with the knowledge of the council's overarching financial position. For Vale, the position reflected in the council's medium-term financial plan (MTFP) as reported to Full Council in February 2022 showed that the council was able to set a balanced budget for 2022/23, but that there is expected to be a budget gap in future years.
18. This future funding gap is predicted to increase to over £3.7 million by 2026/27. As there remains no certainty on future local government funding, following the

announcement of a one-year spending review by government, and as the long-term financial consequences of the Coronavirus pandemic remain unknown, this gap could increase further. Every financial decision made needs to be cognisant of the need to address this funding gap in future years.

Legal Implications

19. There are no specific legal implications arising from the recommendations in this report, it is open to Cabinet to decide not to proceed with a proposal which it has previously agreed. Should the current partnership fund be extended for a year, a contract variation will need to be prepared to extend the current legal agreements.

Other implications

20. In line with the public sector equality duty, we have considered the implications of a partnership grant extension for the three current recipients, with a view to implementing potential partnership models. Officers will continue to regularly monitor the grants awarded on a regular basis. Officers are of the view that no groups or persons with protected characteristics will be disadvantaged by this decision and will carry out a further assessment on the potential partnership models later this year. All organisations the council funds through this scheme help to advance equality of opportunity for the communities they provide services for.

Conclusion

21. Officers recommend that Cabinet reconsider the commissioning of advice services and instead give consideration to a new Partnership Grant fund which could offer greater flexibility in services than commissioning.
22. This would involve extending the grant term for the three organisations currently in receipt of a partnership grant whilst partnership models for a new Partnership Grant fund are fully developed during the next financial year. Officers suggest this is until March 2024.
23. If Cabinet approves this approach, then officers will develop a new Partnership Grant Fund during the next few months for Cabinet's consideration. Applications can then be opened and determined by Cabinet subject to the necessary approval by Full Council of a budget for funding to commence in April 2024.

Cabinet Report



Report of Head of Partnerships

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Date: 11 November 2022

Five Councils' Partnership Governance and Truing Up

Recommendations

- a) That Cabinet notes and endorses the minor alteration to the proportion of the size of Vale's contribution to the 5 Councils contract and agrees the approach to the truing up mechanisms.
- b) That Cabinet approves the streamlined governance approach, reflective of the current reduced size of the contract, to enable effective oversight and management of the contract which includes all the changes set out in paragraph 22; including the annual meeting of the Joint Committee, providing budgetary and contractual oversight, and continuing the spirit of partnership working, whilst keeping members informed of contract performance.
- c) That Cabinet delegates to the Chief Executive, in consultation with the portfolio holder for partnerships, to finalise the terms on behalf of Vale of White Horse District Council and to enter into, and complete, the updated IAA based on the principles set out in this paper.

Purpose of Report

1. This paper seeks to outline the current position regarding the 5 Councils contract, specifically covering governance and the financial position.

Corporate Objectives

2. Openness and accountability

3. Improved economic wellbeing

Background

4. Vale of White Horse and South Oxfordshire district councils, alongside 3 other councils (Hart, Havant, and Mendip) entered into a services contract with Capita in 2016.
5. The governance structure embedded in the Capita contract and the Inter-Authority Agreement (IAA) between the authorities reflected the original scope of the contract and provided for a potential future expansion of the contract encompassing other authorities and services. It also provided for "Lot 2" services to be delivered by Vinci.
6. The Vinci contract was terminated in 2018 and the Capita contract has reduced in size and scope since its inception. The contract now consists of revenues and benefits, land charges and IT for all authorities, and customer services for some of the authorities.
7. Following agreement on these changes:
8. In 2021, the S151 officers from all authorities agreed to externally commission a forensic analysis of the changes to the contract and the impact on the financial position: the report was produced early in the summer this year.
9. In 2022, the chief executives from each authority agreed to a review of the contract governance, with a view to streamlining it while ensuring it remained fit for purpose.

Financial truing up

10. Since the inception of the 5 Councils' contract, there have been substantial changes in the contract and the relative impacts on the respective authorities. This includes the removal of licensing, HR and payroll, finance services and procurement.
11. The Inter Authority Agreement (IAA) details that each council is obliged to pay for services it receives, and would need to reflect any payment changes, whether changes are made collectively or individually. An authority is not expected to pay for decisions taken by another authority.
12. Following the termination of a significant number of services in the contract, the S151 Officers agreed to commission an external forensic analysis of all the changes in the contract and the impact on the contract both collectively and to the individual councils.
13. The final report was considered by the S151 Officers in July 2022, who recommended acceptance of the findings to the Strategic Management Board.
14. The outcome of this report showed that the baseline percentage that Vale of White Horse District Council should now pay is 16.21% (down from the original baseline of 17.12%). As this baseline relates to the changes which occurred in 2020/2021, there is a need for a truing up payment to Vale from Mendip, Hart, and Havant.
15. In September 2022, the S151 Officers agreed that Vale would receive the following sums below. These are not new monies, but a reprofiling of amounts due, as Vale (and also South) carried a greater share of the financial burden during the first year of the contract.

01 October	01 April 2023	01 April 2024	Total
£689,024.92	£344.512.46	£344.512.46	£1,378,049.84

16. As part of agreeing to the truing up payments and the revised baselines, the S151 officers requested that consideration be given to freezing baseline figures. The financial impacts of future changes will be agreed by the S151 Officers on an *ad hoc* basis, ensuring that further truing up exercises are no longer required.
17. The below shows the percentage allocations of these costs over the remainder of the contract for Vale. For simplicity, it is proposed that all future model charges will be recharged based on the figures in the total column:

Council	2022/23	2023/24	2024/25	2025/26	Total
Vale	15.46%	15.27%	15.266%	15.27%	15.33%

Governance

18. The governance of the 5 Councils contract has evolved over time. It was originally created with both Lot 1 (Capita) and Lot 2 (Vinci) in mind.
19. The Vinci contract was terminated in 2018 and the Capita contract has been reduced in size and scope since 2016.
20. Following a request from the chief executives, a review of the governance was undertaken and recommendations made to streamline the contract management. **Appendix 1** sets out the current governance and **Appendix 2** sets out the proposed governance.
21. The proposed governance structure has been agreed by the chief executives, the monitoring officers, and the councils' Joint Tactical Board (JTB) representatives. It has also been shared with the Capita contract leads who are supportive of the changes.
22. The recommendations are:
- Joint Committee (made up of 2 lead members from each of the councils) to meet annually, reduced from quarterly currently. The Committee, whilst not being a formal decision-making body, provides budgetary oversight and continues the spirit of partnership working whilst keeping members informed on the contract.
 - Strategic Management Board (SMB) to meet annually or as required during the year. The process for obtaining SMB approval on important strategic matters that cannot wait until the annual meeting to be fully set out in a redrafted IAA.
 - JTB and Operational Management Board (OMB) to meet quarterly, with virtual sign off on change controls as required in between meetings. The mechanism to agree matters in between meetings to be set out in a redrafted IAA.

- Service Improvement Group (SIG) to continue to meet monthly, with the option to include the land charges service group in the monthly meetings as the HMLR project moves into its main delivery phase.
 - IT Strategy Board and IT Operational Board meetings to continue without change.
23. Subject to approval by the respective authorities, a project will commence to fully redraft the IAA. This will capture all governance changes and will also incorporate a number of other key changes that are arising over the coming months. These are, most notably:
24. Subject to approval, the agreement between the S151 officers on revised apportionment figures following the conclusion of the truing up exercise.
25. The ongoing arrangements regarding the Zellis payroll bureau and software contract, and
26. East Hants District Council (EHDC) may continue to access the contract via their relationship with Havant District Council and are not directly party to these governance arrangements.
27. The 5 Councils have previously appointed Hartley Law as external legal advisers to work with the authorities' Monitoring Officers, in drafting deeds of variation, change control notices and earlier iterations of the IAA. They will be instructed to lead on this redrafting of the IAA to incorporate all changes listed above.

Options

- This paper recognises the current realities of the contract. The alternative would be to not make these changes which would lead to:
 - Unnecessary time spent on governance which was unneeded
 - A worse financial position for Vale
 - Likely disagreement with the other parties to the contract, especially South Oxfordshire District Council.

Climate and ecological impact implications

28. There are only marginal climate and ecological implications in that less governance would lead to fewer road trips and particularly to less data streaming.

Financial Implications

29. The Council's s151 officer has already agreed these changes through the s151 officers group of the Five Council's partnership. There are no negative financial implications

Legal Implications

30. This paper was written in consultation with the council's legal services manager and there are no known negative legal implications

Risks

31. None known

Other implications

32. None known

Conclusion

33. This review will streamline the governance of the Capita contract to enable authorities to make best use of their staff resources whilst still providing effective oversight and management of the contract.

34. The adjustment to the baseline percentages ensures that all authorities can better manage the financial implications of the contract.

Background Papers

None