

5. **AFFORDABLE HOUSING FOR YOUNG PEOPLE**
To consider a report on affordable housing for young people (*Report A*)
6. **INTERNAL FINANCIAL CONTROLS**
To approve the annual review of effectiveness of internal financial controls (*Report B*)
7. To receive such communications as the Town Mayor may desire to lay before the Council(Councillors are reminded that no decision taking may take place as a result of this item)
8. To Receive Reports from Ringwood Town Councillors and Student Advisors
(Councillors are reminded that no decision taking may take place as a result of this item)
9. To receive Reports from County and District Councillors(Councillors are reminded that no decision taking may take place as a result of this item)
10. Forthcoming Meetings – to note the following dates:

Recreation, Leisure & Open Spaces	7.00pm	Wednesday 4 th April 2018
Planning, Town & Environment	10.00am	Friday 6 th April 2018
Policy & Finance	7.00pm	Wednesday 18 th April 2018
Full Council	7.00pm	Wednesday 25 th April 2018

If you would like further information on any of the agenda items, please contact Mr Chris Wilkins, Town Clerk, on 01425 484720 or chris.wilkins@ringwood.gov.uk

Council Members:

Chairman: Cllr Tim Ward, Town Mayor
 Vice-Chairman: Cllr Philip Day, Deputy Mayor
 Cllr Andrew Briers
 Cllr Hilary Edge
 Cllr Christine Ford
 Cllr Jeremy Heron
 Cllr Darren Loose
 Cllr Anne Murphy
 Cllr Gloria O'Reilly
 Cllr Tony Ring
 Cllr Steve Rippon-Swaine
 Cllr Michael Thierry
 Cllr Chris Treleaven
 Cllr Angela Wiseman

Student Advisors:

Katherine Grubb
 Rachel Carr

PLANNING, TOWN & ENVIRONMENT COMMITTEE – 2 MARCH 2018 AFFORDABLE HOUSING FOR LOCAL YOUNG PEOPLE

1. The Town Council has for many years been concerned about the lack of affordable housing (*see Appendix A for definition*) available in the town for local young people, and has expressed those concerns at appropriate times over the years when New Forest District Council (NFDC) has consulted on its Local Plan.
2. The New Forest District Local Plan: Part One is currently under review, and in its response to the initial consultation in September 2016, the Town Council made specific reference to the need for young and working age people to have at least equal access to affordable home ownership in the town, and requested that a significant proportion of affordable homes should be “starter homes” for those aged under 40, and for those waiting on the Housing Register who have demonstrable local connections.
3. In order to follow up on this, and to ascertain how NFDC is dealing with the issue of affordable housing in the emerging Local Plan, your officers and the Chairman of this Committee recently met with NFDC Planning Policy and Housing Development officers. It is clear that NFDC shares the Town Council’s concerns and much work has gone in to trying to address the issue, with a new affordability study having been carried out and an updated report on the Objectively Assessed Housing Need to update the Strategic Housing Market Assessment (SHMA) produced in 2014.
4. The 2014 SHMA indicated a requirement for a high percentage of new dwellings to be 1 or 2 bed. However, this requirement has not been met on the Linden Homes site in Crow Lane and it was questioned how it could be met in future. NFDC has received advice from the Planning Inspectorate that a more prescriptive policy in this respect would be very difficult to get through inspection, as any constraint to development would be met with objection from developers and could fail the viability test.
5. If the Town Council wishes to challenge this view and recommend that a specific policy is included in the Local Plan to, for example, condition that a percentage of dwellings are 1 or 2 bed suitable for young people, this could be addressed in the final round of consultation on the Local Plan Review, which is expected in June/July this year. However, robust evidence would be required to support the need for such a policy, and to prove its viability in order to counter NFDC officers, planning consultants, developers and solicitors at the Public Enquiry conducted by the Planning Inspectorate.
6. In order to establish the need, and on the advice of NFDC, Action Hampshire were approached to provide a cost estimate to conduct a Housing Needs Survey (*see Appendix A for further information and options*). However, it should be noted that this method would only survey existing residents and would not take into account young people who work in the town and wish to live locally, or those with family connections who would like to return. It would also not establish whether there is a disproportionate need for smaller affordable dwellings compared to larger properties, such that a specific policy is required to address this. At a minimum cost of £10,000, it is suggested that a Housing Needs Survey is neither affordable nor wholly relevant.
7. There may be other options for obtaining the evidence required, but more work would be required to research this; to identify resource implications; and to ensure any evidence obtained would stand up to scrutiny.

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8. Some information is available from NFDC in terms of the number of small dwellings built in the town relative to the total built, and the number of people on the current Housing Register waiting list wishing to live in Ringwood, and the size of property they require. However, attempts over the years to obtain more specific information on the number of young people who are on the list and have a connection to the town have been unsuccessful. A survey of local estate agents could provide information on the number and percentage of 1 and 2 bedroom properties available for sale and sold, and the number and percentage of young people looking to buy.
9. Even if the Council was successful in bringing about a change in policy, resulting in a greater supply of 1 and 2 bedroom properties, it may still be that these properties would not be affordable for local young people.
10. Another option worthy of consideration is whether the Town Council might be more actively involved in providing a site specifically designed to provide low cost housing for local young people. This could be achieved either by purchasing a suitable site by raising a publicly funded loan, or re-designating land currently in the Town Council's ownership. This direct approach would be a considerable undertaking, both in terms of staff time and funding.
11. There is no budget to undertake a Housing Needs Survey, nor to employ resources to undertake research in-house. However, it should be noted that £3,000 is included in the 2018/19 budget to undertake a cost-benefit analysis of preparing a Neighbourhood Plan with independent expert advice, and £4,000 (revised from the original £7,000) is included for a Desktop Study to challenge the findings of NFDC's Traffic Assessment as part of the Local Plan Review.

It is RECOMMENDED that Members consider:

- 1) Whether the Town Council should seek to influence further the relevant policies in the emerging Local Plan and, if so, how;
- 2) Whether the Town Council should take further measures to increase the supply of genuinely affordable housing in Ringwood and, if so, what;
- 3) Establishing a Working Party to discuss the options in more detail.

For further information, please contact:

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01425 484720

or

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National Planning Policy Framework (NPPF) definition of Affordable Housing

Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

Housing Needs Survey – Action Hampshire

Action Hampshire carry out Housing Needs Surveys when Parish/Town Councils want information about the housing situation in their parish, and the types of accommodation needed. The survey can be tailored to ensure that questions are specific to the Parish/Town Council's requirements. The questionnaire is delivered to all households in the parish, and residents usually have around three weeks to respond to the survey. Once the data has been processed, a comprehensive report is provided. The process usually takes 3 months from beginning to end.

A sample questionnaire and report are available to view on request.

Advantages of Housing Need Surveys

Housing need surveys:

- i identify additional local housing need that is not currently being recognised by housing registers (*some households may not know how to register or be aware that they have to register to be eligible to bid for an affordable property*)
- i identify concealed housing need in the parish; these are people who are unable to afford to rent or buy a property in their area and are living within another household
- i identify households/individuals who have had to move out of the parish due to difficulties in finding a suitable home locally
- i give local people the opportunity to explain why they are in housing need
- i help the Parish/Town Council understand why there is a local housing need in the parish
- i help find out whether residents would support a small affordable housing scheme in the parish
- i raise awareness of this issue to the local community
- i can be used alongside the Housing Register as robust evidence by the local planning authority when determining planning applications

Option 1 – questionnaire delivered to all 6035 households in the parish, backed up by an online version - **£18,500**

Option 2 – online questionnaire only (with some paper copies available in key locations), with robust promotional strategy to encourage participation - **£10,000 (estimate)**

28th March 2018

Review of effectiveness of system of internal financial controls

1. Introduction and reason why decision required

Every town and parish council is required to undertake an annual review of the effectiveness of its system of internal financial controls (and confirm that it did so in the annual governance statement in its next annual return).

2. Background information, options, impact assessment and risks

The review must be undertaken in the current financial year in order that the relevant confirmation can be given in the next governance statement. No format for the review is specified.

This was not done sooner owing to pressure of work. In future years, it would be more appropriate for the review to be undertaken rather earlier in the year by the Policy & Finance Committee though (as with certain other critical governance formalities) it is likely to remain necessary for the statement of the outcome of the review to be formally approved at a meeting of the full council.

The review document circulated with this report:

- i Has been prepared by officers but had full regard to comments made by members on various occasions;
- i Is loosely based on a template provided by our outgoing external auditor;
- i Has been extensively tailored to fit this council's current circumstances; and
- i Is intended to reflect those circumstances honestly and objectively.

Members are invited to improve the review if satisfied that the foregoing objectives have been achieved or to propose any amendments judged necessary to meet them better.

3. Issues for decision and any recommendations

Whether to approve the attached annual review of the effectiveness of the council's system of internal financial controls. (RECOMMENDATION: Members are respectfully recommended to approve the review subject to any amendments deemed desirable.)

For further information, contact:

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Ringwood Town Council

Annual Review of Effectiveness of Internal Financial Controls

1. Internal Audit

a. Meeting the standards

Expected Standard	Evidence of Achievement to Date	Areas needing development in future
1. Scope of internal audit	Complete and unqualified annual returns. Comprehensive reports to members.	Appropriate letter of appointment of new auditor now required.
2. Independence	Internal Auditor has: <ul style="list-style-type: none"> i Direct access to Town Clerk, RFO, Chair of Policy & Finance Committee (P&F Cttee.) and Mayor i No other role within the Council 	Member involvement in appointment of new auditor now required
3. Competence	Quality of reports to members. Internal Auditors extensive involvement in providing audit services to other similar bodies.	Appropriate procurement and selection procedure for new auditor now required.
4. Relationships	RFO involved in audit process. Joint work of RFO, Town Clerk and P&F Cttee.in implementing recommended actions.	Maintain effective relationships with new auditor.
5. Audit Planning and reporting	Audits completed on time	Prompt procurement and selection of new

		auditor.
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b. Characteristics of Effectiveness

c. Characteristics of “effectiveness”	Evidence of Achievement to Date	Areas needing development in future
Internal audit work is planned	Completed satisfactorily to specification as to cost and scope and on time.	Alignment of scope and priorities to risk and member priorities.
Understanding the whole organisation its needs and objectives	Completion of thorough and competent audits and submission of comprehensive reports several years running.	Care with procurement, selection and instruction of new auditor.
Be seen as a catalyst for continuous improvement (compliance, assurance and change when required)	Quality of reports to members. Actions by officers and P&F Cttee in response to recommendations.	Maintain and develop reporting procedures.
Adds value and assists the organisation in achieving its objectives	Quality of reports to members. Actions by officers and P&F Cttee in response to recommendations.	Care with procurement, selection and instruction of new auditor.
Be forward looking	Internal audits have maintained awareness of new developments in the sector, risk management and corporate governance.	Scope of future audits.
Be challenging	Willingness of members and officers to consider and develop bespoke responses to recommendations.	Relationship with future auditor.
Ensure the right resources are available	Quality and comprehensiveness of reports to members.	Appropriate allocation of budget for internal audit plus member and officer time and

		attention.
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2. Control and member oversight of Council finances

a. Meeting the standards

Expected Standard	Evidence of Achievement to Date	Areas needing development in future
Annual Budgets	Suitably detailed and comprehensive budgets set on time for several years running.	Forward planning (outline projections for three years).
Precept	Increases kept within inflation with reserves being maintained at appropriate levels – no evidence of under or over-precepting.	None.
Budget Comparison	Consistent regular reporting to P&F Cttee of actual income and expenditure against budget	Establishment of clear basis of thresholds for reporting by exception.
Spending decisions and commitments	Conformity with budgets agreed by members. Appropriate delegation of routine decisions to officers. Key decisions recorded in minutes as made by members (with relevant powers specified).	Align Financial Regulations with effective practice.
Payments	Invoices processed and paid usually within 28 days of receipt. Member queries and challenges to comprehensive monthly reports to P&F	Improve resilience of payment processing arrangements.

	Cttee.	
Integrity	Income due accurately invoiced and collected. Receipts (especially cash) promptly banked. Effective separation of roles between officers. Monthly bank reconciliations completed.	Development of robust but workable arrangements for events.
Reserves	General and earmarked reserves generally maintained at appropriate levels	Review some older earmarked reserves. Develop tools for better planning for replacement of major assets.
Treasury Management	No loss of capital.	Improve reporting and authorisation procedures for large inter-account transfers. Explore opportunities for improved returns.

b. Characteristics of Effectiveness

c. Characteristics of “effectiveness”	Evidence of Achievement to Date	Areas needing development in future
Reports by officers to members (comprehensiveness, accuracy and adequacy of information content).	Quality of reports to P&F Cttee regularly submitted and minuted.	Management of large inter-account transfers. Reporting of treasury management. Financial reporting about “The Place”
Challenge by members	Discussions at P&F Cttee and requests for	Training for members who want it.

	clarifications and improvements to reports.	
Be seen as effective in preventing misuse of public money.	No evidence of misuse.	None.
Be seen as securing good value for money.	Consistent cost control over several years. Fair and effective procurement exercises. Frequent examples of significant savings on both revenue and capital items.	None.
Reliable forward planning.	Consistency from year to year of precept and reserve levels.	Development of three-year budget projections. Develop tools for better planning for replacement of major assets.

Reviewed and adopted by Ringwood Town Council:

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Town Mayor

28th March 2018