

## **Public Services News - March 2013**

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#### Newcastle on Tyne Civic Centre



Newcastle City Council has had one of the largest reductions in central funding

#### Council Tax Levels to Freeze in 2013/14?

Brandon Lewis the Parliamentary under Secretary of State in the Department for Communities and Local Government has written an open letter to councils throughout England advising of the intention to have council tax levels frozen in 2013/14.

Mr Lewis said that he was writing to councils ahead of the budget debates that councils will be taking part in over the next few weeks.

#### The Council Tax Freeze Scheme

The Government is making up to £450 million of funding available to English local authorities that freeze or reduce their basic amount of council tax in 2013/14. This comprises £225million in each of the financial years 2013/14 and 2014-15. Mr Lewis said that the government are making this offer as they want to offer real help to hard-pressed families with their cost of living. Council tax bills on average are already £1,444 a year on a Band D bill. This equates to £120 a month from people's post-tax pay packet or pension.

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Mr Lewis stated that the Government has been clear about its wish to protect council tax levels, and has worked to do this in partnership with local authorities. Mr Lewis went on to say that council tax in England more than doubled between 1997 and 2010, placing an everincreasing burden on the council tax payer.

The government considers that these are challenging economic times for everyone and all parts of the public sector - with local authorities at the heart have tough decisions to make about priorities. Mr Lewis says that this includes the recourse they have to council tax payers.

Over the last two years, the government has provided grants of around £2billion to help freeze council tax. In 2011/12 all eligible authorities took up the freeze and will receive an annual grant from Government for the remainder of the spending review period. In 2012-13 90% of eligible authorities froze their council tax and received a one-off grant. The Secretary of State for Communities and Local Government Eric Pickles has indicated that authorities that freeze or reduce their Band D council tax in 2013/14 will receive a grant equivalent to a 1% increase on 2012-13 Band D council tax levels. This is said to provide real help with the cost of living and will represent a real terms council tax cut of around 2.5% in 2013/14.

Mr Lewis says that the cumulative effect of the three council tax freezes is potentially worth over £200 per year to residents in Band D homes. Mr Lewis notes that around a third of all eligible councils have already publicly signalled that they intend to freeze their council tax for 2013/14. All councils are being strongly encouraged by the Government to sign up in response to the Government's offer.

The Department for Communities and Local Government tells us that it appreciates savings may also have to be made to help achieve a freeze – but this the government says is also an opportunity for councils to continue their programme of reform and innovation, and to lower their spending base permanently, whilst protecting hard-working families and those on fixed incomes in their area.

#### Council Tax Referenda

The government is prepared to facilitate action where authorities choose to burden tax payers with what they regard as excessive increases. On 19th December 2012, the Secretary of State for Communities and Local Government proposed a council tax referendum if a Council wishes to raise its Council Tax by over 2%, with some low taxing Shire District Councils, Fire and Rescue Authorities and Police & Crime Commissioners given additional flexibility to set a £5 increase.

Having taken account of representations, the final principles report will be put to the House of Commons for approval alongside the final local government finance report in February. If an authority raises its relevant basic amount of council tax by more than the level of the principles, the local electorate will have a right to approve or veto this increase in a binding referendum.



However, the formula for calculating what constitutes a 2% increase in Council Tax is rather complex, especially where there are precepting authorities such as joint waste or transport boards. Consequently some authorities can increase their Council tax by up to 3.5% without a referendum (such as Rochdale Borough Council) while others would have to hold a referendum if they increased their council tax at all.

#### Levy increases

Mr Lewis in his open letter to councils advised that he is concerned by reports that a small number of councils may be considering rejecting the freeze and – via an increase in levies - setting substantial increases in their overall Band D council tax without holding a referendum. Mr Lewis said that such increases would be of considerable concern to council tax payers. Mr Lewis went onto say that he would like to remind such councils that the Secretary of State proposes referendum principles annually, taking into account the circumstances at that time.

Although no decisions have yet been taken in respect of principles for 2014-15 Mr Lewis also reminded councils that the Secretary of State for Communities and Local Government has discretion to propose different principles for different categories of authority and to take into account authorities' council tax decisions in 2013/14.

#### Conclusion

It is difficult to reconcile the government's policies on freezing council tax and obliging authorities to hold referenda if they increase council tax significantly with their statements on localism. Surely if they believed in localism they would let local authorities take their own decisions on council tax leaving voters to exercise judgment on authorities that had increased council tax by more than local people thought appropriate.

The extent of the government's concern to protect people from significant increases in council tax is in interesting contrast to their lack of concern about increases in nationally set taxation such as value added tax and fuel duty. There was no proposal for a national referendum when the government raised the basic rate of value added tax from 17.5% to 20% (a 14% increase).

#### Adam M Waite

#### Council Tax Reduction Scheme: Legal challenge to council tax scheme in Haringey

The government is abolishing the current system of council tax benefit from April 2013. Under this system the government established a national scheme that defined who was eligible to receive council tax benefit and reimbursed local authorities with 100% of the cost of the benefits that they awarded. From April 2013, individual local authorities are being given a grant set at 90% of the level of the council tax benefit subsidy and have to devise their own council tax reduction schemes.

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The government has stated that these schemes must protect the existing entitlements of retired people. This means that, unless councils are prepared to cut other budgets to introduce a local scheme that matches the current national scheme they will have to require claimants of working age to pay a proportion of their Council Tax. In practice this is what most councils are doing. Groups that are being asked to pay council tax for the first time include working age disabled people and single mothers.

A single mother is to continue a legal battle with a north London council over plans to make people on benefits contribute to their council tax bill. A High Court judge dismissed her claim but one of her lawyers said she would take the case to the Court of Appeal.

The woman's lawyers argue that Haringey Council's consultation over the changes was flawed. Mr Justice Underhill said the process was not "fundamentally unfair" and ruled in the council's favour. Local authorities are being asked to introduce their own council tax reduction schemes from April.

A study by the Resolution Foundation independent research group in January found nearly three quarters of local authorities in England were planning to increase demands on low-income families.

The woman, who has four children but cannot be named for legal reasons, complained Haringey Council acted unlawfully when consulting on its council tax reduction scheme. The council said its consultation process was extensive, clear and comprehensive.

Alex Rook, of law firm Irwin Mitchell, representing the woman, said:

"We are disappointed with the decision, which potentially means that 25,000 of the poorest, most vulnerable people in Haringey face the prospect of paying council tax for the first time... However, the judge has granted permission to appeal the ruling which we hope will take place as soon as possible."

Mr Rook said research had shown council tax bills could rise by up to £600 a year from April for some households.

"This is a lot of money to low-income families and many will simply not be able to afford the extra payments as they are already struggling to cover the basics such as food and heating."

Irwin Mitchell said it planned to challenge decisions by a number of councils in the near future, after being contacted by "vulnerable" people who thought changes proposed in their areas were unfair. Other councils include Camden Borough Council, Hackney Borough Council, Rochdale Borough Council and Sheffield City Council. 'AWICS' has been retained by Irwin Mitchell to provide advice on the financial aspects of these cases.

Haringey Council's consultation, involving claimants, residents and key stakeholders, ran from August to November, and included the council writing to the 36,000 households directly affected. The council said it received more than 1,400 responses to the consultation.



A spokesman for the Department for Communities & Local Government (DCLG) said:

"Under the new localised system, councils are legally responsible for drawing up their schemes. The Government has provided £100m of transitional funding to help all councils develop well-designed schemes, maintain positive incentives to work and encourage best practice."

#### European Union Referendum - A Dangerous Gamble with Britain's Future?

David Cameron's proposal to hold an in/out referendum on Britain's membership of the European Union (European Union) has been met in some quarters with reservations. Mr Cameron's plans for a referendum are seen by some as a dangerous gamble with Britain's economic future. Bowing to Eurosceptic demands for an in/out referendum on membership of the European Union the Prime Minister announced that a referendum would be held if his party won a second term in government in the next general election.

The Prime Minister insisted he was optimistic of winning a "new settlement" for Britain in Europe, saying he wanted to recommend staying in a reformed European Union but only if this could be reformed to suit Britain's needs and to give more powers back to Whitehall and less to Brussels.

#### Reaction

The reaction to this announcement by the United Kingdom Prime Minister from other European Union leaders was not welcoming. The announcement was also met by opposition on the domestic front in the form of Labour and the Liberal Democrats who warned that his 'gamble could backfire'. They said his premature pledge would create five years of uncertainty in which Britain could lose job-creating foreign investment.

Laurent Fabius, the French Foreign Minister, said:

"If the United Kingdom decides to leave the European Union, we will roll out the red carpet to businessmen."

Martin Shulz, President of the European Parliament, accused Cameron of playing a "dangerous game", while the German Chancellor, Angela Merkel, said that other European Union countries with "different wishes" to Britain could reject the PM's demands.

The dangers and risky territory that Mr Cameron's high-risk approach could bring to the United Kingdom if Euro-sceptics were to win the vote and have the United Kingdom leave the European Union were summed up by Tony Blair, who told BBC Radio 4:

"It reminds me a bit of the Mel Brooks comedy Blazing Saddles where the sheriff ... holds a gun to his own head and says, 'If you don't do what I want I'll blow my brains out'."



Tory Euro-sceptics welcomed Mr Cameron's historic pledge to hold the country's first referendum on Europe since 1975. But hardliners said he was unlikely to win a good enough deal and are already promising to vote No to continued membership. They urged the Prime Minister to spell out more clearly that he would recommend a No vote if he failed to secure a good agreement for Britain. He avoided that question today, saying:

"Who goes into a negotiation hoping and expecting to fail? That is not the approach I take ... There is every chance of success."

Business leaders welcomed the debate on Britain's position in Europe but some businessmen expressed concern. Sir Martin Sorrell, chief executive of the WPP advertising group, told The Independent its clients are worried about the uncertainty and would suspend investment decisions or move elsewhere.

"To postpone it for this length of time is dangerous. Like it or not, we are part of Europe," he said. "I think for us to be outside it would be a mistake."

Nick Clegg, the Deputy Prime Minister and Liberal Democrat leader, said:

"The overwhelming priority of the British people is jobs, growth and a strong economy and my view is that achieving that ambition is made all the more difficult if you have years and years of uncertainty because of an ill-defined and protracted renegotiation of Britain's status within the European Union."

European Union diplomats predicted other countries would make limited concessions but would not concede the special treatment Mr Cameron seeks to keep the United Kingdom on board.

German Chancellor Angela Merkel, said:

"We are prepared to talk about British wishes but we must always bear in mind that other countries have different wishes and we must find a fair compromise."

Guido Westerwelle, her Foreign Minister, added that "Cherry picking is not an option", saying Europe needed more, not less, integration.

In a radio interview, Mr Fabius warned:

"You can't do Europe a la carte... to take an example which our British friends will understand - imagine Europe is a football club and you join, once you're in it you can't say 'Let's play rugby' ".

Also on the day of the announcement the White House reiterated the United States' wish from Britain to remain within the European Union.

President Obama's press secretary, Jay Carney said:

"We believe that the United Kingdom is stronger as a result of its European Union membership and we believe the European Union is stronger as a result of having the United Kingdom in the European Union."



David Cameron seems to believe his landmark pledge to "let the people decide" will be a vote-winner at the 2015 election. They seized on confusion over Labour's position after Ed Miliband ruled out an "in or out" referendum at Prime Minister's Questions, only for his party to make clear later that one was not excluded forever.

#### **Euro-sceptics**

Tory Euro-sceptics gave Mr Cameron a warm welcome in parliament, and were jubilant about his call for Britain to be exempt from the European Union founding fathers' commitment to "ever-closer union." But in private, they are pressing the Prime Minister to go further. "He has got to go into the talks with a stick in his hand," one said. "He has got to say he would recommend we pull out if they don't give us back the powers we want."

There has been little sign that Mr Cameron's promise would buy him much time on an issue that has haunted the Tory party since the Thatcher era. Mark Reckless, a prominent Eurosceptic, said the Prime Minister's position in the referendum was now "up for grabs" and predicted he would recommend withdrawal. Sajid Javid, the Treasury minister, told The Spectator that if no renegotiation were on offer, he "would personally consider our options outside the European Union."

Giving his long-awaited speech in London, Mr Cameron insisted:

"We should think very carefully before giving that position up. If we left the European Union, it would be a one-way ticket, not a return. So we will have time for a proper, reasoned debate."

"I understand the appeal of going it alone, of charting our own course. But it will be a decision we will have to take with cool heads....Of course Britain could make her own way in the world, outside the European Union, if we chose to do so. So could any other member state. But the question we will have to ask ourselves is this: is that the very best future for our country."

"I never want us to pull up the drawbridge and retreat from the world. I am not a British isolationist. I don't just want a better deal for Britain. I want a better deal for Europe too."

But leading Europhiles warned that Britain would be side lined by European Union withdrawal. Former Liberal Democrat leader Lord Ashdown said:

"Mr Cameron has effectively told us that it is his intention to put Britain on a one-way street to leaving Europe."

It is interesting to note that Unionists in Scotland have been arguing that an independent Scotland would not necessarily gain admission to the European Union and that remaining in the United Kingdom is the only way to guarantee continued European Union membership. However, if the United Kingdom is to hold a referendum on continued European Union membership and opinion polls are proved correct and the United Kingdom leaves the European Union; Scotland will only be able to remain in the European Union if it becomes an independent country.



#### Conclusions

Mr Cameron's plans to hold a referendum in the next parliament could be problematical for the United Kingdom economically and politically. There are no guarantees when the Prime Minister meets with European Union leaders and attempts to renegotiate a new treaty deal that any other of the European Union member states will make the concessions that Britain seeks. It may be that Tory Euro-sceptics have pushed Britain into a difficult position. With this announcement European Union Leaders from all across Europe must be wondering if it would be best to lose Britain and lose the problems its leaders throw up when Europe is already in crisis.

The European Union needs strength, togetherness and stability and most members states consider that this can only be achieved through a stronger and more integrated, united Europe. Not through pulling apart the European Union and leaving Britain isolated on the world stage. The major question to be asked before any referendum is called is how credible is the idea that Britain would benefit from 'splendid isolation' at a time when Britain no longer has an empire and is not a world power either politically, militarily or economically.

#### Adam M. Waite LL.B LLM R.Inst.PA

#### 'Fair deal' rewards councils that lead drive for growth

The Local Government Minister Brandon Lewis said on 4<sup>th</sup> February 2013 that this year's local government settlement is built on the principle of fairness, which means councils that deliver for their communities will make more.

Last year English councils budgeted to spend £114.5billion, accounting for a quarter of all public spending. The government believes that this means they have a role to play reducing the inherited deficit. The final settlement represents a dramatic shift in the funding of local government from Whitehall to the town hall. An estimated 70% of council income will now be raised locally, compared with 56% under the previous centrally distributed formula grant system.

The government states that the settlement is designed to be a fair one with much less of a divide between north and south. The settlement is being described by the government also as 'fair' to rural and urban areas and fair to shires and metropolitan areas. It establishes the starting point for all local authorities in the new business rate retention scheme and sets their individual funding deals. However, many authorities, including Newcastle City Council have demonstrated that the reduction in funding for local authorities during this government's time in office has been largest in deprived and urban areas especially in Inner London, the Midlands and the North.

Councils will now retain nearly £11billion of business rates instead of returning it to government. The government states that this new incentive lets local authorities grow their income by supporting new firms and jobs, which could deliver an extra £10billion to the wider economy by 2020.

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All councils have considerable spending power worth on average £2,216 per household. The overall reduction in spending power, taking into account the new Public Health Grant is calculated by the government as just 1.3%. In 2012 it was 3.3%.

More weighting has been given to areas with the highest levels of assessed need. For example, Newcastle has a spending power per dwelling of £2,516 or £700 more than Wokingham, which has £1,815. However, the reduction in grants to Newcastle has been significant while the reduction in grants to Wokingham has been minimal.

Ministers acknowledge that local government has shown great skill in reducing its budgets. Committed local authorities have protected frontline services. The government considers that their fifty ways to save report sets out more practical ways for councils big and small to save money and gives councils best-practice ideas. However, many people in the sector consider that the government's fifty suggestions tended to range from the obvious to the spurious.

The government considers that local democracy has also been strengthened with the confirmation of the 2% referendum principle that will protect residents by ensuring that a local authority has to go to the polls if they want to raise Council Tax and ignore the offer of a government grant to freeze it. Others argue that local democracy has been undermined by introducing this constraint on the discretion of local authorities..

The government has set aside £450million for local government in England to freeze Council Tax in 2013 to 2014, which will be the third successive year in which a freeze scheme applies. So far 115 councils have pledged to freeze. Brandon Lewis said:

"Councils account for a quarter of all public spending. This year English councils will spend  $\pounds$ 114.5 billion, that's a bigger budget than the NHS, twice the entire defence budget and more than double the national debt interest, so it is vital they continue to play their part tackling the inherited budget deficit by making sensible savings in 2013.

"In the past month we have met and listened to councils across the board and we recognise they have made great efforts to reduce their budgets. This final settlement is a fair one - fair for the north and the south, fair for rural and urban, fair for city and shire. It delivers an average spending power per household of £2,216 that can be increased further by turning the business rate retention incentive to your advantage.

"I encourage all authorities and Police and Crime Commissioners to take up the grant offer and freeze their element of the Council Tax. Those that do will be providing real help to families and those on fixed incomes, such as pensioners, with their cost of living."

A number of changes have been made following representations. Ministers concluded that more needs to be done to support rural areas. On top of confirming the increases already proposed to the sparsity weighting and top-ups, ministers have announced £8.5 million of additional funding in 2013 to 2014 as a separate new transitional grant to help authorities secure efficiencies in services for sparsely populated areas.



#### What does this mean for councils in reality?

The government states that what this actually means for local authorities is that the overall reduction in spending power next year is just 1.3% when taking into account the new Public Health Grant; without that it is 1.7%, less than last year's comparable figure of 3.3%. No council will face a revenue spending power reduction of more than 8.8% in 2013 to 2014 as a result of the new Efficiency Support Grant.

Spending power is the aggregate of:

- Council tax (excluding parish precepts)
- Start-up funding assessment
- Other specific grants
- NHS funding for spend on social care.

The 2013 to 2014 Council Tax freeze grant amount is based on the assumption that councils are freezing or reducing their Council Tax in 2013 to 2014. The baseline funding level included within the start-up funding assessment (SUFA) is an indication rather than a guaranteed cash amount.

#### Conclusions

Despite the huge pressures on public finances, the government considers that it has presented local government with a reasonable deal in 2013 to 2014. The government states that it has taken unprecedented steps to protect councils that are most reliant on central government funding and to freeze Council Tax. Not everyone in the sector agrees.

The local government settlement implements the Autumn Statement commitment that local government would be exempt from the 1% top slice in 2013 to 2014. The government considers that this protection gives local authorities time to drive through further service redesign that will deliver the efficient and sustainable services that citizens expect.

However, others point out that local government continues to face more significant reductions in funding than other public services. Furthermore, the effect of this policy is regressive as the government protects expenditure on services from which everyone in society benefits such as health and education and focuses budget reductions on means tested services that are only provided to those in need such as adult social care and housing. This is exacerbated by the fact that the largest reductions in government support for local authorities are being experienced in the more deprived urban areas of Inner London, the Midlands and the North. In addition the government's measures to control council tax appear to be inconsistent with their statements on encouraging localism.

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#### Rural business training for 90,000 entrepreneurs launched

At least 90,000 aspiring business people will get specialist training as part of the Government's latest drive towards rural economic growth. Environment Secretary, Owen Paterson has announced that the new Government £20million business training scheme will bring new skills and business knowledge to rural areas, helping them take up new opportunities in the home and export markets. He said:

"Having the right skills to run a business is crucial if budding entrepreneurs want to be successful. For too long the needs of rural business people have been overlooked. Those days are now over. Businesses in the remotest parts of the country will now have access to the best training so they can grow and help our country to compete even more in the global race."

The Department for Food & Rural Affairs will meet 70% of training costs through its Rural Development Programme for England with the remaining 30% met by individuals or their employers.

Subsidised courses in subjects including business and management, market opportunities and information technology will be open to businesses and individuals. They will range from one-day workshops to industry-recognised qualifications and will be run on college campuses, in village halls, on farms and in business centres. The organisations providing the training will be able to tailor the courses to meet demand.

Mr Paterson made the announcement on a fact-finding Rural Road show to Herefordshire. He visited Herefordshire College of Technology, one of many colleges offering training in horticultural, agricultural and forestry skills as part of the scheme. Rural Road shows allow ministers to hear first-hand from rural communities and businesses what more the Government can do to support economic growth and help their communities to thrive.

#### Applications open for £240 million skills fund

Businesses across all sectors and of all sizes can now apply for a share of up to £240million to create tailored training programmes that address their specific skills needs. The Employer Ownership Pilot (EOP) has already committed around £90million and leveraged £115million from companies including Siemens, Akzo Nobel and AJ Woods Engineering. Projects range from helping young people into work by delivering pre-employment training, to extending apprenticeships and training to supply chains. Applications are now open for the second round and will close on 28 March 2013.



The Skills Minister Matthew Hancock spoke at the launch of the 'Glass Academy', a project created by a consortium of businesses in the glass industry to inspire more young people to work in the sector. Partly funded by the EOP, it will provide apprenticeships, in-work training and will link with schools, universities and professional organisations. Matthew Hancock said:

"For British businesses to succeed and compete in the global race, they need a highly-skilled workforce that can meet the challenges of the future. With applications for round two now open, I would urge businesses – particularly small companies – to consider how the fund can help them grow, from creating new apprenticeship programmes to setting up specialist training academies.

"The Glass Academy is a fantastic example of businesses working together with government to help their industry to thrive, while also giving thousands of young people the opportunity to forge their careers in an evolving and growing sector."

Dave Dalton, CEO of British Glass said:

"We are delighted that EOP round two will enable more initiatives such as The Glass Academy to flourish, as well as providing round one bidders with the opportunity to build on their successful bids.

"We look forward to applying along with our like-minded partners so we might build the Glass Academy into a real force for learning now and in the future."

BAE Systems - which is using EOP funding to train up to 50 apprentices for companies in its North West supply chain - announced this week that MSM Aerospace Fabricators has become the first company to sign up to the scheme. The Manchester-based company has hired two BAE Systems-trained apprentices who will start in September.

Charlie Mayfield, Chairman of the John Lewis Partnership and the United Kingdom Commission for Employment and Skills, which administers the Employer Ownership Pilot added:

"This is a major opportunity for responsible and ambitious employers to step up and get the training they need for long-term growth. I would urge businesses of all sizes, across all sectors, to get involved."

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#### **Underused Council Offices to Be Put To Use**

New planning measures will ensure empty and underused offices can be swiftly converted into much-needed housing to make the most use out of previously developed land, Communities Secretary Eric Pickles has announced.



The changes will allow the redevelopment of underused sites by allowing existing buildings to be quickly brought back into productive use. New permitted development rights will allow office space to be converted into new homes without the need for planning permission from the local authority.

This new change of use right will provide badly needed homes for local people and will make a valuable contribution to easing the national housing shortage. It will help create jobs in the construction industry and help regenerate our town centres by increasing footfall in high streets.

The permitted development right will be in place for three years, and because local circumstances vary, local authorities will have an opportunity to seek an exemption if they can demonstrate there would be substantial adverse economic consequences.

Further planned reforms will also help boost rural communities and create jobs by allowing agricultural buildings to be converted for other business uses without the need for planning permission.

Buildings that are no longer suitable or needed for agricultural use could be transferred into new growth-boosting ventures that benefit rural areas, such as shops, restaurants, small hotels and leisure facilities and offices, under new permitted development rights.

Town centre buildings will also be able to easily convert to help new shops, business startups and community projects keen to set up in high streets. The new rules as unveiled by Eric Pickles will allow a range of buildings to temporarily convert for up to 2 years and will speed up the process of bringing vacate high street buildings back into use.

The Communities and Local Government Secretary Eric Pickles said:

"We want to promote the use of brownfield land to assist regeneration, and get empty and under-used buildings back into productive use.

"Using previously developed land and buildings will help us promote economic growth, provide more homes and still ensure that we safeguard environmentally protected land. We are absolutely determined to support people striving to bring life back to their communities and high streets."

Furthermore Planning Minister Nick Boles said:

"These new changes ensure the very best use is made of our existing buildings to provide new homes and makes sure we get the most use we can out of our previously developed land. These changes are an important step in improving the planning system and making sure it is in the best possible shape to swiftly adapt to changes and opportunities that can provide a big boost to the economy.

"We are determined to make sure perfectly good underused properties are converted for homes and uses that will benefit our communities."



The new measures for agricultural buildings will help rural businesses to diversify, say the Country Land and Business Association. Association President Harry Cotterell said:

"We are very pleased with this announcement. It is something for which we have campaigned for years. It offers farmers and land managers the chance to find alternative sources of income by using their redundant agricultural buildings in new ways. This will underpin their farming businesses and boost the rural economy by helping to create new jobs and businesses at a time when they are greatly needed."

However, there is an opt-out for Local Authorities who do not feel that redevelopment of office space is the right way forward in their particular area. This comes in the form of an exemption to the permitted development rights to convert offices into homes if there are justified economic grounds. However, the secretary of state will only grant an exemption in exceptional circumstances.

The new plans unveiled show a more creative and innovative way to deal with a lack of homes and a willingness to progress plans for redevelopment of underused real estate by the government. In a time when housing is in short supply and affordable housing is in even scarcer quantities this new policy may be a breath of fresh air for those looking for affordable new homes.

The proof of whether this plan is going to succeed will come when it is seen how many Local Authorities buy into the idea and how many look to opt-out of the plans and apply for exemptions to keep their offices and not press ahead with a source of new homes.

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Our mission statement is 'Independence, Integrity, Value'. We therefore provide support to clients from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today!

For more information about us and our services please visit our website at <u>www.awics.co.uk</u> or contact Adrian Waite at <u>Adrian.waite@awics.co.uk</u>.