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**AGENDA FOR THE EXECUTIVE**

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Members of the Executive are summoned to attend a meeting to be held in Committee Room 4, Town Hall, Upper Street, N1 2UD on **21 April 2016 at 7.30 pm.**

**John Lynch**  
**Head of Democratic Services**

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Despatched : 13 April 2016

**Membership**

Councillor Richard Watts  
Councillor Janet Burgess MBE  
Councillor Joe Caluori  
Councillor Paul Convery  
Councillor Andy Hull  
Councillor James Murray  
Councillor Claudia Webbe  
Councillor Asima Shaikh

**Portfolio**

Leader of the Council  
Executive Member Health and Wellbeing  
Executive Member Children and Families  
Executive Member Community Safety  
Executive Member Finance and Performance  
Executive Member Planning and Development  
Executive Member for Environment and Transport  
Executive Member for Economic and Community Development

**Quorum is 4 Councillors**

**Please note**

It is likely that part of this meeting may need to be held in private as some agenda items may involve the disclosure of exempt or confidential information within the terms of Schedule 12A of the Local Government Act 1972. Members of the press and public may need to be excluded for that part of the meeting if necessary.

Details of any representations received about why the meeting should be open to the public - none



## Declarations of interest:

If a member of the Executive has a **Disclosable Pecuniary Interest\*** in an item of business and it is not yet on the council's register, the Councillor **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent. Councillors may also **choose** to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency. In both the above cases, the Councillor **must** leave the room without participating in discussion of the item.

If a member of the Executive has a **personal** interest in an item of business they **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent but may remain in the room, participate in the discussion and/or vote on the item if they have a dispensation from the Chief Executive.

- \*(a) Employment, etc** - Any employment, office, trade, profession or vocation carried on for profit or gain.
- (b) Sponsorship** - Any payment or other financial benefit in respect expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) Land** - Any beneficial interest in land which is within the council's area.
- (e) Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

**NOTE:** Public questions may be asked on condition that the Chair agrees and that the questions relate to items on the agenda. No prior notice is required. Questions will be taken with the relevant item.

Requests for deputations must be made in writing at least two clear days before the meeting and are subject to the Leader's agreement. The matter on which the deputation wants to address the Executive must be on the agenda for that meeting.

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6. Communal heating - Executive member's response to the recommendations of the Environment and Regeneration Scrutiny Committee 51 - 56

**C. Service Related Matters**

7. Local Development Scheme 57 - 70
8. Adoption of Location and Concentration of Uses SPD 71 - 246

**D. Procurement Issues**

9. Contract Award for Mental Health Supported Accommodation Canonbury Lane 247-250
10. Contract award - Adult Social Care advocacy services 251-256
11. Contract award housing support services for single adults 257-260

**E. Urgent non-exempt matters**

Any non-exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

12. Contract Award for shared Specialist Substance Misuse Services 261-272

**F. Exclusion of press and public**

To consider whether to exclude the press and public during discussion of the remaining items on the agenda, in view of their confidential nature, in accordance with Schedule 12A of the Local Government Act 1972.

**G. Confidential / exempt items for information**

13. Contract award - Adult Social Care advocacy services - exempt appendix 273-276

**H. Urgent Exempt Matters**

Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

The next meeting of the Executive will be on 19 May 2016

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London Borough of Islington

**Executive - 10 March 2016**

Minutes of the meeting of the Executive held at the Town Hall, Upper Street, N1 2UD on 10 March 2016 at 7.30 pm.

**Present:**                      **Councillors:**    Watts, Burgess, Caluori, Convery, Murray, Webbe and Shaikh

**Councillor Richard Watts in the Chair**

**249**            **APOLOGIES FOR ABSENCE**  
Received from Councillor Andy Hull.

**250**            **DECLARATIONS OF INTEREST**  
None.

**251**            **MINUTES OF PREVIOUS MEETING**

**RESOLVED:**

That the minutes of the meeting held on 4 February 2016 be confirmed as a correct record and the Chair be authorised to sign them.

**252**            **FINANCIAL POSITION AS AT 31ST JANUARY 2016**

In the absence of the Executive Member for Finance and Performance, the report was introduced by the Leader of the Council.

**RESOLVED:**

(a) That it be noted that the overall forecast revenue outturn for the General Fund was of a £3.5m overspend and that, in the event of an overall overspend at the end of the financial year, this would be funded from the one-off corporate contingency reserve of £3.5m in the first instance.

(b) That the new waste services charges, detailed in paragraph 4.6 of the report of the Executive Member for Finance and Performance, to be introduced with effect from 1<sup>st</sup> April 2016, be approved.

(c) That it be noted that the HRA was forecast to break-even over the financial year.

(d) That the latest capital position, with forecast capital expenditure of £96.7m in 2015-16, and detailed in paragraph 6 of the report, be noted.

Reasons for decision – to enable members to monitor the budget

Other options considered – none

Conflicts of interest/Any dispensations granted - none

**253**      **BEST TEAM - EXECUTIVE MEMBER'S RESPONSE TO THE RECOMMENDATIONS OF POLICY AND PERFORMANCE SCRUTINY COMMITTEE**

**RESOLVED:**

- (a) That the responses to the recommendations in the scrutiny review of the Best Team and progress to date, detailed in section 4 of the report of the Leader of the Council, be approved.
- (b) That officers report back on progress to the Policy and Performance Scrutiny Committee in one year's time.
- (c) That the Policy and Performance Scrutiny Committee and the Policy and Performance Team be thanked for their work on this matter.

Reasons for decision – The new Islington Learning, Skills and Employment Service would offer an improved service to residents.

Other options considered – none

Conflicts of interest/Any dispensations granted - none

**254**      **ISLINGTON ENERGY**

**RESOLVED:**

- (a) That a strategic partnership be agreed with OVO Energy for the marketing of gas and electricity to local residents, as detailed in the report of the Executive Member for Environment and Transport.
- (b) That the Corporate Director of Environment and Regeneration supply information to the member of the public who made the enquiry with details of the other companies who were considered and the criteria used in evaluating those companies.

Reasons for decision – As part of the Council's fuel poverty agenda, the new service will assist in lowering residents' energy bills, will help them cope with the cost of living and allow for warmer homes, thus helping to reduce the impacts of cold, damp, homes and improving health and quality of life.

Other options considered – none

Conflicts of interest/Any dispensations granted - none

**255**      **PROPOSALS IN RELATION TO SERVICES FOR CHILDREN WITH SEVERE AND COMPLEX NEEDS AT LOUGH ROAD**

**RESOLVED:**

- (a) That Islington Council retain the use of Lough Road as a central hub for children with disabilities and their parents, from where a number of key services would continue to be delivered.
- (b) That Lough Road be no longer used as an overnight short break service and that parents who need this type of service be offered access to the provider market for specialist placements so that they may have a choice over which kind of residential respite service might best meet the needs of their child in the future.

(c) That thanks be extended to the Service Manager for Commissioning and Business Support in Children's Services and her Team for their work with parents and stakeholders on this matter and the successful outcome.

Reasons for decision – By remodelling the services and ending overnight short breaks, the Council would be able to deliver the same services to children at a lower cost and extend the provision to fill identified gaps.

Other options considered – none

Conflicts of interest/Any dispensations granted - none

**256** **PERMANENT EXPANSION OF SECONDARY SCHOOLS**

**RESOLVED:**

(a) That Arts and Media School Islington, Central Foundation, Highbury Grove and St Mary Magdalene Schools be permanently expanded from September 2018, with Arts and Media School Islington and St Mary Magdalene School temporarily expanding from September 2017.

(b) That the mix between boys' and girls' places in other schools in the Borough be reviewed, as recommended from the consultation responses, including the possibility of exploring the option of changing one of the single sex girls' schools to co-educational.

(c) That the responses to the public consultation, detailed in Appendix A of the report of the Executive Member for Children and Families, be noted.

(d) That it be noted that the construction of a new sixth form building for Highbury Grove School and the expansion proposals for Central Foundation School would be subject to separate planning applications. That it also be noted that the increases at Arts and Media and St Mary Magdalene Schools did not require planning permission.

Reasons for decision – There was concern that, without expansion of some secondary schools, there would be insufficient places for secondary aged pupils in the Borough in the future.

Other options considered – none

Conflicts of interest/Any dispensations granted – Councillors Convery and Watts

**257** **ISLINGTON, CAMDEN AND HARINGEY ICT SHARED SERVICE**

In the absence of the Executive Member for Finance and Performance, the report was introduced by the Leader of the Council.

**RESOLVED:**

(a) That a shared ICT service be established between Islington, Camden and Haringey Councils.

(b) That an executive joint committee be established between the London Boroughs of Islington, Camden and Haringey, to oversee the shared service, with a review of governance arrangements performed within 12 months of its inception.

(c) That it be noted that the terms of reference for the Joint Committee may be approved by the Leader.

- (d) That the Assistant Director (Governance and Human Resources) be authorised to enter into the Joint Committee agreement (as approved by the Leader) and any additional legal documentation necessary for the establishment of the shared ICT service, noting that this did not extend to the establishment of any future commercial governance arrangement or operating models, which would require separate member approval.
- (e) That it be noted that Islington's maximum contribution to the cost of change budget would remain at £2.5m, with the same level of contribution applying to all three councils, leading to a maximum total cost of change budget of £7.5m to support the transition across the three boroughs.
- (f) That it be noted that the minimum level of savings expected for Islington and the two other boroughs is initially £2m per borough per annum, but that there is a clear intention to maximise the opportunity of the shared service to deliver in excess of £6m per annum savings over time.
- (g) That it be noted that costs and savings for the core service offering will be shared on an equal basis between the three boroughs, subject to due diligence, and that any variation should be agreed by Finance Directors.

Reasons for decision – The Society of Information Technology Management review had supported the rationale for a three-council ICT shared service. Finance Directors at the three councils were satisfied that the proposals were in the interests of their respective councils and that greater savings than those previously envisaged could be generated.

Other options considered – none

Conflicts of interest/Any dispensations granted - none

**258**      **SUMMARY OF ACTION TAKEN BY OFFICERS**

**RESOLVED:**

That the report of the Assistant Chief Executive, Governance and Human Resources, detailing an urgent decision taken by the Corporate Director of Children's Services to award a contract for the Dowrey Street redevelopment, be noted.

Reasons for decision – Requirement of the Constitution.

Other options considered – none

Conflicts of interest/Any dispensations granted – none

**259**      **PROCUREMENT STRATEGY FOR SUPPORTED LIVING ACCOMMODATION FOR SERVICE USERS WITH LEARNING DISABILITIES (MEDIUM TO HIGH COMPLEX, PHYSICAL AND SENSORY NEEDS)**

**RESOLVED:**

That the procurement strategy for care and support for service users at Anson Road and Tollington Way, detailed in the report of the Executive Member for Health and Wellbeing, be approved.



**Executive - 10 March 2016**

Reasons for decision – The current care and support contract was due to finish in December 2016 and a new provider needed to be appointed to take up the service from 1 January 2017.

Other options considered – none

Conflicts of interest/Any dispensations granted - none

The meeting closed at 7.52pm.

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**Report of: Chair of the Environment and Regeneration Scrutiny Committee**

Meeting of	Date	Ward(s)
Executive	21 April 2016	All
Delete as appropriate		Non-exempt

## **Subject: Community Energy – Recommendations from the Environment & Regeneration Scrutiny Committee**

### **1. Synopsis**

- 1.1 This report requests that the Executive receive the recommendations of the Environment and Regeneration Scrutiny Committee, following completion of the Community Energy review. A response to the recommendations set out in the report will be considered at a future meeting of the Executive.

### **2. Recommendations**

- 2.1 That the report of the Environment and Regeneration Scrutiny Committee be received.
- 2.2 That the Executive Member's response be reported to a future meeting of the Executive, including having due regard to any relevant implications of the Environment and Regeneration Scrutiny Committee's recommendations.

### **3. Background**

- 3.1 In October 2014, the Environment and Regeneration Scrutiny Committee commenced a review of Community Energy. The aim was to explore and understand the community energy options available for Islington and make recommendations on their relevance for the borough.

- 3.2 The committee heard about the benefits and risks of the different community energy models, heard about example of established projects across the UK and considered their impact on fuel poverty and energy efficiency.

## **4. Implications**

### **4.1 Financial Implications**

The proposals in the review need to be costed before a response is made by the Executive.

### **4.2 Legal Implications**

Relevant legal implications will be considered as part of the response to the review.

### **4.3 Environmental Implications**

There are no environmental implications at this stage. Any environmental implications will be identified as part of the Executive Member response.

### **4.4 Resident Impact Assessment**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The Committee has had regard to any equalities implications and resident impacts identified by witnesses during the course of the review. Details of any such implications are set out in the appended report. A Resident Impact Assessment has not been completed as the Executive is only asked to receive the report at this stage. The impact on residents will need to be fully considered as part of the Executive Member response to the review, at which point a Resident Impact Assessment will be completed if required.

## **5. Conclusion and reasons for recommendations**

- 5.1 The Community Energy Scrutiny Review heard evidence about a number of community energy schemes across the country and heard from a variety of witnesses about the various ways in which community energy schemes and council schemes could be undertaken.
- 5.2 The Committee hoped the recommendations would improve community energy work in the borough to improve outcomes for residents.

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ISLINGTON

## **Community Energy Scrutiny Review**

# **REPORT OF THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE**



**London Borough of Islington  
February 2016**

## EXECUTIVE SUMMARY

### Community Energy Scrutiny Review

#### Aim

To explore and understand the community energy options available for Islington, their respective opportunities and issues and make recommendations on their relevance for the borough.

#### Evidence

The review ran from October 2014 until January 2016 and evidence was received from a variety of sources:

1. Presentations from witnesses – Fiona Booth, Head of Community Energy, Department of Energy and Climate Change (DECC), Reg Platt, Senior Partnerships Manager for OVO Communities at OVO Energy, Agamemnon Otero, Repowering London and Oliver Hombersley, Senior Sustainability and Climate Change Officer, Hackney Council, Gail Scholes, Head of Energy, Nottingham City Council and Robert Purdon, Contracts Manager, Nottingham City Council.
2. Presentations from council officers – Lucy Padfield, Energy Services Manager, Andrew Ford, Energy Advice Manager
3. Written evidence – Jenny Coles, Low Carbon City Officer, Plymouth City Council, the final report of the Solar Panel Task and Finish Group

#### Main Findings

1. The Committee were advised that Community Energy had emerged relatively recently as a catch-all for a broad range of energy projects and schemes which benefited and involved the community. A community could be an individual school, housing estate or ward, or group of people with a similar interest.
2. In the Department of Energy and Climate Change's (DECC) Community Energy Strategy, community energy was defined as "community projects or initiatives focused on the four strands of reducing energy use, managing energy better, generating energy or purchasing energy. This included communities of place and communities of interest. These projects or initiatives shared an emphasis on community ownership, leadership or control where the community benefited. It referred to all activities encompassed by the above definition and also considered shared ownership or joint ventures where benefits were shared by the community. This included activities based on formal community ownership models such as co-operatives, social enterprises, community charities, development trusts and community interest companies, as well as projects without these formal structures."
3. Energy schemes were generally carried out in line with the energy hierarchy i.e. firstly, reducing energy; secondly, insulating homes; and thirdly, generating energy. The most energy efficient was council housing, followed by social housing, then owner occupied housing and then private rented housing. Most council housing was flats which were generally more energy efficient than houses due to there being fewer roofs.
4. The Community Energy Strategy was launched on 27 January 2014. It was the UK's first ever Community Energy Strategy. It aimed to enable anyone who wanted to get involved with generation, managing, purchasing or reducing energy to do so.
5. Repowering was a not-for-profit co-operative which specialised in co-producing community owned renewable energy, mentoring and fuel poverty. It was a community benefit society

which delivered social outcomes and it was registered with the Financial Conduct Authority. It had undertaken work in Hackney and Lambeth. Intermediaries did not generate energy so they had to buy it. Repower could work with intermediaries to provide energy.

6. Repowering work included:
  - reducing CO<sub>2</sub> emissions by generating decentralised low-carbon energy
  - tackling fuel poverty and educating residents about energy efficiency
  - promoting local leadership through community engagement and ownership
  - providing opportunities for local and responsible financial investment
  - creating training, internships and employment opportunities for local people
  - encouraging behaviour change
7. Plymouth Energy Community was a cooperative formed in 2013. It was owned and run by its members. It aimed to negotiate a better price for energy for local people; address the challenges of fuel poverty, including for those on the lowest incomes; increase renewable energy in Plymouth; provide advice on energy issues; and reinvest its profits locally.
8. Plymouth Energy Community aimed to get the best deal through a group switch. Work was done with energy suppliers to achieve the best deal for customers. All participants were offered the best deal for them individually. The process was managed by a broker who was independently assessed for ethics and transparency. Beneficial offers were provided for all meters, including prepayment meter users and support was provided for people in debt.
9. Nottingham had a long history in municipal energy. It had a district heating scheme in the 1970s and was now one of the more energy sufficient cities with high local generation. There was large scale photovoltaic solar installation with 2,300 homes equipped with solar panels over the last three years. The council paid for, installed and maintained the solar panels and retained the feed-in tariff with the residents getting electricity. The scheme included both social housing and private sector housing.
10. Nottingham City Council would be extending the solar panel scheme to 3,000 additional homes from 2015. Once this was complete, 5,300 out of approximately 150,000 homes in the city would have solar panels. Whereas the feed-in tariff for the first 2,300 homes had been secured when it was at the highest rate, the feed-in tariff for the next 3,000 homes would be at the lower rate. Nottingham City Council had set up an in-house installation team of accredited installers. This reduced costs and created jobs. Most of the homes with solar panels were three bedroom semi-detached houses. Lower income areas were targeted. The first solar panel scheme in Nottingham outperformed by £120,000 per year and the additional money went into the council's general fund.
11. To reduce fuel poverty, Nottingham City Council set up a fully licensed energy company by buying a pre-accredited licensed company. This was quicker to set up than if the council set up the company itself. The council had approved the first year's operating costs of £11 million. The company had to use the national grid and pay transmission and distribution costs as it only had one block with private wire and extending this would be too expensive. The cost model showed that Nottingham's energy company was likely to be one of the cheapest suppliers on the market. Nottingham had found a meter asset provider who would enable the council to rent or pay for the use of smart meters and a smart meter pre-payment system would be put in place.
12. The committee heard that the energy supply market was transforming. In 1997 the 'Big Six' energy suppliers shared almost 100% of the market, In Autumn 2014, independent suppliers had a 9% market share and the Citibank prediction was for independent suppliers to have a 30% share of the market by 2020. Councils could use collective switching to reduce energy bills in their borough. Approximately two thirds of households did not switch and often

overpaid significantly when compared with the cheapest prices. Many of these householders were on low incomes and were vulnerable and often they did not switch as they had a mistrust of energy companies and/or did not know how to switch. Local authorities could reach these customers because they were trusted and could engage people through unique channels. Many Islington residents could save up to £300 by switching and customers who used prepayment meters could also save.

13. It was suggested that if local councils became energy suppliers this could ensure people and businesses paid a fair price for their energy; it could integrate with other energy activities (e.g. energy efficiency, renewable generation and community energy) and maximise their value and it could be self-financing and potentially income generating.
14. Councils could become energy suppliers using an intermediary such as OVO's supply licence and back office functions. The intermediary would act as a platform and councils could choose to migrate from the platform to have a full supply licence. OVO advised that they could provide a supply licence and provide services such as customer service and a billing service and the council's responsibilities would include setting the price, designing the tariff and acquiring customers. All customer facing services could have council or partner branding or be co-branded. OVO services could be provided at cost plus a 3% margin and there would be no set up costs. Operational costs were fixed but the cost of energy fluctuated so the tariff could be changed at a tariff review meeting each month or could be changed less regularly i.e. up to every three months.
15. OVO planned to be at the forefront of the move to smart meters which provided better, real-time data, smarter homes and enabled more customer engagement as well as flexible payments. OVO would remove prepayment meters from those who signed up and were currently using them and replace these with smart meters. These could be used in a similar way to prepayment meters or could be topped up using a phone if the resident had set up a link to their bank account. If the person was a low credit risk, they could be moved onto a standard tariff.
16. Local authorities played an important part in the delivery of community energy. Local authorities had skills, knowledge, trust and could broker partnerships. They could help to support their local communities to identify opportunities to save and generate energy.

## **Conclusions**

The Community Energy Scrutiny Review heard evidence about a number of community energy schemes across the country and heard from a variety of witnesses about the various ways in which community energy schemes and council schemes could be undertaken.

The Committee hoped the recommendations would improve community energy work in the borough to improve outcomes for residents.

## **Recommendations**

1. That the council continues to apply for any available funding to undertake energy efficiency measures in the borough.
2. That more information on community energy could be provided to councillors, staff and tenants and residents' associations so they could provide residents with information.
3. That work take place to ensure there was a joined up approach between different departments dealing with energy issues for residents.
4. That the council should look to provide a retail offering to residents, however, the committee did not feel the council currently had the expertise in-house, and therefore should undertake



initial discussions with 'White Label' providers who could run the back office elements of the Islington offering.

5. That any final decision of provider should be based against, council control of tariffs, which should include a green tariff, a resident focused debt process, and the long term economic sustainability of the company.
6. That any retail offering should be looked at holistically, with residents encouraged to switch tariffs, but also include the installation of smart meters, energy efficiency measures, and where possible, community energy generation. This would be more cost-effective, save residents more money, and should be done on street by street, estate by estate basis.
7. That the council should do more to encourage community energy and that consideration be given to working with an organisation such as Repowering London to provide a community energy scheme in Islington, or in-house capacity be found to help schemes get off the ground.

## MEMBERSHIP OF THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE

### COUNCILLORS - 2014/15

**Councillors:**

Councillor Court (Chair)  
Councillor Diarmaid Ward (Vice-Chair)  
Councillor Doolan  
Councillor Gantly (until February 2015)  
Councillor Heather  
Councillor Jeapes  
Councillor Russell  
Councillor Turan  
Councillor Nick Ward

**Substitutes:**

Councillor Kay  
Councillor Michael O'Sullivan  
Councillor Alice Perry  
Councillor Rupert Perry  
Councillor Shaikh  
Councillor Smith  
Councillor Wayne

### COUNCILLORS – 2015/16

**Councillors:**

Councillor Court (Chair)  
Councillor Diarmaid Ward (Vice-Chair)  
Councillor Debono  
Councillor Doolan  
Councillor Hamitocuhe MBE  
Councillor Heather  
Councillor Jeapes  
Councillor Russell  
Councillor Spall

**Substitutes:**

Councillor Diner  
Councillor Kay  
Councillor Alice Perry  
Councillor Poyser

*Acknowledgements: The Committee would like to thank all the witnesses who gave evidence to the review.*

*Officer Support:*

*Zoe Crane – Democratic Services  
Lucy Padfield – Energy Services Manager  
Andrew Ford, Energy Advice Manager  
Lucy Rees, Energy Adviser*

## **1. Introduction**

- 1.1 Community Energy had emerged relatively recently as a catch-all for a broad range of energy projects and schemes which benefited and involved the community. A community could be an individual school, housing estate or ward, or group of people with a similar interest.
- 1.2 In the Department of Energy and Climate Change's (DECC) Community Energy Strategy, community energy was defined as "community projects or initiatives focused on the four strands of reducing energy use, managing energy better, generating energy or purchasing energy. This included communities of place and communities of interest. These projects or initiatives shared an emphasis on community ownership, leadership or control where the community benefited. It referred to all activities encompassed by the above definition and also considered shared ownership or joint ventures where benefits were shared by the community. This included activities based on formal community ownership models such as co-operatives, social enterprises, community charities, development trusts and community interest companies, as well as projects without these formal structures."
- 1.3 Community energy projects often focused on social outcomes such as community cohesion, reducing fuel poverty and re-investment of profits, as well as an interest in sustainability. Schemes to date tended to depend on volunteers and relied heavily on gaining broad support within a local community for their activities. Many groups were set up as co-operatives, community interest companies and charities or trusts. Community energy was largely focused on renewable electricity generation, especially solar photovoltaics (PVs) and onshore wind. Solar panels worked best when facing south and could not be used when facing north.
- 1.4 Community energy schemes normally sought to use their profits to fund programmes to address local social needs through energy efficiency funds or similar. They also often sought to support local jobs and training in the green economy.
- 1.5 Local authorities played an important part in the delivery of community energy. Local authorities had skills, knowledge, trust and could broker partnerships. They could help to support their local communities to identify opportunities to save and generate energy.

## **2. Findings**

### Previous and Current Work in Islington

- 2.1 The council had previously carried out specific Community Engagement programmes and learning from these had flagged up a number of possible relevant groups including the Better Archway Forum and the Islington Environment Forum. To date, no community groups had approached the Energy Team about community energy projects. If a community group contacted the council, the Energy Team would try and support them and put them in touch with the relevant people. For the past few years there had been no resources to undertake community engagement. However, Islington's Energy Services Team monitored work taking place across the UK. The Energy Team was not aware of any Islington residents having taken out the Green Deal.
- 2.2 The council had undertaken energy reduction programmes. In the past, funding had been used for door-knocking, surveys, draught proofing, infra-red surveys to show heat leakage, awareness raising programmes and workshops. The council had also undertaken solid wall insulation. There had also been plans for a wide scale project on roofs but the Feed-In Tariff

changed and made the project unachievable. There were now 20 small schemes on low rise blocks. The national Solar Schools initiative was being tested following an approach for help by an Islington primary school interested in participating in a crowd-funded scheme to install solar PV panels on the school roof.

- 2.3 The Energy Team acted as consultants to the Housing department, advised them when grants were available and advised on the design of buildings and schemes. Often government grant money came with conditions. The council successfully bid for £6.5m between six boroughs. The funding required owner occupiers to contribute to work on their properties and they could apply for Green Deal finance to assist with this. Although this funding could only be used for owner occupied properties, the council combined the grant with other grants to do work on whole blocks as this was cost effective.
- 2.4 Landlords did not always invest in making their properties more energy efficient. The council's housing department had a health and safety rating system with 29 measures including cold, damp and mould checks. The environmental health team conducted spot checks and residents could also contact them to request a visit. If the property was found to be inadequate, the landlord could be required to deal with the problem within a specified time period. If they did not do this, the council could do the work and then charge the landlord for the work.
- 2.5 Energy schemes were generally carried out in line with the energy hierarchy i.e. firstly, reducing energy; secondly, insulating homes; and thirdly, generating energy. The most energy efficient was council housing, followed by social housing, then owner occupied housing and then private rented housing. Most council housing was flats which were generally more energy efficient than houses due to there being fewer roofs.
- 2.6 Barriers to people having work done included not wanting strangers in their homes, being unwilling to clear their lofts for insulating work and being unwilling to go through the disruption associated with work taking place in their homes.
- 2.7 Condensation could create a problem because people would open windows to deal with the condensation and then have to turn up their heating due to the heat loss out of the windows. To solve the problem of condensation, it was important to understand the cause. It could be a result of breathing, cooking, the design of buildings, especially those not designed for modern heating systems, or structural issues e.g. pathways over rooms on the Andover Estate.
- 2.8 It was important to ensure there was a joined up approach between different departments.

#### Options for Councils

- 2.9 Roles local authorities could play included providing funding and/or assets e.g. roofs for installations.
  - Delivery options included:
    - Council options –
      - 1) Council investment – all council-owned roofs

If the council installed PV panels on all council owned housing and corporate buildings it would cost in the region of £38m for a 12 year return on investment. The council would save through bill savings and would receive income from the government's Feed-in Tariff (FIT). It could be argued that council-led schemes were not community energy schemes. If all the homes in the council's stock were able to be directly supplied by the panels then each household would save around £40 per year on their electricity bills, assuming all the power generated could be used instantaneously and that all homes could be

physically connected. Generally schemes on social housing were connected in to the landlord supply.

## 2) "Rent a Roof" PV schemes

The council did not necessarily have to invest funds as there were several offers for "free" rent a roof PV schemes where the installer received the Feed-In Tariff and installed the panels at no charge to the council. The council would then benefit from reduced price electricity. This could be incorporated into Housing's re-roofing programme.

## 3) Community Energy options –

Community Energy was a fast changing environment with regular developments. Current activity included:

1. Social Inclusion focussed schemes. Repowering (Brixton and Hackney) was an example of a PV Local Share Offer in relation to Social Housing – Social Housing scheme whereby PV was installed on housing stock for £40,000 and residents were engaged. Residents could not benefit from the generated electricity directly. The capital cost for the PV was raised through a share offer. Much of the funding was raised beyond the local area and across the UK. A PV Local Share Offer in relation to Housing/Schools was Gen community (backed by British Gas).
2. Schemes to help address fuel poverty. Cornwall, Kirklees and Camden had revolving loan funds for energy efficiency measures which were re-invested in further energy efficiency measures. This required a large initial investment, however the benefit to addressing fuel poverty was likely to be the greatest.
3. Schemes to support community groups. Bristol and Plymouth had seed funds to start community schemes. These required a large initial investment. Bath and North East Somerset Council had a Cooperation Agreement with Bath and North East Somerset Council to help deliver their carbon reduction targets. Bulk buy schemes could be used by communities working together to get a discount on energy efficiency measures by buying in bulk. These would only benefit those who were able to invest in energy efficiency measures.
4. Other options. OVOs were Virtual Energy Companies. A local authority could use OVO's energy supply licence to offer a unique tariff for local renewable generation. There was a risk that the tariff would not be the cheapest on the market. Nottingham intended to buy an existing Energy Services Company (ESCo) which already had a licence to retail to the domestic market and sell the electricity generated by their waste incinerator. Nottingham County Council had committed £1million to the procurement and expected to spend many more millions to progress the project. Cambridge planned to deliver a programme of energy saving building retrofits in Council buildings (including schools) through support and loans. Bristol intended for its ESCo to be self-funding after initial set up costs and intended to provide a revenue stream for the city focusing on solar, district heating and retrofit. There was a large investment and time requirement. Lancashire County Council was trialling investing their pension fund in large scale community energy.

2.10 The Committee could consider the outcomes it wanted to achieve e.g. social inclusion, energy saving, community engagement or employment opportunities, in order to decide on the most appropriate approach.

2.11 It was not possible for schemes e.g. solar projects to directly provide energy for the residents of the buildings due to the significant costs of obtaining a licence. Instead the energy fed into the national grid and money would be given through the Feed-In Tariff. This was not the case with non-domestic buildings which were dealt with under different regulations. Council schemes were not classed as community energy and therefore the

energy could go into the landlord's supply which could result in a decrease in service charges.

### National Programmes

- 2.12 The Community Energy Strategy was launched on 27 January 2014. It was the UK's first ever Community Energy Strategy. It aimed to enable anyone who wanted to get involved with generation, managing, purchasing or reducing energy to do so.
- 2.13 Key announcements for this year included a £10m Urban Community Energy Fund, a One Stop Shop and a Community Energy Saving Competition for community group schemes. There was no limit to the number community groups in a borough which could receive funding. It was anticipated that the One Stop Shop would simplify and improve the information available to community groups.
- 2.14 The evidence was Forum for the Future's response to the Department of Energy and Climate Change's Consultation on Cutting the Cost of Keeping Warm: a New Fuel Poverty Strategy for England. The document outlined the resources community groups would need. These included the provision of clear and accurate information, access to training providers and advice and resources for marketing campaigns. Typically resources came from local authorities.

### OVO Energy

- 2.15 OVO was an independent energy supplier which was launched in 2009 and had 440,000 customers. It aimed to have 1 million customers by 2017. It was the 10<sup>th</sup> fastest growing company in the UK. OVO's mission was to be the UK's most trusted energy supplier. It had a high customer satisfaction level, offered competitive pricing and had won a number of awards.
- 2.16 The energy supply market was transforming. In 1997 the 'Big Six' energy suppliers shared almost 100% of the market, In Autumn 2014, independent suppliers had a 9% market share and the Citibank prediction was for independent suppliers to have a 30% share of the market by 2020. Councils could use collective switching to reduce energy bills in their borough. Approximately two thirds of households did not switch and often overpaid significantly when compared with the cheapest prices. Many of these householders were on low incomes and were vulnerable and often they did not switch as they had a mistrust of energy companies and/or did not know how to switch. Local authorities could reach these customers because they were trusted and could engage people through unique channels. Many Islington residents could save up to £300 by switching and customers who used prepayment meters could also save.
- 2.16 If local councils became energy suppliers this could ensure people and businesses paid a fair price for their energy; it could integrate with other energy activities (e.g. energy efficiency, renewable generation and community energy) and maximise their value and it could be self-financing and potentially income generating.
- 2.17 Councils could become energy suppliers using OVO's supply licence and back office functions. OVO would act as a platform and councils could choose to migrate from the platform to have a full supply licence. OVO could provide a supply licence and provide services such as customer service and a billing service and the council's responsibilities

would include setting the price, designing the tariff and acquiring customers. All customer facing services could be branded as council partner or co-branded. OVO services could be provided at cost plus a 3% margin and there would be no set up costs. Operational costs were fixed but the cost of energy fluctuated so the tariff could be changed at a tariff review meeting each month or could be changed less regularly i.e. up to every three months.

- 2.18 This service was only available to councils, social housing providers and community groups. The model was independent from national policy and was strongly supported by government. OVO would launch one partnership per month from March 2015. The first partnerships would be with Cheshire East Council, Peterborough City Council and Southend-on-Sea. OVO had 300 potential partners, 150 of which were councils.
- 2.19 OVO planned to be at the forefront of the move to smart meters which provided better, real-time data, smarter homes and enabled more customer engagement as well as flexible payments. OVO would remove prepayment meters from those who signed up and were currently using them and replace these with smart meters. These could be used in a similar way to prepayment meters or could be topped up using a phone if the resident had set up a link to their bank account. If the person was a low credit risk, they could be moved onto a standard tariff.
- 2.20 The lead in time for setting up a scheme with OVO was two months. Councils signed up for a five year contract and residents signed up for one year. OVO would manage debt collection and the liability of debt would sit with them. The cost of managing the debt would be included in the tariff. Energy companies could only offer four tariffs but Ofgem had given OVO an exemption so each partner could set its own four tariffs with one of these at a variable rate. It was possible that a subsidised tariff could be set up for vulnerable residents and another for those willing to pay a premium to benefit the community. Councils could register void properties to receive a council energy supply.
- 2.21 OVO had passed the Energy Companies Obligation threshold which meant it had to spend a certain amount of money on energy efficiency improvements which met certain criteria. It would spend this money with partners.
- 2.22 The energy supplied by energy companies contained on average 15% renewable energy. OVO's target was 30%. OVO helped support and supply local zero carbon power and reduce bills. If the council generated energy e.g. solar energy or CHP, this could be used in the supply of energy.

### Repowering London

- 2.23 Repowering was a not-for-profit co-operative which specialised in co-producing community owned renewable energy, mentoring and fuel poverty. It was a community benefit society which delivered social outcomes and it was registered with the Financial Conduct Authority.
- 2.24 Repowering work included:
- reducing CO2 emissions by generating decentralised low-carbon energy
  - tackling fuel poverty and educating residents about energy efficiency
  - promoting local leadership through community engagement and ownership
  - providing opportunities for local and responsible financial investment
  - creating training, internships and employment opportunities for local people
  - encouraging behaviour change

- 2.25 Repowering's vision was to create resilient, empowered communities that controlled and owned the generation and usage of renewable energy and to promote and facilitate the wide scale development and local ownership of renewable energy projects across London.
- 2.26 The services provided by Repowering included technical, financial, legal and administrative expertise needed to deliver projects. It also offered a range of guidance, advisory and project management services. It provided access to a network of potential investors to assist the financial backing for a community-owned renewable energy project and it specialised in community engagement. A 20 year lease to the co-operative was required to ensure longevity and payback. Management costs were built into the project costs. However these could be reduced by the community taking on a management role.
- 2.27 £165 million left Islington each year in energy bill payments and £13 billion left London each year. Repowering had installed 500 kilowatts peak (kWp) of community owned renewable energy, saving almost 200 tonnes of CO<sub>2</sub> per annum. It had delivered a series of energy advice sessions, community events, home energy audits and energy surveys. Many people did not know how to claim fuel poverty credits. Door knocking was used to engage residents. Specific programmes were held for the unemployed, young people and to upskill professionals. Under the Repowering scheme, the community invested in the renewable energy co-operative and the co-operative installed new renewable energy on local buildings. The technology generated an income which was used to pay into a community energy efficiency fund, an annual dividend for shareholders and covered the administration costs. Each investor had one vote.
- 2.28 Individuals who had invested received a return on their investment. There were no direct savings on energy bills from the energy produced. Energy bills could be reduced by energy switching and draught-proofing. Draught-proofing resulted in a 40% reduction in energy bills.
- 2.29 95% of funding for projects was raised from local people within 1½ miles from the scheme. If shareholders wanted to sell their shares, they sold them back to the co-operative rather than transferred them to another individual as the shares were non-transferable and could not be sold on the open market. If community engagement dropped below a certain level, door knocking would be increased to engage and consult the community.
- 2.30 Intermediaries did not generate energy so they had to buy it. Repower could work with intermediaries to provide energy. There were a number of intermediaries Repower could work with and the options were being considered.
- 2.31 Repower had run a course for residents on how to use their boilers. This was run in community centres and if residents preferred, they would be visited in their homes to be shown how to use their boilers.
- 2.32 The council could be a shareholder of a community energy co-operative. Investors included tenant management organisations (TMOs), councils and local residents. Repowering's first social enterprise scheme was in Brixton and investment just came from local residents. Stakeholders included schools, installation companies, residents and the council. Inputs included project management, financial modelling, community engagement, legal and IT expertise, public relations and marketing. Outcomes were related to wellbeing.
- 2.33 Lambeth Council had funded a community energy officer for a two year programme to increase energy resilience and security. Although the council provided the funding for the officer, the scheme was not a council run scheme. It collaborated with a not for profit organisation called Repowering London. There were three community-owned solar projects on social housing estates in Brixton and this was the first inner city scheme of its kind.



£180,000 had been raised from the local community and there was a £50,000 community fund. 10 apprenticeships had been set up for young people from estates.

- 2.34 The programmes undertaken in Brixton allowed people to invest in their community. Residents were consulted and then a programme was delivered in line with the consultation results. A solar energy project had taken place on Banister Estate, Hackney. This estate had 15 blocks, all with flat roofs. There were 340 residents. Repowering did not just undertake solar projects and other renewable projects could be undertaken. There were many buildings in Islington where solar panels could be installed. Projects on bigger estates were the most effective.
- 2.35 Barriers to community energy schemes included the Financial Conduct Authority changing the way it dealt with co-operatives and changes to the distribution of funding through the Community Infrastructure Levy (CIL).
- 2.36 Hackney Council had provided £40,000 seed funding plus officer time and procurement advice for a community energy pilot on an estate. The chosen estate had an active Tenants' and Residents' Association and the scheme was installed at the same time as a roof renewal programme. The scheme resulted in community development and cohesion. As part of the last project, 15 young people had been given internships and had then gone on to full time employment or education. Hackney had a long term community energy strategy which included a link to health and wellbeing work.

#### Plymouth Energy Community

- 2.37 Plymouth Energy Community was a cooperative formed in 2013. It was owned and run by its members. It aimed to negotiate a better price for energy for local people; address the challenges of fuel poverty, including for those on the lowest incomes; increase renewable energy in Plymouth; provide advice on energy issues; and reinvest its profits locally.
- 2.38 Plymouth Energy Community aimed to get the best deal through a group switch. Work was done with energy suppliers to achieve the best deal for customers. All participants were offered the best deal for them individually. The process was managed by a broker who was independently assessed for ethics and transparency. Beneficial offers were provided for all meters, including prepayment meter users and support was provided for people in debt.
- 2.39 In the future, Plymouth Energy Community would continue to negotiate better electricity and gas deals, it would continue to offer advice on any energy efficiency grants available, there would be opportunities for the community to invest in solar energy on community buildings and other initiatives could be undertaken subject to demand.

#### Nottingham City Council

- 2.40 Nottingham had a long history in municipal energy. It had a district heating scheme in 1970s and was now one of the more energy sufficient cities with high local generation. There was large scale photovoltaic solar installation with 2,300 homes equipped with solar panels over the last three years. The council paid for, installed and maintained the solar panels and retained the feed-in tariff with the residents getting electricity. The scheme included both social housing and private sector housing.
- 2.41 Nottingham City Council would be extending the solar panel scheme to 3,000 additional homes from 2015. Once this was complete, 5,300 out of approximately 150,000 homes in the city would have solar panels. Whereas the feed-in tariff for the first 2,300 homes had

been secured when it was at the highest rate, the feed-in tariff for the next 3,000 homes would be at the lower rate. Nottingham City Council had set up an in-house installation team of accredited installers. This reduced costs and created jobs. Most of the homes with solar panels were three bedroom semi-detached houses. Lower income areas were targeted. The first solar panel scheme in Nottingham outperformed by £120,000 per year and the additional money went into the council's general fund. Following this scheme, it was decided that more panels should be put on each roof.

- 2.42 In Nottingham, 12% of the energy demand was met from Combined Heat and Power (CHP) and 3% was met from a waste plant. The district heating scheme included a council office building, offices, a hotel, an apartment block, a concert venue and a biosite. The scheme provided a more secure supply than the national grid would. There were four means of supplying buildings and many were willing to pay a premium for this. The district heating scheme was controlled by the council and run as a limited company.
- 2.43 There was a new energy park in Nottingham and planning consent had been given for a 160,000 tonne gasification plant. This could as much as double Nottingham's energy generation capacity. Other councils paid Nottingham to take their rubbish and Nottingham had a large commercial waste business. Waste disposal costs were minimal. Emissions were monitored.
- 2.44 To reduce fuel poverty, Nottingham City Council set up a fully licensed energy company by buying a pre-accredited licensed company. This was quicker to set up than if the council set up the company itself. The council had approved the first year's operating costs of £11 million. The company had to use the national grid and pay transmission and distribution costs as it only had one block with private wire and extending this would be too expensive. The cost model showed that Nottingham's energy company was likely to be one of the cheapest suppliers on the market. Nottingham had found a meter asset provider who would enable the council to rent or pay for the use of smart meters and a smart meter pre-payment system would be put in place. Pre-payment smart meters were being installed and those in fuel debt were signposted to advice centres and were helped to manage their debt. Nottingham would not sell debts to debt collection agency. The first three stages of debt collection were undertaken by the council and if these were not successful, a debt collection agency would be used, although the council would retain control. A fixed fee would be agreed for each stage and there would be an agreed set of principles.
- 2.45 In the first year, Nottingham had 50,000 customers, in the second year the figure rose to 150,000 and in the third year it was 250,000. Although Nottingham City Council would trigger ECO Energy Company Obligations once it reached the criteria for this, this would provide the local authority with the opportunity to invest.
- 2.46 Nottingham would become the first local authority energy company. Most of the day-to-day running of Nottingham's Energy Services Company was undertaken in-house and six managers managed the project. At the moment, Nottingham was undertaking controlled market entry. This meant a small number of customers were being taken on to prove the processes worked. In October 2015, this would be rolled out. Other councils could use Nottingham's white label offer. Nottingham could provide four tariffs and the other council could label and promote them to residents. Nottingham had spent £1.5m on systems to enable this to happen and for other councils to capitalise on the work Nottingham had done. This approach would also create local jobs e.g. call centres, when the number of residents using this supply reached a certain volume.
- 2.47 Switching to the Nottingham supplier saved a typical household £200 per year. The council had a tool on its website so potential customers could see how much they could save by switching.

### **3. Conclusion**

- 3.1 The Community Energy Scrutiny Review heard evidence about a number of community energy schemes across the country and heard from a variety of witnesses about the various ways in which community energy schemes and council schemes could be undertaken.
- 3.2 The Committee hoped the recommendations would improve community energy work in the borough to improve outcomes for residents.

#### **APPENDIX – SCRUTINY INITIATION DOCUMENT**

<b>SCRUTINY REVIEW INITIATION DOCUMENT (SID) DRAFT</b>
Review: <b>Community Energy</b>
Scrutiny Review Committee: <b>Environment and Regeneration</b>

Director leading the Review: <b>Kevin O’Leary</b>
Lead Officer: <b>Lucy Padfield</b>
Overall aim:  <b>To explore and understand the community energy options available for Islington, their respective opportunities and issues, and make recommendations on their relevance for the borough.</b>
Objectives of the review: <ul style="list-style-type: none"> <li>• <b>To understand the benefits and risks to Islington of the different community energy models</b></li> <li>• <b>To learn from examples of established projects in other councils and communities across the UK.</b></li> <li>• <b>To specifically understand the overarching theme of their impact on fuel poverty and energy efficiency.</b></li> </ul>
Scope of the Review  Types of evidence will be assessed by the review:  1. The proposed suggested structure of the witness evidence is as follows:  <b>October</b> - Introduction and overview: Written evidence in advance – Setting the scene DECC community Energy Strategy (awaiting response) – Presentation by external speaker  <b>November or December</b> - Impact on fuel poverty and energy efficiency improvement: Forum for the Future ( <i>agreed to speak however time TBA</i> ) – Research findings on role of community Energy in alleviating fuel poverty. Community Engagement (in Islington) – Andrew Ford <i>OR</i> Camden?  <b>December or February</b> - Energy supply and resilience: OVO Energy and/or one of their Local Authority partners (to be approached)  <b>March</b> - Ownership, funding and revenue structures of potential schemes: Crowd funding – Julia Grove (to be approached) – Presentation by external speaker Finance and Legal – Owen Darracott and Ramani Chelliah, LBI  2. Suggest visits to – <ul style="list-style-type: none"> <li>• <b>Bristol - CSE</b> – Bristol Community Energy and possibly also <b>Bristol City Council (TBC)</b> – Setting up an ESCo and seed funding for community energy projects (December)</li> <li>• <b>Hackney or Repowering London</b> - contribution of the Repowering London model to skills, job creation and economic growth in the borough (Jan/Feb)</li> </ul>

**Report of: Chair of the Housing Scrutiny Committee**

Meeting of	Date	Ward(s)
Executive	21 April 2016	All
<b>Delete as appropriate</b>		Non-exempt

## **Subject: Capital Programming – Recommendations from the Housing Scrutiny Committee**

### **1. Synopsis**

- 1.1 This report requests that the Executive receive the recommendations of the Housing Scrutiny Committee, following completion of the Capital Programming review. A response to the recommendations set out in the report will be considered at a future meeting of the Executive.

### **2. Recommendations**

- 2.1 That the report of the Housing Scrutiny Committee be received.
- 2.2 That the Executive Member's response be reported to a future meeting of the Executive, including having due regard to any relevant implications of the Housing Scrutiny Committee's recommendations.

### **3. Background**

- 3.1 The Committee commenced the review in September 2014 with the overall aims of investigating how contractors are selected; looking at opportunities for using local labour; and exploring who determines what works are undertaken
- 3.2 In carrying out the review the Committee received evidence from officers, the council's capital works contractors and residents. The Committee considered matters related to the cost of the programme, procurement methods, planning and prioritisation, and resident engagement and satisfaction.

## **4. Implications**

### **4.1 Financial Implications**

The proposals in the review need to be costed before a response is made by the Executive.

### **4.2 Legal Implications**

Relevant legal implications will be considered as part of the response to the review.

### **4.3 Environmental Implications**

There are no environmental implications at this stage. Any environmental implications will be identified as part of the Executive Member response.

### **4.4 Resident Impact Assessment**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The Committee has had regard to any equalities implications and resident impacts identified by witnesses during the course of the review. Details of any such implications are set out in the appended report. A Resident Impact Assessment has not been completed as the Executive is only asked to receive the report at this stage. The impact on residents will need to be fully considered as part of the Executive Member response to the review, at which point a Resident Impact Assessment will be completed if required.

## **5. Conclusion and reasons for recommendations**

- 5.1 The Committee heard evidence about different procurement methods, the cost of the programme, tenant and leaseholder satisfaction and the ways in which capital works could be used to improve the quality and quantity of local employment opportunities. Recommendations have been made where the Committee consider that improvements can be made.

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## **Capital Programming**

# **REPORT OF THE HOUSING SCRUTINY COMMITTEE**



**London Borough of Islington  
February 2016**

## EXECUTIVE SUMMARY

### Capital Programming

#### Aim

- To investigate how contractors are selected;
- To look at opportunities for using local labour;
- To explore who determines what works are undertaken.

#### Evidence

The review ran from September 2015 until January 2016 and evidence was received from a variety of sources:

1. Presentations from council officers  
Damian Dempsey, Group Leader, Quantity Surveyors  
Aiden Stapleton, Consultation and Asset Manager  
Andrew Hunter, Programme Manager (Housing Investment)
2. Documentary evidence  
Guarantee documents  
Key performance indicators for capital works contractors  
Building inflation data and associated analysis  
Residents' Improvement Taskforce Major Works Consultation Report and Action Plan  
Results of major works telephone survey  
Summaries of ward councillor case work  
Information on Mears' social value work, satisfaction survey form and technical diagrams.
3. Information from witnesses  
Theo Petrou, Mears Group  
Islington Leaseholders Association  
Residents in attendance

#### Main Findings

The capital programme covers a variety of maintenance and improvement works to the council's housing stock. The most common works are carried out through the cyclical improvement programme. Properties are assessed on a seven year rolling cycle to identify possible external repair works, communal decorations, and any expired components such as roofs and windows. Maintenance and improvement works are then carried out by the council's capital works contractors, Breyer Group and Mears Projects, as required.

The two contractors were selected following a competitive tender process carried out in accordance with European public procurement rules. The tender submissions were evaluated against a 70% cost, 30% quality evaluation criteria as value for money was paramount to the selection process. Contractors were required to submit their prices against the National Schedule of Rates; these prices then became the agreed schedules of rates once the contracts were awarded. The contracts were awarded in 2010 for a four year term, with the council having the option to extend the contracts for two additional three year periods.

The capital works contractors are responsible for the ensuring the works are carried out to the agreed standard, including the selection of sub-contractors to carry out the works on site. The Committee queried if more could be done by the council to encourage the use of certain sub-



contractors, which may be preferred due to the quality of their work, their positive relationships established with residents, and their use of local labour. It was suggested that the council should increase its role in the selection and monitoring of sub-contractors.

The Committee considered the contractual relationship between the council and its capital works contractors. The capital works contracts are 'design and build' contracts, through which the contractor both designs and carries out capital works. This is intended to achieve value for money by delegating the council's responsibility for designing works and saving on professional consultancy fees. The contractor's role as a designer is reflected in the cost of works.

The Committee heard that, to foster a more collaborative partnership approach, the council had dispensed with penalty clauses for its current capital works contracts, which would require contractors to compensate the council and residents in certain circumstances. Although the council appeared to have positive working relationships with its contractors, the Committee thought this to be an unnecessary risk which could potentially damage the relationships between the council, contractors and residents, and recommended that such penalty clauses be reinstated when the capital works contracts are re-tendered. It was also recommended that appropriate incentives be explored to reward and encourage exceptional performance.

The Committee considered matters relating to social value. The Committee welcomed the social value work of Mears and suggested that social value should be considered further in future procurement activity. It was suggested that the service work with the council's Commissioning and Procurement Board to consider how social value can be maximised when procuring future contracts.

The Committee considered the cost of the capital programme in detail, noting that the contracts were let at a low point in the market and there had been significant price inflation in the construction industry since this point. The Committee concluded that it was likely the council was achieving value for money on the capital works programme, however it was not possible to state this definitively without market testing works under the full-range of procurement options. Of greater concern to the Committee was the future position when the capital works contracts are to be re-tendered. Given the proposed 1% annual reduction in social rents over the next four years, the Housing Revenue Account is due to decrease by £15million by 2020, by which point the capital works contracts will need to be re-tendered. Meanwhile, the Royal Institution of Chartered Surveyors estimate that construction tender prices will rise by 28% over the next five years.

This increasing gap between the available financial resources and the cost of capital works is concerning and the Committee recommended that all procurement options be investigated to ensure the greatest possible value for money when the contracts are to be re-tendered. It may be that greatest value can be achieved through a Term Partnering Agreement, procuring works in smaller lots, or excluding certain works from the contract and carrying them out in-house.

Given the council's increasingly limited financial resources, it suggested that the seven year cyclical programme may have to be amended to an eight or nine year basis, or even a non-specific timescale. The Committee emphasised that a detailed evaluation of the impacts of any service change would be required, however the capital works programme should be flexible and based on the life-cycles of components. It was considered vital that residents are involved in shaping the future of the service.

The Committee considered tenant and leaseholder satisfaction. The available evidence indicated overall satisfaction with the capital programme. The Committee was encouraged by recent surveying carried out in-house before, during and after works and recommended that this be continued and expanded.

The Committee received evidence from the Islington Leaseholders Association which indicated dissatisfaction with the council's practices in regards to billing for capital works and transparency surrounding the schedules of rates. It was concluded that further work was required to increase the accessibility and transparency of leaseholder service charges for capital works and the council should seek to discontinue the use of commercial sensitivity clauses relating to the schedules of rates when tendering for future capital works contracts.

The Committee considered the level of consultation with residents and overall found this to be sufficient; however the Committee agreed that further work was required to increase engagement. It was reported that there was generally a low level of attendance at initial 'scope of works' meetings, and that areas without tenants and residents associations tended to have a lower level of response to consultations. The Committee suggested that greater engagement with area housing offices and further publicity may help to increase engagement.

The Committee considered that appointing resident inspectors could increase transparency and resident engagement. It was suggested that the council could engage with TRAs and other resident groups to identify suitable candidates.

Whilst the Committee was encouraged that both contractors were meeting the contractual targets for local employment, it was queried how the capital works programme could be used to provide further local employment and increase the skills of residents. Given the scale of the council's capital works programme, there is an opportunity for the quantity and quality of local employment opportunities to be increased through the programme. The programme could be used to implement the recommendations of the Employment Commission, including offering local jobs, creating strong links between education and business, and offering flexible employment, especially to the long-term unemployed. The capital works programme provides an opportunity for skilled employment and apprenticeships to be offered to residents at a local level, even on their own estate.

The Committee also suggested that the council could establish some in-house capability for carrying out planned maintenance works. This would not only contribute to local employment and skills, but could generate savings as in some instances it may be more efficient to carry out works outside of the capital works contracts.

The Committee identified other possible service improvements, including the integration of council and contractor data, and opportunities for income generation.

## **Conclusions**

The Committee found that the capital works contractors were selected through an open tender process. Tenants and leaseholders were involved in the selection of contractors, and it is considered that the current contracts are likely to be achieving value for money. Recommendations have been made to improve the council's capital programming through greater involvement in the selection and monitoring of sub-contractors, introducing penalty clauses and incentives into contracts, and exploring alternative procurement options when the contracts are due to be re-tendered. The council and residents must be confident that the capital programme is achieving best value and all delivery options, such as separating works into smaller lots or carrying out some works in-house, should be considered when the current contracts end.

Both capital works contractors are using a greater proportion of local labour than required by the contractual target. Whilst this is encouraging, the Committee would support further work in this area, as there is an opportunity for capital works to increase the quantity and quality of local employment opportunities and help to implement the recommendations of the Employment Commission.

In addition, the Committee suggested that the council could establish some in-house capability for carrying out planned maintenance works. This would not only contribute to local employment and skills, but could generate savings as in some instances it may be more efficient to carry out works outside of the capital works contracts.

The Committee evaluated planning and prioritisation processes, including consultation with residents. Although these processes were found to be comprehensive, recommendations have been made to increase resident engagement, particularly in areas without tenant and resident associations. It was also acknowledged that as financial resources decrease, plans and priorities may have to change. In particular, the sustainability of the seven-year cyclical improvement programme may have to be evaluated. The Committee is particularly concerned about the cost of capital works increasing as the council's financial resources are decreasing. The possible impacts of this could be significant and it is vital that tenants and leaseholders are consulted on any future service changes.

The Committee also considered matters relating to transparency, resident satisfaction and communication during works and after completion. Recommendations have been made where the Committee consider that improvement can be made in these areas.

In carrying out the review, the Committee met with officers, contractors, and members of the public to gain a balanced view. The Committee would like to thank witnesses that gave evidence in relation to the scrutiny. The Executive is asked to endorse the Committee's recommendations.

## **Recommendations**

1. In future capital works contracts, the council should consider increasing its role in the selection and monitoring of sub-contractors, to ensure that those contractors which carry out high-quality work, establish positive relationships with residents and use local labour are preferred over those with recorded performance issues.
2. That penalty clauses be reinstated into future capital works contracts to ensure appropriate recourse in the event of performance issues, and incentives be explored as a means of improving performance.
3. That the council further consider social value matters when procuring capital works contracts.
4. Given the financial challenges facing the council, all procurement options be explored to ensure that best value is achieved when the capital works contracts are due to be re-tendered. The council should consider if the greatest value can be obtained through term partnering agreements, procuring works in smaller lots, or carrying out certain works in-house.
5. To assist in the future procurement of capital works, consideration be given to establishing a benchmarking club with other London local authorities, to ensure best practice on contractual, financial, and performance matters.

6. In order to continue gauging satisfaction and identifying performance issues, the council should continue and expand the pilot survey of residents before, during and after capital works.
7. That further work be carried out to increase the accessibility and transparency of leaseholder service changes for capital works, and the council seek to discontinue the use of commercial sensitivity clauses relating to the schedules of rates when tendering for future capital works contracts.
8. With a view to increasing resident engagement and transparency, resident inspectors be appointed to review capital works as they are being carried out. It is suggested that the council engage with TRAs, TMOs and other resident groups on this matter.
9. The seven-year basis of the cyclical improvement programme be reviewed to ensure that the greatest value for money is achieved. It is suggested that the basis of any capital works programme should be flexible and based on the life-cycles of components.
10. Following previous resident involvement in the selection of capital works contractors, tenants and leaseholders should continue to be involved in decisions about procurement and the future of the service.
11. To improve the response to capital works consultations, the council seek to engage further with tenants and leaseholders, particularly those in areas without TRAs which tend to have a lower response rate to consultations.
12. The council seek to use the capital works programme to increase the quantity and quality of local employment opportunities and implement the findings of the Employment Commission.
13. Consideration be given to establishing an in-house capability to carry out a proportion of planned maintenance works, subject to consultations with labour unions.
14. Future capital works contracts should require property data compiled by contractors to be held in an accessible format to enable integration into the council's own ICT systems. The contracts should stipulate that all such data is owned by the council.
15. The service explore opportunities for income generation, such as providing contractors with on-site facilities on a commercial basis.

## MEMBERSHIP OF THE HOUSING SCRUTINY COMMITTEE – 2015/16

### **Councillors:**

Councillor Michael O'Sullivan (Chair)  
Councillor David Poyser (Vice-Chair)  
Councillor Raphael Andrews  
Councillor Alex Diner  
Councillor Aysegul Erdogan  
Councillor Mouna Hamitouche MBE  
Councillor Una O'Halloran  
Councillor Flora Williamson

### **Co-opted members:**

Rose-Marie McDonald – PFI Managed Tenants  
Jim Rooke – Directly Managed Tenants

### **Substitutes:**

Councillor Gary Heather  
Councillor Olly Parker  
Councillor Alice Perry  
Councillor Gary Doolan  
Councillor Rakhia Ismail  
Councillor Jenny Kay  
Councillor Angela Picknell  
Councillor Nurullah Turan

### **Acknowledgements:**

*The Committee would like to thank all the witnesses who gave evidence to the review.*

### **Officer Support:**

*Damian Dempsey – Group Leader, Quantity Surveyors  
Jonathan Moore – Democratic Services*

## 1. Introduction

- 1.1 The Committee commenced the review in September 2014 with the overall aims of: investigating how contractors are selected; looking at opportunities for using local labour; and exploring who determines what works are undertaken.

The Committee also agreed to the following objectives:

- To identify the different types of capital works carried out;
  - To evaluate how the council's capital works contractors are procured;
  - To consider the costs associated with the capital works programme;
  - To measure the satisfaction of tenants and leaseholders with capital programming;
  - To consider how works are planned, prioritised, and communicated to tenants and leaseholders;
  - To consider if capital works can be used to drive local employment;
  - To identify any areas for improvement.
- 1.2 In carrying out the review the Committee met with officers and a representative of Mears Projects, one of the council's capital works contractors. The Committee also considered ward councillor casework, the views of the Islington Leaseholders Association, and evidence relating to resident engagement and satisfaction.

### Local context

- 1.3 Islington Council is landlord to over 35,000 homes. Around 25,000 are managed directly by the council; around 3,800 are managed by tenant management organisations and co-operatives, and just over 6,300 are managed by Partners for Improvement in Islington under PFI contracts. Around 9,000 are leasehold properties.
- 1.4 The Capital Programme Delivery Team is responsible for the maintenance and improvement of all directly-managed properties and the majority of works to tenant managed properties. The team is not responsible for capital works to properties managed under PFI contracts, and some tenant management organisations have responsibility for cyclical redecorations.
- 1.5 In 2010 the council appointed two contractors, Breyer Group and Mears Projects, to carry out capital works on its behalf. The contracts were awarded for a maximum ten year period. Whilst the council retains responsibility for managing the capital programme and authorising works, the contractors and their sub-contractors are responsible for designing and carrying out works.

## 2. Findings

### The different types of work carried out

- 2.1 The capital programme covers a variety of maintenance and improvement works to the council's housing stock. The most common works are carried out through the cyclical improvement programme. Properties are assessed on a seven year rolling cycle to identify possible external repair works, communal decorations, and any expired components such as roofs and windows. Maintenance and improvement works are then carried out by the council's capital works contractors as required.
- 2.2 Works are not carried out unless the council's technical officers consider them to be necessary. In some instances this may mean carrying out works at eight or nine year intervals as opposed to the usual seven year cycle. Components are not replaced if their useable life can be extended

through repairs.

- 2.3 The capital programme also includes mechanical works (domestic and communal gas boilers, communal ventilation), electrical works (domestic electric re-wires, communal and estate lighting, CCTV maintenance, door entry systems and lifts), water works (dry risers, boosted water sets, sprinklers and water tanks) and other miscellaneous works such as the replacement of smoke detectors and TV aerials and various fire safety works. Consideration is given to national guidance where applicable; for example, fire safety works are carried out in light of guidance issued by the Local Government Association. The Committee noted that guarantees were given for components when they were installed, which provided protection against defects in materials.
- 2.4 The capital works team is also responsible for the replacement of kitchens and bathrooms. The Decent Homes Standard, a national policy framework which sets minimum standards for social housing, requires these to be replaced at intervals of 30 years and 40 years respectively; however the council currently replaces these at lesser intervals, 20 years for kitchens and 30 years for bathrooms.
- 2.5 The Committee noted that as the council faces greater financial pressures in coming years it may not be able to continue carrying out capital works at the same intervals. In particular, the council may need to review the appropriateness of the seven year cycle and consider replacing kitchens and bathrooms at the statutory standard intervals. A further evaluation of financial matters is set out later in this report.

#### Procurement

- 2.6 The Capital Programme Delivery Team procured two contractors, Breyer Group and Mears Projects, to carry out works on its behalf. The two contractors were selected following a competitive tender process carried out in accordance with European public procurement rules. This required the advertisement of the tender process across Europe through the OJEU. All of the council's works contracts valued over £4,322,012 are required by law to be advertised in this way.
- 2.7 Tender submissions were evaluated against a 70% cost, 30% quality evaluation criteria as value for money was paramount to the selection process. In accordance with the industry-standard procurement process, contractors were required to submit their prices against the National Schedule of Rates, with the council indicating the most commonly recurring items of works in the procurement pack. These prices then became the agreed schedule of rates once the contracts were awarded.
- 2.8 The contracts were awarded in 2010 for a four year term, with the council having the option to extend the contracts for two additional three year periods, making the total length of the contract up to ten years if contractors perform to a satisfactory standard. During the review, the council was in the middle of the second contract extension and was to consider if a further extension was appropriate towards the end of 2016.
- 2.9 The Committee considered the relative merits of different procurement methods. Procuring two primary contractors to carry out works against agreed schedules of rates over a period of several years means that each works project is not required to be tendered individually. Given the scale of the capital works programme, this is intended to achieve considerable cost and efficiency savings over the duration of the contact in terms of economies of scale and officer time. Officers suggested that procuring works on an individual basis would likely require a dedicated procurement team, which would be more costly.

- 2.10 However, the Committee queried if greater value could be obtained by procuring works on a smaller scale. The large scale and European-wide advertisement of the capital works contracts means that only the largest international contractors are able to bid for works. The Committee speculated that such firms may charge comparatively more than smaller, local firms; especially as a significant role of the contractor is the management of works, with actual work on site often carried out by smaller sub-contractors appointed on their behalf. Further consideration of this matter is detailed later in the report.

#### Procurement: The use of sub-contractors

- 2.11 The capital works contractors are responsible for ensuring the works are carried out to the agreed standard, including the selection of sub-contractors. The Committee commented on the limited control the council has over sub-contractors. Although councillors and residents reported positive experiences of some contractors and negative experiences of others, such feedback has limited influence over which sub-contractors are selected to carry out further works. Although the council may communicate feedback to the capital works contractors, ultimately the contractors are responsible for their own supply chain.
- 2.12 The Committee queried if more could be done by the council to encourage the use of certain sub-contractors. It was recommended that the council should consider increasing its role in the selection and monitoring of sub-contractors, to ensure that those contractors which carry out high-quality work, establish positive relationships with residents and use local labour are preferred over those with recorded performance issues.
- 2.13 The Committee raised some initial concerns regarding the multiple sub-letting of contracts. It was advised that specialist works may on occasion require sub-contractors to further sub-contract works, however such instances were rare and this practice was generally discouraged by the Council.

#### Procurement: Contractual conditions

- 2.14 The Committee considered the contractual relationship between the council and its capital works contractors. The capital works contracts are 'design and build' contracts, through which the contractor both designs and carries out capital works. This is intended to achieve value for money by delegating the council's responsibility for designing works and saving on professional consultancy fees. The contractor's role as a designer is reflected in the cost of works.
- 2.15 The council has a Term Partnering Agreement with each contractor which specifies the schedule of rates, the types of works anticipated to be carried out, and the blocks/estates these works are to be carried out to. The Committee heard that it was previously commonplace in the building industry to have an adversarial relationship between contractors and clients; however following the government-commissioned Latham and Egan reports in the 1990s, there was a national culture-shift towards building trusting relationships between contractors and clients. The Committee heard that, to foster a more collaborative partnership approach, the council had dispensed with penalty clauses for its current capital works contracts, which would require contractors to compensate the council and residents in certain circumstances.
- 2.16 The Committee also considered the use of retention clauses. It was advised that Mears had a 5% retention clause with some of its sub-contractors; however the council did not have a similar arrangement with its capital works contractors. Retention clauses allow the contract commissioner to retain a proportion of the cost of the works for a given period in order to rectify any problems arising at a later date.
- 2.17 Officers and contractors were keen to emphasise that capital works are a partnership between the contractor and the council. Officers noted that contractors had voluntarily agreed to pay



compensation and carry out additional remedial works when required. An example was given of an occasion where incorrect paint was used in decorating due to an oversight in the specification. On this occasion it was agreed that the supplier would provide the correct paint and the contractor would provide labour at no additional cost.

- 2.18 Even though the contractors had agreed to pay compensation when works had not met performance standards, there was no contractual condition requiring this to be paid. Although the council appeared to have positive working relationships with its contractors, it was possible that this may not always be the case in future. The Committee thought this to be an unnecessary risk which could potentially damage, not support, the relationships between the council, contractors and residents, and recommended that such penalty clauses be reinstated when the capital works contracts are re-tendered. It was also recommended that appropriate incentives be explored as a means of improving performance.

#### Procurement: Social Value

- 2.19 The Committee considered matters relating to social value. Social value includes the social, economic and environmental well-being of the borough, and could include the use of local labour, the employment of apprentices, engaging with young people, and contributing to community activities. The Committee heard that a priority of Mears was to achieve social value through its work; from April 2015 to January 2016 Mears had participated in 11 social value activities and had calculated the 'in kind' value of its contribution as £1,725,734. Mears was a Living Wage employer and offered flexible working hours to staff where appropriate. Mears had also worked with the council to provide employment opportunities for those with learning difficulties, helped to provide employability skills to young people and adults, and actively participated in community events.
- 2.20 The Committee welcomed the social value work of Mears and recommended that social value should be considered further in future procurement activity. It was suggested that the service should work with the council's Commissioning and Procurement Board to consider how social value can be maximised when procuring future contracts.

#### Cost

- 2.21 The costs of carrying out capital works are fixed in accordance with the contractual schedules of rates. Rates are subject to an annual inflationary increase, which is derived from the September Retail Price Index figure released by the Office for National Statistics. The Committee noted the average annual cost of the service was £35.65 million.
- 2.22 The Committee heard evidence that leaseholders are particularly concerned about the cost of works, as they are responsible for a proportion of the cost of works to their properties through the payment of service charges. Although it was speculated if greater value could be achieved by procuring works on a different basis, such as separating contracts into lots and tendering on a smaller scale, it was not possible for the Committee to come to a definitive conclusion on this for several reasons.
- 2.23 Whilst it is certainly true that tendering for overarching works contracts in accordance with European Union public procurement regulations is a time-consuming and costly process, officers suggested that the alternative, tendering for each capital project individually or grouping similar works together and procuring on a smaller scale, would be more expensive due to the resources required to manage regular procurement exercises. Officers commented that not using a Term Partnering Agreement would probably require an increase in the professional fees charged against each contract by the Capital Programme Delivery Team; and indicated that the legality of splitting contracts which would otherwise be subject to public procurement regulations would

need to be explored. Officers also commented that procuring each project individually could be to the detriment of some leaseholders; under the Term Partnering Agreements all leaseholders pay according to the same costs, whereas higher tender costs would otherwise be expected for low-rise blocks and street properties, which would expose leaseholders in those properties to higher service charges.

- 2.24 The Committee questioned if greater value could be achieved by appointing smaller, more local firms to carry out works as opposed to large contractors. Whilst large contractors have well-established supply chains and preferred sub-contractors, the Committee speculated that directly appointing these sub-contractors to carry out works would save on a level of management. Smaller contractors may also be more open to price negotiation, and could be incentivised to carry out works to a high-standard at a low cost if works were procured more regularly on a smaller scale.
- 2.25 The Committee had intended to benchmark the council's costs against other local authorities and housing providers; however this did not prove to be possible. There is no London-wide benchmarking of capital works being carried out by local authorities, and it was noted that the circumstances and priorities of each organisation vary considerably depending on their available budget, the standard and age of their housing stock, and the contractual arrangements of each organisation. For this reason no meaningful comparison could be made to the costs of other capital works programmes.
- 2.26 However, officers provided evidence which suggested that the current capital works contracts were providing significant value for money in comparison to current market rates. The contracts were tendered in 2010 and accordingly the schedules of rates are fixed to the prices tendered at that time, subject to the annual inflationary increase. The Committee noted that this was a particularly low point in the construction market and prices have increased considerably since. The RPI-linked annual increases to the schedule of rates have been significantly lower than the industry inflation rate, as monitored by the Building Costs Information Services Tender Price Index for the London region (BCIS TPI). This regional measure of inflation is produced for the Department for Business Innovation and Skills and the data considered by the Committee (October 2014) measured inflation at 37.5; more than 20 points higher than RPI at 14.34.
- 2.27 The Committee considered the economic reasons for the significant increases in construction prices since 2010, the primary reasons being rising material and labour costs and increased demand and market confidence. Furthermore, it was reported that due to the high demand for construction work in London contractors were becoming increasingly project selective, basing their tendering decisions on available resources, client relationships, the complexity of the work and the perceived likelihood of a successful bid. In general, there is a hesitancy to tender for works where contractors are expected to accept significant risks.
- 2.28 The inference from this data is that the council is currently obtaining value for money from the capital works contracts. Whilst officers did not have in-depth knowledge of the contractors finances, it was explained that the substantial difference between the contractual rates and current market rates would have eroded the profit margins of the council's contractors, and that tendering for works individually at the prices the council is currently paying would be an unattractive proposition for most contractors.
- 2.29 In consideration of the above information, the Committee considered that it was likely the council was achieving value for money on the capital works programme, however it was not possible to state this definitively without market testing works under the full-range of procurement options. Of greater concern to the Committee was the future position when the capital works contracts are to be re-tendered. Given the proposed 1% annual reduction in social rents over the next four years, as set out in the government's Welfare Reform and Work Bill, the Housing Revenue Account is

due to decrease by £15million by 2020, by which point the capital works contracts will need to be re-tendered. Meanwhile, the Royal Institution of Chartered Surveyors estimate that construction tender prices will rise by 28% over the next five years.

- 2.30 This increasing gap between the available financial resources and the cost of capital works is particularly concerning and the Committee recommended that all procurement options be investigated to achieve value for money when the contracts are to be re-tendered. It may be that greatest value can be achieved through a Term Partnering Agreement, procuring works in smaller lots, or excluding certain works from the contract and carrying them out in-house. It was also recommended that consideration be given to establishing a benchmarking club with other London local authorities to ensure best practice on contractual, financial and performance matters.

#### Tenant and Leaseholder Satisfaction: Overall Impression

- 2.31 The Committee considered two reports on resident satisfaction. The first was the Residents' Improvement Taskforce Review of Major Works Consultation carried out in 2013/14. This review was carried out by residents and was previously reported to the Housing Executive in 2014. The report made a number of recommendations relating to the clarity, quality, timing and consistency of information given to residents; and sustaining good communication with residents whilst on site and ensuring quality after care. The Committee scrutinised the action plan arising from the report, which was last reviewed in September 2015 and indicated that all actions arising from the report were being met.
- 2.32 The second report detailed the results of the Major Works Telephone Survey Pilot Scheme. The Housing Service previously commissioned an external provider to survey resident satisfaction following the completion of capital works, however in August and September 2015 a simpler survey was carried out in-house which surveyed residents before, during and after works were completed.
- 2.33 The results of the survey were presented on an individual-estate basis. It was found that all households surveyed at Adams Place and the Miranda Estate were given the opportunity to discuss works before they commenced. Although a lesser number attended the public consultation meeting, all of those in attendance found the information to be helpful. During the works on the Mayville Estate and Whitehall Mansions, all households surveyed reported satisfaction with the works and the information provided by both the council and the contractor, however it was noted that this was from a smaller sample size of only five households. Findings following the completion of works at the New River Green Estate and the Elthorne and Hillside Estate were more mixed, with the majority of feedback being positive, however a proportion of respondents reporting the site clean-up and politeness of contractors to be poor.
- 2.34 The Committee suggested that regularly carrying out such surveys could be a useful tool in gauging satisfaction and identifying possible problems with capital works. The importance of communicating feedback to contractors and officers was emphasised; as any problems identified before or during works were possible to be rectified. It was recommended that in-house surveying be continued and expanded to ensure that surveys are fully representative.

#### Tenant and Leaseholder Satisfaction: Leaseholder Service Charges and Transparency

- 2.35 The Committee received evidence from the Islington Leaseholders Association which indicated dissatisfaction with the council's practices in regards to billing for capital works and transparency. During the review the Leaseholders Association was in a dispute with the council about the publication of the schedule of rates, which was classified by the council as commercially sensitive and therefore not for publication.

- 2.36 The Leaseholders Association submitted their own report to the Committee as evidence which included a history of contracting matters, an overview of public procurement and transparency issues, and a number of suggested recommendations. The Leaseholders Association contested that the council's procurement process worked against the interests of leaseholders. It was suggested that, through the use of large-scale term partnering agreements and the consequential EU procurement processes, the choice of contractor is limited to the largest contractors. It was suggested by the Leaseholders Association that this was a barrier to competition as it excluded smaller contractors from applying for works. It was thought that smaller contractors could carry out works at a lower cost, especially as these contractors were already appointed as sub-contractors to carry out works on site.
- 2.37 The Leaseholders Association queried the level of commercial sensitivity applied to the contractors schedules of rates and contested that without access to the schedule of rates it was impossible to ascertain if leaseholders were receiving value for money. The Leaseholders Association suggested that the schedules of rates should be available on the council's website to enable leaseholders to calculate their own service charge bill. There was an uncertainty from the Leaseholder Association about billing for capital works; it was thought that leaseholders could be being billed inaccurately, or being charged unreasonable prices for works. In response, officers noted that the cost of works was fixed in the schedules of rates. It was also noted that residents were involved in the evaluation of contractors during the procurement process. Officers advised that if leaseholders wished to challenge the works carried out to their property, then a challenge must be made on the scope of the works and not the cost, which is determined by the schedule of rates.
- 2.38 Officers noted that work was underway to make leaseholder bills for capital works more accessible, however advised that disclosing schedules of rates was not appropriate. It was commented that schedules of rates were technical documents and were not presented in a format which was easily accessible to members of the public. As a result, officers suggested that disclosing the schedules would not necessarily be helpful to leaseholders in calculating their own service charge bills, a point contested by the Leaseholder Association.
- 2.39 The Committee considered the arguments for and against disclosure of the schedules. It was concluded that further work was required to increase the accessibility and transparency of leaseholder service charges for capital works and the council should seek to discontinue the use of commercial sensitivity clauses relating to the schedules of rates when tendering for future capital works contracts.
- 2.40 One recommendation set out in the report from Islington Leaseholders Association was to appoint resident inspectors to review works during construction. The Committee agreed that such an initiative could increase transparency and resident engagement and recommended that this be implemented. It was suggested that the council could engage with TRAs and other resident groups to identify suitable candidates.

#### Tenant and Leaseholder Satisfaction: Other matters

- 2.41 The Committee considered witness evidence submitted by councillors. Members commented on casework, noting instances of delayed works, breakages and incomplete works, however this did not match contractors' experiences of capital works. For example, Mears consistently received a resident satisfaction rating of over 93%.
- 2.42 It was thought that this discrepancy could be partially attributable to sign-off processes; as although it may appear that works are completed when contractors leave the site, works are not formally completed until sign-off has been received from the council and this can take up to two

months. On occasion the council had delayed completion until remedial works were carried out to a higher standard. It was commented that this motivated contractors to carry out these works quickly as guarantee policies did not commence until works had been signed-off.

- 2.43 It was suggested that the survey form used by Mears was not sufficiently detailed to capture resident complaints; however contractors had separate complaints processes and complaints were regularly reviewed by the council and the contractor as a part of the performance monitoring process.
- 2.44 The Committee reviewed a complaint submitted by a leaseholder in 2012 which raised concerns about the level of consultation, the accuracy of surveys, and insufficient information relating to costs being communicated to leaseholders. In addition, the ward councillor queried how works were scoped and costed. Officers had responded to the resident at the time and offered further explanation to the Committee at the meeting. Although this complaint was submitted some time ago and had since been resolved, it was an example of misunderstanding regarding the cost of the capital works programme.

### Planning and Prioritisation

- 2.45 The council's limited financial resources require the careful management, planning and prioritisation of capital works. The Committee reviewed how works are planned and prioritised, and the systems, policies and procedures which inform this process.
- 2.46 The capital programme is guided by information held on properties in a database. This includes data obtained from previous maintenance and improvement works and stock condition surveys. The most recent large-scale stock condition survey was undertaken in 2010 by an external consultancy firm. Stock condition surveys provide an indication of the life expectancy of building components, and therefore help to identify when they may require replacing. Component life expectancy forecasts are updated annually as capital works are completed, which helps to calculate the level of investment required in housing stock in future.
- 2.47 Data from the stock condition survey informs the 30 year Housing Revenue Account Business Plan which details the level of resources required to invest in housing stock. The current Business Plan covers the period 2013-43, however is likely to require revision given the government's proposed reductions to social rents. The Housing Revenue Account is required to be self-financing and the council cannot subsidise financial shortfalls in housing from the general fund.
- 2.48 As the Business Plan confirms the financial basis for the capital programme, the Housing Asset Management Strategy sets out the approach the council will take to investing in its homes and estates. The overall aim of the Strategy is to maintain and improve the council's housing stock to provide places where people want to live, while delivering value for money to residents. The Strategy helps the council to prioritise different types of works in accordance with council priorities and the works which are considered to achieve the most positive and long term benefit. The main areas of investment detailed in the strategy are: the interior of our homes; making homes energy efficient; ensuring homes are free of damp and problem condensation; the exterior of our homes; and communal areas and our estates.
- 2.49 The Asset Management Strategy is used to formulate the Housing Investment Plan, which includes the seven year cyclical investment programme. Annual works programmes are derived from this Plan.
- 2.50 As detailed elsewhere in this report, works are only carried out when necessary and on technical officer recommendations. The decisions of technical officers are informed by the stock condition survey, repair histories and local knowledge. If works are deferred from the seven year rolling

programme they are typically carried out no later than ten or eleven year intervals. The seven year cycle begins from the completion date of the previous project.

- 2.51 The Committee discussed the workings of the capital programme with officers in detail and queried if the quality and quantity of works was tailored to the available budget, or if the annual budget was tailored to the required works. In response it was explained that works were planned up to three years in advance and as a result officers could both contribute to the annual budget setting process whilst also having regard to savings requirements.
- 2.52 The Committee commented on the council's increasingly limited financial resources and suggested that, in order to achieve savings, the seven year cyclical programme may have to be amended to an eight or nine year basis, or even a non-specific timescale. It was recommended that the programme be reviewed to ensure that the greatest value for money is achieved.
- 2.53 Officers advised that due to financial restraints the service was already prioritising maintenance over improvement works and the Committee accepted that this may have to be the basis for future works programmes. The Committee emphasised that a detailed evaluation of the impacts of any service change would be required, however the capital works programme should be flexible and based on the life-cycles of components.
- 2.54 Vulnerable people did not receive priority for capital works as these were carried out on an estate-by-estate basis; however officers did carry out home visits to assess if accessibility adaptations were required, such as walk-in showers and lower level cupboards. Officers also liaised with the high-value repairs team to assist in the scheduling of works to properties which require emergency repairs.

#### Communication and Consultation: In procurement

- 2.55 The Committee heard that residents were involved in the selection of the capital works contractors, with tenants and leaseholders involved in interviewing and assessment of contractor presentations. The Committee emphasised the importance of involving tenants and leaseholders in decisions about procurement and the future of the service. Given the increasing financial pressures on the council and the significance of the capital works programme, it was considered vital that residents are involved in shaping the future of the service.

#### Communication and Consultation: On specific works

- 2.56 Under the capital works contracts, each individual project is known as a 'task order'. Before each task order is carried out, the council consults with tenants and leaseholders to help establish which works are required to each block/estate. The council also has a statutory duty under Section 20 of the Landlord and Tenant Act to consult with leaseholders, as they are liable for part of the cost of capital works through service charges. Officers in area housing offices and the repairs and maintenance team are also asked to provide information on required works.
- 2.57 At the start of the consultation process, a resident consultation meeting is held known as a 'scope of works' meeting. At these meetings residents are presented with details of the works proposed to be carried out (what is required and why), how long it will take to carry out, and who to contact for further information.
- 2.58 Following this meeting, the council considers information gained from residents, reviews the repairs history and building technical information and carries out surveys which enable a scope of works to be compiled. Once the scope is completed, the statutory consultation with leaseholders commences in which they have 30 days to make representations to the council as landlord.

- 2.59 Leaseholders are written to and advised of the scope and indicative cost of the works. Leaseholder consultation meetings are then held which detail the scope of the works, the affected properties, approximate timescales, contact details for the project team, details of how to submit representations and payment arrangements. The Committee reviewed a presentation given at a Section 20 meeting and noted that it included photographs where possible to explain the required works, which was considered helpful.
- 2.60 The Committee was encouraged that consultation and communication continued as the works progressed, with a Pre-Start Residents' Meeting taking place two weeks before works commence, and regular newsletters from the contractors during the works. Satisfaction surveys are then carried out after works are completed.
- 2.61 Overall the Committee found the level of consultation to be sufficient; however agreed that further work was required to increase engagement. It was reported that there was generally a low level of attendance at initial 'scope of works' meetings and that areas without tenants and residents associations tended to have a lower level of response to consultations. The Committee recommended that the council seek to engage further with these groups. It was suggested that greater engagement with area housing offices and further publicity may help to increase engagement.
- 2.62 Elected members received a monthly update on capital works in their ward. This was welcomed and members queried if further information could be provided.
- 2.63 Following comments from leaseholders that the council did not give sufficient consideration to representations made on the cost of works, the Committee queried the council's response to consultation. In response officers advised that the cost of works was fixed under the capital works contracts; and any representations must instead challenge the scope of the works. The Committee concluded that some such representations may be avoided if the council's leaseholder billing process was more transparent.

#### Local Labour

- 2.64 One objective of the review was to consider the extent to which contractors used local labour. Given the scale of the capital works programme, it was suggested that the use of local labour could increase resident employment and provide valuable skills in the borough.
- 2.65 The importance of local labour was already recognised by the council, as 'percentage of local labour' and 'use of local/BME firms' were included as contractual key performance indicators, which were reviewed quarterly. The Committee considered the performance indicators for September 2015, which found that Breyer was using 37.8% local labour and Mears was using 48%, both above the contractual target of 35%. It was also found that Breyer was using six local/BME firms and Mears was using three.
- 2.66 The Committee received witness evidence from Mears at the January 2016 meeting. Mears appreciated Islington's commitment to local labour and sought to employ local people as far as possible. The Committee was pleased that Mears had employed six local apprentices, however queried if this number could be increased. In response, it was reported that there were a limited number of opportunities available through planned works contracts as the majority of works on site were carried out by sub-contractors. As a result, apprenticeship opportunities were limited to positions such as administration, resident liaison, site management and surveying, and the current number of six apprentices was considered appropriate for Mears' needs.

- 2.67 It was known that the sub-contractors carrying out works on site offered apprenticeships, however detailed information on sub-contractor staffing arrangements was not available. Anecdotal evidence suggested that the majority of local staff were labourers as opposed to tradespeople. The Committee queried if Mears could contractually require sub-contractors to take on a given amount of local trade apprentices to carry out works. In response, it was advised that imposing such conditions would be unfair as Mears was not able to guarantee the volume of works to sub-contractors; however Mears did informally negotiate with sub-contractors and encourage them to offer apprenticeships in return for works.
- 2.68 Whilst it was encouraging that that both contractors were meeting the targets for local employment, the committee queried how the capital works programme could be used to provide further local employment and increase the skills of residents. Given the scale of the council's capital works programme, the Committee considered that there is an opportunity for capital works to increase the quantity and quality of local employment opportunities and help to implement the recommendations of the Employment Commission; including offering local jobs, creating strong links between education and business, and offering flexible employment, especially to the long-term unemployed. The capital works programme provides an opportunity for skilled employment and apprenticeships to be offered to residents at a local level, even on their own estate.
- 2.69 Following the example of the in-house responsive repairs service, which is providing apprenticeships and skilled work to local people, the Committee recommended that the council consider establishing some in-house capability for carrying out planned maintenance works. This would not only contribute to local employment and skills, but could generate savings as in some instances it may be more efficient to carry out works outside of the capital works contracts. It was thought that the experience of directly carrying out works could also assist the council in procuring capital works in future; as officers would have a greater understanding of the costs and considerations which would be applicable to contractors.

Other improvements: Integration of data

- 2.70 Other possible service improvements were identified. The Committee considered how contractors recorded the works carried out and noted that diagrams were often completed by hand. A signed copy of every document was provided to the council and stored on a database, however it was suggested that such data could be held in a more accessible format which allowed for easy integration into the council's own ICT systems. This would assist the council in maintaining a comprehensive history of work carried out to a property and would contribute to future maintenance and repair works. It was recommended that the contracts should stipulate that all such data is owned by the council.

Other improvements: Generating income by assisting contractors with site set-up

- 2.71 The Committee noted the facilities which contractors required on-site to carry out capital works; fencing, portable toilets, signage, storage, and so on. As similar facilities were required for every capital works project, it was suggested that the council could seek to generate income by providing these facilities to contractors on a commercial basis. In some cases, facilities such as toilets and storage may already be available in the local area and could be available for hire at no additional cost to the council.



### 3. Conclusions

#### How contractors are selected

- 3.1 The Committee found that the capital works contractors were selected through an open tender process. Tenants and leaseholders were involved in the selection of contractors and it is considered that the current contracts are likely to be achieving value for money. Recommendations have been made to improve the council's capital programming through greater involvement in the selection and monitoring of sub-contractors, introducing penalty clauses and incentives into contracts and exploring alternative procurement options when the contracts are due to be re-tendered. The council and residents must be confident that the capital programme is achieving best value and all delivery options, such as separating works into smaller lots or carrying out some works in-house, should be considered when the current contracts end.

#### Opportunities for using local labour

- 3.2 Both capital works contractors are using a greater proportion of local labour than required by the contractual target. Whilst this is encouraging, the Committee would support further work in this area, as there is an opportunity for capital works to increase the quantity and quality of local employment opportunities and help to implement the recommendations of the Employment Commission; including offering local jobs, creating strong links between education and business, and offering flexible employment, especially to the long-term unemployed.
- 3.3 In addition, the Committee suggested that the council could establish some in-house capability for carrying out planned maintenance works. This would not only contribute to local employment and skills, but could generate savings as in some instances it may be more efficient to carry out works outside of the capital works contracts.

#### Who determines what works are undertaken

- 3.4 The Committee evaluated planning and prioritisation processes, including consultation with residents. Although these processes were found to be comprehensive, recommendations have been made to increase resident engagement, particularly in areas without tenant and resident associations. It was also acknowledged that as financial resources decrease, plans and priorities may have to change. In particular, the sustainability of the seven-year cyclical improvement programme may have to be evaluated. The Committee is particularly concerned about the cost of capital works increasing as the council's financial resources are decreasing. The possible impacts of this could be significant and it is vital that tenants and leaseholders are consulted on any future service changes.

#### Other conclusions

- 3.5 The Committee also considered matters relating to transparency, resident satisfaction and communication during works and after completion. Recommendations have been made where the Committee consider that improvement can be made in these areas.
- 3.6 In carrying out the review, the Committee met with officers, contractors, and members of the public to gain a balanced view. The Committee would like to thank witnesses that gave evidence in relation to the scrutiny. The Executive is asked to endorse the Committee's recommendations.

<b>SCRUTINY REVIEW INITIATION DOCUMENT (SID)</b>
Review: Capital Programming
Scrutiny Review Committee: Housing Scrutiny Committee
Director leading the review: Simon Kwong
Lead Officers: Christine Short and Damian Dempsey
Overall aim: To investigate how contractors are selected; to look at opportunities for using local labour; to explore who determines what works are undertaken.
<p>Objectives of the review:</p> <ul style="list-style-type: none"> <li>• To identify the different types of capital works carried out</li> <li>• To evaluate how the council's capital works contractors are procured</li> <li>• To consider the costs associated with the capital works programme</li> <li>• To measure the satisfaction of tenants and leaseholders with capital programming</li> <li>• To consider how works are planned, prioritised, and communicated to tenants and leaseholders</li> <li>• To consider if capital works can be used to drive local employment</li> <li>• To identify any areas for improvement</li> </ul>
<p>How is the review to be carried out:</p> <p>Scope of the Review</p> <p>The review will focus on:</p> <ol style="list-style-type: none"> <li>1. Capital Works <ul style="list-style-type: none"> <li>• The types of capital works carried out</li> <li>• Planning processes and asset management data base</li> <li>• How capital works are prioritised</li> <li>• Who determines what works are undertaken</li> </ul> </li> <li>2. Procurement of Contractors <ul style="list-style-type: none"> <li>• Procurement processes</li> <li>• Types of contract available</li> <li>• The quality of completed works and guarantees</li> <li>• Comparisons with other local authorities and registered providers</li> </ul> </li> </ol>

3. Local Labour

- Conditions contained within contract
- How much local labour is currently used
- Other options available to encourage this

Types of evidence:

1. Documentary evidence including

- Contextual report/presentation
- Service policies and strategies
- Service evaluations and performance indicators

2. Witness evidence including

- Officer presentations
- Representatives of the Council's capital works contractors
- The views of tenants, leaseholders and ward councillors, including unmediated written evidence

3. Possible site visit

Additional Information:

None.

Programme

Key output:

To be submitted to Committee on:

1. Scrutiny Initiation Document

13 July 2015

2. Draft Recommendations

26 January 2016

3. Final Report

29 February 2016

## Housing Scrutiny Committee – Work Programme: Capital Programming

7 September 2015		
Who / What	Organisation / Purpose	Other key information
Damian Dempsey, Group Leader, Quantity Surveyors – Report / Presentation	Report providing introductory information on several areas set out in the SID.	To include: <ul style="list-style-type: none"> <li>the different types of work carried out,</li> <li>how capital works contractors are procured,</li> <li>the roles of the council acting as a client and a delivery team,</li> <li>how works are communicated to tenants and leaseholders,</li> <li>the overall costs of the service.</li> </ul>
Guarantee policies and other written evidence	Providing information on the guarantees received on capital works, roofs, windows, cavity wall insulation, etc.	
Key performance indicator data	To provide the Committee with the latest performance indicator data; to discuss the usefulness of this data; and to consider how the performance of the service can be best evaluated.	To include the known levels of local employment used by the capital works contractors, in accordance with SID.
8 October 2015		
Who / What	Organisation / Purpose	Other key information
Tenants and leaseholders	To inform the Committee of their views on capital programming. In particular, how works are planned, prioritised and communicated.	The views of tenants and leaseholders to be received through – <ul style="list-style-type: none"> <li>Residents' Improvement Taskforce Major Works Consultation (January 2014) and up-to-date action plan.</li> <li>Results of major works telephone survey (September 2015).</li> <li>Summaries of ward councillor case work.</li> </ul>
Ward councillors		

Andrew Hunter, Programme Manager (Housing Investment) and Aiden Stapleton, Consultation & Asset Manager – Report / Presentation	To advise the Committee on how the Council's housing assets are managed and how capital works are planned and prioritised.	
Updated key performance indicator data	To provide the Committee with the updated performance indicator data; to discuss the usefulness of this data; and to consider how the performance of the service can be best evaluated.	To include the known levels of local employment used by the capital works contractors, in accordance with SID.
Building inflation data	To provide a general overview of inflation in the building trade, and how this has increased since the capital works contracts were let in 2010.	

#### 16 November 2015

Who / What	Organisation / Purpose	Other key information
Building inflation data	Further detail and analysis of the building inflation data considered at the previous meeting.	

#### 26 January 2016

Who / What	Organisation / Purpose	Other key information
Theo Petrou – Mears Projects (Representative of the council's capital works contractor)	Mears Projects. To provide the Committee with the contractor's perspective of the council's capital programming.	Contractors may be able to compare their experiences of working with other local authorities, the different types of contract they carry out, further information on their use of local labour, and their own planning, prioritisation and communication processes.  To include comparisons with other local authorities capital programmes.

#### Key dates:

Draft recommendations: 26 January 2016

Final report: 29 February 2016

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**Report of:** Executive Member for Housing and Development

Meeting of:	Date	Ward(s)
Executive	21 April 2016	All

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## **SUBJECT: Communal heating scrutiny review – Executive member response to proposed recommendations**

### **1. Synopsis**

- 1.1 On the 7<sup>th</sup> September 2015 the Executive received a report from the Environment and Regeneration Scrutiny Committee concerning Communal Heating. The report highlighted five recommendations to further improve the communal heating service.

### **2. Recommendations**

- 2.1 To agree to qualitative research into the potential impact of heat meters.
- 2.2 To agree to refund heating charges after two days (rather than three) of failure to provide heating
- 2.3 To increase compensation by £6 a day during periods of failure of the system to cover the additional cost of electric heating.
- 2.4 To note the improvements in communicating with residents about effective use of communal heating.
- 2.5 To note the council will continue to seek Energy Company Obligation (ECO) funding.
- 2.6 To note the council's response to the EU Energy Efficiency Directive.

### **3. Background**

- 3.1 In November 2014 the Environment and Regeneration Scrutiny Committee commissioned a review of the Communal Heating service. The aim of the review was to consider the benefits and shortfalls of communal heating and to explore what improvements could be made to address any shortfalls of the service.
- 3.2 The review also considered other areas associated to communal heating such as the cost comparison between communal heating and an individual heating service, compensation for tenants when there is a loss of a communal heating, resident communication on communal heating and heat metering.

3.3 The committee issued a final report on the 7th of September 2015 which included five recommendations.

## 4. Response to recommendations

4.1 **That qualitative research be carried out to ask different groups of residents, such as those in work and those at home during the day, how they would use their heating if heat metering was introduced.**

4.2 During the course of the scrutiny review there was a perception that the provision of a communal heating service did not always encourage residents to be energy efficient. There was a concern that residents did not always feel this was their responsibility and resident evidence provided during the scrutiny indicated a disconnect between actions of the individual and the overall cost of energy for communal heating.

4.3 There was a concern that resident behaviour could contribute to unnecessary energy consumption which could in some way be offset if residents were more familiar with how best to use the communal heating system.

4.4 It was highlighted that some resident groups could benefit more from the introduction of heat metering. The expectation is that further research into this area will allow the council to have an improved understanding of resident expectations for communal heating. Further qualitative research in this area would therefore be beneficial and is recommended over the next 12 months.

4.5 **That consideration be given to amending the policy on refunding heating charges following a loss of communal heating service, where charges would be refunded to tenants following a loss of heating for two consecutive days instead of three consecutive days. Consideration should also be given to increasing compensation to reflect the increased cost of temporary electric heating provided, which would be above that of the usual communal heating costs had no disruption taken place**

4.6 A refund for loss of heating applies when the landlord controlled heating supply fails during the recognised heating season for 3 consecutive days or more. Refunds are based on the weekly heating charge made to the resident. The recommendation is to amend this policy to allow for a refund to be paid following loss of heating for two consecutive days

4.7 The onus is on the council to provide heating and where the council fails to meet this obligation the resident should be compensated. The absence of heating for elderly or frail residents could have grave implications and should, where possible, be avoided. A 2 day (48 hours) cut off to replace a 3 day cut off to refund charges is therefore not unreasonable and should be agreed by the council.

Year of transaction	Credit Amount	Count of Transactions
2014 – 2015	£5855.83	301
2015 - 2016	£103.49	3
TOTAL	£5959.32	304

Table 1

Refunds provided where communal heating has broken down between 2014 - 2016

4.8 **Compensation - The current policy**

Compensation payments are awarded in recognition of inconvenience caused to residents. Payments are set out as detailed under Islington Council's payment schemes and are normally paid where there has been a loss of service for 3 consecutive weeks or more.

4.9 **Compensation - Legal Framework**

There is no legal requirement to pay compensation to residents. It is, however good practice and in line



with government policy on customer's rights to provide compensation when services fail to meet standards.

#### 4.10 **Heating or Hot Water Compensation**

Compensation is currently payable where the loss in supply occurs for 3 consecutive weeks or more as follows:

- for loss of heating\* for a landlord controlled system during the recognised heating season for residents
- for loss of hot water for a landlord controlled hot water systems for residents
- for loss of heating\* for an individual system for tenants
- for loss of hot water for an individual system except where a working emersion heater is available for tenants.

Compensation is payable at £1.40 per day for the loss of both heating and hot water; 90p per day is payable for the loss of hot water only or heating only.

\* except when alternative heating is supplied.

#### 4.11 **Compensation - The proposed recommendation.**

The scrutiny held that consideration should be given to increasing compensation to reflect the increased cost that the resident could incur should they require the use of temporary electric heating. This would be the cost over and above that which the resident would normally be charged on the communal heating system. The current policy is not to provide compensation when alternative heating is supplied. This would remain policy but the proposed recommendation is to pay the extra cost of temporary electric heating for the period the communal heating service was unavailable.

4.12 In relation to the increased cost it would not be unreasonable to pay compensation to reflect the additional cost that the resident has incurred by having to use a temporary electric heaters due to a failure in the communal heating service.

4.13 The daily heating consumption at one of Islington's communally heated flats is circa 37.8kWh Based on the average 2015 electricity cost in London of 15.86p/kWh, this would result in a cost of £6.00 per day in order to provide the same level of heat just using replacement electric heaters. A differential cost could be calculated by deducting the daily heating charge from this amount. In practice residents are unlikely to heat the entire property to an equivalent temperature when using replacement heaters. The recommendation is therefore for this amendment to be adopted.

4.14 That work take place to improve communication with residents on communally – heated estates about the responsible use of communal heating systems.

4.15 The scrutiny identified that the role of the end user for communal heating is sometimes overlooked on communal heating systems. Residents can also sometimes underestimate the role they play in obtaining best efficiencies from their communal heating system. Clearly this is an inaccurate perception as energy costs are always passed back to residents and there is always a requirement on the part of the residents to use the communal heating system in a way which maximises the effectiveness of the system.

4.16 Anecdotal evidence and evidence provided by residents during the scrutiny highlighted a poor understanding of how communal heating systems work and the system components that residents can use to obtain the most from the system. The inference was that better communication with residents on the communal heating system would help improve the understanding of communal heating and what can be done to avoid unnecessary energy wastage.

4.17 Responsible use of the communal heating system will help limit energy wastage. This would take the form of improved communications with residents following major works undertaken through the M&E capital programme whereby residents are now provided with user-friendly reference material on the key parts of the system and how they are best used.

- 4.18 The communication team have also produced information leaflets about communal heating. There are 3 different versions of the leaflet targeting residents according to the type of heating system and the heating controls. The council's objectives is to promote the advantages of communal heating and to educate residents and staff on how to use communal heating. The leaflets explain to residents the advantages of communal heating and what they can do to have better control over the heating of their homes. Briefings and training sessions for key Housing staff are also due to be provided.
- 4.19 As part of the communication strategy on communal heating, there has also been a feature in the resident and staff magazines, targeted training for residents at Kings Square Estate (Celsius), as well as answers to Frequently Asked Questions (FAQs) on the council's website. Further training for residents and staff is planned as well as information for new movers using posters, and noticeboards on estates. This recommendation is therefore already in progress. The council also continues to take innovative approaches to improving resident comfort and system efficiency such as the smart energy approach on the Redbrick Estate
- 4.20 **That the council continues to apply for Energy Company Obligation (ECO) funding for appropriate schemes**
- 4.21 The Council's Energy Services Team is involved in securing, ECO grant funding towards a number of projects, improving the insulation levels and communal heating systems within the housing stock. Energy Services will continue to seek the maximum level of grant funding to support such projects, whether from ECO, any successor schemes to ECO, or other local or national sources of funding.
- 4.22 **That the council works towards meeting the EU Energy Efficiency Directive**
- 4.23 The EU Energy Efficiency Directive ('the Directive') came into effect in Autumn 2013. It includes directions on heat metering in communal and district heating systems with the aim of giving consumers better control over the heat they consume – so that overall consumption and hence carbon emissions are reduced. Implementation of the Directive is mandatory for EU countries.
- 4.24 Under the Regulations it is mandatory for heat network operators (such as Islington Council) to install heat meters in the following circumstances:
- Building level heat meters in all buildings served by district heating systems
  - Individual heat meters where a building served by a district heating system undergoes major renovation<sup>1</sup> that includes the renovation of the technical services of the building
  - Individual heat meters in all properties served by district or communal heating systems where technically and economically viable.
  - Individual heat meters in any new building served by a district heating system.

The EU Efficiency Directive has resulted in UK regulations requiring the mandatory installation of heat meters in certain circumstances.

The Heat Metering and Billing Regulations required building level meters to be installed by the end of 2016. Meter visibility and accuracy was required and bills would have to be linked to usage. The council had considered the implications of the 2014 EU Energy Efficiency Directive for Islington's Housing Service and has set aside funding for this work to be carried out in the M&E capital improvement programme.

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<sup>1</sup> Major renovation is defined as the renovation of a building where the total cost of the renovation relating to the building envelope or the technical building systems is higher than 25% of the value of the building, excluding the value of the land upon which the building is situated

## 5 Implications

### 5.1 Financial Implications

#### Refunds & Compensation

It is estimated that the recommendations in respect of **refunds** (to be initiated after a 2 day failure of supply instead of 3 days) and **compensation** (to increase compensation to reflect the increased cost that the tenant would incur should they require alternative electrical heating) will not give rise to a material increase in expenditure falling to the HRA, very likely to be no more than an extra £10k per annum. This is because recent history indicates that when they do occur breakdowns are rectified quickly.

### 5.2 EU Energy Efficiency Directive

Compliance (covering installation of building level meters in all buildings served by district/communal heating & the recalibration of existing individual heat meters every 10 yrs) has been estimated at an additional cost of £475k which has been included in the HRA's capital programme.

5.3 In relation to the recommendation regarding qualitative research into the impact of installing individual heat meters to all properties served by district/communal heating. It should be noted that if this were adopted the capital costs of installation would be significant i.e. a minimum of in the region of £2m. In addition, the cost of annual administration will be far greater than the administration of the current systems.

### 5.4 Legal Implications

The council has power to adopt the recommendations set out in this report under the general power of competence (Localism Act 2011, section 1). This power allows the council 'to do anything that individuals generally may do' provided that it is not something that is explicitly prohibited, restricted or limited by a statutory provision. The EU Energy Efficiency Directive (2012/27), was transposed into national legislation through the Heat Network (Metering and Billing) Regulations 2014 No. 3120. The requirements of these regulations in relation to heat metering are set out in the body of the report.

### 5.5 Environmental Implications

Communal heating has a lower environmental impact (e.g. in terms of carbon emissions) compared with individual heating systems due to the efficiencies of scale associated with a system providing heat to numerous dwellings as opposed to individual dwellings.

The report includes two recommendations that should reduce the environmental impact of the councils' communal heating systems. One is improved communications with residents about their communal systems, as better informed residents are less likely to waste heat, resulting in a more efficiently-operating system; the improved controls mentioned in section 4.2 should also improve system efficiency and reduce environmental impacts. The other is the recommendation that the council works towards meeting the EU Energy Efficiency Directive, which will enable better monitoring of energy use.

### 5.6 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 9 March 2016 and the summary is included below.

- The report recommendations are not considered to be discriminatory in any way for people with any of the protected characteristics.
- The report recommendations are not expected to have a negative impact on equality of opportunity for people with protected characteristics.
- The report recommendations are not expected to contribute to advancing equality of opportunity for people with protected characteristics.
- The report recommendations are not anticipated to have a negative impact on good relations between communities with protected characteristics and the rest of the population in Islington.
- Some of the report recommendations are expected to contribute to fostering good relations with service users i.e. Recommendation 4.5 and 4.14
- Some of the report recommendations are expected to improve the socio-economic circumstances of the service users. i.e. recommendation 4.5.

## 6 Conclusion and reasons for recommendations

6.1 This report details the Executive's response to the recommendations of the Housing Scrutiny Committee

**Final report clearance:**

**Signed by:**



**Executive Member for Housing and Development**

Date: 29 March 2016

**Report Author:** Garrett McEntee – Technical Services Manager

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Report of: **Executive Member for Housing and Development**

<b>Executive</b>	<b>Date: 21 April 2016</b>		<b>Ward(s): All</b>
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## **SUBJECT: Local Development Scheme 2016**

### **1. Synopsis**

- 1.1 The purpose of this report is to seek Executive approval for the revised Local Development Scheme (LDS). The LDS is the work programme which sets out how the Council will prepare and review its Local Plan and other planning guidance. Islington's adopted Local Plan comprises a number of separate Development Plan Documents including the Core Strategy, Development Management Policies, Site Allocations, Finsbury Local Plan and the North London Waste Plan (currently in preparation). The LDS also sets out which Supplementary Planning Documents (SPDs) will be prepared and/or reviewed over the next three years.
- 1.2 Local authorities are required by statute to prepare and maintain an up-to-date LDS. The Executive approved the last version of the Local Development Scheme in July 2015.
- 1.3 The LDS requires revision in order to set out the timescale for the review of the Core Strategy, and any necessary changes to other parts of the Local Plan. Amending the LDS will also allow the document to reflect the revised timetable for the North London Waste Plan. Furthermore, the revised LDS includes up-to-date timescales for the preparation of new or revision of existing Supplementary Planning Documents, such as Islington's Urban Design Guide.
- 1.4 Following enactment of the Localism Act 2012, the Council is no longer required to submit the LDS to the Mayor of London and Secretary of State prior to its approval. However, the Mayor and Secretary of State retain the ability to direct changes to the LDS for the purposes of ensuring effective coverage of the authority's area by the development plan documents taken as a whole.
- 1.5 The LDS describes how the Council will exercise its statutory plan-making powers. Extensive consultation is carried out on component parts of the Local Plan at key stages in their development. Publication of the LDS supports the Council's fairness priority as it gives residents advance notice of publication of planning documents, thus increasing their ability to participate in consultation.

## 2. Recommendations

- 2.1 To approve and bring into immediate effect the Local Development Scheme 2016 as set out in Appendix 1.

## 3. Background

- 3.1 Local planning authorities are required to prepare an up-to-date work programme called the Local Development Scheme (LDS). Its main purpose is to provide a mechanism for the local community to find out about Local Plan documents and planning guidance that the Council intends to review or produce over the coming three years. The LDS can be reviewed at any time.
- 3.3 Although the Council's Core Strategy was adopted in February 2011, prior to the introduction of the National Planning Policy Framework (NPPF) in 2012, it is still considered up-to-date and the Council has implemented and defended the policies contained in the Core Strategy largely successfully. The Council adopted the Finsbury Local Plan, Development Management Policies and Site Allocations in June 2013, which contain further detailed policies on how the Core Strategy will be delivered, and these have been fully tested against the NPPF. However, the Local Plan and the evidence behind it need to be kept up-to-date.
- 3.4 In addition, the planning system is currently undergoing significant reforms. These are being introduced via the Housing and Planning Bill 2016 and the associated regulations which are yet to be published, as well as through changes proposed to the National Planning Policy Framework which were consulted on between December 2015 and February 2016.
- 3.5 In light of the above, the Council intends to review the Core Strategy as well as parts of the other three elements of the existing Local Plan listed above. It is likely that the Core Strategy and the Development Management Policies will be merged into a single Plan, whilst the Finsbury Local Plan and the Site Allocations are likely to remain as stand-alone documents. During 2015 the Council focused on evidence gathering, which will be continuing throughout 2016 and into 2017. The Council will also commence the formal process of reviewing the Local Plan during 2016 with a view to have a revised Plan adopted by end of 2018/early 2019.
- 3.6 The revised LDS also includes up-to-date timescales for the preparation of new Supplementary Planning Documents, as well as for the review of the existing SPDs such as the Islington Urban Design Guide.

## 4. Implications

### 4.1 Financial implications:

The LDS is a three year work programme, which covers the period 2016 to 2018/19. The work programme set out in the LDS will be funded through the Planning and Development Division revenue budget. Some aspect of the LDS may need to be reprioritised and reprogrammed if the future budget is unable to support the full programme.

### 4.2 Legal Implications:

Planning and Compulsory Purchase Act 2004 S15 requires a local planning authority to prepare and maintain a local development scheme. The scheme must specify the local development documents which are to be development plan documents; the subject matter and geographical area to which each development plan document is to relate, which development plan documents are to be prepared jointly with one or more other local planning authorities and the timetable for the preparation and revision of the development plan documents.

To bring the scheme into effect, the local planning authority must resolve that the scheme is to have effect and in the resolution specify the date from which the scheme is to have effect.

#### 4.3 **Environmental Implications:**

The Local Development Scheme (LDS) itself is simply a work programme for the preparation of future Development Plan Documents and Supplementary Planning Documents, which will be subject to Sustainability Appraisal /Strategic Environmental Assessment (SA/SEA) requirements in due course. As such the LDS itself therefore does not have any environmental implications.

#### 4.5 **Residents Impact Assessment:**

The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

4.6 An RIA has not been completed for the LDS as it is a work programme document (i.e. it is not in itself a policy or programme). Each of the Local Plan and supplementary planning documents within the work programme will be subject to an RIA during their production.

### 5. **Conclusion and recommendations**

5.1 The revision of the Local Development Scheme is required in order to set out an updated timescale for the review of Islington's Local Plan, and for the preparation and review of Supplementary Planning Documents. It is recommended that the draft Local Development Scheme 2016 be approved and brought into effect immediately.

#### **Appendices**

- Appendix 1 - Local Development Scheme 2016

Final report clearance:

Signed by:



6 April 2016

Executive Member for Housing and  
Development

Date

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# Local Development Scheme

## April 2016



## 1 About the Local Development Scheme

- 1.1. Islington Council has a duty to maintain a statutory Local Plan, which is used to inform decisions on planning applications in the borough. It also has a duty to maintain an up-to-date **Local Development Scheme (LDS)**<sup>1</sup>.
- 1.2. The LDS is a formal work programme which identifies which planning documents the council proposes to produce over the next three years, and when these documents are expected to be consulted upon and adopted.
- 1.3. Islington Council has a Local Plan in place. Islington's Core Strategy was adopted in February 2011. The Council adopted the Finsbury Local Plan, Development Management Policies and Site Allocations in June 2013, which contain further detailed policies on how the Core Strategy will be delivered, and these three documents have been fully tested against the NPPF. However, the Local Plan and the evidence behind it need to be kept up-to-date.
- 1.4. This LDS sets out a timetable for a review of the Local Plan. In addition, it identifies when Supplementary Planning Documents/Guidance will be produced and reviewed. Indicative timetables for document preparation and review are provided in Appendices 1 and 2.

### What's in a Local Plan?

A Local Plan contains planning policies which are used to make decisions on planning applications.

A Local Plan is composed of one or more **Development Plan Documents (DPDs)**. These documents are subject to a statutory preparation and adoption procedure, including an Independent Examination.

**Supplementary Planning Documents (SPDs)** are used to elaborate on policies contained in DPDs. They are not part of the Local Plan. SPDs are prepared using a set procedure for public consultation, but do not undergo Independent Examination.

The **Statement of Community Involvement (SCI)** sets out minimum standards for community involvement in both plan making and in determining planning applications. It is not part of the Local Plan. Islington's current SCI was adopted in July 2006 and is currently being reviewed.

## 2 National and London-wide planning policy

- 2.1. The government published its National Planning Policy Framework (NPPF) in March 2012. This document sets out how councils should produce planning documents to guide the development and use of land within a local authority's boundary.

<sup>1</sup> Prior to the Localism Act 2011, the LDS was required to be approved by the Secretary of State. This is no longer the case.

- 2.2.** In 2011 the government introduced changes to the planning system through the Localism Act. This gave new powers to communities to produce Neighbourhood Plans (see Section 5 for details of neighbourhood planning in Islington).
- 2.3.** The Mayor of London produces, and regularly reviews, a Spatial Development Strategy for London (known as the London Plan). All London boroughs' Local Plans must be in general conformity with this document. The current London Plan, consolidated with a number of alterations made since 2011, was published in March 2016.

### 3 Islington's Local Plan

- 3.1.** Islington has an up to date Local Plan, which comprises the following documents:
- Core Strategy (February 2011)
  - Development Management Policies (June 2013)
  - Site Allocations (June 2013)
  - Finsbury Local Plan (previously the Bunhill & Clerkenwell Area Action Plan) (June 2013)
- 3.2.** The Policies Map (formally referred to as a Proposals Map) which forms part of the statutory development plan, and reflects policies, designations and allocations arising from the DPDs was also adopted in June 2013. The Unitary Development Plan (June 2002) was wholly superseded by the above four DPDs.
- 3.3.** A number of changes have been proposed to the current National Planning Policy Framework (NPPF) in a consultation document published in December 2015, and the revised NPPF is expected to be finalised later this year. In addition, the whole planning system is currently undergoing significant reforms. These are being introduced via the Housing and Planning Bill 2016 and the associated regulations and guidance.
- 3.4.** In light of the above, the Council is reviewing its Local Plan. It is likely that the Core Strategy and the Development Management Policies will be merged into a single Plan, whilst the Finsbury Local Plan and the Site Allocations are likely to remain as stand-alone documents. During 2015 the Council focused on evidence gathering, which will be continuing throughout 2016 and into 2017. The Council will also commence the formal process of reviewing the Local Plan during 2016 with a view to have a revised Plan adopted by late 2018/early 2019.
- 3.5.** An additional DPD – the North London Waste Plan – has been in preparation over the past few years in partnership with the London Boroughs of Barnet, Camden, Enfield, Hackney, Haringey and Waltham Forest. The seven boroughs submitted a draft version of the plan for Independent Examination in February 2012. Public hearings commenced on 12 June 2012, but were later suspended to enable the Inspector to consider whether the plan had met the Duty to Co-operate. On 31 August 2012, the Inspector issued his determination that the plan did not meet the Duty to Co-operate. The boroughs are now in the process of preparing a revised version of the plan.

- 3.6.** The Finsbury Local Plan applies only to the part of the borough indicated in Figure 1 below. Other elements of the Local Plan apply to the whole borough. It is possible that some amendments to the boundary of the area covered by the Finsbury Local Plan might be made during the plan review.
- 3.7.** An indicative timetable for reviewing elements of the Local Plan is provided in Appendix 1.

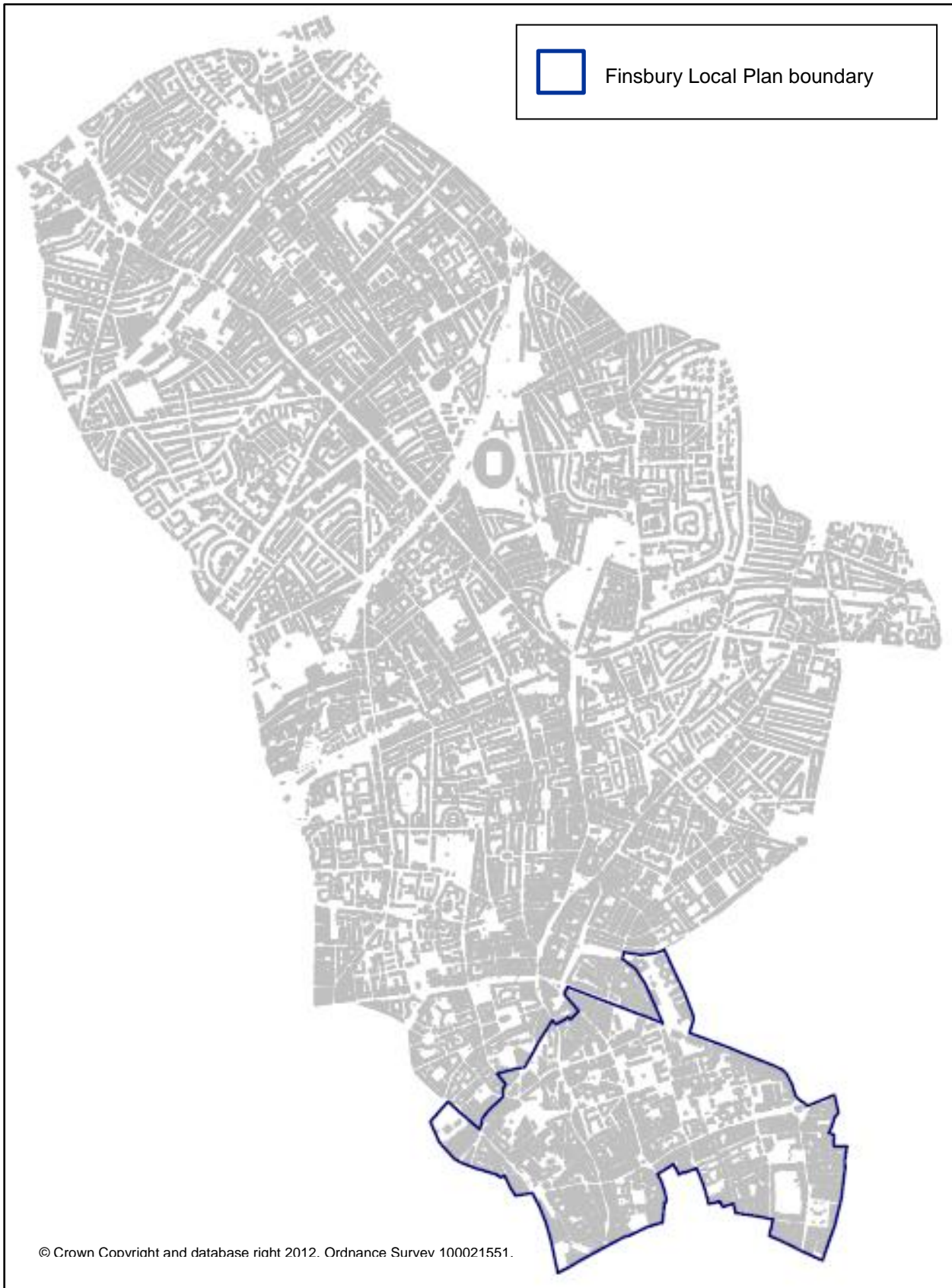


Figure 1: Geographical extent of Finsbury Local Plan DPD

### 4 Preparation and review of other planning documents

4.1. The following Supplementary Planning Documents and Statement of Community Involvement are extant (listed in order of adoption; most recent first):

- Development Viability (January 2016)
- Basement Development (January 2016)
- Preventing Wasted Housing Supply ( July 2015)
- Finsbury Park Development Framework ( March 2015)
- Finsbury Park Town Centre – Joint SPD by Islington, Hackney and Haringey (June/July 2014)
- Inclusive Design in Islington (Feb 2014)
- Cally Plan (January 2014)
- Planning Obligations (Section 106) - (Nov 2013)
- Student Accommodation Contributions for Bursaries (June 2013)
- Affordable Housing – Small Sites Contributions SPD (October 2012)
- Streetbook SPD (October 2012)
- Environmental Design SPD (October 2012)
- Mount Pleasant SPD (February 2012)
- Inclusive Landscape Design SPD (January 2010)
- Archway Development Framework SPD (September 2007)
- Nag's Head Town Centre Strategy SPD (May 2007)
- Urban Design Guide SPD (December 2006)
- Statement of Community Involvement (July 2006)
- King's Cross Neighbourhood Framework SPD (July 2005)

4.2. The following SPDs will be prepared or revised over the next three years:

- Location and Concentration of Uses (focusing on hot food takeaways, betting shops , pay day loan shops) (due to be adopted in April 2016)
- Urban Design Guide (revision to existing SPD)
- Planning Obligations (revision to existing SPD)
- Angel Town Centre
- Moorfields Eye Hospital
- Conservation Area Guidelines (to be replaced on an on-going basis, as necessary )

4.3. In addition to SPDs, a number of Planning Guidance Notes (PGNs) may be used in the planning decision-making process. In some cases the council has replaced or will be replacing previous PGNs with SPDs. An indicative timetable for preparation of all non-Local Plan documents is provided in Appendix 2 of this LDS.

## 5 Neighbourhood planning

- 5.1. As of early April 2016, four community groups have expressed interest in neighbourhood planning in Islington: King's Cross; Crouch Hill & Hornsey Rise; Archway; and Mount Pleasant). A Crouch Hill & Hornsey Rise *neighbourhood area* was formally designated by the council in November 2015. A *neighbourhood area* and a *neighbourhood forum* for Mount Pleasant were formally designated in February 2016.
- 5.2. Although the council provides guidance to community groups, Neighbourhood Forums are responsible for advancing neighbourhood planning in their areas and will work to their own timescales. Therefore, it is not possible to include timetables for preparation of any potential Neighbourhood Plan.

### Appendix 1: Indicative timetable for Local Plan documents currently being prepared / scheduled for review

Development Plan Document	Evidence gathering / preparation	Consult statutory bodies on scope of SA	Scope of the review consultation <sup>2</sup>	Publication of DPD and start of public consultation <sup>3</sup>	Submission to Secretary of State	Hearing sessions	Receipt of Inspector's report	Adoption
<b>Core Strategy and Development Management Policies review (possibly merge into a single document)</b>	Throughout 2015, 2016 and 2017	Summer 2016	Nov/Dec 2016	June/July 2017	Jan 2018	May 2018	Oct/Nov 2018	Dec 2018/ early 2019
<b>Finsbury Local Plan</b>	As above	As above	As above	As above	As above	As above	As above	As above
<b>Site Allocations</b>	As above	As above	As above	As above	As above	As above	As above	As above
<b>North London Waste Plan</b>	Throughout 2013, 2014 and 2015	2013	Summer/ Autumn 2015	Summer/Autumn 2016	Winter 2016/2017	Spring/summer 2017	Summer/autumn 2017	Winter 2017/2018

<sup>2</sup> Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012

<sup>3</sup> Regulations 19 and 20 of the Town and Country Planning (Local Planning) (England) Regulations 2012



**Appendix 2: Indicative timetable for non-Local Plan documents**

Document	Current document adopted	Current document status*	Proposed review/production		Updated / new document status*
			Formal Consultation	Adoption	
Statement of Community Involvement	July 2006	SCI	Summer 2016	Autumn 2016	SCI
Islington Urban Design Guide	Dec 2006	SPD	Summer 2016	Autumn 2016	SPD
Location and Concentration of Uses (Hot food takeaways, betting shops, payday loan shops)	N/A	N/A	Summer 2015	Adoption due April 2016	SPD
Planning Obligations (S106)	Nov 2013	SPD	Autumn 2016	Early 2017	SPD
Angel Town Centre	N/A	N/A	Autumn 2016	Winter 2016/17	SPD
St. Moorfield's Eye Hospital	N/A	N/A	Winter 2016/17	Spring 2017	SPD
Conservation Area Design Guidelines	Various	Design Guidelines	Replace on ongoing basis.	SPD	SPD
Development Viability	January 2016	SPD	No review scheduled		
Basement Development	January 2016	SPD	No review scheduled		
Preventing Wasted Housing Supply	July 2015	SPD	No review scheduled		
Finsbury Park Development Framework	March 2015	SPD	No review scheduled.		
Finsbury Park Town Centre Strategy	June 2014	SPD	No review scheduled.		
Inclusive Design in Islington	Feb 2014	SPD	No review scheduled.		
Cally Plan	Jan 2014	SPD	No review scheduled.		
Student Accommodation Contributions for Bursaries	June 2013	SPD	No review scheduled.		
Streetbook	Oct 2012	SPD	No review scheduled.		
Affordable Housing – Small Sites Contributions	Oct 2012	SPD	No review scheduled.		

## Islington Local Development Scheme 2016

Document	Current document adopted	Current document status*	Proposed review/production		Updated / new document status*
			Formal Consultation	Adoption	
Environmental Design	Oct 2012	SPD	No review scheduled.		
Mount Pleasant	Feb 2012	SPD	No review scheduled.		
Inclusive Landscape Design	Jan 2010	SPD	No review scheduled.		
Archway Development Framework	Sept 2007	SPD	No review scheduled.		
Nag's Head Town Centre Strategy	May 2007	SPD	No review scheduled.		
King's Cross Neighbourhood Framework	July 2005	SPD	No review scheduled.		
Promoting Sustainable Drainage Systems	2008	PGN	No review scheduled.		
Islington Shopfront Design Guide	2003	PGN	To be incorporated into the revised Urban Design Guide		
Refuse and Recycling Storage Requirements	2012	PGN	To be incorporated into the revised Urban Design Guide		
Islington Tree Policy	2009 (draft)	PGN	Review not scheduled.		
Packington Estate Masterplan	2004	PGN	Review not scheduled.		
Highbury & Islington Station and Highbury Corner Framework	July 2004	PGN	Review not scheduled.		

\*Document status is as follows:

SCI: Statement of Community Involvement | SPD: Supplementary Planning Document | PGN: Planning Guidance Note



Report of: Executive Member for Housing and Development

Executive	Date: 21 4 16	Ward(s): All
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## SUBJECT: Adoption of Location and Concentration of Uses Supplementary Planning Document

### 1. Synopsis

- 1.1 The purpose of this report is to outline the proposed final content of the Location and Concentration of Uses Supplementary Planning Document (SPD). The SPD has been amended following the completion of a public consultation process over summer 2015, undertaken in line with the statutory consultation requirements.
- 1.2 Development of the SPD was prompted by the growing concern that certain uses – hot food takeaways, betting shops and payday loan shops - have adverse impacts (health impacts and amenity impacts), particularly where they are located near to sensitive facilities and/or are over-concentrated in a particular area. In Islington, there are significant concentrations of some of these uses relative to other local authorities. This is therefore a matter of concern given the wider challenges that the borough faces in terms of poverty and health inequality.
- 1.3 The SPD provides further guidance on the implementation of Council's Local Plan policies in relation to Development Management Policy DM4.3 (the Location and Concentration of Uses Policy). Once adopted, the SPD will be a material consideration in determining future planning applications to which it applies.

### 2. Recommendations

- 2.1 To note the Consultation Statement and the proposed amendments to the Location and Concentration of Uses SPD (see Appendix 2).
- 2.2 To adopt the Location and Concentration of Uses SPD (at Appendix 1).

### **3. Background**

- 3.1 Planning policy objectives at local, London-wide and national levels are all concerned to some degree with the protection of amenity, character and function. Planning policy is also increasingly important in improving health and wellbeing.
- 3.2 Islington's Development Management Policies DPD (Development Plan Document) is an integral part of Islington's Local Plan and has a number of policies which aim to ensure that Islington maintains and promotes development in a sustainable manner. Policy DM4.3 of the Development Management Policies DPD is a key part of achieving this aim.
- 3.3 The policy objectives are to protect and enhance the amenity of residents and businesses; and avoid development which could negatively impact the character and function of specific areas, particularly through over-concentration of a particular use or similar uses, or the location of a particular use near to sensitive facilities or infrastructure. Because of the borough's densely developed, mixed-use nature, uses which can affect amenity and public health are often in close proximity to residential uses and other sensitive uses such as schools.

#### **Purpose and content of the SPD**

- 3.4 The main objective of the SPD is to provide guidance on how to identify those areas where certain uses create concern, assess applications with a view to preventing over-concentration and put in place measures to minimise the impact of those proposals which might be acceptable. The SPD gives general advice with additional focus on three specific uses – hot food takeaways, betting shops and payday loan shops - which evidence suggests have the potential to cause adverse impacts where they are over-concentrated. Recent changes to the planning use classes mean that all new betting shops and payday loan shops will require planning permission, and no longer benefit from permitted development rights. This creates a need for robust guidance and assessment criteria with which to fully assess these applications. This Council lobbied hard for the above change to the Use Classes Order.
- 3.5 The SPD first sets out the broad planning policy framework, particularly relevant sections of the National Planning Policy Framework and Guidance (NPPF and NPPG) and the London Plan.
- 3.6 Relevant research and statistics are referenced throughout the SPD, particularly for the use-specific sections. The SPD also provides a self-assessment template, adapted from Heath Impact Assessment (HIA) screening guidance, which applicants should complete in order to identify whether certain proposals will have adverse impacts.
- 3.7 The location of existing hot food takeaways, betting shops and payday loan shops in Islington are mapped in relevant sections. These maps are a snapshot in time to give an idea of the current location and concentration of these uses. Updated survey and mapping may be produced on a case-by-case basis in future to ascertain an accurate picture to assist with determination of planning applications.
- 3.8 Section 5 of the SPD gives general guidance on how to assess over-concentration and sensitive locations. This section identifies key stakeholders who should be consulted for relevant applications and references a scenario assessment table which is included to help identify potential issues associated with over-concentration and sensitive locations.
- 3.9 Section 6 focuses on hot food takeaways. A5 hot food takeaway uses and non-A5 takeaway uses are mapped in relation to retail areas, schools and deprived areas. Seven Sisters Road, Blackstock Road, Holloway Road, Hornsey Road, Caledonian Road and Junction Road are identified as areas of concern with regard to the current concentration of A5 uses. Nearly 50% of A5 uses in the borough are along these roads. Overall, Islington has the second highest number of hot food takeaways per hectare of all London local authorities (behind only Tower Hamlets) and has nearly three times the England average amount of fast food outlets (based on Public Health England data). While this high rate may partly be a feature of the borough's relatively small size, it is nevertheless a factor (given that Islington has the highest population density of all UK local authorities) in individual's access to hot food takeaways. The SPD sets out how applications for new hot food takeaways will be assessed in order to prevent over-

concentration

- 3.10 The SPD also has a requirement that all new hot food takeaway premises will be 'conditioned' to require the operator to achieve the Healthy Catering Commitment (HCC) standard, an accredited scheme which promotes healthier eating. Applicants should also provide a detailed Hot Food Takeaway Management and Operating Strategy to demonstrate that potential adverse impacts have been fully considered and measures have been put in place to prevent and/or mitigate impacts. The SPD also reinforces policy DM4.3 with regard to new hot food takeaways in close proximity to schools.
- 3.11 Section 7 focuses on betting shops. The SPD maps all betting shops in the borough, with the Nag's Head identified as an area of concern. Islington has the second largest number of betting shops per hectare of all local authorities in Great Britain (behind the City of Westminster). While this high rate may partly be a feature of the borough's relatively small size, it is nevertheless a factor (given that Islington has the highest population density of all UK local authorities) in individual's access to betting shops.
- 3.12 The SPD guidance states that applicants should provide a detailed Betting Shop Management and Operating Strategy to demonstrate that potential adverse impacts have been fully considered and measures have been put in place to prevent and/or mitigate impacts. The SPD also proposes conditions to require display of information about debt advice services and gambling addiction charities, as well as sign-up to any scheme(s) which promote community safety and/or other good practice.
- 3.13 Section 8 focuses on payday loan shops and all known shops which offer payday loans are mapped. Islington has the fourth highest number of payday loan shops per hectare of all local authorities in Great Britain (behind the London Boroughs of Hammersmith & Fulham, Lewisham and Southwark). While this high per hectare rate may partly be a feature of the borough's relatively small size, it is nevertheless a factor in individual's access to payday loan shops. The SPD proposes conditions to require display of information about debt advice services and local credit unions, display of information about interest rates, fees and charges, as well as sign-up to any scheme(s) which promote good practice.
- 3.14 Betting shops and pay day loan companies often operate in close proximity to each other and the SPD indicates that the proximity of a proposed betting shop or pay day loan business to existing pay day loan businesses and betting shops will also be considered during the assessment of planning applications.

### **Consultation**

- 3.15 A discussion paper and questionnaire was released for public consultation between 10 March and 7 April 2014. In total, 51 responses were received and 76% of all respondents supported the intention to produce the SPD. These comments informed the development of the draft SPD. Each response is summarised and responded to in the Consultation Statement attached at Appendix 2.
- 3.16 A draft version of the SPD was published and the public consultation ran between 10 July and 4 September 2015. A total of 20 responses were received. Each response is summarised and responded to in the Consultation Statement attached at Appendix 2.
- 3.17 A quarter of these latter respondents were supportive of the measures proposed in the draft SPD. These respondents included the Greater London Authority, the London Healthier High Streets group and local community groups. Almost half the responses objected to the draft SPD. These objections were exclusively from the betting shop, payday loan and hot food takeaway industries. The remaining responses were neutral responses from statutory consultees.
- 3.18 The objections to the draft SPD can be broadly summarised as follows:

#### **Hot food takeaways (HFT)**

- The SPD is inconsistent with national planning policy; no reasoned justification is provided as required by planning regulations.
- SPD may prevent benefits of HFT including new jobs and training.
- Council's evidence base questioned. Responses claim that evidence shows that most unhealthy

food purchased by schoolchildren is purchased in non-A5 uses such as newsagents; that HFT are no more unhealthy than such uses; and that most trips to and from schools do not involve food purchases.

- There is a lack of evidence to justify links between HFT proximity to schools and obesity. Planning documents in other local authorities have been found unsound because of this.
- SPD is a generalised approach to HFT with no reflection of individual operators.
- Policy should set maximum allowable proportion of HFT in retail areas, rather than a distance radius. A distance radius does not take account of real barriers, e.g. busy roads.
- Claim that there are three times as many HFT than other local authority areas is not relevant as there may be three times as many retail outlets in total and therefore the proportion would not be unusual.
- The restriction of HFT near primary schools is problematic as primary school children do not travel to and from school unaccompanied. Reference to a planning appeal provided to support this view.

### Betting shops (BS)

- SPD conflates/duplicates planning and licensing regime; and may be susceptible to legal challenge as a result.
- SPD puts in place several onerous requirements.
- SPD is inconsistent with the National Planning Policy Framework (NPPF); no reasoned justification is provided as required by planning regulations.
- SPD does not have due regard to the Regulator's Code.
- SPD circumvents Gambling Act.
- No evidence of BS proliferation in Islington; the number of BS has decreased in recent years.
- No evidence that BS lead to demonstrable harm.
- No evidence that BS linked to increases in problem gambling; or that BS target deprived areas.
- Betting industry is already highly regulated; therefore SPD is unnecessary and unjustified.
- SPD may prevent benefits of BS including economic benefits; and increase in footfall and spin-off trade in local centres.
- Betting industry already operates schemes to ensure safety of staff and customers; SPD requirement is unnecessary.
- Changes to planning law in April 2015 have already increased the ability of local authorities to review betting shop applications.
- No evidence of harm from Fixed Odds Betting Terminals (FOBTs).
- Over-reliance on one appeal decision to justify certain measures outlined in the SPD.
- Use of data from the Campaign for Fairer Gambling is not credible.
- Proposed condition to compel participation in voluntary scheme is potentially unlawful.
- No justification is provided for the 500m radius to assess overconcentration.
- No evidence that a collection of different uses including BS cause adverse impacts on the vitality and viability of certain areas.
- Concern that the SPD claims that the entire borough is currently at a medium risk of overconcentration of BS; respondents noted that 2+ BS cannot be considered a cluster.
- SPD does not include any borough specific assessment of impacts.
- Claim that there are a high number of betting shops is misleading, as there may be a high number of retail uses generally and the proportion of BS may actually be small.
- Concern over use of inflammatory term 'double whammy' in relation to the combined impacts of BS and FOBT.

### Payday loan shops (PDL)

- The payday lending industry has changed; the number of PDL has reduced; therefore the proposed measures in the SPD are therefore unnecessary.
- The SPD duplicates FCA requirements.
- Concerns about the quality of the council's evidence base.
- The current absolute level of PDL cannot be considered clustering.
- The majority of payday lending is done online; therefore measures to tackle high street payday

lending will not be particularly effective.

- Measures which reduce PDL could force people to use unlicensed lenders.
- Specific consideration of BS location is unnecessary, as there is no evidence that people borrow to gamble.
- Requirement to provide information about credit unions risks raising expectations which cannot be met.
- SPD requirements should allow for positive impacts to be demonstrated, as well as negative impacts.

3.19 We have carefully considered all representations received, and provided detailed responses to these in the Consultation Statement (at Appendix 2).

3.20 Where necessary, minor amendments (largely points of clarification) have been made to the draft SPD in response to comments received during public consultation. There are no significant changes to the Council's overall approach to implementing policy DM4.3.

3.21 The final SPD incorporating these amendments is attached at Appendix 1. Executive are asked to:

- consider the comments received during public consultation;
- consider the Council's response to these comments and any related amendments to the drafting; and
- to adopt the SPD.

## 4. Implications

### Financial implications:

4.1 The cost of producing the SPD and consultation costs have been met through existing budgets within the Planning and Development division.

### Legal Implications:

4.2 The SPD has been prepared in line with the relevant planning regulations. The principal statutory policy basis for the SPD is policy DM4.3 of the Council's Development Management Policies DPD.

4.3 The SPD has been subject to consultation in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). Following adoption, the SPD will be a material consideration in the determination of all relevant planning applications.

### Environmental Implications

4.4 A Screening Statement to determine the need for a Strategic Environmental Assessment (SEA) has been prepared, in accordance with the *Environmental Assessment of Plans and Programmes Regulations 2004* and *European Directive 2001/42/EC*. The screening has concluded that an SEA does not need to be prepared as the SPD does not introduce new policies, but provides further guidance on adopted Local Plan policy that relates to location and overconcentration of uses and associated issues. This policy has been sufficiently appraised in the Sustainability Appraisals of the Local Plan documents adopted by Islington Council. It is considered that the Location and Concentration of Uses SPD will not result in any additional significant effects to those already identified through the higher level Sustainability Appraisals.

4.5 The guidance in the SPD will help to assess applications and may help to mitigate potential adverse environmental impacts of proposed developments. For example, requiring applications involving A5 uses to provide a Hot Food Takeaway Management and Operating Strategy could reduce associated environmental impacts such as noise, odour, congestion and litter.

## Resident Impact Assessment:

- 4.6 The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.
- 4.7 The assessment of equality impacts is an iterative process and has been considered throughout the development of the SPD. The initial screening for a Resident Impact Assessment (RIA) was completed on 15 April 2015 in respect of the draft SPD, which was then consulted on. This screening did not identify any negative equality impacts for any protected characteristic or any human rights or safeguarding risks.
- 4.8 The final SPD at Appendix 1 includes amendments following consultation. The RIA has been revisited in March 2016, in respect of the amendments. No negative equality impacts for any protected characteristic or any human rights or safeguarding risks were identified. Adoption of the SPD is likely to have positive impacts on health inequalities and poverty.

## 5. Reasons for the recommendations

- 5.1 Once adopted, the SPD will be used by the Council to assess planning applications for hot food takeaways, betting shops and payday loan shops, as well as any other planning application where there is a potential risk of adverse impacts by virtue of the location of the proposed use, and/or a potential overconcentration. It will be a material consideration in the determination of such planning applications.
- 5.2 Adoption of the SPD by the Council will provide additional guidance as to the factors that the Council will take into account in determining planning applications, and put in place measures to minimise the possible negative impact of those proposals.

### Signed by:



6 April 2016

**Executive Member for Housing and  
Development**

Date

### Appendices:

1. Location and Concentration of Uses SPD – Final Version
2. Location and Concentration of Uses SPD – Regulation 12(a) Consultation Statement

### Background papers:

None

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# Location and concentration of uses Supplementary Planning Document

April 2016



Islington Council  
April 2016

For more information about this document, please contact:  
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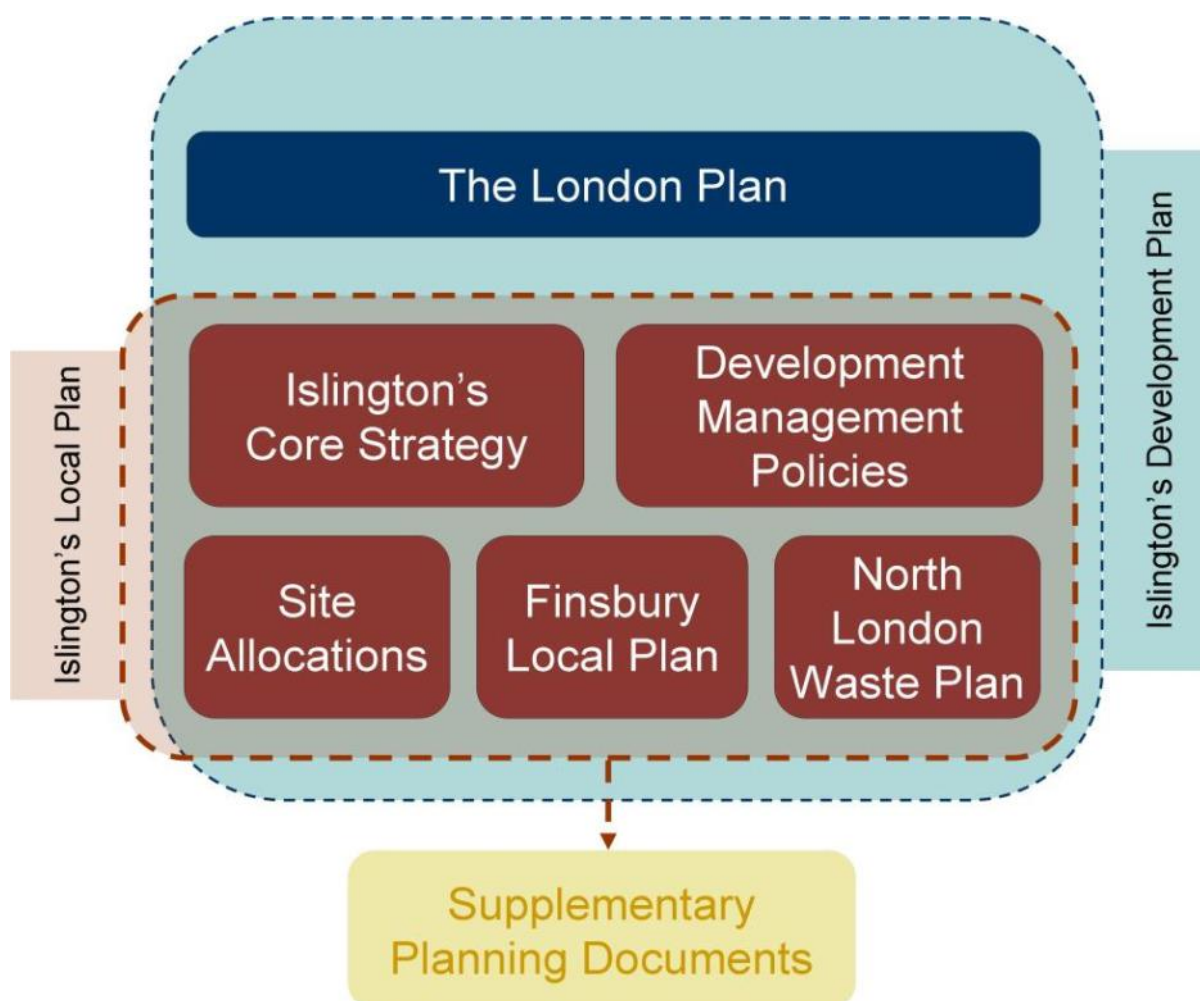
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### 1 Introduction

- 1.1. This Supplementary Planning Document (SPD) will be used in the determination of planning applications, to assess whether there will be an over-concentration of specific/similar uses; and/or whether a proposed use is near to a school or another sensitive location which could, by virtue of the characteristics of the proposed use, cause adverse impacts.
- 1.2. The SPD gives general advice with additional focus on three specific uses – hot food takeaways, betting shops and payday loan shops - which evidence suggests are more likely to cause adverse impacts where they are over-concentrated.
- 1.3. The SPD does not create new policy; it provides further guidance on an existing adopted Local Plan policy. It does not form part of Islington's Development Plan or Local Plan but it is a material consideration dependent on the circumstances of individual applications. Figure 1 visualises the relationship between Islington's Development Plan, Local Plan and SPDs:

**Figure 1: Relationship between Supplementary Planning Documents and Islington's Development Plan and Local Plan**



- 1.4.** The SPD is intended to provide clarity for planning officers and developers, as well as any other interested stakeholders. This ensures that the SPD is consistent with the National Planning Policy Framework (NPPF) paragraph 153 which states that SPDs should only be used where they help applicants to make successful applications and where they do not add unnecessarily to the financial burdens on development. Regulation 8 of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) states that an SPD must contain a 'reasoned justification' of the policies contained in it. With regard to this SPD, the 'reasoned justification' is the supporting text which outlines the key issues, particularly sections 6, 7 and 8 related to specific uses; and Appendix 3 which details the evidence base.
- 1.5.** For ease of reference, table 1 summarises the main requirements set out in this SPD in relation to hot food takeaways, betting shops and payday loan shops<sup>1</sup>:

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<sup>1</sup> To assist with assessing location and concentration of other uses, general guidance is provided in section 5 of the SPD.

## Location and concentration of uses SPD

Table 1: Summary of SPD requirements

	Is proposal in a restricted location and/or area of concern?	Consult other department /organisation ?	To be accompanied by Management and Operating Strategy?	To be accompanied by completed 'Planning for Health' self-assessment?	Conditions to be attached to any permitted applications ?
<b>Hot food takeaways</b>	Is HFT within 200m of a primary or secondary school?	Yes, particularly Environmental Health - Commercial, Public Health, Highways and Street Environment Services	✓	✓	Achieve Healthy Catering Commitment standard
	Areas of concern: - Seven Sisters Road - Blackstock Road - Holloway Road - Hornsey Road - Caledonian Road - Junction Road				
<b>Betting shops</b>	Area of concern: Nag's Head Town Centre	Yes, particularly Licensing and Public Health	✓	✓	Display information about debt advice services and gambling addiction charities; sign up to good practice/community safety schemes
<b>Payday loan shops</b>	Area of concern: Nag's Head Town Centre	Yes, particularly Public Health and Payday Lenders Working Group	✗	✓	Display information about debt advice services and local credit unions, and interest rates, fees and charges; and sign up to good practice schemes

## 2 Background

- 2.1.** In June 2013, Islington Council adopted the Development Management Policies (DMP) Development Plan Document (DPD). The DMP are an integral part of Islington's Local Plan and have a number of policies which aim to ensure that Islington maintains and promotes development in a sustainable manner. Policy DM4.3 of the DMP is a key part of achieving this aim:

### Policy DM4.3

#### Location and concentration of uses

A. Proposals for cafes, restaurants, drinking establishments, off licences, hot food takeaways, lap dancing clubs, nightclubs, casinos, betting shops, amusement centres and other similar uses will be resisted where they:

- i) Would result in negative cumulative impacts due to an unacceptable concentration of such uses in one area; or
- ii) Would cause unacceptable disturbance or detrimentally affect the amenity, character and function of an area.

B. Proposals for drinking establishments, off licences, hot food takeaways, lap dancing clubs, nightclubs, casinos, betting shops, amusement centres and other similar uses will be resisted where they are in proximity to schools or sensitive community facilities.

- 2.2.** The policy objectives are to protect and enhance the amenity of residents and businesses; and avoid development which could negatively impact the character and function of specific areas, particularly through over-concentration of a particular use (and relevant similar uses), or the location of a particular use near to sensitive facilities or infrastructure. Because of the borough's densely developed, mixed-use nature, uses which can affect amenity are often in close proximity to residential uses and other sensitive uses such as schools.
- 2.3.** The supporting text of policy DM4.3 highlights that over-concentration will be assessed by looking at the existing similar uses within a 500m radius of the site, and determining whether any additional impact from a proposal is likely to create a negative cumulative impact. Policy DM4.3 notes some examples of particular types of development which could be more likely to cause the impacts noted above, although it does not provide an exhaustive list.
- 2.4.** In May 2013, the Government amended the Town and Country Planning (General Permitted Development) Order ('the GPDO') to introduce new 'Flexible Use' Permitted Development (PD) rights. These PD rights allow shops, offices and other uses to change to a variety of other uses – including A3 uses - for a two year period without the need for

## Location and concentration of uses SPD

planning permission. The council has put in place an Article 4 Direction<sup>2</sup> to remove the 'Flexible Use' PD rights for some uses to reduce their potential harmful impact.

- 2.5. Further PD rights were introduced in the consolidated GPDO which came into effect in April 2015. This included a new PD right to allow change of use from certain uses – including A1 and A2 - to A3 use (pending a prior approval process). As A3 uses often have a specific takeaway element, this new PD right could give rise to, or intensify, over-concentration impacts.
- 2.6. The Town and Country Planning (Use Classes) Order 1987 (as amended) ('the UCO') was amended in April 2015 to move betting shops and payday loan shops into the 'sui generis' use class. As noted in the initial consultation on the use class change, the Government made this change to support local communities and local planning authorities in shaping their local area, in response to repeated requests from local authorities and local communities that every betting shop and payday loan shop applications should require planning permission and be specifically considered by local authorities<sup>3</sup>. These changes to the UCO mean that certain potentially harmful uses will now have to apply for express planning permission, rather than benefiting from PD rights. The changes do not create a presumption of refusal; therefore, robust guidance and assessment criteria are needed to fully assess these applications.
- 2.7. **The main objective of this SPD is to provide guidance on how to identify those areas where certain uses create concern, assess applications with a view to preventing over-concentration and put in place measures to minimise the impact of those proposals which might be acceptable.** The SPD provides general guidance and key points, and further specific guidance in relation to three areas: hot-food takeaways<sup>4</sup>, betting shops and payday loan shops. There is evidence that the nature of these uses can lead to adverse impacts, especially cumulatively, hence the need for specific guidance.
- 2.8. It is not the intention to implement a 'blanket ban' to prevent the uses referred to in policy DM4.3 coming forward anywhere in the borough, but rather to restrict development of these uses in locations where there is demonstrable evidence of harm.
- 2.9. This document will provide guidance to individuals and/or businesses considering submission of a planning application in areas where over-concentration could arise, or in areas where particular development could cause harm to nearby sensitive facilities or infrastructure.
- 2.10. The SPD includes maps showing the current concentration and location of the three specifically identified uses noted above. This mapping exercise, and the survey work which underpins it, provides valuable insight and cross-references with other data sources, such as the Indices of Multiple Deprivation (IMD), in an attempt to better understand the linkages between concentration and any adverse impacts. The maps are

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<sup>2</sup> Further information on the Article 4 Direction is available at: [www.islington.gov.uk/permitteddevelopment](http://www.islington.gov.uk/permitteddevelopment)

<sup>3</sup> Department for Communities and Local Government, Technical Consultation on Planning, Proposal E: Increasing flexibilities for high street uses, July 2014, available from: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/339528/Technical\\_consultation\\_on\\_planning.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/339528/Technical_consultation_on_planning.pdf)

<sup>4</sup> The council had previously intended to produce a separate hot food takeaways SPD but this has been subsumed into this SPD.



an important visual tool which will allow officers to more easily identify which areas are most at risk of adverse impacts, and ensure that applications in these areas are properly assessed.

- 2.11.** There are various council departments and other organisations that can provide important input and insight in relation to potentially harmful over-concentrated uses, e.g. Licensing, Public Health and Environmental Health. These departments are often consulted on planning applications. The SPD links to the work of particular relevant departments/organisations throughout.
- 2.12.** Although policy DM4.3 of the DMP provides the key policy ‘hook’ for this SPD, there are other relevant Local Plan policies which complement and interact with policy DM4.3 in the assessment of planning applications (dependent on the location of particular applications). This could include:
- DM4.4 – this policy covers Islington’s four Town Centres. Any applications in these centres must meet criteria in Part C of the policy, which, inter alia, requires development to be appropriate to the character and function of the centre; to contribute positively to the vitality and viability of the centre; and not cause detrimental disturbance from noise, odour, fumes or other environmental harm.
  - DM4.5 – this policy covers the various designated primary and secondary frontages within Islington’s four Town Centres. Any change of use from A1 in these locations must meet the various policy criteria, including the need to ensure that there will be no individual or cumulative harmful effects on the predominantly retail (i.e. A1) function and character of Town Centres, or their vitality and viability.
  - DM4.6 – this policy covers Islington’s 40 designated Local Shopping Areas. Proposals in these locations will only be permitted where they ensure the retention of an appropriate mix and balance of uses which maintains and enhances the retail and service function of the area. Proposals must also ensure that there are no adverse effects on vitality and viability of the area, either individually or cumulatively.
  - DM6.1 – poor health is widespread throughout Islington; this policy promotes healthy development through a variety of means, including a requirement for large developments and developments where potential health issues are identified to submit a Health Impact Assessment (HIA). Islington have previously conducted a HIA for applications for hot food takeaways, and such an approach could also be beneficial for applications for other potentially harmful uses, particularly betting shops and payday loan shops.

### 3 Consultation

- 3.1. In early 2014, the council conducted preliminary consultation on a discussion paper and questionnaire to inform development of the SPD. A consultation statement has been produced summarising this exercise, and other consultation activities, as required by regulation 12(a) of the Town and Country Planning (Local Planning) (England) Regulations (as amended).
- 3.2. The representations received have been analysed in detail and have informed the development of the SPD. The results of this analysis, including the council's response to each individual representation and commentary on how the main issues raised have been addressed in the SPD, are detailed in the Consultation Statement which accompanies the SPD.

### 4 Planning policy framework

#### National planning policy and guidance

- 4.1.** The **NPPF** is the top-tier planning policy consideration which the content of any SPD must accord with. Sustainable development is the 'golden thread' which runs through the NPPF; therefore planning decision takers must be mindful of the mutually dependent social, environmental and economic impacts associated with development.
- 4.2.** The NPPF sets out a series of core planning principles which should underpin planning decisions. Of particular relevance with regard to this SPD are core planning principles 2, 3, 4 and 12, as detailed below:
- Core planning principle 2: planning should not be solely about scrutiny, it should be about finding ways to enhance and improve the places where people live. This is an important principle which accords well with the rationale for this SPD, to prevent over-concentration of uses and location of specific uses in certain areas. This SPD is a proactive measure which sets out the criteria against which specific planning applications are assessed. Given that over-concentration and location of specific uses in certain areas can cause significant detrimental impacts to areas where people live, such an approach is considered appropriate.
  - Core planning principle 3: planning should proactively drive and support sustainable economic growth, taking into account - inter alia - the needs of residential and business communities. Sustainable is the operative word in this principle; economic development should contribute to the social, environmental and economic betterment of an area. These strands are mutually dependent, therefore economic benefits of an application – for example, an increase in the amount of jobs or local investment – should not automatically be assumed to outweigh any evident negative social or environmental aspects of a scheme.
  - Core planning principle 4: planning should seek a good standard of amenity for all existing and future occupants of land and buildings. Amenity considerations are integral to any assessment against policy DM4.3, which underpins this SPD. With regard to sustainable development, amenity considerations could include any issues which assist social, environmental and/or economic growth, or conversely, any issues which cause detrimental impacts.
  - Core planning principle 12: planning should take account of and support local strategies which look to improve health, social and cultural wellbeing for all. This principle places health and wellbeing at the centre of planning policy considerations. Local authorities therefore need to ensure that development which has the potential to adversely affect health and wellbeing is thoroughly assessed and that any adverse impacts are prevented or mitigated.
- 4.3.** Paragraph 19 of the NPPF makes a commitment to sustainable economic growth. This is taken to mean economic growth which contributes to the achievement of social and environmental goals, not just solely economic growth.

## Location and concentration of uses SPD

- 4.4. The NPPF, in paragraph 23, directs local planning authorities to support the vitality and viability of Town Centres. Town centres should provide customer choice and a diverse retail offer, although the NPPF stipulates that this should not be achieved to the detriment of the individuality of these areas.
- 4.5. The NPPF promotes sustainable transport. Paragraph 37 states that planning policies should aim for a balance of land uses within areas, so that journey lengths to access employment, shopping and other activities are lessened. This requirement for a balance of land uses should be read in the context of the presumption in favour of sustainable development; land uses should be approved on the basis that they achieve mutual benefits across the three pillars of sustainability.
- 4.6. Certain development can be associated with an increased risk of adverse public realm or transport impacts, for example, an increase in car usage, refuse collection arrangements and street clutter, or proposals for on-street delivery and servicing. Paragraph 35 of the NPPF states that developments should be located and designed where practical to accommodate efficient delivery of goods and supplies and minimise conflict between traffic and cyclists/pedestrians, including avoiding street clutter.
- 4.7. Paragraph 69 details the importance that the NPPF places on facilitating social interaction and creating healthy, inclusive communities. Local authorities must adopt a positive approach to achieve this. Development which fosters social interaction and contributes to the healthy development of specific areas should be sought. Conversely, development which inhibits the ability of the local authority, local communities and other organisations to achieve these social principles – for example by affecting the character of an area or adversely impacting on existing social facilities - should be prevented.
- 4.8. With these underlying social principles established, and being mindful of the overarching presumption in favour of sustainable development, paragraph 70 of the NPPF requires planning policies and decisions to plan positively for the provision and use of community facilities and other local services to enhance the sustainability of communities. Unnecessary loss of valued facilities and services should be prevented; and established shops, facilities and services should be enabled to develop and modernise in a sustainable way. This is not a presumption against loss of all social and community facilities; however, it is a strong requirement for local authorities to act in a positive manner, and plan for an environment where such facilities can survive and thrive to ensure that the chances of such facilities being retained is maximised, with a requirement for proportionate evidence to justify any loss. To achieve this, development which could adversely impact social and community facilities - for example by affecting the vitality and viability of a centre and therefore affecting the ability of such facilities to continue operating – should be thoroughly assessed.
- 4.9. The **National Planning Practice Guidance** (NPPG) is an online resource which provides further guidance on the interpretation and implementation of NPPF policy.
- 4.10. Linked to the NPPF policies discussed above, there are two sections of the guidance which are of particular relevance to this SPD:

- Health and wellbeing<sup>5</sup> – paragraph 002 identifies a range of health-related issues which can be considered in the plan-making and decision-taking processes. Of particular importance is the need for development proposals to support strong, vibrant and healthy communities and create places which support community engagement and the development of social capital. The NPPG also advocates policies to reduce health inequalities and the promotion of opportunities for healthy lifestyles, including promoting access to healthier food<sup>6</sup>. Paragraph 005 of the NPPG defines a healthy community as a community which supports healthy behaviours and supports reductions in health inequalities, both physical and mental health. A healthy community should encourage active healthy lifestyles through, inter alia, good access to local services; and the creation of healthy living environments for people of all ages.
- Ensuring the vitality of town centres<sup>7</sup> – paragraph 001 directs local authorities to plan positively for town centres, which includes the creation of attractive, diverse places where people want to live, visit and work. Paragraph 002 expands on this, stating that the key to ensuring successful town centres is to balance economic growth with a wide range of social and environmental benefits, i.e. the sustainable development of town centres. Adopted Local Plan policies are the starting point for assessment of applications in town centres. Paragraph 003 outlines what a town centre strategy/local plan policy should address. Although this SPD is not creating new policy, it will help to implement existing policy; therefore, the NPPG is a relevant. Of particular relevance in paragraph 003 is the requirement for town centre policy to consider the appropriate mix of uses to enhance the vitality and viability of centres (and, implicitly, those uses which can detrimentally impact vitality and viability).

### London planning policy and guidance

**4.11.** The **London Plan** (March 2015, consolidated with alterations since 2011) is the spatial development strategy for London and forms part of Islington's Development Plan. This document has a number of relevant policies which have informed this SPD and which could also be relevant in the determination of planning applications.

- Policy 2.14 and map 2.5 identify Areas for Regeneration, i.e. Lower Super Output Areas within the 20% most deprived category based on the IMD 2010; this covers a large part of Islington. This policy is largely strategic but it does direct boroughs to put in place policies and strategies to tackle deprivation and address health and social inequalities.
- Policy 2.15 identifies London's town centre network. Town centres need to provide a competitive choice of goods and services whilst maintaining a sense of place and local identity. Development in town centres should, inter alia, sustain and enhance the vitality and viability of the centre, and support and enhance competitiveness, quality

<sup>5</sup> Available from: <http://planningguidance.communities.gov.uk/blog/guidance/health-and-wellbeing/what-is-the-role-of-health-and-wellbeing-in-planning/>

<sup>6</sup> In relation to promoting access to healthier food, the NPPG links to the Healthy People, Healthy Places briefing document 'Obesity and the environment: regulating the growth of fast food outlets', published by Public Health England in conjunction with the Local Government Association and the Chartered Institute of Environmental Health. This document is discussed in more detail in Appendix 3 of the SPD.

<sup>7</sup> Available from: <http://planningguidance.communities.gov.uk/blog/guidance/ensuring-the-vitality-of-town-centres/ensuring-the-vitality-of-town-centres-guidance/>

and diversity of town centre uses. This policy, and policy 4.7, both include a requirement for diversity of town centre uses. Part c2 of policy 2.15 also has a requirement to actively plan and manage the consolidation and redevelopment of medium sized centres and, where appropriate, secondary frontages in other larger centres, in order to secure a sustainable, viable retail offer and a range of non-retail functions to address identified local needs, e.g. leisure uses. Part c3 of policy 2.15 identifies the role of neighbourhood and more local centres as providers of convenient local goods and services, which enhance the overall attractiveness of local neighbourhoods and serve as a focus for local communities. Where surplus commercial capacity is identified, housing and development which meets local community needs should be prioritised, although this should contribute to the strengthening of the retail offer of the centre as a whole, principally the convenience retail offer. Paragraph 2.72A offers an important caveat to the requirement for diversity of uses and range of non-retail functions; where clusters of certain uses are shown to have negative impact on town centre vitality and viability, such uses should not be justified solely on the basis of a need for diversity.

- Policy 3.2 requires new developments to be designed, constructed and managed in ways that improve health and promote healthy lifestyles to help to reduce health inequalities. The supporting text explicitly mentions that such measures can be complemented by other measures, such as local policies to address concerns over the development of fast food outlets close to schools.
- Policy 3.2 also highlights the use of HIAs to assess development which is anticipated to have significant implications for peoples' health and wellbeing. An HIA should identify opportunities for minimising harms (including unequal impacts) and maximising potential health gains.
- Policy 3.17 complements policy 3.2 in terms of its objective to improve health and tackle health inequalities. Development proposals should take account of the Mayor's best practice guidance on Health Issues in Planning, which provides additional guidance to assist local authorities and other health bodies in tackling health inequalities and promoting healthy development (see Appendix 3 for more details).
- Policy 4.1 is a strategic policy which aims to enable a strong, sustainable and diverse economy across all parts of London. A key element of this strategic aim is to ensure that economic growth helps to tackle deprivation.
- Policy 4.7 requires retail policy for town centres to be built on a strong, partnership approach, one which includes frequent monitoring through town centre health checks to inform the on-going implementation of local planning policy and planning decisions.
- Policy 4.8 follows on from policy 4.7 and supports the development a sustainable pattern of retail provision and lifetime neighbourhoods (linked to policy 7.1). The onus is clearly on comparison and convenience shopping, i.e. within the A1 use class. Read alongside policy 4.7, this suggests that where applications threaten the overtly shopping function, and, ergo, vitality and viability, of town centres and more local centres, they should be refused, unless evidence from continual monitoring of the situation on the ground suggests otherwise, e.g. evidence of a shift towards different uses. The policy includes specific focus on managing clusters of uses, having regard to

their positive and negative impacts on the following range of London Plan objectives, policies and priorities:

- broader vitality and viability (Policy 2.15Ca)
- broader competitiveness, quality or diversity of offer (Policy 2.15Cc)
- sense of place or local identity (Policy 2.15Ac)
- community safety or security (Policy 2.15Cf)
- success and diversity of its broader retail sector (Policy 4.8A)
- potential for applying a strategic approach to transport and land use planning by increasing the scope for "linked trips" (Policy 6.1).

- These areas broadly correlate with Islington's own policies<sup>8</sup> to prevent over-concentration and protect amenity. Paragraph 4.50A notes that betting shops and hot food takeaways are two specific areas which can give rise to concerns regarding negative clustering impacts. These broad clustering impacts are reflected in the assessment criteria detailed in this SPD.
- Policy 4.9 recognises the intrinsic value which small shops provide to an area, and their role in maintaining a strong and diverse retail offer and the attractiveness of an area. Therefore, loss of such units, or development which undermines their retention, is inconsistent with the London Plan.
- Policy 7.1 states that development should enable people to live healthy, active lives; maximise community diversity, inclusion and cohesion; and contribute to people's sense of place, safety and security. As well as a strong health focus, this policy has strong qualitative and quantitative elements which link to strands of retail policy covering attractiveness, vibrancy, vitality and viability of retail areas.
- Policy 7.4 requires development to have regard to local character. Development should respect local character and the function of an area, including reflection of the physical, economic, environmental and social forces that have shaped an area over time and are likely to influence it in the future.

**4.12.** There is a variety of **Supplementary Planning Guidance (SPG)** which supports the London Plan and offers further insight into the interpretation and application of London Plan policy. The following SPGs are of particular relevance to this SPD:

- **Town Centres SPG (July 2014):** this SPG provides additional guidance on the various London Plan policies, including policies 4.7 and 4.8 which have implications for this SPD. The SPG offers useful insight into the clustering of uses and provides specific commentary on hot-food takeaways, betting shops and payday loan shops:
  - paragraphs 1.2.33 and 1.2.34 reflect concern at the clustering of hot food takeaway outlets, particularly where these concentrations have a significant negative impact on town centre vitality and viability, diversity, noise, odour, litter and community safety; and on people's health such as risk of cardiovascular disease, obesity and type two diabetes.

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<sup>8</sup> The London Plan uses the term 'clustering' to describe a number of units in a particular use in a specific area; this can have either positive or negative impacts. With regard to negative clustering, the term 'over-concentration' referred to throughout this SPD is taken to mean the same as 'negative clustering'.

- paragraph 1.2.29 conveys an urgent need to enable local planning authorities to control the proliferation of betting shops and to address the implications this can have for maintaining the vitality and viability of town centres, and for protecting their amenity and safety.
- paragraph 1.2.37 notes concern about the link between the growth in the number of payday loan shops and the level of deprivation in some areas. The SPG specifically highlights potential over-concentration of payday loan uses and potential impacts on the amenity, character, diversity and/or function of an area.

- **Shaping Neighbourhoods: Character and Context SPG (June 2014):** this SPG links to London Plan policy 7.4 and provides specific guidance on the attributes of character and context in London. Guidance on assessing character in particular has connotations for this SPD, as one of the primary aims of policy DM4.3 is to prevent detrimental impacts on character due to over-concentration. The SPG defines character as *“physical or built elements that make up the place, the cultural, social and economic factors which have combined to create identity, and the people associated with it through memories, association and activity.”* This includes consideration of land use and other factors such as health deprivation.
- **Social Infrastructure SPG (May 2015):** this SPG includes guidance on HIAs, which can be considered for any proposal where it is anticipated that there will be implications for people’s health and wellbeing.

**4.13.** In addition to these SPG documents, there are various additional guidance documents which are relevant to this SPD. These are summarised in Appendix 3.



## 5 What is an unacceptable impact or location?

### Individual and cumulative impacts

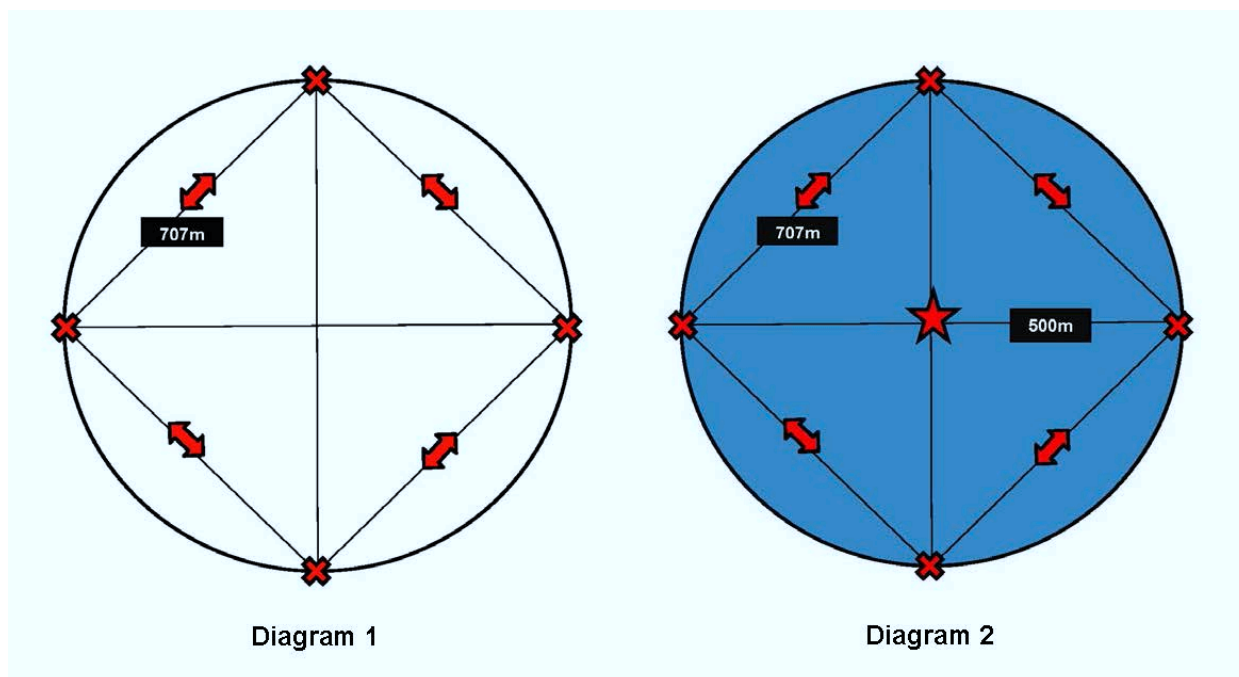
- 5.1.** It is important to acknowledge at the outset that there is not one single definition or threshold which can be applied to assess whether a particular application will result in an unacceptable concentration or specific individual impact; this differs depending on the location, characteristics and/or proposed operations of an application. The individual circumstances of an application, particularly the specific use and the area that the application is in, means that this assessment must be made on a case-by-case basis.
- 5.2.** DMP policy DM4.3 and its supporting text explicitly refer to impacts on the **amenity, character and function** of an area, and the **health and wellbeing** of the borough's residents. It is also important to consider the impact on **vitality and viability** of retail designations. Definitions of these terms are set out in Appendix 4.
- 5.3.** The policy is largely concerned with identifying negative impacts; however, it is acknowledged that there may be positive impacts associated with certain uses. For example, there have been planning appeal decisions which conclude that uses such as betting shops and hot food takeaways may not undermine vitality and viability in some circumstances, such as where they would result in a long term vacant unit being brought back into use. Any positive aspects of a proposal may be given weight in planning determinations, where appropriately evidenced.
- 5.4.** In sections 6, 7 and 8 below, the current concentrations of hot food takeaways, betting shops and payday loan shops have been mapped, which is a helpful visual aid to assess over-concentration and has also directly informed the guidance in this SPD.
- 5.5.** For other uses, including those listed in policy DM4.3, some example scenarios have been developed (see Appendix 2) to help identify potential over-concentration and/or adverse individual impacts when making or determining a planning application. These scenarios do not prejudge decision making and are intended to act as a guide to identify certain scenarios where over-concentration may be more likely to occur. **In circumstances where an application fits with a medium/high risk scenario, case officers should afford extra scrutiny to these applications due to the heightened potential for adverse impacts.** The list of scenarios is not exhaustive and actual over-concentration will be assessed on a case-by-case basis.
- 5.6.** Over-concentration impacts are not limited to individual uses; other uses (including those within different use classes) can have similar adverse impacts, or can exacerbate adverse impacts due to close proximity of these different land uses. **Consideration of over-concentration impacts should therefore not just look at the specific use in question in isolation; cumulative impacts should be considered across all relevant uses.** The similar potential adverse impacts of betting shops and payday loan shops are referenced in sections 7 and 8 below, but there are numerous examples of different uses which could potentially have similar adverse impacts, e.g. amusement arcades, casinos and betting shops (due to potential impact of gambling on vulnerable people); night-time economy uses and hot food takeaways (due to potential increase in anti-social behaviour). A 2016

## Location and concentration of uses SPD

appeal decision in Islington<sup>9</sup> concluded that the combined number of pubs, cafes, betting shops and takeaways in a designated retail area detracted from the retail character of the area; and that a further hot food takeaway in the area would further consolidate such uses and further detract from the retail character.

- 5.7.** Policy DM4.3 identifies a general 500m impact radius, within which any cumulative impact should be assessed<sup>10</sup>. The radius should be applied pragmatically on a case-by-case basis. There may be a specific use within a 550m radius of an application site which would clearly lead to a combined cumulative impact; therefore it would be inappropriate to discount such an impact solely because it falls outside the identified 500m radius. Likewise, the physical geography of an area (e.g. a major road which acts as a barrier) may mean that an arbitrary 500m radius is too extensive when factoring in actual walking times.
- 5.8.** The 500m radius is established as a sensible straight-line distance to measure cumulative impacts related to the position of a specific proposal, i.e. will the new unit be the tipping point for over-concentration or exacerbate an existing over-concentration. Figure 2 visualises this; Diagram 1 represents a hypothetical existing situation where there are four existing uses (represented by crosses) in an approximate area; these uses are more than 500m straight-line distance from each other. Diagram 2 shows an additional hypothetical situation where a new use (represented by the star) is proposed in the middle of these four existing uses. As shown in the diagram, this now means that there are five uses within 500m, taking the proposed use as a starting point to measure concentration.

**Figure 2: 500m radius diagram, with and without new application site**



<sup>9</sup> See Appeal Ref: APP/V5570/W/15/3134904 344 Caledonian Road, London N1 1DU, decision dated 23 February 2016.

<sup>10</sup> When applying the impact radius, it may be pertinent to use a smaller radius to highlight more acute impacts in certain circumstances, e.g. if there are 5 specific uses within a 500m radius of the site, but all (or the vast majority) of these uses are within a smaller 250m radius, then the latter, smaller radius would be specifically highlighted.

- 5.9.** It is important to note that the cumulative impact assessment area (shaded blue on Diagram 2) differs to a catchment (i.e. the area from which the majority of custom for specific uses is drawn from); there may be several catchments or parts of specifically functioning areas within an individually measured assessment area. Identifying catchment areas is in itself useful when attempting to determine impacts on character, amenity and function. Catchment identification encompasses consideration of, inter alia, local demographics, public transport accessibility, and quality of public realm.
- 5.10.** In order to assess these cumulative impacts at application stage, it is important that relevant stakeholders are engaged at the earliest possible opportunity. Sections 6, 7 and 8 identify relevant specific stakeholders associated with the respective topics, but there are several stakeholders who should be consulted by the case officer where certain potential impacts are evident<sup>11</sup>:
- The council's **Public Health** team should be consulted on any application where potential health issues are identified. Examples of potential health issues include uses which could cause adverse impact on the mental well-being of specific individuals/groups; applications which affect provision of fresh food and/or which increase provision of unhealthy food; and applications which affect public realm and/or open space and therefore affect promotion of physical activity, walking and cycling. DMP policy DM6.1 requires developments where potential health issues are identified to submit a HIA in line with guidance established by the council<sup>12</sup>. Any HIA (full assessment or screening) should be assessed by Public Health. Some applications may necessitate a council-led HIA prepared by Public Health; such an approach has been undertaken recently for hot food takeaway applications, but could be extended to any application posing a particular concern regarding health impacts, as per policy. The Islington 'Planning for Health' self-assessment form – provided at Appendix 1 - should be completed and submitted for relevant applications.
  - The council's **Licensing** team should be consulted on any planning application which proposes a licensable activity<sup>13</sup>. The council's current licensing policy expects applicants to ensure that they have planning consent for the intended use and hours of operation, or otherwise have lawful planning status, before making an application for a premises licence. The Licensing Authority will only grant licences for premises without planning consent in exceptional circumstances. Section 7 of the SPD provides further detail on the interaction between planning and licensing in relation to betting shops. The recommendation to consult licensing is not an attempt to duplicate the licensing regime; licensing concerns can legitimately be taken into account as a material consideration, unlike the licensing regime which can only have regard to licensing-specific issues and, in the case of licensing activities under the Gambling Act 2005, is limited by the 'aim to permit'. It should be noted that any existing licence or refusal of licensing application has no automatic bearing on the determination of a planning application, although reasons for refusal may have planning weight, e.g. anti-social behaviour, disturbance due to proposed opening hours.

<sup>11</sup> Applicants are encouraged to engage directly with relevant stakeholders where possible.

<sup>12</sup> Islington Council, Health Impact Assessments (HIA) for major applications: guidance and screening, available from: <http://www.islington.gov.uk/services/planning/applications/apply/Pages/supporting-documentation.aspx>

<sup>13</sup> Any activities covered by the Licensing Act 2003, or the Gambling Act 2005.

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- **Transport for London** (TfL) and the council's **Highways** team should be consulted on any applications which propose, or are likely to lead to, an incursion into the public highway/footway, particularly applications for A3, A4 and A5 uses. Such uses can lead to specific adverse impacts, for example, hot food takeaways can have associated delivery vehicles that can obstruct the highway; A3/A4 food and drink establishments often have tables and chairs on the footway, which anecdotal evidence suggests are not always licensed as required; and evening entertainment related uses often have a high demand for taxi/private hire, which may require management to prevent obstruction of the highway.
- The council's **Environmental Health - Commercial** team should be consulted on any applications for A3, A4 or A5 uses; in addition, A1 uses which involve the sale of food and/or drink (e.g. sandwich shops, coffee shops) should also be sent to Environmental Health for comment. Environmental Health may be able to provide some best practice/comments which would ensure operation of safe and conscientious businesses. Where such best practice/comments are provided, these could form the basis of planning conditions (and informative notes) where a decision to approve an application is made.
- The council's **Environmental Health – Environmental Protection** team could provide advice on applications for certain uses which are likely to cause increased noise, including A4 uses (particularly those pubs which propose to play amplified music) and some D2 and SG uses (e.g. music venues, nightclubs). Environmental Health may be able to provide some best practice/comments which would ensure operation of safe and conscientious businesses. Where such best practice/comments are provided, these could form the basis of planning conditions (and informative notes) where a decision to approve an application is made.
- **Islington's Town Centre Development Officers** should be consulted, respectively, for any applications within the borough's four Town Centres. The Town Centre Development Officers work with businesses and so are in a unique position to help identify where potential adverse individual and cumulative impacts may arise, particularly impacts related to character, amenity and function of Town Centres.

**5.11.** In addition to the above stakeholders, neighbouring boroughs – **Hackney, Haringey, Camden and the City of London** – should be consulted where applications for certain uses are in close proximity to the respective borough boundary. Any assessment of location and concentration of a proposed use in Islington should also include consideration of the uses in adjacent boroughs, where these uses fall within relevant boundaries set in policy DM4.3, e.g. the school proximity boundary; and/or the 500m impact radius (within which potential over-concentration is assessed). There are particular concerns related to night-time economy uses in Hackney, particularly the South Shoreditch and Dalston Special Policy Areas which immediately abut the Islington-Hackney borough boundary. Hackney and Haringey should be consulted on applications in Finsbury Park Town Centre, given that the Town Centre is a tri-borough centre which spans Islington, Hackney and Haringey<sup>14</sup>.

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<sup>14</sup> Islington, Hackney and Haringey have produced a joint SPD which sets out a single vision for the regeneration of Finsbury Park Town Centre. Further information can be found at: [www.islington.gov.uk/finsburypark](http://www.islington.gov.uk/finsburypark).

- 5.12.** There are various forums/groupings at local and London-wide level which can provide insight into a number of common issues discussed in this SPD. For example the London Healthier High Streets working group brings together representatives from local authority licensing and planning departments, the Greater London Authority (GLA), Public Health England and other bodies/advocacy groups. Although such groups are unlikely to be directly consulted on planning applications, the council may draw on information from such groups during the determination of planning applications.
- 5.13.** At a local level, the Safer Islington Partnership brings together a number of partner organisations with the aim of reducing crime and disorder in the borough. Alcohol-related crime is a major concern of the Partnership.
- 5.14.** Comments may be specifically sought from other organisations, including charities, community groups and support services, especially where these organisations provide specialist services in relation to particular areas, e.g. gambling addiction, debt.
- 5.15.** Advice may also be sought for organisations providing specialist advice related to design, security, etc.

### **Sensitive uses**

- 5.16.** Policy DM4.3 Part B resists proposals for certain uses which are likely to cause harm where they are in close proximity to schools or sensitive community facilities. Specific guidance on hot food takeaways near schools is provided in section 6 of the SPD; this section provides more general guidance on potential sensitive community uses and which proposals are likely to cause adverse impacts on such uses.
- 5.17.** There is no one-size-fits-all way to ascertain what a sensitive community use is; this is dependent on a number of factors, including the specific impacts of a proposed use; and the distance between a perceived sensitive use and a proposed use which may have adverse impacts.
- 5.18.** Sensitivity will generally be measured by likely impacts based on site specific information, although in some cases it may be apparent that there are in-principle issues which will certainly cause adverse impacts. DMP policy DM2.1 Part A(x) notes a range of potential impacts which could arise (which sensitive community facilities may be more susceptible to), including noise, disturbance, hours of operation and privacy. DMP policy DM2.1 Part A(xi) requires development proposals to not unduly prejudice the satisfactory development or operation of adjoining land and/or the development of the surrounding area as a whole. This policy applies when considering impact on sensitive community uses, i.e. the ability of the existing community facility to operate effectively following introduction of a proposed, potentially harmful use.
- 5.19.** Where appropriate, other guidance and research may also be used to identify sensitive uses and the impact of specific proposals which could cause adverse impacts on these uses.
- 5.20.** There are a number of community facilities which are likely to be sensitive to specific adverse impacts; these include:

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- Schools;
- Community centres;
- Centres which provide support for vulnerable persons, e.g. homeless shelters, alcohol recovery/rehab centres;
- Religious centres and places of worship; and
- Centres providing support for people with learning disabilities and/or mental health issues.

**5.21.** Generally, a community facility will fall within the D1 use class, although there is scope for uses within other use classes to be considered a community facility, including certain C2, D2 and Sui Generis uses; and even an A1 unit providing an essential service to a local community.

**5.22.** In terms of specific impacts, it is neither possible nor desirable to identify a full list of these related to every type of potential sensitive community facility. Generally, the adverse impacts which affect sensitive community facilities will be those noted in DMP policy DM2.1 Part A(x and xi). Other impacts - e.g. on amenity, character, function, vitality and viability of retail, vibrancy of an area – may also be assessed, although there could be a degree of crossover with any assessment made under policy DM4.3 Part A. The council's licensing policy and gambling policy can also be used as a reference point to assist with any assessment<sup>15</sup>.

**5.23.** The policy supporting text (paragraph 4.23) specifies that applications for hot food takeaways within 200m of a primary or secondary school should be resisted. The 200m radius is specific to hot food takeaways, taking into account specific evidence; it should not be arbitrarily applied to other applications. Instead, proximity should be judged on a case-by-case basis taking into account the characteristics of an area and the potential impacts of the proposed use; this could include consideration of impacts from uses outside a 200m radius from the sensitive community facility.

**5.24.** It should not be automatically presumed that just because a proposed use may have an impact on a sensitive community facility, the default position is to refuse permission for such a use. Consideration will be given to overarching factors, where appropriate, which can highlight circumstances where it may be permissible to allow certain uses near to sensitive community facilities, to achieve wider policy objectives. For example, if a sensitive community facility is permitted in an industrial area, and subsequently an application is made for a new industrial premises which could increase adverse impacts, there is then a need for balance to determine which use takes precedence.

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<sup>15</sup> As noted in paragraph 5.10, bullet point 2, applicants should seek planning permission prior to licensing permission(s)

### 6 Hot food takeaways

#### Background

- 6.1. Health is one of the most significant macro-societal issues facing the UK. Addressing specific health impacts through planning is a concept which is still in its infancy, although planning has had an implicit health angle since the planning system was developed – for example, the Abercrombie Plan put great store in the improvement of the health of the wider London population.
- 6.2. Health in planning in the 21<sup>st</sup> Century involves identifying these specific potential or existing health impacts, and then mitigating these impacts or even preventing the impacts from arising at all.
- 6.3. Obesity has emerged as a key health challenge in recent years, with health experts predicting an obesity epidemic resulting in half of the UK population being classed as obese by 2050<sup>16</sup>. Obesity occurs when the amount of energy consumed, through food and drink, is greater than the amount of energy used by the body over a long period of time resulting in the storage of extra weight. A wide range of societal, environmental and behavioural factors such as cooking skills, the availability of food (both the amount and the type), and access to sport and leisure facilities all contribute to the risk of obesity.
- 6.4. Figures released in February 2014<sup>17</sup> showed that between 1993 and 2012, the proportion of obese adult men rose from 13.2% to 24.4% while the proportion of obese adult women rose from 16.4% to 25.1% over the same period. Figures for childhood obesity are also a cause for concern; the proportion of obese Reception class children stood at 9.3% in 2012/13, while the proportion of obese Year 6 class children stood at 18.9%. These figures effectively highlight that a quarter of the population of England is obese.
- 6.5. Information from the Islington Evidence Hub<sup>18</sup> shows that, in 2012, there were 69,000 adult residents in Islington who were overweight or obese, including 3,100 adults who were morbidly obese. Being overweight/obese is known to increase the risk of long term conditions such as cardiovascular diseases, cancer and diabetes; 29% of overweight adults have least one long-term health condition, while 47% of obese adults have least one long-term health condition. There is a strong association between obesity and premature death.
- 6.6. Further information from the Islington Evidence Hub<sup>19</sup> shows that factors such as parents' weight; where children live; family income; and ethnicity can increase the risk of childhood obesity. Children and young people who are obese are more likely to suffer from poor self-

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<sup>16</sup>BBC News, Obesity crisis: Future projections 'underestimated', 13 January 2014, available from: <http://www.bbc.co.uk/news/health-25708278>

<sup>17</sup> Health & Social Care Information Centre, Statistics on Obesity, Physical Activity and Diet: England 2014, available from: <http://www.hscic.gov.uk/catalogue/PUB13648/Obes-phys-acti-diet-eng-2014-rep.pdf>

<sup>18</sup> Islington Evidence Hub, Focus on... adult overweight and obesity, September 2014, available from: [http://www.islington.gov.uk/publicrecords/library/Public-health/Information/Factsheets/2014-2015/\(2014-09-29\)-Adult-Obesity-Factsheet-September-2014.pdf](http://www.islington.gov.uk/publicrecords/library/Public-health/Information/Factsheets/2014-2015/(2014-09-29)-Adult-Obesity-Factsheet-September-2014.pdf)

<sup>19</sup> Islington Evidence Hub, Focus on... childhood obesity, September 2014, available from: [http://www.islington.gov.uk/publicrecords/library/Public-health/Information/Factsheets/2014-2015/\(2014-10-21\)-Childhood-Obesity-Factsheet-September-2014-\(1\).pdf](http://www.islington.gov.uk/publicrecords/library/Public-health/Information/Factsheets/2014-2015/(2014-10-21)-Childhood-Obesity-Factsheet-September-2014-(1).pdf)

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esteem and are less likely to socialise and do well at school. Health conditions such as high blood pressure, diabetes, poor lung function, bone problems and early puberty are also more common among obese children and young people.

- 6.7.** In Islington, 432 children (22%) in reception and 632 (39%) children in year 6 were overweight or obese in 2014/15<sup>20</sup>. Children who are overweight are twice as likely to become overweight adults.
- 6.8.** In pure economic terms, the cost of obesity is hard to quantify, although the Government estimates that health problems associated with being overweight or obese cost the NHS more than £5 billion every year<sup>21</sup>; indirect costs, such as lost productivity, add to this. This has myriad consequences for UK policy makers.
- 6.9.** The cost of treating overweight/obesity in Islington was estimated at £68.8m in 2007, increasing to an estimated £73.6m in 2015<sup>22</sup>.
- 6.10.** Various publications by the Government and health bodies have set out a holistic, multi-disciplinary approach to tackling obesity; planning is a common tool identified within this literature as a means to tackling obesity, or at least certain aspects which contribute to worsening obesity. A selection of particularly relevant evidence is identified in Appendix 3.
- 6.11.** Planning can help to tackle the obesity epidemic both directly and indirectly. Enabling the development of space for physical activity and ensuring that shops and other services can be accessed by sustainable modes of travel rather than solely by private vehicle are two indirect measures to tackle obesity. Direct measures include specific intervention to limit specified adverse health impacts from occurring.
- 6.12.** Hot food takeaways are an oft-cited example of a direct planning intervention aimed at improving health and wellbeing. A hot food takeaway is defined as an establishment within the A5 planning use class in the UCO. The primary function of a hot food takeaway is the sale of hot food for consumption off the premises; examples of A5 hot food takeaways are kebab shops, pizza shops and fried chicken shops. Debate has raged since the introduction of the A5 use class about how A5 is categorised, as there can often be significant crossover between A1, A3 and A5 uses. Figure 3 visualises the relationship between A1, A3 and A5 uses, specifying the unique elements of each.

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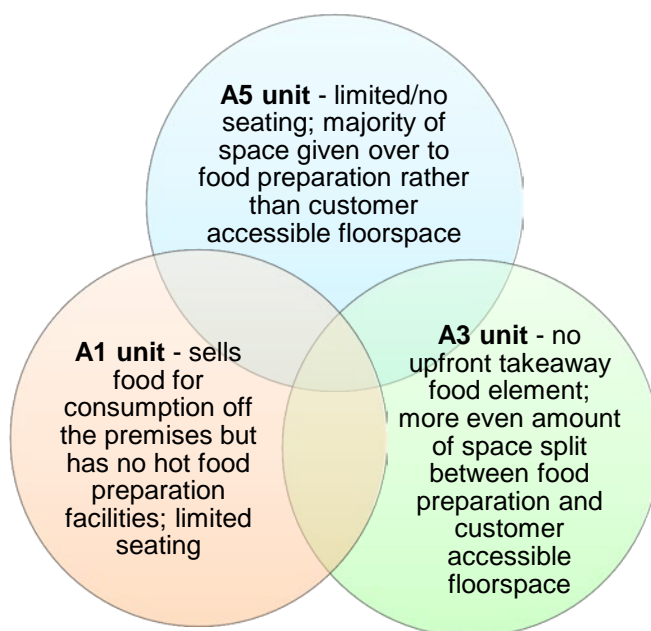
<sup>20</sup> Health and Social Care Information Centre, National Child Measurement Programme 2014/15, available from: <http://www.hscic.gov.uk/searchcatalogue?productid=19405&q=title%3a%22national+child+measurement+programme%22&sort=Relevance&size=10&page=1#top>

<sup>21</sup> Department of Health, Policy paper: 2010 to 2015 government policy: obesity and healthy eating, published 7 May 2015, available from: <https://www.gov.uk/government/publications/2010-to-2015-government-policy-obesity-and-healthy-eating/2010-to-2015-government-policy-obesity-and-healthy-eating>

<sup>22</sup> Islington Evidence Hub 2014, op cit, see footnote 18



Figure 3: specific elements of A1, A3 and A5 uses relating to hot food for consumption off the premises.



6.13. Government guidance<sup>23</sup> produced when the A5 use class was introduced classifies A5 uses as follows:

*“Takeaways are differentiated from restaurants because they raise different environmental issues, such as litter, longer opening hours, and extra traffic and pedestrian activity, from those generally raised by A3: Restaurant and Café uses. With A3 uses, any takeaway food sold on an ancillary basis is usually taken home for consumption... It is recognised that many hot food takeaways exist on premises which are of considerable size in square footage terms - considerably larger, in some cases, than other restaurants within the locality which are classified as A3. The existence of tables and chairs within a hot food outlet does not, in itself, make the premises a restaurant where the takeaway element is predominant.”*

<sup>23</sup> Office of the Deputy Prime Minister, Circular 03/2005, 21 March 2005

**6.14.** This section of the SPD is concerned primarily with A5 units<sup>25</sup>. However, the council recognises that non-A5 units can have a significant takeaway element (see inset). It would be short-sighted to omit consideration of these in this SPD, given that non-A5 uses which have a takeaway element can cumulatively, alongside A5 uses, affect the overarching function of an area. Non-A5 uses with a takeaway element can therefore be taken into account when assessing over-concentration.

### Example: Pret A Manger

Pret A Manger is a sandwich shop chain with over 240 shops across the UK, all of which operate under the A1 use class<sup>24</sup>. These stores have a distinct takeaway element but are able to operate in A1 premises as primary cooking is not conducted on site (hence A5 permission is not required); and there is usually limited seating within the premises (hence A3 permission is not required).

**6.15.** As mentioned in paragraph 2.5, the Government have introduced a new PD right to allow certain uses – including A1 and A2 uses - to change to A3 use. Although this PD right requires prior approval of various issues such as noise, odour and loss of retail uses, it could mean a significant increase in A3 uses. Given that A3 uses can have a distinct takeaway element, this could exacerbate issues discussed in paragraph 6.14.

**6.16.** By tackling A5 uses, part of the focus is on the access to unhealthy food. There is no specific definition of unhealthy food for planning purposes, but it is generally considered to be food which is energy-dense<sup>26</sup> and high in fat, salt and/or sugar, like much fast food sold in hot food takeaways. Fast food is often consumed with sweetened soft drinks – e.g. as part of a meal deal – which adds an additional unhealthy element to meals. A1 and A3 units can also sell takeaway food which would fit this definition but generally it is A5 uses which have become associated with unhealthy takeaway food.

**6.17.** Planning can control the location of hot food takeaways but it cannot control the food sold, for example, planning permission cannot be granted subject to a condition stating that an A5 unit could not serve fried chicken. It is important to remember that the planning assessment relates to the general A5 use, not the type of takeaway restaurant or food sold.

**6.18.** There are initiatives which look to address the healthiness of takeaway food offer, including the Healthy Catering Commitment (HCC).

**6.19.** The HCC<sup>27</sup> is an initiative originally developed by the Chartered Institute of Environmental Health in conjunction with the Association of London Environmental Health Managers, the GLA and other parties including numerous London Boroughs. The HCC is a voluntary scheme, primarily targeted at London-based fast food establishments; businesses which meet the relevant



**Figure 4 – Healthy Catering Commitment logo, displayed in premises which achieve the standard**

<sup>24</sup> Information available from: [http://www.pret.com/about/our\\_shops.htm](http://www.pret.com/about/our_shops.htm)

<sup>25</sup> Dual use units where a significant element of floorspace is used for A5 will be considered A5 for the purposes of the SPD.

<sup>26</sup> Energy density is the amount of energy (or calories) per gram of food

<sup>27</sup> Information available from: <http://www.cieh.org/healthier-catering-commitment.html>

HCC assessment criteria<sup>28</sup> are able to display the HCC logo to show they have achieved the HCC standard. The assessment criteria include promotion of healthier alternatives; reduction in salt both during cooking and at point of sale; and use of polyunsaturated or monounsaturated fats to prepare and cook food. Operators must also meet a minimum level of food hygiene<sup>29</sup> in order to participate in the scheme.

- 6.20.** In Islington, over 200 businesses have achieved HCC standard, which has initially been delivered as part of Hearty Lives Islington<sup>30</sup>, a three year project funded by the British Heart Foundation to help reduce levels of cardiovascular disease in the borough. From April 2015, the scheme has been delivered as part of the normal Islington Environmental Health – Commercial service.
- 6.21.** The council's Environmental Health - Commercial team have already engaged with all takeaways within 500 metres of all Islington secondary schools; around 70 of these premises have achieved the HCC standard. A live map of premises which have achieved the HCC standard is being developed and will be available on the council's website.

### Hot Food Takeaways in Islington

- 6.22.** The council has undertaken an extensive survey of hot food takeaways (use class A5) and non-A5 uses (i.e. A1 and A3) with a takeaway element<sup>31</sup> within the borough. This has been informed by a number of information sources including Environmental Health, surveys of Town Centres and Local Shopping Areas, planning permissions and web-based research.
- 6.23.** This methodology is considered robust, and is the first time an extensive list of A5 and non-A5 takeaway establishments in Islington has been compiled. However, this is not considered an exhaustive list; there may be some establishments that have been missed, and conversely there may be some which do not have a takeaway element; or there may be some establishments which have subsequently changed use under PD rights. Further survey work and mapping could be undertaken at application stage.
- 6.24.** The survey required a distinction to be made between A5 units and A1/A3 units with a takeaway element. With A3 and A5 uses, there may be some units with A3 use as a hangover from the pre-2005 UCO, but which are actually A5 units; the survey methodology encompasses this. Some units have both A3 and A5 permission, making them effectively Sui Generis; these units were classed as non-A5 with a takeaway element.
- 6.25.** A1 coffee shops were not included as their primary function is the sale of hot drinks. However, it is noted that these drinks can be akin to fast food (i.e. high fat and sugar

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<sup>28</sup>Healthy Catering Commitment for London Assessment Criteria, available from:

[http://www.cieh.org/uploadedFiles/Core/Membership/Regional\\_network/London/Healthier\\_Catering\\_Commitment\\_for\\_London\\_Criteria\\_March\\_2011.pdf](http://www.cieh.org/uploadedFiles/Core/Membership/Regional_network/London/Healthier_Catering_Commitment_for_London_Criteria_March_2011.pdf)

<sup>29</sup> A Food Hygiene Rating Scheme (FHRS) score of at least 3 (Generally Satisfactory) is required. Further information on the FHRS is available from: <http://www.food.gov.uk/multimedia/hygiene-rating-schemes/ratings-find-out-more-en>

<sup>30</sup> Information available at: <https://www.bhf.org.uk/heart-health/how-we-can-help/hearty-lives/islington>

<sup>31</sup> To note: this survey was a visual survey conducted on-site and via other secondary means. The planning use has been assumed using certain parameters; this survey does not constitute confirmation of the lawful use of a unit and does not prejudice any future decisions made by Islington Council.

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content; and energy-dense); and coffee shops often sell food as well. These reasons could be used to justify inclusion, although the council has decided not to at this stage. A future review of this SPD could include A1 coffee shops. However, an assessment of location and concentration of uses at application stage could include coffee shops depending on the specific case circumstances.

- 6.26.** Newsagents and other A1 convenience stores were not included given that they sell a wide range of products. However, there is a recognised argument that some products on sale in such stores, e.g. chocolate bars, crisps, soft drinks, are major contributors to poor diets and ultimately the higher prevalence of obesity. As with coffee shops, the council has not included newsagents and other convenience stores at this stage, but there could be scope to do so in future revisions of the SPD; an assessment of location and concentration of uses at application stage could include newsagents and other A Use convenience stores depending on the specific case circumstances.
- 6.27.** The survey revealed that there are currently 178 hot food takeaway restaurants in the borough. In addition there are 319 non-A5 uses with a takeaway element. Purely based on the number of A5 units, this gives a total of 83 fast food outlets per 100,000 population. If non-A5 uses with a takeaway element are included, the number of outlets per 100,000 population in Islington rises to 230.
- 6.28.** Information from Public Health England (PHE) can be used to compare Islington with the average number of fast food outlets per 100,000 across England<sup>32</sup>. This analysis was based upon three particular types of fast food outlets, sourced from Ordnance Survey InterestMap™, rather than a specific analysis of A5 uses. It is likely that the data used by PHE includes some A3 uses which distort the statistics from a planning point of view. The London Inset map in the PHE analysis<sup>33</sup> shows that Islington has between 107 and 210 fast food outlets per 100,000 population, and is therefore significantly above the England average of 86 fast food outlets per 100,000 population.
- 6.29.** Islington, therefore, has nearly three times the England average figure of fast food outlets. Although it is unclear exactly how PHE have included A3 and A5 units in the average figure, it is particularly telling that Islington comes very close to the national average solely through consideration of A5 uses.
- 6.30.** Further statistics have been sourced from the Food Standards Agency (FSA) Food Hygiene Rating scheme<sup>34</sup>. This scheme, operated by local authorities, gives businesses a 'hygiene rating' which shows how closely the business is meeting the requirements of food hygiene law. The ratings are organised by business type, including a takeaway/sandwich shop category. This does not reflect the planning use class, but it does provide a good basis through which to compare Islington to other local authorities in terms of number of hot food takeaways.

<sup>32</sup> Public Health England 2014, Obesity and the environment: Fast food outlets, available from: <http://www.noo.org.uk/visualisation>

<sup>33</sup> Ibid

<sup>34</sup> Food Standards Agency, Find out more about food hygiene ratings, available from: <http://www.food.gov.uk/multimedia/hygiene-rating-schemes/ratings-find-out-more-en/>

- 6.31.** Looking specifically at the FSA figures<sup>35</sup> in order to compare Islington with other London boroughs and the UK overall, **Islington has the second highest number of hot food takeaways per hectare of all London local authorities**, behind only Tower Hamlets. The FSA figures show that the ratio of Islington residents per hot food takeaway is 989:1, the 5<sup>th</sup> tightest ratio across London, and significantly tighter than the UK ratio of 1,289:1.
- 6.32.** Given that Islington is the most densely populated borough in the UK, such a significant existing concentration of fast food outlets has an amplified impact (i.e. these outlets are in close proximity to large numbers of Islington residents) and may make over-concentration more likely in the future.
- 6.33.** The results of the survey have been mapped to visualise the location and concentration of A5 uses and non-A5 uses with a takeaway element.
- 6.34.** **Map 1** shows the number of A5 takeaways in the borough<sup>36</sup>. The boundaries for Islington's Town Centres and Local Shopping Areas are shown for context.
- 6.35.** As the map shows, A5 units generally correlate with retail designations; the most significant number of dispersed A5 units is in the CAZ, but this is to be expected given the lack of specific retail designations and the role that the CAZ plays in supporting the night-time economy.
- 6.36.** There are significant concentrations of A5 units in Archway and Finsbury Park Town Centres, as well as in the Lower Holloway, Hornsey Road (North) and Caledonian Road (Central) Local Shopping Areas<sup>37</sup>. Almost 50% of Islington's A5 units are located on the main arteries which cross these areas – Seven Sisters Road, Blackstock Road, Holloway Road, Hornsey Road, Caledonian Road and Junction Road. **These main arteries, particularly within the aforementioned retail designations, should be considered areas of concern in relation to the concentration of A5 hot food takeaways.**
- 6.37.** **Map 2** shows the number of A5 takeaways in the borough alongside non-A5 units with a takeaway element.
- 6.38.** This map shows strong concentrations of these non-A5 takeaway uses are most heavily focused in the core parts of Islington's Town Centres, which is the preferred location for such uses. Despite this, it is important to note that the takeaway element of these non-A5 uses, combined with the identified concentrations of A5 uses, could exacerbate adverse impacts associated with over-concentration.
- 6.39.** **Map 3** shows the number of A5 hot food takeaways in the borough with a 500m buffer zone to highlight potential areas where development of additional A5 unit(s) may lead to an over-concentration of these uses. Non-A5 uses with a takeaway element are also mapped for reference (though these uses do not have a buffer applied).

<sup>35</sup> Figures available from: <http://ratings.food.gov.uk/enhanced-search/en-GB/%5E/%5E/Relevance/7844/504/%5E/1/1/10>

<sup>36</sup> This map is a 'snapshot' to give an idea of the location and concentration of hot food takeaways. Updated survey and mapping may be produced on a case-by-case basis to ascertain an accurate picture to assist with determination of planning applications.

<sup>37</sup> Caledonian Road (Central) Local Shopping Area is within the area covered by the Cally Plan SPD. Section 5.1 of the Cally Plan SPD refers to the aim to prevent over-concentration of hot food takeaways on Caledonian Road.

- 6.40.** As the map shows, the vast majority of the borough is within 500m of a hot food takeaway; the small areas that are not – the majority of the City Fringe Opportunity Area, part of York Way near the Vale Royal/Brewery Road Locally Significant Industrial Site and a residential area around Tufnell Park – are all in close proximity to a non-A5 use with a takeaway element.
- 6.41.** Particular areas of concern are identified in paragraph 6.36 above. It would not be appropriate to impose the same general level of concern across most of the borough just because a hot food takeaway is within 500m. However, it is appropriate to suggest that Islington, as a whole, has the potential to be more susceptible to adverse impacts arising from over-concentration of A5 uses, due to the prevalence of such uses and the small size of the borough (which means that large amounts of people live in close proximity to these A5 units). In almost all instances where a new A5 unit is proposed, there will be at least one existing A5 unit in close proximity<sup>38</sup>. Therefore, taking into account the guidance on over-concentration risk established in section 5; and the risk scenarios set out in Appendix 2, **all new A5 applications will be robustly assessed, with particular regard had to potential adverse impacts on character, function, vitality, viability, amenity and health & wellbeing.**
- 6.42.** DMP policy DM4.3 Part B specifically mentions resisting new hot food takeaways near primary and secondary schools. **Map 4** shows the location of A5 hot food takeaways near primary and secondary schools. A 200M buffer zone around all schools has been displayed to highlight those A5 uses which are currently in close proximity to schools; and also to help easily identify whether applications for new A5 units are within close proximity to schools.
- 6.43.** The map shows that there are a significant number of hot food takeaways currently in close proximity to Islington's primary and secondary schools. This evidence gives significant impetus to the policy DM4.3 restriction on further hot food takeaways within 200m radius of schools.
- 6.44.** **Map 5** shows that there are also a number of non-A5 takeaway uses in close proximity to schools. This could further exacerbate adverse impacts associated with A5 uses in close proximity to schools.
- 6.45.** **Map 6** shows the number of hot food takeaways in the borough overlaid onto borough deprivation mapping from the IMD 2015 (overall score). A significant number of hot food takeaways coincide with the two most deprived IMD deciles.
- 6.46.** There is an evidenced association between fast food outlets and obesity, particularly where these uses are over-concentrated. The association is stronger in more deprived areas<sup>39</sup>.
- 6.47.** Evidence from Camden and Islington Public Health<sup>40</sup> also suggests a higher propensity of obesity in the most deprived parts of Islington.

<sup>38</sup> Hot food takeaways in adjacent boroughs should also be taken into account – see paragraph 5.11.

<sup>39</sup> Public Health England 2014, op cit, see footnote 32

<sup>40</sup> Islington Evidence Hub 2014, op cit, see footnote 18

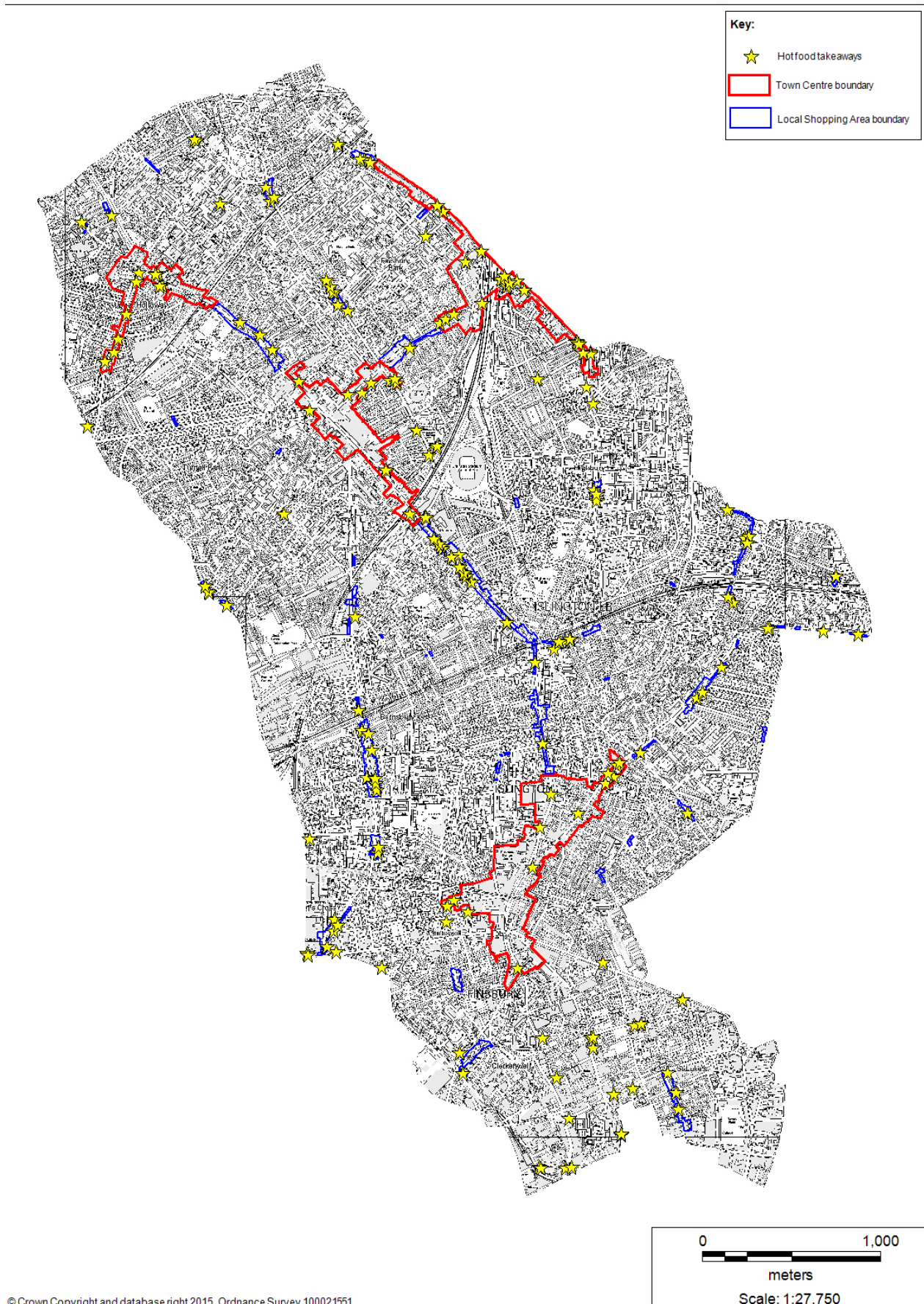
- 6.48.** The NHS London Healthy Urban Development Unit<sup>41</sup> note that there is a strong relationship between socio-economic deprivation (as measured by the 2010 IMD score) and obesity prevalence in children. There are also a number of other socio-demographic factors that are linked with obesity prevalence, most notably ethnicity. Research cited by the Royal Society for Public Health<sup>42</sup> also suggests a higher proportion of fast food outlets in the most deprived areas.

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<sup>41</sup> NHS London Healthy Urban Development Unit, HUDU Planning for Health: Using the planning system to control hot food takeaways; a good practice guide, February 2013

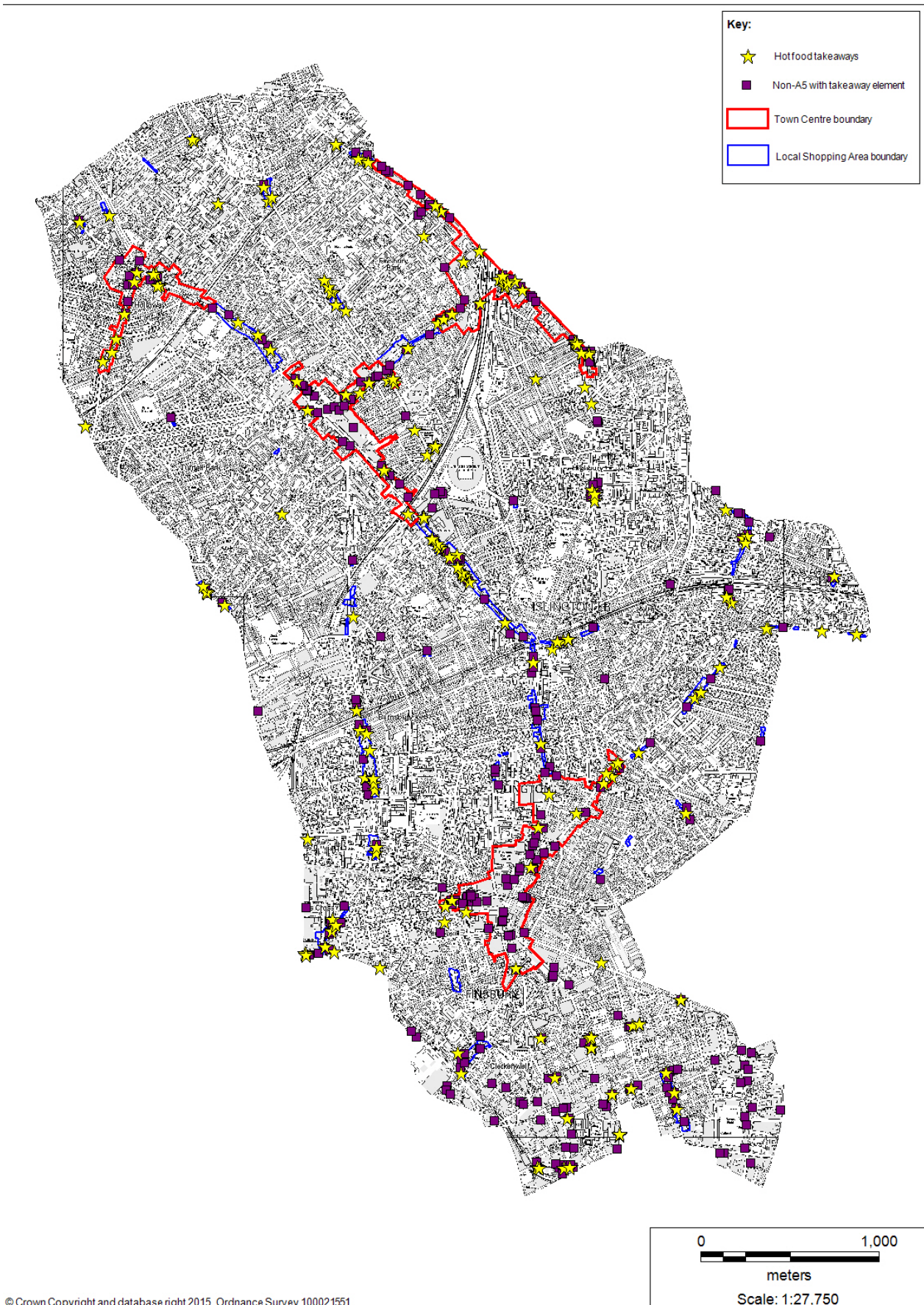
<sup>42</sup> Royal Society for Public Health, Health on the High Street, March 2015

## Map 1:

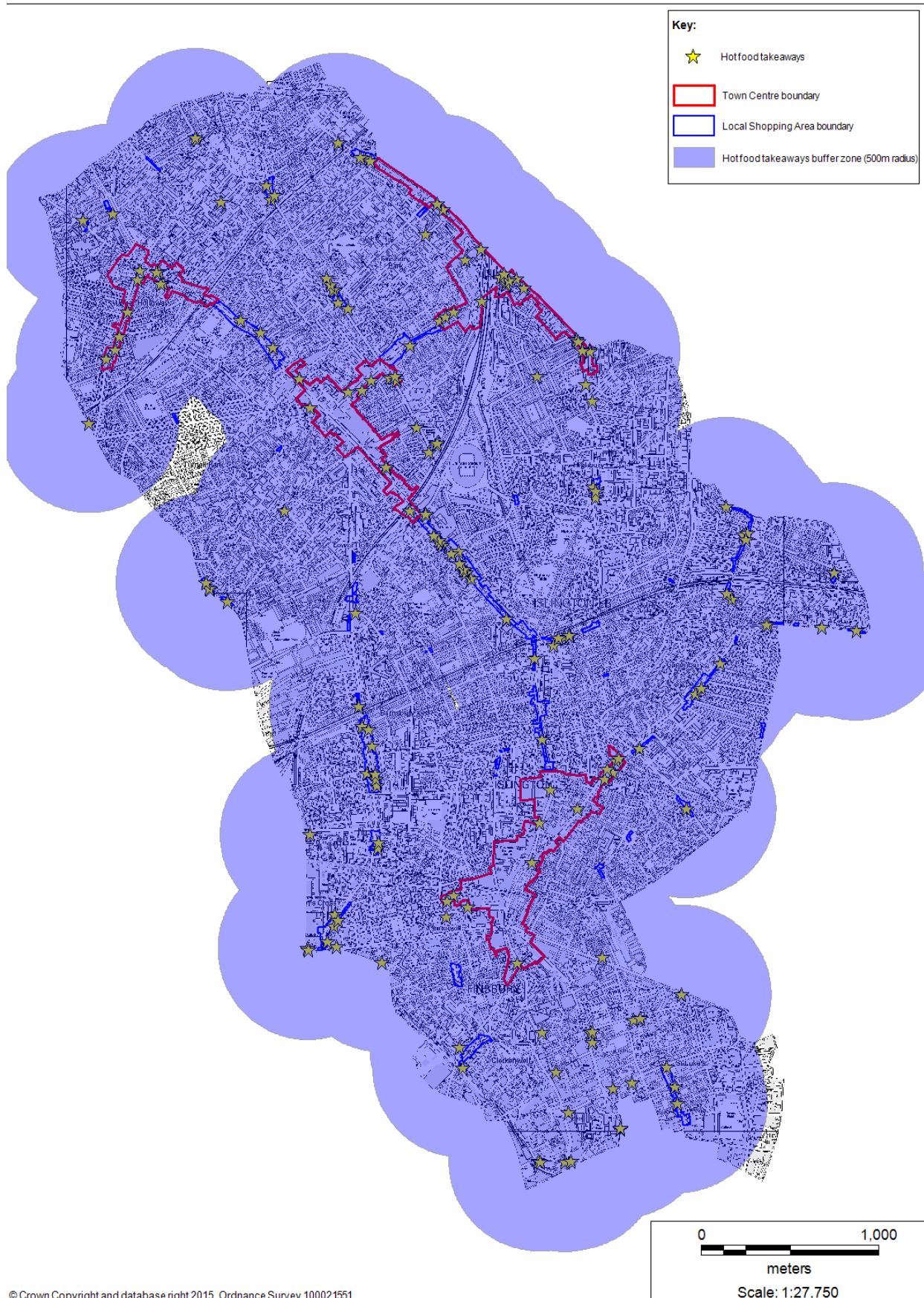




Map 2:



## Map 3:

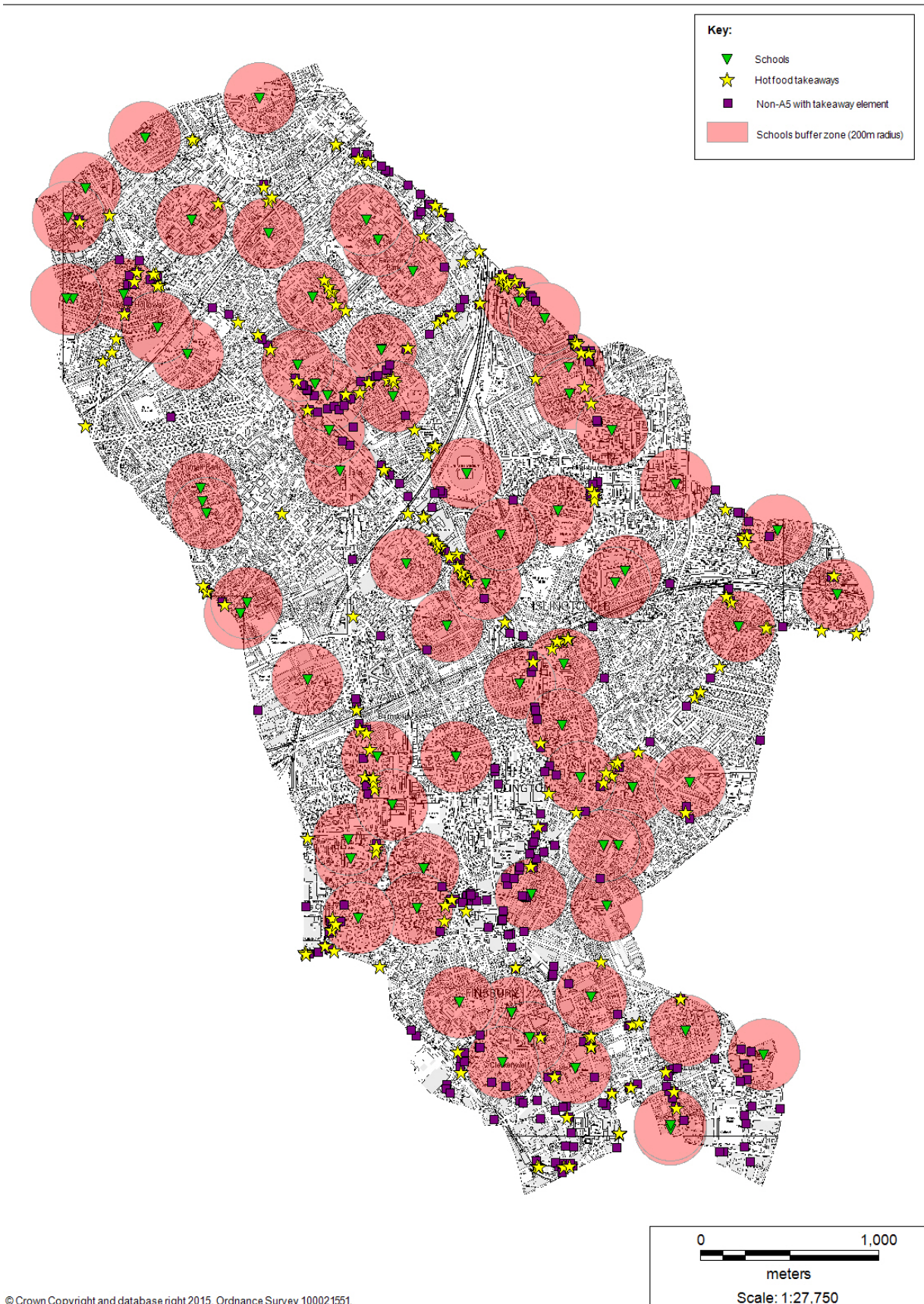


Map 4:

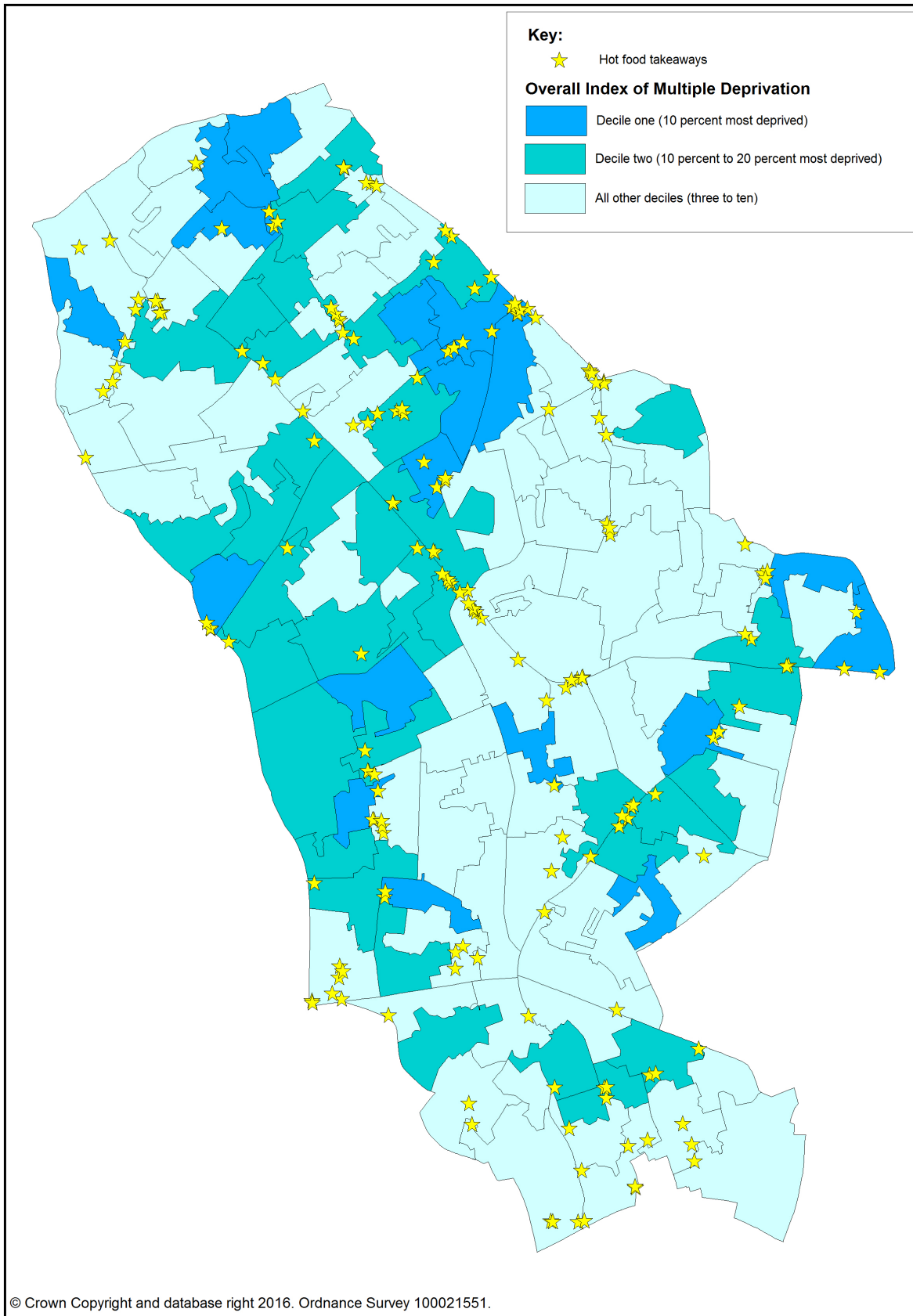


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## Map 5:



Map 6:



## Location and concentration of uses SPD

### Planning applications

- 6.49.** Taking into account the parameters of the policy DM4.3; the evidence and information detailed above; and the main objective of this SPD, there is specific guidance which can be applied to new planning applications for A5 uses; this can also be applicable to A1/A3 uses dependent on case-specific circumstances.
- 6.50.** As well as new applications, this guidance may also apply to applications which intensify/alter existing A5 uses, e.g. through extensions; or a change to an opening hours condition.

#### HFT 1

When an application for a hot food takeaway is received, various council departments and partner organisations will be consulted for comments on potential impacts and to source evidence and statistics (where possible).

- 6.51.** To enable full consideration of applications for new hot food takeaways, information on potential impacts (both positive and negative) may be sourced from a number of departments within the council; and from organisations external to the council. This could include the council's Environmental Health - Commercial department and/or Public Health team. The council's Highways department – in relation to proposed tables on public highway - and Street Environment Services – in relation to litter – may also be consulted depending on specific circumstances.

#### HFT 2

All applications for A5 uses should be accompanied by a completed Islington 'Planning for Health' self-assessment.

- 6.52.** The Islington 'Planning for Health' self-assessment form has been developed in conjunction with this SPD and is provided at Appendix 1. The aim of the self-assessment is to encourage applicants to fully consider the health impacts of their proposal, in particular how any negative impacts will be mitigated/prevented; and to ensure that case officers have sufficient information to assess the impacts of the application.
- 6.53.** Provision of a completed self-assessment does not preclude a requirement for a full HIA where potential health issues are identified.
- 6.54.** Applicants considering an application for new hot food takeaways are advised to undertake pre-application discussions to determine the exact information requirements at the earliest possible stage.

#### HFT 3

Any applications for A5 units within a 200m radius of a primary or secondary school will be resisted.

- 6.55.** The 200m radius, as set out in policy DM4.3 Part B should be measured from the school entrance/exit; multiple entrances/exits will be considered separately, i.e. a separate radius will be calculated from each individual entrance/exit.
- 6.56.** Similar to the guidance regarding implementation of the 500m over-concentration radius – set out in paragraph 5.7 – there may be a proposed hot food takeaway within a 250m radius of a school which would clearly lead to a combined cumulative impact; therefore it would be folly to discount such an impact solely because it falls outside the identified 200m restriction zone. Likewise, the physical geography of an area may mean that a 200m radius is too extensive when factoring in actual walking times. The council will retain 200m as the default radius for assessment purposes, but these factors may be taken into account on a case-by-case basis.
- 6.57.** It should be noted that a recent planning appeal decision<sup>43</sup> in Islington upheld the default radius where a new A5 use was proposed within 200m of a local primary school. The inspector in this case specifically noted that although the proposed A5 unit and the primary school were separated by a road (the A1), it could not be ruled out that children would cross the road to reach the proposed outlet.

### HFT 4

All permitted applications involving A5 uses will be conditioned to require the operator to achieve, and operate in compliance with, the Healthy Catering Commitment standard.

- 6.58.** As noted in paragraphs 6.19 to 6.21, the HCC is an important scheme to promote healthier eating. The council wants to ensure that all new hot food takeaways achieve, and operate in compliance with, this standard; therefore, all new hot food takeaway premises will be conditioned to require the operator to achieve, and operate in compliance with, the HCC standard.
- 6.59.** The following wording is suggested for the condition: the hot food takeaway operator must achieve the Healthy Catering Commitment standard within 6 months from the first day of operation, and comply with the standard thereafter. Evidence that the operator has achieved the standard must be displayed on the premises to the council's reasonable satisfaction, e.g. HCC door sticker.
- 6.60.** The council considers that such a condition is consistent with the tests set out in paragraph 206 of the NPPF.
- 6.61.** A 6 month window for achievement of the standard gives some allowance to accommodate any resource implications which may affect applicants or the council. However, the council will encourage operators to achieve the standard as soon as practicably possible. In certain circumstances, e.g. if an A5 unit is permitted in close proximity to a school, the council may explicitly require the standard to be achieved sooner.

<sup>43</sup> See Appeal Ref: APP/V5570/A/14/2227193, Food & Wine, 49 Upper Street, London N1 0PN, decision dated 19 May 2015.

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- 6.62.** To achieve the HCC standard, operators need to demonstrate consistency with at least 8 out of 22 criteria (36%); this is considered reasonably achievable for any A5 hot food takeaway operator.
- 6.63.** If the council suspects a breach of the condition, or if an allegation of a breach is received, it will investigate and will seek to establish whether the HCC criteria are being adhered to. This may be achieved through further requests for evidence from the operator e.g. copies of official scheme materials received following achievement of the HCC standard; verifiable photographic evidence of any HCC materials on display at the premises; and/or through site visits by council officers. There may also be scope to monitor compliance through the live map of HCC premises and/or through the council's annual survey of planning permissions.
- 6.64.** For avoidance of doubt, this condition will not circumvent any requirement for advertising consent.
- 6.65.** If any alternative or equivalent healthy eating schemes are introduced by other bodies; the council; and/or any other organisation/government department at a national or London-wide level, the council will consider whether it is appropriate to condition adherence to these schemes, either instead of or in addition to the HCC.
- 6.66.** If an applicant is able to demonstrate genuinely exceptional reasons why adhering to the HCC standard is not practicable, the council will take such reasons into account on a case-by-case basis.

### HFT 5

All applications involving A5 uses should be accompanied by a Hot Food Takeaway Management and Operating Strategy.

- 6.67.** Hot food takeaways are often associated with a broad range of adverse impacts, as detailed elsewhere in this SPD. The council seeks a commitment, from hot food takeaway operators proposing new stores, to ensure that potential adverse impacts have been fully considered and measures have been put in place to prevent and/or mitigate impacts.

Therefore, the council will seek submission of a Hot Food Takeaway Management and Operating Strategy alongside applications for new A5 hot food takeaways<sup>44</sup>. The information that should be included is all standard information which also needs to be provided when the operator applies for a premises licence, and is therefore not considered onerous. It will ensure that the salient issues for the council to consider when assessing a planning application are packaged together in a single document, and that the applicant has given some consideration to these issues. Currently, this information is not consistently available for hot food takeaway applications; whereas applications for other uses – such as hotels – are often accompanied by a management strategy in order to allow for proper consideration of all issues.

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<sup>44</sup> This includes applications to vary conditions attached to an existing hot food takeaway, such as amendment of opening hours.



**6.68.** The council is not currently proposing to introduce a template for the document to allow for individual circumstances to be accounted for, although there are a number of common issues which the council expects to be addressed in each and every Hot Food Takeaway Management and Operating Strategy:

- Noise and odour: hot food takeaways generally have extraction/ventilation systems which are often linked with noise and odour impacts, depending on their design and siting in relation to adjacent properties. Potential impacts should be identified at an early stage and designed out where possible; or, where design options are limited, the applicant must demonstrate that full consideration has been given to effective mitigation measures and that the proposal will not cause adverse impacts.
- Anti-social behaviour and disturbance: hot food takeaways can contribute to the night time economy in specific areas, but they can also act as a beacon for anti-social behaviour. Proposals for new hot food takeaways must consider how anti-social behaviour can be tackled; this could include details of proposed staffing arrangements (including security staff); proposed membership of collective retail security/radio link schemes in the area; and evidence of early discussions with the Metropolitan Police and incorporation of any best practice information into the proposal.
- Litter and refuse arrangements: litter is often one of the primary adverse impacts associated with hot-food takeaways. Several responses to the preliminary consultation exercise raised litter as an issue. The council will work with other departments and organisations to assess the impact of litter, as noted in guidance point HFT 1. Any proposals coming forward for new hot food takeaways must demonstrate that measures to reduce litter have been fully investigated and implemented (where appropriate); this could include information on proposed signage to discourage littering; provision of litterbins on the premises and information showing the location of litterbins in the vicinity; and details of frequency of litter disposal. Islington Council have developed a smartphone app<sup>45</sup> to enable reporting of environmental issues such as littering; we would encourage new hot food takeaways to display information about this app on the premises.
- Transport and the public highway: hot food takeaways can have specific impacts on the public highway, due to associated delivery/moped vehicles; tables and chairs on the pavement; and a high demand for taxi services where hot food takeaways operate as part of the night-time economy, i.e. revellers visit a hot food takeaway at the end of a night out, and subsequently book a private hire taxi pick-up or flag a Hackney Carriage from outside the premises, thus causing congestion issues. All proposals for hot food takeaways are expected to address these issues, including demonstration of where delivery vehicles will park; whether any taxi pick-up/drop-off points are located nearby; and whether any discussions have taken place with the council's Streetworks team regarding a licence for any proposed tables/seating on the pavement.

**6.69.** The Hot Food Takeaway Management and Operating Strategy should also consider any other potential impacts on vitality, viability, character, amenity, function and health and wellbeing.

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<sup>45</sup> Information available from: <http://www.islington.gov.uk/services/rubbish-recycling/street-cleansing/Pages/default.aspx>

- 6.70.** There should also be some cross-reference to the Islington 'Planning for Health' self-assessment sought under guidance point HFT 2, i.e. if the self-assessment identifies potential adverse impacts, the Hot Food Takeaway Management and Operating Strategy should identify measures to prevent these impacts from arising or mitigate them.
- 6.71.** The council will put an informative note on any permitted hot food takeaway to confirm that the application was permitted based on the information given in the submitted Hot Food Takeaway Management and Operating Strategy. However, in appropriate circumstances, individual elements of the Hot Food Takeaway Management and Operating Strategy may be secured by full planning condition to guarantee compliance.

## 7 Betting shops

### Background

- 7.1.** A betting shop is a location that is licensed to enable betting – as defined by the Gambling Act 2005<sup>46</sup> - to be carried out on the premises.
- 7.2.** Betting shops are regulated through three types of licence:
- **Operating licence** – this is the overarching licence needed to run a betting shop. An operating licence is obtained from the Gambling Commission<sup>47</sup> and allows holders to run a betting shop and certain other betting activities in the UK.
  - **Personal management licence** – except in the case of very small betting shop operations, staff with certain responsibilities in betting organisations need to have a personal management licence. Personal management licences are obtained from the Gambling Commission<sup>48</sup>.
  - **Premises licence** – a premises licence is needed for each individual betting shop. This licence is granted by local licensing authorities (i.e. councils)<sup>49</sup> and is considered the most important of the three required licences.
- 7.3.** The Gambling Act 2005 is underpinned by the following three licensing objectives:
- preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime;
  - ensuring that gambling is conducted in a fair and open way; and
  - protecting children and other vulnerable people from being harmed or exploited by gambling.
- 7.4.** Applications for new premises licences must be consistent with these objectives, and any local licensing policy in relation to gambling.
- 7.5.** Islington Council, as the local licensing authority, is required to prepare, consult on and publish a statement of gambling policy that sets out how gambling will be regulated in the borough. The current policy, for the period 2016-19<sup>50</sup>, sets out the council's general

<sup>46</sup> Definition of betting is the “making or accepting of a bet on the outcome of a race, competition or other event or process; the likelihood of anything occurring or not occurring; or whether anything is or is not true.”

<sup>47</sup> Gambling Commission, How do I apply for an operating licence – betting?, information available from:

<http://www.gamblingcommission.gov.uk/Gambling-sectors/Betting/Getting-a-licence/Applying-for-a-licence/How-do-I-apply-OL/How-do-I-apply-for-an-operating-licence.aspx>

<sup>48</sup> Gambling Commission, Personal licences, information available from:

<http://www.gamblingcommission.gov.uk/Personal-licences-PML-PFL/Personal-licences.aspx>

<sup>49</sup> Gambling Commission, How do I apply for an betting premises licence – betting?, information available from:

<http://www.gamblingcommission.gov.uk/Gambling-sectors/Betting/Getting-a-licence/Applying-for-a-licence/Apply-for-a-premises-licence.aspx>

<sup>50</sup> Islington Council, Gambling Act 2005: Gambling Policy: 2016 – 2019, available from:

[http://www.islington.gov.uk/publicrecords/library/Economic-development/Business-planning/Policies/2015-2016/\(2016-01-05\)-Gambling-Policy-2016-19.pdf](http://www.islington.gov.uk/publicrecords/library/Economic-development/Business-planning/Policies/2015-2016/(2016-01-05)-Gambling-Policy-2016-19.pdf)

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approach when assessing premises licence applications. Licence conditions can be attached to a premises licence in order to ensure that potential adverse impacts, including impacts related to crime and anti-social behaviour, are alleviated.

- 7.6.** Once granted, a premises licence applies for an indefinite period, although if the licensee fails to pay the annual licence fee or breaches a licence condition, the licence can be revoked.
- 7.7.** The local authority licensing regime includes consideration of similar issues to planning, but it is a distinct and separate regime<sup>51</sup>. Although the licensing regime cannot take planning considerations into account, licensing concerns can be a material consideration in the determination of planning applications. The weight given to relevant licensing concerns will be applied on a case-by-case basis dependent on the evidence available.
- 7.8.** The court's decision in *Gold Kebab Limited v Secretary of State for Communities and Local Government (2015)*<sup>52</sup> supports this view. This case concerned a shop with licensing permission to operate until a certain time, but planning consent that conditioned much more limited opening hours. The planning decision was challenged on the basis that the licensing permission, which allowed longer operating hours, should have been taken into account as a material consideration. The court held that the legal considerations driving the separate regimes are different, although there may be some overlap.
- 7.9.** Analysis<sup>53</sup> of this case has highlighted the main message of this court decision:
- "The golden rule is that even where statutory schemes overlap, such as in planning and licensing, one set of facts may quite lawfully lead to different or incompatible outcomes."*
- 7.10.** The licensing regime has a specific requirement, enshrined in the Gambling Act 2005, for local licensing authorities to 'aim to permit' gambling subject to certain considerations, the most important of which is consistency with the three licensing objectives noted above. Issues such as clustering and health impacts currently cannot be taken into account as they are not specific licensing objectives as defined in the Gambling Act 2005.
- 7.11.** Applicants should seek planning permission prior to licensing permission. In circumstances where a licence is granted prior to planning permission, this should not affect the consideration of a planning application, given the different requirements of the two separate regimes.

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<sup>51</sup> A 2016 Gambling Commission investigation into Paddy Power Holdings Ltd identified a number of serious failings on the part of Paddy Power Holdings Ltd in relation to keeping crime out of gambling and protecting vulnerable people from being harmed or exploited (i.e. two of the three licensing objectives). This investigation suggests that the licensing system, by itself, may not be sufficient to prevent harm where new betting shops are proposed. The planning system, operating alongside licensing, can assist with ensuring that impacts are prevented or mitigated. Further information on the investigation is available from: <http://www.gamblingcommission.gov.uk/pdf/Paddy-Power-public-statement-February-2016.pdf>

<sup>52</sup> *Gold Kebab Ltd v Secretary of State for Communities And Local Government* [2015] EWHC 2516 (Admin), available from: <http://www.bailii.org/ew/cases/EWHC/Admin/2015/2516.html>

<sup>53</sup> Gilks, M. (2015), Local Government Lawyer, The interaction between the planning and licensing regimes, 24 September 2015, available from:

[http://www.localgovernmentlawyer.co.uk/index.php?option=com\\_content&view=article&id=24500%3Athe-interaction-between-the-planning-and-licensing-regimes&catid=63&Itemid=31](http://www.localgovernmentlawyer.co.uk/index.php?option=com_content&view=article&id=24500%3Athe-interaction-between-the-planning-and-licensing-regimes&catid=63&Itemid=31)

- 7.12.** Considerations which can be taken into account when assessing applications for a premises licence are limited by statute. Planning considerations have no such limitations in principle; relevant Development Plan policies (those that have been adopted, and are therefore legally compliant and ‘sound’) can be applied, as can any material consideration – such as health impacts - determined by evidence.
- 7.13.** The council’s Licensing and Public Health departments are two specific departments who may be consulted on specific planning applications for betting shops.
- 7.14.** The Government’s recent changes to the UCO, referred to in paragraph 2.6 above, suggests that they have concerns about the potential impact of betting shops, and that planning has a distinct role in assessing each and every betting shop application.
- 7.15.** Betting shops are a Sui Generis use in planning terms, and are not considered a retail use. Some uses, such as payday loans shops, often have an associated retail element and hence can be classed as quasi-retail; however, planning appeal decisions<sup>54</sup> have established that betting shops are materially different from a retail use due to lack of associated retail and generally less active front windows (which are often given over exclusively to display of odds and promotions, creating a barrier between the street-scene and internal shop areas with only limited visual interest). Excessive concentration of betting shops in areas which are predominantly retail in character could adversely impact the continued health and sustainability of such areas.
- 7.16.** Betting shop operators often claim that new betting shops will increase footfall in shopping areas, hence benefiting other shops and services. However, this is not a general rule and would need to be properly evidenced on a case-by-case basis<sup>55</sup>. Planning inspectors have concluded that betting shops may not lead to a significant increase in the number of shoppers in the centre or have a noticeable effect on the vitality of the centre, especially where they add to existing high concentrations of non-retail uses<sup>56</sup>. Further appeal decisions<sup>57</sup> have also found that where there are multiple existing betting shops in an area and/or where a betting shop proposes to relocate, any beneficial effect from the footfall from a new betting shop is likely to be limited and the new shop would therefore be unlikely to add to the range of shops in the area; attract new customers into an area or contribute to the vitality or interest of the area.
- 7.17.** The impact of betting shops can be two-fold. First there is the physical location of a betting shop, which may cause adverse impacts due to close proximity to a sensitive use<sup>58</sup>

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<sup>54</sup> See Appeal Ref: APP/P1235/A/11/2165906, 26 St Thomas Street, Weymouth, Dorset, DT4 8EJ, decision dated 26 March 2012; Appeal Ref: APP/T2350/A/12/2189415, 10 Market Place, Clitheroe, Lancashire BB7 2DA, decision dated 16 May 2013; and Appeal Ref: APP/M5450/A/12/2187570, 10-12 St Ann’s Road, Harrow, HA1 1LG, decision dated 23 April 2013.

<sup>55</sup> See Appeal Ref: APP/B0230/A/13/2202688, 2-4 George Street, Luton, Bedfordshire, LU1 2AN, decision dated 29 January 2014.

<sup>56</sup> See Appeal Ref: APP/M5450/A/12/2187570, 10-12 St Ann’s Road, Harrow, HA1 1LG, decision dated 23 April 2013; and Appeal Ref: APP/D0840/A/14/2212826, Evans Ltd, 16 St Nicholas Street, Truro TR1 2RW, decision dated 21 July 2014.

<sup>57</sup> See Appeal Ref: APP/J0405/A/13/2210745, 7-9 Market Square, Aylesbury, HP20 1TA, decision dated 10 April 2014; Appeal Ref: APP/W4705/A/11/2166627, 40 Market Square, Shipley, West Yorkshire BD18 3QJ, decision dated 9 March 2012; and Appeal Ref: APP/B4215/A/13/2193520, Unit 25, Cheetham Hill Shopping Centre, Bury Old Road, Manchester, M8 5EL, decision dated 31 May 2013.

<sup>58</sup> See Section 5 of the SPD for guidance on sensitive uses

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and/or over-concentration of such uses; secondly, betting shops almost always feature Fixed Odds Betting Terminals (FOBTs).

**7.18.** Betting shops are limited to four FOBTs per premises. A 2012 report produced by the Culture, Media and Sport Select Committee<sup>59</sup> notes that “[t]he 2005 Act has had the unintended consequence of encouraging the clustering of betting shops in some high streets by... limiting the number of B2 machines permitted in each premises”. Other reports/research has also noted<sup>60</sup> the restriction on FOBTs as a key driver behind the increasing number and concentration of betting shops across the country. Figures from 2011 showed that FOBTs profits accounted for up to half of overall betting shop profits<sup>61</sup>.

**7.19.** FOBTs have the potential to amplify the common adverse impacts of betting shops, including exacerbating mental health problems and increasing anti-social behaviour. In planning terms, potential increases in anti-social behaviour, crime and disorder are valid material considerations, and have been upheld in planning appeals<sup>62</sup>. The following quote encapsulates a planning inspector’s reasoning behind use of evidence of anti-social behaviour, crime and disorder:

*“It seems to me that it is not possible to be categorical but that the weight of well-informed evidence suggests that this outcome is likely to materialise. Put another way, it would be foolish to ignore the convincing accounts given [in opposition to proposed betting shop] or to assume that they would not be repeated in association with the proposed betting office.”*

**7.20.** It may be pertinent to seek advice from the Metropolitan Police on specific applications, particularly local crime and disorder statistics.

**7.21.** Further discussion of specific aspects of the betting shops, and links to relevant evidence, is provided in Appendix 3.

### Betting shops in Islington

**7.22.** Islington Council have undertaken an assessment of betting premises in the borough. The baseline information was sourced from the council’s Licensing department, who provided a list of all licensed betting premises in the borough<sup>63</sup>.

<sup>59</sup> House of Commons Culture, Media and Sport Committee, The Gambling Act 2005: A bet worth taking? First Report of Session 2012–13 Volume I: Report, together with formal minutes, oral and written evidence, published on 24 July 2012

<sup>60</sup> See London Borough of Newham’s Sustainable Communities Act proposal, available from: <https://www.newham.gov.uk/Documents/Misc/SustainableCommunitiesActBettingShopCampaign.pdf>; and The Portas Review: An independent review into the future of our high streets, Mary Portas, December 2011, available from: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6292/2081646.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6292/2081646.pdf)

<sup>61</sup> Hanrahan, S. (on behalf of the London Health Inequalities Network), Responding to the cumulative impact of betting shops: a practical discussion guide for London boroughs, July 2013, available from: <http://www.lho.org.uk/download.aspx?urlid=18207&urlt=1>

<sup>62</sup> See Appeal Ref: APP/C5690/A/11/2151228, 93-95 Deptford High Street, London, SE8 4AZ, decision dated 16 August 2011

<sup>63</sup> All currently held licences can be searched on the council’s website - <http://www.islington.gov.uk/services/business-licensing/regulations/licences/Pages/licence-search.aspx>

- 7.23.** This information was supplemented by a desktop exercise to ensure that all premises identified in the baseline information was accurate; this included a systematic check of the store locator function on the websites of a number of major betting shop chains.
- 7.24.** Information on the number of betting shops across the rest of Great Britain was then sourced from the Campaign for Fairer Gambling<sup>64</sup>.
- 7.25.** The survey revealed that there are currently 68 betting shops in the borough<sup>65</sup>. In terms of the absolute number of betting shops, this is not a particularly significant amount compared with other local authorities; however, in terms of the number of betting shops per hectare, **this is the second largest figure of all local authorities in Great Britain<sup>66</sup>**, behind only the City of Westminster.
- 7.26.** Given that Islington is the most densely populated borough in the UK, such significant concentration of betting shops per hectare has an amplified impact in terms of proximity to large amounts of people and potential gamblers, and may make over-concentration more likely. The ratio of Islington residents per betting shop is 3,172:1, the 16<sup>th</sup> tightest ratio across Great Britain and the 6<sup>th</sup> tightest amongst London local authorities.
- 7.27.** The results of the survey have been mapped to visualise the location and concentration of betting shops in Islington. **Map 7** shows the number of betting shops in the borough<sup>67</sup>. The boundaries for Islington's Town Centres and Local Shopping Areas are shown for context.
- 7.28.** The map shows that there are specific concentrations of betting shops in Archway, Nag's Head and Finsbury Park Town Centres; these concentrations also coincide with some of the most deprived areas of the borough.
- 7.29.** There are also a number of Local Shopping Areas with multiple betting shops, particularly along Caledonian Road<sup>68</sup>, Essex Road and Holloway Road. Most betting shops fall within a designated retail area, although there are a number of dispersed shops in the CAZ – which could be expected given the mixed-use nature of the area and the relative lack of retail designations in this area – and also in Caledonian and Holloway wards to the west of the borough.
- 7.30.** Figures from table 3.10 of the GLA Town Centre Health Check 2013<sup>69</sup> identify Nag's Head as one of the top 15 London Town Centres in terms of absolute number of betting shops; and one where the number of betting shops has increased markedly between 2007 and 2012. This information, in addition to the council's own mapping, suggests that **Nag's**

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<sup>64</sup> The Campaign for Fairer Gambling sourced information from Geofutures on the number of betting shops with 'active', 'grant' or 'variation' status.

<sup>65</sup> The Campaign for Fairer Gambling data shows that Islington have 63 betting shops; we have used our own more detailed survey information to give the Islington figure used in this SPD.

<sup>66</sup> This does not include the City of London.

<sup>67</sup> This map is a 'snapshot' to give an idea of the location and concentration of betting shops. Updated survey and mapping may be produced on a case-by-case basis to ascertain an accurate picture to assist with determination of planning applications.

<sup>68</sup> Caledonian Road (Central) Local Shopping Area is within the area covered by the Cally Plan SPD. Section 5.1 of the Cally Plan SPD refers to the aim to prevent over-concentration of hot food takeaways on Caledonian Road.

<sup>69</sup> Greater London Authority, 2013 London Town Centre Health Check Analysis Report, March 2014, available from: <https://www.london.gov.uk/what-we-do/planning/london-plan/london-plan-technical-and-research-reports>

**Head should be considered an area of concern regarding the concentration of betting shops.**

- 7.31.** Map 8 shows the number of betting shops in the borough with a 500m buffer zone to highlight potential areas where development of additional betting shop(s) may lead to an over-concentration of these uses.
- 7.32.** The map shows that the majority of the borough is within 500m of a betting shop<sup>70</sup>. Therefore, taking into account the guidance on over-concentration risk established in section 5; and the risk scenarios set out in Appendix 2, **all applications for new betting shops will be robustly assessed, with particular regard had to potential adverse impacts on character, function, vitality, viability, amenity and health & wellbeing.**
- 7.33.** As discussed in paragraph 5.6, assessment of over-concentration is not limited to the specific use in question (in this case betting shops); payday loan shops can have similar adverse impacts to betting shops, particularly a potential increase in incidences of severe debt<sup>71</sup>. Where there are other relevant similar uses within a 500m radius of a site, these should form part of any assessment of over-concentration. With regard to payday loan shops, map 11 and paragraph 8.18 identify Nag's Head as an area of concern regarding the existing concentration of payday loan shops; Nag's Head is also an area of concern in relation to the concentration of betting shops, as noted in paragraph 7.30. This amplifies the potential for adverse cumulative impacts in this area arising from over-concentration of these similar uses.
- 7.34.** Map 9 shows the number of betting shops in the borough overlaid onto borough deprivation mapping from the IMD 2015 (overall score). A significant concentration of betting shops in the borough coincides with some of the most deprived areas in the borough (based on IMD overall score). The IMD score is formulated in part by the level of income deprivation, which is measured by the proportion of people who are dependent on means-tested benefits. As noted in Appendix 3, there is a higher prevalence of problem gambling in the most deprived IMD areas; amongst people who are unemployed; and those with very severe money problems. Appendix 3 also highlights that clustering of betting shops in deprived areas is a phenomenon that has occurred in other local authorities.
- 7.35.** If Islington's most deprived areas feature the most significant clusters of betting shops, opportunities to gamble are likely to be greater and therefore incidences of problem gambling may be increased. This could have significant health impacts, particularly mental health; problem gamblers are more likely to experience adverse financial, social and health impacts due to increased debts, anxiety and other harms<sup>72</sup>.

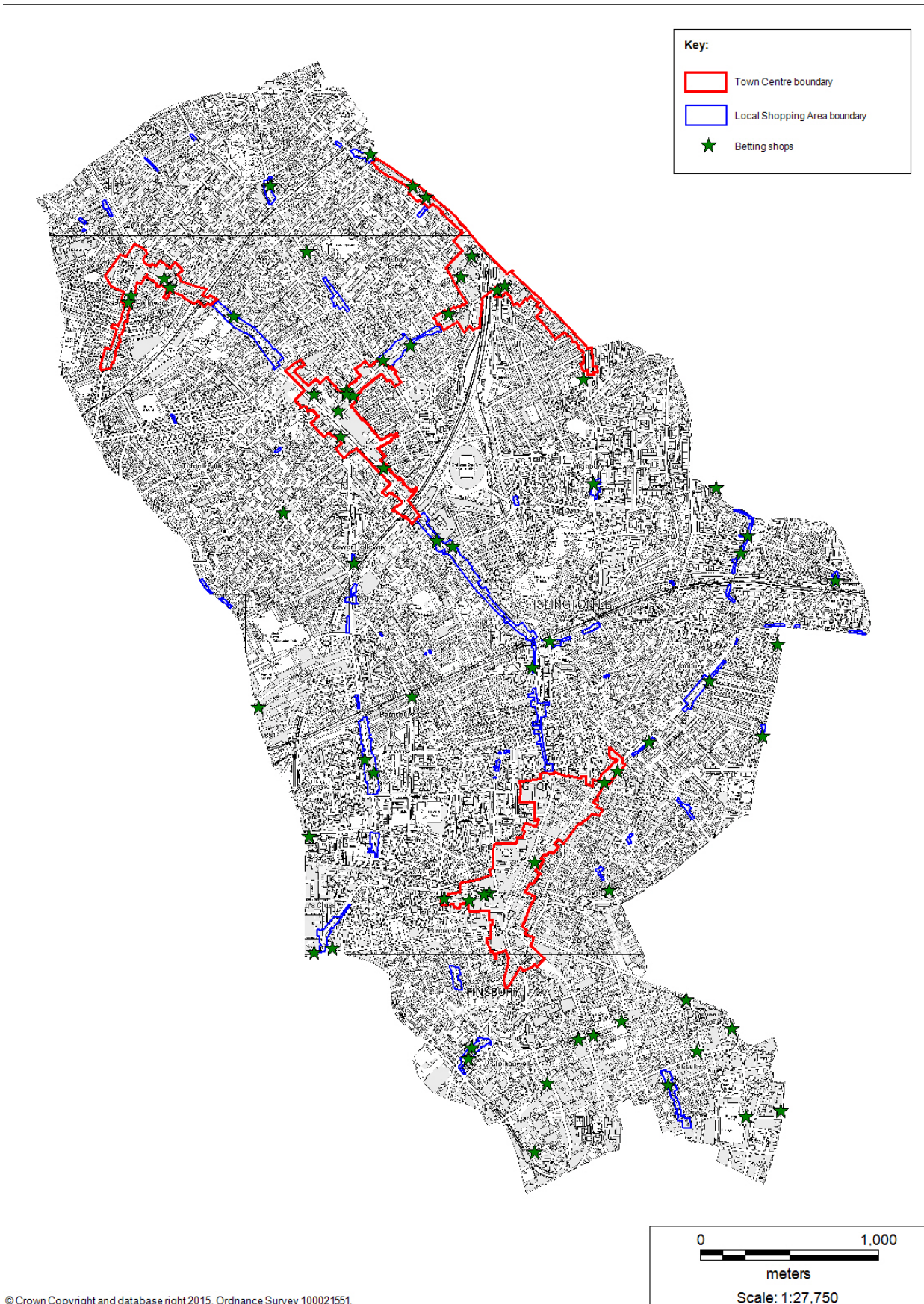
<sup>70</sup> Betting shops in adjacent boroughs should also be taken into account – see paragraph 5.11.

<sup>71</sup> Impacts of betting shops and payday loan shops are discussed in more detail in Appendix 3.

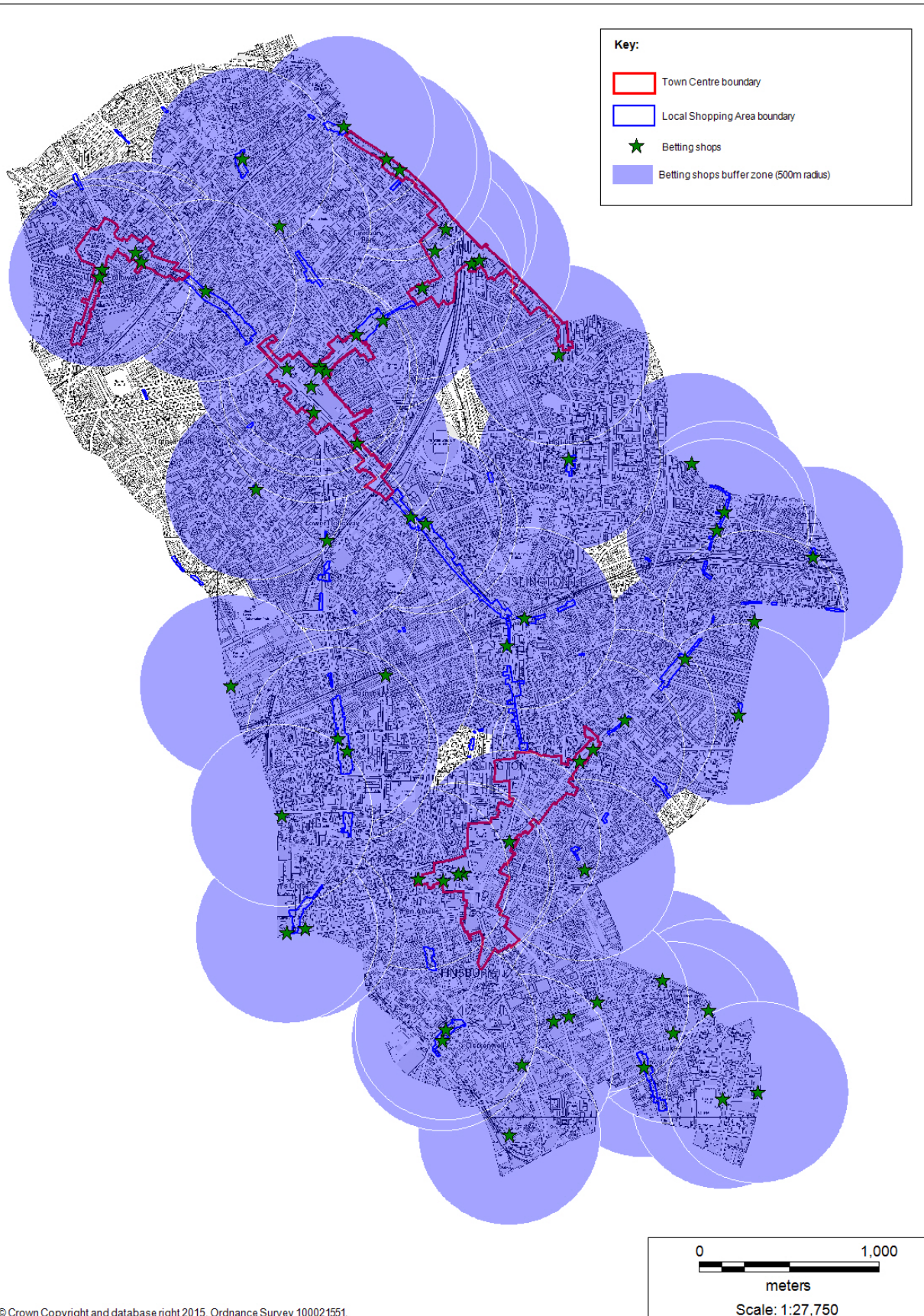
<sup>72</sup> Royal College of Psychiatrists, Problem Gambling, available from: <http://www.patient.co.uk/health/problem-gambling>



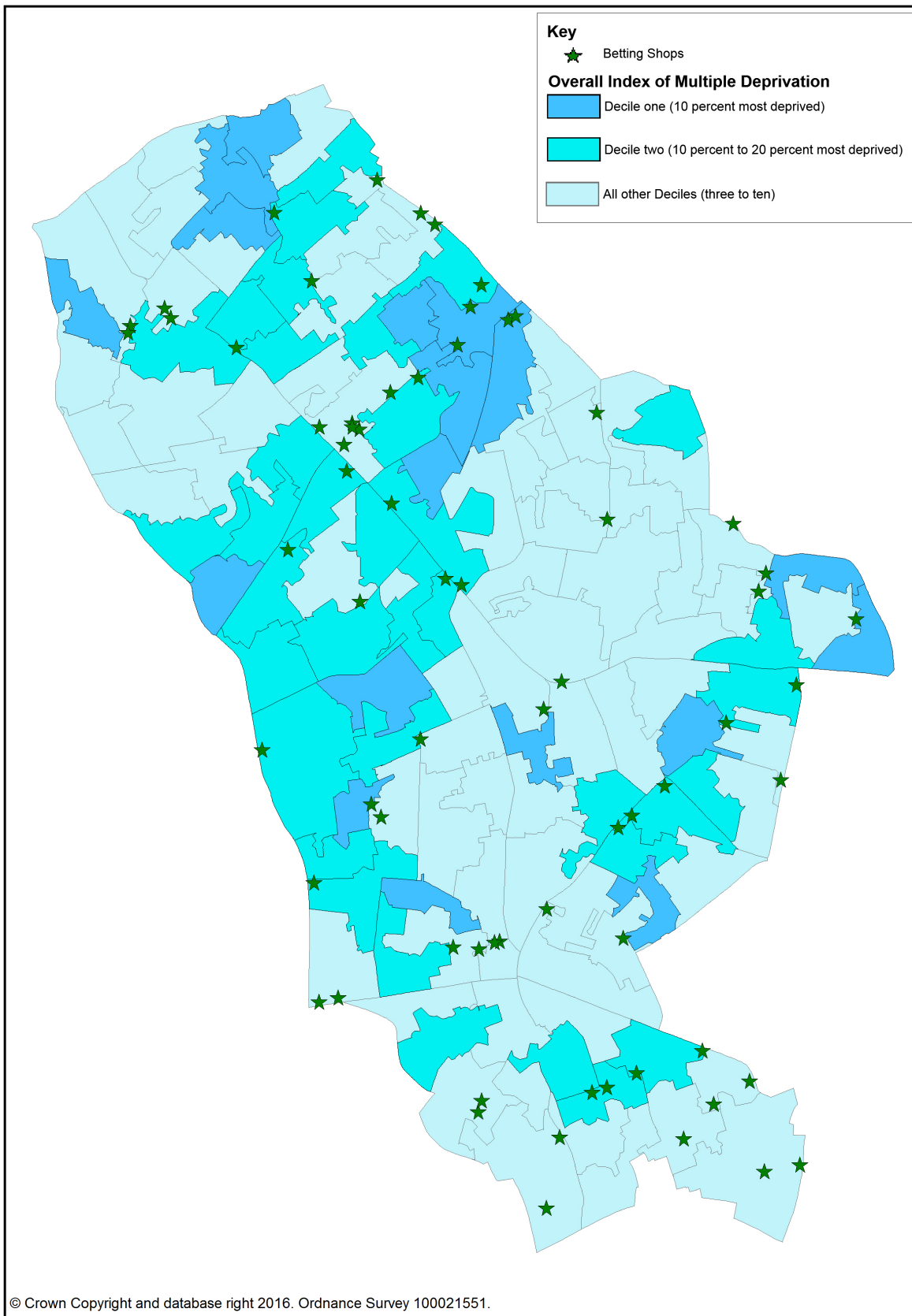
Map 7:



## Map 8:



Map 9:



## Location and concentration of uses SPD

### Planning applications

- 7.36.** Taking into account the parameters of DMP policy DM4.3; the evidence and information detailed above; and the main objective of this SPD, there is specific guidance which can be applied to new planning applications coming forward for betting shop use.
- 7.37.** As well as new applications, this guidance may also apply to applications which intensify existing betting shop uses, e.g. through a change to an opening hours condition.

#### BS 1

When an application for a betting shop is received, various council departments and partner organisations will be consulted for comments on potential impacts and to source evidence and statistics (where possible).

- 7.38.** To enable full consideration of applications for new betting shops, information on potential impacts (both positive and negative) may be sourced from a number of departments within the council; and from organisations external to the council. This could include the council's Licensing department and/or Public Health team.

#### BS 2

All applications for betting shops should be accompanied by a completed Islington 'Planning for Health' self-assessment.

- 7.39.** The Islington 'Planning for Health' self-assessment form has been developed in conjunction with this SPD and is provided at Appendix 1. The aim of the self-assessment is to encourage applicants to fully consider the health impacts of their proposal, in particular how any negative impacts will be mitigated/prevented; and to ensure that case officers have sufficient information to assess the impacts of the application.
- 7.40.** Provision of a completed self-assessment does not preclude a requirement for a full HIA where potential health issues are identified.
- 7.41.** Applicants considering an application for new betting shops are advised to undertake pre-application discussions to determine the exact information requirements at the earliest possible stage.

#### BS 3

All applications for betting shops will be conditioned to require the display of information about debt advice services and gambling addiction charities.

- 7.42.** As discussed in paragraph 7.34, problem gambling is linked with more deprived areas. In order to mitigate any potential adverse impacts of a new betting shop, it is appropriate to put in place measures to help those people who may be heavily in debt and/or addicted to gambling.

- 7.43.** There are a number of organisations and charities who provide advice and support on debt issues and gambling addiction. A leading example is GamCare<sup>73</sup>, a charity who offer support to individuals and the gambling industry. The latter involves training and materials to improve social responsibility and player protection.
- 7.44.** In response to the SPD preliminary consultation, the Association of British Bookmakers (ABB), the trade organisation representing 80% of the betting shop sector, indicated the willingness of betting shop operators to work pro-actively alongside various organisations, in order to tackle issues in communities.
- 7.45.** The Gambling Commission produces a set of licence conditions and codes of practice<sup>74</sup> applicable to all applications for betting shop licences. This includes a 'social responsibility' provision which requires betting shop operators to make information readily available to their customers on how to gamble responsibly and how to access information about, and help in respect of, problem gambling.
- 7.46.** By introducing a specific planning requirement for betting shops to display information about debt advice services and gambling addiction charities, this will ensure that people have a greater opportunity to be informed about such services and subsequently use them.
- 7.47.** The following wording is suggested for the condition: From the date of first operation of the betting shop use, up-to-date information about debt advice services and gambling addiction charities must be displayed at size A1 or larger, in a prominent position on the premises where it will be clearly visible to customers, in *[INSERT ALL LANGUAGES APPROPRIATE TO THE LOCATION]*, unless otherwise agreed in writing with the council.
- 7.48.** The council considers that such a condition is consistent with the tests set out in paragraph 206 of the NPPF.
- 7.49.** The council will develop and maintain an up-to-date list of debt advice services and gambling addiction charities which can be supplied to betting shops to assist with meeting the terms of the condition.
- 7.50.** If the council suspects a breach of the condition, or if an allegation of a breach is received, it will investigate and will seek to establish whether the required information is on display in a prominent position and is clearly visible. This may be achieved through further requests for evidence from the operator e.g. verifiable photographic evidence, copies of any information on display at the premises; and/or through site visits by council officers. There may also be scope to monitor compliance through the council's annual survey of planning permissions.
- 7.51.** For avoidance of doubt, this condition will not circumvent any requirement for advertising consent.

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<sup>73</sup> Further information available from: <http://www.gamcare.org.uk/>

<sup>74</sup> Further information available from: <http://www.gamblingcommission.gov.uk/Publications-consultations/LCCP.aspx>

## Location and concentration of uses SPD

- 7.52.** The council strongly encourage all new betting shops to seek Gamcare certification<sup>75</sup>. This will help to demonstrate that betting shop operators are committed to high standards and socially responsible gambling.

### BS 4

All applications for betting shops will be conditioned to require the betting shop operator to sign up to, and operate in compliance with, any scheme(s) which promote community safety and/or other good practice, as soon as practicably possible. Membership of any scheme should be maintained for as long as the use is in operation.

- 7.53.** Good practice schemes, notably those related to improving community safety, help to alleviate some of the most significant adverse impacts associated with betting shops; they help organisations to demonstrate that the service they offer meets certain standards and offer tangible criteria against which businesses can be assessed. Such schemes include the Safe Bet Alliance<sup>76</sup> operated by the ABB; this code of practice has involved consultation with the Metropolitan Police and other stakeholders, and aims to make betting shops a safer environment. As part of the Islington's statement of gambling policy<sup>77</sup>, the council have also developed a non-binding list of best practice as a guide to assist both new applicants and current operators.
- 7.54.** The ABB have also launched a Code for Responsible Gambling and Player Protection. Although this has been subject to some criticism<sup>78</sup>, it is nonetheless an existing scheme which has some tangible measures which could help to minimise harm.
- 7.55.** The fact that such schemes exist, and are operated by the leading industry trade organisation, suggests that they are an industry norm and could be considered a reasonable expectation. In their response to the SPD preliminary consultation, the ABB specifically noted that they were not complacent about problem gambling, which suggests that they would support measures to guarantee protection of gamblers and local communities.
- 7.56.** The following wording is suggested for the condition: The betting shop operator must join [*INSERT NAME OF SCHEME(S)*] within six months of the date of first operation of the betting shop use and comply with the requirements of the scheme thereafter. The betting shop operator must display up-to-date information about the scheme(s) at size A1 or larger in a prominent position on the premises where it will be clearly visible to customers, in [*INSERT ALL LANGUAGES APPROPRIATE TO THE LOCATION*], unless otherwise agreed in writing with the council.
- 7.57.** The council considers that such a condition is consistent with the tests set out in paragraph 206 of the NPPF.

<sup>75</sup> What is GamCare Certification?, information available from: <http://www.gamcare.org.uk/training-and-certification/gamcare-certification-0>

<sup>76</sup> Association of British Bookmakers, Safe Bet Alliance, information available from: <http://www.abb.uk.com/safe-bet-alliance/>

<sup>77</sup> Islington Council, op cit, see footnote 50

<sup>78</sup> The Guardian, David Cameron set to announce crackdown on gambling machines, 6 April 2014, available from: <http://www.theguardian.com/society/2014/apr/06/crackdown-gambling-fixed-odds-betting-terminals>

- 7.58.** A 6 month window gives some allowance to accommodate any resource implications which may affect applicants or the scheme facilitators. However, the council will encourage betting shop operators to sign up to any scheme(s) as soon as practicably possible. In certain circumstances, the council may explicitly require sign up to be achieved sooner.
- 7.59.** In terms of appropriate schemes, this will be discussed and specified at planning application stage.
- 7.60.** If the council suspects a breach of the condition, or if an allegation of a breach is received, it will investigate and will seek to establish whether the betting shop operator is signed up to a good practice scheme; is complying with the scheme requirements; and whether the required information is on display in a prominent position and is clearly visible. This may be achieved through further requests for evidence from the operator e.g. verifiable photographic evidence, copies of any scheme materials on display at the premises; and/or through site visits by council officers. There may also be scope to monitor compliance through the council's annual survey of planning permissions.
- 7.61.** For avoidance of doubt, this condition will not circumvent any requirement for advertising consent.

### BS 5

All applications for betting shops should be accompanied by a Betting Shop Management and Operating Strategy.

- 7.62.** New betting shops can have adverse impacts in a number of areas, as detailed elsewhere in this SPD. The council seeks a commitment, from betting shop operators proposing new stores, to ensure that potential adverse impacts have been fully considered and measures have been put in place to prevent and/or mitigate impacts.
- 7.63.** Therefore, the council will seek submission of a Betting Shop Management and Operating Strategy alongside applications for new betting shops<sup>79</sup>. The information that should be included is all standard information which also needs to be provided when the operator applies for a premises licence, and is therefore not considered onerous. It will ensure that the salient issues for the council to consider when assessing a planning application are packaged together in a single document, and that the applicant has given some consideration to these issues. Currently, this information is not consistently available for betting shop applications; whereas applications for other uses – such as hotels – are often accompanied by a management strategy in order to allow for proper consideration of all issues.
- 7.64.** The council is not currently proposing to introduce a template for the document to allow for individual circumstances to be accounted for, although there are a number of common

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<sup>79</sup> This includes applications to vary conditions attached to an existing betting shop, such as amendment of opening hours.

## Location and concentration of uses SPD

issues which the council expects to be addressed in each and every Betting Shop Management and Operating Strategy:

- Measures to prevent harmful impacts on vulnerable persons<sup>80</sup> must be considered. This could include details of self-exclusion schemes<sup>81</sup> advertised in prominent locations within betting shops and staff training to help recognise vulnerable people and avoid exploitation.
- Measures should also be put in place to protect children from harm. This could include adequate arrangements for preventing underage gambling on their premises, such as use of a nationally recognised proof of age scheme and presence of registered door supervisors to monitor access to shops. This is especially important where a betting shop is proposed in close proximity to a secondary school or further education establishments.
- Appropriate security and staffing arrangements are integral to minimising adverse impacts often associated with betting shops. Details of proposed staffing levels – bespoke for each application linked to proposed hours of operation - and staff training could be provided, in addition to details of any proposed CCTV/alarm systems; as a rule, the council would expect lone staffing of betting shops to be explicitly ruled out, due to the potential increased vulnerability to crime and anti-social behaviour and also due to the potential for adverse impact on implementation of other security and access measures – e.g. restricting underage gambling.
- Measures to tackle crime and anti-social behaviour should be put in place. Betting shops are commonly associated with adverse impacts such as street drinking, urinating in the street, litter and obstruction of the public highway. Such issues, especially where they occur on a regular basis, can adversely affect residential amenity and/or vitality and viability of retail areas. Examples of measures to prevent such impacts arising could include adequate provision of litter bins and toilet facilities on the premises.

**7.65.** The Betting Shop Management and Operating Strategy should also consider any other potential impacts on vitality, viability, character, amenity, function and health and wellbeing.

**7.66.** There should also be some cross-reference to the Islington 'Planning for Health' self-assessment sought under guidance point BS 2, i.e. if the self-assessment identifies potential adverse impacts, the Betting Shop Management and Operating Strategy should identify measures to prevent these impacts from arising or mitigate them.

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<sup>80</sup> The term 'vulnerable persons' is not defined in statute; guidance produced by the Gambling Commission offers the following definition: people who gamble more than they want to; people who gamble beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs.

<sup>81</sup> Self-exclusion is when you can ask a gambling company or operator to stop you from gambling with them for an amount of time. Further information is available at: <http://www.gamblingcommission.gov.uk/FAQs/Problem-gambling/What-is-self-exclusion.aspx>



- 7.67.** The council propose to put an informative note on any permitted betting shop to confirm that the application was permitted based on the information given in the submitted Betting Shop Management and Operating Strategy. However, in appropriate circumstances, individual elements of the Betting Shop Management and Operating Strategy may be secured by full planning condition to guarantee compliance.

### 8 Payday loan shops

#### Background

- 8.1.** A payday loan is a high interest loan intended to provide an interim solution to short-term personal cash flow problems. Payday loans are generally intended to be paid back within a short period of time, typically one or two months. They can be accessed online or in outlets situated in high streets and shopping parades. Commonly, high street payday loan shops offer other services, including pawnbroker facilities or the buying/selling of second hand goods.
- 8.2.** In planning use class terms, a shop whose primary function is the provision of payday loans would be classed as a 'Sui Generis' use. Where shops have a dual function offering payday loans and other more retail-esque services (e.g. pawnbrokers) they can fall within the A1 use class, although use class is ultimately determined on a case-by-case basis.
- 8.3.** As detailed in Appendix 3, changes outside of the planning system are the primary method of achieving reform of the payday lending market to benefit consumers. However, there is no guarantee that the regulatory changes proposed by the Government will result in less pressure for physical units on the high street. Planning can encompass additional considerations than bodies such as the Financial Conduct Authority, e.g. impact on health, retail character and function. Therefore, it is appropriate to utilise planning measures which enable a more robust assessment of payday loan shops.
- 8.4.** The Government's recent changes to the UCO, referred to in paragraph 2.6 above, suggests that they have concerns about the potential impact of payday loan shops, and that planning has a distinct role in assessing each and every payday loan shops.
- 8.5.** Planning can help to limit the potentially harmful growth of payday loan shops in the borough by resisting such uses where they will result in an over-concentration and could impact on the amenity, character and/or function of an area. Payday loan shops are not a retail use<sup>82</sup>, although they can have certain characteristics – e.g. provision of an active frontage similar to a retail unit; additional services such as pawnbrokers, jewellery sales, etc. – which have led to them being termed 'quasi-retail'. Nevertheless, the over-concentration of payday loan shops in areas which are predominantly retail in character could adversely impact the continued health and sustainability of such areas.
- 8.6.** Planning is generally focused on specific impacts on amenity, character, function, vitality, viability and health and wellbeing, as discussed in section 5.
- 8.7.** The main features of payday lending which fuel so much of the debate about adverse impacts - in particular the high interest rates charged - are not in themselves a planning consideration; however, other impacts – such as the impact on the sustainable economic development of the borough - could be a valid material consideration. These impacts are not discussed further in this SPD, but the council may bring in specific research and analysis on a case-by-case basis when assessing future applications for payday loan shops.

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<sup>82</sup> See Appeal Ref: APP/V5570/A/13/2206459, 63 Seven Sisters Road, Islington, N7 6BH, decision dated 19 March 2014

- 8.8. Further discussion of specific aspects of the payday loan shops, and links to relevant evidence, is provided in Appendix 3.

### Payday lending in Islington

- 8.9. Islington Council have undertaken an assessment of payday loan premises in the borough. The baseline information was sourced from site surveys, information from the Islington Payday Lenders Working Group and the store locator function on the websites of several payday lenders.
- 8.10. In order to compare our position to other local authorities, the council have sourced information from the Bureau of Investigative Journalism (BIJ), who have conducted a detailed investigation<sup>83</sup> into the payday lending industry and have produced figures showing the number of payday lenders in each district of Great Britain<sup>84</sup>.
- 8.11. This information focuses on the seven largest national payday lender chains<sup>85</sup> and only includes branches that offer short term loans of one year or less; it does not include hundreds of smaller and independent operations. In the case of national pawnbroking companies, the BIJ data only includes those branches that offer payday loans.
- 8.12. This information is therefore likely to under-report on the number of payday loan shops across the country. However, it is still useful in aiding diagnosis of particular issues, including whether Islington has a relatively high amount of payday loan shops.
- 8.13. The council's assessment shows that there are currently 8 payday loan shops in the borough<sup>86</sup>. In terms of the absolute number of payday loan shops, this is not a particularly significant amount compared with other local authorities; however, in terms of the number of payday loan shops per hectare, **this is the fourth largest figure of all local authorities in Great Britain**, behind the London Boroughs of Hammersmith & Fulham, Lewisham and Southwark.
- 8.14. Given that Islington is the most densely populated borough in the UK, such significant concentration of payday loan shops per hectare means that a large number of Islington residents will be in close proximity to a payday loan shop and may make over-concentration more likely.
- 8.15. The results of the survey have been mapped to visualise the location and concentration of payday loan shops in Islington. **Map 10** shows the number of payday loan shops in the

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<sup>83</sup> The Bureau of Investigative Journalism, High Cost Credit UK: One short-term lender for every seven banks on the high street, information available from: <http://www.thebureauinvestigates.com/2014/03/12/uk-one-short-term-lender-for-every-seven-banks-on-the-high-street/>

<sup>84</sup> Information available from: <http://cf.datawrapper.de/jIUOK/1/>.

<sup>85</sup> Cash Generator, Cash Converters, the Money Shop, Cheque Centre, H & T, Oakam and Speedy Cash

<sup>86</sup> The Bureau of Investigative Journalism data shows Islington have 5 payday loan shops; we have used our own more detailed survey information to give the Islington figure used in this SPD.

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borough<sup>87</sup>. The boundaries for Islington's Town Centres and Local Shopping Areas are shown for context.

- 8.16.** As the map shows, there is a specific concentration – half of the total payday loan shops in the borough - along Seven Sisters Road in Nag's Head and Finsbury Park Town Centres. All payday loan shops in the borough are within a designated retail area.
- 8.17.** Map 11 shows the number of payday loan shops in the borough with a 500m buffer zone to highlight potential areas where development of additional payday loan shop(s) may lead to an over-concentration of these uses<sup>88</sup>.
- 8.18.** **The map highlights the south-western end of Seven Sisters Road in Nag's Head Town Centre as a particular area of concern regarding potential over-concentration of payday loan shops.** This coincides with two of the most deprived areas in the borough, as shown on **Map 12** below.
- 8.19.** Taking into account the guidance on over-concentration risk established in section 5; and the risk scenarios set out in Appendix 2, **all applications for payday loan shops in this area will be robustly assessed, with particular regard had to potential adverse impacts on character, function, vitality, viability, amenity and health & wellbeing.**
- 8.20.** As discussed in paragraph 5.6, assessment of over-concentration is not limited to the specific use in question (in this case payday loan shops); betting shops can have similar adverse impacts to payday loan shops, particularly a potential increase in incidences of severe debt<sup>89</sup>. Where there are other relevant similar uses within a 500m radius of a site, these should form part of any assessment of over-concentration. With regard to betting shops, map 7 and paragraph 7.30 identify Nag's Head as an area of concern regarding the existing concentration of betting shops; Nag's Head is also an area of concern in relation to the concentration of payday loan shops, as noted in paragraph 8.18. This amplifies the potential for adverse cumulative impacts in this area arising from over-concentration of these similar uses.
- 8.21.** **Map 12** shows the number of payday loan shops in the borough overlaid onto borough deprivation mapping from the IMD 2015 (overall score). Several payday loan shops in the borough coincide with some of the most deprived areas in the borough (based on IMD overall score). The IMD score is formulated in part by the level of income deprivation, which is measured by the proportion of people who are dependent on means-tested benefits. Surveys of payday lending customers undertaken by TNS BMRB<sup>90</sup> in 2014 highlighted that payday lending customers are more likely to live in deprived areas; and that payday lending customers are more likely to show signs of credit and debt problems.
- 8.22.** The Town Centres SPG – in paragraph 1.2.37 - refers to perceived correlation between the number of pay day loan outlets and the level of deprivation of an area.

<sup>87</sup> This map is a 'snapshot' to give an idea of the location and concentration of payday loan shops. Updated survey and mapping may be produced on a case-by-case basis to ascertain an accurate picture to assist with determination of planning applications.

<sup>88</sup> Payday loan shops in adjacent boroughs should also be taken into account – see paragraph 5.11.

<sup>89</sup> Impacts of betting shops and payday loan shops are discussed in more detail in Appendix 3.

<sup>90</sup> Research into the payday lending market, TNS BMRB, January 2014, available from: [https://assets.digital.cabinet-office.gov.uk/media/5329df8aed915d0e5d000339/140131\\_payday\\_lending\\_tns\\_survey\\_report\\_.pdf](https://assets.digital.cabinet-office.gov.uk/media/5329df8aed915d0e5d000339/140131_payday_lending_tns_survey_report_.pdf)

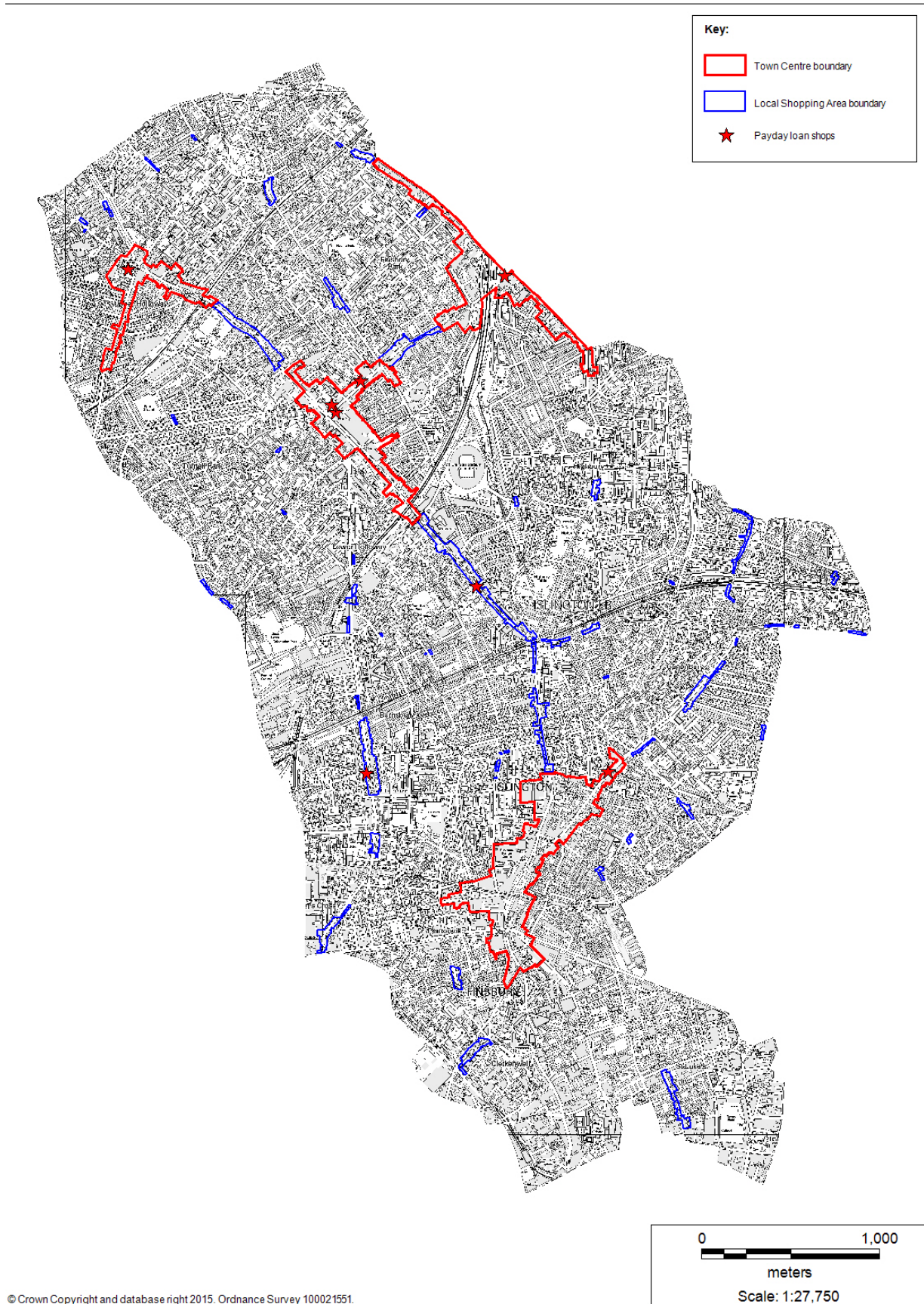
- 8.23.** Payday loans are likely to be more attractive to those on low incomes who need to meet short-term shortfalls in cash flow; and also unemployed people (i.e. those without a 'payday')<sup>91</sup>. Therefore, the existence of multiple payday loan shops in more deprived areas (based on IMD scores), suggests a greater likelihood of payday loan usage and therefore a greater potential for Islington residents to fall into debt. Debt is linked to a greater risk of health impacts, particularly mental health issues (which evidence has suggested can be exacerbated by increased level of personal debt<sup>92</sup>).

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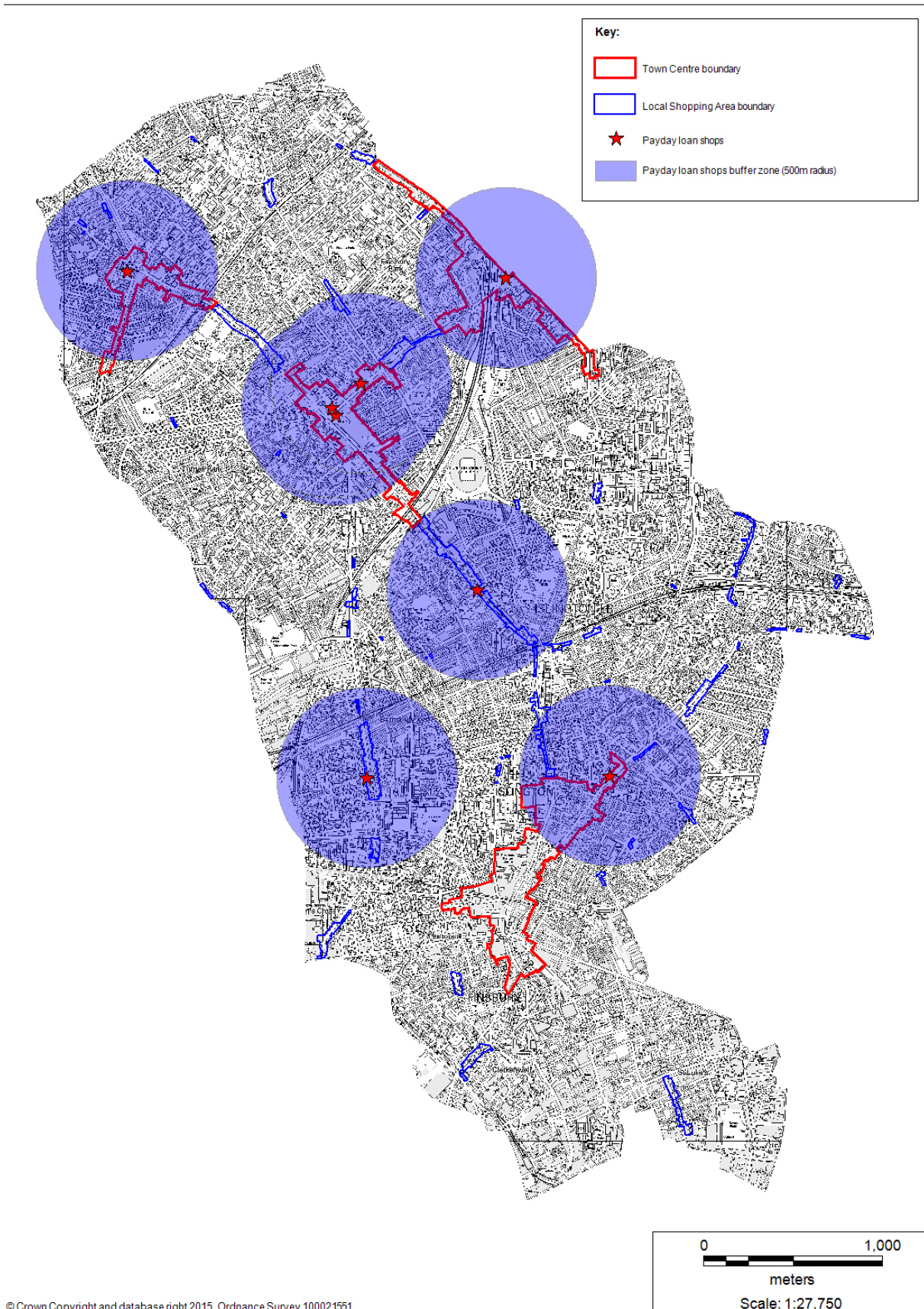
<sup>91</sup> Competition and Markets Authority, Payday lending market investigation: Final report, 24 February 2015, available from: [https://assets.digital.cabinet-office.gov.uk/media/54ebb03bed915d0cf7000014/Payday\\_investigation\\_Final\\_report.pdf](https://assets.digital.cabinet-office.gov.uk/media/54ebb03bed915d0cf7000014/Payday_investigation_Final_report.pdf)

<sup>92</sup>The Centre for Social Justice, Maxed Out: Serious personal debt in Britain: A policy report by the CSJ Working Group, November 2013, available from <http://www.centreforsocialjustice.org.uk/publications/maxed-out>

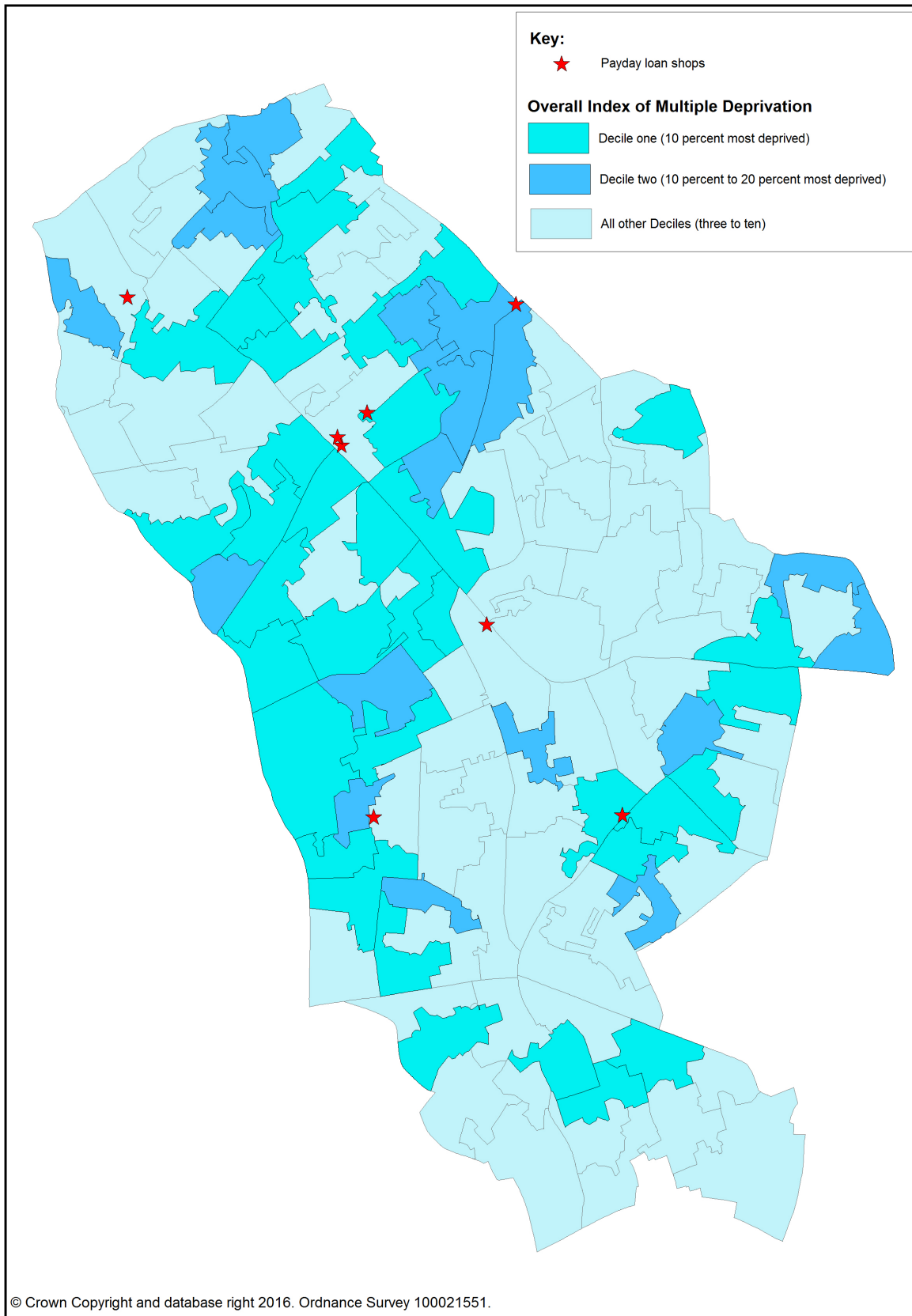
Map 10



Map 11



Map 12





### Planning applications

- 8.24.** Taking into account the parameters of DMP policy DM4.3; the evidence and information detailed above; and the main objective of this SPD, there is specific guidance which can be applied to new planning applications coming forward for payday loan shop use.
- 8.25.** As well as new applications, this guidance may also apply to applications which intensify existing payday loan shop uses, e.g. through a change to an opening hours condition.

#### PDL 1

When an application for a payday loan shop is received, various council departments and partner organisations will be consulted for comments on potential impacts and to source evidence and statistics (where possible).

- 8.26.** To enable full consideration of applications for new payday loan shops, information on potential impacts (both positive and negative) may be sourced from a number of departments within the council; and from organisations external to the council. This could include the Islington Debt Coalition Payday Lenders Working Group and the council's Public Health team.

#### PDL 2

All applications for payday loan shops should be accompanied by a completed Islington 'Planning for Health' self-assessment.

- 8.27.** The Islington 'Planning for Health' self-assessment form has been developed in conjunction with this SPD and is provided at Appendix 1. The aim of the self-assessment is to encourage applicants to fully consider the health impacts of their proposal, in particular how any negative impacts will be mitigated/prevented; and to ensure that case officers have sufficient information to assess the impacts of the application.
- 8.28.** Provision of a completed self-assessment does not preclude a requirement for a full HIA where potential health issues are identified.
- 8.29.** Applicants considering an application for new payday loan shops are advised to undertake pre-application discussions to determine the exact information requirements at the earliest possible stage.

#### PDL 3

All applications for payday loan shops will be conditioned to require the payday loan operator to display information about debt advice services and local credit unions.

- 8.30.** Debt advice services are an important service and can be a lifeline to those people who are unaware of what credit options are available to them, or those who are stuck in a cycle of debt. By requiring payday loan shops to display information about debt advice services,

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this will ensure that people have a greater opportunity to be informed about such services and subsequently use them.

- 8.31.** Local credit unions offer access to more sustainable and low-cost lending, although it is acknowledged that there are membership requirements which limit access to funds for some. However, the display of information about credit unions allows people to fully consider their lending options. The Consumer Finance Association (CFA), the principal trade association representing payday lending businesses operating in the UK, referenced similar activity in response to the SPD preliminary consultation:

*“[S]ome of our members are actively working with their local credit unions to share expertise and the CFA has produced a consumer guide, urging potential payday loan customers to “pause and think” before borrowing.”*

- 8.32.** The following wording is suggested for the condition: From the date of first operation of the payday loan use, up-to-date information about debt advice services and local credit unions must be displayed at size A1 or larger in a prominent position on the premises where it will be clearly visible to customers, in *[INSERT ALL LANGUAGES APPROPRIATE TO THE LOCATION]*, unless otherwise agreed in writing with the council.

- 8.33.** The council considers that such a condition is consistent with the tests set out in paragraph 206 of the NPPF.

- 8.34.** The council will develop and maintain an up-to-date list of debt advice services and local credit unions which can be supplied to payday loan shops to assist with meeting the terms of the condition.

- 8.35.** If the council suspects a breach of the condition, or if an allegation of a breach is received, it will investigate and will seek to establish whether the required information is on display in a prominent position and is clearly visible. This may be achieved through further requests for evidence from the payday loan operator e.g. verifiable photographic evidence, copies of any information on display at the premises; and/or through site visits by council officers. There may also be scope to monitor compliance through the council’s annual survey of planning permissions.

- 8.36.** For avoidance of doubt, this condition will not circumvent any requirement for advertising consent.

### PDL 4

All applications for payday loan shops will be conditioned to require the payday loan operator to sign up to, and operate in compliance with, a good practice scheme(s) as soon as practicably possible. Membership of any scheme should be maintained for as long as the use is in operation.

- 8.37.** Good practice schemes enable payday loan organisations to demonstrate that the service they offer meets certain standards and offer tangible criteria against which these organisations can be assessed. The most high profile scheme is the good practice

customer charter<sup>93</sup> launched in 2012 by the four main payday lending trade bodies. The fact that various industry bodies advocate sign-up to a specific scheme demonstrates that the requirement is an industry norm and could be considered a reasonable expectation.

- 8.38.** The following wording is suggested for the condition: The payday loan operator must join *[INSERT NAME OF SCHEME(S)]* within six months of the date of first operation of the payday loan use and comply with the requirements of the scheme thereafter. The payday loan shop operator must display up-to-date information about the scheme(s) at size A1 or larger in a prominent position on the premises where it will be clearly visible to customers, in *[INSERT ALL LANGUAGES APPROPRIATE TO THE LOCATION]*, unless otherwise agreed in writing with the council.
- 8.39.** The council considers that such a condition is consistent with the tests set out in paragraph 206 of the NPPF.
- 8.40.** A 6 month window gives some allowance to accommodate any resource implications which may affect applicants or the scheme facilitators. However, the council will encourage payday loan shop operators to sign up to any scheme(s) as soon as practicably possible. In certain circumstances, the council may explicitly require sign up to be achieved sooner.
- 8.41.** In terms of what schemes are appropriate, this will be discussed and specified at planning application stage.
- 8.42.** If the council suspects a breach of the condition, or if an allegation of a breach is received, it will investigate and will seek to establish whether the payday loan shop operator is signed up to a good practice scheme; is complying with the scheme requirements; and whether the required information is on display in a prominent position and is clearly visible. This may be achieved through further requests for evidence from the operator e.g. verifiable photographic evidence, copies of any scheme materials on display at the premises; and/or through site visits by council officers. There may also be scope to monitor compliance through the council's annual survey of planning permissions.
- 8.43.** For avoidance of doubt, this condition will not circumvent any requirement for advertising consent.

### PDL 5

All applications for payday loan shops will be conditioned to require the payday loan operator to display information about their interest rates, fees and charges.

- 8.44.** One of the common criticisms of payday loan operators is that their interest rates, fees and charges (both individually and combined) are often excessive and not well publicised. New legislation has imposed a requirement for a cap on the total cost of payday loans<sup>94</sup> but it is important that people who are considering taking out a payday loan do so in full knowledge of the total amount they will pay. Having this information displayed in payday

<sup>93</sup> Available from: [http://www.ccta.co.uk/admindocs/codes\\_of\\_practice/2015\\_good\\_practice\\_customer\\_charter.pdf](http://www.ccta.co.uk/admindocs/codes_of_practice/2015_good_practice_customer_charter.pdf)

<sup>94</sup> See Appendix 3 for more details

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loan shops will help to inform customers of the costs of payday loans, and, in conjunction with other guidance points in this SPD, will offer stronger protection for customers. The council expects this information to include examples of costs based on different loan amounts over different amounts of time.

- 8.45.** The following wording is suggested for the condition: From the date of first operation of the payday loan use, up-to-date information about interest rates, fees and charges must be displayed at size A1 or larger in a prominent position on the premises where it will be clearly visible to customers, in *[INSERT ALL LANGUAGES APPROPRIATE TO THE LOCATION]*, unless otherwise agreed in writing with the council.
- 8.46.** The council considers that such a condition is consistent with the tests set out in paragraph 206 of the NPPF.
- 8.47.** If the council suspects a breach of the condition, or if an allegation of a breach is received, it will investigate and will seek to establish whether the required information is on display in a prominent position and is clearly visible. This may be achieved through further requests for evidence from the operator e.g. verifiable photographic evidence, copies of any information on display at the premises; and/or through site visits by council officers. There may also be scope to monitor compliance through the council's annual survey of planning permissions.
- 8.48.** For avoidance of doubt, this condition will not circumvent any requirement for advertising consent.

## 9 Monitoring

- 9.1. The council will monitor the success of DMP policy DM4.3 in its Authorities Monitoring Report, which is generally produced on an annual basis. The DMP identifies a specific monitoring indicator for policy DM4.3:

Indicator ref	Indicator	Target/milestone/success factor
DM4.3.1	Number of applications refused on the grounds of concentration of similar uses: (i) upheld at appeal; (ii) dismissed at appeal.	No target
DM4.3.2	Number of applications for A5 use approved within 200 metres of primary or secondary schools.	0

- 9.2. In addition to this identified indicator, the council may introduce further indicators - particularly contextual indicators - to monitor changes which could indicate successful implementation of the SPD guidance.

### Appendix 1 – Islington ‘Planning for Health’ self-assessment

The ‘Planning for Health’ self-assessment form has been developed using the existing NHS London Healthy Urban Development Unit ‘Watch Out for Health’ checklist; and existing HIA screening documentation developed by the council.

The self-assessment form should be completed and submitted alongside all planning applications (including pre-applications where information is available) for hot food takeaways, betting shops and payday loan shops, in line with guidance points HFT 2, BS 2 and PDL 2 of the SPD.

Where applicants provide this information at the earliest possible stage, the council will then have a fuller picture of health impacts which can then inform planning decisions, or, if specific impacts are identified, the council can then work with the applicant and other relevant stakeholders to ensure that these impacts are either fully realised (in case of positive impacts) or are properly mitigated or prevented (in the case of negative impacts).

The self-assessment form is split into three areas which reflect key policy areas generally associated with these three specific uses. Not all of these will be relevant to every planning application, although applicants are encouraged to think holistically about their proposals and its potential impacts. The following key questions will help to identify whether the proposal will have a positive, neutral or negative health impact. These questions are a basic example of the type of questions which applicants should consider, in order to ensure health impacts are fully understood. Further questions specific to an application may be generated through discussions with the council.

Applicants are encouraged to familiarise themselves with the SPD and relevant Development Plan policies before completing the self-assessment.

The purpose of this form is to act as a light-touch initial assessment to identify any health impacts which may arise. This may lead to a requirement for a full HIA.

Theme	Relevant to use? (tick as applicable)			Key health Issue and example questions to consider	Applicant Response
	HFT	BS	PDL		
Reducing crime				<p><b>Issue:</b> Crime (and fear/perception of crime) and anti-social behaviour can have significant adverse impacts on physical and mental wellbeing. Over-concentration of certain uses, and location of certain uses in sensitive areas, can exacerbate crime and anti-social behaviour.</p> <p><b>Questions:</b> Has practicality of securing relevant licensing permission been investigated?</p> <p>Have any measures to prevent crime and anti-social behaviour – e.g. CCTV, security staff – been proposed?</p>	
Healthy food				<p><b>Issue:</b> Ensuring access to healthy food is important as it can help to improve diets, reduce instances of obesity and can improve physical activity and social cohesion.</p> <p><b>Questions:</b> Does the proposal encourage and promote access to fresh food?</p> <p>Are you proposing to sign up to the Healthy Catering Commitment? If not, what (if any) measures have you taken to ensure provision of healthier food?</p> <p>Can you provide a sample menu?</p>	

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<p>Local amenity Page 148</p>		<p><b>Issue:</b> Amenity is qualitative measure of the level of wellbeing and enjoyment generated in an area through various means. There are certain common issues which can affect the amenity of different areas, such as introduction of uses which increase the level of noise, anti-social behaviour and/or disturbance</p> <p><b>Questions:</b> Does the proposal promote recycling and waste reduction?</p> <p>How will you mitigate littering by your customers?</p> <p>Has the impact on local highways been considered? If not, are there any aspects of the development which could cause adverse impacts?</p> <p>Does the proposal mitigate odours from extraction systems?</p> <p>How will you control potential noise impacts including a) deliveries/waste collection and b) noise from people gathering outside the premises?</p>	
	<p><b>Conclusion</b></p>		
<p>Is the proposal overall considered to have a positive, negative or neutral impact on health? If negative, please summarise proposed mitigation measures.</p>			



**Appendix 2 – Scenario Assessment Table<sup>95</sup>**

As detailed in section 5, the scenario assessment table is provided to aid identification of common issues which can cause adverse impacts.

<b>Amenity</b>			
	<b>Low risk</b>	<b>Medium risk</b>	<b>High risk</b>
<b>The area has a mix of commercial and residential uses</b>	The proposed use is not noise generating (there is no observed effect level); and will not lead to, or exacerbate, adverse impacts from e.g. opening hours, odours.	The proposed use is noise generating towards the mid-range of noise exposure categories and/or lowest observed adverse effect level; and/or could potentially increase adverse impacts, although this should be controllable through condition and/or other mitigation measures.	The proposed use is noise generating towards the mid/high-range of noise exposure categories and/or lowest/significant observed adverse effect level; and is very likely to cause adverse impacts which cannot be suitably mitigated.
<b>The area has a number of primary and secondary retail frontages</b>	The proposed use is A1 and does not impact the amenity of nearby businesses, e.g. by impacting on ability of these businesses to operate effectively.	The proposed use is not A1 but does not involve loss of any existing A1; and will create a use which may impact the amenity of the predominantly A1 businesses in the area, e.g. impact on visual amenity through increased litter, which affects ability to attract shoppers to centre.	The proposal involves loss of A1; and will create a use which is very likely to impact the amenity of the predominantly A1 businesses in the area, e.g. impact on visual amenity through increased litter, which affects ability to attract shoppers to centre.
<b>Character and Function</b>			
	<b>Low risk</b>	<b>Medium risk</b>	<b>High risk</b>
<b>Area has A1-retail character and function</b>	Applications for A1; or uses akin to A1 which do not involve loss of existing A1.	Applications for non-A1 uses which do not involve loss of existing A1; and do not cause individual or cumulative adverse impacts on	Applications involving the loss of A1 or the introduction of uses which would individually or cumulatively adversely affect A1 retail character and function.

<sup>95</sup> To reiterate, these scenarios and risk categorisations are purely indicative and are intended to act as a guide to inform further assessment

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<b>Area has café/restaurant character and function</b>	Applications for A3; or uses akin to A3 - e.g. A1 coffee shops - which do not involve loss of existing A3 use(s)	A1 retail character and function Applications for non-A3 uses which do not involve loss of existing A3; and do not cause individual or cumulative adverse impacts on A3 café/restaurant character and function.	Applications involving the loss of A3 or the introduction of uses which would individually or cumulatively adversely affect A3 retail character and function.
<b>Area has residential character and function</b>	Application for dispersed A1 which would not result in any medium/large concentration of A1 uses; and which would interact harmoniously with residential uses.	Applications for non-A1 dispersed A-uses which are conditioned to prevent/minimise adverse impacts.	Applications for uses which change the function of the area from shops of a dispersed nature to a larger collection of commercial units, and thereby increase the likelihood of impacts on residential amenity that cannot be mitigated.

### Health and wellbeing

	<b>Low risk</b>	<b>Medium risk</b>	<b>High risk</b>
<b>Impact on walking and cycling</b>	Site is readily accessible by cycle and on foot, and has appropriate cycle parking facilities.	There are some difficulties accessing site by cycle or on foot (e.g. only one entrance point with lack of site permeability) but measures have been proposed to mitigate these issues to some degree; and an appropriate amount of cycle parking has not been provided.	Site is in an area with difficult pedestrian and cycle access; insufficient measures to facilitate walking and cycling access.
<b>Effect on access to unhealthy foods</b>	Application will increase access to healthy food; and is located in an area with good access to fresh food (i.e. at markets and local convenience stores).	Application involves loss of healthy/fresh food provision in an area which has otherwise adequate access to healthy/fresh food; and/or proposes a hot food takeaway in an area with one other similar existing use within a 500m	Application would increase provision of unhealthy food, or decrease provision of fresh food (e.g. through loss of convenience retailing); is located in 'food desert' where access to fresh food (i.e. at markets and local convenience stores) is limited; and there are 2+ A5 hot food takeaways and/or non-A5 uses with a

		radius of the application site.	takeaway element within 500m radius of the site.
<b>Noise impacts</b>	Proposal would not lead to individual noise impacts when measured against relevant technical noise criteria; and does not add to any existing noise impacts.	Proposal would have some individual or cumulative noise impacts, but is within mitigation range.	Proposal would lead to significant individual or cumulative noise impacts
<b>Air pollution</b>	Proposal does not exacerbate air pollution impacts and has measures to mitigate existing air pollution.	Proposal will cause slight adverse impacts on air pollution; and/or will be specifically affected by existing air pollution but has specific mitigation measures which will alleviate to some degree.	Proposal will cause significant adverse impacts on air pollution; and/or will be specifically affected by air pollution but has no specific mitigation measures.

### Appendix 3 – Additional background information

#### General

In addition to the documents identified in section 4, there are various additional guidance documents, reports and studies which are relevant to this SPD:

- **Public Health in Planning: Good Practice Guide (July 2015):** the Town and Country Planning Association were commissioned by the London Borough of Merton to produce this guide to bring together and signpost to existing guidance on the planning process; and highlight existing good practice examples and first-hand advice from councils in varying levels of working relationship between public health and planning.
- **Health Building Note 00-08 Addendum 2 – A guide to town planning for health organisations (March 2015):** this guide, produced by the Department of Health, is principally to help health organisations and public health teams to understand how the town planning process works. However, it serves as a useful overview of the importance of planning as a means to address the wider determinants of health; and to improve health services and infrastructure to meet changing healthcare needs. The guide highlights the importance of close working between local planning authorities and health professionals, so that every opportunity is taken to ensure that health and wellbeing issues are embedded within Local Plans and taken into account in reaching decisions on planning applications.
- **Health on the High Street (March 2015):** this report produced by the Royal Society for Public Health (RSPH) sets out the twin goals of creating a health promoting high street whilst stimulating investment in local economies. The report identifies fast food takeaways, bookmakers and payday lenders as the least health promoting types of business based on the RSPH 'Richter scale of health' ranking system; and provides detailed commentary and evidence to reinforce the reasons why these uses are considered unhealthy. This ranking system is also applied to high streets across the UK, with particularly detailed assessment in London. Two of Islington's high streets are ranked amongst the unhealthiest in London<sup>96</sup>; Finsbury Park (ranked 8<sup>th</sup> unhealthiest out of 144 London high streets) and Archway (ranked 31<sup>st</sup> unhealthiest out of 144 London high streets). The report sets out a number of recommendations including the introduction of planning controls to prevent proliferation of betting shops, payday lenders and fast food outlets; promoting healthier cooking methods in fast food outlets; and signposting to a wide range of support charities in high street businesses.
- **Widening the focus: tackling health inequalities in Camden and Islington - Annual Public Health Report 2013/14:** this is the first annual report published by Camden and Islington Public Health following the transfer of responsibility for public health to local authorities in April 2013. The report makes recommendations to help reduce health inequalities; this includes a recommendation that Camden and Islington Councils should use their planning powers to support the development of 'healthy high streets'. Specifically, the report suggests restricting the opening of additional fast food outlets in areas where there is already a high density of such uses, and taking action to reduce the number of betting shops and payday loan establishments, to reduce debt.

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<sup>96</sup> Mapping of Richter scale of health rankings can be viewed at: <http://www.theguardian.com/uk-news/2015/mar/26/report-britains-unhealthiest-high-streets>

- **Islington's Health Inequalities Strategy (June 2010):** this strategy was developed as part of Islington's commitment to reducing inequalities and improving health outcomes for the population as a whole as well as the communities in Islington with the greatest health needs. Section 3 of this strategy is useful for establishing key determinants for various health impacts.
- **The London Health Inequalities Strategy (April 2010):** the Greater London Authority Act 2007 requires that the Mayor sets out the health inequalities facing London, the priorities for reducing them and the role to be played by a defined list of key partners in order to deliver the strategy's objectives. The strategy sets out a number of strategic objectives, with associated actions and commitments identified to help deliver them.
- **Delivering Healthier Communities in London (July 2007):** This document, published by the NHS London Healthy Urban Development Unit, provides a detailed evidence base of the links between spatial planning and public health.
- **Health Issues in Planning Best Practice Guidance (June 2007):** this document complements London Plan policy 3.17 and provides guidance on how planning can tackle health inequalities and promote healthy development. Planners and development professionals are required to consider health in its broadest sense, including social and psychological elements such as wellbeing and fulfilment, which can be positively influenced by spatial planning processes. Although this guidance was produced in 2007, its principles are still a relevant consideration for this SPD as noted in the London Plan paragraph 3.10A. The guidance refers to HIAs - as discussed by other more up-to-date local and London-wide policies – and also the wide range of direct and indirect linkages between health and planning.
- **Managing the night time economy Best Practice Guidance (March 2007):** this document looks at the positive and detrimental impacts that the night time economy can have. Anecdotally, night time economy uses have a higher prevalence of adverse impacts, due largely to the nature of such uses and particular association with noise, disturbance and anti-social behaviour. The Town Centres SPG has encapsulated the core principles of this guidance and retains some elements verbatim in Appendix A. However, because of the potentially greater chance of adverse impacts stemming from night time economy uses, the guidance remains useful as a reference point alongside the SPG and other material.
- **Islington's Evidence Hub<sup>97</sup>** provides useful background information on a variety of subjects including health in the borough. The Health and Wellbeing section contains the most recent analyses of the health status of Islington residents. This information could be used when assessing planning applications, depending on the specific circumstances of each application.

### Hot food takeaways

There are a number of relevant reports, studies and other publications which underpin the council's proposed guidance for hot food takeaways, which is set out in section 6 of the SPD. Of particular relevance are the following:

- **Better Health for London (October 2014):** this report, produced by the London Health Commission at the behest of the Mayor of London, considers a number of health impacts

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<sup>97</sup> Islington Evidence Hub, information available from: <http://evidencehub.islington.gov.uk/Pages/HomePage.aspx>

affecting London and makes recommendations to address these. Recommendation 14 implores the Mayor to provide stronger support for boroughs to put in place local policies which limit new fast food takeaways (use class A5) within 400m of the boundary of any school. In addition, the report states that a future London Plan should shift the burden of proof so that new fast food takeaways within 400 metres (10 minutes walk) of schools will have to provide evidence that their establishment will not have an adverse impact on health.

- **Healthy people, healthy places briefing, Obesity and the environment: regulating the growth of fast food outlets (March 2014):** this briefing, produced by Public Health England in conjunction with the Local Government Association and the Chartered Institute of Environmental Health has a specific focus on the issue of hot food takeaways in close proximity to schools, and how this influences the food choices (and future diets) of children.
- **NHS London Healthy Urban Development Unit (HUDU) Planning for Health - Using the planning system to control hot food takeaways: A good practice guide (February 2013):** this guide focuses on how planning policy can help to tackle the issue of obesity across London as part of a coherent, strategic approach together with other local authority initiatives. The guidance recommends that a range of policies or criteria should be used together to control and manage the impact of new hot food takeaways, including managing concentration and clustering of hot food takeaways in town or local centres; and hot food takeaways in close proximity to schools. The guidance also recommends that planning controls should be part of a co-ordinated approach to tackle unhealthy diets and obesity, including working with local takeaway businesses and the food industry to make food healthier.
- **Takeaways Toolkit (November 2012; updated June 2014):** the Toolkit was developed by the Mayor of London in co-operation with the Chartered Institute of Environmental Health. It focuses on a range of areas – including planning, public health and education - with the ultimate aim of helping local authorities to develop strategies and programmes to tackle the impacts of fast food takeaways in their local communities. The Toolkit highlights that takeaway foods often have high levels of salt, sugar and saturated fat, which are linked to a number of negative health outcomes.
- **Healthy Lives, Healthy People: A call to action on obesity in England (October 2011):** this policy document follows on from the Healthy Lives, Healthy People White Paper. It sets out how the new approach to public health will enable effective action on obesity and encourages a wide range of partners to play their part. The document aims to make the most of the potential for the planning system to create a healthier built environment, with specific mention of using supplementary planning policies to limit the growth of fast food takeaways. The document also references the online 'Healthy Places' resource<sup>98</sup> which provides information and examples of how the planning system can be used by planning and health practitioners to promote and support healthy living.
- **Healthy Lives, Healthy People: our strategy for public health in England (November 2010):** this White Paper is the Government's response to the Marmot Review. It specifically highlights the role of local authorities in regulating the development and operation of new fast food restaurants.

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<sup>98</sup> Available at <http://www.healthyplaces.org.uk/>

- **Cardiovascular disease prevention public health guideline 25 (June 2010):** the National Institute for Health and Care Excellence (NICE) produced formal guidance on preventing cardiovascular disease at population level. This guidance included various recommendations including encouraging local planning authorities to restrict planning permission for takeaways and other food retail outlets in specific areas (for example, within walking distance of schools); and to implement existing planning policy guidance in line with public health objectives.
- **The Marmot Review: strategic review of health inequalities in England post-2010 (February 2010):** the Marmot Review is a Government-commissioned independent review of measures to reduce health inequalities; the review identified planning as a one potential method to tackle health inequalities and recommended a new national policy on health to ensure that new developments are assessed for their impact on health inequalities, for example limiting the number of fast food outlets in a Super Output Area.
- **A Tale of Two ObesCities: Comparing responses to childhood obesity in London and New York City, a report by the City University of New York and London Metropolitan University (February 2010):** this report acknowledges the potential harmful impacts which over-concentration of fast food outlets can have on childhood obesity levels. The report advocates using land use planning to limit access to fast food outlets.
- **The School Fringe: what pupils buy and eat from shops surrounding secondary schools, Nutrition Policy Unit, London Metropolitan University, Sarah Sinclair and J T Winkler (July 2008):** This research from London Metropolitan University looked at the relationship between takeaways located in ‘fringe’ locations near to schools and pupils nutritional intake. Conclusions were limited by the small scope of the research, but the report raised a general concern about fast food shops locating near to schools, and suggested measures to alleviate adverse impacts, such as restrictions to the number of fast food shops and specific school initiatives to restrict pupil access to ‘fringe’ takeaways.
- **Foresight project, Tackling Obesities: Future Choices (October 2007):** the Foresight project, undertaken by the Government Office for Science, is a strategic view of the issue of obesity. Foresight modelling indicates that by 2050, 60% of adult men, 50% of adult women and about 25% of all children under 16 could be obese. Such high rates of obesity would have numerous associated economic and social costs. The Foresight report advocates a bold whole system approach to tackling this issue – from promotion of healthy diets to redesigning the built environment to promote walking, together with wider cultural changes to shift societal values around food and activity. This will require a broad set of integrated policies including both population and targeted measures and must necessarily include action not only by government, both central and local, but also action by industry, communities, families and society as a whole.

### Betting shops

The following analysis/discussion of various reports, studies and other publications underpins the council’s proposed guidance for betting shops, as set out in section 7 of the SPD.

With regard to Fixed Odds Betting Terminals (FOBTs) in betting shops, these can add to the primary betting use (or in some cases it could be argued that they are the primary use

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themselves). Newham Council recently lost a licensing appeal<sup>99</sup> following the refusal of a premises licence on the grounds that the primary activity of the proposed premises would be FOBT rather than over-the-counter bets. The Gambling Commission have subsequently updated their guidance to clarify how licensing authorities can assess whether betting is the primary gambling activity on a betting premises<sup>100</sup>.

Analysis from the Campaign for Fairer Gambling shows that Islington has a FOBT player population of over 7,000. Estimated average FOBT losses per player in Islington total approximately £2,000<sup>101</sup>; this is the 7<sup>th</sup> highest figure across London local authorities.

The British Gambling Prevalence Survey 2007 shows stronger association between problem gambling<sup>102</sup> and FOBTs, more so than any other activity bar spread betting. The British Gambling Prevalence Survey 2010 highlights a higher prevalence of problem gambling in the most deprived IMD areas; amongst people who are unemployed; and those with very severe money problems. Problem gamblers are also more likely to experience adverse financial, social and health impacts due to increased debts, anxiety and other harms<sup>103</sup>. The NHS estimates that there are approximately 600,000 problem gamblers in Great Britain<sup>104</sup>. Based on 2014 ONS population estimates, this means that almost 1 in every 100 people in Great Britain could be classed as a problem gambler.

Other action has been announced to tackle the potential harmful impacts of betting shops, including greater player protection measures for FOBT users and advanced voluntary self-exclusion measures. The gambling industry has also introduced a code of conduct to tackle some of the main perceived impacts of betting shops, particularly FOBTs; however, this has been criticised by the Prime Minister, who stated that it needed to be “*strengthened to minimise harm*”<sup>105</sup>.

In a speech to the gambling industry in December 2015<sup>106</sup>, Tracey Crouch MP, Minister for Sport, Tourism and Heritage, stated that good will alone would not be enough to minimise harms associated with the gambling industry. The minister also stated that the betting industry “*should never feel that there is an end point to social responsibility*”; and “*gone are the days when companies could act with impunity and disregard the consequences that the use of their products inflicted on wider society.*”

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<sup>99</sup> The Guardian, Newham council told to accept betting shop it rejected, 17 June 2013, available from <http://www.theguardian.com/society/2013/jun/17/newham-betting-shop-paddy-power>

<sup>100</sup> Gambling Commission, Indicators of betting as a primary gambling activity, Advice note, October 2013, available from:

<http://www.gamblingcommission.gov.uk/pdf/Indicators%20of%20betting%20as%20primary%20gambling%20activity%20-%20October%202013.pdf>

<sup>101</sup> These figures were calculated using Census 2011 population figures; Geofutures betting shop location information; average profit per terminal figures from the Gambling Commission; assumptions on the percentage of the population who have gambled; and FOBT density count based on Gambling Commission average FOBT density figures.

<sup>102</sup> Defined in the BGPS 2007 report as “*gambling to a degree that compromises, disrupts or damages family, personal or recreational pursuits*”.

<sup>103</sup> Royal College of Psychiatrists, op cit, see footnote 72

<sup>104</sup> NHS Choices, Gambling addiction, available from:

<http://www.nhs.uk/Livewell/addiction/Pages/gamblingaddiction.aspx>

<sup>105</sup> The Guardian, op cit, see footnote 78

<sup>106</sup> Remarks to the Responsible Gambling Trust Harm Minimisation Conference by Tracey Crouch MP, Minister for Sport, Tourism and Heritage (Department for Culture, Media, and Sport), 9 December 2015, available from:

[http://www.responsiblegamblingtrust.org.uk/user\\_uploads/announcement-%2010%20ministerial%20speech%20to%20rgt%20conference%202015.pdf](http://www.responsiblegamblingtrust.org.uk/user_uploads/announcement-%2010%20ministerial%20speech%20to%20rgt%20conference%202015.pdf)



There have been claims<sup>107</sup> that research produced by the Responsible Gambling Trust (RGT), which includes several research papers often cited by the betting industry as evidence of the minimal impact of betting shops, may have been overly sympathetic to the betting industry. The Charity Commission is investigating these claims<sup>108</sup>.

A 2012 poll<sup>109</sup> by the Local Government Association found that 37 per cent of the public said clustering puts them off visiting their local high street, with 50 per cent saying the clustering of betting shops has a negative effect on high streets.

Betting shops have been associated with incidences of anti-social behaviour, crime and disorder. In licensing, prevention of crime and disorder is one of the three licensing objectives which underpin assessment of licensing applications. In practice, it has been difficult to translate potential increases in crime and disorder due to a proposed new betting shop – even where reinforced with statistics – into a refusal<sup>110</sup> which will stand up to challenge<sup>111</sup>.

In 'Responding to the cumulative impact of betting shops'<sup>112</sup>, a discussion guide produced for the London Health Inequalities Network, a number of common themes emerged across London local authorities, including evidence of proliferation of betting shops since the Gambling Act 2005 came into force; clustering of betting shops in the most deprived areas, and the impact on vulnerable people; an increase in crime and anti-social behaviour in and around betting shops, nuisance caused by including street drinkers and smokers and littering outside the shops; and adverse impacts on the longer term sustainability of the high street.

Evidence from a London Borough of Haringey Overview and Scrutiny Panel investigation<sup>113</sup> showed that, according to the Metropolitan Police, a major concern appeared to be that of disorder, which related to the behaviour of customers that congregated outside betting shops. Police evidence suggested that this predominantly related to incidents of intimidation and harassment of passers-by. Instances of criminal damage, particularly related to FOBT use, were also reported.

A report<sup>114</sup> produced for the London Borough of Southwark in March 2014 concluded that there is a reasonable body of scientific evidence that shows access to gambling venues (including betting

<sup>107</sup> The Daily Express 2016, Gambling charity could face an investigation into links with bookies, 17 February 2016, available from: <http://www.express.co.uk/news/uk/645051/FOBT-Charity-Commission-investigation>

<sup>108</sup> The Charity Commission, Commission responds to concerns about Responsible Gambling Trust, 17 February 2016, available from: <https://www.gov.uk/government/news/commission-responds-to-concerns-about-responsible-gambling-trust>

<sup>109</sup> Local Government Association poll: myths over preference for supermarkets busted as residents favour local shops, 2 March 2012, available from: [http://www.local.gov.uk/web/guest/media-releases/-/journal\\_content/56/10180/3374769/NEWS](http://www.local.gov.uk/web/guest/media-releases/-/journal_content/56/10180/3374769/NEWS)

<sup>110</sup> The Guardian 2014, op cit, footnote 99

<sup>111</sup> Whur, P. (2012). Local Government Lawyer – is there a better way?, available from: [http://www.localgovernmentlawyer.co.uk/index.php?option=com\\_content&view=article&id=10837%3Aa-better-way&catid=61&Itemid=29](http://www.localgovernmentlawyer.co.uk/index.php?option=com_content&view=article&id=10837%3Aa-better-way&catid=61&Itemid=29)

<sup>112</sup> Hanrahan, S. (on behalf of London Health inequalities Network) 2013, op cit, see footnote 61

<sup>113</sup> Haringey Council, Scrutiny Review of the Clustering of Betting Shops in Haringey: a review by the Overview and Scrutiny Committee, April 2011

<sup>114</sup> Ben Cave Associates Ltd, Betting, borrowing and health: Health impacts of betting shops and payday loan shops in Southwark, 7<sup>th</sup> March 2014, available from: [http://www.southwark.gov.uk/download/downloads/id/10359/health\\_impacts\\_of\\_betting\\_shops\\_and\\_payday\\_loan\\_shops\\_in\\_southwark](http://www.southwark.gov.uk/download/downloads/id/10359/health_impacts_of_betting_shops_and_payday_loan_shops_in_southwark)

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shops) leads to increased gambling behaviour and that this, in turn, is associated with poor health outcomes. The characteristics that often facilitate and encourage people to gamble in the first place are primarily features of the environment, such as location of the gambling venue and the number of venues in a specified area. These variables may be important in both the initial decision to gamble and the maintenance of the behaviour.

Allowing underage gambling is a further issue which is often cited as being one of the more harmful aspects of betting shops. A 2009 undercover investigation by the Gambling Commission found that 98% of betting shops allowed a 17 year old to place a bet<sup>115</sup>. A 2012 report by the Department for Culture, Media and Sport (DCMS) Select Committee<sup>116</sup> expressed concern at the continuing comparatively high failure rate of betting shop tackling underage gambling.

These separate issues can feed into each other and exacerbate adverse impacts. For example, evidence from a review of betting shop related crime in Southwark in 2013<sup>117</sup> found that underage persons attempting to gamble in betting shops was a leading cause of reported anti-social behaviour in the borough.

### Payday loan shops

The following analysis/discussion of various reports, studies and other publications underpins the council's proposed guidance for payday loan shops, as set out in section 8 of the SPD.

All operators offering payday loans need permission to carry out such activities. Before April 2014, this involved securing a Consumer Credit licence from the Office for Fair Trading (OFT). On 1 April 2014, the Financial Conduct Authority (FCA) took over the regulation of consumer credit from the OFT. Any operator who previously secured a Consumer Credit licence from the OFT had to apply to the FCA for interim permission to continue carrying out consumer credit activities. Any operator with interim permission then has a certain period in which to apply for full authorisation from the FCA. Fully Authorised operators are added to the Financial Services Register<sup>118</sup>.

Customers wishing to access a payday loan will usually have to adhere to some assessment criteria at the initial loan stage, such as evidence of income/employment, a bank account or a credit check. One of the main criticisms of the payday lending industry is the purported widespread lack of robust income assessments. The FCA has recently undertaken a comprehensive investigation of the high cost short term loan market, including tackling poor practice in loan selling.

Changes to the payday lending sector arising from the FCA investigation include limiting the 'rolling over' of loans - i.e. extending the repayment period thereby incurring additional interest costs – to a maximum of two rollovers per loan; and the imposition of a price cap on high-cost short-term credit<sup>119</sup>. The cap has three components:

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<sup>115</sup> The Guardian, 98% of bookies allow under-age to bet, 31 May 2009, available from: <http://www.theguardian.com/uk/2009/may/31/gambling-under-age-watchdog>

<sup>116</sup> House of Commons Culture, Media and Sport Committee 2012, op cit, footnote 59

<sup>117</sup> Ben Cave Associates Ltd 2014, op cit, footnote 114

<sup>118</sup> Accessed at: <https://register.fca.org.uk/>

<sup>119</sup> Financial Conduct Authority, FCA confirms price cap rules for payday lenders, 11 November 2014, available from: <http://www.fca.org.uk/news/fca-confirms-price-cap-rules-for-payday-lenders>

- initial cost cap – this limits the charge for interest and fees to a maximum of 0.8% of the total amount borrowed, per day.
- cap on default fees and interest – if a borrower defaults on their loan, the lender can charge a maximum of £15 for fees.
- total cost cap – the total cost (i.e. all interest, fees and charges) of a payday loan must not exceed 100% of the total amount borrowed.

The payday loan industry has been investigated by the Competition and Markets Authority (CMA) due to a suspected lack of price competition in the payday loan market. Although the investigation largely focused on lenders with an online presence, there are implications for high street lenders, particularly related to transparency around the cost of loans. The final report was published in February 2015<sup>120</sup>. Following publication of the report, the CMA published a notice of its intention to make an order to address the features of the market which adversely affect competition, as identified in the final report.

In the current financial climate and in the face of recent benefit reform and the forthcoming rollout of universal credit, many Islington residents are likely to experience reduced income. In these circumstances, payday loans could be seen as an easy option in the short-term to alleviate cash flow problems, rather than seek cheaper alternatives or financial advice<sup>121</sup>. Due to the high interest rates charged and to the common practice of 'rolling over' loans, the costs associated with payday loans, dubbed the 'poverty premium'<sup>122</sup>,



**Figure 5 – Islington Council payday lending awareness campaign**

<sup>120</sup> Information on the CMA investigation is available from: <https://www.gov.uk/cma-cases/payday-lending-market-investigation>

<sup>121</sup> Citizens Advice warns payday lenders could prey on Universal Credit claimants, 25 November 2013, available from: <https://www.citizensadvice.org.uk/about-us/how-citizens-advice-works/media/press-releases/citizens-advice-warns-payday-lenders-could-prey-on-universal-credit-claimants/>

<sup>122</sup> Institute for Public Policy Research, Jumping the shark: building institutions to spread access to affordable credit, April 2014.

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can easily run into hundreds and even thousands of pounds. This can exacerbate income deprivation. The recent changes to the industry resulting from the FCA investigation will mitigate some, but not all, of these impacts.

A report<sup>123</sup> produced for the London Borough of Southwark in March 2014 concluded that there are clear associations between where payday loan shops are found and communities with poorer health or particular vulnerabilities to debt, albeit there is limited evidence for a direct causal link. Islington Council has been at the forefront of campaigns and action to promote better forms of credit, including significant support and funding for credit unions and organisations to provide debt advice and legal support on debt matters (see figure 5).

The council have also established the Islington Debt Coalition<sup>124</sup>, a forum which brings together a number of council departments and external organisations with the aim of tackling the issue of debt in Islington. A sub-group was set up in 2013 to look at the specific issue of payday lending.

Various other groups and organisations have campaigned for further regulation and scrutiny of the payday lending market. For example, the Archbishop of Canterbury recently advocated significant expansion of credit unions as a method of tackling the proliferation of payday lenders, with an indication that he will authorise use of the Church of England's significant property portfolio to facilitate this expansion<sup>125</sup>.

The Islington Fairness Commission highlighted debt as a significant problem in the borough, particularly affecting those on low incomes. Evidence from charities and advice organisations show that there has been substantial uplift in contact relating to payday loan debts in the last few years. Between Q4 2013/14 and Q1 2015/16, Citizens Advice trends have shown a quarter on quarter decrease in advice provided in relation to payday loan debts; however, figures from Q2 2015/16 have shown an increase in payday loan debt advice trends<sup>126</sup>. This suggests that issues with the payday loan industry have not been resolved.

'Consumer Debt in Islington', a 2010 report by Rocket Science for Islington Council found that over 11,000 people in Islington have unsecured debts of between £5,000 and £15,000 and a further 13,000 people have unsecured debts exceeding £15,000.

Figures<sup>127</sup> from StepChange Debt Charity reinforce the issue of debt across the UK. These figures, for the period 2009 - 2012, show a near threefold increase in the number of people who sought help about multiple payday loans. The average amount owed on payday loans also increased during this period.

Experiences of Debt and Debt Advice Services in Islington<sup>128</sup>, a report by NatCen Social Research for Islington Debt Coalition published in January 2012, looked at the attitudes of Islington residents

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<sup>123</sup> Ben Cave Associates Ltd 2014, op cit, footnote 114

<sup>124</sup> Further information available from: <http://www.islington.gov.uk/advice/money-advice/Pages/Advice-workers.aspx>

<sup>125</sup> Payday loans: Archbishop's speech in the House of Lords, 20 June 2013, available from:

<http://www.archbishopofcanterbury.org/articles.php/5083/payday-loans-archbishops-speech-in-the-house-of-lords>

<sup>126</sup> Citizens Advice, Advice Trends 2015/16, available from:

<https://www.citizensadvice.org.uk/Global/Public/Advice%20trends/National-Issues-Q2-2015-16.xlsx>

<sup>127</sup> StepChange Debt Charity, Rise in multiple payday loans, available from:

<http://www.stepchange.org/Mediacentre/Campaigns/Consumercreditspotlight/Riseinmultiplepaydayloans.aspx>

<sup>128</sup> National Centre for Social Research, Experiences of Debt and Debt Advice Services in Islington: Final Report, January 2012, available from: <https://www.islington.gov.uk/publicrecords/library/Democracy/Quality-and-performance/Reporting/2011-2012/%282012-03-29%29-NatCen-Report-Jan-2012.pdf>

to debt. Evidence from the report suggests that although people value the opportunity to access relatively easy credit (such as payday loans), choices about borrowing were very restricted and participants felt vulnerable to the offer of 'easy' credit from loan companies, who often made concerted efforts to attract customers, including directly contacting people by phone or SMS. This was coupled with a general low awareness of debt advice services. There was strong support among participants for action to be taken against payday loan companies. Possible measures put forward by the participants included banning advertising aimed at financially vulnerable people and encouraging loan companies to lend more responsibly. Numerous local councils across the country are reacting to this by banning various forms of payday loan advertisements, including advertising billboards and bus shelters. Islington Council are one of these councils, having blocked payday loan advertisements on council-owned billboards and council computers<sup>129</sup>.

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<sup>129</sup> Islington Gazette, Islington Council bans pay day loan companies from advertising, 29 July 2013, available from: [http://www.islingtongazette.co.uk/news/crime-courts/islington\\_council\\_bans\\_pay\\_day\\_loan\\_companies\\_from\\_advertising\\_1\\_2301981](http://www.islingtongazette.co.uk/news/crime-courts/islington_council_bans_pay_day_loan_companies_from_advertising_1_2301981)

### Appendix 4 – Definition/explanation of key terms

**Amenity:** amenity is a wide ranging term which can encompass consideration of an areas character, function and other factors. It is generally understood to be the way in which these factors act together to generate a sense of wellbeing and enjoyment. Amenity is factor for residents and businesses of the borough. It is a qualitative measure that must be identified on a case-by-case basis, but there are certain common issues which can affect the amenity of different areas, such as introduction of uses which increase the level of noise, anti-social behaviour and/or disturbance. DMP policy DM2.1 Part A(x) provides a fuller list of considerations for assessing impact on amenity.

**Betting shop:** a location that is licensed to enable betting – defined by the Gambling Act 2005 - to be carried out on the premises. In planning terms, a betting shop is classed as a Sui Generis use.

**Character:** this term is already broadly defined in Islington's Local Plan as individual distinctiveness created from a combination of natural and built elements with historic, socio-economic and other factors. When considering character specifically in relation to DMP policy DM4.3, it is important to note that the application of this policy will likely be for applications within a specific retail/commercial designation, given that the examples of uses listed in DMP policy DM4.3 Part A could all be classified as main Town Centre uses as per the NPPF. The borough generally has a broad mix of uses but has a predominantly A1 retail character in Town Centres and Local Shopping Areas. The borough's densely developed nature means that residential uses are often in close proximity to commercial uses; therefore residential character needs to be taken into account, particularly the impact on residential amenity. The south of the borough falls within the Central Activities Zone, which is difficult to characterise uniformly, although there are large amounts of commercial units, mostly offices.

**Function:** in relation to a specific area, function can be defined as that areas predominant role, although some areas can have significant secondary supporting functions. For example, Islington's town centres all have an overtly A1 retail function but also have a distinct night-time economy element; and large parts of the CAZ within Islington have a predominantly office function but with supporting retail and leisure uses. The introduction of certain uses can undermine the function of an area, particularly if it leads to a specific harmful concentration of such uses.

**Health and Wellbeing** – although it is not explicitly defined in Islington's Local Plan, DMP Chapter 6, paragraph 6.1 outlines the key facets of the term. Ensuring health and wellbeing means creating a healthy environment whilst not contributing to negative health outcomes and further widening health inequalities. There is a wealth of evidence discussed in this SPD related to health, especially in relation to the specific areas detailed in sections 6, 7 and 8. Likely health impacts related to these areas include increased obesity levels (linked to prevalence of hot food takeaways) and increased incidences of mental health problems (related to increases in personal debt which can cause stress and depression).

**Hot food takeaway:** a unit within the A5 use class which primarily sells hot food for consumption off the premises.

**Payday loan shop:** a shop where customers can access payday a high interest loan intended to provide an interim solution to short-term personal cash flow problems. Payday loans are generally intended to be paid back within a short period of time, typically one or two months. Commonly, high street payday loan shops offer other services, including pawnbroker facilities or the

buying/selling of second hand goods. In planning terms, a payday loan shop is classed as a Sui Generis use.

**Quasi-retail use:** a non-A1 use which shares some characteristics with A1 retail uses, such as the provision of an active frontage or sale of retail-esque goods and/or services.

**Viability:** viability – in a retail sense - is intrinsically linked with vitality. If vitality is a measure of existing economic activity, viability is a measure of the ability and capacity to grow and develop the role of a centre and bolster economic activity. This factors in whether a centre has scope to respond to changing dynamics in the retail sector. Factors that influence viability include the introduction of uses which detract from the existing mix of uses and affect any agglomeration benefits; uses which reduce footfall to particular parts of centres; uses which affect perception of safety and occurrence of crime. Paragraph 005 of the NPPG<sup>130</sup> sets out a number of other potential influential factors.

**Vitality:** vitality in planning is a term usually applied to retail areas, meaning the ability of a retail area to maintain economic activity in the face of potential impacts. Vitality is inherently linked with viability (see above) and is largely affected by the same factors as viability.

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<sup>130</sup> National Planning Practice Guidance, Which indicators should be used to determine the health of town centres?, available from: <http://planningguidance.planningportal.gov.uk/blog/guidance/ensuring-the-vitality-of-town-centres/ensuring-the-vitality-of-town-centres-guidance/>

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# **Regulation 12(a) Consultation Statement**

## **Location and Concentration of Uses Supplementary Planning Document**

**April 2016**

## 1 Introduction

- 1.1. This document has been prepared in accordance with Regulation 12(a) of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). It accompanies the Location and Concentration of Uses Supplementary Planning Document (SPD) which provides guidance on how to identify those areas where certain uses create concern and put in place measures to prevent over-concentration of these uses.
- 1.2. This consultation statement sets out:
- preliminary consultation activity undertaken to develop the Location and Concentration of Uses SPD, including the council's response to representations received during preliminary consultation; and
  - details of the consultation on the draft SPD including the responses received during this consultation; and how those issues have been addressed in the adopted SPD.

## 2 Preliminary consultation

- 2.1. The council conducted a preliminary consultation exercise on a discussion paper between 10 March and 7 April 2014. This exercise was conducted to gauge opinion; and to ensure that the SPD was focused on the most important and relevant issues.
- 2.2. The discussion paper posed the following questions:
1. Do you agree with the proposed main objective of the Supplementary Planning Document; to identify those areas where certain uses create concern and put in place planning measures to prevent over-concentration?
  2. Do you agree with Islington Council's intention to produce specific guidance in relation to the location and over-concentration of payday loan shops, betting shops and hot food takeaways?
  3. Are there any other uses which you think Islington Council should specifically address in the proposed Supplementary Planning Document?
  4. Do you have any further comments on the proposed Supplementary Planning Document?
- 2.3. The council targeted this preliminary consultation to the following groups:
- E-mail to all e-mail addresses registered on planning policy consultation database
  - E-mails and letters to various industry groups. Address information was sourced via the internet and Islington business rates data:
    - Betting shops: letters sent to head office address or store address for all betting shops with a presence in the borough. A letter was also sent to the Association of British Bookmakers, which is the UK's leading trade organisation for betting shops. E-mails were sent in conjunction with these letters where a general correspondence e-mail address was available.
    - Payday loan shops: letters sent to head office address or store address for all payday loan shops with a presence in the borough. A letter was also sent to 4 separate trade organisations representing the payday loan industry. E-mails were sent in conjunction with these letters where a general correspondence e-mail address was available.

- Hot food takeaways: E-mails were sent to 2 separate trade organisations representing facets of the hot food takeaway industry.
  - Letters to local organisations registered on planning policy consultation database.
  - Letters to Islington's 48 elected councillors.
  - E-mails to the council's public health and environmental health departments.
  - Other external groups/organisations including Sustain, the London Food Board, the Campaign for Fairer Gambling and the NHS London Healthy Urban Development Unit.
- 2.4.** A questionnaire mirroring the questions posed in the discussion paper was also set up using Survey Monkey. This was accessible via the SPD webpage on the council's website.
- 2.5.** In total, 51 responses were received during the preliminary consultation exercise; 13 written consultation responses and 38 questionnaire responses.
- 2.6.** The vast majority (76%) of respondents were supportive of the intention to produce an SPD to identify those areas where certain uses create concern and put in place planning measures to prevent over-concentration.
- 2.7.** All responses received were considered and, where relevant, informed the drafting of the SPD. The council's response to each comment received during preliminary consultation can be viewed at Appendix 1 (written responses) and Appendix 2 (questionnaire responses).
- 2.8.** In addition to the preliminary consultation, ongoing discussions took place with various council departments, to develop and refine the draft SPD.

### 3 Draft SPD consultation

- 3.1.** The council consulted on a draft SPD between 10 July and 4 September 2015.
- 3.2.** As part of the consultation process, the council contacted the following groups:
- Head office/property department of all betting shops and payday loan shops with a presence in the borough.
  - Head office/property department of all chain hot food takeaways with 3 or more units in the borough.
  - All hot food takeaways; non-A5 units with a takeaway element; betting shops; and payday loan shops in the borough.
  - Relevant industry groups.
  - Respondents to the preliminary consultation, including all written respondents; and questionnaire respondents where contact information had been provided via Survey Monkey.
  - Council departments involved in the production of the draft SPD.
  - Email to local ward councillors.
  - Planning policy database (letter or email).
  - Other relevant organisations with acknowledged or potential interest in draft SPD.

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- 3.3.** A response form was set up using Survey Monkey and was accessible via the SPD webpage on the council's website.
- 3.4.** In total, 20 responses were received. These responses are detailed in full in Appendix 3; alongside the comments on how the issues raised have been addressed in the adopted SPD.
- 3.5.** A quarter of respondents were supportive of the measures proposed in the draft SPD; respondents included the Greater London Authority, the London Healthier High Streets group and local community groups. Almost half the responses objected to the draft SPD; these objections were exclusively from the betting shop, payday loan and hot food takeaway industry. The remaining responses were neutral responses from statutory consultees.
- 3.6.** Some minor changes have been made in response to the consultation feedback on the draft SPD, in order to improve the clarity of the document.
- 3.7.** The production of the Location and Concentration of Uses SPD has involved extensive and ongoing consultation which has influenced both early development and later refinement of the document. The process has complied with the relevant Regulations.

## Appendix 1: Preliminary Consultation - written responses

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
PC1	Individual	Someone rang but didn't leave a name and suggested that the map on the 'consultation location and concentration of uses SPD' would be easier to use if it was portrait rather than landscape.	Response noted. Map in pre-consultation paper was purely indicative to gauge opinion about maps in the SPD proper
PC2	Environment Agency	Thank you for your email below, however I don't think we would have any comments to make on this document.  If you have any further queries please contact me.	Comments noted
PC3	Angel Association	The Angel Association has considered the above consultation document. In our opinion this is well thought through and we are happy to give our support. We are pleased the Council is taking this approach which will in our view be for the benefit of all Islington residents. We have no further comments or suggestions at this stage.	Support noted
Page 4 Page 169	Highways Agency	Thank you for your correspondence of 21 March inviting the Highways Agency (HA) to comment on the: Consultation on the Location and Concentration of Uses SPD – Discussion Paper and Questionnaire  The HA is an executive agency of the Department for Transport (DfT). We are responsible for operating, maintaining and improving England's strategic road network (SRN) on behalf of the Secretary of State for Transport.  The HA will be concerned with proposals that have the potential to impact the safe and efficient operation of the SRN.  We have reviewed the documents and do not have any comments at this time.	Comments noted
PC5	Natural England	Town Centre Related Supplementary Planning Document (SPD)  Thank you for your consultation on the above dated 21 March 2014, which was received by Natural England on 21 March 2014.  Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.  We support the principle of meaningful and early engagement of the general community, community organisations and statutory bodies in local planning matters, both in terms of shaping policy and participating in the process of determining planning applications.  Whilst we welcome this opportunity to give our views, the topic of the Supplementary Planning Document does not relate to our remit to any significant extent. We do not therefore wish to comment.  Strategic Environmental Assessment/Habitats Regulations Assessment  In principle SPDs should not be subject to the Strategic Environmental Assessment Directive or the Habitats Directive because they do not normally introduce new policies or proposals or modify planning documents which have already been subject to a Sustainability Appraisal or Habitats Regulations Assessment. However a SPD may occasionally be found likely to give rise to significant effects which have not been formally assessed in the context of a higher level planning document. This may happen, for example, where the relevant high level planning document contains saved policies within a saved local plan which predates the need to carry out a SA or HRA and therefore no higher tier assessment has taken place. If	Comments noted. Islington have produced an SEA Screening Assessment alongside the draft SPD. The screening assessment found that the draft SPD was unlikely to have significant effects on the environment, and it was therefore unnecessary to carry out a SEA on the document. The minor amendments made following consultation do not alter the SEA Screening Assessment conclusion.

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		there is any doubt on the need to carry out a SA or HRA a screening assessment should be carried out.	
PC6	Marine Management Organisation	Thank you for inviting the Marine Management Organisation (MMO) to comment on the above consultation. I write to confirm that the MMO has no comments to submit in relation to this consultation.	Comments noted.
PC7	Emily Thornberry, MP for Islington South and Finsbury	<p>Re: Location and Concentration of Uses Supplementary Planning Document</p> <p>Thank you for your letter of 7th March about the consultation. I understand that this consultation will close on 7th April, and I would like to add a few comments.</p> <p>Firstly, I full support the council in introducing Policy DM4.3, which sets out the circumstances where proposals for cafes, restaurants, drinking establishments, off-licences, hot food takeaways, lap dancing clubs, nightclubs, casinos, betting shops, amusement centres and other similar uses will be resisted.</p> <p>In my view, even one lap dancing club is too many, and I agree that it makes sense to impose sensible limits on the number of betting shops, casinos, amusement centres etc.</p> <p>I understand that the current proposal is intended to provide clarity over how to assess the concentration of three specific types of establishment - payday loan shops, betting shops and hot food takeaways - so that robust measures can be put in place to prevent over-concentration</p> <p>I support this objective – I think we should do everything we can to prevent Islington shops being converted into payday loan outlets, and I think we already have too many betting shops. Whilst it is undoubtedly true that many hard-up Islington residents will already be able to access both online high-interest loans and on-line gambling. I still feel we should do what we can to keep these businesses away from shopping streets.</p> <p>Islington is a deprived inner-city area with a very high level of child poverty. I am very concerned that this Government's harsh benefit policies – sanctions, capping etc – are driving vulnerable families into the arms of payday lenders, and I think we need to take a firm stand against companies which charge the poor and desperate over 4000% interest.</p> <p>Where hot food takeaways are concerned, I am aware of the evidence which links concentration of takeaways with obesity levels, so I support the Council's proposal to look closely at concentration and location. I think we have to be careful how we do this - clearly, it is a good thing to have a range of hot foods available, and I welcome the wide range of food stalls and takeaways in our shopping areas, but I appreciate that we do need to consider child health, and proximity to schools must be a factor when considering new proposals.</p> <p>The other point which constituents often mention to me is the anti-social behaviour associated with hot food takeaways — groups of youths who congregate outside the chicken shops and kebab shops and get into arguments or intimidate those passing by.</p> <p>To summarise Lap dancing. There are some types of establishment - lap dancing clubs, sex cinemas, etc - which I would like to see banned from Islington altogether. I would be tempted to add in the payday loan shops to this group.</p> <p>Gambling. The gambling group - betting shops, casinos, amusement centres - I think we have plenty of already, so I would hope that any proposal to expand the numbers would be resisted.</p>	<p>The general support is welcomed.</p> <p>Research into the amount and concentration of lap dancing clubs shows a low absolute amount with little evidence of specific over-concentration. However, the SPD provides general guidance which can be applied where proposals involving such uses come forward, especially in sensitive locations.</p> <p>The council agrees with the points raised about applying 'sensible limits' and being careful not to restrict uses in an over-zealous way. We have been clear that it is not the council's intention to ban all betting shops, hot-food takeaways, etc; instead we want to put in place logical guidance which makes it easier to identify where these uses are causing harm.</p> <p>Issue of anti-social behaviour associated with hot-food takeaways, betting shops, etc is discussed in draft SPD.</p>

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Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>Pubs and cafes. Where the drinking establishments, nightclubs, cafes and restaurants are concerned, I am happy to see these in my constituency provided that the negative impact on residents is minimised, so we do need to keep a careful eye on concentration and location.</p> <p>Hot food takeaways. The same goes for hot food takeaways, but with a stricter view on location - provided that the impact on child health and residents' comfort and safety can be minimised, it is good to have a reasonable range of hot food outlets.</p> <p>I hope you find these comments helpful, and I look forward to hearing the outcome of the consultation.</p>	
<p>PC8</p> <p>Page 171</p>	<p>Association of British Bookmakers</p>	<p>LOCATION AND CONCENTRATION OF USES SPD: DISCUSSION PAPER AND QUESTIONNAIRE RESPONSE BY ASSOCIATION OF BRITISH BOOKMAKERS</p> <p>Question 1 Do you agree with the proposed main objective of the Supplementary Planning Document; to identify those areas where certain uses create concern and put in place planning measures to prevent over-concentration?</p> <p>We believe that policy should be evidence based and we would question whether the proposal meets this criteria. In a recent Planning Appeal (June 2013, APP/V5570/A/12/2189530 re 31 Junction Road, London N19 5QT) the DCLG appointed Inspector commented that “there is no indication as to why this number of betting shops would be harmful ... I am not persuaded that there would be an over-concentration of such use”, that “there is no substantiated evidence to show that the function of the centre would be compromised” and “there is no evidence of disturbance arising from existing betting shops in the area”. As such there is no basis for this proposal.</p> <p>Local engagement and ongoing dialogue is the most effective way to address local concerns and find local solutions that work.</p> <p>It is often forgotten that betting offices are already well-regulated environments, with their activities constrained and directed by three different types of licence: the premises licence, the operating licence and the personal licence, all of which combine to ensure that the licensing objectives are promoted. Where they are not, there are various existing mechanisms in the legislation to remedy the position. Gambling Commission statistics show that just 45 visits were made by local authorities following a complaint about a betting office in 2011/12.</p> <p>Betting shop operators work pro-actively to tackle any issues in communities alongside the Gambling Commission, police, local authorities, other businesses and other organisations like Neighbourhood Watch and Crimestoppers. A good example of this is Lewisham, where the major operators recently signed up to the Deptford High Street Charter. The charter aims to encourage everyone to play their part in tackling crime and grime. It sets out what Lewisham Council and Lewisham Police can do to support businesses in Deptford High Street, and how businesses themselves can help to keep the local area safe, clean, green and liveable.</p> <p><u>The Number of Betting Shops is Stable</u> In terms of background, it is also useful to reflect on the number of betting shops, both nationally and locally. The number of betting office licences peaked in 1968 at 15,782. In 1987, when the new Use Classes Order was published, the number was 10,384. In 2012 there were 8,772 shops according to industry data. Research by Gerald Eve LLP (Planning</p>	<p>Response noted.</p> <p>Little of the evidence alluded to in the response has been provided.</p> <p>To reiterate, the purpose of this SPD is not to uniformly prevent new betting shops; it is to prevent betting shops locating in areas where they may cause harm and/or where they may cause/exacerbate an over-concentration. In this respect, we have considered evidence from both sides, both pro and anti-betting shop when developing the SPD.</p> <p>The SPD is not introducing new policy; it is providing further guidance on an existing policy, DM4.3 of the adopted Development Management Policies DPD (June 2013). Hence the development of an SPD is justified and has a solid basis.</p> <p>The appeal decision referenced by the respondent gave little weight to the council's over-concentration policy, which at the time of decision was not yet adopted. If anything, this appeal actually demonstrates the need for specific guidance on defining over-concentration, which would give more certainty to applicants. Since this appeal decision, central Government have deemed betting shops and potential clustering of these uses as sufficiently worrying to amend the use classes order to ensure that local authorities can consider all applications for betting shops and assess harm on case-by-case basis.</p> <p>It not clear why the respondent believes that one planning appeal related to one unit in a specific area of the borough means there is no basis for the SPD, which will apply borough-wide. This appeal decision does not preclude a different inspector taking a different view either at the same location or in other parts of the borough. Irrespective of this, we are not aware of planning regulations or guidance which means that an SPD cannot be developed where a local authority has lost an appeal decision involving similar issues.</p> <p>Measures to improve local engagement and dialogue are undoubtedly important but they are not a substitute for a robust assessment against planning policies. A planning application for a betting shop would be open for local residents and businesses to respond to, either positively or negatively. If a betting shop operator engaged in significant local consultation and dialogue to assuage fears of local residents and businesses and garner support, this could be taken on board in the application process. In terms of discussion with local authorities, pre-application discussions are recommended at the earliest possible stage so issues can be addressed.</p> <p>The SPD discussion paper clearly acknowledged the primacy of licensing for regulating betting shops. Planning assessment of betting shops has different considerations and is more responsive than licensing policy; hence it can quickly pick up on new clustering trends where they arise. Therefore there is a clearly a role for planning in the assessment of betting shops alongside licensing.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>Research in the Location of Betting Offices, 2012) found that the number of betting offices is likely to remain stable in future. This has certainly been the case in Islington, which has seen an increase of one betting offices in seven years and during this period the population of Islington has grown by 10 per cent.</p> <p><u>Use Class - Flexible Use</u> The discussion paper refers to the fact that on 30 May 2013 the government introduced further flexibility (to the use class order) under Schedule 2, Part4, Class D which allows a change of use to a flexible use for a period of two years. It is extremely unlikely that a betting shop operator would invest £250,000 in a shop fit for just 2 years. It is even more unlikely now that we are 10 months into the 24 month period.</p> <p>Question 2 Do you agree with Islington Council's intention to produce specific guidance in relation to the location and over-concentration of payday loan shops, betting shops and hot food takeaways? If yes, what are the particular characteristics of these uses which you think necessitate specific guidance? Are there any locations within Islington where one or more of these uses are causing concern? If no, please provide justification for your answer. Do you think any of these uses have particular characteristics which are unlikely to cause harm/adverse impacts due to their location/over-concentration?</p> <p>No. There is no evidence whatsoever that the exercise of permitted development rights in relation to betting has impacted detrimentally on the health of the population or the vitality and viability of town, district and neighbourhood centres.</p> <p>In London, betting shops contribute £627 million per annum to the regional economy and support more than 11,500 jobs, 532 of these jobs are in Islington. Furthermore, there is a wealth of evidence from planning experts, based on survey data, showing that betting shops generate greater footfall and linked trips on high streets than standard retail units.</p> <p><u>Gambling-Related Harm</u> In terms of public concern, it is important to remember that problem gambling levels in the UK are low by international standards and there is a downward trend, with an average of 0.5% of people classified as a problem gambler, compared to 0.9% in 2010 and 0.6% in 1999 and 2007. We are, however, not complacent and recently launched a new Code for Responsible Gambling and Player Protection. This is the first time in the world that a betting shop trade association and its members has put in place a series of harm minimisation measures that go far beyond those that are legally required and given consumers new tools that will make a difference.</p> <p>The Code has been endorsed by one of the world's leading academic gambling experts, Dr Mark Griffiths, Professor of Gambling Studies at Nottingham Trent University's International Gaming Research Unit, who says: "The player protection and harm minimisation measures proposed go further than anything else emanating from the UK gambling sector in the past. Some of the measures proposed are innovative and potentially world-leading and I am delighted that the ABB has taken such a proactive stance in their efforts to promote responsible gambling and minimise problem gambling."</p> <p><u>Betting Shops are NOT Concentrated in Deprived Areas</u> Industry data also clearly shows there are more betting offices in the least deprived areas</p>	<p>The council does not hold records on the change in the level of betting shops over time. Monitoring the change over time is not considered to be an effective representation of the impact of betting shops, considering that betting habits change over time and innovations such as FOBTs skew impacts. Certainly going back to 1968 is irrelevant given that the legislative and regulatory framework for betting shops at this time was somewhat laissez faire and the role of betting in society was completely different. The absolute number of betting shops does not shed any light on clustering, e.g. if the number of betting shops in a borough reduced from 100 in 2010 to 80 in 2014, this in theory suggests a lesser impact using the ABB logic. However, if those 80 betting shops had consolidated/relocated and were now made up of 20 betting shops in each of a boroughs four main retail centres, this is arguably a much greater impact than 100 betting shops dispersed more evenly across a borough with little clustering. The Government announcement on gambling controls (April 2014) recognises this very point. Irrespective of this, the robustness of the ABB claim that the number of betting offices has reduced is disputed. An analysis by Landman Economics in April 2014 suggests an increase of 500+ betting shops across the UK between March 2010 and December 2013.</p> <p>The respondent seems confused regarding the flexible use PD rights. The SPD discussion paper highlighted that these PD rights have the potential to lead to an increase in betting shops at the expense of retail uses. The respondent may be correct that some betting shop operator would not invest money for a shop fit for just 2 years of operation, although the £250,000 cost of fit-out given is thought to be completely unrealistic. Clearly some operators may find these PD rights an attractive proposition; ultimately the existence of the rights creates potential for new betting shops to open without full assessment of impacts. The reference to being 10 months into the 24 month period betrayed a lack of understanding from the respondent of how the PD rights operate.</p> <p>Following the pre-consultation exercise, changes to the Use Classes Order mean that betting shops will no longer benefit from the any PD rights as they are no longer an A2 use; the draft SPD reflects this change.</p> <p>We do not dispute that betting shops contribute to the local economy and provide some employment, although the extent of this contribution is debatable taking into account evidence from Landman Economics (2014). Ultimately however, to reduce the argument around betting shops to a purely economic argument misses the point. Concern about betting shops generally stems from the fact that they can adversely impact the overtly retail and leisure character and function of an area, particularly where they are over-concentrated; this is intrinsically linked with the local economy. For example, if betting shops have indeed created 532 jobs in Islington, but have also caused adverse impacts that caused retail and leisure uses to close and led to the loss of double that many jobs, this is clearly not desirable. The 'wealth of evidence from planning experts' alluded to in the response is not provided to reinforce the claim that betting shops generate greater footfall and linked trips on high streets than standard retail units. There may be some merit in this argument in less healthy centres with a high rate of vacancy. However, this claim is disputed with regard to healthy centres such as Islington; retail planning policy should be flexible but there is a clear direction in national planning policy to identify primary shopping areas which have a high concentration of retail uses. Implicit in this is recognition of the significant agglomeration benefits of maintaining a core of retail uses, in terms of footfall and linked trips. In healthy centres with clearly identified primary shopping areas, betting shops are considered more likely to adversely affect retail and leisure uses.</p>



Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 173		<p>than in the most deprived areas. Furthermore, betting offices make four times more profit per gaming machine in the least deprived areas than in the most deprived areas. This statistic is supported by the recent NHS Health Survey for England (2012) which found that: “gambling participation is higher amongst the most affluent and lowest among the poorest” and “there is no evidence of higher levels of gambling in deprived areas”.</p> <p><u>Tackling Crime and Anti-Social Behaviour</u> Like any other business, betting shops are the victims of crime not the cause. We take all incidents of violence extremely seriously. However, these cases are exceptional circumstances and not the experience of the vast majority of customers. Like any other business we do not want the actions of a very small number of less responsible people to affect the experience of our millions of very responsible customers.</p> <p>The Safe Bet Alliance (SBA) is a voluntary security code of practice drawn up in 2010, in close consultation with the Community Union, Metropolitan Police and DWP among others. It is clear that these standards are paying dividends. For example, robberies have fallen by 60% over the last two years in London. The ABB is aiming to enhance the code and build new partnerships with police forces in other regions. Additionally, the industry’s efforts in addressing shop security through the SBA were recently recognised with a Home Office award.</p> <p>Question 3 Are there any other uses which you think Islington Council should specifically address in the proposed Supplementary Planning Document? No.</p> <p>Question 4 Do you have any further comments on the proposed Supplementary Planning Document? No.</p>	<p>Voluntary measures such as the ABB Code for Responsible Gambling and Player Protection can be a useful addition to legislative measures, but they are not a replacement for legislative measures and offer no solid guarantee of change. The code has already been criticised by the Prime Minister, who called for it to be strengthened to minimise harm. The Government’s subsequent announcement on new gambling controls also suggests they think that voluntary measures will not produce the necessary changes.</p> <p>In response to the claim that betting shops do not cluster in the least deprived areas, there is evidence to the contrary, notably recent research conducted by the Campaign for Fairer Gambling and also analysis by Landman Economics (2014). The SPD maps the concentration of betting shops against IMD 2010 data, to see whether betting shops in Islington are focused in the most deprived areas. Anecdotal evidence suggests this is the case. Whether betting shops locate in the most or least deprived areas, our primary concern is to maintain the character, function, vitality and viability of retail areas.</p> <p>Having a complete disregard of the role of betting shops as a cause of crime seems somewhat fanciful. We would not claim that every betting shop causes high levels of crime, but we would say that there is definite potential for crime to occur, just as there is with any other business. Simply denying this potential is not constructive. Potential for crime and anti-social behaviour is discussed in the SPD.</p>
	PC9	Canal and River Trust London	Thank you for this recent consultation – I can confirm that the Canal & River Trust has no comments to make.
PC10	Upper Street Association	<p>Question 1. Do you agree with the proposed main objective of the Supplementary Planning Document to identify those areas where certain uses create concern and put in place planning measures to prevent over-concentration? Yes. We support the suggested development of Policy DM4.3, and its objective to protect and enhance the amenity of residents and businesses. Our comments below particularly relate to the Upper Street area.</p> <p>Question2. Do you agree with Islington Council’s intention to produce specific guidance in relation to the location and over-concentration of payday loan shops, betting shops and hot food takeaways? If yes, what are the particular characteristics of these uses which you think necessitate specific guidance? Are there any location within Islington where one or more of these uses are causing concern? If no, please provide justification for your answer. Do you think any of these uses have particular characteristics which are unlikely to cause harm/adverse impacts due to their</p>	<p>Response noted. As part of the mapping exercise for the SPD, existing concentrations of hot food takeaways have been mapped and guidance provided. SPD includes discussion of refuse arrangements.</p> <p>With regard to the night-time and leisure economy in Upper Street, particularly licensed premises, this is the remit of the council’s licensing department as the response notes. The night-time economy is an important element of the Upper Street and Angel Town Centre retail and leisure offer (especially north of Islington Green) although the intent of planning policy is to maintain these areas as predominantly retail in nature. Potential over-concentration of A3/A4 units is addressed in the SPD.</p> <p>A Boards and tables and chairs on pavements require a license from the council’s Streetworks team and hence sits outside planning. The council’s Streetbook SPD provides some design considerations for temporary and portable street furniture.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 174		<p>location /over-concentration?</p> <p>We certainly agree that there is an over-concentration of uses in certain parts of the Borough, and we suggest other, additional matters in Question 3. Yes specifically we are very much aware of the over-concentration of hot food takeaways in our principal streets, for instance in Upper Street: obviously many of the customers are shoppers, visitors or football fans, and we would not deny the service these outlets can provide. However few of the existing food takeaways provide much evidence of clearing up the litter left across a wide area by their customers. Just one example is McDonalds, whose rubbish from their branch at Highbury Corner can be found in Highbury Fields, Upper Street, and Compton Terrace.</p> <p>We do not have a focused view about the local location and concentration of payday loan shops or betting shops, but would accept that their physical presence is an index of poverty, while also recognising that the latter are widely accessed via the internet.</p> <p>Question 3. Are there any other uses which you think Islington Council should specifically address in the proposed Supplementary Planning Document? If yes, what do you think should be addressed? Please give full and proper reasons to support the answer?</p> <p>We believe that part of the night-time and leisure economy in Upper Street has simply over-expanded relative to the Borough as a whole, in particular relating to the sale and consumption of alcohol. We appreciate that this is a prime responsibility of the licensing authorities, but we would like to see no further licenses granted in the area, and no extensions of hours for existing licenses. We also believe that there needs to be a full review of the impact of the night-time economy and its effect on the local community.</p> <p>Question 4 Do you have any further comments on the proposed Supplementary Planning Document?</p> <p>Yes. i) In our view the balance of restaurants, takeaways and bars in Upper Street is probably excessive in relation to the desirability of supporting a range of successful local shops and stable businesses.</p> <p>ii) We believe that the Council should insist that both the A boards and tables on pavements should only be set up if there is at least 2 metres clear space for pedestrians.</p>	
PC11	Consumer Finance Association	<p>CFA briefing in response to Islington LBC's Consultation on Location and Concentration of Uses SPD</p> <p>The Consumer Finance Association (CFA) is the principal trade association representing short-term (or "payday") lending businesses operating in the UK.</p> <p>We believe that short-term loans can play an important and positive role for people in some circumstances. However, these products must be delivered responsibly.</p> <p>Recent research by the Competition Commission shows that 65% of customers pay off their loans on the due date and around 23% of loans not paid on time are paid just one day afterwards. It is clear that most people use payday loans without getting into difficulty but it is of course right that there are protections in place to make sure the product is delivered as responsibly as possible.</p> <p>Our members have committed to responsible lending and, before the recent introduction of</p>	<p>Response noted. The response acknowledges the need for responsibility and that a measured approach is welcomed.</p> <p>The response very much focuses on the consumer side of the payday loans debate. In planning terms, we are also concerned with the impact on town centres and other retail areas. The purpose of this SPD is not to uniformly prevent new payday loan shops; it is to prevent payday loan shops locating in areas where they may cause harm and/or where they may cause/exacerbate an over-concentration. In this respect, we have considered evidence from both sides, both pro and anti-payday loan shop, when developing the SPD.</p> <p>There is no guarantee that the regulatory changes proposed by the Government will result in less pressure for physical units on the high street. In that sense, planning measures which enable more rigorous assessment of payday loan shops are desirable.</p> <p>We acknowledge that most payday loan stores offer a range of services. However, in</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 175		<p>tougher statutory regulation, had already signed up to a set of robust, independently-monitored standards designed to protect consumers, including clearly explaining the cost of loans, carrying out robust affordability assessments, capping the number of times loans can be “rolled over”, credit checking loan applications, giving customers breathing space if they are struggling to repay and actively working with debt advice charities and referring customers to them when appropriate.</p> <p>YouGov research carried out with customers of CFA members in 2013 showed that 93% of customers felt that proper affordability checks had been completed and 92% fully understood the cost of their loan.</p> <p>Whilst we have been doing this work, the regulatory landscape has been changing. Over the past year, we have worked with the new regulator, the Financial Conduct Authority (FCA) as it developed the regulatory standards for the industry. In many cases, our Code of Practice has paved the way for the new rules that all lenders will now have to follow. As a result, we anticipate a reduction in the amounts offered and the volume of loans approved.</p> <p>The FCA took responsibility for consumer credit on 1st April. Every payday lender operating in Islington will now have to meet a robust set of regulatory standards meaning that customers are better protected from the risk of spiraling debt than ever before.</p> <p>We welcome the fact that the Council recognizes the positive role that short term lending can play and, as referred to above, we share the Council’s concerns about the product being either used or delivered irresponsibly. We welcome the measured way in which the Council appears to be addressing these issues.</p> <p>Whilst any responsible local authority rightly wants to protect its residents, it is important to put the issues in context. Payday lending accounts for around 2% of overall consumer debt. That does not imply that we believe it requires no further attention, but it is only a very small part of the wider range of personal debt issues faced by Islington residents.</p> <p>It is also important to note that most stores offer a range of services, including currency exchange, money transfers, cheque cashing, pawn broking, jewelry buying, secondhand sales and rent-to-buy. Very few could survive simply offering a payday loan product.</p> <p>Our members employ thousands of people at their head office sites and in stores across hundreds of towns and cities in the UK. This alone makes a significant contribution to local economies through salaries, rent, rates and of course money being spent in other local businesses.</p> <p>We are also concerned that regulating supply will not regulate demand and will force many people who currently use licensed lenders into the arms of loan sharks who pose the most risk to consumers. Removing payday loan stores from the high street will not remove the need for short term credit.</p> <p>We recognise that for some people, a payday loan is not the most appropriate option and we fully support consumers’ access to the widest possible range of products. For example, some of our members are actively working with their local credit unions to share expertise and the CFA has produced a consumer guide, urging potential payday loan customers to “pause and think” before borrowing.</p> <p>However, for many people, payday loans provide an important part of their financial toolkit and, for many customers, their local high street lender provides a convenient way to access</p>	<p>most circumstances, even with associated services, payday loan stores will fall within the non-retail use class; therefore additional guidance to make enable easier identification of impacts at application stage.</p> <p>Although employment of thousands of people in the UK could make a significant contribution to local economies, there is no nuance to this argument, with a particular lack of analysis at an Islington borough level. Aside from this, contribution to local economies is often not simply measurable through salaries, rents, etc, as there is not necessarily a direct correlation between these issues.</p> <p>Islington Council has been proactively addressing the issue of payday lending in the borough, for example, by forming the Islington Debt Coalition, a council-led partnership with bodies such as local credit unions. The IDC has multiple strands of work aimed at tackling the issue of debt in the borough, including a payday lending working group.</p> <p>The SPD will complement the council’s ongoing work to tackle debt in the borough, by providing guidance to help ensure that payday lenders do not become over-concentrated or locate in areas where they could cause adverse impacts.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>short-term credit. These are important matters affecting thousands of people who currently benefit from a credit facility that helps them to manage on tight budgets.</p> <p>We would welcome the opportunity to meet with the Council to discuss these issues further and would be happy to facilitate a visit to CFA members' stores in the Borough.</p>	
PC12	Transport for London	<p>Thank you for consulting TfL Borough Planning on the Location and Concentration of Uses Discussion Paper.</p> <p>I understand the purpose of the consultation is to inform a Supplementary Planning Document which will provide further guidance on your adopted Development Management Policy DM4.3.</p> <p>Policy DM4.3 states</p> <p>A. Proposals for cafes, restaurants, drinking establishments, off licences, hot food takeaways, lap dancing clubs, nightclubs, casinos, betting shops, amusement centres and other similar uses will be resisted where they:</p> <p>i) Would result in negative cumulative impacts due to an unacceptable concentration of such uses in one area; or</p> <p>ii) Would cause unacceptable disturbance or detrimentally affect the amenity, character and function of an area.</p> <p>Although the nature of land uses covered are unlikely to be significant in terms of public transport patronage, they can have an impact on the public highway, particularly if concentrated in small areas. For example, hot food takeaways can have associated delivery mopeds/vehicles that can obstruct the highway if there is not a bespoke area for such parking. Food and drink establishments often have tables and chairs on the footway (which of course requires a license, but is not always sought) and evening entertainment related uses often have a high demand for taxi/private hire, which may require management to prevent obstruction of the highway.</p> <p>As TfL is the highway authority for key roads in the borough, such as Upper Street and Holloway Road, we would support further guidance on this policy. As such, I would recommend that local highway impacts and taxi/private hire requirements are specifically included when considering 'negative cumulative impacts' (DM4.3 part i) and detrimental affect on function (DM4.3 part ii) and that this should be explored and explained further in the supporting text of the SPD.</p> <p>I hope you find these comments useful. If you require any further information or have any questions please do not hesitate to contact me.</p>	<p>Comments noted. Suggestion to include specific transport assessment within overall consideration of food and drink establishments has been addressed in SPD.</p>
PC13	Individual	<p>I believe there should be a levy on businesses which are legal but have a detrimental effect on their neighbourhoods. The council already does this for the costs of additional cleansing and policing for pubs and clubs.</p> <p>For example the businesses should have to contribute towards measures to address the health disadvantages, unpleasant odours, rubbish, and damage to sewer systems that are associated with take away food outlets. These businesses are able to thrive because they do not have to meet the social costs of their business and they are effectively subsidised by residents paying their rates.</p> <p>Bookies and high cost lenders bring despair and misery to their clients and blight neighbourhoods. The down grading of localities when these businesses move in leaves a burden the whole Borough of Islington will have to bear to eventually correct and reverse. The physical and mental harm unwittingly inflicted on residents is a major cost to the</p>	<p>Response noted. The levy referred to in the response is presumed to be the 'late night levy'. This has a very specific focus and was introduced by specific primary legislation. It allows local licensing authorities to raise a contribution from late-opening alcohol suppliers towards policing the night-time economy. It would not be possible to extend the levy to businesses which are deemed to have a detrimental effect on their neighbourhood.</p> <p>The council will use all powers available to restrict the development of uses which are harmful because of their location and/or over-concentration, including development of the SPD. The issues at hand are complex and not as simple as application of a damage multiplier referred to in the consultation response, given that certain uses can have different impacts in different areas and at different concentrations. There are no existing powers which would allow the council to implement a blanket ban on these uses..</p>

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		<p>borough.</p> <p>My feeling is that the harm done to a neighbourhood when a second or additional similar business moves in is not additive but multiplies the harm and the damage of three is many times the damage of two. The council should apply all regulations and restrictions on these harmful businesses with zeal and vigour, as well as ensuring the damage is not exacerbated by adding more of the same.</p>	

Appendix 2: Preliminary Consultation – questionnaire responses

Consultee ID	Name of organisation (if applicable)	Q1: Do you agree with the proposed main objective of the Supplementary Planning Document?	Q2: Do you agree with Islington Council's intention to produce specific guidance in relation to the location and over-concentration of payday loan shops, betting shops and hot food takeaways?	Q3: Are there any other uses which you think Islington Council should specifically address in the proposed Supplementary Planning Document?	Q4: Do you have any further comments on the proposed Supplementary Planning Document?	Islington Council response
PC14	Individual	Yes. I would go further and say that the degenerative effects of certain uses should be controlled more carefully. For example sex establishments, bookies and payday loan shops should not be permitted near or on main walking routes to primary or secondary schools in the borough. Millions are spent in cash and in kind to regenerate parts of Islington only to see the good work undone and degenerated by the introduction of legal but exploitative businesses in poorly defended neighbourhoods.	Yes. It is clear that a preponderance of sex establishments, bookies and payday loan shops drags down a neighbourhood. It is not good for any community to feel that exploitation and abuse is legitimate within its boundaries. Some parts of Islington have started to take on the appearance of Skid Row. Residents will be left to pick up the cost of regeneration and cleaning up the neighbourhoods when these businesses move out.	Yes. I feel that too many grocers have been granted alcohol off licences. They become a honey pot for underage drinkers and other forms of trouble. Stricter enforcement of existing rules and checks for counterfeit alcohol and tobacco needed.	I would like to see some analysis of the likely cost to the community of a legal but exploitative business opening in the high street. I would bring in all costs, direct and indirect: losses in property value and rentals, loss in rates, increase in policing costs, health and mental welfare costs, street cleaning costs etc. It would be useful to know if most of the damage is done by the first pornographer or legal loan shark or if it is a cumulative effect or it causes exponential damage, with each additional location causing unrecoverable damage to an area.	Response noted. Whilst we understand that some residents would wish to see a complete ban on some of these uses, the SPD proposals are considered an appropriate set of measures to tackle the uses in question within the current planning regime.  Islington's licensing policy is the relevant consideration for any establishment seeking an off-licence. Any proposals to strengthen requirements and monitoring fall within the remit of the council's licensing team.  An analysis of the costs of certain uses would be very subjective and would be based on numerous assumptions. Such an analysis would also be unlikely to be of much benefit in terms of planning guidance, especially considering the cost and likely onerous resource requirements of such work.
PC15	London Borough of Hackney	Yes. Identifying those areas where certain uses create concern will help to prevent over-concentration of those uses in those areas, thus minimising their detrimental impact on local amenity as well as on the character and function of the areas. Further, identifying the areas where those uses create concern would provide a guide to applicants and assist the Council when determining planning applications as to whether a development is acceptable in the location as well as to whether it is likely to have a cumulative impact in the area.	Yes. In regards to hot-food take-aways, characteristics include serving addictive, unhealthy food which impact on the health of residents, especially children; smell, fume and extraction issues impacting on neighbouring occupiers; and late opening hours which could cause noise and anti-social behaviour impacts. Proposed Policies DM3 (Promoting Health and Well-Being) and DM12 (Hot-Food Take-Aways and Schools) of Hackney's Development Management Local Plan (Publication Version, 2013) seek to restrict proposals for new hot food take-aways that sell food considered to be unhealthy that are within 400m of secondary schools excluding locations in the Borough's shopping centres. In regards to betting shops, an over concentration of them can lead to problem gambling, as customers would be able to easily travel in	Yes. Night-time economy uses such as A3 (restaurants), A4 (bars and pubs), sui generis (e.g. nightclubs, lap dancing clubs or amusement centres/casinos) and D2 (music, dance and concert halls), where their over-concentration can lead to negative noise, nuisance and anti-social behaviour impacts. In the case of South Shoreditch, which is a Special Policy Area, the Hackney Night-Time Economy Evidence Based Study (2005), and the Shoreditch Night Time Economy (Evidence Base Review) 2007 both indicated that the growth in Shoreditch's night-time economy was having a negative impact on the overall resident and visitor experience, for example, in terms of rising crime levels, environmental degradation and noise pollution. A Special Policy Area for Dalston has also recently been implemented for similar reasons.	No answer given	The points in the response are noted and have been considered when drafting the SPD.  With regard to cross-boundary issues with Hackney, specific requirements for cross-boundary dialogue form a part of the assessment criteria in the SPD.

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Page 179			between shops within the same day and impacting on the well-being of residents. Although they may create a few jobs, the money they suck out of the High Street is hardly plied back into the local economy to help local residents. It mostly goes towards the betting companies. It is questionable as to whether they contribute to increasing footfall in the high street. However due to permitted development rights allowing a change of use to uses such as A1 (e.g. payday loan shops) and A2 (betting shops) it is difficult to control these changes of use.			
PC16	Individual	Yes. On Exmouth Market, EC1 the launderette/dry cleaners was closed and replaced with a betting shop, some 100 yards from another betting shop...( I think Debenhams Property lease many of the properties on this street.) The bakery, the shoe repairer and a jewellery/watch and repair shop were also purchased and the corner building converted into luxury apartments complete with another elevation. The buildings may be 'eco' but empty they still are and still up for sale.	Yes. See previous answer concerning betting shops and the fact that they replace businesses that are of use to the local community.	Yes. Investment properties (although I understand this is the subject of another consultation which I will be responding to). The sale of the Royal Mail sorting office site on Rosebery Avenue: now that the site has been sold below market value, Islington Council should press for 50% of the development to be used for social housing. Local people should also enforce their 'right to light' - the proposed high-rise blocks with be a blight on the surrounding area of low-rise buildings, many of them dating from the 19th century.	Bunhill and Clerkenwell has taken on 80% of new development in the London Plan. Local residents have taken issue with the growth of the 'night-time' economy and the businesses this attracts with ever later closing hours.	Response noted. One of the main reasons behind developing guidance on location and concentration of uses is to protect small and independent shops and essential services which are integral to the character and function of the area. Measures to maintain and promote these uses are included in adopted planning policy.
PC17	Individual	Yes.	Yes. The first two in particular are well provided for already in the borough.	No	No answer given	Response noted.

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PC18	Individual	Yes	Yes. Preventing the proliferation of payday loan shops is not enough but a step in the right direction. Payday loan shops are making outrageous profits out of people's misery and should probably be banned outright. At the very least there should be a cap on how much interest they can charge, but this is out of the remit of the SPD. In the meantime promoting credit unions is the right alternative and should be done further. There seems to be a high proportion of payday loan shops and pawnbrokers around the Nag's Head area, on and around Seven Sisters Road. This is a concern as poor sections of the population are driven there by places like the outdoor market, which is really cheap and useful.	Yes. The proliferation of supermarket stores on the high streets is a concern too (Tesco / Sainsbury's / Waitrose etc). They drive away local food markets and businesses. They are unethical partners in the food distribution chain and working conditions for staff in their store is very poor. Their impact on the demographics of an area, how culturally mixed these can remain or not, should be considered too. In some areas of Islington, the proliferation of bakeries (Euphorium / Paul etc) and cafes (Starbucks / Costa etc) is also of concern. Along with chain supermarkets, they play a part in the gentrification of the borough and the displacement of working class communities. They also deprive some areas of what used to give them a singular character. Different parts of the borough are becoming standardized, losing character at the expense of private corporations dictating the feel and look of our high streets. These coffee chains, along with other fast food shops which are proliferating in some areas (Pret a Manger etc) also have a very poor record on worker's conditions and are know for union-busting practices. Such uses are of concern too and the proliferation of such shops and their impact on local independent businesses, should also be assessed by the council.	No answer given	<p>Response noted. The respondent recognises that planning powers are limited with regard to restricting payday loan shops.</p> <p>The council promotes credit unions as a more sustainable source of lending and provides support and funding to credit unions in the borough. Reference to this is included in the SPD.</p> <p>The SPD maps the location of payday loans against the most deprived areas in the borough.</p> <p>Independent shops are an important part of the character of the borough, and the council has put in place specific policy to maintain and enhance small and independent shops. However, other larger stores do have a role in providing important services for Islington's residents and businesses. The issue of gentrification can be divisive but it is a macro-societal issue and not something which we can address in the SPD. The claim of poor working practices is also beyond the scope of the SPD</p> <p>Issue of coffee shops and cafes is discussed in SPD. The SPD has general assessment criteria which would apply if a specific over-concentration is not evident.</p>
PC19	Individual	Yes	No	No	No answer given	Response noted.
PC20	Individual	Yes	Yes	No	No answer given	Response noted.



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PC21	25-27 Farringdon Road Residents Association	Yes. The expansion of Farringdon station is a great opportunity for the area, but carries significant risks that it may attract the kind of businesses that bring nuisance to the area. There is a one-off opportunity to set the tone for the area and get this right.	Yes. Hot food takeaways must be refused in areas where there are no suitable public spaces, such as parks, in which the food can be consumed. Eating on the street causes nuisance and litter, attracts vermin, and must be deterred.	Yes. Lap dancing bars are mentioned within Policy DM4.3 but not given sufficient focus in this document. There is already an over-concentration on the Islington-Camden boundary, bringing illicit touts and unlicensed taxi drivers to the area offering to transport clients to nearby brothels, and any further expansion must be opposed.	No	<p>Response noted. There are numerous adopted planning policies which apply to the Farringdon station area, particularly in the Finsbury Local Plan.</p> <p>Refusing hot-food takeaways based on lack of available space to consume food would not be possible. The SPD has some discussion of refuse arrangements.</p> <p>Research into the amount and concentration of lap dancing clubs suggests that specific guidance is not necessary; the SPD includes general assessment criteria which can be applied where necessary.</p>
PC22	Individual	Yes	No answer given	No answer given	No answer given	Response noted.
PC23	Individual	Yes and No. I have selected yes and no as the question is too simple. in DM 4.3A I do not agree with lumping cafes and restaurants in with the other categories. These should be separately considered. For B, again, there is more to it than that. Limitations of off licences, hot food takeaways, betting shops, amusement centres should be considered in light of their concentration in low-income areas. Nothing appears to be done to counteract their actual predatory location practices.	Yes. As before, these businesses exhibit predatory behaviour in the the vicinity of low-income areas	Yes. The dietary value of hot takeaway outlets should be assessed and improvement encouraged	No answer given	<p>Response noted. Policy DM4.3 includes potential consideration of a number of uses, although the SPD only includes specific guidance on betting shops, payday loan shops and hot food takeaways. There is no suggestion in the discussion paper that cafés and restaurants will be assessed in the same way as hot food takeaways; these uses have distinct differences, which are explained in the SPD.</p> <p>As part of the mapping of betting shops and payday loan shops, we have looked at their concentration in more deprived areas.</p> <p>Issues such as the dietary value of food sold by hot food takeaways fall outside the planning remit; other parts of the council have implemented measures to tackle this, including the Healthy Catering Commitment, which is discussed in the SPD.</p>
PC24		Yes. This seems a primary purpose of planning.	Yes. Payday loan type companies are not conducive to public good. Clusters of premises for these companies and betting shops should be restricted by planning policy.	Yes. We do not really need any "fruit machine" premises in the borough. They exist to rob the poor and the less strong willed.	Broadly support the objectives of this SPD.	<p>Support noted.</p> <p>Fruit machine premises such as amusement centres are specifically referenced in policy DM4.3 and therefore the council recognises the potential for harm due to their location and/or over-concentration. We are not currently aware of any areas which could be considered over-concentrated but this might change over time. The SPD has general guidance and criteria on over-concentration which could be applied to amusement centres.</p>

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PC25	Individual	Yes	Yes	No answer given	No answer given	Response noted.
PC26	Individual	Yes. We have lived just off Caledonian Road for 23 years. Frankly, it is a mess and always has been. We don't need sex shops, fast food rubbish, news agents, betting shops. We need high standard services and high standard shops where the local community actually would feel like visiting and supporting. Personally, we have nothing to do with anything on Caledonian Road. The standards are too low, the place is dirty and a mess. Sorry, but those are the facts, and there are many others that feel the same way as we do. There is a lot of revenue going to the West End, etc. because we won't use the disheveled shops in our area.	Yes. I will repeat what I wrote on the previous page. It says it all. We have lived just off Caledonian Road for 23 years. Frankly, it is a mess and always has been. We don't need sex shops, fast food rubbish, news agents, betting shops. We need high standard services and high standard shops where the local community actually would feel like visiting and supporting. Personally, we have nothing to do with anything on Caledonian Road. The standards are too low, the place is dirty and a mess. Sorry, but those are the facts, and there are many others that feel the same way as we do. There is a lot of revenue going to the West End, etc. because we won't use the disheveled shops in our area.	Yes. We require upscale, mainstream retail, restaurant, food shops--not little rubbish news agent type shops. We are fed up with these in Caledonian Road. Also, fed up with the vagrants who hang around outside betting shops and fast food places. The entire Caledonian Road needs to be cleaned up and much, much, higher standards need to be implemented. The Council, which owns a lot of the shop space, gives it to sex shops, betting and in our opinion complete rubbish vendors who slop together coffee, newspapers, rubbish food and betting. There needs to be some discipline on this street. It is one of the worst looking streets in London, and dangerous as well! Clean it up and demand a higher standard of care. Then, we will engage with local community, but not before.	I hope you listen to those of us who work hard, long hours, pay huge tax to live in this Borough, and care about the way the place looks. Too much attention has been paid for too long to the freebies who complain, control and look for handouts. Switch your thinking and include the productive people living in this Borough.	Response noted.  This guidance will apply to future applications for uses which could cause harm by virtue of their location and/or over-concentration. The council has also recently adopted the Cally Plan, an SPD for part of the Caledonian Road which sets out a vision to improve the area.  Requiring upscale, mainstream retail restaurants and food shops is beyond the scope of the SPD.  There are numerous planning policies and other council departments which look to improve the public realm across the borough.  All responses to the pre-consultation exercise have been addressed, and taken on board dependent on the relevance of the points raised.
PC27	Councillor	Yes	Yes. fuelling obesity and financial hardship	Yes. any fixed odds betting terminals	No	Response noted. Planning cannot control the number of FOBTs allowed in any single betting shop, as this is controlled through different legislation, The Government have announced recent additional controls on FOBTs, which, alongside guidance to prevent over-concentration of actual betting shops, may lead to a reduction in the number of FOBTs.
PC28	Individual	Yes	Yes. Payday Loan shops should have very limited street presence as they prey on the vulnerable and make it too easy to get into bad debt. Betting shops again prey on the vulnerable and should be off the street and certainly away from schools and high streets	No	No	Response noted. The potential harm identified is part of the reason for the development of this SPD. It will not be possible to propose a maximum number of betting shops or payday loan shops in order to limit their high street presence. The SPD will enable easier and fuller assessment of proposals for new betting shops and payday loan shops to ensure that they are not located in areas where they may cause harm, and are not over-concentrated.

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PC29	Individual	Yes	No answer given	No answer given	No answer given	Response noted.
PC30	Individual	Yes. The concentration of certain types of retail represents a loss of amenity in that a range of different types of retail is required in any shopping area.	Yes. Betting shops drain money from poorer residents leaving them less to spend in other types of shops. This weakens the amenity value of a shopping street. Hot food takeaways lead to mess and litter on the streets. Foxes and other vermin increase in number due to the ready food supply. Most hot food takeaways are selling a very unhealthy energy dense food high in fat, sugar and salt. This is a potential public health problem.	No	No	Response noted. The potential harm identified is part of the reason for the development of this SPD. With regard to litter/refuse arrangements, this is discussed in the SPD.
PC31	Individual	Yes	No answer given	No answer given	No answer given	Response noted
PC32	Individual	Yes.	Yes. Too many payday loan shops encourage borrowing. Betting shops attract people who can often also be street drinkers Food shops cause litter, noise and vermin	Yes. Shops that provide alternatives to existing options in the area	No	Response noted. The potential harm identified is part of the reason for the development of this SPD. With regard to litter/refuse arrangements, this is discussed in the SPD.  The scope of the SPD does not include a requirement for suitable alternative uses. The council does promote organisations such as credit unions which can provide an alternative function.
PC33	Individual	Yes	Yes. Major clusters of these places create ghetto-like areas where services and choice are limited and crime (or the perception of crime) is higher. Using planning policy to encourage balanced, environmentally sustainable business development is a very good idea.	Yes. There should be a stronger line on encouraging local services/businesses and for promotion of sustainable design, cycling, and walking. This also means consideration of how far people need to travel to access basic services.	No	Response noted. Issue of crime is discussed in SPD.  Sustainable design, cycling and walking are covered by existing adopted planning policies.  For reference, the council considers that 300m walking distance is the maximum distance within which everyday essential services should be accessible.
PC34	Individual	Yes. Definately. the mix towards betting shops and unhealthy fast food is not good	Yes. We need a good mix of shops and services to maintain the community spirit, and cheap takeaways encourage late night drunkenness. and loitering	Yes. Services such as a post office, and community facilities for help with children and the elderly. These requirements are not met by takeaways and betting shops. We are also seeing a proliferation of £1 shops which come and go due to competition. I'd like to see more independant shops or investment	No answer given	Response noted. One of the main reasons behind developing guidance on location and concentration of uses is to protect small and independent shops and essential services which are integral to the character and function of the area. Measures to maintain and promote these uses are included in adopted planning policy.  Pound stores fall within the A1 use class, which

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				from small chain stores to provide a good mix of local facilities		generally covers most retail uses, including post offices. A1 uses are the dominant use in town centres and retail areas. The SPD includes criteria which could be applied to A1 uses, but it should be acknowledged that it may be very difficult to limit such uses in practice.
PC35	Individual	Yes	Yes	Yes. bars/clubs with late night drinking licenses	No answer given	Response noted. The grant of late night drinking licenses is the responsibility of the council's licensing department. However the by-products of licensed premises, e.g. ASB, noise, disturbance, can be a planning consideration. The SPD has some general criteria to aid assessment of applications which could cause/exacerbate these impacts.
PC36		Yes. The Nags Head seems to have become a mass of charity shops, pawn brokers, gambling arcades, pound stores and fast food outlets - help	Yes	Yes. Gambling and amusement arcades	No answer given	Response noted. Charity shops, pound stores and pawnbrokers all fall within the A1 use class, which generally covers most retail uses. A1 uses are the dominant use in town centres and retail areas. The SPD includes criteria which could be applied to A1 uses, but it should be acknowledged that it may be very difficult to limit such uses in practice.  Amusement arcades are specifically referenced in policy DM4.3 and therefore the council recognises the potential for harm due to their location and/or over-concentration We are not currently aware of any areas which could be considered over-concentrated but this might change over time. The SPD has general guidance and criteria on over-concentration which could be applied to amusement centres.
PC37	Individual	No. Such regulation is not the task of Councils: these businesses, while morally questionable, provide employment and income to the town hall.	No. Again, these businesses provide employment. Moral stances are have no place in planning regulation. I doubt replacement businesses can easily be found, and so jobs will go if these businesses are shut down.	Yes. Job creation by the relief of rent and rate overheads. Jobs in the Borough are essential, especially those that provide unskilled work. Credit unions should be supported to out compete loan shops.	The climate of moral disapproval is regrettable.	Response noted. The discussion paper is set out in a balanced way, it does not have a particular bias and it is substantiated by independent evidence. We agree that moral arguments should not steer planning policy, although undoubtedly a prevailing moral climate can set the framework for discussion and action by local and national government. Betting shops are a prime example of this.  The council does not dispute that betting shops, payday loan shops, etc provide employment and contribute to the local economy. The SPD is not proposing measures which would threaten existing betting shops uses or jobs; this would fall outside the remit of planning policy. The aim of the SPD is to allow for thorough assessment of applications for

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Page 185						<p>new betting shops, payday loan shops, etc, to ensure that these new shops won't have an adverse impact due to their location and/or over-concentration.</p> <p>Rent and rate relief fall outside of the planning remit. The council is acutely aware of the need for affordable retail and office space, which is why we have adopted a policy which prioritises affordable space as part of new development.</p> <p>The council already provides support and funding for credit unions.</p>
PC38	Individual	Yes	Yes	No answer given	No answer given	Response noted.
PC39	Individual	Yes	Yes	No answer given	No answer given	Response noted.
PC40	Individual	Yes	Yes. In regard to take-aways, there seems to be a need for the guidance to address the physical impact that more often than not goes along with the use i.e. large and unattractive extraction flues, inappropriate shopfronts in poor quality materials and large, obtrusive and internally illuminated signage etc. This is in addition to the fact that they generate smells from cooking and litter in the street from customers, as well as often being open late and catering to drunk customers who then congregate, create noise and anti-social behaviour. Such uses seem incompatible with residential areas and need to be sensitively designed in areas with historic buildings. In terms of payday loan shops, I would categorise them with pawn shops in general in terms of their visual impact and their encouragement of ineffective and uneconomical ways of managing personal finance, targeted inevitably at vulnerable socio-economic groups. Payday	Yes. How about addressing strip clubs and late night music/drinking venues. Also, id there anything that could be included in regard to trying to limit supermarkets taking over from independent shops? I realsie sadly that these are the same use class, but is there anything regarding unit size and converting premises that could be used to address this problem?	No answer given	<p>Response noted. External alterations associated with hot food takeaways are covered by specific adopted planning policies in the council's Development Management Policies document. However, the SPD does have some discussion of this. Impacts arising from odours and litter are also discussed in the SPD.</p> <p>Some payday loan shops are pawnbrokers who offer payday loans as an ancillary service. These are within the A1 use class which makes it difficult to restrict, as A1 is the predominant and generally most sought after use class to maintain and promote in retail areas.</p> <p>The council agrees with the respondent that blanket restrictions on certain uses are not desirable, and that the target of action should be to prevent proliferation and congregation of these uses. This is the main objective of the SPD.</p> <p>The SPD maps payday loan shop and betting shop locations against IMD 2010 data to establish if there is a link between deprived areas and a higher concentration of these uses.</p> <p>Research into the amount and concentration of lap dancing clubs suggests that specific guidance is not necessary; the SPD includes general assessment</p>

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			loan shops, betting shops and takeaways may provide a useful service in isolation, but their proliferation and congregation reduces the wider ranges of useful services and shops which serve a functioning community. They are a marker of deprivation.			<p>criteria which can be applied where necessary.</p> <p>Late night music/drinking venues fall largely under the remit of the council's licensing department; however, the SPD has general criteria which could be applied to applications for such uses, where appropriate.</p> <p>The respondent acknowledges the difficulty of retaining small and independent shops. The council has put in place strong policies to maintain and promote small and independent shops in our adopted Local Plan, including a policy to resist the amalgamation of smaller shop units into larger units.</p>
PC41	Individual	No	No	No	Islington council should keep their nose out of people's business and stop pretending to care.	<p>Response noted. Without further elaboration on what aspect(s) of the SPD the respondent finds intrusive, it will not be possible to assuage the concern raised.</p> <p>The SPD is proposed in order to minimise harm to the amenity of residents and businesses, and is linked to an existing policy with the same remit. The very intention to produce the SPD is in itself a demonstration that the council views this protection of amenity as important.</p>
PC42	Individual	Yes	Yes. King's Cross, specifically on Caledonian Road, as it nears Pentonville Road the area is nearing the tipping point to over-concentration. Guidance should be directed to the serving or dispensing alcohol - during hours beyond 11 PM - take away the booze, you take away the problem!!! Betting is different so here you must focus on number of establishments in area.... License fees should be increased to make it less profitable to be in the business.	Yes. See prior comments	The real issue is what are the limits that will be proposed... who will determine if an area has too much of any one type of business.... This has always been the problem. The population will always say no, while the council wants the revenue from the businesses!!!	<p>Response noted. Issues around the serving and dispensing of alcohol are largely a licensing issue. However the by-products of licensed premises, e.g. ASB, noise, disturbance, can be a planning consideration. The SPD has some general criteria to aid assessment of applications which could cause/exacerbate these impacts.</p> <p>The SPD maps existing betting shops in the borough to help identify areas of over-concentration. Guidance will be given on how to assess over-concentration, but it is not possible to set a specific threshold of number of units.</p> <p>Planning is distinct from areas of the council, such as business rates, which receive revenue from businesses. This would not be a consideration when assessing a planning application although other linked issues such as impact on the local economy, effect on local businesses, etc, may be. These would be balanced against any adverse impacts, e.g. on the amenity of residents and businesses,</p>

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						when making a decision on whether to grant planning permission. The council does not want to, and indeed does not have the power to, implement a blanket ban or default 'no' for every application; the intention of the SPD is to make it easier for harmful impacts associated with location and concentration of certain uses to be identified.
PC43	Individual	Yes	Yes	No answer given	No answer given	Response noted.
PC44	Individual	Yes	No. this is not a one time condition of concern but a constant issue and requires attention the whole time rather than as a reflex knee jerk reaction to specific complaints or instances of concern not matter how justified they may be, it seems probable that some action could be taken if existing situations get chaotic, but the norm may be one in which applications are plentiful and the way to deal with that is to have an overall philosophy which is more coherent than that which exists at present overall.	Yes. quality of life generally integrated with global and regional issues rather than the rather limited attitudes extant.	there should always be supplements for guidance rather than control and control must have an understandable philosophical basis that people can vote on and thus shared democratically	Response noted. The SPD is not being developed as a result of a knee-jerk reaction. The council have already developed and adopted policies to tackle potentially harmful uses, as part of the long-term strategic aims set out in Islington's Core Strategy. The SPD provides useful additional guidance to aid implementation of these policies.  Improving quality of life for residents is one of the core themes underpinning Islington's adopted planning policies.
PC45	Individual	Yes	Yes	Yes. DO much more to convert disused properties and build new "truly affordable housing": 1) More can be done to identify and promote the development of social housing in the borough and to curb the trend of building luxury homes and "investors" pricing out Londoners. 2) LBI needs to change the rules so that "private developers" are forced to build more "affordable housing" (in the traditional sense) IN THEIR DEVELOPMENTS mixing council tenants and private owners/tenants next door to each other. 3) LBI needs to look into protecting their new build social housing developments from the right to buy. 4) LBI needs to heavily "tax" properties left empty after 3/4 months.	No answer given	Response noted. These issues are outside the scope of the proposed SPD. For information, the council is engaged in delivering new social housing through various means, including the development of new council housing and new social housing in partnership with housing associations.  Affordable housing is a key priority for the council and the council seeks to maximise the provision of affordable housing in every scheme.  Right to buy is a nationally set scheme. Exceptions to right to buy are limited and local authorities currently have no scope for discretion in terms of its application.  The council is preparing a supplementary planning document to tackle properties which are deliberately left empty - so-called 'buy-to-leave'.

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Location and concentration of uses SPD – Regulation 12(a) Consultation Statement (April 2016)

Consultee ID	Name of organisation (if applicable)	Q1: Do you agree with the proposed main objective of the Supplementary Planning Document?	Q2: Do you agree with Islington Council's intention to produce specific guidance in relation to the location and over-concentration of payday loan shops, betting shops and hot food takeaways?	Q:3 Are there any other uses which you think Islington Council should specifically address in the proposed Supplementary Planning Document	Q4: Do you have any further comments on the proposed Supplementary Planning Document?	Islington Council response
PC46	Individual	Yes	Yes	Yes. MINI CAB OFFICES	No answer given.	Response noted. It is not intended to provide specific guidance on mini-cab operators, but general assessment criteria is provided which will ensure that certain common features of mini-cab operators are fully considered, for example, impacts on the local highway from mini-cabs waiting outside offices.
PC47	Community/voluntary group	Yes	Yes	No	The education mapping should be extended to FE colleges and possibly universities I think you will find it difficult and contentious with hot fast food premises. Does a market stall selling fancy £4 meat pies constitute fast food. A kebab shop selling meat with lots of salad will argue it is healthier. It's a fine line towards gentrification.	Response noted. We acknowledge the difficulty in determining whether one hot food takeaway is more harmful than another. Planning legislation limits what policy can focus on; a policy which only allowed hot food takeaways which sold food of a certain nutritional value is unlikely to be appropriate within current planning legislation. Therefore a broad approach is required, i.e. one where we can limit hot food takeaways where they could have an individual or cumulative impact on character function, etc; where they are over-concentrated, or where they are in close proximity to sensitive uses. With the latter, primary and secondary schools were chosen as children are considered to be likely to purchase fast food without full consideration of the health impacts. Students in further or higher education are older and therefore are much more likely to be conscious of these health impacts.
PC48	Individual	Yes	Yes. these shops encourages the habits of junk food and overall laziness. The council needs to promote exactly the opposite, quality food and culture.	No answer given	No answer given	Response noted. Specific guidance on hot food takeaways is intended to help develop an environment which is conducive to healthy eating and the prevention of obesity. Issues such as the quality of food fall outside the planning remit; other parts of the council have implemented measures to tackle this, including the Healthy Catering Commitment which is discussed in the SPD.
PC49	Individual	Yes	No answer given	No answer given	No answer given	Response noted.
PC50	Individual	No answer given	Yes	Yes. Betting shops	No answer given	Response noted.
PC51	Individual	Yes	Yes	No	No answer given	Response noted.



### Appendix 3: Draft SPD consultation responses

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
SPD1	Health and Safety Executive	<p>Thank you for your request to provide a representation on the above consultation documents. When consulted on land-use planning matters, the HSE where possible will make representations to ensure that compatible development within the consultation zones of major hazard installations and major accident hazard pipelines (MAHPs) is achieved.</p> <p>We have concluded that we have no representation to make at this stage of your local planning process. This is because there is insufficient information in the consultation document on the location and use class of sites that could be developed. In the absence of this information, the HSE is unable to give advice regarding the compatibility of future developments within the consultation zones of major hazard installations and MAHPs located in the area of your local plan.</p> <p>Representation also included general advice about Local Plan preparation and future consultation with HSE.</p>	Noted. HSE are a statutory consultee and will continue to be consulted on future policy documents.
SPD2	Highways England	<p>Highways England has been appointed by the Secretary of State for Transport as strategic highway company under the provisions of the Infrastructure Act 2015 and is the highway authority, traffic authority and street authority for the strategic road network (SRN). The SRN is a critical national asset and as such Highways England works to ensure that it operates and is managed in the public interest, both in respect of current activities and needs as well as in providing effective stewardship of its long-term operation and integrity.</p> <p>Highways England will be concerned with proposals that have the potential to impact on the safe and efficient operation of the Strategic Road Network (SRN).</p> <p>Having examined the above consultation document, we do not offer any comment to this proposal.</p>	Noted.
SPD3	Natural England	<p>Natural England is a non-departmental public body. Our statutory purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.</p> <p>Natural England does not consider that these Supplementary Planning Documents pose any likely risk or opportunity in relation to our statutory purpose, and so does not wish to comment on these consultations.</p> <p>The lack of comment from Natural England should not be interpreted as a statement that there are no impacts on the natural environment. Other bodies and individuals may wish to make comments that might help the Local Planning Authority (LPA) to fully take account of any environmental risks and opportunities relating to this document.</p> <p>If you disagree with our assessment of this proposal as low risk, or should the proposal be amended in a way which significantly affects its impact on the natural environment, then in accordance with Section 4 of the Natural Environment and Rural Communities Act 2006, please consult Natural England again.</p>	Noted.
SPD4	Office of Rail and Road	<p>Thank you for your e-mail dated 10.7.15 in regard to the following consultations:-</p> <ul style="list-style-type: none"> <li>• Location and Concentration of Uses Draft SPD</li> <li>• Basement Development Draft SPD</li> <li>• Development Viability Draft SPD</li> </ul>	Noted.

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Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>I can confirm that the ORR has no comment to make on the three Supplementary Planning Documents listed above.</p> <p>We kindly request that you amend your planning consultation database to exclude the Office of Rail and Road from planning correspondence which does not affect the current or (future) operation of the mainline network in Great Britain.</p> <p>I have attached a copy of our localism guidance for reference, which can be found at: <a href="http://www.rail-reg.gov.uk/upload/pdf/localism-guidance.pdf">http://www.rail-reg.gov.uk/upload/pdf/localism-guidance.pdf</a></p>	
SPD5	London Healthier High Streets	<p>London Healthier High Streets is a public health network for London boroughs working with town planning, licensing, trading standards &amp; environmental health to promote healthier town centres &amp; high streets.</p> <p>The London Healthier High Streets considered the consultation draft (July 2015) at its meeting 19th August 2015. The draft was also circulated to its members.</p> <p>Whilst recognising the importance of choice and the contribution to local economies, the view of the group is that the over concentration of specific uses, in particular hot food takeaways, betting shops and payday loans, on high streets and in town centres can impact negatively on health and wellbeing. The over concentration of:</p> <ul style="list-style-type: none"> <li>• Hot food takeaways in any geographical location will contribute towards an environment that normalises unhealthier eating choices</li> <li>• Betting shops especially in areas where more vulnerable people live or receive services can have adverse impacts. Vulnerable people extend beyond problem gamblers and include people with addictions, poorer mental health and people on lower income or who find it difficult to manage their debt</li> <li>• Pay day loan shops offering relatively easy very high interest credit for people who may not be able to manage their payments can have a negative impact on their health and wellbeing.</li> </ul> <p>We strongly agree that:</p> <ul style="list-style-type: none"> <li>• The cumulative impact of use classes must be considered</li> <li>• The completion of a self assessment 'Planning for Health' form that is submitted alongside all planning applications for hot food takeaways, betting shops and payday loans, will support the Council to promote or mitigate relevant impacts.</li> </ul> <p>We specifically welcome the proposals that:</p> <ul style="list-style-type: none"> <li>• Prevent further A5 units within a 200m radius of primary and secondary schools</li> <li>• Require A5 uses achieve Healthy Catering standards</li> <li>• Require A5 applications be accompanied by a management and operating strategy</li> <li>• Require betting shops sign up to best practice schemes such as Safe Bet or Bet Watch</li> <li>• Require betting shop applications be accompanied by a betting shop management and operating strategy</li> <li>• Require pay day loan shops sign up to good practice schemes</li> </ul> <p>Islington Council's approach is welcomed. We believe that the advice offered in the SPD will help assess whether an application would result in negative cumulative impacts arising from an over concentration of such uses and/or the potential location of such establishments</p>	Support noted.

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
SPD6	Greater London Authority	<p>might impact on the health and wellbeing of ‘at risk’ populations.</p> <p>The draft document provides thorough guidance on planning for the land uses which the Council has identified as raising potential planning concerns. The SPD is in accordance with London Plan Policy 4.8 B(g) which requires Local Plans to ‘take a proactive approach to planning for retailing and related facilities and services and manage clusters of uses having regard to their positive and negative impacts on the objectives of the London Plan including a centre’s...vii. role in promoting health and well-being’.</p> <p>The recognition in the SPD that other non-A5 land uses, such as coffee shops, can also sell unhealthy food is welcomed.</p>	Support noted, particularly that the SPD is considered to be a proactive approach in line with London Plan policy.
SPD7	Metropolitan Police	General comments provided in relation to Secured by Design principles, but with particular reference to other SPDs which were being consulted on concurrently with the Location and Concentration of Uses SPD.	Response noted. Although the comments relate to other SPDs, Secured by Design principles could be applicable in the case of the Location and Concentration of Uses SPD. The SPD notes that the police should be consulted on certain applications and also at an early stage when developing management and operating strategies; this engagement gives an opportunity for Secured by Design principles to be raised and incorporated in schemes where relevant.
SPD8	Consumer Finance Association	<p><b>Introduction</b></p> <p>1. The Consumer Finance Association (CFA) is the principal trade association representing short-term (or ‘payday’) lending businesses operating in the UK. The CFA is pleased to have the opportunity to respond to Islington Borough Council’s Consultation on Location and Concentration of Uses Supplementary Planning Document.</p> <p><b>Summary</b></p> <p>2. Islington Council is entitled to take any action it deems necessary, and indeed we would support any initiatives to drive out irresponsible lenders. However, we are concerned that, without taking account of changes in the market and with no apparent evidence of the proliferation of lenders, this action could exclude people in Islington from access to responsible credit providers.</p> <p>3. The Council must first substantiate its view that short-term lending significantly exacerbates levels of debt and deprivation, as well as that short-term loans are by definition detrimental to the majority of borrowers. Failure to do so will contribute to financial exclusion and create more potential harm than it seeks to address.</p> <p>4. We are very concerned that the Council is proposing to provide guidance to planning officials that is based on out-of-date and inaccurate information about the short-term loan market and the customers who use short-term loans. This calls into question the value and effectiveness of the Islington Payday Lenders Working Group.</p> <p>5. It is well documented that since April 2015 short-term lenders have been regulated by the Financial Conduct Authority (FCA) and on 2nd January this year the FCA imposed a cap on the total cost of short-term loans. Legitimate short-term lenders have submitted applications for authorisation to the FCA and have been subject to detailed scrutiny and enforcement. The FCA has required fundamental changes to the lenders’ business models.</p> <p>6. The Council should also note that as a result of market diversification, traditional payday loans are a fast declining part of the overall short-term lending market as innovation is moving towards a range of different short-term loan products, including instalment loans with repayments over longer periods of time according to a consumer’s circumstances.</p>	<p>Response noted.</p> <p>Re: the summary points in paragraphs 2-10 of the CFA response, these are responded to below in response to more detailed comments.</p> <p>The SPD does not put in place an outright ban on new PDL shops in the borough.</p> <p>The SPD acknowledges the changes to the payday lending industry but it is still too early to assess the full effect of the changes; therefore we consider there is a role for planning to mitigate any further adverse impacts where new PDL shops come forward.</p> <p>The SPD requirements are applicable to stores which provide different loan products; different loan products would not change the use class of a PDL shop.</p> <p>A reduction in PDL shops may still mean that there is a resulting over-concentration. The SPD is concerned with the level of over-concentration at a particular time.</p> <p>The SPD acknowledges the changes to the payday lending industry but it is still too early to assess the full effect of the changes; we dispute the claim that the evidence is irrefutable. The number of payday loan shops could rise in future, meaning that a range of potential adverse impacts could arise. We consider there is a role for planning to give long-term control over assessment of payday loan shops in order to prevent/mitigate any further adverse impacts.</p> <p>The council have numerous initiatives which offer debt advice and support and help to lessen demand for PDL, e.g. by directing towards alternative lending sources; providing training on managing personal finances. The SPD complements these initiatives. The council set up the Islington Debt Coalition to discuss and tackle numerous issues around debt, including payday loans. The Payday Lenders Working Group, which sits under the Debt Coalition, has a specific focus on PDL.</p> <p>The claim cited in paragraph 18 of the response – that the consultation statement claims that a proliferation of short-term lenders could impact the health and sustainability of some areas - does not actually appear in the consultation statement, but the council do consider that proliferation of PDL shops could cause such adverse impacts based on evidence.</p>

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Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>7. The failure of the draft guidance to take account of changes in the market raises the question of whether the Council is using the term 'payday loan' as shorthand for different kinds of high cost credit, such as logbook lenders and rent-to-own stores. The Council needs to be clear about the perceived issues it is attempting to address with the draft guidance.</p> <p>8. The Council asserts that, while it is 'concerned with the impact on town centres and other retail areas', its intention is 'not to uniformly prevent new payday loan shops; it is to prevent payday loan shops locating in areas where they may cause harm and/or where they may cause/exacerbate an overconcentration.'</p> <p>9. However, with little in the way of recent evidence, the Council appears to be determined to follow a path that will impose additional requirements on lenders or keep high street lenders away from specific high streets altogether, depriving local people of a wide range of services and choices in the process.</p> <p>10. Such market intervention is outside the remit of the Council and will be of concern to the Government and regulators, particularly where there is a lack of recent evidence that this has a significant impact on reducing levels of debt or deprivation.</p> <p><b>Detailed comments</b></p> <p>11. Since April 2014 short-term lenders have been subject to stringent regulation by the FCA and are currently under detailed scrutiny by the regulator as part of the authorisation process that will be applied to the whole consumer credit market. Despite new regulation, the Council is considering imposing additional requirements on lenders or banning legitimate lenders from certain high streets. The CFA does not believe there is any basis for further intervention to restrict high street lending. As the Islington Payday Lenders Working Group should affirm to the Council, short-term lenders are highly regulated and legitimate businesses that are part of the overall provision of financial services in the UK. In any event, before considering any additional requirements on lenders, the Council should satisfy itself that it has a complete understanding of the FCA rules and guidance. This response should assist in understanding of the nature and impact of changes to the high cost short-term lending market.</p> <p>12. Traditional payday loans are becoming rare. Nationally the short-term lending market is moving towards a range of different short-term loan products, including instalment loans with repayments over a period of time to suit a consumer's circumstances. These changes in the market will be reflected in Islington Borough, so the Council's policies and guidance need to take account of this.</p> <p>13. The Council asserts that the risk of over-concentration remains (page 5 of the Consultation Statement) but there does not appear to be any basis for this assertion. In fact since April 2014 there has been a reduction in the number of high street lending outlets across the UK. CFA analysis in April 2015 showed a 58% decline in the number of stores offering short-term loans on the high street since 2013. The consultation does not present any evidence that Islington is an exception to this.</p> <p>14. Data collected from CFA members shows that in March 2014 lending was down 54% on the previous year. A year later, lending had dropped by 68% compared with the peak of the market in 2013. The FCA predicts that only three online, and potentially one high street, lender will be left offering a single payment loan within the price cap. This will have an impact on the number of high street lenders who want to locate in Islington Borough.</p> <p>15. The consultation states (paragraph 8.3) that there is 'no guarantee the regulatory</p>	<p>There is no evidence to support the claim that some areas could suffer if they lose access to other services provided by PDL shops.</p> <p>CAB advice trends show that responses to payday loan issues have increased from Q1 to Q2 2015/16. This suggests that issues with the payday loan industry have not been resolved, nor have concerns been fully eradicated. As outlined above, planning has a legitimate role in assessing payday loan shop applications.</p> <p>Paragraph 8.11 refers to seven lenders, not four as the respondent suggests. The websites of these seven main lenders indicate that they all still offer payday loans of some variety.</p> <p>The BIJ information is considered an appropriate baseline for analysis. This is supplemented by our more detailed local survey information.</p> <p>The SPD does highlight that the number of PDL shops in Islington is not high in absolute terms, but relative to other local authorities we have one of the highest number of PDL shops per hectare. While this high per hectare rate may partly be a feature of the borough's relatively small size, it is nevertheless a factor - given that Islington has the highest population density of all UK local authorities, as noted by the respondent - in the opportunity for individuals to have access to PDL shops. A per hectare comparison gives an idea of relative spatial spread, which links much more with the issue of over-concentration.</p> <p>The SPD does not state that Nag's Head has an over-concentration of PDL shops; it identifies Nag's Head as an area of concern because it is an area with a defined cluster of PDL shops, hence over-concentration may be more likely here if further PDL shops were to open. The SPD sets no outright threshold for over-concentration; this is assessed on a case-by-case basis. However, we acknowledge that the paragraphs in the draft SPD might not be entirely clear for all readers; this is a matter that has been raised by several respondents. For the avoidance of doubt, the SPD has been amended to clarify this.</p> <p>The SPD states that where there are other relevant similar uses within a 500m radius of a site, these should form part of any assessment of over-concentration; this is a case-specific issue. The example of betting shops and payday loan shops is given, due to the fact that these uses can have similar impacts.</p> <p>Paragraph 8.23 does not stereotype all PDL customers; it merely indicates that payday loans are likely to be taken out by people on low incomes or the unemployed. The Competition and Markets Authority Payday lending market investigation final report (February 2015) shows that almost one third of unemployed people use high street payday lenders; and that median net income of high street payday loan customers is significantly less than the national median net income.</p> <p>We don't dispute that company directors, managers, etc. take out payday loans; but there is evidence that the majority of loans are taken out by those on low incomes or the unemployed. The figures from the Credit 2.0 report are themselves sourced from a CFA response to Financial Conduct Authority (FCA) proposals for high cost short term loan price caps. This is not considered to be fully robust data. Also, it is not clear what proportion of the overall number of payday loans are taken out by company directors, managers, etc.; this would be the most powerful statistic in this argument, but it is curiously absent.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 193		<p>changes proposed by the Government will result in less pressure for physical units on the high street'. The Council should be aware that regulatory changes have been implemented by the FCA, rather than the Government, and as discussed above these changes have resulted in reduced demand from lenders for physical units on the high street. The evidence is now irrefutable.</p> <p>16. Contrary to the Council's view, the high street has been impacted nationally by these changes with retail chains like Albemarle and Bond, Cheque Centre, Cash Store, Cash &amp; Cheque Express exiting the lending market and The Money Shop closing down half of its stores.</p> <p>17. The Council should be as concerned by the high demand for credit as it is by the supply. The regulatory changes have had little impact on consumer demand for short-term loans. Regulating supply does not necessarily result in a reduction in demand. There is a risk that reducing supply could force many people who currently use licensed lenders into the arms of unlicensed lenders who pose the most risk to consumers. Chris Pond, vice-chairman of the Financial Inclusion Commission, recently said in reference to the impact of the new regulatory regime that: 'While the supply of that lending has disappeared the demand doesn't. The demand keeps on growing. And it's in that respect that the illegal loan sharks are getting into a feeding frenzy'.</p> <p>18. The Consultation Statement claims that a proliferation of short-term lenders could impact the continued health and sustainability of some areas. The evidence for this is unclear. As the Council acknowledges, high street outlets often provide a range of services for consumers, including foreign exchange and money transfer. Arguably the health and sustainability of some areas could suffer if consumers lose access to these services. Debt charities are reporting a steep decline in clients with payday related problems. Citizens Advice for example reported a 53% drop in the number of payday loan problems it helped with between April and June this year. Similarly, National Debtline reported that the percentage of enquiries it receives concerning payday loans has fallen from 12% to 6%.</p> <p>19. Islington Council's stated concern about the proliferation of short-term lenders on the high street is based on out-of-date information. Three of the four lenders referred to in paragraph 8.11 are no longer providing short-term loans. Others have undertaken a programme of store closures. Similarly the Council is also misguided in relying on work by the Bureau of Investigative Journalism from early 2014, completed before the new regulatory regime had been established. As such this work does not take account of recent changes in the market, particularly the reduction in the number of high street outlets.</p> <p>20. The Council has adopted curious measures to support claims of supposed proliferation of lenders. Paragraph 8.14 refers to the number of short-term loan outlets per hectare. This is hardly a relevant measure for the most densely populated borough in the UK. There are 118.3 people per hectare in the Borough of Islington. The map provided with the consultation shows just eight lenders operating in 2014. By any measure this cannot be termed clustering of payday lenders.</p> <p>21. Paragraph 8.19 concludes that the map shows no sign of other existing high concentrations, apart from the Nag's Head Town Centre. We would argue that two stores in this area does not constitute 'a potential over-concentration of payday loan shops'. We would strongly object to any planning guidance that takes this threshold as justification for planning restrictions.</p> <p>22. The location of betting shops is cited as a specific consideration regarding the location of</p>	<p>The changes to the PDL market were driven in part because the proper checks were routinely not being carried out by PDL lenders. Although we acknowledge that there do seem to have been some improvements, the exact impact is unclear. CAB advice trends referred to above show that PDL advice instances have increased following a period of decline, which suggests that the issues with the payday loan industry have not been resolved nor have concerns been fully eradicated. As outlined above, planning has a legitimate role in assessing payday loan shop applications. Paragraph 8.23 is therefore considered appropriate and planning has a legitimate role in assessing payday loan shop applications.</p> <p>The respondent has mistaken the role of the PDL working group. As noted in the SPD, this group is an informal subset of the Islington Debt Coalition and brings together various disciplines to discuss the issue of payday lending in the borough. The group has been a useful sounding board in the development of the SPD but they have no direct role in its drafting. Regardless of this, the SPD is factually accurate re: the PDL industry. The respondent's claims are based on a biased viewpoint that the PDL industry has been permanently changed; this is not supported by evidence.</p> <p>The council is aware of the FCA rules which came into force on 1 July 2014; we note that the SPD requirement detailed in paragraph 8.30/guidance point PDL 3 goes further than this as it specifies advertisement of other, more sustainable forms of lending. The condition also has specific details about the display of information.</p> <p>Re: paragraph 25, the respondent has mistaken the role of the PDL working group and the criticism is therefore not valid.</p> <p>Signposting to credit unions is not a guarantee that customers will use such services, but it could encourage use of the credit union; this is recognised in the SPD. The SPD does not claim the credit unions can fully replace the short term lending industry, but there will be people on the verge of taking out a payday loan who could lend at lower cost through the credit union; hence the SPD requirements will allow people to fully consider their lending options.</p> <p>Re: paragraph 27, the respondent has mistaken the role of the PDL working group and the criticism is therefore not valid.</p> <p>We disagree that paragraph 8.37/guidance point PDL4 is excessive. It merely guarantees that a good practice requirement is adhered to, through the planning process. This ensures that planning impacts will be mitigated.</p> <p>Re: the suggestion of using valid Interim Permission/full authorisation as a proxy assessment, this relates to a separate regulatory regime, and would be akin to conditioning a requirement that licensing permission is achieved. This is not considered appropriate.</p> <p>PDL1 – the potential for positive impacts is acknowledged and SPD has been amended to reflect this.</p> <p>PDL2 – this is a self-assessment and allows for positive impacts to be put forward as well as negative impacts.</p> <p>PDL3 – see response to paragraph 25 above.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>short-term loan shops (paragraph 8.20). This is pure supposition and is not the experience of loan store operators. If there is a concern that consumers may try to borrow money to fund gambling, this must be evidenced and similar considerations should surely also apply to the location of banks and ATMs in relation to betting shops.</p> <p>23. The CFA takes particular issue with Paragraph 8.23 of the draft guidance, which is an unsubstantiated and inaccurate description of short-term loan customers. It stereotypes customers as low income or unemployed. In fact, loans are only available to borrowers in employment with a bank account who pass the affordability assessment that lenders have applied to all loan applications since new regulations were implemented in 2014. CFA members' customers are from all walks of life and represent a wide variety of different occupations. A recent report by the CFA, Credit 2.0: a commentary on borrowing and spending in the 21st century used extracts from lender data to illustrate this. This data, taken from the period March to May 2014, showed that 52 company directors took out short-term loans. In addition, 577 customers were managers, 14 were police officers, 12 were legal secretaries, 11 were web developers, 12 were quantity surveyors and 144 were teachers.</p> <p>24. Changes in the market and tighter affordability checks being applied by lenders mean that those on very low incomes, or reliant on benefits, are ineligible for a short-term loan. Responsible lenders clearly explain the total cost of borrowing in pounds and pence, use credit reference agencies to check customers' details and will not lend if they think it will make a customer's financial situation worse. It is disappointing and worrying that this basic information was not known to the Council before drafting its statement, particularly given that it has appointed the Islington Payday Lenders Working Group that could be reasonably expected to have some knowledge of the FCA regulations.</p> <p>25. Paragraph 8.30 proposes that high street short-term lenders should be required to provide information to customers about credit unions and free debt advice. Lenders already provide information about the availability of free debt advice and under FCA rules must signpost potential borrowers to the Money Advice Service. Again it is of concern that this was not communicated by the Islington Payday Lenders Working Group before the statement was drafted, which would have avoided recommendations that are already enacted.</p> <p>26. Providing information to customers about credit unions risks raising expectations that cannot be met. Most customers who are denied a short-term loan on the high street will not be eligible for a credit union loan. This is either because they do not meet the required common bond or because the credit union is unwilling to lend to them because they do not have any savings with the credit union or meet the criteria for a loan. Furthermore, not all credit unions provide the type of loans that customers require, that is small sum loans over a relatively short period of time. The guidance should therefore advise that consumers are only directed to a credit union where one exists that can meet their needs.</p> <p>27. Paragraph 8.37 is another example of failure by the Islington Payday Lenders Working Group to provide basic information to inform the Council's decisions. The Good Practice Customer Charter was a voluntary industry initiative that preceded statutory regulation under the FCA. The regulations enshrine the charter commitments in law. It is therefore excessive to require a further 'absolute guarantee' over and above a legal requirement. The CFA advises that the Council should be more concerned with whether a lender has valid Interim Permission from the FCA and, at the conclusion of its scrutiny, whether the lender has achieved full authorisation from the FCA to offer a credit product.</p> <p><u>Planning applications</u></p> <ul style="list-style-type: none"> <li>• PDL 1 – to be comprehensive this should include positive as well as negative impacts.</li> </ul>	<p>PDL4 – see response to paragraph 27 above.</p> <p>PDL5 – the SPD merely guarantees the display of fees, etc. through the planning process. This ensures that planning impacts will be mitigated. The SPD specifies size of display, siting, etc.</p> <p>We acknowledge that the PDL market is changing but it is still too early to assess the full effect of the changes. We consider there is a role for planning to mitigate any further adverse impacts where new PDL shops come forward. Leaving aside the impacts associated with the FCA changes, impact on vitality and viability will always need to be fully assessed, which further supports a role for planning.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 195		<ul style="list-style-type: none"> <li>• PDL 2 – an assessment of the impact on health is subjective and outcomes will differ by consumer. The health of some consumers could benefit from being able to obtain a short-term loan, for example by enabling them to meet a short-term financial need, such as meeting the cost of visiting relatives in hospital.</li> <li>• PDL3 – as discussed above (paragraph 25) lenders already provide information about free debt advice and it may be misleading to provide consumers with information about a credit union that they cannot join.</li> <li>• PDL 4 – as discussed above (paragraph 27), good practice guides have been largely superseded by FCA regulation. This requirement should refer to a lender having valid FCA Interim Permission or, in future, being fully authorised by the FCA. Planning officers should be advised to check the FCA register to ensure a firm is legitimate.</li> <li>• PDL 5 – lenders already provide information about interest and charges, as such this requirement is superfluous.</li> </ul> <p><b>Conclusion</b></p> <p>28. The CFA supports any initiatives that drive out irresponsible lenders and we work closely with the Government and regulator to this end. However, we are concerned that, without taking account of changes in the market and with no apparent evidence that proliferation of lenders is actually an issue, the proposed action could prevent people in Islington having access to a legal and regulated service. The Council needs to ensure that any guidance provided to planning officers is based on an accurate view of how lenders are regulated, how payday lender is defined, the views of customers and an evidence-based definition of proliferation. Short-term lenders are a highly regulated part of the overall financial services landscape and provide options to consumers that are unlikely to be available from other legitimate consumer credit providers. Making decisions based on historical information and poorly-informed opinion risks depriving customers of choice and worsening their financial situation.</p> <p>29. In light of the potential repercussions of the proposed guidance on the short-term lending market, we are copying this response to HM Treasury and the Financial Conduct Authority.</p> <p>30. We would welcome the opportunity to meet the Council to discuss these issues further and would be happy to facilitate a visit to CFA members’ stores in the Borough.</p>	
SPD9	William Hill	<p>William Hill is one of the UK’s largest betting operators with an estate of over 2300 shops.</p> <p>We currently trade 34 shops within the Borough of Islington. We have re-sited 2 shops, but in 2007 we traded 41 LBO’s which is a net reduction of 7 (17% reduction)</p> <p>We are a business which values being in the regulated sector and we devote significant resources to regulatory compliance.</p> <p>A policy, particularly one which seeks to place restrictions on the development of a particular industry, has to be strongly evidenced.</p> <p>We are concerned that the current draft which seeks to place unjustifiable and disproportionate restrictions on betting shop development is founded on a poor and inaccurate evidence base</p> <p>Furthermore this document seeks to conflate the issues of licensing and planning and we see it as a contrived way to undermine Gambling Act legislation and to place unnecessary and burdensome restrictions on an already well regulated and socially responsible industry.</p>	<p>Response noted.</p> <p>The reduction of betting shops over time is noted but there is still a high overall amount of betting shops relative to other areas.</p> <p>The guidance is strongly evidenced, as detailed in the SPD.</p> <p>The SPD sets out no onerous requirements; it is largely aiming to ensure that adequate information is submitted alongside betting shop applications. The requirements are inherently flexible.</p> <p>There is no conflation of the separate licensing and planning regimes. None of the guidance in the SPD can be considered as pre-determination of a licensing application.</p> <p>The SPD sets out a firm evidence base to support the guidance. It is consistent with national and London-wide planning policy, as well as relevant regulations. The GLA noted in their response to the draft SPD that it provides thorough guidance which is in accordance with the London Plan.</p>

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		<p>We accept that planning considerations do not have the same "limitations" as those placed on the Authority by the Gambling Act 2005, but a restrictive planning policy has to be supported by a firm evidence base. To all intents and purposes this document does not contain that evidence base and is to a large extent founded on opinion and weak anecdotal evidence. That makes the policy susceptible to sustainable legal challenge.</p> <p>We set out below (with paragraph references) our detailed comments:</p> <p>Para 7.10- There is no supporting evidence referenced which leads to the conclusion that betting premises constitute a sensitive use. There are few public complaints about betting shops and we do not believe the Authority has had cause to review or revoke a betting shop licence. This paragraph also uses the term "FOBT". There is no such legal phenomenon as an "FOBT" and little or no attempt to explain why, what we presume to be gaming machine use, constitutes a "double whammy". This is a pejorative and meaningless term with little attempt being made to explain it in any sort of evidential or logical detail.</p> <p>7.11 We simply do not accept that gaming machine use drives national development policy and resent the implication that operators are in anyway circumventing Licensing legislation. There are three key commercial drivers of betting shop development; population density, footfall and affordable rents. Again the language is pejorative and we note the weakness of the referenced material in terms of evidential worth.</p> <p>7.12 There is little or no attempt to expand on the reference to "common perceived adverse impacts". There is no cogent evidence that betting shop use "exacerbate mental health problems" or anti social behaviour. Betting shops are generally heavily regulated, well run and suffer far less crime and disorder than other retail and other uses such as convenience stores and alcohol licensed premises. Misconceived perception is not just cause for introducing unjustified restrictions.</p> <p>A proper examination of police, Gambling Commission and the Authorities own statistics will demonstrate that perception differs significantly from reality and that there is an extremely poor evidence base to support the negative assertions made in paragraph 7.12</p> <p>We would remind the Authority that problem gambling levels in the UK are low by international standards and probably falling. The Authority itself concedes that betting shop numbers in Islington are not extraordinarily high and cater for a very dense population. The case for betting shops presenting a public health issue is simply not made out.</p> <p>Use of an isolated planning reference does not make the case for generalised development restrictions. We can point to a large number of cases where betting shop use has been found to promote the vibrancy and vitality of the high street:</p> <p><i>"Independent surveys supported by your own surveys, show convincingly that betting offices attract a considerable number of customers, indeed more than many retail uses"</i> (Hayes)</p> <p><i>"Bearing in mind the long opening hours, and the likelihood that a fair proportion of customers would combine their visit with shopping trips, I consider that this proposal would have the effect of adding vitality to the town centre"</i> (Hayes)</p> <p><i>"Any A1 shop use which might occupy the appeal premises in the future would be unlikely to attract as much additional activity as the expansion of the betting office....the development would not harm, but would benefit the overall vitality, viability and function of the district centre"</i> (Witton)</p>	<p>This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The respondents claim that the document is susceptible to legal challenge is based on a misunderstanding of the SPD implications.</p> <p>Betting shops themselves are not the sensitive use; they can affect sensitive uses where located in close proximity. This is clearly set out in section 5 of the SPD; paragraph 7.10 has been amended to include cross-reference.</p> <p>We note that paragraph 7.10 does not claim that betting shops lead to such impacts uniformly. This paragraph is merely highlighting potential adverse impacts which may arise.</p> <p>The term 'double whammy' is intended to mean two-fold impacts and is not considered a pejorative term. However, it is a very minor issue so we have amended to a different term to ease respondent concerns.</p> <p>FOBT is a commonly used acronym. The SPD cites evidence which demonstrates the link between FOBTs and potential adverse impacts. The SPD does not aim to restrict FOBT, as this is beyond its remit.</p> <p>FOBTs have been noted as a key driver behind new betting shops; a reference to corroborate this has been added to the SPD. However, we acknowledge there are other factors which drive development of new betting shops. We disagree that the language is pejorative.</p> <p>Examples of impacts are given in paragraph 7.12. Appendix 3 of the SPD also notes various pieces of evidence.</p> <p>The SPD does not state that betting shops will always cause adverse impacts; it merely highlights that such impacts are possible, and sets out some requirements, mainly provision of information, to ensure that impacts have been identified and properly mitigated or prevented. A small amendment has been made to clarify this.</p> <p>The SPD highlights that the number of betting shops in Islington is not high in absolute terms, but relative to other local authorities, we have one of the highest number of betting shops per hectare. While this high per hectare rate may partly be a feature of the borough's relatively small size, it is nevertheless a factor - given that Islington has the highest population density of all UK local authorities - in the opportunity for individuals to have access to betting shops. A per hectare comparison gives an idea of relative spatial spread, which links much more with the issue of over-concentration.</p> <p>The SPD cites evidence detailing potential impacts of betting shops.</p> <p>The cited appeal in Deptford is proof that perceived impacts from ASB, crime and disorder, etc. can be considered material in the assessment of planning applications, where there is evidence. The SPD does not claim that the Deptford case alone justifies to a generalised restriction on new betting shops.</p> <p>There is a wealth of appeals which counter those provided by the respondent; reference to further appeals has been added to the SPD. We note that the appeals referred to by the respondent are not provided, nor are any reference numbers given; therefore the</p>



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<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 197</p>		<p><i>“The proposed change of use would not harm the vitality and viability of the centre; it would be more likely to contribute towards its strengthening”</i> (Llangefni)</p> <p><i>“...would not harm the primary shopping function of the street or the shopping area. Rather it would provide an additional complementary service which would be likely to add to its vitality and attractiveness”</i> (Hitchen)</p> <p>The issue of whether or not a betting shop is preferable to an empty premises has also been addressed:</p> <p><i>“The centre is more likely to retain its viability and vitality if units are occupied, especially if the uses concerned attract linked trips and avoid unacceptable dilution of the retail offer”</i> (Bristol)</p> <p>In the case quoted in the draft, there were particular unique circumstances pertaining to Deptford High street and the findings cannot logically be extrapolated to a general finding which supports a restrictive policy.</p> <p>7.15 Recent changes to the UCO which put betting shops in a sui generis use class allow the Authority to consider each case on its merits. It is certainly not a basis for reaching general adverse conclusions about betting shop premises in a general policy.</p> <p>7.16 (Appendix 3) The Association of British Bookmakers has already raised concerns with the Royal Society of Public Health over its poorly evidenced conclusions and the dubious ranking system in relation to health; especially as it relates to betting shops. The report naively made a number of recommendations for improvement that were already in place within betting shops. Whilst debt may be associated with the more narrow issue of problem gambling, betting shop use amongst the customer base generally cannot be shown to increase level of indebtedness with most customers pursuing a legitimate leisure activity within their means. Generally the attempt by the Authority to make betting shops a wider public health issue (beyond the limited levels of problem gambling) is poorly evidenced and not underpinned by a credible empirical research base. Generally the evidence based used is self serving and not objective.</p> <p>7.19 The Campaign for Fairer Gambling which is a campaign group funded almost solely by a casino industry tycoon is not an organisation that can be relied upon to produce credible research and we are surprised by a reference to such a group in the establishment of what purports to be an objective research base.</p> <p>7.21 The very reason for betting shops being in densely populated areas is to accommodate demand for gambling that is regulated (as opposed to illegal supply). It is latent demand which drives betting shop location and because of the nature of inner city areas betting shops are bound to be near deprived areas. However deprivation is not a reason to restrict betting shop use because even in these areas, demand should be met by regulated supply. Failure to meet demand leads to an increase in illegal gambling and it is naive to think that chocking regulated supply leads to less demand. A restrictive approach, such as advocated in this document, serves to undermine the principles of good gambling regulation that have existed since betting shops were legalised in 1961.</p> <p>7.20 There has been no significant rise in betting shops in Islington since the inception of the Gambling Act 2005. There may be some localised Clustering, but market competition was a clear objective of removing the demand test from previous betting shop legislation.</p>	<p>accuracy of the summaries provided is unknown. We have managed to track down other documents via Google searches which repeat these appeal summaries and give further information such as the appeal decision dates. The appeals range between 10 and 20 years old, so we question whether they can reliably be used in a modern planning context, e.g. recent changes to the UCO.</p> <p>The main issue raised in the appeals – that betting shops can benefit vitality and viability – is not a general rule. There are numerous appeal decisions where betting shops have been deemed to have a likely negative impact on vitality and viability. There is also evidence from previous appeals that new betting shops in centres where there are already one or more betting shops have a negligible impact on footfall, i.e. they create no/minimal additional footfall because the customers for the new store are likely to be those people who already frequent existing stores.</p> <p>Of the areas in the appeals cited, almost all seem to suffer from high vacancy rates and/or poor environmental quality; these issues act as the trigger for betting shops to have positive impacts in these cases, by bringing vacant units back into use.</p> <p>It is important to note that appeal decisions consider the specific circumstances of a case, although decisions are often useful in identifying what issues can and can't be considered material in principle.</p> <p>All of the appeals cited by the respondent turn on case-specific issues; hence they can't be applied as a general rule. These decisions do highlight that issues such as ASB are valid material considerations where there is evidence of harm. It is up to applicants at application stage to detail any positive impacts associated with their proposal. The SPD seeks submission of a 'Planning for Health' self-assessment, which also allows for consideration of positive impacts.</p> <p>The cited Bristol appeal could not be found and summary could therefore not be verified for accuracy.</p> <p>Where there is evidence of entrenched vacancy in a retail area, it is possible that a betting shop could have positive benefits which can then be weighed against negative impacts in any planning determination. However, demonstrating whether an area has such vacancy issues is a case-specific issue. We note that Islington's designated retail areas do not have any significant vacancy issues, having been reviewed and adopted very recently.</p> <p>We acknowledge that appeals turn on case-specific evidence, but the Deptford appeal is proof that perceived impacts from ASB, crime and disorder, etc. can be considered material in the assessment of planning applications, where there is evidence.</p> <p>The use class reclassification is recognition from the Government that betting shops have unique impacts which need specific assessment.</p> <p>The RSPH document is considered robust evidence; also, it is just one of a number of evidence base documents, several of which do factor in the benefits of betting shops.</p> <p>The approach set out in the SPD has involved consideration of the potential benefits of betting shops; however, the evidence base as a whole leans more towards suggestion that betting shops cause adverse impacts.</p>

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Page 198		<p>7.29 The concepts of “over concentration” articulated by the Authority is designed to circumvent the market liberalisation granted by the Gambling Act 2005 and there is a clear conflict of laws here which may only be resolved by judicial consideration. If the authority continue with this restrictive policy, William Hill are considering using the circumstances in Islington as a test case for judicial declaration on such general restrictive planning policies.</p> <p>We would therefore request that the Authority carries out a full legal and evidential review of this proposed policy before finalising this policy.</p> <p>7.31 Betting operators and the industry in general has a clear regulatory and self regulatory frame work for encouraging responsible gambling. The low levels of problem gambling amongst a cohort who only represent a small minority of the general public does not support the negative conclusions used to justify this policy.</p> <p>7.34 A quantum leap has been made to determine that there is a “medium risk” of adverse impacts relating to the factors listed. There is clear planning evidence that betting shops add to the vibrancy and vitality of the high street (see above), no clear evidence (on the basis of vacancy rates and the overall percentage of retail frontage occupied) that betting shops have an adverse effect on amenity, and tenuous links with the public health and well being agenda. There are many community betting shops which add to the quality of people’s lives rather than detract from them. The conclusions in this paragraph will not sustain under evidential scrutiny. We note that no industry sources have been used as part of the evidence base. Nor are there references to the inadequate research base on this issue. We believe that this policy has been constructed to undermine the “aim to permit” principles of the Gambling Act 2005. The policy articulated is in our view an illegal exclusionary policy with a presumption against grant.</p> <p>7.35 Burdening applicants with the completion of a health assessment form is disproportionate, burdensome and against better regulation principles. Much of this would duplicate licensing process (such as individual shop risk assessment against the three Licensing Objectives).</p> <p>7.39 A number of measures are already in place to help problem gamblers and promote responsible gambling. The majority of operators already have extensive training and compliance processes in this area and William Hill has Gamcare accreditation.</p> <p>7.43 There is no good reason to impose a standard condition relating to debt advice and problem gambling information. This is already dealt with under current operating and premises licensing conditions.</p> <p>7.52 It is not appropriate and possible unlawful to compel participation in a voluntary industry code through a planning condition which is more pertinent to the Licensing regime. This an over complex an burdensome approach. A clear example of over regulation.</p> <p>7.60 There is significant and possibly unlawful conflation here of the planning and Licensing regimes. There is also a significant amount of regulatory duplication in these principles. The Authority does not have the power to insist on the submission of a management and operating strategy as part of the planning process and it is clear that these proposal are in breach of S210 of the Gambling Act 2005.</p> <p>7.61 The Council should not be insisting on operators completing a “template” and better regulation principles should allow for operators to carry out their own risk assessment process against the three Licensing Objectives. The draft policy has clearly confused two regimes (planning and licensing) and provides clear evidence that the underlying motive is to</p>	<p>The evidence base is not self-serving; the responses received from the betting industry as a whole can be considered self-serving, given that they almost entirely dismiss the idea of betting shops causing any harm whatsoever. The SPD allows for potential benefits to be demonstrated on a case-by-case basis.</p> <p>Re: the information sourced from the Campaign for Fairer Gambling (CFG), the raw data is from Geofutures, hence it is considered impartial and robust.</p> <p>The only part of the CFG analysis referred to in the SPD is the FOBT player and loss statistics noted in Appendix 3. These are caveated appropriately and form only part of the evidence base for the SPD.</p> <p>The SPD mapping highlights that a significant number of betting shops are in the most deprived areas of the borough; there is evidence that deprived areas suffer from higher rates of problem gambling, hence further betting shops in these areas should be properly assessed.</p> <p>A basic supply and demand argument does not fit with the planning system in the UK. Planning looks at issues holistically and not just the demands of the market.</p> <p>The comment re: increase in illegal gambling (in response to SPD paragraph 7.21) is scaremongering. Even if the SPD were to affect supply of regulated gambling (which is not guaranteed given that the SPD is not a blanket ban); and this led to an increase in illegal gambling, this is surely a trigger to crackdown on illegal gambling rather than to abandon any measures to mitigate/prevent impacts of betting shops.</p> <p>The SPD maps existing supply. The supposed reduction in the number of betting shops in Islington since 2005 is noted, but we note that Islington still has the fourth highest number of betting shops per hectare of any local authority in Great Britain. Use of a per hectare rate is considered appropriate as noted above.</p> <p>The SPD requirements apply to new betting shop applications. Any further known reduction of betting shops, particularly those which reduce the size of any clusters mapped in the SPD, can be taken into account at application stage.</p> <p>The respondent seems to ignore the fact that planning legislation exists and suggests that only the Gambling Act should be a consideration re: betting shops. This is clearly not the case.</p> <p>The Gambling Act operates alongside planning legislation. The guidance in the SPD in no way constrains or predetermines any consideration made under the Gambling Act. Planning considerations are much wider than those detailed in the Gambling Act but that does not automatically equate to a conflict between the two regimes.</p> <p>As far as we are aware, the Gambling Act is not laissez faire given that all new licensing applications must demonstrate consistency with the three licensing objectives.</p> <p>We have considered significant amounts of evidence and various legal issues at every stage of development of the SPD (including post-consultation). This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The respondent’s threat of legal challenge is based on a misunderstanding of the SPD implications.</p>

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Page 199		<p>restrict betting shop development in the Borough by the pursuance of what we believe to be an unlawful restrictive policy. We intend to consult the BRDO on this issue.</p> <p>If the policy remains in its current form, then there remains little option other than to launch a legal challenge to the policy as it impacts so significantly on the commercial security of our business and the industry more widely.</p>	<p>Problem gambling is one of the issues which the guidance in the SPD attempts to tackle; it has significant health connotations which are clearly material in planning assessments. Paragraph 7.31 is supported by evidence. The planning system is concerned with the assessment of sustainability in the round, including social issues. The SPD requirements look to prevent exacerbating problem gambling, especially in deprived areas; and are not onerous.</p> <p>It is not the intention of the SPD to institute a blanket ban on certain uses. Paragraph 7.34 (and related paragraphs) is not tantamount to a ban as it allows for case-by-case flexibility. However, we acknowledge that the paragraphs in the draft SPD might not be entirely clear for all readers; this is a matter that has been raised by several respondents. For the avoidance of doubt, this paragraph (and any related paragraphs) has been amended.</p> <p>We dispute that there is clear planning evidence that betting shops add to the vibrancy and vitality of the high street. Betting shops can potentially have such benefits but this is dependent on local circumstances; there are numerous planning appeals which have found that betting shops will likely have an adverse impact on vitality and viability of retail areas. Reference to further appeals has been added to the SPD.</p> <p>We consider that the evidence base which underpins the SPD justifies the proposed guidance. Importantly, the SPD puts in place requirements which are sufficiently flexible and not onerous.</p> <p>The evidence documents cited in Appendix 3 include discussion of potential benefits of betting shops. As part of the first stage of the SPD preparation, the council engaged proactively with all major betting shop operators and the Association of British Bookmakers. It is noted that only the latter provided a response to this consultation; and it is noted that no significant evidence was provided for consideration.</p> <p>The 'aim to permit' is not a guaranteed permission; all licensing applications still need to be assessed against the licensing objectives. As noted above, this regime is separate to planning; and the SPD in no way compromises any consideration/assessment made under the Gambling Act.</p> <p>Requiring evidence through planning is a legitimate approach. The SPD puts in place requirements to ensure that sufficient information is provided to properly assess planning impacts.</p> <p>The self-assessment is a simple two page document, deliberately designed so as not to be overly onerous. We note that the self-assessment allows for consideration of positive impacts as well as negative.</p> <p>Just because licensing assessments would involve consideration of similar information, this does not mean that the SPD would duplicate licensing process. Planning has a very wide remit in terms of what is material to planning assessments; therefore consideration of similar issues through the separate regimes is inevitable.</p> <p>Comments re: paragraph 7.39 are noted. Such measures taken by individual operators could go some way to satisfying the SPD requirements. These will be conditioned to guarantee their delivery. From an LPA point of view, we want to identify and mitigate</p>

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Page 200			<p>impacts, regardless of the operator.</p> <p>Re: paragraph 7.43, the LCCP does have similar requirements, but the proposed condition is more specific about size and placement of notices. Planning conditions which mirror licensing conditions are commonplace, e.g. conditions restricting opening hours. Indeed, opening hours permitted can sometimes be different in each regime, reflecting the separate considerations of the regimes. The proposed condition will ensure that planning impacts are mitigated.</p> <p>Re: paragraph 7.52, although the schemes referred to are voluntary, they offer tangible evidence that betting shops will operate in a certain way. By conditioning new betting shops to require sign up, this will offer a guarantee. We note that there is flexibility on the schemes which need to be signed up to. The proposed condition is not considered unlawful and meets the tests set out in the NPPF.</p> <p>Re: paragraph 7.60, there is no conflation of the planning and licensing regimes. The management and operating strategy will ensure that appropriate information is provided to properly assess planning impacts. The fact that this information is provided in similar form in licensing applications does not mean that this will cause confusion; if anything, this makes guidance point BS5 even less onerous, as the information should already be readily available. Seeking a management and operating strategy is reasonable as part of an SPD linked to an adopted development plan policy.</p> <p>The intent of the SPD is not to restrict all betting shop development in Islington. It is to ensure that any new betting shops provide sufficient information to allow proper assessment of applications and a guarantee that common impacts associated with betting shops are mitigated/prevented.</p> <p>The SPD notes that there will be no template for the management and operating strategy, which gives flexibility regarding the information submitted.</p> <p>As noted above, there is no confusion/conflation/duplication of the licensing regime.</p> <p>Reference to consulting BRDO is noted.</p> <p>This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The respondent's threat of legal challenge is based on a misunderstanding of the SPD implications.</p>
	SPD10	BCCA	<p>General comments on the Islington Council recommendations</p> <p>The BCCA is happy to provide comments on behalf of its Members, but also represent the interests of other alternative lenders that might seek to enter the market.</p> <p>It is our view that a healthy market provides choices to customers, in terms of products and suppliers.</p> <p>The overarching objective</p> <p>We recognise that Islington Council are keen to take action on an issue that has attracted political and media attention. Payday lending became the focus of debate that ranged from the fundamental benefit of credit to discussions of lending behaviours.</p>

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Page 201		<p>There are general principles in the Islington recommendations that responsible lenders would be happy to engage with. For example, lenders will often direct individuals to organisations where they can receive advice and help.</p> <p>Rules and regulations already exist that ensure that customers are provided with all the information they need about the costs of taking out a loan and the consequences of failure to repay. This includes FCA rules around advertising, and the standard information provided to customers established by in the EU Consumer Credit Directive.</p> <p>There is reference to good practice schemes, and as a trade association we have also promoted these schemes. The BCCA was one of the organisations that developed the good practice customer charter in conjunction with the Office of Fair Trading. We would point out that many of the requirements have been overtaken by new standards set by the Financial Conduct Authority.</p> <p>But we are concerned that the Council is attempting to use planning regulations to deliver a social policy objective of reducing the use of payday loans in Islington. The policy approach is based on a belief that payday lending has a negative impact on the sustainable economic development of the borough.</p> <p>We believe that assumption is based on a view of payday that is already outdated. We are particularly concerned that public policy is being created based on outdated or limited data. Contemporary data, collected by the Competition and Market Authority, is being used in the development of new policy.</p> <p>This reach of this particular policy intervention will always be constrained by the simple fact that 80% of high cost short term lending happens online. These recommendations are at risk of distorting the market, and that demand will move to online lenders.</p> <p>Our concerns</p> <p>We go into more detail later in this paper, but have set out below our key concerns. We believe:</p> <ol style="list-style-type: none"> <li>1. That Islington Council is responding to what the payday market may have been like before the transfer to the Financial Conduct Authority, and to historic behaviours. The sector has materially changed over recent months, and will continue to change as more firms move through the FCA authorisation process or exit the market.</li> <li>2. That there is a role for payday lenders in serving a tangible need, and that there are positive reasons why it is good to have a physical presence in Islington. These range from the economic contributions of local businesses to the ability for direct engagement.</li> <li>3. That by using the policy tools available to the Council, there may be a material distortion in the local market over time but not a reduction in use. The restriction of supply will benefit online lenders based elsewhere, to the detriment of Islington based businesses. The focus on high street lending ignores the fact that 80% of payday lending takes place online.</li> <li>4. That for those lenders that do want to operate from a high street premises, there will be a barrier to entry which will favour the established brands and prevent the development of a more competitive market.</li> <li>5. The focus on credit unions as an alternative to commercial short-term lenders is flawed.</li> </ol>	<p>The SPD acknowledges the changes to the payday lending industry but it is still too early to assess the full effect of the changes; therefore we consider there is a role for planning to mitigate any further impacts where new PDL shops come forward.</p> <p>Re: the summary issues 1-5, these are responded to in detail below.</p> <p>As outlined above, we acknowledge that the changes to the sector have had an effect but it is still too early to assess the full effect of the changes; even if the changes were fully bedded down, they may not fully alleviate potential concerns sufficiently and it is eminently possible that further payday loan shops may open in future, especially as the sector adapts to the changes.. Therefore we consider there is a role for planning to assess impacts and, where appropriate, mitigate any further identified impacts where new PDL shops come forward. Leaving aside the impacts associated with the FCA changes, impact on vitality and viability will always need to be fully assessed, which further supports a role for planning.</p> <p>We acknowledge the FCA changes, e.g. price cap, in the SPD.</p> <p>The BIJ information is considered an appropriate baseline for analysis. This is supplemented by our more detailed local survey information.</p> <p>Appendix 3 is a discussion of the broad evidence base. See above response re: the role of planning in assessing payday loan shop applications.</p> <p>The SPD in no way compromises the FCA process. It proposes straightforward changes which are not onerous for new PDL operators. The information required to address the guidance should be readily available for PDL operators.</p> <p>The Competition and Markets Authority (CMA) Payday lending market investigation final report (February 2015) shows that almost one third of unemployed people use high street payday lenders.</p> <p>Paragraph 2.20 of the CMA report (which immediately precedes the section quoted by the respondent) notes that high street borrowers typically had incomes below the UK average.</p> <p>Paragraph 2.22 of the CMA report (which follows the section quoted by the respondent) notes that the median net income of high street customers is significantly less than the national median.</p> <p>The SPD puts in place measures to promote other forms of lending. The aim of the SPD is not to completely restrict payday lending, but to ensure that impacts are mitigated. As noted above, it is still too early to assess the full effect of the changes to the market. PDL shops are not retail uses. The SPD sets out this argument and the potential impacts of new PDL shops in section 8.</p> <p>The business contribution of PDL shops could be a material consideration which may have some weight at planning application stage.</p> <p>As noted in the SPD, PDL stores are not a retail use; they are a Sui Generis use. The Government have acknowledged, through changes to the UCO, that PDL shops have distinct issues which need to be specifically considered. Over-concentration of PDL</p>

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		<p>There is no evidence to show that greater credit union participation reduces use of payday lending. Even some key credit union leaders would say that it is not helpful to see them as the alternative.</p> <p>The short-term lending market is changing</p> <p>The public controversy around payday lending has generated a huge amount of media coverage, and subsequently led to political debate and regulatory action. Most impartial observers would agree that the sector has seen radical change over the last eighteen months.</p> <p>Unfortunately the Islington Planning Policy Team is relying on evidence gathered from before the changes were introduced, and before the transfer of regulation to the Financial Conduct Authority. There has been further regulatory development through the introduction of a price cap on High Cost Short Term Credit and there will be further obligation on lenders to provide a summary of borrowing costs.</p> <p>Market has shrunk</p> <p>Islington Council refers to a report published by the Bureau for Investigative Journalism in March of 2014, but based on information gathered in the months before in 2013. At that point they estimated that about 1427 payday stores across the UK. The inference is that there will be increasing pressure.</p> <p>In the consultation document it refers to new FCA regulation, “However, there is no guarantee that the regulatory changes proposed by the Government will result in less pressure for physical units on the high street; it is this pressure which is likely to cause adverse impacts for high streets and retail areas.”(p54)</p> <p>There is no need to wait for the result. The market has changed and we have already seen a reduction in high street stores. Within the last twelve months, nearly 60% of those 1427 stores mentioned by the Bureau have closed or are closing.</p> <p>There is evidence provided by the Competition and Market Authority that March 2013 was the peak in UK payday lending, and that there was then a gradual slow which has gained momentum in recent months.</p> <p>Business behaviours have changed</p> <p>In terms of business behaviours, the planning policy team make reference (in Appendix 3) to a report by the IPPR into payday lending. This was published in April 2014, and is based on a description of the market before the FCA became regulator.</p> <ul style="list-style-type: none"> <li>• There were concerns expressed about the price of borrowing. Yet there has been the introduction of a price cap - based on the most in-depth economic modelling into UK payday lending ever carried out - that was set below the industry norm. Lenders have adapted their products to comply, and the cost of lending has been reduced for the vast majority of customers.</li> <li>• In attempting to articulate the concept of a “poverty premium”, there were also references to the use of ‘rollovers’. This was seen as increasing the total amount repaid on a payday loan. However the practice of loan renewals, or rolling over, is now covered by FCA rules. The Consumer Credit Sourcebook places a limit on this activity.</li> </ul> <p>Ultimately the price cap provides a guarantee that the costs of loans will not “run into</p>	<p>shops can adversely impact the continued health and sustainability of retail areas.</p> <p>Even where a payday loan use ‘blends’ with retail, e.g. payday loans are part of a wider retail offer, the impacts of the payday loan element should be addressed.</p> <p>The SPD does not prevent local relationships from occurring. The SPD sets out measures to mitigate negative impacts.</p> <p>The SPD is clear that the impact on sustainable economic development would only apply where there is specific evidence. Where such evidence was available, this would clearly be a valid material consideration.</p> <p>The SPD mapping shows that several PDL shops are within the most deprived areas in Islington.</p> <p>There is a high street presence of PDL operators, as shown by the SPD mapping.</p> <p>The SPD is not a blanket ban of PDL shops, as the respondent intimates in the ‘reduction in high street supply’ section of the response.</p> <p>The SPD aims to prevent/mitigate negative impacts where new payday loan shops are proposed. Where applications for payday loan shops are granted, the SPD aims to mitigate impacts.</p> <p>The SPD does not apply to existing PDL shops, so it is not clear how it will negatively impact current Islington-based lenders as suggested.</p> <p>The SPD requirements can be viewed as an additional obstacle in that they require additional consideration to the current situation; but they are not considered onerous and their net benefit will likely be positive as they will ensure that negative impacts are prevented/mitigated.</p> <p>Existing lenders would be subject to the requirements of the SPD if they apply to expand their stores or make other amendments requiring planning permission. As noted above, the SPD requirements are not considered onerous.</p> <p>As a general point, the planning system restricts uses in given areas, e.g. noise generating uses in residential areas. As such, it could always be considered a barrier to entry, but this is planning’s legitimate role.</p> <p>Signposting to credit unions is not a guarantee that customers will use such services, but it could encourage use of the credit union; this is recognised in the SPD. The SPD does not claim the credit unions can fully replace the short term lending industry, but there will be people on the verge of taking out a payday loan who could borrow at lower cost through the credit union; hence the SPD requirements will allow people to fully consider their borrowing options.</p> <p>Glasgow has more stores in absolute terms but it is a significantly larger area. As noted in the SPD, Islington has the fourth highest amount of PDL shops per hectare of all local authorities in Great Britain. This per hectare rate is over double that of Glasgow. While this high per hectare rate may partly be a feature of the borough’s relatively small size, it is nevertheless a factor - given that Islington has the highest population density of all UK local authorities - in the opportunity for individuals to have access to PDL shops. A per hectare comparison gives an idea of relative spatial spread, which links much more with</p>

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<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 203</p>		<p>hundreds and even thousands of pounds” that is suggested by the authors of Appendix 3 of the Supplementary Planning Document.</p> <p>All of these regulatory changes have led to the tightening of lending criteria. Where historic detriment has been identified then the schemes have been established to ensure customer redress.</p> <p>Change continues</p> <p>There is also a process of change that has continued whilst this very consultation has been underway.</p> <p>At this time all of payday lenders are going through an intensive FCA authorisation process that is investigating every part of their business, from the marketing of their products all the way through to the support provided to those customers that might find themselves in debt.</p> <p>This is an in-depth analysis that considers the customer need, business model and controls.</p> <p>We would urge Islington Council to consider the changes that are still underway, and to allow the Financial Conduct Authority to be the regulator. The contribution from lenders</p> <p>The BCCA represents both online and high street lenders, so we do not promote one channel over the other. Our view has always been that a diverse market place allows for the customer to have a choice as to which channel they wish to use.</p> <p>Customer benefits</p> <p>There have now been a number of in-depth reviews of the payday product including the Competition and Markets Authority market review and the work carried out by the Financial Conduct Authority – particularly the economic work carried out to determine a price cap.</p> <p>These projects have involved the analysis of millions of individual customer transactions, following customers from their application all the way through their journey. All of these reviews have identified that there is a need for the product, one that has not been served by the traditional banks or by social lenders such as credit unions.</p> <p>The CMA demonstrated that payday customers were very similar in makeup to the UK population. In terms of education and income the payday customer population is very similar to the general population.</p> <p>We note that the policy team make reference to payday loans being more attractive to those on low income. Yet we know that 28% of customers have a household income of £36,000 and above. About 37% of customers had a net income of between £18,000 and £36,000. The CMA believes that 36% of payday customers having a net income below £18,000.</p> <p>Also they similarly refer to unemployed people (i.e. those without a payday) being attracted to payday lending. Yet the Competition and Market Authority confirmed that payday customers are more likely to be in full-time employment than the general population.</p> <p>However, the payday customer often has no other credit they can access. We know that about 39% of customers do not have any access to other forms of credit. Or they feel let down by traditional banking. We know that 33% of payday customers surveyed by TNS said</p>	<p>the issue of over-concentration.</p> <p>As noted in the SPD, Islington provide significant support and funding for credit unions. This support and funding complements the approach proposed in the SPD.</p> <p>We acknowledge the impact of the recent changes to the PDL industry but consider that additional measures to prevent/mitigate the impact of high-street PDL shops through planning are appropriate.</p> <p>CAB advice trends show that responses to payday loan issues have increased from Q1 to Q2 2015/16. This suggests that issues with the payday loan industry have not been resolved, nor have concerns been fully eradicated. As outlined above, planning has a legitimate role in assessing payday loan shop applications.</p> <p>SPD requirements are not onerous and there will be no impacts on supply; it is not a blanket ban.</p> <p>Re: preventing a competitive market, Paragraph 23 of the NPPF has a requirement to promote competitive town centres but this does not mean that policies and guidance should permit all applications without scrutiny. The SPD is considered consistent with paragraph 23 and the NPPF as a whole. The NPPF also promotes the plan-led system and notes that proposals must be assessed against the three strands of sustainability, including social impacts.</p> <p>SPD paragraph 8.18 does suggest that further PDL shops are likely to have an adverse impact. It is not the intention of the SPD to institute a blanket ban on certain uses. Paragraph 8.18 is not tantamount to a ban as it allows for case-by-case flexibility. However, we acknowledge that the paragraphs in the draft SPD might not be entirely clear for all readers; this is a matter that has been raised by several respondents. For the avoidance of doubt, this paragraph (and any related paragraphs) has been amended.</p> <p>All PDL shops in the borough have been consulted on the draft SPD; as have the head offices of the national firms with a presence in Islington; and the main industry groups.</p> <p>The SPD requirements do not block PDL shops; they allow development of new shops where there are no adverse impacts or where there are appropriate conditions to mitigate impacts</p>

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		<p>that they “try to avoid banks as much as possible”.</p> <p>Payday loans continue to be used as the alternative to late fees on utility bills or the costs of unauthorised overdrafts.</p> <p>There is probably a debate that how large that market should be, and the numbers of loans provided has dropped dramatically over the last year as new regulation tightens the market. One body representing the industry estimates that there has been about a 58% reduction.</p> <p>Economic benefits</p> <p>From a planning perspective, we would also contest the view that payday lenders have a negative impact on local economic health.</p> <ul style="list-style-type: none"> <li>• Business contribution– The most obvious point to make is that this is another business operating in Islington. A business operating in Islington will pay taxes, rents and rates. It is likely they would employ local people.</li> </ul> <p>As with other sectors, the smaller businesses would tend to rely on other local companies for more of their business services. Many of our Members continue to be small enterprises often being a single store or a small network of two to three stores within relatively small area.</p> <ul style="list-style-type: none"> <li>• Increased high street footfall –We would also say that our Members will often operate multi-product stores that attract customers to the high street. There are very few businesses that are entirely focussed on the provision of payday loans.</li> </ul> <p>Many operate stores that blend retail and financial services. They are often attractive stores carrying products such as value white goods, tablets, laptops, DVDs/CDs, games, mobile phones and other electronics. The traditional pawnbroker might operate as a jewellery retailer.</p> <p>Retail purchases can therefore range from just a few pounds to a single item costing hundreds, but more importantly be across various product types. This makes these stores a destination for a range of customers.</p> <p>The footfall for these retail services can be significant and have a positive impact on neighbouring shops.</p> <p>Local relationships</p> <p>We also believe that there are benefits that arise from having ‘local’ relationships, for both the customer and those that are keen to scrutinise payday lenders.</p> <ul style="list-style-type: none"> <li>• Transparent relationship with the customer - Whilst many online lenders will operate through a network of brokers or lead generators, with 40% of online customers introduced in this way, the high street lender will tend to have a direct relationship with the customer.</li> </ul> <p>This is very transparent situation. The potential customer has the option to discuss their situation face-to-face. The customer knows where they can go if they have any concerns or problems.</p> <ul style="list-style-type: none"> <li>• Local partnerships - There is also the opportunity to engage in local partnership activity and this is something that most responsible lenders will seriously consider.</li> </ul>	



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Page 205		<p>For example firms may voluntarily display debt advice, or related information, that link directly to local initiatives. Some lenders have been willing to carry leaflets and information in store.</p> <p>Distortion of the market by reducing high street supply</p> <p>Whilst the Council is keen to act on this issue, it has to rely on the tools they have through planning legislation.</p> <p>They recognise that this is not traditional planning considerations, but that they are considering “the impact on the sustainable economic development of the borough”.</p> <p>However, planning policy can only truly impact on those lenders with a high street presence which means they are engaging with a relatively small portion of the payday market.</p> <p>There is a reference to over-concentration of payday loan shops, and this is in turn mapped to areas of multiple deprivations. But it is a fact that most payday lending happens online.</p> <p>The Competition and Market Authority established the most extensive report into the market and established that 80% of payday lending is carried out online. There is no reason to believe that Islington is any different in that the majority of lending within the area will be carried out online.</p> <p>So the planning team are attempting policy interventions that will distort the market but not deliver the changes they seek.</p> <p>Reduction in high street supply</p> <p>The consequence of any further regulation of high street lenders is that supply may be squeezed, and that the demand will flow to online suppliers.</p> <p>There will be some individuals that will only use high street and others that only use online, but research shows that there is a great degree of fluidity. In the CMA’s investigation into Local Competition (Local Competition Working Paper) they tried to assess this in more detail. They found that those involved in borrowing from high street stores are normally aware of the online brands.</p> <p>In the CMA review, only 11% were unaware aware of online lenders. So awareness is high, and in terms of behaviour about half of all high street customers had also used online lenders in the past.</p> <p>The Competition and Markets Authority were able to determine that there was considerable cross-over between the various customers. So it is likely that for those that those seeking a payday loan will turn to their smart phone or tablet.</p> <p>Placing more restrictions on payday lenders on the high street may have some impact, but we suggest that the market will adjust. Some customers will move to online lenders, negatively impacting on Islington-based lenders.</p> <p>Creating a barrier to entry</p> <p>One of the areas investigated by the Competition and Markets Authority was how competition could be improved. They suggested that increased competition would have a</p>	

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		<p>positive impact on the market, with the potential to see improved pricing and innovation of service.</p> <p>The introduction of increased obstacles for new stores seeking to establish themselves in Islington works in favour of existing lenders. It protects them from competition by creating a barrier to entry.</p> <p>Are credit unions the answer?</p> <p>One of the themes throughout the papers is that there are alternatives, particularly credit unions. It is a common view that if payday customers were made aware of the alternatives they would want to, and be able to, access cheaper loans.</p> <p>Though there has been considerable discussion about the possibility of credit unions as alternatives for commercial short-term lenders, there is little evidence that there is the capability or appetite on the part of Credit Unions to take on these customers.</p> <p>Using the evidence provided by the Bureau for Investigative Journalism, and referenced by the Islington planning team, they point out that Glasgow City has forty high street stores within its boundaries.</p> <p>It has the largest number of payday stores of any UK local authority. This is many times the number found in Islington.</p> <p>Yet Glasgow is recognised as a city with one of the largest memberships of credit unions. It has good claim to be the UK’s “credit union capital” with 34 credit unions and 160,000 members.</p> <p>If credit unions were the alternative then Glasgow should not also be the “payday capital”. The truth is that credit unions and payday lenders serve different markets. The sums involved are very different, the loan lengths are different and the customers are different.</p> <p>In its evidence to the FCA, during the payday loan consultation Mark Lyonette, CEO of ABCUL, the credit union trade association said,</p> <p>“Credit unions are often cited as a solution to the growth of payday lending in the UK. However while credit unions do seek to serve those who are unfairly excluded from access to affordable credit, there are clear limits to what credit unions are able to, or should do, in terms of directly competing with payday loan products.” (Letter to FCA, September 2014)</p> <p>We are keen to see a diverse market that meets our customers’ needs and allows space for innovation. There is the opportunity to grow the credit union sector, but there is a risk in believing that it can replace the short term lending industry. In conclusion</p> <p>One of the most controversial public debates of recent years has been around access to credit and the growth of short-term lending. This led to accusations of high charges and poor lending practices.</p> <p>The result has been a set of political and regulatory interventions, including the decision to transfer regulation of consumer credit to the Financial Conduct Authority. This has led to the introduction of a new consumer credit sourcebook, tackling some of those behaviours, as well as a price cap set below the industry norm.</p>	

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Page 207		<p>The changes over the last eighteen months have been dramatic. The latest quarterly statistics on Citizen Advice cases involving payday shows a 45% decrease when compared to the same period last year.</p> <p>We believe that Islington Council is responding to what the payday market may have been like before the transfer to the Financial Conduct Authority, and to historic behaviours that were not delivering good customer outcomes.</p> <p>The planning proposals seek to use the policy tools at the Council's disposal, which we suggest may distort the market but not lead to a reduction in overall use of payday lending within the borough.</p> <p>Any restriction of supply on the high street will benefit online lenders based elsewhere, to the detriment of businesses that want to be based in Islington. The focus on high street lending ignores the fact that 80% of payday lending takes place online.</p> <p>This means that for those wishing to operate from a high street premises in Islington, there will be a barrier to entry which will favour the established brands and prevent the development of a more competitive market.</p> <p>The proposal states that Islington Council should presume that any further payday loan shops would have an adverse impact. We would urge further consideration of this position in light of the changing nature of the sector.</p> <p>There is always space for dialogue, and one of the advantages of having a physical presence is that you know where to find the management of any payday lending business.</p> <p>Rather than seeking to block payday lending in Islington there is the opportunity to engage in a discussion about responsible lending. This has the advantage of also bringing in those lenders that are already established locally.</p>	
SPD11	Coral Racing	<p>Coral Racing Limited is pleased to be given the opportunity to respond to this consultation exercise. Coral was one of the first national bookmakers to be licensed under the Betting and Gaming Act of 1960, and so has been operating the length and breadth of the UK for over 50 years. Its premises comprise locations in the inner city, on the high street, in suburbs and in rural areas, and in areas of both high and low deprivation. It now operates 1850 betting offices across Great Britain which comprise about 20% of all licensed betting offices including 4 which are situated in the Borough of Islington. It is, therefore, a highly experienced operator who additionally are committed to the highest standards.</p> <p>Gala Coral is fully committed to working with our peers in the industry, staff and customers to promote responsible gambling and we have a wide range of initiatives in place. As a founder member of the Senet Group, Coral no longer advertises online sign-up offers before the watershed; has withdrawn FOBT machine advertising from shop windows and has 20% of all advertising dedicated to responsible gambling messages. Senet also funded a dedicated TV advertising campaign aimed at warning customers and potential customers of the dangers of gambling if not enjoyed responsibly.</p> <p>Until April 2015, betting shops were classified within commercial property as an A2 use class but following the amendments to the Use Class Order 1987 (as amended), they have now been moved into the Sui Generis use class. However, whilst the use classification may have changed, the usage of betting shops remains the same and they continue to provide a strong and positive contribution to the high street. Over 8 million customers visit a betting shop</p>	<p>Response noted.</p> <p>We acknowledge there is a social aspect to betting shops. However, we do consider that this element is secondary and not as significant as in other uses such as pubs.</p> <p>The use class reclassification is recognition from the Government that betting shops have unique impacts which need specific assessment.</p> <p>We disagree that the SPD blurs the lines between planning and licensing. The SPD clearly identifies the role of licensing and none of the SPD requirements will prejudice or predetermine the consideration of licensing applications.</p> <p>Requiring a certain level of information to make a balanced planning judgement is a sensible approach. The information should be readily available to betting shop operators.</p> <p>It is not clear exactly how the respondent thinks the SPD will undermine the Gambling Act 2005.</p> <p>The evidence underpinning the SPD is considered appropriate and robust; also, further evidence has been added following consultation.</p>

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		<p>nationally and they do so to enjoy spending their leisure time, placing a bet in a highly regulated socially responsible environment where they can interact with staff and socialise with other customers. Whilst betting shops are a retail offering, this important social aspect should also be considered.</p> <p>Betting shops operate within a strictly regulated licensing environment and are subject to the provisions of the Gambling Act 2005 under which licences are issued by the Local Authority. As a responsible operator Coral puts the three Licensing Objectives at the heart of its policies and procedures and as a consequence no Coral betting shop within the Borough of Islington has ever had its licence subject to review or revocation.</p> <p>In our opinion, Islington Council's SPD proposal fails to recognise the clear demarcation lines between planning and licensing and in their present format will cause confusion. More importantly, while being well intentioned, they also undermine the licensing objectives of the Gambling Act 2005 itself. Additionally, In order to provide credibility to the SPD, it is important to ensure that an evidence based approach has been taken by the Council in reaching their decisions. There are numerous opinions contained within the document as well as poor anecdotal arguments to back up their noted position.</p> <p>With regard to the individual paragraphs within the SPD we wish to make the following comments:</p> <p>Paragraph 2.8— This paragraph advises that it is not the Council's intention to implement a blanket ban on certain planning uses going forward, but Paragraph 7.34 appears to contradict this making it abundantly clear that the 'entire borough' is considered to be at medium risk from adverse impacts to character as a result of betting shop growth given that the majority of people live within 500m of one.</p> <p>Paragraph 7.10- we are concerned by the use of the inflammatory term 'double whammy', in respect of the actual presence of a betting shop coupled with the use of FOBT's. As referenced previously, it is important that licensing decisions are taken on the basis of facts and evidence rather than what could be perceived as a bias against betting shops by the Council.</p> <p>Paragraph 7.12—We are concerned about this section for two reasons. It could be interpreted as saying that the personal dislike some people may have of betting shops and machines specifically is evidence that they are harmful. And secondly it appears to imply that there is credible evidence that FOBTs cause widespread gambling related harm. All the independent and government led evidence demonstrates that this is simply not the case.</p> <p>It is clear from The Health Survey for England &amp; The Scottish Health Survey (both 2012), organised on behalf of The Gambling Commission, that the number of problem gamblers is very low at a total of 0.6% across the whole country, which is low by international comparisons. Additionally, following the publication in December 2014 by the Responsible Gambling Trust of research of FOBT data, this independent report found no casual link between gaming machines and problem gambling. Notwithstanding this though, Coral are playing a leading role within the industry to work with the data even more and enable earlier interventions with customers who may be at risk.</p> <p>We are also concerned that information from the planning appeal decision notice in respect of 93-95 Deptford High Street (item 44 at the base of Page 41) has been used selectively as it does not highlight the specific anti-social issues present in Deptford which led the Inspector to his decision and it is worth noting that the latter also commented as follows;  <i>"In general terms there is no reason to suppose that those visiting betting offices would be</i></p>	<p>It is not the intention of the SPD to institute a blanket ban on certain uses. Paragraph 7.34 (and related paragraphs) is not tantamount to a ban as it allows for case-by-case flexibility. However, we acknowledge that the paragraphs in the draft SPD might not be entirely clear for all readers; this is a matter that has been raised by several respondents. For the avoidance of doubt, this paragraph (and any related paragraphs) has been amended.</p> <p>The term 'double whammy' is intended to mean two-fold impacts and is not considered an inflammatory term. However, it is a very minor issue so we have amended to a different term to ease respondent concerns.</p> <p>The cited Deptford appeal is proof that perceived impacts from ASB, crime and disorder, etc. can be considered material in the assessment of planning applications, where there is evidence.</p> <p>The Health Surveys and the RGT research are noted. The council's reading of the RGT research differs from that stated by the respondent. The research did not find that there was no causal link; just that it should not be assumed that problem gambling status is causally and predominantly related to gaming machine play. The SPD does not suggest a definite link, and merely highlights research which suggests link; this is consistent with the RGT research. However, a small amendment has been made to paragraph 7.12 to ensure that this is clear.</p> <p>We also note the recently reported claims of potential RGT bias towards the gambling industry. This may lessen the legitimacy and weight of the RGT research as a reliable piece of evidence.</p> <p>The cited appeal in Deptford is proof that perceived impacts from ASB, crime and disorder, etc. can be considered material in the assessment of planning applications, where there is evidence. The SPD does not claim that the Deptford case alone justifies to a generalised restriction on new betting shops.</p> <p>There are numerous appeal decisions which conclude that betting shops are non-retail uses and contribute less to retail areas than other uses such as A1. The SPD has been amended to include additional appeal references.</p> <p>Re: the cited Farnham appeal, there are case specific issues which seem to have informed the inspector's decision, notably a high vacancy rate.</p> <p>It is not clear why the respondent thinks such the requirement for health assessment is appropriate for takeaways but not betting shops.</p> <p>The self-assessment form is brief so as to not add unnecessary burdens on betting shop applications. It also allows for positive impacts to be demonstrated.</p> <p>As noted above, we disagree that the SPD blurs the lines between planning and licensing. The SPD clearly identifies the role of licensing and none of the SPD requirements will prejudice or predetermine the consideration of licensing applications.</p> <p>Requiring a certain level of information to make a balanced planning judgement is a sensible approach. The information should be readily available to betting shop operators.</p> <p>We disagree that the issue of problem gambling falls squarely within the responsibility of</p>

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Page 209		<p><i>more likely to commit a crime or to behave in an anti-social manner than anyone else.”</i>                      Paragraph 7.14- This paragraph highlights the fact that betting shops are not considered a retail use and generally have less active window displays. Surveys have shown that betting shops attract high footfall numbers and customers often visit other shops as part of a shopping trip which has a positive impact on the life and vibrancy of many high streets.</p> <p>Attached within this response is a planning appeal decision notice in respect of 5 East Street, Farnham, Surrey (Appeal Ref: APP/R3650/A/10/2140376) where the Inspector had regard to these specific issues and the consequential benefits to vitality and viability (see paragraphs 5 and 6).</p> <p>Paragraph 7.35-7.37 - Whilst it may be appropriate for takeaways to undertake health assessments in support of their planning applications, it is not justified for betting shops. As part of the licensing process, shop risk assessments are undertaken against the licensing objectives and this is the appropriate bench mark.</p> <p>Paragraph 7.39-7.43 - Problem gambling, like problem drinking can affect people across all socio economic groups and as a responsible operator we have policies and procedures in place to identify and assist the minority of customers who need advice and support in this area in accordance with the Licensing Conditions and Codes of Practice. This area falls squarely within the responsibility of the licensing function and therefore there is no valid reason for the imposition of a standard condition relating to debt advice and problem gambling information.</p> <p>Paragraph 7.61- For the sake of clarity it is important to stress that the sale and/or consumption of alcohol is strictly prohibited in any betting shop in accordance with the mandatory and default conditions attached to the premises licence. It therefore follows that the associated problems of street drinking, urinating in the street, litter, and obstruction of the public highway should be addressed by the Council directing its attention towards the venues where these products are available. Coral betting shops already provide litter bins and toilet facilities for its own customers’ use.</p> <p>In view of this, the SPD proposals in their current form clearly lead us to conclude that the document is ill-conceived, poorly researched, and conflicts with the licensing objectives of the Gambling Act 2005.</p> <p>Given the implications to our business and that of the wider industry, we would therefore have little choice other than to consider a legal challenge to the SPD if introduced in its current form.</p>	<p>the licensing function. Problem gambling has significant health connotations which are clearly material in planning assessments. The proposal to condition applications to display information about debt advice services and gambling addiction charities is a planning-specific method of mitigating any adverse impacts. It also enables the local planning authority to guarantee these provisions even if they are no longer required by the other regulatory regimes; and enables these requirements to be enforced by the local planning authority if it considers it to be expedient to do so. The existence of controls in another regulatory regime does not prevent a local planning authority from imposing them.</p> <p>The SPD does not claim that betting shops sell alcohol or allow alcohol to be consumed on the premises. It merely highlights that betting shops can be associated with certain impacts, as identified in other local authorities. The SPD does not claim that such impacts are uniform and notes that the proposed Management and Operating Strategy could investigate such issues and whether any specific mechanisms are needed to mitigate/prevent impacts.</p> <p>There is no prescribed format for the Management and Operating Strategy; hence there is flexibility on content dependent on case-specific information.</p> <p>We disagree that the SPD is ill-conceived, poorly researched, and conflicts with the licensing objectives of the Gambling Act 2005. The document puts in place sensible measures to tackle evidenced issues; and is supported by various pieces of evidence.</p> <p>This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The respondent’s threat of legal challenge is based on a misunderstanding of the SPD implications.</p>
	SPD12	Ladbrokes	<p>Ladbrokes is one of the world’s largest betting operators, employing around 13,000 across 2,200 shops in the UK. As a responsible business Ladbrokes are committed to providing customers with a safe, fair and fun leisure experience, whilst helping the small number of individuals who suffer from gambling related harm.</p> <p>Betting offices are valuable contributors to the vitality and viability of high streets throughout the UK, employing local people, building relationships with local customers and supporting local good causes in the community:</p> <ul style="list-style-type: none"> <li>• They are an established high street use.</li> <li>• They generate footfall at least comparable to that of retail facilities.</li> <li>• They generate linked trips so supporting the retail vitality and viability of town centres.</li> </ul>

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		<ul style="list-style-type: none"> <li>Betting shops have active shop fronts which add to the interest and activity in the street scene.</li> <li>They are compatible in scale with retail facilities.</li> </ul> <p>Ladbrokes welcome the opportunity to respond to this consultation but are however concerned that the guidance as currently drafted aims to alter the licence regime which was established in the Gambling Act and (either intentionally or unintentionally) increases the burdens on an already responsible business. Of particular concern is the prescriptive nature and pool of conditions outlined in this document which goes beyond what has been currently agreed by the independent regulator. This document seeks to conflate the issues of licensing and planning and we see it as a contrived way to undermine Gambling Act legislation and to place unnecessary and burdensome restrictions on an already well regulated and socially responsible industry.</p> <p>As a highly regulated industry, betting shop operators devote significant resources to regulatory compliance and fully support both the principle and practice of better working partnerships between local betting operators and local authorities. In our view the current regime already adequately offers key protections for communities and already provides a clear process (including putting the public on notice) for objections to premises licence applications. The recent planning law changes effective since April 2015 have also already increased the ability of licensing authorities to review applications for new premises, as all new betting shops must now apply for planning permission.</p> <p>Any local plan document, particularly one which seeks to place restrictions on the development of a particular industry, has to be strongly evidenced. We are concerned that the current draft which seeks to place unjustifiable and disproportionate restrictions on betting shop development is founded on a poor and inaccurate evidence base which makes it susceptible to legal challenge.</p> <p>We hope that in responding to this consultation we can better support the implementation of an effective, consistent and clear local planning regime which is mutually beneficial to operators and local authorities.</p> <p>Our detailed comments in relation to specific paragraphs in the draft document are outlined below;</p> <p>Paragraphs 7.7 -7.9</p> <p>As the council are aware, planning decisions must be made in accordance with the development plan unless material considerations indicate otherwise.</p> <p>However as regards licensing Section 210: 'Planning permission', of the 2005 Gambling Act is clear and unequivocal –</p> <ol style="list-style-type: none"> <li>In making a decision in respect of an application under this Part a licensing authority shall not have regard to whether or not a proposal by the applicant is likely to be permitted in accordance with the law relating to planning or building.</li> <li>A decision by a licensing authority under this Part shall not constrain any later decision by the authority under the law relating to planning or building.</li> </ol> <p>The council is circumventing the law in determining that applicants seek planning permission before licensing. Furthermore, there is no need to duplicate planning and licensing considerations. The two regimes should remain distinct and it is for the planning process to determine land-use decisions and the market place to determine the need for particular types</p>	<p>The change to the Use Classes Order which took effect in April 2015 – whereby betting shops were put in a separate use class – demonstrates that betting shops and have distinct issues which need to be addressed on a case-by-case basis. There is a need for clear guidance to assess these uses, to supplement Islington's adopted policy. The proposed guidance is not considered onerous.</p> <p>This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The respondents claim that the document is susceptible to legal challenge is based on a misunderstanding of the SPD implications.</p> <p>By seeking to ensure that planning permission is sought prior to licensing permission, the council is not 'circumventing the law', nor does this cause a duplication of regimes. The SPD does not categorically state that licensing permission will be refused where there is no planning permission, or vice versa. For avoidance of doubt, the wording has been amended to make this clear.</p> <p>Re: restricting competition, Paragraph 23 of the NPPF has a requirement to promote competitive town centres but this does not mean that policies and guidance should permit all applications without scrutiny. The SPD is considered consistent with paragraph 23 and the NPPF as a whole. The NPPF also promotes the plan-led system and notes that proposals must be assessed against the three strands of sustainability, including social impacts.</p> <p>Re: Paragraph 7.10, the term 'double whammy' is intended to mean two-fold impacts and is not considered a pejorative term. However, it is a very minor issue so we have amended to a different term to ease respondent concerns.</p> <p>As noted above, betting shops are acceptable in principle in town centres, but there are numerous appeal decisions where new betting shops have been judged harmful the vitality and viability of a retail area.</p> <p>High streets are very individual; therefore it is not appropriate to make generalised comments about the suitability of betting shops. The SPD sets out a flexible approach which allows specific issues to be taken on board on a case-by-case basis.</p> <p>As noted above, the quoted part of the NPPF is not free rein to develop anything anywhere. Avoiding an over-concentration of certain uses will help to deliver sustainable development, which is the overarching aim of the NPPF.</p> <p>Re: paragraph 7.12, the SPD does not state that betting shops will always cause adverse impacts; it merely highlights that such impacts are possible, and sets out some requirements, mainly provision of information, to ensure that impacts have been identified and properly mitigated or prevented. A small amendment has been made to paragraph 7.12 to clarify this.</p> <p>The Deptford planning appeal cited in the SPD shows that ASB can be a valid material consideration in the assessment of planning applications.</p> <p>The Newham case cited by the respondent concerns issues specific to a particular locality; these cannot be applied generally. There is evidence that betting shops can cause impacts such as anti-social behaviour, etc. therefore it is appropriate to put in</p>

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Page 211		<p>of premises/activities. Licensing decisions should be determined with regard to the promotion of the licensing objectives. The planning and licensing regimes involve consideration of different (albeit related) matters. As such, licensing applications should not be a re run of a planning application or vice versa. It is not the role of the planning system to restrict competition on the high street.</p> <p>Paragraph 7.10</p> <p>We refute the use of the pejorative and meaningless phrase ‘double whammy’. There is no evidence to support the claim that the physical location of a betting shop may have adverse impacts on unspecified ‘sensitive uses’. There are few public complaints about existing betting shops and we do not believe the Authority has had cause to review or revoke a betting shop licence. Betting shops are acceptable town centre uses, often found in prime shopping locations which add to the diversity and range of uses and activities on offer. It is clear that the traditional British high street is evolving and that betting offices help to fill the void in town centres left by retail and other uses that are increasingly moving out of town or online. At a time when national multiple retailers are deserting the high street, companies such as Ladbrokes who are prepared to invest £200,000 per site and create jobs on the high street ought to be supported. May we reiterate that in fact, the National Planning Policy Framework requires planning to promote competitive town centres that provide customer choice. The Framework also attaches importance to the need to create jobs and prosperity, and to promote sustainable economic growth. Indeed the general direction of the NPPF is to support diversity and a range of uses. At paragraph 18 of the NPPF the government makes clear that ‘Planning should operate to encourage and not act as an impediment to sustainable growth’.</p> <p>Paragraph 7.12</p> <p>Ladbrokes totally refutes the aspersion that ‘FOBT’s’ and by extension betting shops exacerbate mental health problems, increasing anti-social behaviour and crime and disorder. There is no cogent evidence that betting shop use "exacerbate mental health problems" or anti-social behaviour. The case for betting shops presenting a public health issue is simply not made out. Betting shops are generally heavily regulated, well run and suffer far less crime and disorder than other retail and other uses such as convenience stores and alcohol licensed premises. Misconceived perception is not just cause for introducing unjustified restrictions. A proper examination of police, Gambling Commission and the Authorities own statistics will demonstrate that perception differs significantly from reality and that there is an extremely poor evidence base to support the negative assertions made in paragraph 7.12. The use of one isolated planning reference does not make the case for generalised development restrictions.</p> <p>There is no youth disorder associated with betting office use, customers come and go but do not loiter. Betting offices are legally not open to anyone under the age of 18. By law customers must be over 18 years of age to place a bet. This is a fundamental licencing requirement as stated on the premises licence. Ladbrokes however operates the Think 21 Policy in all of its shops. This means that those customers who appear to be under 21 will be asked to produce photographic confirmation of their age, (i.e. driving licence, etc.). If this is not provided the customer is asked to leave. Ladbrokes takes very seriously its responsibility to ensure compliance with this. Ladbrokes carries out age verification checks across all its betting channels and they reserve the right to ask for proof of age from any customer. This policy is rigorously implemented and shop staff are fully trained in this respect. This is part and parcel of Ladbrokes being a responsible operator in the gambling industry.</p>	<p>place measures to ‘manage out’ such impacts and require a certain level of information to be provided so a proper assessment of betting shop applications can be made.</p> <p>There is a wealth of appeals which counter those provided by the respondent; reference to further appeals has been added to the SPD.</p> <p>It is important to note that appeal decisions consider the specific circumstances of a case, although decisions are often useful in identifying what issues can and can’t be considered material in principle.</p> <p>All of the appeals cited by the respondent turn on case-specific issues; hence they can’t be applied as a general rule. These decisions do highlight that issues such as ASB are valid material considerations where there is evidence of harm.</p> <p>With regard to the perception of crime issue, the Leytonstone appeal shows that provision of information about how betting shops will be managed and operated – as required by the SPD - could alleviate concerns. As noted above, the Government have acknowledged, through changes to the UCO, that betting shops have distinct issues which need to be addressed fully.</p> <p>The policy has already been found to be legally compliant and sound having gone through relevant statutory processes. This SPD supplements adopted policy and meets the tests set out in the NPPF.</p> <p>High footfall is not guaranteed, especially when considered relative to proper retail uses; this issue has arisen on numerous dismissed appeals. Other issues, such as the existing number of betting shops in an area, can also affect footfall and can mean that the additional footfall from a new betting shop is very minimal.</p> <p>As noted above, the appeals cited by the respondent turn on case-specific issues; hence they can’t be applied as a general rule.</p> <p>In response to the general consensus summarised by the respondent:</p> <ul style="list-style-type: none"> <li>• <i>“Betting shop uses operate in much the same way as a retail shop.”</i> – there are several appeals which contradict this and conclude that betting shops are a non-retail use.</li> <li>• <i>“They are at least likely to have a footfall similar to a retail shop.”</i> – as noted above, this is not guaranteed.</li> <li>• <i>“Customers of betting office uses would be likely to shop while in the shopping Centre, thereby adding to the vitality and viability of the centre.”</i> – this is not a general rule; there are appeals which highlight doubt about the added value of betting shops in terms of vitality and viability; and whether they actually lead to any genuine spin-off trade.</li> </ul> <p>The characteristics of betting shops do lend themselves to adverse impacts, as per evidence identified in the SPD. The DCLG Technical Consultation on Planning (July 2014) notes that changing the use class of betting shops is <i>“an important way in which to support local communities and local planning authorities in shaping their local area.”</i></p>

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		<p>There is no evidence to suggest that betting shop uses cause public nuisance. Indeed, this has been proven most famously in Court in the test case of Power Leisure Bookmakers Ltd v. London Borough of Newham. On 17 June 2013 Thames Magistrates' court overturned Newham Council's refusal to license a new betting shop in the area. Newham LBC has 81 betting shops in its area, including 18 on a single street. The judge recorded that police in Newham received only six calls to betting shops over the previous twelve months.</p> <p>The court found that the evidence presented did not support the assertion that a concentration of gambling led to an increase in crime and disorder. The fact is that on the few occasions when betting shops need police assistance it is because they and their staff and customers are the victims of crime, not the cause.</p> <p>Ladbrokes can point to any number of appeal decisions nationally which refute the council's position in 7.12</p> <p>Take for example an appeal decision (Ref: APP/Z4310/A/07/2060018) from Liverpool, which allowed trading until 22.00 each day of the week from a Ladbrokes premises in a small retail parade with a supermarket opposite and surrounded by residential properties.</p> <p>At paragraph 7 the Inspector states –</p> <p>However, consideration needs to be given to the characteristics of the betting office use. Noise generated from within the premises is not readily discernible from outside, as amplification is limited to television screens. Sound proofing has been provided at the unit in accordance with condition 3 of planning permission Ref 06F/0624. The unit is separated from the nearest bungalow by a section of land enclosed by metal fencing and containing trees, and a boundary fence of around 2m in height. In my view, the use of the inside of the premises later in the evenings would not create greater noise and disturbance in the area.</p> <p>At paragraph 10 of the same decision the Inspector considered the issue of anti-social behaviour in relation to the Ladbrokes betting shop which was already open and trading at the time. He states –</p> <p>I am not aware of any evidence that the existing use encourages anti-social behaviour. In contrast, I consider that the presence of staff and customers later into the evening would deter such activity. In my opinion, the use has significantly different characteristics to a hot food takeaway use, which generates significant evening trade and tends to attract groups of youths congregating outside. In these respects the dismissed appeal at Units 3 and 4 [for A5 HFTA use] differs from the case before me.</p> <p>In another appeal case in Southall in 2010 (ref: APP/A5270/A/10/2120770) a betting shop use was allowed with the Inspector finding that</p> <p>Betting offices are included in use class A2. It is a legitimate use that may be acceptable in shopping areas. I have not been made aware of any development plan policies that seek to preclude A2 uses from the area. The Council asserts that the proposed use change would, in association with existing betting offices in the centre, be likely to increase local problems of crime and disorder. In this respect, I note that there is an existing betting office across the street from the appeal premises. Also, the information before me is that there are four other betting offices in the centre. However, these are a significant distance away from the appeal premises. If the appeal proposal were to be carried out it would not, in my view, result in an unacceptable concentration of similar facilities. In view of this and in the absence of specific evidence to justify the Council's assertion, I am not convinced that the proposed betting office would be so likely to act as a focus for anti-social activity and add to crime and disorder</p>	<p>This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The SPD is not a blanket ban.</p> <p>Re: the information sourced from CFG, the raw data is from Geofutures, hence it is considered impartial and robust.</p> <p>The only part of the CFG analysis referred to in the SPD is the FOBT player and loss statistics noted in Appendix 3. These are caveated appropriately and form only part of the evidence base for the SPD.</p> <p>It is not the intention of the SPD to institute a blanket ban on certain uses. Paragraph 7.27 (and related paragraphs) is not tantamount to a ban as it allows for case-by-case flexibility. However, we acknowledge that the paragraphs in the draft SPD might not be entirely clear for all readers; this is a matter that has been raised by several respondents. For the avoidance of doubt, this paragraph (and any related paragraphs) has been amended.</p> <p>The SPD does not claim that betting shops deliberately target deprived areas; it shows via mapping that a significant number of betting shops are located in the most deprived areas of Islington; and puts in place measures to ensure that any further betting shops in the borough mitigate impacts appropriately.</p> <p>Licensing and planning are separate regimes; ensuring that relevant impacts are mitigated through planning is considered appropriate. Licensing considerations are entirely separate.</p> <p>Point noted re: response to paragraph 7.31. The requirements of the SPD are not considered onerous and merely ensure that information is available to enable impacts to be assessed through planning.</p> <p>BS2 may require consideration of similar information but it is not a duplication of the licensing process. It is a simple two page self-assessment, deliberately designed so as not to be overly onerous. We note that the self-assessment allows for consideration of positive impacts as well as negative.</p> <p>The reference to full HIA requirement seems to be based on a misreading of the SPD. The SPD does not have a requirement for a full HIA in all cases. A full HIA could be required for a betting shop proposal based on current adopted Local Plan policy and guidance; the SPD merely alludes to this and notes that a completed self-assessment does not preclude a requirement for a full HIA, dependent on case-specific circumstances.</p> <p>The council considers that the proposed condition meets the tests set out in the NPPF.</p> <p>Although the schemes referred to are voluntary, they offer tangible evidence that betting shops will operate in a certain way. By conditioning new betting shops to require sign up, this will offer a guarantee. We note that there is flexibility on the schemes which need to be signed up to. The proposed condition is not considered unlawful.</p> <p>The LCCP does have similar requirements, but the proposed condition is more specific about size and placement of notices. Planning conditions which mirror licensing</p>



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Page 213		<p>in the area that it would, in itself, justify withholding permission.</p> <p>The inspector further adds that -</p> <p>The appellant proposes to carry out crime prevention measures at the premises. The details of these can be controlled by means of a condition to ensure that the scheme accords with the layout and design requirements of Policy 4.4 of the London Borough of Ealing Unitary Development Plan of 2004 (UDP). Whilst such measures would help control unacceptable activity at the premises, they would not control or manage activities in the surrounding area. However, other powers than those provided for in planning legislation are available to deal with anti-social behaviour in nearby public areas should it occur. Moreover, the proposed betting office would also be the subject of licensing controls under other legislation.</p> <p>Most recently in April 2015 a sui generis betting shop was allowed on High Road Leytonstone (ref: APP/U5930/A/14/2229533) where once again the Inspector found that betting shop uses do not have any real impact on anti-social behaviour in the area. The Inspector stated that:</p> <p>I acknowledge that the presence of betting shops may contribute to a fear of crime amongst users of the centre, for the reasons identified by the Council. I consider that the strict controls offered as part of the licensing of the premises would be sufficient to address the main sources of such fears. Closed-circuit television (CCTV) monitoring of the front of the premises with CCTV would also moderate any risk of loitering outside the premises and assist in allaying local concerns.</p> <p>Paragraph 7.14</p> <p>Paragraph 7.14 is unsound and not supported by any cogent evidence. Betting offices attract high visitation rates (visitation rates or pedestrian flow being recognised as the single most important indicator of vitality). The rates are often higher than those associated with retail shops of a similar size and location. There have been many surveys of pedestrian flows associated with betting offices as opposed their retail neighbours. Betting shop uses nearly always outscore retail uses comparable in size in terms of customer numbers. Time and again it has been confirmed at appeal that betting shop uses make a positive contribution to town centre vitality and viability.</p> <p>Typically betting offices create spin off trade for other retail units in the vicinity as more than 70% of customers will have already made or go on to make purchases in the area. Daytime pedestrian movements associated with betting offices are greater than those in the evening although the fact that betting offices do open late into the evening bringing trade to a centre outside normal shopping hours should not be overlooked. Betting offices are open every day of the year except Christmas Day.</p> <p>Although at once acknowledged that case examples involving betting offices in other areas will clearly exhibit differences, the trends of high level usage and added interest in the street scene are clear constants. I enclose a précis of appeal decisions involving changes of use from retail to betting office use. The detail facts of these cases may not be important but the underlying constant theme of vitality is. The point being, that in all of these cases the proposal involved a change of use from a retail use in a prime shopping location.</p> <p>In particular we refer to the November2012 appeal decision allowing a Ladbrokes betting office use in Fishponds Bristol (Ref: APP/Z0116/A/12/2180389). The Inspector makes</p>	<p>conditions are commonplace, e.g. conditions restricting opening hours. Indeed, opening hours permitted can sometimes be different in each regime, reflecting the separate considerations of the regimes. The proposed condition will ensure that planning impacts are mitigated.</p> <p>The condition is flexible and can be tailored to different schemes depending on the circumstances at application stage.</p> <p>The SPD aims to mitigate and prevent adverse impacts in Islington. The impacts on the operation of an overarching business model are not an issue that should prevent local tailored responses. There is precedent for different policy in different areas, for example large supermarkets have to contend with different approaches to delivery and servicing in different local authority area. The UK planning system is plan-led, and plans are produced by each local authority, therefore varied approaches are par for the course.</p> <p>Guidance point BS4 is not considered onerous and is highly unlikely to have any financial implications. Exceptional cases where it is robustly demonstrated that the condition would result in such implications will be addressed on a case-by-case basis.</p> <p>Guidance point BS5 is not unnecessary duplication. The Management and Operating Strategy will ensure that appropriate information is provided to properly assess planning impacts. The fact that this information is provided in similar form in licensing applications does not mean that this will cause confusion; if anything, this makes guidance point BS5 even less onerous, as similar information should already be readily available.</p> <p>We note that the SPD does not prescribe a set template for this information. This gives flexibility for applicants.</p> <p>The acknowledgement of possible benefits of a Management and Operating Strategy is noted. We note that the strategy offers an opportunity for betting shop operators to set out (where possible) why a betting shop will not have impacts in the local area, and what (if any) mitigation measures are proposed. It can be viewed as a positive document.</p> <p>The 'mandate' for requesting the information is clear; the SPD provides supplementary guidance on adopted Local Plan policy; and it meets the tests set out in the NPPF.</p> <p>Planning and licensing are separate regimes; the SPD in no way compromises licensing considerations.</p> <p>Precis of appeals is noted. Not all appeal decisions could be accessed so we are unsure of the accuracy of some of the respondent's selective quotations.</p> <p>There is a wealth of appeals which counter those provided by the respondent; reference to further appeals has been added to the SPD.</p> <p>It is important to note that appeal decisions consider the specific circumstances of a case, although decisions are often useful in identifying what issues can and can't be considered material in principle.</p> <p>All of the appeals cited by the respondent turn on case-specific issues; hence they can't be applied as a general rule. These decisions do highlight that issues such as ASB are valid material considerations where there is evidence of harm.</p>

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		<p>specific reference at Paragraph 14 regarding betting office activity and window displays, as follows –</p> <p>“On my visit, I noted several people visiting the William Hill betting shop opposite the appeal site, and a number were carrying shopping bags, which suggests that they were making combined shopping trips. The premises would have an active shopfront, displaying sports related advertising, and taken together, I see no reason to think that a betting shop would have a markedly detrimental effect on the retail centre compared with an A1 use.”</p> <p>The Inspector further notes that -</p> <p>“Looked at in the round, it is hard to see how such a thriving centre, with a high proportion of retail shops, would be seriously undermined by the conversion of a fairly small shop to a non-retail use. In my view, putting the premises to a use which is ancillary to the retail function of the centre, attracting customers to the centre and improving the appearance of the building would only serve to strengthen the function of the town centre rather than undermine it.” (Paragraph 18)</p> <p>Adding at paragraph 24 that -</p> <p>“Local people expressed concerns about the prospect of 3 betting shops in close proximity to one another. However, it is the Government’s policy to promote competition and choice, and it is for the appellants to decide whether there is a market demand for the services they offer.”</p> <p>Whilst the individual circumstances of each case above is largely irrelevant, the general consensus of Inspectors in each case regarding the vitality and viability of betting office uses can be summarised as follows –</p> <ul style="list-style-type: none"> <li>• Betting shop uses operate in much the same way as a retail shop.</li> <li>• They are at least likely to have a footfall similar to a retail shop</li> <li>• Customers of betting office uses would be likely to shop while in the shopping Centre, thereby adding to the vitality and viability of the centre.</li> </ul> <p>Paragraph 7.15</p> <p>The recent changes to the Use Classes Order already provide the local authority with the opportunity to assess each individual application for a new betting shop having regard to the development plan and any significant material considerations. However, the changes to the Use Classes Order do not provide carte blanche basis to consider the starting point for each betting shop proposal as an adverse use.</p> <p>Paragraph 7.19</p> <p>Unbiased information to form the evidence base of a local plan document which could be subject to legal challenge cannot be reliably sourced from the Campaign for Fairer Gambling. This is a campaign group whose sole reason for being is to reduce the maximum stake on B2 gaming machines in betting shops. It is funded almost solely by a casino industry tycoon and is not an organisation that can be relied upon to produce credible research. As a starting point the Gambling Commission research and statistics would be a far more reliable and accurate source of data.</p> <p>Paragraph 7.27</p>	

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Page 215		<p>The automatic presumption that any further betting shops are likely to exacerbate the existing medium risk of over-concentration in the area and have an adverse impact, particularly on the function, vitality and viability of Islington's Town Centres is unjustified and unlawful in planning terms. It fails to take into account any of the positive characteristics of betting shop uses established over many years nor does it account for the closure or relocation of existing betting shops in the borough. Betting shop proposals should be taken in context as some new proposal may be a relocation or even a 2-into-1 proposal.</p> <p>Paragraph 7.30</p> <p>Ladbrokes does not target deprived areas. Betting shops locate in densely populated areas where there is a greater demand for choice. Inner city areas being traditionally closest to people's place of work mean that the people who are less well-off are found in inner city areas as opposed to the more affluent suburbs. The nature of inner city areas being more heavily populated means that there is usually more latent demand for new betting shop uses. However, deprivation in a densely populated area is no reason to restrict consumer choice and is itself a selective form of prejudice or discrimination on the part of the council. It is not the role of the planning system to intervene in the free market.</p> <p>Bookmakers do not target vulnerable people in deprived areas and any such accusations are both false and offensive. Betting is a high volume low margin leisure product and thus operators will locate more premises in areas with a high density of population. Protection of the vulnerable is one of the licensing objectives under the Gambling Act 2005. The Council, in its licensing jurisdiction, retains the discretion to refuse an application for a betting office premises licence where there is actual evidence that the grant of a licence would be contrary to that licensing objective.</p> <p>A premises licence will not be granted by a licencing authority if it can be proved that a betting shop would cause crime or have a negative impact on young and vulnerable people. Since the Gambling Act 2005 we do not believe one single betting shop operator has had their licence revoked for a breach of the three licensing objectives. Bookmakers take their responsibility to the local communities in which they operate very seriously and want to offer their customers a safe and responsible leisure experience. That is why significant resources are invested into responsible gambling procedures and the training of staff.</p> <p>Paragraph 7.31</p> <p>The betting office industry is already heavily licensed and regulated. It incorporates effective social responsibility policies in its business as a condition of its licence, continually reviewing its approach and adopting best practice in areas such as safety, responsible gambling and compliance. Responsible gambling is an extremely important part of Ladbrokes business and something that Ladbrokes take very seriously. The company supports and promote responsible gambling organisation GamCare through the Responsible Gambling Trust and UK operators collectively provide it with at least £6m per year in funds. Information leaflets and posters are clearly displayed in all of Ladbrokes shops. Gaming machines have responsible gambling information and also have manual stake and time limits which the customer can set. All of Ladbrokes staff are thoroughly trained to recognise problem gambling behaviour and deal with it appropriately, for example by logging patterns of behaviour and offering options such as the self-exclusion scheme.</p> <p>BS2</p>	

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		<p>BS2 would be a duplication of the licensing process and would therefore be disproportionate, inefficient and against better regulation principles. We are very concerned that given the council position on betting shop uses in all cases the extra burden, cost and delay of an unjustified full HIA will be required as a way to thwart betting shop proposals.</p> <p>BS3</p> <p>BS3 is a clear example of over regulation. We believe any such condition to be unnecessary, not relevant to planning or the development to be permitted nor reasonable in all other respects and therefore fails the tests of a planning condition as set out in the NPPF.</p> <p>It is not appropriate and possibly unlawful to compel participation in a voluntary industry code through a planning condition which is more pertinent to the Licensing regime. There is already a Gambling Commission requirement under the LCCP on operators to display information about gambling charities and the National Gambling Helpline, where information about debt advice can also be provided. This is further bolstered by the ABB Code for Responsible Gambling which requires more prominent display of this information and for all staff to be trained in responsible gambling and able to sign-post customers to support services. Ladbrokes already takes an active part in this process. The display of all of this information and more on an A1 size board or larger in all languages appropriate to the location is unreasonable and simply demonstrates that the council planning department does not understand the level of regulation and compliance already applied to betting shop premises.</p> <p>BS4</p> <p>BS4 is too general. Ladbrokes welcome the focus on partnership working and that is one of the reasons Ladbrokes are a leading signatory to the 'ABB-LGA Framework for local partnerships on betting shops' which was published in January this year. Ladbrokes also has Primary Authority agreements with Liverpool Council and Milton Keynes Council which has resulted in greater clarity and consistency of regulation at a local level. In contrast, we are concerned that this guidance as currently drafted would lead to variations and inconsistencies which prove burdensome and costly for a business that operates across a multi-site estate in numerous different local authorities.</p> <p>BS5</p> <p>BS5 is once again an unnecessary duplication of existing requirements which are part of the licensing regime. It states in the LCCP that a risk assessment should be carried out when applying for new premises and this should be shared with the Licensing Authority. As a responsible business Ladbrokes conduct regular risk assessments of its shops, normally on an annual basis or as and when there is a change of circumstances. We also believe that the risks should be proportionate and not used by local authorities to impose additional conditions on responsible businesses or used as an additional layer of bureaucracy to delay the planning process. Whilst we acknowledge that a Betting Shop Management and Operating Strategy could be beneficial, we are concerned about the suggested move to prescribe the form of risk assessment which takes into account issues that have no basis in sound evidence and is for example predicated on the false assumption that betting shops cause crime, anti-social behaviour, street drinking and urinating, litter and obstruction of the public highway amongst other things.</p> <p>Notwithstanding the above, the council does not have a mandate to insist on the submission of a management and operating strategy as part of the planning process and it is clear that these proposals are in breach of S210 of the Gambling Act 2005. The duplication of the</p>	

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		<p>planning and licensing regimes will simply produce a confused system that is inefficient and ineffective.</p> <p>PRECIS OF APPEAL DECISIONS</p>	
SPD13	Paddy Power	<p>Supplementary Planning Documents (SPDs) must be considered in light of the guidance set out in the NPPF and the Planning Inspectorate’s guidance on establishing whether a development plan document is sound. The NPPF advises that SPDs should be used where they can help applicants make successful applications and should not be used to add unnecessarily to the financial burdens on development (para 153). Section 19 of the 2004 Act requires that development plan documents or any other local development document must have regard to national policy. For the reasons set out below, this draft SPD is plainly contrary to the NPPF.</p> <p>Regulation 8 of the 2012 Town and Country Planning (Local Planning) (England) Regulations prescribes that that SPDs must contain a reasoned justification of the policies in the SPD and not conflict with the adopted development plan. In relation to justification documents need to be based on a robust and creditable evidence base, ensuring that choices made in the plan are backed up by facts. The Council also need to consider whether there are reasonable alternatives and that the SPD is the most appropriate strategy. It is considered that the SPD is not justified, as it is not founded on a robust and credible evidence base, particularly in relation to betting shops.</p> <p>The Council will also be aware that as a regulator they must comply with the Regulators’ Code (April 2014), laid down in parliament in accordance with section 23 of the Legislative and Regulatory Reform Act 2006. The Code seeks to promote proportionate, consistent and targeted regulatory activity through the development of transparent and effective dialogue and understanding between regulators and those they regulate to reduce regulatory burdens on businesses. It also makes clear that regulators must take an evidence-based approach. It is not considered that the SPD has had due regard to the Regulators’ Code.</p> <p><b>Section 2 (Background) and Section 5 (What is an unacceptable impact or location?)</b></p> <p>Section 2 of the SPD explains that the SPD will supplement Policy DM4.3 of the Development Management Policies DPD which is concerned with the location and concentration of various uses including betting shops, and Section 5 provides further guidance in relation to the 500 metre radius mentioned in the policy supporting text which it states will be used to assess over-concentration.</p> <p>Policy DM4.3 does not provide an explanation as to why a 500 metre radius was chosen to assess concentrations. We had therefore expected the SPD to provide this explanation, but disappointingly the document is silent on this point. A 500 metre radius is a huge area and in every case extends well beyond town and local centre boundaries into surrounding residential areas. This is odd given that one of the principle aims of the policy and the SPD is to protect centres. We struggle to see how the presence of a use listed in policy DM4.3 located 500 metres away from a centre in a residential area could possibly have any bearing on the vitality and viability of that centre or any relationship to similar uses in that centre. Indeed, recent appeal decisions have considered clustering and overconcentration on a much smaller scale, focusing simply on a specific area within a centre.</p> <p>We wish to draw attention to a recent Paddy Power appeal decision (ref: APP/U5930/A/14/2229533) at 620 High Road, Leytonstone which was allowed on 22 April 2015. The decision was made after betting shops became SG uses. The proposals would result in 6 betting shops in the centre, meaning betting shops would account for just under</p>	<p>Response noted.</p> <p>The respondent will be aware that the test of soundness does not apply to SPDs, nor is an SPD a Development Plan Document. Paragraph 153 of the NPPF provides the tests which SPDs must meet. In this case, the council consider that the SPD is fully consistent with the NPPF, as it does offer additional guidance to assist successful applications, e.g. by highlighting information needed to assess applications; and it does not unnecessarily add a financial burden to applicants, as none of the information required would be likely to onerous financially.</p> <p>The SPD does not add new policy; it provides guidance in line with DMP policy DM4.3, its parent policy, as well as offering locally specific guidance regarding the implementation of London Plan and NPPF policy. It should be noted that the GLA, in their response to the SPD consultation, considered that the SPD was consistent with the London Plan.</p> <p>Significant reasoned justification is provided in the SPD with regard to the proposed betting shops guidance. There is no regulatory requirement which specifies the form which reasoned justification must take. The council considers that reasoned justification is glaringly obvious from even a cursory reading of the document. Nevertheless, the SPD has been amended to spell this out for avoidance of any doubt.</p> <p>There is no prescription in legislation, national policy or guidance about what reasoned justification for an SPD must entail. The respondent cites things which the council must consider but these are related to soundness of a Development Plan Document. There is significant flexibility on the form and detail of reasonable justification in SPDs.</p> <p>The respondent should be aware that the Regulators’ Code does not apply to planning documents, as planning is not a regulatory regime which falls under the scope of the code, as defined under the Legislative and Regulatory Reform (Regulatory Functions) Order 2007.</p> <p>Notwithstanding this, the SPD does not directly or indirectly restrict any regulators who are bound by the Regulators’ Code, e.g. licensing authorities.</p> <p>The 500m radius has already been justified through the Development Management Policies DPD examination, where it was found to be sound and legally compliant. The SPD does give some guidance on the application of the 500m radius; this allows some flexibility taking into account local context.</p> <p>One of the aims of the policy and SPD is to protect the vitality and viability of designated retail areas, but the overarching aim is to prevent over-concentration, which can have more wide-ranging impacts outside of retail designations.</p> <p>Re: the Leytonstone appeal, it is important to note that appeal decisions consider the specific circumstances of a case. The 3.5% figure – which the Leytonstone inspector considers does not constitute significant clustering – cannot be applied uniformly to other areas, as local context needs to be considered. The Leytonstone inspector also notes the following, which highlights that over-concentration could arise from as little as</p>

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		<p>3.5% of the overall centre, a figure which the Inspector considered to be “a low figure when compared with a comparison of other non-A1 uses in the centre”. There was an existing betting shop within the same parade as the application site (4 units along) and an existing betting shop opposite the application site on the other side of the road. The Inspector concluded that:</p> <p>“I do not consider that an additional betting office within the immediate area would result in a significant alteration to this balance, or result in a clustering effect that would be detrimental to the retail attraction of the immediate area or wider centre”.</p> <p>The Inspector later stated:</p> <p>“As I found within the previous section, the proposal would not result in any significant clustering concerns”.</p> <p>We therefore consider that the SPD should provide further information on why a 500 metre radius was chosen and what evidence this was based on.</p> <p>We are pleased to see that paragraph 5.7 of Section 5 states that the 500m radius is not identified to establish the subsequent over-concentration within the radial area and that flexibility should be exercised. However, the remainder of this paragraph which seeks to explain what the 500m radius means and how it should be used is confusing and ambiguous and we would urge the Council to be clearer on this point.</p> <p>We also note that the SPD makes clear that when assessing concentrations of uses, all uses listed in Policy DM4.3 must be considered together (i.e. not just individual uses), and their potential cumulative impact assessed. In addition to betting shops, the list includes restaurants, take-aways, pubs, cafes, off licenses, nightclubs and amusement centres. Payday loan companies are also included in the SPD.</p> <p>These uses are all typical town centre uses and collectively they will no doubt amount to a high proportion of uses within centres. They all have an entirely different function and therefore different potential impacts (positive, not just negative impacts) on a centre. There is no evidence anywhere in the SPD that such existing uses are together causing adverse impacts on the vitality and viability of centres or other negative impacts. Indeed, the evidence is to the contrary. Many centres across the country and in Islington are healthy, despite having a high number of these uses.</p> <p>There is a real danger that adopting such an approach will effectively put a moratorium on such new uses in centres and potentially encourage new operators and uses out of centres. Clearly such an approach is inappropriate and would fly in the face of the town centres first policy as set out in the NPPF which seeks to encourage town centre shops and services to locate within centres, rather than out of centre.</p> <p>We strongly suggest that the Council revisits this proposed approach. We are also concerned that the SPD will conflict with paragraph 23 of the NPPF which states that policies should be positive and promote competitive town centres. Bullet point 4 of this paragraph states that LPAs should “promote competitive town centres that provide customer choice and a diverse retail offer and which reflect individuality of town centres”. Clearly the SPD is likely to have a serious impact on particular industries and healthy competition between different operators by preventing new operators from locating within a particular centre.</p> <p>Again, regard needs to be had to the very real impact that the SPD is likely to have on a</p>	<p>two units:</p> <p><i>“I appreciate that the impression of an oversupply of betting offices within an area can be formed through the establishment of two or more in the one area.”</i></p> <p>There is a wealth of appeals which counter the Leytonstone appeal; reference to further appeals has been added to the SPD.</p> <p>We acknowledge that the wording of the paragraph 5.7 of the SPD is unclear; this has been amended. To clarify re: paragraph 5.7, over-concentration is assessed in relation to a proposed new betting shop, i.e. how many existing betting shops are within a 500m radius of a proposed new unit; and will the new unit create an over-concentration or exacerbate an existing over-concentration.</p> <p>The SPD clearly does not state that all uses listed in DM4.3 must be considered together. It states that where there are other relevant similar uses within a 500m radius of a site, these should form part of any assessment of over-concentration; this is a case-specific issue. The example of betting shops and payday loan shops is given, due to the fact that these uses can have similar impacts.</p> <p>The respondent seems confused about how planning policy and guidance operate. Section 38(6) of the Planning and Compulsory Purchase Act 2004 (as amended) sets out the primacy of the Development Plan, unless material considerations suggest otherwise. Of note is that decisions must be made based on the plan as a whole; at times, policies might pull in different directions in terms of their intended outcomes, but ultimately there are different layers which apply and it is a matter of judgement at application stage about the weighting of these layers. The respondent’s claim that the SPD would fly in the face of the town centre first policy is therefore wrong; it is clearly flexible and can co-exist with the guidance in the SPD.</p> <p>Paragraph 23 of the NPPF has a requirement to promote competitive town centres but this does not mean that policies and guidance should permit all applications without scrutiny. The SPD is considered consistent with paragraph 23 and the NPPF as a whole. The NPPF also promotes the plan-led system and notes that proposals must be assessed against the three strands of sustainability, including social impacts.</p> <p>The SPD is not a blanket ban on new betting shops; therefore we dispute the assertion that it is likely to have a serious impact on particular industries and healthy competition between different operators by preventing new operators from locating within a particular centre. The respondent’s claim is not evidenced.</p> <p>The evidence base is considered robust and proportionate; it is not a literature review, nor is it required to be. The evidence cited provides a strong grounding to support the guidance in the SPD. The respondent provides little evidence to counter evidence detailed in the SPD; nor do they provide any detail about exactly which reports are considered biased and/or subjective.</p> <p>The criticism that the SPD section is ‘notably short’ is unfounded. Firstly, there is no prescribed length for an SPD set in regulations. Secondly, one of the NPPF requirements which SPDs must meet is to enable successful applications to be made. We suggest that having a document which is overly long would run counter to the NPPF requirements, as the document would be less accessible to applicants, particularly laymen. We note that a lot of the background evidence base is included in the Appendix.</p>

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Page 219		<p>number of different industries and the clear conflict that would arise with the NPPF.</p> <p><b>Betting Shops – Background (Paras. 7.1 to 7.16)</b></p> <p>This section of the SPD sets out the background and justification for the Council’s view that applications for new betting shops should be heavily scrutinised given the adverse impacts they can have when concentrations arise.</p> <p>Clearly policies and guidance which seek to place restrictions on the development of a particular industry and seek to treat applications in a different way to other applications must be strongly evidenced.</p> <p>This section is notably short and it is concerning that the Council simply rely on two appeal decisions from 2011 and 2012 to support their position and various national reports which are often based on public opinion and are not always objective pieces of research. This is far from a credible evidence base.</p> <p>It is also astoundingly clear that the Council have not undertaken any assessments or studies to see whether Islington’s existing betting shops are causing any problems and whether the concerns raised in a number of the national reports are actually happening on the ground within their Borough.</p> <p>We note that paragraph 7.13 states that it may be pertinent to seek advice from the Metropolitan Police on specific applications, particularly local crime and disorder statistics. We also note that Policy BS1 of the SPD states that at the application stage, various Council departments and partner organisations will be consulted for comments on potential adverse impacts and to source evidence and statistics (where possible). But surely if the Council is seeking to adopt further policies and guidance and make assumptions about the potential risk of adverse impacts associated with new betting shop applications in the Borough within this SPD, this information needs to be assessed now to inform the policies and guidance. This section of the SPD contains no local information as part of the evidence base.</p> <p>We note that the Council undertook reviews and health checks of all their centres in April 2012 (it does not appear that the Council have carried out an update). We have reviewed these documents and there is no mention of betting shops anywhere within the reports. Given that these reports assess the health, vitality and viability of Islington’s centres, and identify specific weaknesses and problems within centres, one would have reasonably thought that if there was a significant problem with betting shops, that this would have been identified. The Council’s own health checks therefore provide evidence which is contrary to the other evidence used in the SPD.</p> <p>Paragraphs 7.10 to 7.12 talks about Fixed Odds Betting Terminals (FOBTs). There is reference to the fact that betting shops can only have 4 FOBTs in one shop and that this is a key reason behind the increasing number of betting shops across the country as operators open new shops to get around the four per premises limit. The Council have failed to consider whether there has been an increase within the Borough. Since 2005 there has actually been a reduction in betting shops within Islington. In 2005 there were 75 betting shops; now there are 68, equating to just under a 10% decrease. Again, this is an example of the Council listening to reports which in the main are based on perception rather than fact, and have not taken the time to see whether this is the case in their area.</p> <p>Paragraph 7.12 states that FOBTs amplify the ‘common perceived’ adverse impacts of betting shops, including exacerbating mental health problems and increasing anti-social</p>	<p>DM4.3 applies on a case-by-case basis. The council have undertaken a significant mapping exercise to gain an understanding of the current number and location of betting shops in the borough. However, it is impossible and undesirable to frontload the assessment of every single potential impact of new betting shops in every potential location in the borough. Hence the SPD sets the general scene and detailed assessment will take place at application stage, mindful of the SPD requirements for sufficient information to be provided to allow for a proper, robust assessment.</p> <p>The approach set out in DM4.3 and the SPD gives significant flexibility for applicants.</p> <p>Various council departments and partner organisations have been involved in the development of the SPD.</p> <p>As noted above, it is impossible and undesirable to frontload the assessment of every single potential impact of new betting shops in every potential location in the borough. This would require the council to ask the Metropolitan Police to frontload assessment of the impacts of a new betting shop in every potential location in the borough, which is clearly impractical.</p> <p>Case-specific advice from the Metropolitan Police and other organisations will be sought to inform determination of new betting shop applications.</p> <p>Provision of a management and operating strategy will also help to ensure that council departments and partner organisations can provide comments based on proper, robust information.</p> <p>The April 2012 healthcheck is an evidence base document collated for the specific purpose of supporting the examination of the DMP retail policies. This fact is noted in the first paragraph of each healthcheck.</p> <p>The healthchecks do not go into detail about various uses, nor were they intended to. This does not mean that the healthcheck is contrary to the SPD.</p> <p>The healthchecks were underpinned by an extensive survey of Islington’s town centres and local shopping areas; these surveys have been updated annually since 2012 and it is intended to continue an annual update in the future, to inform the Authorities Monitoring Report.</p> <p>The reduction of betting shops in Islington over time is noted but there is still a high overall amount of BS relative to other areas. A reduction in the absolute amount of betting shops also does not mean that there would be a reduction/lesser risk of over-concentration.</p> <p>Without wanting to get bogged down in a semantic argument, the term ‘perceived’ is analogous to ‘recognised’ or ‘identified’ in this context. The respondent seems to think that by using the term ‘perceived’, the council have somehow admitted that certain impacts are not real. This is clearly not the case. The SPD does not claim that these impacts will materialise on each and every betting shop application, but there is evidence that such impacts can occur depending on local circumstances. Notwithstanding this, the term will be amended in the SPD to clarify this beyond doubt and avoid possible wilful misinterpretation of specific words.</p>

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		<p>behaviour, and that in planning terms, potential increases in anti-social behaviour, crime and disorder are valid material considerations, and have been upheld in planning appeals. It is interesting that the Council admit themselves that these issues are 'perceived' impacts.</p> <p>The Council make reference to the Deptford Appeal in August 2011 as an example of where appeals for betting shops have been dismissed on such grounds. The Deptford decision is now four years old and there are plenty of appeal decisions which demonstrate that betting shops do not necessarily lead to such adverse impacts in reality. Indeed, Paddy Power alone have been successful at appeal on 14 occasions since 2012 and many more applications have been approved by Councils. Reference to one (now) historical appeal does not provide a robust evidence base on this point. It is also important to note that the scenario in Deptford High Street was particularly unique and one cannot assume the findings in this particular situation would be the same in every other situation. Betting shops are generally well regulated, well run and suffer far less crime and disorder than other uses.</p> <p>Paragraph 7.14 goes on to say that betting shops are materially different from retail uses due to a lack of associated retail and generally less active shopfront windows. As such, it is concluded that excessive concentrations of betting shops in areas which are predominantly retail in character could adversely impact the continued health and sustainability of such areas. Reference is made to an 2012 appeal in Weymouth to support the Council's position on this. Again, reference to one appeal decision which is three years old does not provide a sufficient evidence base to support this view. The Council's position on this is completely unfounded and at odds with the opinion of many appeal Inspectors since.</p> <p>It is an old fashioned view that the shopfronts of betting shops create dead frontages. It has become generally accepted that betting shops have shopfronts that are comparable to retail shops. The fact that they display odds in their windows is no different to retail shops displaying goods in their windows.</p> <p>In terms of footfall, it has again become generally accepted that betting shops, and in particular, Paddy Power betting shops, generate high levels of footfall. Survey work undertaken between 2011 and 2014 by an independent survey company (ESA Retail) has demonstrated that across centres of varying size Paddy Power shops generate high visitation rates. The results show that Paddy Power shops often attract higher visitation rates than many A1 shops of a similar size, and that in some instances they attract new customers to a centre.</p> <p>We note that the Council say that where there are 'excessive' concentrations of betting shops there 'may' be adverse impacts on a centre, however, this does not translate to the following sections which conclude that more or less the whole Borough is already at medium risk of adverse impacts and in many cases this is based on the fact that there are only one or two betting shops in a 500 metre radius.</p> <p>Other benefits of betting shops include significant investments in units, new jobs, comparable hours to retail shops and passive surveillance in the evening. However, none of these benefits are discussed in the SPD, demonstrating that the Council's assessment of betting shops is far from an objective one.</p> <p>There are many references to problem gambling and indebtedness, however it must be acknowledged that problem gambling levels in the UK are low by international standards and that only limited problem gambling occurs. The majority of customers undertake a legitimate leisure activity within their means. There is no evidence that an increase in betting shops in an area will necessarily lead to a significant increase in gambling and indebtedness.</p>	<p>The cited appeal in Deptford is proof that perceived impacts from ASB, crime and disorder, etc. can be considered material in the assessment of planning applications, where there is evidence. The SPD does not claim that the Deptford case alone justifies to a generalised restriction on new betting shops.</p> <p>The respondent notes 14 appeal decisions but only refers to one specifically in the entire response. Regardless of this, it is important to note that appeal decisions consider the specific circumstances of a case; any case-specific conclusion which finds there are no adverse impacts should not then be used as a general rule to be applied to other areas. As noted above, there is a wealth of dismissed betting shop appeals; reference to further appeals has been added to the SPD.</p> <p>Re: the claim that betting shops are generally well regulated, well run and suffer far less crime and disorder than other uses, the SPD requirements will allow this to be demonstrated at application stage, where supported by evidence.</p> <p>The respondent notes that the 2012 Weymouth appeal decision cited in paragraph 7.14 is at odds with the opinion of many appeal Inspectors made since; however, the respondent has neglected to provide any examples of these appeals. As noted above, there is a wealth of dismissed betting shop appeals; reference to further appeals has been added to the SPD. In particular, there are a number of appeal decisions which reinforce the Weymouth decision that betting shops are materially different to retail uses.</p> <p>The recent UCO reclassification of betting shops is further evidence that betting shops are materially different to A uses, particularly A1 retail.</p> <p>The SPD does not state that betting shops create dead frontages; it states that they are generally less active than other uses. The display of odds is different to the display of goods, as it does not generate passing trade and visual interest in the same way.</p> <p>The ESA Retail survey work referred to has not been provided; therefore it has not been possible to assess the methodology of this work and judge whether the research is relevant. Planning inspectors have noted that high visitation rates can largely be customers redirected from existing betting shops in the area, hence new betting shops can generate little additional footfall.</p> <p>It is not the intention of the SPD to institute a blanket ban on certain uses. Paragraph 7.34 (and related paragraphs) is not tantamount to a ban as it allows for case-by-case flexibility. However, we acknowledge that the paragraphs in the draft SPD might not be entirely clear for all readers; this is a matter that has been raised by several respondents. For the avoidance of doubt, this paragraph (and any related paragraphs) will be amended.</p> <p>The SPD is largely concerned with issues related to over-concentration and location in sensitive areas. The issues identified by the respondent, e.g. provision of new jobs, can be material considerations at application stage where justified; the weight given to these would be determined by the case officer. These issues could also be detailed in the management and operating strategy and the 'Planning for Health' self-assessment, provision of which is sought by the SPD.</p> <p>The SPD mapping highlights that a significant number of betting shops are in the most deprived areas of the borough; there is evidence that deprived areas suffer from higher rates of problem gambling, hence further betting shops in these areas should be</p>



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<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 221</p>		<p>It is therefore considered that the policies and guidance set out in the SPD are based on a poor and inaccurate evidence base.</p> <p><b>Betting Shops in Islington (paras. 7.17 to 7.31 and supporting maps)</b></p> <p>This section of the SPD discusses the number and location of existing betting shops in the Borough. It states at paragraph 7.20 that in terms of the absolute number of betting shops, 68 betting shops is not a particularly significant amount compared with other boroughs, but that in terms of the number of betting shops per hectare, this is the second largest figure of all UK boroughs, behind only the City of Westminster. It is a shame that the Council have only assessed the number of betting shops compared to population and not compared them to other businesses and shops. Such an exercise would demonstrate that there are significantly more shops, restaurants, pubs etc. in the Borough than there are betting shops, and that betting shops are not over-represented within the Borough's centres and actually only make up a very tiny proportion of the overall retail and service sector within the Borough, demonstrating that concerns about numbers of betting shops are not based on the reality of the situation when considered within the right context.</p> <p>Paragraph 7.4 states that there are a number of Local Shopping Areas with multiple betting shops, particularly along Caledonian Road, Essex Road and Holloway Road. However, this is not borne out by the evidence provided on Map 7 which plots existing betting shops within the Borough. In the vast majority of cases there are only two betting shops located in a Local Shopping Area. Two shops cannot possibly be described as 'multiple', which usually means 'several' of something. It is concerning that the Council has identified centres in these locations as having a large number of betting shops when in fact there is only a small number, and extremely small when compared in percentage terms with the other shops and services located within those centres. This demonstrates that the Council is of the view that more than one betting shop in an area or centre represents clustering/concentrations and is a potential problem. We cannot see how two betting shops in a centre or area with a number of other uses in between can possibly be described as forming a cluster or concentration.</p> <p>Rather than simply plotting the existing betting shops and allowing planning officers/members to assess whether a new betting shop in a particular area may lead to an over-concentration, the SPD goes further and draws a 500 metre buffer zone round each existing betting shop to highlight potential areas where development of additional betting shop(s) may lead to an over-concentration of these uses. Indeed, such an exercise means that more or less all of the Borough is included within a buffer zone and appears to entirely conflict with paragraph 5.7 which states that "the 500 metre radius is not identified to establish the subsequent over-concentration within the radial area".</p> <p>Many of these zones only include one, two or three betting shops in a very large area and it is entirely inappropriate to suggest that a further betting shop in these very large zones may lead to overconcentration.</p> <p>As discussed above, there is absolutely no evidence to suggest that the Borough's betting shops are causing localised problems, therefore there is no reason to conclude that a further betting shop in such zones, and in any of the zones drawn on the map with higher numbers of betting shops, would lead to an over-concentration, and an over-concentration that would be problematic.</p> <p>What is extremely concerning, however, is that the SPD then concludes at 7.27 that <b>"taking into account the guidance on over-concentration risk established in Section 5, all applications for betting shops in the areas covered by a buffer zone will be heavily</b></p>	<p>properly and carefully assessed.</p> <p>The SPD is not a blanket ban on new betting shops in deprived areas; the SPD requirements could help to prevent/mitigate any adverse impacts associated with problem gambling.</p> <p>We disagree that the SPD is based on a poor and inaccurate evidence base. The evidence base is sufficiently robust to support the SPD. The respondent provides general criticisms of the evidence base without offering any specific detail or providing evidence to the contrary.</p> <p>The SPD does highlight that the number of betting shops in Islington is not high in absolute terms, but relative to other local authorities, we have one of the highest number of betting shops per hectare. While this high per hectare rate may partly be a feature of the borough's relatively small size, it is nevertheless a factor - given that Islington has the highest population density of all UK local authorities - in the opportunity for individuals to have access to betting shops. A per hectare comparison gives an idea of relative spatial spread, which links much more with the issue of over-concentration.</p> <p>A comparison of the absolute amount of betting shops still shows that Islington has more betting shops than several larger London boroughs such as Lewisham, Haringey and Lambeth.</p> <p>A proportionate comparison of betting shops against retail and service uses in other areas would be irrelevant given that this would involve a very generalised comparison of hundreds of retail areas, each of which have a distinct characters. We note that the respondent seems to look at this issue from the narrow focus of designated centres, whereas we are concerned with borough-wide impacts.</p> <p>The term 'multiple' means more than one, whereas 'several' means more than two but not many; the respondent is again misinterpreting particular words.</p> <p>The respondent notes concern that the council has identified certain centres as having a large number of betting shops. The SPD does not state that these centres have large numbers of betting shops; it states that several centres have multiple betting shops. The respondent has wrongly inferred that multiple automatically equates to a large number. To reiterate, over-concentration is assessed on a case-by-case basis.</p> <p>We acknowledge that the issue re: medium risk might be misunderstood; therefore the SPD references to medium risk will be amended. For clarity, the SPD is not stating that the areas with multiple betting shops are necessarily over-concentrated (although it may be that these areas are closer to over-concentration).</p> <p>The 500m radius is clearly set out in DM4.3.</p> <p>Issues around paragraph 5.7 are discussed above. The mapping exercise is indicative. The buffer zones are not distributed arbitrarily; each of the zones has a betting shop at the centre, hence each buffer zone gives an idea of the number of betting shops within 500m of an existing betting shop.</p> <p>The SPD is supported by a robust evidence base, including the mapping. It should be noted again that the SPD does not impose onerous requirements and is not a blanket</p>

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		<p><b>scrutinised, with a presumption that any further betting shops are likely to exacerbate the existing medium risk of over-concentration in the area and have an adverse impact, particularly on the function, vitality and viability of Islington’s Town Centres”.</b></p> <p>This is also reiterated at paragraph 7.34 in the following section of the SPD – <b>“the starting point for any assessment of new betting shop applications is that the entire borough is considered to be at medium risk of adverse impacts to character, function, vitality, viability, amenity and health &amp; wellbeing”.</b></p> <p>Given that no assessments have been carried out on the existing betting shops in the Borough and any potential impact that they may be currently having on centres and local residents, it is difficult to understand how the Council have arrived at this conclusion. We cannot see how anyone could possibly conclude that the presence of one, two or three betting shops in a 500 metre radius presents a medium risk of over-concentration. There is no robust evidence to even back up that buffer zones with higher numbers of betting shops are at medium risk. In many instances, betting shops are nowhere near each other. Further, how can it possibly be the case that an area with one betting shop has exactly the same potential risk as an area with six or more betting shops? Indeed this demonstrates that the Council has adopted a broad brush and generalised approach without any proper analysis.</p> <p>We have no issue with the fact that the Council will want to scrutinise new betting shop applications and ensure that they will not lead to any clusters or concentrations which would lead to negative impacts, however, to assert that the starting point for all new applications is that a medium risk of adverse impacts already exists is wholly unsubstantiated and does not allow officers/members to make objective decisions. Indeed, if the decision-makers are told that there is already a medium risk, many will naturally conclude that an additional betting shop in an area would result in an area being at high risk of adverse impacts and there will be a tendency to conclude that the application should be refused. This is clearly unacceptable, particularly given that there is no evidence base to back up the SPD’s presumptions in this regard.</p> <p>It is therefore clear that this part of the SPD does not ‘help’ applicants make successful applications which the NPPF requires SPDs to do.</p> <p>We therefore strongly suggest that the Council revisits this section of the SPD. A flexible approach must be adopted with respect to the 500 metre radius as is suggested by paragraph 5.7 of the SPD.</p> <p><b>Planning Applications (paras 7.32 to 7.64)</b></p> <p>This section of the draft SPD sets out the information that will be required to support an application for a new betting shop and the conditions that will be imposed in the event planning permission is granted. It is clear that their purpose is to deal with the Council’s concerns regarding impacts on health and safety.</p> <p>It is rather concerning that the Council’s planning department considers it necessary to introduce these requirements and conditions. It is concerning because such issues are already covered by other regulations such as the licensing regime and health and safety regulations.</p> <p>Gambling is one of the most heavily regulated activities in the country which has resulted in a socially responsible industry. Betting shops are governed by the three gambling objectives. Betting shop operators wishing to open a new betting shop must demonstrate that their operation will:</p>	<p>ban on new betting shops.</p> <p>The respondent notes earlier that they have no issue with the fact that the council want to scrutinise new applications. If this claim is true, then it is hard to understand why the respondent also objects to having to provide relatively basic information to ensure that new applications can be properly scrutinised, and to ensure impacts have been identified and properly mitigated or prevented.</p> <p>The SPD is clearly planning focused and in no way alters or compromises the licensing regime, which remains wholly separate. The SPD is very clear that licensing and planning considerations are separate; the SPD guidance in no way prejudices or predetermines licensing applications.</p> <p>Information on the licensing process is noted. The licensing process is fully understood and is clearly detailed in the SPD; the council’s licensing department have been involved in the development of the SPD.</p> <p>The SPD requirements are not onerous. Planning conditions which mirror licensing conditions are commonplace, e.g. conditions restricting opening hours. Indeed, opening hours permitted can sometimes be different in each regime, reflecting the separate considerations of the regimes. The proposed condition will ensure that planning impacts are mitigated.</p> <p>The SPD in no way alters or compromises the licensing regime, as noted above. The SPD requirements are not considered burdensome.</p> <p>The proposed conditions meet the tests set out in the NPPF. For clarity, the proposed conditions do not require compliance with other regulatory regimes. The conditions relate to specific planning impacts, namely aspects of betting shops which can cause adverse impacts, including adverse impacts on the amenity of local residents and businesses. This incorporates concerns about health, which are not part of licensing considerations but are material in the assessment of planning applications.</p> <p>The intention is that the proposed conditions would be imposed on all new betting shop permissions, but, as with any guidance, if exceptional circumstances are demonstrated as to why such conditions are not appropriate (on a case-by-case basis), there is scope for conditions not to be imposed.</p> <p>For clarity, the SPD does not state that betting shops will be resisted near schools. Schools are a sensitive use but in the context of DM4.3, schools are mainly relevant to hot food takeaway applications. Section 5 of the SPD identifies some examples of sensitive community facilities. Where there is evidence that a betting shop is within close proximity of a sensitive facility which will be adversely affected by the betting shop use, an application may be resisted; however, this will be assessed on a case-by-case basis, taking into account local evidence.</p> <p>The SPD is consistent with regulatory requirements and national policy. As noted above, the Regulator’s Code does not apply to planning documents, as planning is not a regulatory regime which falls under the scope of the code; but nonetheless the SPD does not directly or indirectly restrict any regulators who are bound by the Regulators’ Code, e.g. licensing authorities.</p>

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Page 223		<p>1. Prevent gambling from being a source of crime and disorder, being associated with crime or disorder, or being used to support crime;</p> <p>2. Ensure that gambling is conducted in a fair and open way; and</p> <p>3. Protect children and other vulnerable people from being harmed or exploited by gambling.</p> <p>As such, when applying for their gaming licence, betting shop operators must provide information and evidence demonstrating that they have appropriate training and management procedures/policies in place to show that they will comply with these objectives, including the protection of children and other vulnerable people, something that betting shop operators take very seriously. This of course includes being members of various schemes. For example, Paddy Power was a founding member of the Senet Group, an independent body set up to promote responsible gambling standards. They are also certified by Gamcare, as are the majority of the major betting shop operators. Failure to demonstrate compliance with the objectives means that a license will not be granted, and of course, if at any time a betting shop operator is found not to be complying with the objectives in the future, their licence can be reviewed and ultimately revoked. Where the licensing authority has any concerns about a new operation when considering a licence application, they are perfectly entitled to impose conditions on a licence to ensure that additional measures/policies/procedures are put in place.</p> <p>The fact that the Council's planning department is seeking to implement these requirements and conditions shows a distinct lack of understanding of the industry and how it is currently regulated and controlled.</p> <p>The Council's policies in this regard wholly duplicate the licensing regime and are therefore entirely unnecessary. They would result in burdensome requirements on an already well regulated and socially responsible industry.</p> <p>Paragraph 206 of the NPPF states that planning conditions should only be imposed where they meet the six tests, the first of which is 'necessary' and 'relevant to planning'. It is clear that those conditions set out in this part of the SPD would not comply with the first two tests. Indeed, the NPPG states at paragraph 005 that conditions requiring compliance with other regulatory requirements and regimes will not meet the test of necessity and may not be relevant to planning.</p> <p>Further the NPPG makes clear that every condition must always be justified by the local planning authority on its own planning merits on a case by case basis, therefore policies that seek to impose blanket conditions are not appropriate.</p> <p>Given that children and vulnerable groups are already protected through the licencing regime, it is clear that there is no necessity for a policy which resists betting shops within close proximity to schools and other vulnerable uses. The fact that betting shops are required to have policies and procedures in place to protect such groups in society, their location in relation to what the planning department consider to be 'vulnerable uses' is irrelevant. It is certainly worrying that the planning department consider that it would be appropriate to impose such conditions and requirements, and still have policies in place which state that betting shops cannot be in close proximity to 'vulnerable' uses.</p> <p>It is therefore strongly recommended that this section is deleted from the SPD.</p>	

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		<p><b>Concluding Comment</b></p> <p>It is our view that the SPD amounts to a breach of Regulation 8 of the 2012 Town and Country Planning (Local Planning) (England) Regulations, section 19 of the 2004 Act and is patently inconsistent with national policy and the Regulators' Code. The document therefore requires significant review.</p>	
SPD14	Association of British Bookmakers	<p><b>Introduction</b></p> <p>The Association of British Bookmakers (ABB) represents over 80% of the high street betting market. Our members include large national operators such as William Hill, Ladbrokes, Coral and Paddy Power, as well as almost 100 smaller independent bookmakers.</p> <p>Please see below for the ABB's response to the current consultation on the Council's draft Location and Concentration of Uses Supplementary Planning Document (SPD).</p> <p>This sets out the ABB approach to partnership working with local authorities and details our substantial concerns relating to the current draft and its lack of evidence base. The additional requirements placed on betting operators wishing to apply for a premises licence are disproportionate compared to any evidenced risk, and also duplicate and disregard the separate licensing process at both a local level and as undertaken by the Gambling Commission.</p> <p>The Council states the aim of this document is "not to implement a 'blanket ban' to prevent certain uses coming forward anywhere in the borough, but rather to restrict development of specific uses in locations where there is demonstrable evidence of harm." However, there is no evidence that the presence of betting shops lead to demonstrable harm.</p> <p>Betting shops are highly and independently regulated by the Gambling Commission. The industry operates to the highest standards of social responsibility as set out in the Commission's licence conditions and codes of practice, in addition to meeting the requirements of the ABB's own Code for Responsible Gambling, which is mandatory for all members.</p> <p>The Council's stated policy aim to "avoid development which could negatively impact the character and function of specific areas, particularly through over-concentration of a particular use" must be pursued with extreme caution in the ABB's view. This goes some way to seeking to circumvent the provisions of the Gambling Act 2005 which prevent demand being able to be taken into consideration in local authority licensing decisions and could be legally challenged.</p> <p>The draft statement identifies an "urgent need to enable local planning authorities to control the proliferation of betting shops and to address the implications this can have for maintaining the vitality and viability of town centres, and for protecting their amenity and safety".</p> <p>However, there is no evidence of betting shop proliferation. Over recent years betting shop numbers have been relatively stable at around 9,000 nationally, but more recently a trend of overall downwards decline can be seen. The latest Gambling Commission industry statistics<sup>2</sup> show that numbers as at 31 Mar 2015 were 8,958 - a decline of 179 from the previous year, when there were 9,137 recorded as at 31 March 2014.</p> <p>There are clear and tangible benefits to betting shops' presence on the high street including as a proven driver of footfall and in providing local employment, with regards which it should be noted that 56% of betting shop employees are women and 25% are under 24. Each</p>	<p>Response noted.</p> <p>It is considered reasonable to put in place measures to identify and mitigate the impacts of betting shops through planning guidance. The SPD requirements are not considered onerous.</p> <p>There is evidence, set out in the SPD, that betting shops can cause harm; the SPD does not state that betting shops will cause harm in all cases. The respondent's general assertion that betting shops do not lead to demonstrable harm is incorrect.</p> <p>The SPD is clearly planning focused and in no way alters or compromises the licensing regime, which remains wholly separate. The SPD is very clear that licensing and planning considerations are separate; the SPD guidance in no way prejudices or predetermines licensing applications, and merely brings the information required by planning in line with that required by licensing.</p> <p>This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The respondent's threat of legal challenge is based on a misunderstanding of the SPD implications.</p> <p>The SPD highlights that the number of betting shops in Islington is not high in absolute terms, but relative to other local authorities we have one of the highest number of betting shops per hectare. While this high per hectare rate may partly be a feature of the borough's relatively small size, it is nevertheless a factor - given that Islington has the highest population density of all UK local authorities, as noted by the respondent - in the opportunity for individuals to have access to betting shops. A per hectare comparison gives an idea of relative spatial spread, which links much more with the issue of over-concentration.</p> <p>The respondent cites potential positives aspects of betting shops. It is possible that a betting shop could have positive benefits which can then be weighed against negative impacts in any planning determination.</p> <p>Re: crime and safety, the SPD highlights that there are potential impacts associated with betting shops (e.g. ASB). The proposed Management and Operating Strategy could investigate such issues and whether any specific mechanisms are needed to mitigate/prevent impacts from arising; this could include provision of information similar to that provided by the respondent (Safebet Alliance, working with local police, etc.).</p> <p>The change to the UCO which took effect in April 2015 – whereby betting shops and payday loan shops were put in a separate use class – demonstrates that betting shops and payday loan shops have distinct issues which need to be addressed on a case-by-case basis. There is a need for clear guidance to assess these uses, to supplement Islington's adopted policy. The proposed guidance is not considered onerous.</p>

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		<p>betting shop also pays an average of £8,644 in business rates per year.</p> <p>The safety of our staff and customers is paramount and ABB members all support the Safe Bet Alliance (SBA), a set of national safety guidelines for betting shops designed in conjunction with the police and Community Union. Following its introduction the SBA was found to have reduced robberies against betting shops in the capital by 46 per cent and official figures from Britain’s police forces show that the UK’s betting shops have among the lowest level of crime of all high street retailers. Statistics4 compiled by the ABB through Freedom of Information requests reveal that this puts the betting industry on a par with fast food outlets and with far fewer incidents of crime than food stores, clothes shops or pubs.</p> <p>The industry has been working closely with several police forces on tackling and reducing crimes, and bringing those who commit crimes against shop staff or customers to justice. Recent examples include campaigns with Police Scotland, Greater Manchester Police and Nottinghamshire Police. The ABB also operates a reward scheme, which recognises members of the public who helped prevent a crime from taking place or provided information that led to a conviction.</p> <p>Our customers enjoy spending their leisure time in our shops and operators are committed to ensuring this remains the case, with stringent policies in place to prevent access to gambling by young people or harm to vulnerable people. Both of these areas represent licence conditions that the operator must demonstrably meet before it is granted a licence to operate by the Gambling Commission and at a local level the Council’s licensing team will be provided with the operator’s local risk assessment setting out how it will mitigate any risks to the licensing objectives. We are strongly opposed to the procedures set out in the draft SPD that would interfere with this process, and undermine the principles set out in the Gambling Act.</p> <p>In our view the current regime already adequately offers key protections for communities and already provides a clear process (including putting the public on notice) for objections to premises licence applications. The recent planning law changes effective since April 2015 have also already increased the ability of licensing authorities to review applications for new premises, as all new betting shops must now apply for planning permission.</p> <p><b>ABB Consultation response</b></p> <p><b>1) Working in partnership with local authorities</b></p> <ul style="list-style-type: none"> <li><b>LGA – ABB Betting Partnership Framework</b></li> </ul> <p>In January 2015 the ABB signed a partnership agreement with the Local Government Association (LGA), developed over a period of months by a specially formed Betting Commission consisting of councillors and betting shop firms, which established a framework designed to encourage more joint working between councils and the industry.</p> <p>Launching the document Cllr Tony Page, LGA Licensing spokesman, said it demonstrated the</p> <p><i>“...desire on both sides to increase joint-working in order to try and use existing powers to tackle local concerns, whatever they might be.”</i></p> <ul style="list-style-type: none"> <li><b>Medway Responsible Gambling Partnership</b></li> </ul>	<p>Section 1 of the response re: working in partnership with local authorities is noted. The council considers that the SPD guidance is not onerous. As acknowledged by the respondent, voluntary schemes are routinely entered into; the local planning authority needs to be able to secure sign-up to such schemes if they are considered necessary as part of any grant of planning permission. The SPD requirements are considered reasonable.</p> <p>FOBT is a commonly used acronym. The SPD cites evidence which demonstrates the link between FOBTs and potential adverse impacts. The SPD does not aim to restrict FOBT, as this is beyond its remit.</p> <p>The reason the SPD mentions FOBTs is that they contribute to the overall impact of betting shops. The SPD aims to prevent and mitigate adverse impacts associated with the location and concentration of betting shops.</p> <p>The RGT research is noted. The council’s reading of the RGT research differs from that stated by the ABB. The research did not find that there was no causal link; just that it should not be assumed that problem gambling status is causally and predominantly related to gaming machine play. The SPD does not suggest a definite link, and merely highlights research which suggests link; this is consistent with the RGT research. However, a small amendment has been made to ensure that this is clear.</p> <p>We also note the recently reported claims of potential RGT bias towards the gambling industry. This may lessen the legitimacy and weight of the RGT research as a reliable piece of evidence.</p> <p>The cited Deptford appeal is proof that perceived impacts from ASB, crime and disorder, etc. can be considered material in the assessment of planning applications, where there is evidence.</p> <p>FOBTs have been noted as a factor which contributes to betting shop clustering. The SPD has been amended to include reference to support the claim.</p> <p>Re: the information sourced from CFG, the raw data is from Geofutures, hence it is considered impartial and robust.</p> <p>The only part of the CFG analysis referred to in the SPD is the FOBT player and loss statistics noted in Appendix 3. These are caveated appropriately and form only part of the evidence base for the SPD.</p> <p>The council’s mapping shows several areas with clusters of betting shops.</p> <p>Given the mapping which shows a significant number of betting shops in deprived areas, the suggestion of betting shop clustering in deprived areas is a valid association to make.</p> <p>The SPD does not say that betting shops should be automatically resisted in any area, and puts in place no thresholds. The SPD puts in place requirements to ensure that sufficient information is provided to properly assess impacts.</p> <p>The conditions proposed in the SPD are not onerous and meet the tests set out in the NPPF. They in no way prejudice or predetermine the consideration of licensing applications.</p>

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		<p>The Medway Responsible Gambling Partnership was launched by Medway Council and the ABB in December last year. The first of its kind in Britain, the voluntary agreement allows anyone who is concerned they are developing a problem with their gambling to exclude themselves from all betting shops in the area.</p> <p>The initiative also saw the industry working together with representatives of Kent Police and with the Medway Community Safety Partnership to develop a Reporting of Crime Protocol that is helpful in informing both the industry, police and other interested parties about levels of crime and the best way to deal with any crime in a way that is proportionate and effective.</p> <ul style="list-style-type: none"> <li>• <b>Primary Authority Partnerships in place between the ABB and local authorities</b></li> </ul> <p>All major operators, and the ABB on behalf of independent members, have also established Primary Authority Partnerships with local authorities. These Partnerships help provide a consistent approach to regulation by local authorities, within the areas covered by the Partnership; such as age-verification or health and safety, for both the benefit of operators and local authorities.</p> <p><b>2) Other areas of specific concern within the SPD</b></p> <ul style="list-style-type: none"> <li>• <b>FOBTs</b></li> </ul> <p>The SPD states that Fixed Odds Betting Terminals (FOBTs) are a distinct driver of adverse impacts associated with betting shops. Bookmakers offer B2, with a £100 maximum stake, and B3 content, with a £2 maximum stake, on the gaming machines in their shops. Legislation allows up to a maximum of four machines per shop. FOBTs is a commonly used but legally meaningless term.</p> <p>There is no evidence that gaming machines cause gambling related harm. Significant research has been carried out in this area, and in December 2014 the Responsible Gambling Trust (RGT) published a substantial piece of work made up of seven separate reports following research enabled by unprecedented access to industry data. The independent research found that it was possible to distinguish between harmful and non-harmful gaming machine play but found no causal link between gaming machines and problem gambling.</p> <p>Problem gambling is specific to the person and not to any one product. Rates of problem gambling are shown to be highest amongst customers who participate in seven or more activities a year and lowest amongst those who take part in only one. Whilst the rate of problem gambling in the UK is low by international standards, at 0.6% of the population, the industry is fully committed to putting effective policies in place to provide customers with the tools they need to stay in control of their gambling and enable effective interactions with anyone identified as at risk.</p> <p>The industry is working to take forward the findings of the RGT research and all major operators, and gaming machine suppliers on behalf of independent operators, have advanced trials underway of data algorithms, based on identifiable markers of harm, to apply to customers' player behaviour data which will allow more targeted and earlier interventions with customers who may be at risk.</p> <p>There is no evidence that gaming machines exacerbate mental health problems or increase anti-social behaviour, as claimed in the SPD. In fact, gaming machine customers are amongst the most monitored in the betting shop. Since April 2015 all gaming machine customers wishing to stake over £50 must log-in to a verified customer account, where their</p>	<p>The debt advice/gambling addiction charity condition guarantees the requirement through planning, in order to mitigate planning impacts; and has specific regard to size of display, siting, etc., which LCCP does not.</p> <p>Planning conditions which mirror licensing issues are not a new concept, e.g. opening hours conditions are regularly imposed through planning. Indeed, opening hours permitted can sometimes be different in each regime, reflecting the separate considerations of the regimes. The proposed condition will ensure that planning impacts are mitigated.</p> <p>The proposed condition which seeks the betting shop operator to sign up to any scheme(s) which promote community safety and/or other good practice is neither unlawful or an example of over-regulation. It is not onerous and meets the tests set out in the NPPF. It in no way prejudices or predetermines the consideration of licensing applications.</p> <p>The condition ensures that betting shop operators firmly commit to good practice. If sign up to such schemes is not compelled, there can be no guarantee that measures will be adhered to. The SPD notes that the condition can be flexible about the schemes; and allows a 6 month window (from date of first operation) for sign-up. This requirement is no different to requirements for other uses, such as hotels.</p> <p>Requesting information that is also necessary for the licensing process is not an unnecessary duplication of the licensing process, nor does it in any way predetermine a licensing application. Requiring a certain level of information to make a balanced planning judgement is a sensible approach. The information should be readily available to betting shop operators.</p> <p>Guidance point BS5, which seeks provision of a Betting Shop Management and Operating Strategy, is not considered to be an increase in the regulatory burden or the cost of making an application, as it is not asking for new information; it merely sets out information that planning requires to assess applications properly. The examples of the type of information required are clearly linked to relevant planning considerations.</p> <p>There are no grounds for concern with the council's approach. The SPD is not a blanket ban on new betting shops.</p> <p>The proposed measures are lawful as outlined above; we note that the respondent considers the SPD to be 'potentially illegal' but as the SPD does not deal with matters of criminal law, the SPD cannot be illegal. We have presumed that the respondent means 'unlawful'.</p> <p>This SPD supplements adopted policy which has gone through various statutory phases including various rounds of consultation; and examination by an independent planning inspector. The policy was found to be legally compliant and sound. The content of the SPD is within the remit of planning and meets the tests set out in the NPPF. The respondent's threat of legal challenge is based on a misunderstanding of the SPD implications.</p>

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<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 227</p>		<p>patterns of play can be monitored, or go to the counter to load money, thereby increasing staff oversight and opportunities for customer interaction.</p> <p>All players must decide whether to set a spend or time limit before they can start to play, and pop-ups alert the customer for every £250 or 30 minutes on the machine regardless of whether a limit it set or not. Staff are notified behind the counter for every pop-up or voluntary limit reached and are trained to be able to recognise any indications of problem gambling and how to respond. The machines all display responsible gambling messages on the top screen for 20% of the time and further information is available on the terminal.</p> <p>We do not believe that the one quote provided, related to a very specific case in Deptford, provides sufficient evidence that potential increases in anti-social behaviour, crime and disorder are valid material considerations which have been upheld in planning appeals. Furthermore, we object to the claim that betting shop openings are fuelled by a desire to make more gaming machines available. Betting shop openings are subject to demand for their services and it is for this reason that 84% of premises are found in commercial centres, where there are higher concentrations of people.</p> <p>This is demonstrated by the fact that, as stated in the SPD, Islington – as the most densely populated borough in the UK – has a higher concentration of betting shops than in other areas. Where there isn't sufficient demand for the betting shop it will close, like any other retail business.</p> <ul style="list-style-type: none"> <li>• <b>Data and mapping</b></li> </ul> <p>We are surprised that the Council has relied on data from the Campaign for Fairer Gambling (CFFG) to support the SPD. The CFFG are a campaign group whose sole reason for being is to reduce the maximum stake on B2 gaming machines in betting shops. Their data is not credible and is based on a number of estimates and assumptions.</p> <p>The mapping provided by the Council in the document appears to draw links between the location of betting shops and their environment. Whilst the maps are helpful in understanding the local area and the physical location of betting shops there is no evidence of any links between location and the presence of shops. As set out above, the location of betting shops is driven by demand and not other local factors such as deprivation.</p> <p>The map shows concentrations of betting shops in some deprived areas of the borough. This is not a surprise in a diverse London borough. Demand will not be confined solely to affluent areas, but the protections in place for customers in these shops will be the same as in all others. As per licence requirements stringent policies will be in place to prevent access to gambling by children, protect vulnerable people and to keep crime out of gambling. Incidents of failures by Licensed Betting Shop operators to uphold these licensing objectives are extremely rare and there have been no licences revoked on this basis since the Gambling Act 2005 was introduced.</p> <p>The argument made in the SPD, in support of the policies being proposed, that problem gambling levels may be higher in areas of deprivation, amongst the unemployed or those with severe money problems, and therefore betting shop openings in these areas should be curtailed, does not stand up to scrutiny because it is based on the presumption that betting shops will either lead to an increase in problem gambling in that area or that they do not have the necessary protections in place to prevent gambling related harm in their shops. No evidence has been provided to demonstrate this is the case and we vigorously deny it could be.</p> <p>It is worth categorically stating that bookmakers do not target deprived areas. Independent</p>	

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		<p>research has shown that there are more shops and more shop openings in affluent areas than in the most deprived, and that operators make more profits from affluent areas than deprived.</p> <ul style="list-style-type: none"> <li> <b>Mandatory conditions</b> </li> </ul> <p>We find that the mandatory conditions to display information about debt advice and gambling addiction charities and sign up to good practice or community safety schemes are unnecessary and go beyond the scope of the Council in terms of planning requirements by beginning to impinge into areas of licensing under the Gambling Act.</p> <p>Firstly, there is already a Gambling Commission requirement under the LCCP on operators to display information about gambling charities and the National Gambling Helpline, where information about debt advice can also be provided. This is further bolstered by the ABB Code for Responsible Gambling which requires more prominent display of this information and for all staff to be trained in responsible gambling and able to sign-post customers to support services.</p> <p>Secondly, the Council should not seek to compel participation in a voluntary industry code or other community schemes through a planning condition. This is an area relating to the licensing regime and not planning. Not only is this unnecessary over regulation but it is also possibly unlawful.</p> <p>The suggestion by the Council that operators also complete a Betting Shop Management and Operating Strategy is also unnecessary duplication of an existing requirement on operators under the Gambling Commission LCCP to complete local area risk assessments identifying any risks posed to the licensing objectives and how these would be mitigated.</p> <p>Licensees must take into account relevant matters identified in the licensing authority's statement of licensing policy and local area profile in their risk assessment, and these must be reviewed where there are significant local changes or changes to the premises, or when applying for a variation to or a new premises licence.</p> <p>The ABB supports this requirement as set out in the LCCP, as this will help sustain a transparent and open dialogue between operators and councils. We do not support the over prescribed approach of the Council in seeking to duplicate this at the planning stage, which will be unnecessarily burdensome for our members.</p> <p>Any increase in the regulatory burden would severely impact on our members at a time when overall shop numbers are in decline, and operators are continuing to respond to and absorb significant recent regulatory change. This includes the increase to 25% of MGD, changes to staking over £50 on gaming machines, and planning use class changes which require all new betting shops in England to apply for planning permission.</p> <p>This is of particular concern for smaller operators, who do not have the same resources to be able to put into monitoring differences across all licensing authorities and whose businesses are less able to absorb increases in costs, putting them at risk of closure.</p> <p><b>Conclusion</b></p> <p>We have significant grounds for concern that the approach set out by the Council in this SPD could lead to considerable harm for our members and the industry as a whole in its unnecessarily restrictive approach which is not supported by evidence. It is also our view that the policy goes further than this in some areas by being potentially illegal. If this draft were to</p>	



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SPD15	Better Archway Forum	be finalised in unchanged form we would have little choice but to pursue legal avenues for redress.	
		<p>We know from multiple community consultations that there is very deep-seated concern about the impact of takeaways, betting shops and payday loan shops, as well as activities like lap dancing clubs and gambling arcades. We therefore support any policy which may limit the number of such outlets and their impact on the community.</p> <p><b>Betting Premises</b> Our customer count of the Junction Road gambling arcade (now closed) revealed that customers might stay for as long as 4+ hours, but that over 14 hours there were very few of them – less than one per hour. This means that betting actively reduces footfall on the street when compared to services such as retail or banking, offering a further reason to restrict the number.</p> <p>Given the policy by many betting operators to require staff report anti-social behaviour internally rather than to the police, would it be possible to impose a requirement that the police also be informed of any such event? The policy is of course in order to protect the operating licence given the increasing violence associated with FOBTs.</p> <p>Additionally members who work in the field of domestic violence have noted that an increase in betting results in an increase in domestic violence. The breadwinner returns home without the money needed to run the home, and tempers naturally run high. Removing the temptation to gamble on the way home would reduce this problem.</p> <p><b>Payday Loan Shops</b> Although not directly relevant to this policy, it would be helpful if town centres could facilitate shopfront premises for the credit unions. The branch in Archway is well out of the way down St John's Way in Caxton House which is designed without any active frontage. A Credit Union sited in the centre, perhaps as part of the community benefit from any planning permission, would be a helpful way of making the alternative to payday loans more visible.</p>	<p>Support noted. Anecdotal evidence alluded to supports the evidence detailed in the SPD which suggests that betting shops generally have a lower footfall than retail uses.</p> <p>Re: requiring that any incidences of anti-social behaviour are reported to the police, rather than just internally, there is little robust evidence that this phenomenon is a widespread problem. Even if there was such evidence, the licensing regime would be the most appropriate mechanism to tackle this. We note that the SPD seeks provision of a Betting Shop Management and Operating Strategy; as noted in the SPD, this could include details of staffing and security, as well as any measures to prevent crime and anti-social behaviour.</p> <p>The suggestion that there is a direct correlation between betting and domestic violence is not supported by any evidence.</p> <p>It would not be appropriate to have a general requirement in the SPD for premises to be provided for credit unions as part of a S106 agreement for new payday loan shops.</p>
		General support for SPD.	Noted.
SPD17	KFC	<p><b>INTRODUCTION</b></p> <p>This Representation is made by SSA Planning Limited (SSAP), on behalf of Kentucky Fried Chicken (Great Britain) Limited, in relation to Section 6 of the Draft Islington Location and Concentration of Uses Supplementary Planning Document (SPD).</p> <p>Kentucky Fried Chicken (Great Britain) Limited is committed to working in partnership with government to increase the availability of healthy diet and exercise choices. It has delivered on this by:</p> <ul style="list-style-type: none"> <li>• Signing up to the Department for Health Responsibility Deal.</li> <li>• Displaying calorie information in all 830 of its UK restaurants.</li> <li>• Engaging in a programme of salt reduction across its menu.</li> <li>• Not automatically salting fries and reducing salt sachet sizes.</li> <li>• Removing all artificial trans fats from its menu six years ago.</li> <li>• Working with the Food Standards Agency to improve its menu.</li> </ul>	<p>Response noted.</p> <p>The information about KFC is noted. The purpose of the SPD is to offer further guidance on a specific policy. Other benefits of a scheme (which could potentially include several of things noted here by the respondent) could be a material consideration at application stage; the weight given to these would be determined by the case officer on a case-by-case basis.</p> <p>The SPD is considered a reasonable and fair measure as part of multi-disciplinary responses to the issue of obesity. The SPD offers practical guidance on adopted policy and is not considered unduly restrictive.</p> <p>Inherent in the use class system is an understanding that all hot food takeaways are considered the same in planning terms, i.e. A5 uses. DMP policy DM4.3, as adopted, already sets out the policy basis for focusing specifically on hot food takeaways. DM4.3 has been through a statutory process, including examination hearings, and was found to be legally compliant and sound by an independent planning inspector.</p> <p>As noted above, there may be certain material considerations which apply on a case-by-case basis, dependent on evidence provided.</p>

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		<ul style="list-style-type: none"> <li>Offering healthier choices such as salads and grilled chicken.</li> <li>Taking a responsible approach to marketing.</li> </ul> <p>Further detail on practical measures Kentucky Fried Chicken (Great Britain) Limited has already taken and is continuing to take is contained in Appendix A.</p> <p>Consequently, Kentucky Fried Chicken (Great Britain) Limited agrees with any reasonable and fair strategy to increase the availability of healthy diet and exercise choices. It cannot agree with measures that simply restrict choice for all members of the public and impact jobs and investment without good evidence of effectiveness.</p> <p><b>RESPONSE</b></p> <p>We regret that the policy treats all hot food takeaways of whatever quality in terms of physical appearance or nutritional value of their menu in the same way. This is unfair and tends to ignore any efforts individual restaurant or hot food takeaway operators might make to improve the nutritional value of their menu.</p> <p>We are further of the view that food of high energy density or poor nutritional value is sold from and at a range of premises within a variety of other classes, including many in Class A1, such as coffee or sandwich shops, bakeries or, simply, supermarkets. We welcome the acknowledgement that non-A5 uses can have a significant takeaway element, but are concerned that the primary focus of Section 6 of the SPD remains Class A5 uses, and that focussing on this use class is both unhelpful and unfair.</p> <p>We remain of the view that there is so far no evidence of a causal spatial link between clusters of hot food takeaways and incidence of obesity or overweight.</p> <p>In order to be useful, there would need to be evidence of a particular intensity of cluster of hot food takeaways above which harm occurs or is noticeably greater. This is not demonstrated in the evidence. Indeed, there is no evidence of a causal spatial link between clusters of hot food and the incidence of obesity or overweight at all.</p> <p>It is better to rely on objective evidence in a retail study to set maximum proportions of hot food takeaways. Whilst these are primarily directed at protecting the retail health of designated centres, there is scope to widen their application to support the retail health of retail provision outside centres, such as standalone or parade units.</p> <p>As it is usually impractical to apply a maximum frontage proportion outside centres, the suggested 500 m distance could be applied, within which the proportion (rather than number) of units, be they in- or out-of-centre, used as hot food takeaways would not be permitted to exceed the same threshold as set for centres.</p> <p>In adopting such an approach, it would be preferable to consider optimal proportions of all retail uses that could contribute to healthy centres or to a healthy offer generally, whether in- or out-of-centre, instead of focussing on particular uses considered to be a problem, apparently for wider social reasons unrelated to retail planning.</p> <p>In addition, this approach provides context to the assertion at paragraph 6.33 that there are three times as many “fast food outlets” in Islington as in other local authority areas. It may be, for example, that there are three times as many retail outlets and that the proportion is not unusual in an urban authority with a strong retail function.</p>	<p>The specific focus on A5 uses is valid based on case law, national and London-wide policy; as well as numerous evidence documents</p> <p>The SPD sets out a requirement for new A5 uses to achieve the Healthy Catering Commitment standard. Achieving this standard will be a positive step for any proposal for new A5 units, with regard to healthy eating.</p> <p>As noted above, DMP policy DM4.3, as adopted, already sets out the policy basis for focusing specifically on hot food takeaways.</p> <p>The council acknowledges that some products on sale in A1 newsagent uses, e.g. chocolate bars, crisps, soft drinks, are contributors to poor diets and ultimately the higher prevalence of obesity; however, these stores often provide a range of convenience goods, whereas A5 uses are specifically classified as such because they sell hot food to takeaway. The policy can tackle a number of uses in principle, but in this case there is a greater body of evidence to justify intervention on A5 uses than A1 newsagent uses.</p> <p>The specific focus on A5 uses is valid based on case law, national and London-wide policy; as well as numerous evidence documents. The issue of unhealthy food being available at in A1 units has been considered by a number of planning inspectors at the examination stage of several London Borough Development Plan Documents; subsequent inspectors reports have acknowledged that focusing solely on A5 uses is acceptable; for example, the inspector for Hackney’s Development Management Local Plan considered that “<i>though an imperfect measure, the fact that [Hackney’s proposed policy to restrict A5 uses within 400m of secondary schools) offers some response to a significant national problem justifies it.</i>”</p> <p>The respondent’s view that there is no evidence of a link between HFTs and incidences of obesity is noted, but we note that no evidence is cited to substantiate this view. The wording of the response suggests that it is informed by a misreading of the PHE/LGA report. To clarify, this report states the following:</p> <p><i>“It is only in recent years that local authorities have started to use the legal and planning systems to regulate the growth of fast food restaurants, including those near schools. There is thus an unavoidable lack of evidence that can demonstrate a causal link between actions and outcomes, although there is some limited evidence of associations between obesity and fast food, as well as with interventions to encourage children to stay in school for lunch. However, there are strong theoretical arguments for the value of restricting the growth in fast food outlets, and the complex nature of obesity is such that it is unlikely any single intervention would make a measurable difference to outcomes on its own.”</i></p> <p>The quote actually states there is not yet any causal link between actions (e.g. policies to limit A5 uses near schools) and outcomes (e.g. lower rates of childhood obesity), rather than stating (as the respondent infers) that there is no evidence of a link between clusters of hot food takeaways and incidences of obesity; on the contrary, various pieces of evidence are set out in the PHE/LGA document itself, and also in Appendix 3 of the SPD. Tackling health issues through planning is a relatively recent measure, therefore it is not unexpected that little evidence exists to show a link between actions and outcomes, as the document explicitly states.</p> <p>The report is clear that, even without current evidence that policies have had an effect, there is a strong theoretical argument for restrictions. In addition, the report goes on to</p>

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Page 231		<p>If the draft SPD remains specific to particular use classes, then it or its supporting text should clarify how development that merely contains an element of hot food takeaway use (for example, a restaurant and hot food takeaway with neither one predominating) would be considered and whether other factors might be considered.</p> <p>The inclusion of primary schools is particularly problematic, as it is clear that children at primary schools are not usually permitted to leave the premises at lunchtime and, given their age, are unlikely to travel to or from school unaccompanied. Outside school time, children's diets are quite properly the responsibility their parents or guardians.</p> <p>Consequently, it is far from clear how refusing planning permission for hot food take-aways "close to" primary schools could ever be justified. This was the view taken by a Planning Inspector in an appeal (APP/P4415/A/11/2159082) against refusal of a restaurant and hot food takeaway in January 2012.</p> <p>A further difficulty of using simple distance radii as shown on the maps is that it takes no account of real barriers, either physical or perceptual, so that premises on the other side of a line feature such as a canal or busy road could be affected despite in reality being more than that distance walk away.</p> <p><b>SUMMARY</b></p> <p>In summary, Kentucky Fried Chicken (Great Britain) Limited considers that inclusion of Section 6 renders the Draft Islington Location &amp; Concentration of Uses Supplementary Planning Document (SPD) unsound and so OBJECTS to it on the grounds above. It may be possible to replace the policy to similar effect.</p> <p>We do not consider a reasoned justification for the draft policy has been substantially provided in accordance with regulation 8 (2) of The Town and Country Planning (Local Planning) (England) Regulations 2012. The Evidence Base confirms that it is difficult to establish precise concentration thresholds without significant primary research.</p> <p>The amendment sought by Kentucky Fried Chicken (Great Britain) Limited, and the only change to the Draft Islington Location and Concentration of Uses SPD is the deletion of Section 6. Similar objectives might be achieved with a retail policy based on a wider application of proportional limits as set out above.</p> <p>Appendix A: KFC PRODUCT INFORMATION</p>	<p>note several additional reasons for why fast food outlets may be undesirable from a public health perspective, including increase in litter and traffic congestion.</p> <p>It is clear that planning inspectors accept approaches restricting the concentration and location of hot food takeaways. For example, the Lewisham Development Management Local Plan inspectors report, dated July 2014, proposed a policy to restrict A5 uses in Town Centres and within 400m of the boundaries of primary and secondary schools. The inspector notes the wealth of evidence about the ill-effects upon health of the consumption of the types of products sold in A5 units; but also notes the difficulty of disentangling direct causes and effects in issues of health, food consumption, exercise and lifestyles. The inspector refers to the PHE/LGA document which, as discussed above, finds there are 'strong theoretical arguments' for restrictions. The inspector found the policy sound without any proposed modifications, noting the following:</p> <p><i>"it is plain that Lewisham (in company with other London Boroughs which have broadly similar adopted or emerging policies) have enough concern about the role of A5 units to ascribe greater weight to any health gains rather than any economic losses. On balance this is not an unreasonable conclusion to draw and the plan is not unsound in that respect, albeit DM18 may play only a limited complementary role in much wider national and local health strategies aiming to inform and educate the public about dietary matters and encourage individuals to exercise greater personal responsibility for healthy lifestyles."</i></p> <p>The respondent notes that setting maximum proportions of hot food takeaways is preferable to limiting over-concentration within a specified radius. Other boroughs have set maximum proportions in their plans but Islington's approach (as set out in up-to-date, adopted planning policy) is to assess over-concentration within a specified radius, as this allows case-by-case consideration of key issues. The respondent suggests merging the maximum proportion and 500m radius approach, but this would be wholly impractical given that the thresholds are likely to be different depending on where the radius is measured from. Town Centre maximum proportions focus on a set area, hence they can be prescribed with certainty.</p> <p>The respondent suggests that it is wrong to apply a generally restrictive approach based on wider social issues apparently unrelated to retail planning. As noted above, planning inspectors have concluded the opposite. Health considerations can clearly be a valid material consideration in planning determinations.</p> <p>The analysis re: the number of hot food takeaways in the SPD is considered robust. It should be noted that Islington has a higher absolute amount of fast food outlets than other larger Inner London boroughs with significant retail areas, for example Hackney, Newham and Wandsworth.</p> <p>The draft SPD does discuss the distinctions between A1, A3 and A5 but is silent of dual use units. The final SPD provides some additional guidance on this.</p> <p>The respondent cites no evidence to support the claim that primary school children are unlikely to travel to and from school unaccompanied. DMP policy DM4.3, which was deemed legally compliant and sound by an independent planning inspector, post publication of the NPPF, focuses on primary and secondary schools. A recent appeal in Islington has reinforced this; reference to the appeal has been added to the SPD.</p> <p>The January 2012 Rotheram appeal cited by the respondent is not considered relevant</p>

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			<p>as it pre-dates the NPPF; and is in an area which had no local policy to restrict A5 uses near primary schools (unlike Islington).</p> <p>Guidance on how to apply the distance radii is provided in the SPD.</p> <p>Re: the claim that the SPD is unsound, SPDs supplement adopted policies. This SPD supplements policy DM4.3 of the Islington Development Management Policies DPD, which has been through a statutory process, including examination hearings, and was found to be legally compliant and sound by an independent planning inspector. The tests for SPDs are set out in the NPPF, as detailed in the SPD.</p> <p>Significant reasoned justification is provided in the SPD with regard to the proposed hot food takeaways guidance. There is no regulatory requirement which specifies the form which reasoned justification must take. The council considers that reasoned justification is glaringly obvious from even a cursory reading of the document. Nevertheless, the SPD has been amended to spell this out for avoidance of any doubt.</p> <p>The amendment sought is not justified based on the response. Little evidence has been provided to reinforce points made. Moreover, the response is largely similar to the respondent's comments on other London borough planning documents with restrictive A5 policies, notably Haringey and Southwark. Such consistently similar responses, with seemingly no reflection of specific local evidence and context, betray a significant bias toward their own circumstances.</p> <p>Product information noted. The purpose of the SPD is to offer further guidance on a specific policy. Other benefits of a scheme (which could potentially include several of things noted here by the respondent) could be a material consideration at application stage; the weight given to these would be determined by the case officer on a case-by-case basis.</p>
<p>SPD18</p> <p>Page 232</p>	<p>McDonalds</p>	<p>The content of the consultation draft is not compliant with the Framework and needs rewriting.</p> <p>Paragraph 153 of the Framework confirms that:</p> <p>Any additional development plan documents should only be used where clearly justified. Supplementary planning documents should be used where they can help applicants make successful applications or aid infrastructure delivery, and should not be used to add unnecessarily to the financial burdens on development.</p> <p>Thus, the Framework sets out two distinct areas where SPD's should be used:</p> <ul style="list-style-type: none"> <li>• Help applicants make successful applications; or</li> <li>• Aid in infrastructure delivery.</li> </ul> <p>The proposed SPD adds policy restrictions above and beyond the adopted core strategy and its supporting text. Thus, the SPD is out with the distinct area of the framework as being suitable for supplementary documents. The SPD is therefore not compliant with the Framework.</p> <p>The SPD is not intended to assist applicants make successful applications (as design guidance would); nor will it aid in infrastructure provision. The proposed SPD will add further restrictions to the location of A5 uses above and beyond the scope of the adopted policy. The SPD is therefore not compliant with the Framework.</p> <p>Paragraph 24 of the Framework confirms that:</p>	<p>Response noted.</p> <p>The SPD sets out, in detail, how it is consistent with national and London-wide policy. The SPD provides further guidance on DMP policy DM4.3, which was deemed legally compliant and sound by an independent planning inspector, post publication of the NPPF.</p> <p>Paragraph 1.4 of the SPD refers to paragraph 153 of the NPPF. The council considers that the SPD provides clarity for planning officers and developers, as well as any other interested stakeholders.</p> <p>The SPD does not add new policy; it provides guidance in line with DMP policy DM4.3, its parent policy, as well as offering locally specific guidance regarding the implementation of London Plan and NPPF policy. It should be noted that the GLA, in their response to the SPD consultation, considered that the SPD was consistent with the London Plan and that it was a proactive approach to managing clusters of uses, to promote the health and wellbeing of centres.</p> <p>The remit of an SPD is not limited to design guidance. The NPPF paragraph 153 sets out the wide-ranging role of SPDs, that is, to help applicants make successful applications or aid infrastructure delivery. The NPPF also identifies situations where SPDs should not be used, that is, where they would add unnecessarily to the financial burdens on development. In this case, the council consider that the SPD is fully consistent with the NPPF, as it does offer additional guidance to assist successful applications, e.g. by highlighting information needed to assess applications; and it does</p>

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Page 233		<p>Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. They should require applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered.</p> <p>Whilst attempting to implement guidance regarding blanket restrictions of certain use classes, the SPD should adhere with the Framework. The SPD has little regard for the sequential approach and openly contradicts it where a school buffer crosses a town centre boundary. Consideration of the sequential approach should take more precedence and the SPD rewritten accordingly.</p> <p><b>Objections to specific elements of the SPD</b></p> <p>We refer to the SPD under the headings of the document below.</p> <p><b>1. Background</b></p> <p>The SPD background outlines that health is becoming a more intrinsic part of planning. Government Guidance does not look to control the location of A5 uses because of the good they sell. The SPD should focus on promoting healthy eating, not restricting A5 uses. There is no national policy justification for such a policy approach. Indeed, such an approach would be a negative one, in contradiction with the Framework.</p> <p>A range of figures are provided, outlining obesity figures within Islington. Paragraph 6.11 outlines that developing space for physical activity and sustainable modes of transport are two indirect measures.</p> <p>Paragraph 6.17 states that “there is no specific definition of unhealthy food for planning purposes”. No consideration is given to the dynamic of a particular menu and the range of food on offer. This confirms that planning is not the right domain to resolve these issues.</p> <p><b>2. Hot Food Takeaways in Islington</b></p> <p>The SPD outlines that Islington has nearly three times the national average of fast food outlets. No consideration is given to the diversity of uses within this definition and the range of benefits they can bring to the local area.</p> <p>It is accepted that a small chicken shop may add little to the area and only contribute to the night time economy. In comparison a McDonald’s Restaurant can provide a number of benefits to the local community, including over 65 jobs to local people, whilst offering training schemes and initiatives to its staff.</p> <p>Further to this no consideration has been given to range of food on offer.</p> <p><u>Commitment to staff</u></p> <p>McDonald’s is a major employer of young people under the age of 25, and for many it provides a first step on the career ladder. McDonald’s offers all staff the opportunity to gain qualifications which include Adult Certificates in English and Maths, a Level 2 Apprenticeship, and a Foundation Degree in Managing Business Operations.</p>	<p>not unnecessarily add a financial burden to applicants, as none of the information required is likely to be onerous financially.</p> <p>No restrictions to the location of A5 uses are proposed above what is already outlined in DMP policy DM4.3 and its supporting text, i.e. within 200m of schools. Policy DM4.3 is an adopted Local Plan policy, which has been fully tested against the NPPF and has been through the proper statutory process.</p> <p>No blanket restrictions are proposed by the SPD; the only reference to restricting locations of A5 units echoes DMP policy DM4.3 and its supporting text, and is included to provide some further guidance on how to measure proximity to schools.</p> <p>The sequential test is applicable only where development is proposed outside of a Town Centre location, whereby it requires applicants to investigate sites in more preferable areas, i.e. town centre and edge-of-centre locations. The sequential approach does not state that all out-of-centre development is unsuitable automatically. The respondent’s concern would only materialise where an A5 unit is proposed in an out-of-centre location; a sequential test is undertaken which identifies a potential site; but this site is within 200m of a school.</p> <p>The respondent seems confused about how planning policy and guidance would apply if such a situation was to arise. Section 38(6) of the Planning and Compulsory Purchase Act 2004 (as amended) sets out the primacy of the Development Plan, unless material considerations suggest otherwise. Of note is that decisions must be made based on the plan as a whole; undoubtedly, at times, policies might pull in different directions in terms of their intended outcomes, but ultimately there are different layers which apply, and in the case of HFT uses in close proximity to schools, there is a strong resistance in place. This would influence any sequential assessment in terms of assessing whether an alternative site is truly suitable. The respondent’s claim that the SPD has little regard for the sequential approach is therefore wrong; the sequential test can clearly co-exist with the guidance in the SPD.</p> <p>With regard to the school buffer, the respondent seemingly does not realise that this restriction in proximity to schools already exists in Local Plan policy, and hence its suitability in line with other planning policies in Islington’s Local Plan (for example, DM4.4 which sets out the sequential approach in Islington); with the London Plan; and with the NPPF, has already been assessed in the round by an independent planning inspector, and was found to be legally compliant and sound.</p> <p>The NPPF is not explicit about locational restrictions, but they are considered to be consistent with the objectives of the NPPF. Section 4 of the SPD provides further detail on this. It should be noted that the London Plan has specific policies and guidance which highlights restriction of fast food outlets near school as a potential measure to promote healthy lifestyles and reduce health inequalities. As noted above, the GLA response to the draft SPD noted that the SPD provides thorough guidance which is in accordance with the London Plan.</p> <p>There are also various evidence base documents, including Government documents, which identify locational restrictions on A5 units as a mechanism to tackle obesity. These are detailed in Appendix 3.</p> <p>In addition to this restrictive measure, the SPD also promotes healthy eating through the requirement for Healthy Catering Commitment (HCC) to be conditioned on new A5</p>

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		<p>McDonald's invest £43 million annually in staff training and development.</p> <p><u>Commitment to Local Community</u></p> <p>As the Community Partner of the Football Association, McDonald's has helped to train and recruit more than 25,000 coaches. These coaches in turn have provided more than 2 million hours of free quality coaching, to one million young players.</p> <p>Over 1,000 McDonald's restaurants across the UK are 'twinned' with a local team to provide free kit, equipment, advice and expertise.</p> <p>Each of McDonald's restaurants also conduct a minimum of three litter patrols on a daily basis, and conduct larger Love Where You Live 'clean up' events. McDonald's is also the primary sponsor of the Mayor of London's Capital Clean Up campaign, to tackle litter across London.</p> <p>Last year, McDonald's restaurants in Greater London organised over 50 community clean-up events, with over 1,400 volunteers taking part.</p> <p><u>Commitment to improve the food on offer</u></p> <p>As a responsible business, McDonald's recognises it has a role to play to support its staff, customers, and the communities in which it operates to live healthier lifestyles. For this reason, McDonald's has invested significantly to evolve its menu over the last 10 years – both to extend the range of choice, and to reformulate our products. For example, McDonald's has:</p> <ul style="list-style-type: none"> <li>• Added porridge, salads, grilled chicken wraps, carrot sticks, fruit bags, orange juice, mineral water, and organic milk to its menu</li> <li>• Completely removed hydrogenated trans-fats from its menu</li> <li>• Reduced salt in our Chicken McNuggets by 36%, and our fries by a quarter since 2003</li> <li>• Reduced fat in its milkshakes by 34% per serving since 2010</li> <li>• Reduced fat in its deli rolls by 42% since 2011</li> </ul> <p>McDonald's has also led the way displaying nutritional information to help its customers make informed choices. Since 2011, McDonald's has provided calorie information on every one of its 1,200+ menu boards in restaurants across the UK.</p> <p>This is in addition to the nutritional information that is already available on its website, on its tray liners, on its packaging, and via McDonald's mobile phone app. In 2012 alone, McDonald's received 2.2 million visits to its nutrition web page.</p> <p>Furthermore, McDonald's is committed to responsible advertising, and advertise to children only food items that are not classified by the Government's nutrient scoring criteria as High in Fat, Salt or Sugar "non-HFSS". All of McDonald's advertising to children features at least one portion of fruit or vegetables, and a no added sugar beverage such as milk.</p> <p>As a significant customer of British farming, McDonald's buys quality ingredients from 17,500 UK and Irish farmers. It now spends more than £390 million every year on British and Irish produce, compared to £269 million in 2009.</p> <p>All of McDonald's burgers are made with 100% British and Irish beef. We use whole cuts of forequarter and flank, with nothing added or taken away in the process.</p>	<p>units.</p> <p>SPD acknowledges that planning is not the only measure to tackle healthy eating and obesity issues; but that does not mean that planning should not be used. It is considered that the guidance provided in the SPD could have a positive impact on the health and wellbeing of residents in the borough.</p> <p>Re: consideration of the dynamic of a particular menu or range of food on offer, the HCC criteria covers this. If a hot food takeaway offered a varied menu, then this would address some criteria of the HCC, which would mean that achievement of the HCC standard is more likely. Any HFT which achieves the HCC standard would be compliant with certain aspects of the SPD and this would be a positive factor which would be weighed up when determining an application.</p> <p>SPD is clear that A5 uses are ultimate focus, although it is noted that non-A5 uses with a takeaway element may be considered on a case-by-case basis. These uses are mapped alongside A5 uses for reference.</p> <p>The purpose of the SPD is to offer further guidance on a specific policy. Employment benefits of a scheme can be a material consideration at application stage; the weight given to these would be determined by the case officer.</p> <p>As noted above, HCC has criteria which recognise the benefit of providing a range of food.</p> <p>Information provided under headings commitment to staff; commitment to local community; and commitment to improve the food on offer is noted. As outlined above, the purpose of the SPD is to offer further guidance on a specific policy. Other benefits of a scheme (which could potentially include several of things noted under these headings) could be a material consideration at application stage; the weight given to these would be determined by the case officer on a case-by-case basis.</p> <p>The SPD maps existing locations of HFTs in the borough, in relation to schools and the most deprived areas in the borough (based on IMD 2010). This shows that a significant number of HFTs are located in deprived areas and/or near schools.</p> <p>As noted above, the policy to restrict new HFTs near schools already exists in Islington's adopted Local Plan. This policy is restrictive, but it was put in place to prevent adverse health impacts. The mapping evidence in the SPD confirms that this approach is necessary.</p> <p>The SPD does not suggest that there is any deliberate locating of HFTs near schools; it simply maps where HFTs are located in Islington. This mapping exercise does show that a significant number of hot food takeaways are currently in close proximity to Islington's primary and secondary schools.</p> <p>The council acknowledges that some products on sale in A1 newsagent uses, e.g. chocolate bars, crisps, soft drinks, are contributors to poor diets and ultimately the higher prevalence of obesity; however, these stores often provide a range of convenience goods, whereas A5 uses are specifically classified as such because they sell hot food to takeaway. There is a greater body of evidence to justify intervention on A5 uses; but the council notes that there could be scope for specific guidance on A1 newsagents in future revisions of the SPD.</p>

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Page 235		<p>In addition, McDonald's only uses 100% British RSPCA Freedom Food Pork across its entire menu. As a result, all pork suppliers are required to meet strict animal welfare standards.</p> <p>McDonald's was also one of the first retailers to switch to using free range eggs – which it did back in 1998. Free range eggs are now used in its entire menu – including its sauces, muffins and the coating on chicken nuggets. Every year McDonald's use over 100 million free range eggs, sourced from more than 200 UK producers, and for its work in this area they have been awarded 'Food Business of the Year' by the British Free Range Egg Producers Association.</p> <p>Paragraph 6.52 outlines that there is a strong relationship between socio-economic deprivation and obesity prevalence in children. There is a lack of evidence to demonstrate whether fast food is located by schools, or whether schools are located by town centres. Due to the urban nature of the borough, all use classes are inadvertently located in some level of proximity.</p> <p>When McDonald's looks at the economic viability of a new site, it does not factor in predicted sales from school children or proximity to schools.</p> <p>Research by Christoph Buck has identified a similar approach with other retailers. His research suggests that 'food retailers are mainly located near major roads and in inner cities. Paragraphs 6.29 – 6.30 highlight that the council has decided not to impose such restrictions on A1 uses. A range of evidence is outlined below to highlight that A3/A5 uses are being targeted, where clear evidence indicates that the majority of purchases made by school children are predominantly chocolate and fizzy drinks.</p> <p><u>Food in the school fringe tends to be purchased in non-A5 properties</u></p> <p>Research by Professor Jack Winkler (London Metropolitan University) into the 'school fringe' – found just 3/10 purchases by students in a 400m school fringe were made in A5 properties.</p> <p>70% of purchases in the school fringe were made in non-fast food outlets, and the same research concluded 'the most popular shop near Urban was the supermarket, with more visits than all takeaways put together'.</p> <p>Professor Winkler's findings are not an isolated case. A report by Public Health England and the LGA states that fast food school proximity restrictions do 'not address sweets and other high-calorie food that children can buy in shops near schools.'</p> <p>Research by Brighton and Hove found that 'Newsagents were the most popular premises [in the school fringe], with more pupils visiting newsagents than any A5 premises'.</p> <p>Likewise, research for the Food Standards Agency on purchasing habits in Scotland found that 'Supermarkets were the place that children reported they most frequently bought food or drinks from at lunchtime'.</p> <p>Indeed, there are several more researchers who have found no evidence to support the hypothesis that less exposure to fast food, or better access to supermarkets are related to higher diet quality or lower BMI in children.</p> <p><u>There is a lack of evidence to demonstrate that purchases in fast food outlets are any more or less healthy than purchases in other A class premises</u></p>	<p>The 'clear evidence' provided by the respondent encompasses cherry-picked elements of four pieces of research:</p> <ul style="list-style-type: none"> <li>• The School Fringe report by London Metropolitan University, published July 2008</li> <li>• Public Health England/Local Government Association Healthy people, healthy places briefing: Obesity and the environment: regulating the growth of fast food outlets, published March 2014</li> <li>• Brighton and Hove Council study published September 2011</li> <li>• Food Standards Agency report of food and drink purchases around the school day, published in September 2012 but survey research conducted in 2010.</li> </ul> <p>The School Fringe report is highlighted in the SPD. The respondent quotes rather selectively from the study. What is telling is that, in the concluding section of the study, the restriction of fast food shops (i.e. A5 units) is proposed as a practical option. It should be acknowledged that the study is almost 8 years old, covers only 2 schools and is not considered to be a representative survey by the authors; however, as part of the suite of evidence to justify restrictions on A5 uses, it is useful.</p> <p>The PHE/LGA report is also highlighted in the SPD. The respondent (again) quotes rather selectively from the study. The full sentence (from which the respondent has only partially quoted) is: <i>"However, it is important to note that taking action on hot food takeaways is only part of the solution, as it does not address sweets and other high-calorie food that children can buy in shops near schools."</i></p> <p>Therefore, it is clear the PHE/LGA view restrictions on A5 uses near schools as a part of the solution. We agree with this; nowhere does DMP policy DM4.3 or the SPD state that restricting A5 uses near schools will fully eradicate childhood obesity. It is part of a suite of measures across different council departments and in conjunction with work conducted by other local, regional and national organisations.</p> <p>The PHE/LGA report is supportive of A5 restrictions near schools, and helpfully highlights the issue raised above, as shown by the following quote:</p> <p><i>"[T]here are strong theoretical arguments for the value of restricting the growth in fast food outlets, and the complex nature of obesity is such that it is unlikely any single intervention would make a measurable difference to outcomes on its own."</i></p> <p>The Brighton and Hove Council study paints a picture very specific to Brighton. The methodology used to ascertain the impact of hot food takeaways on secondary schools in the area is limited, and reliant on a single observed visit to each school; the report recognises this, noting that observations are <i>"therefore approximate and may not be typical."</i></p> <p>Nevertheless the report does reinforce the findings of other research/reports, namely that A5 units are part of the problem and that restricting A5 units near schools is a potential option as part of a suite of measures to reduce levels of childhood obesity and to promote healthier built environments; the report notes that it may be difficult for Brighton to justify such a policy because of the local context, but, as noted above, Islington have an adopted policy to restrict new HFTs near schools</p> <p>It is also important to note that the respondent's choice of quote (which suggests that newsagents have greater schoolchild patronage than hot food takeaways) relates only to the stage 2 findings of the research, i.e. the single observed visit which the report</p>

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		<p>A key finding of Brighton &amp; Hove’s research was that ‘newsagents and supermarkets [are] equally as influential on the unhealthy choices of pupils.’</p> <p>Hot food take-aways are identified as a particular concern, but there is a lack of evidence to inform why A5 units have been identified as a concern over other units, namely A1 and A3 units.</p> <p>Research by the Children’s Food Trust for instance found that ‘Once outside school... students faced an environment designed to encourage less healthy food purchasing, mostly from corner shops and supermarkets near to school, outlets which successfully promoted less healthy foods to this population.</p> <p>The report added ‘this study observed no visits to takeaway outlets’ – although it did qualify this saying a ‘larger, more representative study’ was required to determine whether proposals to restrict A5 outlets are effective in promoting healthier eating habits in teenagers.</p> <p>Similarly, research elsewhere found ‘traditional fast food outlets offered a greater variety of healthier breakfast entrees, healthier lunch/dinner entrees, and healthier lunch/dinner side dishes’ than convenience stores, grocery stores, and supermarkets.</p> <p>We therefore assert that sole inclusion of A5 premises is irrational, will not be effective, and is therefore not justified.</p> <p><u>Only a limited number of journeys to and from school involve a purchase at a food outlet</u></p> <p>This has been confirmed in research by the Children’s Food Trust, which found that only 8% of all journeys to and from school included a purchasing visit to a food outlet.</p> <table border="1" data-bbox="647 1150 1765 1369"> <caption>Table 3. Total number of journeys including a food outlet visit</caption> <thead> <tr> <th></th> <th>n</th> <th>Number of journeys to school</th> <th>Number of journeys from school</th> <th>Total number of journeys</th> <th>Percentage (%) of all journeys</th> </tr> </thead> <tbody> <tr> <td>Journeys including a visit to a food outlet</td> <td></td> <td>11</td> <td>6</td> <td>17</td> <td>10</td> </tr> <tr> <td>Journeys including a purchase from a food outlet</td> <td></td> <td>8</td> <td>6</td> <td>14</td> <td>8</td> </tr> </tbody> </table> <p>Of the food purchases made on school journeys, confectionary was the most popular item sold – which McDonald’s does not offer on its menu.</p> <p>Likewise, research by Ashelsha Datar concluded that children ‘may not purchase significant amounts of junk food in school’ – partly due to ‘fewer discretionary resources to purchase them’.</p> <p>Indeed, even where purchases were made, ‘children may not change their overall consumption of junk food because junk food purchased in school simply substitutes for junk food brought from home.’</p> <p>Similarly, research by Fleischhacker highlighted the need for future school-based studies to ‘gather information on whether or not the students attending the studied schools actually eat at the restaurants near their schools.’</p> <p>This was also highlighted in the systematic review by Oxford University, which states ‘future</p>		n	Number of journeys to school	Number of journeys from school	Total number of journeys	Percentage (%) of all journeys	Journeys including a visit to a food outlet		11	6	17	10	Journeys including a purchase from a food outlet		8	6	14	8	<p>authors acknowledge should not be taken to be typical. The overall key findings, taking on board stage 1 (desk-based research, mapping, commentary from schools) and stage 2 findings, paints a less definitive picture and acknowledges that A5 units and newsagents are on a level footing in terms of pupil patronage. The following quote from the key findings section highlights this:</p> <p><i>“A majority of pupils’ off-campus lunchtime purchases were very unhealthy, consisting of high-energy drinks, chips and snacks. But A5 units are only part of the surrounding school food environments, with other food A class uses equally popular.”</i></p> <p>The FSA report assesses factors associated with the food and drink purchasing habits of Scottish school children outside of school on school days. The primary data source is a survey of schoolchildren; this information is over 5 years old; and there was a gap of over two years between conducting the survey and publishing the report; hence there could be an issue with its continued robustness. Similar to the issue with the Brighton research, this survey information relates to a very specific area, with different contextual considerations.</p> <p>It is important to note that the FSA report does not reject the idea of restricting A5 units near schools, as the following quote shows:</p> <p><i>“Restricting the type of outlets around schools would require significant changes in planning regulations, but this would have to cover all outlets and not just takeaways, as newsagents, corner shops and supermarkets were the places from which children most frequently purchased food and drinks. Therefore future work and recommendations should not only include takeaway outlets but also supermarkets since all these outlets around schools tend to provide easy access to food and drinks high in fat, sugar and salt. This has been referred to previously as representing an obesogenic environment, which could be contributing to the poor diet of school children in Scotland.”</i></p> <p>As noted above, there are difficulties in restricting supermarkets through planning, and there is a greater body of evidence to justify intervention on A5 uses; but the council notes that there could be scope for specific guidance on A1 newsagents/supermarkets in future revisions of the SPD.</p> <p>The above quote reinforces the points raised above that A5 locational restrictions can be effective as part of a suite of measures (across disciplines such as planning, public health, etc.) reduce levels of childhood obesity and to promote healthier built environments.</p> <p>The FSA report notes that restricting fast food outlets around schools would require significant changes in planning regulations; whilst this may be the case in the Scottish system (although knowledge of this different regulatory system is limited), it is not the case in relation to planning in England. The provenance of restrictive proximity policies is the Cable Street court judgement from June 2010 (pre-dating the survey information which underpins the FSA report), where the Judge found that healthy eating and proximity to local schools was capable of being a material consideration.</p> <p>The evidence from several more researchers referred to by the respondent is specific to American and Australian contexts, and is considered to be irrelevant in terms of this SPD.</p> <p>The quote from the Brighton research – that newsagents and supermarkets are equally as influential on the unhealthy choices of pupils – is not a conclusion that can be applied</p>
	n	Number of journeys to school	Number of journeys from school	Total number of journeys	Percentage (%) of all journeys																
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Page 237		<p>work should also incorporate a child’s usual mode of travel to and from school into decisions about appropriate buffer distances.’ The review added that age should also be taken into consideration, as this can impact on travel time and the availability of pocket change.</p> <p><b>3. Planning Applications</b></p> <p>“HFT 3 – Any applications for A5 uses within a 200m radius of a primary or secondary school will be resisted”.</p> <p>Map 4 (page 32) outlines the average proposed 200m buffer around the existing schools. When compared to the town centres map from the Islington “Town Centres: Review and healthcheck” April 2012, there is a clear overlap between the defined town centres of the borough and many buffer zones.</p> <p>The proposed SPD has no regard to the sequential approach and could actively resist an application for an appropriate use class in a designated town centre. The proposed 200m buffer zone, would therefore, be directly contradictory with adopted policy DM4.4 from the Islington Development Management Policies document 2013.</p> <p>No assessment has been made to consider the impact of the SPD on plans of the economy. No consideration has been given to the overlap of the proposed exclusion zones on allocated town centres.</p> <p>The proposed buffer zones would be contradictory to paragraphs 24-27 of the Framework, which require an adequate sequential approach for town centre uses.</p> <p><u>Evidence and Related Cases</u></p> <p>There is a lack of evidence to demonstrate the link between fast food, school proximity, and obesity.</p> <p>This has been confirmed by Public Health England and the Local Government Association (November 2013). Their paper, Healthy People, Healthy Places states there is ‘an unavoidable lack of evidence that can demonstrate a causal link’ between fast food, school proximity and obesity.</p> <p>The same paper states there are only ‘theoretical arguments for the value of restricting the growth in fast food outlets’.</p> <p>Oxford University’s Department of Population Health conducted ‘A systematic review of the influence of the retail food environment around schools on obesity-related outcomes’ (December 2013). This was funded by NHS Berkshire and the British Heart Foundation, and is a comprehensive analysis of the existing evidence base.</p> <p>The research ‘did not find strong evidence at this time to justify policies related to regulating the food environments around schools’. It instead highlighted the need to develop a ‘higher quality evidence base’ which for instance:</p> <ul style="list-style-type: none"> <li>- Uses a consistent way to classify a food outlet, in order to compare results from different studies</li> <li>- Looks at the age range of children, and their interaction with the environment. Age can influence travel time, distance travelled, the availability of pocket change, and other factors</li> <li>- Understands the need to assess a child’s mode of travel to and from school in decisions</li> </ul>	<p>uniformly in other areas; it is a summary of key findings in relation to secondary schools in Brighton and Hove. As noted above, the Brighton research paints a picture very specific to Brighton. The methodology used to ascertain the impact of hot food takeaways on secondary schools in the area is limited, and reliant on a single observed visit to each school; the report recognises this, noting that observations are “<i>therefore approximate and may not be typical.</i>”</p> <p>Leaving aside the fact that Islington have an adopted Local Plan policy which limits A5 uses near schools (which was deemed legally compliant and sound by an independent planning inspector, post publication of the NPPF), there is a significant body of evidence which highlights the specific impact of A5 uses in particular. A selection of this evidence is set out in Appendix 3 of the SPD.</p> <p>The cited Children’s Food Trust report could not be accessed via link provided by respondent. Given respondents selective quoting elsewhere, the accuracy of the quoted sections are treated with caution; that said, the quoted sections raise no different issues to those raised (and responded to) above. The reference to a ‘larger, more representative study’ may be telling, as this raises similar issues as the studies referred to above, namely that their localised conclusions have been misconstrued and applied generally.</p> <p>The additional quoted research comes from an American journal article entitled ‘Availability of healthier options in traditional and non-traditional rural fast-food outlets’, authored by various academics from Texas A &amp; M University. This report relates to a different country, and also it has a specific rural angle; it is irrelevant in terms of this SPD.</p> <p>The sole inclusion of A5 premises is not irrational, as there is a large body of evidence for restricting A5 uses near schools; and this approach has been used by numerous other local authorities. It also follows adopted policy which sets out the A5 restriction. As part of a suite of measures across disciplines, the SPD is considered to be effective. We note that the respondent uses terms associated with the test of soundness, but this only applies to Development Plan Documents; the requirements for an SPD are different, as set out in the NPPF (and noted above).</p> <p>As noted above, Children’s Food Trust report could not be accessed via link provided by respondent. Presumably this research is specific to a certain location and therefore can’t be applied as a generalised figure; this issue is raised above in relation to the Brighton research.</p> <p>The research by Ashlesha Datar looks at in-school purchases in American schools; it is irrelevant in terms of this SPD.</p> <p>The respondent highlights the conclusions of Fleischhacker and the Oxford University research, namely that they specify the need for, and scope of, future research. This is acknowledged, although we note that there is already a strong body of evidence to justify restrictions on fast food outlets near schools.</p> <p>See response above re: sequential approach. The respondent’s claim that the SPD has little regard for the sequential approach is wrong; as noted above, the sequential test can clearly co-exist with the guidance in the SPD.</p> <p>For reference, the Town Centre healthcheck from 2012 is an evidence base document</p>

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		<p>about appropriate buffer distances</p> <ul style="list-style-type: none"> <li>- Recognises that food environments vary between countries – most associations between food environment and obesity came from North America</li> </ul> <p>The review did find some limited evidence for an effect of the school environment on body weight, but it added ‘these results should be interpreted cautiously’. Of 72 associations, only 19 showed a statistically significant positive relationship between body weight and exposure to food outlets. The review also identified associations with convenience stores as well as fast food outlets.</p> <p>This has been confirmed by Public Health England and the Local Government Association (November 2013). Their paper, Healthy People, Healthy Places states there is ‘an unavoidable lack of evidence that can demonstrate a causal link’ between fast food, school proximity and obesity.</p> <p>The same paper states there are only ‘theoretical arguments for the value of restricting the growth in fast food outlets’.</p> <p>A number of studies have reached similar conclusions. These include, but are not limited to:</p> <ul style="list-style-type: none"> <li>- David Harris – ‘no correlation between students’ being overweight risk and the presence of stores with unhealthful food choices near their schools.’</li> <li>- Philip Howard – Research ‘failed to find a consistent association between school overweight rates and nearby fast food restaurants’. If anything, this research found ‘Convenience stores demonstrated stronger correlations with school overweight rates’.</li> <li>- An and Sturm – ‘no evidence to support the hypotheses that... less exposure to fast-food restaurants or convenience stores within walking distance improve diet quality or reduce BMI among Californian youth.’</li> <li>- Fleischhacker – This systematic review of fast food access studies concluded 53% did not find any significant associations between the fast food environment and obesity. ‘In children, only one of five studies found an association between BMI and the fast food environment. This lack of evidence has also been confirmed in a number of inspectors reports and planning decisions. Reference is made in the scoping report to a number of existing SPD’s. Reference should be made to Inspectors comments regarding such policy considered at examinations.</li> </ul> <p>The examination Inspectorate concluded that the Greenwich Local Plan would be unsound if it contained the attempt in paragraph 4.3.55 to restrict new hot food takeaways within 400 m of a school. The Inspectors Report published May 2014 confirms “If such a restriction is to be imposed as a matter of policy then it must be included in Policy TC(c). However, I do not consider that such a restriction serves any land use planning purpose. In any event, I can foresee difficulties in attempting to implement such a restriction. For example, what criteria would be used to determine “unhealthy” food, and how frequently would this be assessed for an individual business? In addition, the practicalities of enforcement at a time when public expenditure is being reduced may render such a policy incapable of enforcement. Whilst it may be a laudable aim, the Local Plan would be unsound if it contained this provision.”</p> <p>In South Ribble the Planning Inspectorate raised concerns about a similar 400m school proximity restriction on fast food, stating ‘the evidence base does not adequately justify the need for such a policy’, and due to the lack of information, it is impossible to ‘assess their likely impact on the town, district or local centres’. Source: Letter to South Ribble Borough</p>	<p>produced for the DM Policies examination. Islington’s Town Centre boundaries are set out in the DM Policies DPD; this DPD also features policy DM4.3 which sets out the restriction of A5 uses within 200m of schools.</p> <p>A5 is only an appropriate use for Town Centres <u>in principle</u>; there are case specific considerations to take account of at application stage. DM4.4 Part C illustrates that DM4.4 is not uniformly permissive of all main Town Centre uses, as it sets out criteria which all development in Town Centres (even main Town Centre uses) is required to meet. As noted above, the respondent seems confused about how planning policy and guidance works. Section 38(6) of the Planning and Compulsory Purchase Act 2004 (as amended) sets out the primacy of the Development Plan, unless material considerations suggest otherwise. Of note is that decisions must be made based on the plan as a whole; undoubtedly, at times, policies might pull in different directions in terms of their intended outcomes, but ultimately there are different layers which apply, and in the case of HFT uses in close proximity to schools, there is a strong resistance in place. This would influence any sequential assessment in terms of assessing whether an alternative site is truly suitable. The respondent’s claim that the SPD has little regard for the sequential approach is therefore wrong. It appears that the respondent has not fully appreciated that DMP policy DM4.3 already specifies a 200m restriction; the SPD merely provides additional guidance on measuring this.</p> <p>As noted above, the respondent’s claim that the SPD has little regard for the sequential approach is wrong; the sequential test can clearly co-exist with the guidance in the SPD.</p> <p>To give an example, Islington’s DM policy DM4.5 sets out the policy for primary and secondary frontages within Town Centres (as advocated in the NPPF); this includes a requirement to maintain a certain level of A1 use. Using the respondent’s logic, as DM4.4 sequentially prefers A5 units in Town Centres, such uses should therefore have free rein to locate anywhere within these areas, even frontages. However, if an application involved the change of use from A1 to A5 in a frontage, and the proportion of A1 in said frontage decreased to below the required level, such a proposal would be inconsistent with DM4.5. As noted above, different layers of policy apply to different aspects of planning applications. These layers were carefully thought through when the Local Plan was prepared; they allow for thorough decision making and there is no contradiction.</p> <p>There is no specific requirement to consider the general impact on the economy; such impacts would be difficult to quantify, and it is noted that the respondent has not made the effort to provide any figures to reinforce this rather nebulous point. Such figures would require e.g. full information about expansion plans and the impact that the SPD would have on these plans (but even then, impacts cannot be guaranteed given that the policy is not a blanket restriction).</p> <p>Economic information can be a material consideration where an application for an A5 unit is submitted; the weight attributed to this would be decided on a case by case basis, depending on the quality of the information.</p> <p>Given that policy DM4.3 is already adopted, having been subject to the relevant statutory preparation procedures, it is not necessary to re-justify the proximity restriction. Nevertheless, comments are provided below on the ‘evidence’ cited by the respondent.</p> <p>With regard to the PHE/LGA document, the quote regarding ‘an unavoidable lack of evidence’ is used by the respondent to suggest that there is no evidence to demonstrate</p>

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Page 239		<p>Council, 29th April 2013, from Susan Heywood, Planning Inspector, The Planning Inspectorate.</p> <p>Similarly, research by Brighton &amp; Hove concluded that ‘the greatest influence over whether students choose to access unhealthy food is the policy of the individual schools regarding allowing students to leave school premises during the day’ Source: Brighton &amp; Hove City Council &amp; NHS Sussex, Hot-food takeaways near schools; An impact study on takeaways near secondary schools in Brighton and Hove, page 30, September 2011.</p> <p><u>Conclusion</u></p> <p>As set out in the Framework, SPDs should only be used where they assist applicants, not provide further policy restrictions. Policy DM4.3 of the Development Management Policies Document Plan Document 2013 outlines that proposals for A5 uses should be resisted when they are in proximity to schools.</p> <p>The proposed SPD goes further by intending to implement a 200m exclusion zone around schools. The SPD should work in conjunction with policy and “Help applicants make successful applications”. It is therefore considered that the SPD, which predominantly takes a negative and restrictive policy approach is contrary to the Framework and planning principles.</p> <p>In conclusion, the draft SPD is not compliant with the Framework. The SPD should be redrafted in accordance with the Framework. The SPD should be positive in its approach and help applicants make successful applications. Furthermore, the document is trying to implement blanket restrictions across a London borough which is inherently urban in its nature. The document has no regard for the sequential approach and the defined town centres within the borough, and therefore directly contradicts the Framework.</p> <p>The proposed research appears to rely on limited reports. Additional references to reports are provided.</p>	<p>a causal link between fast food, school proximity and obesity; whereas the full quote is as follows:</p> <p><i>“It is only in recent years that local authorities have started to use the legal and planning systems to regulate the growth of fast food restaurants, including those near schools. There is thus an unavoidable lack of evidence that can demonstrate a causal link between actions and outcomes, although there is some limited evidence of associations between obesity and fast food, as well as with interventions to encourage children to stay in school for lunch. However, there are strong theoretical arguments for the value of restricting the growth in fast food outlets, and the complex nature of obesity is such that it is unlikely any single intervention would make a measurable difference to outcomes on its own.”</i></p> <p>Whether this mis-quote was deliberate or because of a lack of understanding is unclear. The quote actually states there is no causal link between actions (e.g. policies to limit A5 uses near schools) and outcomes (e.g. lower rates of childhood obesity), rather than stating (as the respondent infers) that there is no evidence of a link between fast food, school proximity and obesity; on the contrary, various pieces of evidence are set out in the PHE/LGA document itself, and also in Appendix 3 of the SPD. Tackling health issues through planning is a relatively recent measure; therefore it is expected that little evidence exists to show a link between actions and outcomes, as the document explicitly states.</p> <p>The report is clear that, even without current evidence that policies have had an effect, there is a strong theoretical argument for restrictions. In addition, the report goes on to note several additional reasons for why fast food outlets may be undesirable from a public health perspective, including increase in litter and traffic congestion.</p> <p>The full quote from the Oxford University research is as follows:</p> <p><i>“Overall, this review did not find strong evidence at this time to support policies aimed at regulating food environments around schools. However, given that food retailing is already influenced by a number of other policy drivers (related to economics, antisocial behaviour, litter and pollution, food hygiene, etc.), it is important that broader public health evidence is also considered.”</i></p> <p>The council considers that this reinforces the position described above, that planning is a part of a suite of measures aiming to tackle obesity and reduce health inequalities.</p> <p>In response to other research cited, three papers are focused on American studies and are considered to be irrelevant in terms of this SPD.</p> <p>The remaining study (Fleischhacker) is a systematic review of 40 studies covering the general topic of fast food access; only 8 of the studies (20%) covered the issue of proximity, i.e. how close or near a fast food restaurant is to something else, such as a school. The study was compiled by American academics and only a small proportion of the studies reviewed (4, or 10%) were focused on the UK context. Hence, the council also consider this study irrelevant in terms of this SPD.</p> <p>The respondent claims that the lack of evidence for policies restricting A5 units near schools has been confirmed in a number of inspectors’ reports and planning decisions, although only 2 reports are cited.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
			<p>Firstly, we again state that Islington already have an adopted policy which restricts A5 units near schools; this policy was deemed legally compliant and sound by an independent planning inspector, post publication of the NPPF. The SPD merely offers additional guidance on how to measure the 200m distance. It is worth noting that the restrictive zone around schools set out in Islington policy is half that sought in the respondent's cited cases (and zones adopted by other boroughs), which is a reflection of Islington's local context.</p> <p>The London Plan supports restricting A5 uses near schools. The GLA response to the draft SPD was supportive and stated that the SPD is a proactive approach to managing clusters of uses, to promote the health and wellbeing of centres.</p> <p>The Greenwich Core Strategy submission included a restriction on hot food takeaways within 400m of a school, but this restriction was in supporting text rather than policy. The inspector notes his concern regarding this. Clearly, this inspector has taken a view that an approach restricting A5 units near schools is not suitable for Greenwich; other inspectors have taken a different view in other areas, as noted below. It is unclear what justification Greenwich put forward to justify their proposed approach; hence we cannot be sure how the inspector arrived at his decision. It could have hinged on the way the policy was written, with explicit referral to unhealthy food without defining this; policies in other boroughs have been adopted in order to tackle the wider macro issue of childhood obesity.</p> <p>The full quote from the South Ribble inspector's letter is as follows:</p> <p><i>"The modifications to the retail policies propose to introduce a new criteria relating to the location of hot food takeaways, outside of identified 400m exclusion zones around schools. I note that this is included within the Access to Healthy Food SPD, however I have some concerns about this proposed modification. Firstly, this was not a matter which was discussed at the hearing sessions and I have concerns that the evidence base does not adequately justify the need for such a policy. In addition, inserting this wording into these policies would result in restrictions within the exclusion zones relating to the town, district and local centres only. Thus, a hot food takeaway could be located within 400m of a school outside of those defined areas. This would be inconsistent. Finally, the exclusion zones do not appear to be annotated on any of the maps provided and I cannot therefore assess their likely impact on the town, district or local centres. The Council may wish to re-consider the inclusion of these references in these policies. If the Council wishes to pursue this matter, it will need to be properly justified with reference to the evidence base, the above inconsistencies will need to be tackled and there may be the need for a further hearing session on this matter."</i></p> <p>The respondent (again) misquotes from source material. As the full quote shows, the inspector's concern about the evidence base stems from the fact that the policy was introduced at a late stage and post examination hearings (which is a valid concern). The inspector's comment re: difficulty assessing likely impacts related to a lack of mapping to show the geographic crossover of designated centres and the 400m exclusion zones.</p> <p>The inspector also points out an inconsistency with the policy, that the proposed modifications to the policy only target designated Centres within 400m of a school, and a hot food takeaway could be located within 400m of a school outside of those defined areas; it can be inferred from this that a fully restrictive exclusion policy (encompassing all areas within a prescribed exclusion zone) could be suitable. The inspector clearly accepts that such a policy would be suitable in principle, dependent on evidence.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 241			<p>In response to these two cases (which could be considered irrelevant anyway as neither relate to a restrictive policy in a submission document), the following three inspectors reports into London Borough Development Plan Document examinations clearly show that exclusion zone policies are suitable:</p> <ul style="list-style-type: none"> <li> <p>Lewisham, inspectors report dated July 2014 – proposed a policy to restrict new hot food takeaways within 400m of the boundaries of primary and secondary schools. The inspector notes the wealth of evidence about the ill-effects upon health of the consumption of the types of products sold in A5 units; but also notes the difficulty of disentangling direct causes and effects in issues of health, food consumption, exercise and lifestyles. The inspector refers to the PHE/LGA document which, as discussed above, finds there are ‘strong theoretical arguments’ for restrictions. Inspector found the policy sound without any proposed modifications, noting the following: <i>“it is plain that Lewisham (in company with other London Boroughs which have broadly similar adopted or emerging policies) have enough concern about the role of A5 units to ascribe greater weight to any health gains rather than any economic losses. On balance this is not an unreasonable conclusion to draw and the plan is not unsound in that respect, albeit DM18 may play only a limited complementary role in much wider national and local health strategies aiming to inform and educate the public about dietary matters and encourage individuals to exercise greater personal responsibility for healthy lifestyles.”</i></p> </li> <li> <p>Lambeth, inspectors report dated August 2015 – proposed a policy approach whereby proposals for new A5 units not supported if proposed within 400 metres of the boundary of a primary or secondary school. The inspector (the same inspector who conducted the South Ribble examination cited by the respondent) found this policy sound and legally compliant (without requiring any modifications), noting the following: <i>“I am aware that Inspectors have held varying views in relation to the acceptability of such policies in Local Plans elsewhere. However, the PPG confirms the link between planning and health and wellbeing and promotes the consideration of means to support people of all ages to make healthy choices. The policy would help in this aim and the local evidence supports such a restriction in this case.”</i></p> </li> <li> <p>Hackney, inspectors report dated August 2015 - proposed a policy to restrict new hot food takeaways within 400m of the boundaries of secondary schools. The inspector recognises there are arguments for and against such restrictions, but concludes that the significance of the issue being tackled justifies the policy:</p> <p><i>39. There are arguments both for and against this policy. On the one hand, some may say that it is not for the authorities to attempt to hamper people’s access to certain foods. Many would consider that a healthy, balanced diet can include hot food takeaway meals, now and again at least. Some question whether planning is the appropriate domain for debating the issue and for seeking to assert influence.</i></p> <p><i>40. Moreover, in practical terms, the proposed approach has shortcomings. It relates to just one particular sort of food outlet, whereas less healthy consumables can be purchased in many forms from a wide variety of outlet types. The policy would not prevent the sale of confectionary from newsagents or cakes from bakeries near to secondary schools, for example. In addition, there are already A5 uses close to some schools, a point the policy does not, and cannot, address. Added to this, it is quite possible that those pupils intent on doing so will purchase less healthy food on their way to or home from school, or at some other time outside the school day.</i></p> </li> </ul>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
			<p>41. On the other hand, though, childhood obesity is a national issue, and is a factor contributing to increased risk of cardiovascular disease. The purpose of this policy is to help tackle this problem by making it more difficult for secondary school pupils to access hot food takeaways during the school day. This is a commendable aim.</p> <p>42. The Framework is clear that planning has a social role. It says that planning should reflect the community's needs and support its health, social and cultural wellbeing. Policy DM12 is consistent with this.</p> <p>43. In support of its position, the Council points to NICE Public Health Guidance 25: Prevention of Cardiovascular Disease (National Institute for Health and Care Excellence, 2010). Recommendation 11 encourages planning authorities to restrict planning permission for takeaways and other food retail outlets in specific areas, including within walking distance of schools. Indeed, as the Council points out, at least one other London authority's adopted Local Plan includes a policy of this sort.</p> <p>44. Overall, the approach proposed through Policy DM12, notwithstanding the shortcomings, is a step in a positive direction. Though an imperfect measure, the fact that it offers some response to a significant national problem justifies it. In my view, it should be supported.</p> <ul style="list-style-type: none"> <li>Wandsworth, inspectors report dated December 2015 - proposed a policy to restrict A5 uses within 400m of schools or colleges. Similar to the Hackney inspector, the inspector recognises there are arguments for and against such restrictions, but concludes that the significance of the issue being tackled justifies the policy:</li> </ul> <p>65. At the hearing there was a degree of acceptance that an over-concentration of Class A5 units is potentially damaging in giving rise to a 'normalisation' of such establishments. That said, preventing further takeaways above a prescribed threshold is something of a "blunt tool" and there may be better or other ways to regulate food sales. But the policy would limit the opportunities for those of school age to access unhealthy food and common sense indicates that takeaways could prove tempting to young people if located in close proximity to schools and colleges. This view is supported by the findings of the Wandsworth Youth Council survey.</p> <p>66. At the end of the day the policy does not advocate an outright ban but rather seeks to limit numbers. As such it embodies a balanced approach and allows the population to continue to enjoy the convenience of meals of this kind as well as not stymying any economic benefits from this sector. Furthermore, it gives greater clarity than the existing policy. Whilst there may not exist a strong scientific basis to endorse criterion c.ii. there is a need for action on an issue of national importance and so, as a planning judgement, the policy is justified and sound.</p> <p>It should be noted that the respondent submitted responses to all these documents except Hackney's; and, for the most part, these responses were very similar to the response to Islington's SPD, especially in terms of the evidence base documents cited. The respondent also provided comments on the draft Southwark New Local Plan in March 2015 which are very similar to comments provided here. While there is no requirement for the respondent to have a bespoke response for different plans in different boroughs, these responses spanned a period from October 2013 to September 2015 (response to Islington's SPD). In this time, the respondent has not added any additional evidence to reinforce their opposition to policies restricting A5 uses near schools. This is somewhat curious; if the respondent is correct in their assertion that the</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 243			<p>evidence base against restrictive policies is strong, then we would expect more and more evidence to materialise over time to suggest that restrictive policies are ineffective or are not justified. The fact that the respondent does not seem to have added even a single additional bit of evidence over a period of two years therefore suggests that such evidence is not materialising. Whereas Islington have weighed up both sides of the argument in relation to hot food takeaway restrictions, the respondent's consistently similar response, with seemingly no reflection of specific local evidence and context, betrays a significant bias toward their own circumstances.</p> <p>Re: the Brighton research, the respondent has (again) quoted selectively. The paragraph immediately following the section quoted notes that children also have many opportunities to buy unhealthy food on their way to and from school, which suggests that lunchtime on-site policies are not the sole consideration</p> <p>Also, as noted above, the Brighton research paints a picture very specific to Brighton. The methodology used is reliant on a single observed visit to each school; the report recognises this, noting that observations are "therefore approximate and may not be typical."</p> <p>The conclusion is the only place in the entire response where the respondent acknowledges of the existence of DMP policy DM4.3. It is curious that the respondent recognises this in the conclusion, yet gives no indication throughout the preceding parts of the response; that said, the respondent does not seem to have read the supporting text of the policy, where the 200m restriction is identified. Even if the adopted policy made no reference to an actual quantitative proximity, surely an SPD would be the appropriate avenue to provide further guidance on what the council meant by 'in proximity'. Considering these issues, the SPD is clearly consistent with the NPPF.</p> <p>The reference to the sequential approach is irrelevant and betrays a lack of understanding of how planning policy operates, as detailed above.</p> <p>The accusation that the SPD appears to rely on limited reports is refuted. The SPD makes reference to numerous evidence documents in Appendix 3. The council has continually sought additional evidence; the final SPD includes further references to relevant evidence.</p> <p>The references provided by the respondent are largely irrelevant; even where relevant research is provided, this is often misquoted and misrepresented.</p>
SPD19	Individual	<p>I have a few comments to make regarding premises which operate as fast food outlets, payday loan shops and betting shops. (Concentration of Uses)</p> <p>As far as I can work out the reason for your letter is presumably the number of applications that have come in and are coming in to open up such premises.</p> <p>Fast food outlets.</p> <p>These are everywhere because they are so profitable to their owners. Compared to a 'slow food' outlet like a cafe or a restaurant. The percentage profit is large. I can recall being told about 25 years ago the wholesale price of a chicken patty then was 8p which retailed at 95p. Gross markup taking patty and the bun around it say total cost 10p would be 950%. Prices would presumably be different today but I suspect the gross markup would still be very high.</p> <p>I don't know the wholesale price of frozen chips or coca cola is today but would expect the</p>	<p>Comments noted.</p> <p>Health concerns are one of the underlying issues which have prompted the council to produce the SPD.</p> <p>At this stage, it is not considered appropriate to impose a general restriction on the type of food on sale through planning, as suggested.</p> <p>The SPD allows for consideration of whether certain uses are over-concentrated.</p> <p>Even if the SPD were to affect supply of regulated gambling or lending (which is not guaranteed given that the SPD is not a blanket ban); and this led to an increase in illegal gambling/lending, this is surely a trigger to crackdown on illegal gambling/lending rather than to abandon any measures to mitigate/prevent impacts of a betting shop/payday loan shop.</p>

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>markup from wholesale to retail price to be high. I understand that for a large chain like McDonalds the main profit comes not from the 'Big Mac' but from the fries/chips and the soft drinks they sell.</p> <p>Such food is passed as fit for human consumption but it may not be so good for long term human health. You may be aware of current medical concerns regarding obesity and diabetes type 2. Fast food may be a contributor to this.</p> <p>It is cheap to buy and quick to prepare and serve and tasty to eat and there is a huge public demand for it. In a fast food place 5 people could get something to eat and a cup of coffee/soft drink for a total of say under £25. A cafe or restaurant meal for 5 plus coffees/soft drinks would be at least £50 and there may be a service charge or the waiter or waitress may deserve a tip.</p> <p>The only thing planning can do maybe is to space these premises out in a sensible way and have differing types of foods on offer at each location so it is not all pizza places or chicken and chips places everywhere down the street. Maybe allow a 'slow food' place in with the fast food places so people who wanted a proper meal with plates and knives and forks could go there. But in the inner city where you may have many people on low or modest incomes fast food places will always win on price.</p> <p>Betting shops.</p> <p>William Hill is the name of a bookmaking company with betting shops in high streets. They take their name from the man who is considered by many in the betting industry to be the greatest bookmaker who ever lived. His view of betting shops at the very beginning was that they would be a 'cancer on society' and detrimental to the working man. I think that view was and still is correct. But as bookmakers they recognised times had changed and so acquired the necessary premises to create betting facilities in. I can also recall a comment by Graham Sharpe (also of William Hill) which was in the 'Sporting Life' newspaper many years ago if my memory is correct, who asserted that with regard to betting shops (it may even have been in reference to gambling on horseracing and greyhound racing in general) 'it is virtually impossible to make a profit'. And I think that view was and is correct. Certainly Cyril Stein who I think was the chairman of Ladbrokes asserted that he liked betting shops because they had three windows taking money in but only one window paying money out!</p> <p>These days shops also have Fixed Odds Betting Terminals in them which have become extremely profitable for betting shop owners. But they are only allowed four per shop. So they have to open more shops to be able to operate more FOBT machines. Which is why many high streets have several betting shops rather than just one or two. These machines are capable of handling a £100 bet every twenty seconds so I understand. So in my view virtually all gamblers in betting shops lose money over time. For if they didn't keep on losing money there would be no betting shops.</p> <p>Like fast food shops, betting shops are passed as 'fit for human usage' if you like. But are they any good for long term human mental and financial health? I doubt it.</p> <p>Again as people seem to like to bet, maybe restrict outlets to a fixed number of betting shops per high street so it might reduce the totality of the money lost in them by the betting public.</p> <p>Payday Loan shops.</p> <p>These do short term loans to desperate people who are charged colossal interest rates on the money they borrow. No one in their right mind would borrow money at such interest</p>	



Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
Page 245		<p>rates. Even using a credit card in a real financial emergency to borrow money would be far cheaper. To my mind this sort of borrowing is the road to financial bondage in that the accumulating charges to someone who could not afford to pay off the loan could only lead to financial disaster, maybe bailiffs, loss of their home and so on.</p> <p>Try this</p> <p>Representative example: Borrow £200 for 28 days. The total charge for credit is £28. Interest is fixed at a rate of £28 per £200 loan (182.5% per annum). The total repayable is £228. 452% APR Representative.</p> <p>or</p> <p>How much do you want to borrow? £100 How many days until your next payday? 30 Total to Pay-back + Interest £15 = £115</p> <p>Obviously the returns on capital employed by the owners of a payday loan shop are likely to exceed nearly every other form of investment. Where else can you get such returns on capital employed? 15% per month? 182.5% per annum? And just collect your interest charge via the client's bank account as soon as their pay packet arrives into their account.</p> <p>As before maybe restrict applications to a certain number of shops per high street.</p> <p>As before they are 'passed fit for human usage'. But do they do that segment of the money borrowing public any good in the long term? I doubt it.</p> <p>So to sum up it seems to me to be best to restrict the number of outlets. The reverse of that is that each outlet would do more business but high streets wouldn't have too many of the same kinds of shop. As many members of the public want to eat fast food, gamble and borrow money it seems the only way to keep such a situation under control is to control the number of places which offer these facilities.</p> <p>I suppose in an ideal world such places would be outlawed so people would only eat nutritionally desirable food and maybe society's problems with obesity and diabetes 2 and maybe high blood pressure would reduce very considerably. And people wouldn't lose their money in betting shops and wouldn't borrow money at extortionate interest rates. But it wouldn't make much difference as people would just bet illegally as they did before betting shops existed and would borrow money at extortionate rates from private moneylenders who would be those people who were in a position to lent money.</p> <p>But Islington planning should maybe bear in mind that by granting planning permission for such outlets they are only really adding to the dietary problems and financial difficulties that exist in society now. Too much of what seems on the surface to be a good thing may appear to be wonderful. Too much of a bad thing when reality hits concerning what people initially thought was a good thing can cause an awful lot of personal and social and financial damage.</p>	
SPD20	Transport for London	The nature and scale of land-uses covered by this SPD are unlikely to result in any meaningful impact on the strategic transport network. However, as previously highlighted by	Comments noted. Comments made in response to the preliminary consultation have been taken into account in the draft SPD.

Consultee ID	Name of organisation (if applicable)	Comment	Islington Council response
		<p>TfL in consultation on this matter, certain land-uses, such as food and drink establishments, can have an impact on the operation of the public highway, particularly if concentrated in small areas.</p> <p>Accordingly, TfL supports the inclusion of commentary under Paragraph 5.9 acknowledging that TfL should be consulted on any applications which propose, or are likely to lead to, an incursion into the public highway. This is consistent with London Plan policy 6.3.</p>	

**Report of:** Executive Member for Health and Wellbeing

Meeting of:	Date	Ward(s)
Executive	21 April 2016	All

Delete as appropriate	Exempt	Non-exempt

## **SUBJECT: Contract Award for Mental Health Supported Accommodation Canonbury Lane**

### **1. Synopsis**

- 1.1 This report recommends the award of a contract to Family Mosaic for the provision of a supported accommodation service for clients with mental health needs.
- 1.2 The service to be provided is a 24-hour supported accommodation service for clients with mental health needs, commencing 1 April 2016. The annual value of the contract is £170,175.

### **2. Recommendation**

- 2.1 To agree the award of a contract to Family Mosaic, on an on-going basis, to deliver the service at Canonbury Lane, commencing 1 April 2016.

### **3. Background**

- 3.1 Canonbury Lane is a 24-hour supported housing project for people with mental health problems. The property is owned and managed by Family Mosaic, a registered social landlord with a contract with the Council to provide housing related support to tenants of the scheme. A Section 106 agreement exists between Islington Council and the owners of the property, stating that Family Mosaic shall be the provider of support at 2-4 Canonbury Lane N1 2AP. The Section 106 was drawn up in June 2003 without an end date.
- 3.2 Family Mosaic are subject to quarterly performance monitoring and no concerns have been raised with regards to the quality of service delivery. Tenants have a high level of need and require ongoing support. Performance data shows that in the last three years, one tenant has been effectively supported to move on to lower supported housing. The level of serious incidents reported by the service is low, with five recorded in the last three years.

In the future, there will be an expectation that the provider continues to offer improvement against delivery targets and works with commissioners and service users to shape the service to deliver high quality outcomes.

- 3.3 The annual value of the contract is £170,175. This represents good value for money to the Council, and costs are similar to other mental health supported accommodation services commissioned within the borough.
- 3.4 There will be no impact on Staff.
- 3.5 Islington Council's London Living Wage policy applies to this contract.

## **4. Implications**

### **4.1 Financial implications**

The Canonbury Lane contract with Family Mosaic is funded from Adult Social Services base budget and the new contract award will not result in a budget pressure for the department.

### **4.2 Legal Implications**

The council has power to provide mental health supported accommodation services under the Mental Health Act 1983, section 117 and the National Assistance Act 1948, S21(1). The Council has power to enter into contracts with providers of mental health supported accommodation services under section 1 of the Local Government (Contracts) Act 1997.

The social services being procured are subject to the light regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light regime is currently £589,148.00. The value of the proposed contract is above this threshold and therefore ought to be advertised in the Official Journal of the European Union (OJEU). The council's Procurement Rules require contracts over the value of £164,176.00 to be subject to competitive tender.

However, when the council entered into a section 106 agreement with New Islington & Hackney Housing Association in 2003, under the Town and Country Planning Act 1990 in relation to 2-4 Canonbury Lane, London N1 2AP (the Site) the landowner was obliged as follows: "Prior to the occupation of the Scheme the Landowner will enter into the Services Agreement with the Council" (Condition 4.1 and Schedule 2 paragraph 2, Section 106 agreement), where "Services Agreement" means the contract for the provision of the support services to be entered into by the landowner and the council at the Site. Since 10<sup>th</sup> August 2006 the registered proprietor of the Site is Family Mosaic Housing (Industrial and Provident Society No IP30093R). The Council currently has a Services Agreement with Family Mosaic Housing that comes to an end on 31<sup>st</sup> March 2016.

Since it is only the landowner who can provide the Services at this Site it is not possible to procure this service with competition. Therefore the contract may be awarded to Family Mosaic Housing as the landowner on an on-going basis as proposed in the report. In deciding whether to award the contract to Family Mosaic Housing the Executive should be satisfied as to the competence of the supplier to provide the services and that the contract price represents value for money for the Council.

### **4.3 Environmental Implications**

There are several environmental implications of a supported accommodation service. These include energy use in the building for heating, cooking and appliances, water use in the bathroom and kitchen facilities and waste generation by residents.

These can be mitigated by ensuring the building is well-insulated and uses an efficient heating system, that appliances in the building have a good energy rating, that bathroom and kitchen fittings are water efficient, and that recyclable or compostable waste is separated and disposed of appropriately.

#### 4.4 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment (RIA) was completed on 21 March 2016.

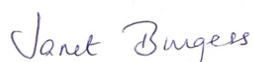
The Resident Impact Assessment identified that there would be no differential impacts. This decision was made because the service would have no disproportionate impact on any of the equality groups accessing the mental health supported accommodation service or working in the service.

### 5. Reasons for the recommendations / decision

- 5.1 It is recommended that Family Mosaic be awarded the contract to provide ongoing support to the clients at 2-4 Canonbury Lane N1 2AP
- 5.2 If this service was put out to tender then Family Mosaic may withdraw the building which would have a negative impact on the service users. Current contract monitoring shows that the service is performing well and as the value of the contract is relatively small any savings could be achieved by direct negotiations which have previously been collaborative and successful.

#### Final report clearance:

#### Signed by:



Executive Member for Health and Wellbeing

Date: 23 March 2016

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**Report of:** Executive Member for Health and Wellbeing

Meeting of:	Date	Ward(s)
Executive	21 April 2016	All

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## THE APPENDIX TO THIS REPORT IS NOT FOR PUBLICATION

### **SUBJECT: Contract Award for Adult Social Care Advocacy Services**

#### **1. Synopsis**

- 1.1 This report seeks approval to award a contract for the provision of Single Advocacy Service (Adults). The contract will be awarded for an initial three (3) year period with the option to extend by a further two (2) (total five (5) years). The contract will commence on 01 August 2016.

#### **2. Recommendations**

- 2.1 To approve the award of the contract for the Single Advocacy Service (Adults) to POHWER.
- 2.2 To note that the financial envelope for this contract is flexible and will range between £315,000 p.a. up to £615,000 p.a. depending upon demand for advocacy.
- 2.3 To note that regardless of annual value £120,000 of the contract is reserved for the delivery of non-statutory advocacy.
- 2.4 To note that POHWER are proposing to deliver the service for the following prices per hour and maximum amount of delivered hours set out in the exempt appendix.
- 2.5 To note that POHWER have proposed to deliver the Single Advocacy Service (Adults) through a formal sub-contract with the Elfrida Society.
- 2.6 To note that the contract includes provision for further delivery of non-statutory advocacy through local partners and that formal pricing arrangements have been agreed with the Manor Gardens Trust and Islington Law Centre.

### 3. Background

3.1 The Service will provide a single gateway service into advocacy services for Adults with Health and Social Care Needs in Islington and for people outside the borough where Islington retains statutory responsibility for the provision of these services. Elements of the provision will also extend to young people undergoing transition between Children's and Adult Services and young carers. The service will deliver both statutory and non-statutory advocacy functions including:

- Statutory Independent Mental Capacity Advocacy (IMCA)
- Statutory Independent Mental Health Advocacy (IMHA)
- Statutory Independent Advocacy under the Care Act 2014 (ICSA)
- Statutory Deprivation of Liberty Standards (DOLS) – Paid Representatives within Islington
- Non-Statutory Community Advocacy including health advocacy

The new contract will replace several existing contracts for the delivery of these services. By bringing together these services the new contractor will be able to maximise the available resources for advocacy to meet increasing demand and new statutory responsibilities (i.e. around the Care Act 2014). A single gateway into advocacy services will also provide a clearer process for both service users and professionals in terms of referrals and enable the service provider to ensure greater continuity of care to service users with changing needs and therefore eligibility for different types of advocacy.

The new contract requires the service provider to work in partnership with local services and encourages the provider to consider partnering with local services to deliver non-statutory advocacy as well as requiring the provider to invest in the training and development of Islington residents and people working in Islington to increase the number of people qualified to act as statutory and non-statutory advocates within the borough.

The lead provider would take on the following roles:

1. Provision of Statutory Advocacy Services (IMCA, DOLs Paid Representatives, IMHA, Independent Care Act Advocacy and Independent NHS Complaints Advocacy) – ensuring continuity of advocates for service users.
2. Coordination of the provision of Statutory Advocacy Services for persons living outside of the borough where Islington retains a duty to provide an advocate (except for DOLs Paid Representatives).
3. Coordination of the provision of non-statutory community advocacy and health advocacy through the sub-commissioning of local and specialist providers.
4. Ensuring the skills of the advocacy workforce across the entire pathway – providing training and development to local and specialist providers to increase the pool of qualified advocates in the borough – particularly amongst speakers of community languages.

The provision of many of the services considered in this procurement are statutory requirements (Care Act 2014, Mental Capacity Act 2005, Mental Health Act 1983 as amended in 2009). Local authorities cannot provide these services themselves as the legislation requires them to be provided independent of the local authority or NHS providers. The statutory guidance around the Care Act 2014 also strongly suggests that local authorities consider the joining up of these services particularly Independent Advocacy under the Care Act 2014 and IMCA and DOLs Representation in order to improve continuity of service for service users.

3.2 The new service will commence on 01 August 2016.

3.3 The contract will be awarded on an initial three (3) year basis with the option to extend for up to a further two (2) years. In total the maximum possible length of this contract will be five (5) years.



### 3.4 Procurement Process and Prior Approval

The Single Advocacy Service (Adults) is considered to be a Health and Social Care Service and is therefore covered by the light touch procurement rules. A procurement exercise was carried out by the Strategy and Commissioning team, with advice from Strategic Procurement, in line with the Council's Procurement Code. The procurement strategy for this contract was approved by Executive on the 16<sup>th</sup> July 2015. The approved procurement strategy was to follow the restricted procedure - a two stage process involving both a Pre-Qualification Questionnaire (PQQ) followed by the invitation of suitably qualified bidders to submit a full response to the Invitation to Tender (ITT).

### 3.5 Advert and Contract Award Criteria

An advert was placed on the Council's website and the London Tenders Portal on the 30 July 2017.

The following award criteria were advertised, these were developed, along with the service specification, after a detailed service user and carer consultation process:

#### **Cost 30%**

Cost made up of:

*Unit cost per hour for statutory advocacy services – 22.5%*

*Unit cost per hour for non-statutory advocacy services – 7.5%*

#### **Quality 70%**

Quality made up of:

*Service Model – 10%*

Outline of the proposed delivery model including the overall approach to ensuring effective customer service for people using the advocacy service for people requiring advocacy based both in and out of the borough.

*Understanding of the role of the Advocate – 25%*

This will require a demonstration of how you will ensure the independence of advocates, how advocates will form relationships with service users/carers and confidently represent them and how your advocates will empower service users/carers to act for themselves as much as possible.

*Managing conflict – 10%*

This will include the service's approach to managing conflicts between advocates and professionals employed by the council, the local NHS or other partners as well as how conflicts between advocates and service users/carers are managed.

*Demonstrating local partnerships – 10%*

Providers will be asked to demonstrate how they plan to ensure that the service is linked in with local and specialist services, particularly around the delivery of non-statutory advocacy and increasing access and participation for service users and carers with specific care and support needs.

*System wide training and development – 10%*

Providers will be asked to demonstrate how they plan to provide training and development opportunities to develop the local supply of qualified advocates.

*Implementing the new service – 5%*

Providers will be asked to demonstrate they have appropriate plans in place to implement the service by the contact start date including managing smooth transitions for service users and staff.

### 3.6 Tender Process

In response to the advert we received five responses. Of these, four organisations submitted a valid PQQ and were assessed as meeting the experience and technical expertise required and were invited to participate in the ITT stage. One organisation did not submit a valid PQQ so they were disqualified from the tender.

All four organisations invited to submit ITT responses did so. The ITTs were evaluated by a panel of commissioners and service user and carer representatives who co-marked questions equivalent to half of the available marks for quality. The officers on the evaluation panel were:

Joint Commissioning Manager – Prevention, Strategy and Commissioning, HASS

Commissioning Officer, Strategy and Commissioning, HASS

Mental Capacity Act/Deprivation of Liberty Safeguards Officer, Adult Safeguarding Team, HASS

The service user and carer representatives were supported by Healthwatch Islington to participate in the tender evaluation.

After the receipt of ITTs the evaluation panel agreed that none of the bidders had submitted a tender that satisfied the quality criteria sought. Commissioners therefore sought the approval of the Corporate Director for Housing and Adult Social Services to utilise the Competitive Procedure with negotiation or a competitive dialogue under section 18.1.16 of the Council's procurement rules. Approval was received on 22 October 2015. Waivers were also sought at this time to extend existing arrangements to accommodate the postponement of the new service start date to 01 August 2016.

As part of the Competitive Procedure with negotiation or a competitive dialogue all bidders were given detailed feedback on their bids and were invited to make revisions and resubmit their ITT responses for re-evaluation.

After re-evaluation, through a process that included verification interviews, all the bidders submitted revised ITT responses that satisfied the minimum quality criteria for this tender. No further negotiation was therefore required.

The evaluation panel therefore recommends the award of the contract to POhWER based on their performance against these criteria demonstrating they are the Most Economically Advantageous Bid.

The exempt appendix sets out full details of the scoring of the bids received.

## **4. Implications**

### **4.1 Financial implications**

The Single Advocacy Service will amalgamate current services into one single point of access to a range of statutory and non-statutory advocacy services for Adult Social Services in Islington.

The recommendation is to award the contract to POhWER, and the contract will be award for an initial three year period with the option to extend for a further two years.

The current cost of these services is £620k, and it is proposed the new service will cost between £315-£615k per year. This service will be demand led so there may be scope for efficiencies when the new service has embedded.

There could be a potential increase in the cost of this service which would be attributed to the growth in uptake of Care Act Independent Advocacy, and uncertainty about the scale of the demand. If uptake for Care Act Independent Advocacy is high, then this pressure will be need to be reviewed and managed by the department within existing financial resources.

#### 4.2 **Legal Implications**

The council has various duties to provide advocacy services under: the Care Act 2014, section 67; Mental Capacity Act 2005, sections 35-41; and Mental Health Act 1983 (Independent Mental Health Advocates)(England) Regulations 2008/3166. These duties require that the providers of the advocacy services are independent of the council. The statutory guidance associated with the Care Act 2014 also strongly suggests that local authorities consider the joining up of these services particularly Independent Advocacy under the Care Act 2014 and IMCA and DOLs Representation in order to improve continuity of service for service users. The council has power to provide other non-statutory advocacy services under section 111 of the Local Government Act 1972 which enables the council to carry out any activity that is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. The council may enter into contracts for such services under section 1 of the Local Government (Contracts) Act 1997.

The advocacy services being procured are subject to the light touch regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light touch regime is currently £625,050.00. The value of the proposed contract is above this threshold. It was therefore advertised in the Official Journal of the European Union (OJEU). The council's Procurement Rules require contracts over the value of £100,000 to be subject to competitive tender.

In response to the contract notice only unacceptable tenders were submitted. Therefore a review of the procurement was conducted in liaison with the tenderers in order to see what alterations might be required to the specification and/or award criteria as permitted under Regulation 26(4)(b). The Regulations permit changes to be made to the specification and award criteria as long as the changes are not so substantial as to amount to the award of a new contract (i.e. less than 10% change to initial contract value; and the change to specification does not make the contract materially different in character from the contract that was advertised).

After the review all the bidders submitted revised tenders that satisfied the minimum quality criteria. The bids were subject to evaluation in accordance with the tender evaluation model. POhWER gained the highest evaluation score and may therefore be awarded the contract as recommended in the report. In deciding whether to award the contract to the recommended service provider the Executive should be satisfied as to the competence of the supplier to provide the services and that the tender price represents value for money for the Council. In considering the recommendations in this report members must take into account the information contained in the exempt appendix to the report.

#### 4.3 **Environmental Implications**

An environmental impact assessment has been conducted on the proposed contract and identified no significant impacts. Minor impacts associated with staff travel and office -based work include vehicular emissions, congestion, energy and water usage, procurement and waste generation, all of which should be minimised by the contractor.

#### 4.4 **Resident Impact Assessment**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The initial screening for a Resident Impact Assessment was completed on 07 May 2015 and this did not identify any negative equality impacts for any protected characteristic or any human rights or safeguarding risks.

A copy of the RIA is available from the author upon request.

## 5. Reasons for the recommendations / decision

- 5.1 After the successful conclusion of the tender process the evaluation panel recommends that the contract for the Single Advocacy Service Adults is awarded to POhWER as the most economically advantageous bid.
- 5.2 The contract will commence on 01 August 2016.

### Appendices

- Exempt Appendix – Full breakdown of bids received and scores.

**Background papers:** None

**Final report clearance:**

**Signed by:**



Executive Member for Health and Wellbeing

Date: 23 March 2016

**Report Author:** Martin White  
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**Report of:** Executive Member for Health and Wellbeing

Meeting of:	Date	Ward(s)
Executive	21 April 2016	Clerkenwell & Bunhill
Delete as appropriate	Exempt	Non-exempt

**SUBJECT: Contract award for Single Homeless Supported Accommodation  
Lot 1: Female only accommodation, Lot 2: Accommodation for men  
and women**

### 1. Synopsis

- 1.1 The Procurement strategy for single Homeless services was approved by the Executive in May of 2015. The procurement activity is now concluded. This report seeks approval to award 2 contracts for the provision of Single Homeless Supported Accommodation, Lot 1 Female Only Accommodation service. Lot 2 a service for men and women.

The contracts will be awarded for an initial three (3) year period with the option to extend by a further three (3) years on two (2) occasions (total nine (9) years). The contracts will commence on 1<sup>st</sup> May 2016 (Lot 1) and 1<sup>st</sup> June 2016 (Lot 2).

### 2. Recommendations

- 2.1 a) To award the contract for Lot 1 to Sapphire Independent Housing (formerly known as Irish Centre Housing) to deliver one contract for 60 women in supported accommodation in the Clerkenwell Ward.
- b) To award the contract for Lot 2 to Family Mosaic to deliver one contract for 27 single homeless men and women in supported accommodation in Bunhill Ward.
- 2.2 To note the contract values in the table below, per annum and over the maximum nine year lifetime of the contracts.

Service	Provider	Annual Value	9 Year Value
Lot 1	Sapphire Housing	£228,842	£2,059,578
Lot 2	Family Mosaic	£113,771	£1,023,939
Total		£342,613	£3,083,517

### 3. Background

- 3.1 The aim of the services is to provide short term accommodation and a high quality housing support service for homeless and vulnerable adults 18 to 65 years to enable them to gain the skills to live independently and move on to appropriate accommodation. The service will work with the private rented sector and partner agencies to identify appropriate move-on accommodation.

Lot 1 will deliver flexible on-site support for a minimum of 277.20 hours a week located within one site within the borough. Lot 2 will provide flexible on site support for a minimum of 120 hours per week. Both services will have overnight security in place.

The existing contract for Lot 1 ends on 30<sup>th</sup> April 2016 and the borough will continue to require the provision of supported accommodation for single homeless adults. The new service for Lot 1 will commence on 1<sup>st</sup> May 2016. The existing Contract for Lot 2 will expire on 31<sup>st</sup> May 2016 and the New service for Lot 2 will commence on 1<sup>st</sup> June 2016. People accepted into supported accommodation are either homeless, inappropriately housed or at risk of becoming homeless. For individuals who the council has no statutory duty to house (as is the case with many single homeless service users), supported accommodation is crucial in curtailing rough sleeping and other forms of hidden homelessness, such as 'sofa surfing'.

Many of those placed within these schemes are former rough sleepers who do not meet eligibility criteria for statutory services but may still present with multiple complex needs around poor mental health, substance misuse, domestic violence and a lack of independent living skills. These housing services therefore support those within them to promote independence and help people to move-on to more permanent accommodation as well as reducing anti-social behaviour and supporting community safety.

- 3.2 The total contract values are £342,613p.a. or £3,083,517 over the maximum nine year lifetime of the contracts. The Contracts will be awarded on an initial three (3) year term with the option to extend by a further three (3) years on two (2) occasions. The contracts will commence on 1<sup>st</sup> May 2016 (Lot 1) and 1<sup>st</sup> June 2016 (Lot 2).
- 3.3 Savings have not been sought on these contracts. Commissioners have benchmarked against other similar contracts and are confident that the price being paid is very competitive. The lack of suitably qualified interest in this contract also indicates that there is little room for further savings on these services.
- 3.4 The contract for Single Homeless Supported Accommodation was advertised on OJEU using the restricted procedure. The contract was divided into two lots, and only the current providers responded to each contract notice and submitted a pre-qualification questionnaire (PQQ) for both Lots 1 & 2. The evaluation panel assessed the PQQs (submitted by the current providers) and agreed that the minimum requirements were met.

Due to the lack of competition, in accordance with the Public Contracts Regulations 2015 and the Council's Procurement Rules, the commissioning team sought permission to directly negotiate with the current providers who had successfully passed the PQQ stage.

The tender submissions were evaluated against the award criteria set out in the advertisement for this tender

Cost 40%  
Quality 60%

- 3.5 Following the evaluation, negotiations were conducted with the bidders to ensure all award criteria were met and the bids provided the Most Economically Advantageous Tenders (MEAT) to the council.
- 3.6 As the contract is remaining with the incumbent providers no impacts on staff or service users are anticipated.

## **4. Implications**

### **4.1 Financial implications**

The funding for the provision of Single Homeless supported accommodation services for Lot 1 (female service users) and Lot 2 (male and female service users) is funded from Adult Social Services base budget.

The proposed contract awards for Lot 1 to Sapphire Independent Housing and Lot 2 to Family Mosaic for an initial three year period with the option to extend for a further six years (three years on two occasions) will not result in a budget pressure for the department. The annual value of Lot 1 is £229k and Lot 2 is £114k, and the total value over the maximum nine year contract term is £2,060k (Lot 1) and £1,024k.

Savings have not been identified from this service. Benchmarking has been carried out against similar services to demonstrate that the service being commissioned is providing value for money.

### **4.2 Legal Implications**

Section 11A of the Housing Act 1985 states that a local housing authority may provide in connection with the provision of housing accommodation by them (whether or not under Part 2) such welfare services, that is to say, services for promoting the welfare of the persons for whom the accommodation is so provided, as accord with the needs of those persons. The council may enter into contracts with providers of such services under section 1 of the Local Government (Contracts) Act 1997.

The social care services being procured are subject to the light regime set out in Regulations 74 to 77 of the Public Contracts Regulations 2015 (the Regulations). The threshold for application of this light regime is currently £589,148.00. The value of the proposed contract is above this threshold. The contracts have accordingly been advertised in the Official Journal of the European Union (OJEU). The council's Procurement Rules require contracts over the value of £164,176.00 to be subject to competitive tender.

Each of Lot 1 and Lot 2 only received a single, but separate, tender which met the requirements of the council. Under the light regime Regulation 76 permits the council to determine the procurement procedure that it adopts. Therefore direct negotiations with the tenderers in light of the single responses received for each lot is permitted. The council may proceed to award the Lot 1 contract to Sapphire Independent Housing and the Lot 2 contract to Family Mosaic as recommended in the report.

In deciding whether to award the contract to the recommended service provider the Executive should be satisfied as to the competence of the suppliers to provide the services and that the tender prices represent value for money for the Council.

### **4.3 Environmental Implications**

An environmental impact assessment has been conducted on the proposed contracts and identified no significant impacts. Minor impacts associated with staff travel and office -based work include vehicular emissions, congestion, energy and water usage, procurement and waste generation, all of which should be minimised by the contractors.

- 4.4 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The initial screening for a Resident Impact Assessment was completed on 20<sup>th</sup> January 2016 and this

did not identify any negative equality impacts for any protected characteristic or any human rights or safeguarding risks.

A copy of the screening is available from the author upon request.

## 5. Reasons for the recommendations / decision

- 5.1 After a negotiation process Sapphire Independent Housing and Family Mosaic, (who were the only interested bidders in the lots for the contracts) demonstrated they could deliver services that met the quality criteria and deliver the services within the agreed contract price.
- 5.2 The contracts should therefore be awarded to Sapphire Independent Housing Lot 1 and Family Mosaic Lot 2

**Final report clearance:**

**Signed by:**



Executive Member for Health and Wellbeing

Date: 23 March 2016

**Report Author:** Emma Stubbs  
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Report of: **Executive Member for Health and Wellbeing**

Meeting of:	Date	Ward(s)
Executive	21 April 2016	All

Delete as appropriate	Exempt	Non-exempt

## **SUBJECT: Section 76 agreement for Shared Specialist Substance Misuse Service**

### **1 Synopsis**

- 1.1 The report is asking the Executive to approve an amendment to the agreed procurement strategy for the commissioning of Islington's alcohol and drugs shared care service. This service provides care, delivered in partnership with GPs, to support people with drug and alcohol problems in primary care settings. It plays a key role in promoting recovery and reducing the harm caused by alcohol and drug misuse which are a significant cause of health inequalities in Islington
- 1.2 In February 2015, the Executive agreed this service would be commissioned in conjunction with Islington Clinical Commissioning Group (ICCG) as part of an integrated model of working across primary care, community health and social care services, in order to best realise the benefits for service users and value for the council. The report stated that this would be via a pooled funding arrangement with ICCG, and at the time it was thought this would be through a section 75 agreement. Following Executive approval, work has continued to develop and implement this integrated approach to delivery. However as this development work has progressed, it has become apparent that the more appropriate approach for the transfer of the funding to the CCG is through a section 76 as opposed to a section 75. This report seeks Executive approval for this revised approach.

### **2 Recommendations**

- 2.1 The Executive is asked to:  
Approve the transfer of £701,000 under a section 76 funding arrangement between Islington Council and Islington CCG for commissioning of Islington's alcohol and drug shared care service.

### **3 Background**

- 3.1 Islington Council became responsible for commissioning substance misuse treatment services when responsibilities for Public Health functions were transferred to the Council in April 2013.
- 3.2 Substance misuse (alcohol and drugs) is a cause of considerable harm to the health and wellbeing of Islington residents. In terms of alcohol, around one in three residents are estimated to drink at increased

or high risk levels. Islington has the largest number of people accessing alcohol misuse treatment in London reflecting these high levels of population need. Islington has the second highest rate of opiate and crack use in London and the number of non-opiate users attending treatment is also increasing. Drug and alcohol use has a significant impact on health services, crime and community safety and is an important contributor to adult and children's social care needs.

- 3.3 The initial procurement report, appended to this document, provides an outline of the range of services available to support the sustained recovery of substance misusers and those affected by someone else's substance misuse. The shared care service delivered in partnership between Whittington Health and local GPs to support people with drug and alcohol problems in primary care settings, with good links with secondary care and specialist treatment, is an essential component of this pathway. As outlined in the initial procurement report, working in close collaboration with Islington CCG, Islington Council is also aligning the shared care service with the Practice Based Mental Health model in Islington – facilitating a more integrated approach to care delivery between general practices, Whittington Health and Camden and Islington Foundation Trust.
- 3.4 The national strategy for the NHS published in 2014, The Five Year Forward View, calls for new service models to support rapid progress in promoting health and wellbeing and providing care. These include more integrated models working across primary and community health care services and social care. This is already a major focus locally, through initiatives such as Islington's nationally recognised Pioneer programme and the work being developed through the Better Care Fund. Drug and alcohol issues are a significant cross-cutting risk factor in primary care, for example in long term conditions management and reducing preventable hospital admissions. The shared care service for people with drug and alcohol problems in primary care described above falls within scope of these new models of integrated working being developed locally. Jointly commissioning this service directly with the NHS can best realise the benefits for service users and value for the council. This strategic approach was approved by Islington Council's Executive in February 2015, where approval was given for using a section 75 as the method to support commissioning of integrated services with the local NHS.
- 3.5 Following Executive approval, there has been significant work to develop and take forward this approach. However as implementation has progressed, it has become apparent that the approach to jointly commissioning this integrated model with the CCG should be through a section 76 as opposed to a section 75, as originally set out and agreed by the Executive. All other details about the service, outcomes and resource requirements/commitments remain the same as specified in the original February 2015 procurement strategy report (appended to this report).
- 3.6 The Section 76 arrangement between LBI and Islington Clinical Commissioning Group will deliver a primary care-based treatment service that is better integrated with primary care and has a greater focus on psychosocial interventions, enabling the service to better support the Council's strategic priorities for substance misuse treatment. It is proposed that the amount to be transferred by the council to the CCG is £701,000.
- 3.7 Section 76 of the NHS Act 2006 enables joint health and social care funding. Section 76 allows local authorities to make payments, as in this case for service contributions, to NHS bodies to support specific additional NHS services, where this ensures a more efficient use of resources. The integrated approach for delivery of the substance misuse shared care would maximise the efficient use of resource and a more holistic approach for service users. The shared care service will develop as a fully integrated primary care substance misuse and mental health service over the new contract period, with the aim of referrals from GPs to the integrated service being managed through a single pathway, in order to:
- Provide a more seamless service for patients, service users and carers that delivers care in a holistic and integrated manner
  - Avoid duplication of service delivery;
  - Adapt the skill mix and increase awareness of the teams supporting individuals accessing the services – improving early identification, referral and intervention
  - Align delivery to support a collaborative approach to addressing local need and making best use of the commissioning resource across the CCG and LBI
- 3.8 Significant efficiencies are being delivered through the remodelling of the drug treatment pathway. The

procurement approach recommended in this report will help deliver this. The total cost of the shared care service in 2016/17 will be £701K. This proposal, along with the wider redesign of the substance misuse pathway, contributes to a 20% saving compared to 2014/15 in the cost of substance misuse services in Islington and a cumulative reduction of 28% since April 2013.

- 3.9 Following Executive approval, the Section 76 agreement will be finalised with ICCG. The delivery of the new service model is already being developed in conjunction with providers.

## **4 Implications**

### **4.1 Financial implications:**

The total annual budget for the shared care service is £701K per annum, and this service should not cause a financial pressure to the council. A section 76 is a formal mechanism that allows the transfer of funds to flow from the Council to the CCG.

Islington Council receives a ring-fenced Public Health grant from the Department of Health to fund the cost of its Public Health service. The Council's Public Health expenditure must be contained entirely within the grant funded cash limit indicated above. If any additional pressures are incurred management actions will need to be identified to cover this.

### **4.2 Legal Implications:**

The council may make payments to the CCG under the power conferred by section 76 of the National Health Service Act 2006. In doing so the council is required to meet the requirements set out in the National Health Service (Conditions Relating to Payments by Local Authorities to NHS Bodies) Directions 2013. The main conditions that need to be satisfied pursuant to the Directions are as follows:

1. Before making a payment under section 76 the council must be satisfied that the payment is likely to secure a more effective use of public funds than the deployment of an equivalent amount on the provisions of local authority services; and the council must be satisfied that the CCG intends to meet the cost of the project to the extent that it is not funded by the s76 payments; and for so long as the project is considered by the council and the CCG to be necessary or desirable (Direction 2).
2. The council must ensure, so far as is practicable, that the payment is used by the CCG in such a way as will secure the most efficient and effective use of the amount paid; and with the agreement of the CCG prepare a memorandum of agreement in writing in the form set out in Annex 1 of the Directions (Direction 3).
3. Following the making of a s76 payment the council must require the CCG to provide an annual voucher in the form set out in Annex 2 of the Directions. The CCG must send completed vouchers to their external auditor by no later than 30<sup>th</sup> September following the end of the financial year in question and arrange for these to be certified and submitted to the council by no later than 31<sup>st</sup> December of that year (Direction 5).

The council's constitution requires the Executive to approve revenue expenditure above £500,000.00.

### **4.3 Environmental Implications**

The service should have only a minimal environmental impact being primarily conducted within office locations. Where possible staff will be encouraged to use public transport to travel for work purposes. Fuel usage for lighting, heating and operating equipment within the building will be considered and where possible gas and/or electricity will not be wasted.

It is possible that the service will be required to dispose of hazardous materials related to drugs testing and harm reduction activities (i.e. needle exchange or disposal). The specification will require that these are safely disposed of in accordance with current waste regulation including Duty of Care regulation.

### **4.4 Resident Impact Assessment:**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A resident impact assessment was completed as part of the initial procurement strategy report in February 2015. There is no potential for discrimination and all appropriate opportunities to advance equality have been taken.

## 5 Reason for recommendations

- 5.1 Islington requires a range of substance misuse services that meet the needs of residents in a flexible way. Alcohol and drug misuse causes significant harm to the health and wellbeing of individuals, families and communities. Levels of mortality and illness among people who are problem drug users are high.
- 5.2 This shared care service for substance misuse plays a key role in improving the recovery outcomes of substance misusers with complex needs (alcohol and drugs) and supporting GPs to treat people in primary care. The use of a Section 76 funding agreement between LBI and Islington Clinical Commissioning Group will deliver a primary care based treatment service that is better integrated with primary care and has a greater focus on psychosocial interventions, enabling the service to better support the Council's strategic priorities for substance misuse treatment. Using a Section 76 to facilitate this approach ensures the efficient use of resources.

**Appendices:** Report to Executive, 12 February 2015 'Approval of Procurement Strategy for Specialist Substance Misuse Services'.

Final report clearance:

**Signed by:**



13 April 2016

Executive Member for Health and Wellbeing

Date

Report Author: Charlotte Ashton  
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**Report of: Executive Member for Health and Wellbeing**

Meeting of:	Date	Ward(s)
Executive	12 February 2015	ALL

Delete as appropriate		Non-exempt
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## **SUBJECT: APPROVAL OF PROCUREMENT STRATEGY FOR SPECIALIST SUBSTANCE MISUSE SERVICES**

### **1. Synopsis**

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of Specialist Substance Misuse Services in accordance with Rule 2.5 of the Council's Procurement Rules. These services play a key role in promoting recovery and reducing the harm caused by alcohol and drug misuse which are a significant cause of health inequalities in Islington.
- 1.2 The service is currently delivered through two contracts. The annual value of the two contracts in 2015/16 is expected to be £3,718,560, a reduction of 20% on current values. Further efficiencies are expected through the procurement process.
- 1.3 The resulting service will fulfil the following distinct functions:
  1. A specialist treatment service for people with drug and/or alcohol problems who have additional complex needs around mental health, offending or other health issues. The service will also deliver in-reach prescribing service to the direct access gateway service for people with substance misuse problems.
  2. A shared care service delivered in partnership with GPs to support people with drug and alcohol problems in primary care settings.
- 1.4 The proposal is to award for three years, with an option to extend by 2 years, plus a further 2 years subject to performance, up to a maximum length of seven years. Extensions will be based on performance related quality measures and delivery of key outcomes. This is considered the option which will lead to the Council obtaining best value for money and will provide a stable and supportive environment for service users.
- 1.5 An extension is being sought to the current contractual arrangements for an additional twelve months. The extension is enable commissioners to realise significant cost savings through the

existing contracts with current providers as part of the Public Health Transformation Programme. This will establish an efficient baseline and create a wider provider market from which to re-procure.

## 2. Recommendations

- 2.1 To approve the proposed procurement strategy for Specialist Substance Misuse Services. Agreements will be up to seven years for the delivery of these services following a process in line with the proposed procurement strategy.
- 2.2 To approve the extension to the existing contracts with Camden and Islington NHS Foundation Trust and Whittington Health NHS Trust for the delivery of Specialist Substance Misuse Services for an additional twelve months in order to deliver this procurement and realise the significant cost savings within the current service model ahead of the procurement process.
- 2.3 To delegate decisions on the procurement process and contract award to the Director of Public Health in agreement with the Executive Member of Health and Wellbeing.

## 3. Background

### Overview:

- 3.1 Islington Council became responsible for commissioning substance misuse treatment services when responsibilities for Public Health functions were transferred to the Council in April 2013.
- 3.2 Substance misuse (alcohol and drugs) is a cause of considerable harm to the health and wellbeing of Islington residents. In terms of alcohol, around one in three residents are estimated to drink at increased or high risk levels. The borough also has one of the highest levels of incapacity benefit claimants for alcoholism in London - Islington has the largest number of people accessing alcohol misuse treatment in London reflecting these high levels of population need. Islington has the second highest rate of opiate and crack use in London and the number of non-opiate users attending treatment is also increasing. Drug and alcohol use has a significant impact on health services, crime and community safety and is an important contributor to adult and children's social care needs.
- 3.3 The impacts of substance misuse are felt across the population, and the evidence base shows investment in drug and alcohol service results in a strong and substantial return on investment. For example:
  - The National Audit Office estimates that £2.50 is saved for every £1 invested;
  - It is estimated that if all drug users who started their recovery in 2010-11 sustain it, the estimated benefit would be £2.6bn;
  - For every £100 invested in drug treatment services a crime is prevented making treatment an effective intervention in crime reduction as well as community safety and health improvement.
- 3.4 Islington invests in a range of open access and specialist services that enable people to access treatment and work towards recovery. In the last year, outcomes for drug and alcohol treatment have improved and the services in scope of this procurement strategy form a key part of the drug treatment pathway and are key to sustaining and building on this improvement. Islington's priorities for the drug and alcohol treatment system are to improve recovery outcomes and ensure the treatment pathway meets the changing needs of the population of drug and alcohol users. This includes:

- Supporting clients with different patterns of drug and alcohol use (i.e. meeting the needs of the increasing number of users of novel psychoactive substances [‘legal highs’] and alcohol);
- Increasing uptake of treatment for people, including young people who misuse drugs and alcohol;
- Supporting the treatment system to better promote recovery in the opiate using population;
- Developing more flexible and personalised services, with a greater emphasis on community based programmes.

3.5 The services described here as Specialist Substance Misuse Services are currently delivered by Camden and Islington NHS Foundation Trust and Whittington Health NHS Trust:

#### **Camden and Islington Foundation Trust**

- Specialist Drug and Alcohol services for people with complex needs (i.e. comorbid mental or physical ill health) and psychiatric and psychological consultative support across the substance misuse treatment system.

#### **Whittington Health**

- GP shared care ‘in reach’ drug and alcohol services – delivering drug treatment in 18 general practices in the borough and alcohol services in 33 practices;
- Low Threshold Opiate Prescribing In-reach service – providing pharmacological interventions to Islington’s direct access and criminal justice drugs treatment provider. (provided by CRI, a voluntary organisation);
- Blood borne virus screening and vaccination across all substance misuse services;
- Hospital based alcohol liaison services.

3.6 It is proposed that these functions are delivered as two distinct elements. These elements would be:

- Lot 1. Specialist drug and alcohol services for people with complex needs (i.e. comorbid mental or physical ill health) and psychiatric and psychological consultative support across the substance misuse treatment system; low threshold opiate prescribing in-reach service; blood borne virus screening and vaccination; and hospital based alcohol liaison services.
- Lot 2. A shared care service delivered in partnership with GPs to support people with drug and alcohol problems in primary care settings, with good links with secondary care and specialist treatment.

3.7 Recommissioning the services described above brings together the specialist clinical expertise required, to ensure a focus on integrated care and provide expert support across the treatment pathway. It will enable the council to ensure it is meeting the complex needs of people with drug and alcohol problems and ensure that there is specialist expertise in drug and alcohol treatment that can be used flexibly across the system. It will support the management and integration of care for people with drug and alcohol problems in primary care.

3.8 Our intention is to deliver efficiencies through the remodelling of the drug treatment pathway. The procurement approach recommended in this report will help deliver this. The proposed

procurement approach will also deliver a primary care based treatment service that is better integrated with primary care and has a greater focus on psychosocial interventions; enabling the service to better support the Council's strategic priorities for substance misuse treatment.

- 3.9 The new NHS England strategy, The Five Year Forward View, calls for new service models to support rapid progress in promoting health and wellbeing and providing care. These include more integrated models working across primary and community health care services and social care. This is already a major focus locally, through initiatives such as Islington's nationally recognised Pioneer programme and the work being developed through the Better Care Fund. Drug and alcohol issues are a significant cross-cutting risk factor in primary care, for example in long term conditions management and reducing preventable hospital admissions. The shared care services for drug and alcohol in primary care described in Lot 2 fall within the scope for new models of integrated working. The potential to jointly commission Lot 2 services directly with the NHS, in order to best realise the benefits for service users and value for the council, will be considered as an approach to the commissioning of these services via a pooled funding arrangement.

#### **Funding and Savings:**

- 3.10 Funding will be met from the Public Health budget. Current spending on these services is £4,648,200 per annum. However, Commissioners are seeking to make significant savings as part of the Public Health Transformation Programme before the start of new agreements. It is anticipated that by the start of the new agreements in 2016/17 the cost of these services will be £3,718,560 per annum. This represents a 20% saving on current contract values and a cumulative reduction of 28% since April 2013.
- 3.11 In order to deliver this level of savings commissioners will agree reductions with current providers for 2015/16. It is the view of the commissioning team that these savings can be achieved most effectively through direct negotiation with the current service providers ahead of any procurement exercise, ensuring that budgets better reflect the needs and services delivered to service users.
- 3.12 An extension is therefore being sought to the current contracts by a further twelve months to allow this negotiation to take place and the remodelled service to be commissioned. Commissioners have a strong record of delivering savings in this way and savings have already been agreed for 2014/15 reducing the annual cost of the service to £4,648,200– a 7% reduction on 13/14 expenditure.
- 3.13 Overall, the budget for the initial three year agreements starting in 2015/16 will be £11,155,680. This will have scope for 2 x 2 year extensions based on successful performance. The maximum budget will be £26,029,920 although we expect to achieve further efficiencies through the procurement process

#### **Justification to extend existing contracts**

- 3.14 The Council is currently an associate to Islington CCG's contracts with Camden and Islington Foundation Trust and Whittington Health for the delivery of these services. Work has been undertaken to disaggregate the substance misuse services from the wider mental health and acute services contracts and prior to procurement, stakeholder engagement will be required including engagement with CCG, primary care, probation and community safety.
- 3.15 Recommissioning these services will be a complex process which will require remodelling to ensure that the service best meets the needs of service users.
- 3.16 Commissioners are seeking to deliver significant savings, outlined above, on the current contract price on these services. It is the belief of commissioners that this is most likely to be achieved in a way that minimises disruption to service users through working with existing providers to deliver these savings. The delivery of these savings ahead of a procurement exercise will potentially widen the provider market as an incoming provider would not be required to take on potentially significant restructuring costs. Market testing has begun to assess the potential market for specialist services.



- 3.17 A waiver to the Procurement Rules has been agreed by the Director of Public Health and Head of Strategic Procurement following financial, legal and procurement implications for 2015/16, subject to the Executive agreement of the contract award. This will give commissioners time to deliver additional savings before tendering these services, serve notice on the current contractual arrangements and run an effective procurement process for a redesigned model of delivery to commence in April 2016.

### **Proposed Procurement Strategy**

- 3.18 A significant market engagement exercise has already taken place. This has informed our proposed approach and procurement strategy. The proposed procurement approach has also been approved by the Council's Procurement Board. The procurement route will be determined based on value for money, delivering an integrated care approach and the best outcomes for service users which may include, but is not limited to, use of the Competitive Dialogue Procedure, the Restricted Procedure and/or use of a section agreement to the Clinical Commissioning Group (CCG), should an integrated pool-funded pathway be adopted. Commissioners plan to issue outcomes based specification for the delivery of these services and ensure strong scrutiny of clinical quality. The model adopted by Commissioning will be overseen by the Director of Public Health with appropriate input from the Council's legal services, strategic procurement and finance teams.
- 3.19 The procurement approach will aim to stimulate the market to deliver innovative new service models, with strong clinical governance that will improve quality and outcomes for service users and release further cost savings.
- 3.20 Bids received will be awarded on the basis of 70% quality and 30% cost. Significant savings will be made in advance of the procurement in order to manage the risk of remodelling. The services are complex and work with people who are vulnerable with complex needs around substance misuse and mental health so quality, partnership working and safety are key considerations. Quality will be assessed on the basis of the following criteria: clinical governance and quality; service model and proposed outcomes and partnership working.
- 3.21 Work on implementing this procurement strategy will commence immediately after approval by Executive and proceed alongside remodelling of existing services. The aim would be to finalise new agreements by November 2015, allowing time to plan for the implementation of new agreements starting 01 April 2016.
- 3.22 The new agreements will include a clause allowing for the early termination of this service should the grant funding which pays for the service be reduced or withdrawn.
- 3.23 In the event that Lot 2 services are commissioned with the CCG as part of an integrated model of working across primary care, community health and social care services, as described in 3.9, the approach will be to commission the Lot 2 services via a pooled funding arrangement with the CCG (Section 75). Lot 2 would then be jointly commissioned with other CCG services which may potentially require the variation of an existing contract with an NHS provider.

### **Collaboration with other boroughs**

- 3.24 Collaboration with other boroughs has been considered. Discussions were held with Camden commissioners but the service models and target population in the two boroughs are markedly different. Both boroughs have distinct treatment populations – Islington service users are more likely to be opiate users (although the proportion of non-opiate users accessing treatment is increasing) and are markedly more complex than service users in Camden (based on Public Health England analysis). As current service models between the two boroughs are also very different both Camden and Islington commissioners are of the view that collaboration would not be beneficial. Although we are exploring options for joint procurement of residential rehabilitation for substance misuse clients with Camden.

## 4. Implications

### 4.1 Financial implications:

Islington Council receives a ring-fenced Public Health grant from the Department of Health to fund the cost of its Public Health service. The total funding for 2014/15 is £25,429,000 and will remain at that level for 2015/16.

The current 2014/15 budgets earmarked for these combined services total £4,648,200 per annum. The proposed contract values for 2015/16 total £3,718,560 per annum, this equates to a 20% saving per annum.

Further savings will be realised through the proposed procurement approach.

The Council's Public Health expenditure must be contained entirely within the grant funded cash limit indicated above. If any additional pressures are incurred management actions will need to be identified to cover this.

To avoid a potential future financial pressure for the Council, any future contracts should have a termination clause which allows them to end if they become unaffordable.

### 4.2 Legal Implications:

The council has a duty to improve public health under the Health and Social Care Act 2012, section 12. The council must take such steps as it considers appropriate for improving the health of the people in its area including providing services or facilities designed to promote healthy living (whether by helping individuals to address behaviour that is detrimental to health or in any other way) as well as providing services or facilities for the prevention, diagnosis or treatment of illness (National Health Service Act 2006, section 2B, as amended by Health and Social Care Act 2012, section 12 and Regulation 2013/351 made under the National Health Service Act 2006, section 6C). Therefore the council may provide specialist substance misuse services as proposed in this report. . The council may enter into contracts with providers of such services under section 1 of the Local Government (Contracts) Act 1997. The Executive may provide Corporate Directors with responsibility to award contracts with a value over £500,000 (Procurement Rule 14.2).

The threshold for application of the Public Contracts Regulations 2006 is currently £172,514. The value of the proposed contract is above this threshold. These services fall within Part B of the Regulations. Although Part B services do not need to strictly comply with the provisions of the Regulations, there is a requirement under EU rules for part B services to comply with the principles of equal treatment, non-discrimination and fair competition. The council's Procurement Rules require contracts over the value of £100,000 to be subject to competitive tender. In compliance with the principles underpinning the Regulations and the council's Procurement Rules a competitive tendering procedure with advertisement is required.

The proposed procurement strategy, to advertise a call for competition and procure the service using a competitive tender process, is in compliance with the principles underpinning the Regulations and the council's Procurement Rules. On completion of the procurement process the contract may be awarded to the highest scoring tenderer subject to the tender providing value for money for the council.

Should the option to commission Lot 2 jointly with the CCG as proposed at paragraph 3.23 be used , the council has power to do so under Section 75 of the National Health Service Act 2006. Section 75 provides NHS organisations such as Islington Clinical Commissioning Group the power to exercise various local authority functions and local authorities' the power to exercise various health functions as well as the power to set up

pooled funds related to such purposes.

The value of the proposed one year extension of the existing contract is over £500,000 and therefore requires Executive approval. There is a small risk of procurement challenge in extending the existing contracts through direct negotiation. However, this risk is mitigated by the limited nature of the contract extension and the proposals to conduct a transparent procurement of these services as outlined in the report.

#### 4.3 Environmental Implications:

The service should have only a minimal environmental impact being primarily conducted within office locations. Where possible staff will be encouraged to use public transport to travel for work purposes. Fuel usage for lighting, heating and operating equipment within the building will be considered and where possible gas and/or electricity will not be wasted.

It is possible that the service will be required to dispose of hazardous materials related to drugs testing and harm reduction activities (i.e. needle exchange or disposal). The specification will require that these are safely disposed of in accordance with current waste regulation including Duty of Care regulation.

#### 4.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment is underway and will be completed in time for reporting to Executive.

### 5. Conclusion and reasons for recommendations

5.1 Islington requires a range of substance misuse services that meet the needs of residents in a flexible way both in a specialist treatment setting and in primary care to support the council's ambition to improve recovery outcomes. Alcohol and drug misuse causes significant harm to the health and wellbeing of individuals, families and communities. Levels of mortality and illness among people who are problem drug users are high.

5.2 This service will play a key role in improving the recovery outcomes of substance misusers with complex needs (alcohol and drugs) and supporting GPs to treat people in primary care.

**Appendices:** None

**Background papers:** None

Final report clearance:

**Signed by:**



Executive Member for Health and Wellbeing

Date

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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