

# LG Group Environment & Housing Programme Board

16 March 2011

Item 9

## Note of decisions taken and actions required

Title: Environment & Housing Programme Board

Date and time: Wednesday 17 November 2010, 11.00am

Venue: The Millbank Room, Local Government House

**Attendance** 

CIIr:

Clir:		
Position	Councillor	Council
Chairman	Gary Porter	South Holland DC
Vice chair	Clyde Loakes	Waltham Forest LB
Deputy chair	Dorothy Thornhill	Watford BC
Deputy chair	Mike Haines	Teignbridge DC
Members	Peter Britcliffe	Hyndburn BC
	Andrew Gravells	Gloucestershire CC/ Gloucester City
	Jason Stacey	Ealing LB
	David Smith	Lichfield DC
	Derek Bateman	Cheshire West & Chester
	Tony Newman	Croydon LB
	Ed Turner	Oxford City
	Berni Turner	Liverpool City
	Paula Baker	Basingstoke & Deane BC
Substitutes	Tim Moore	Liverpool City
	Neil Clarke	Rushcliffe BC
In attendance	Martin Wheatley	LGA
	Clive Harris	LGA
	Piali Das Gupta	LGA
	Clarissa Corbisiero	LGA
	Nick Clack	LG Regulation
	Sarah Monaghan	LGA



Apologies Clare Whelan Lambeth LB

## Item Decisions and actions Action by

## 1 LGA/ CLG Housing Commission

The Chair welcomed Lord Richard Best, Chair of the LGA/ CLG Housing Commission to the meeting. Lord Best outlined the purpose of the Commission, which was established by John Healey MP and Baroness Eaton OBE in March 2010 to consider how local authorities can ensure a sufficient supply of homes for their areas.

Lord Best gave a preview of the report's findings and recommendations ahead of publication. He emphasised that many policies which will impact housing provision are bound up with the Government's broader localism agenda.

Lord Best set his recommendations in the context of the wider changes to the benefits system and spending cuts announced by the Government, but stressed that although these would have a significant impact on housing policy, there were still ways in which both central and local government could ensure a sufficient supply of affordable homes. He outlined key ways in which housing provision could increase given the challenges of operating within cuts in funding. In discussion, the following recommendations and comments were made:

- HRA Reform councils must be able to retain the rents and sales from the receipts they collect to enable them to recycle the proceeds in housing provision
- New Homes Bonus some Members saw this as offering significant benefits to councils for house-building, and is an appropriate incentive scheme in the current financial situation.
- Infrastructure it is essential that ways are found to fund infrastructure, particularly tax increment funding, to enable councils to provide necessary housing.
- Community Infrastructure Levy and s106 will be important sources of funding for affordable housing and infrastructure, and councils will need to be challenging but realistic in securing them.
- Partnerships LEPs are an opportunity to co-operate on housing, share expertise and build quality



relationships in this financial climate.

- Private partnerships the high transaction costs private sector partnerships are becoming less feasible for councils. There should be a standardisation of contractual terms for partnerships with private companies to continue to utilise their expertise.
- Rural Housing exception sites are an extremely useful but under exploited resource for rural communities.
- Community Right to Build although in principle this is a good idea, there are concerns about how a referendum requiring 75% approval of plans would work in practice.
- There were concerns that the 'Affordable Rent Scheme' could have extreme effects in London, where the proposed 80% of market rents would in practice mean the market rent itself.
- It is essential for local authorities to lead the way on housing provision and encourage further development because if the private sector retreats from development, this will lead to further problems.

The Chair thanked Lord Best for attending.

Members then discussed the LGA's proposed lobbying position on the 'Affordable Rent Scheme'. There were strong opinions both for and against this scheme, and whether the LGA should actively seek the freedom for councils to charge rents at 80% of the market price, but all agreed that it was of great importance that there was a level playing field between councils and housing associations.

### Decision

Members **agreed** that, in response to the Government's announcement that housing associations will be able to charge 80% of market rents on new build and new lets, the LGA's approach should be to lobby for those councils who wish to adopt the same approach, while also probing and challenging how exactly the scheme will work, including such issues as the affordability of the proposed rents in relation to HB limits in high cost areas, the impact on the benefits trap, and the need for councils to work with adjoining councils and housing associations to ensure the right availability and mix of different social rentals in a housing market area.

#### **Action**



 Officers to circulate a set of words which reflects the Programme Board's discussion and decision regarding the LGA's response to the Government's proposals for an 'Affordable Rent Scheme'. Martin Wheatley

 Officers to circulate a note of discussions with senior officials form the Homes and Communities Agency with any details of the Government's plans. Martin Wheatley

Officers to circulate information on the Right to Buy scheme.

**Ruth Lucas** 

## 2 Spending Review 2010

Piali Das Gupta, LGA, said that there was a limited window of opportunity to influence Government before the Local Government Financial Settlement in December. In discussion, the following points were made:

- Clarification is needed about what process by Defra to inform their decision to cut funding for several PFI projects but not others.
- The consultation on the New Homes Bonus closes before the next meeting of the Environment & Housing Programme Board. However, officers should consult with Members about the LGA response

#### Decision

Members **noted** the discussion.

#### Action

 Officers to take forward the comments made by Members All Officers in lobbying activities.

## 3 Housing and Planning influencing programme

Clarissa Corbisiero, Senior Policy Consultant, LGA proposed that this report should be updated and used as a live document, since it would change significantly once the Localism & Decentralisation Bill was published.

## Decision

Members **agreed** the planned influencing activities, subject to the comments made in discussion.



- **Action** 
  - Officers to update and circulate the influencing programme document on a monthly basis to housing and planning portfolio holders.
  - Officers to incorporate Members views and recommendations into programme.
  - Officers to arrange lead Members' meeting to discuss some issues of concern, and develop a strategy for dealing with them.

Clarissa Corbisiero/ Russell Reefer Clarissa Corbisiero

Sarah Monaghan

#### 4 **Defra Waste Review submission**

Martin Wheatley said that there were some key wins and risks for local government in the review. The key wins were that Ministers have recognised that municipal waste needs to be considered alongside commercial and industrial waste. The LGA is also on the inside track with Government officers who will carry out the review. However, alongside the cuts to several PFI projects, some key risks were also identified, such as the possibility of setting alternate week collections for councils. The LG Group has communicated to government that this goes against the principle behind the localism agenda and should be reconsidered.

Members endorsed the submission and suggested that lobbying work should continue to raise these issues with Government. In particular, Members suggested that there should be more joined up thinking between Defra and DECC around waste infrastructure energy opportunities.

#### Decision

Members **noted** the report.

#### Action

Officers to continue to lobby Government on the key issues for councils in the waste review.

Martin Wheatley/ Clive Harris

#### 5 Local Government Group support for councils on tackling litter

Nick Clack, Team Leader, Local Government Regulation, introduced this report which provides an update on the progress



made in the national campaign to reduce litter, and highlights significant outstanding issues.

Members discussed the difficulties of prioritising tackling litter given the extremely difficult financial situation for local government. However, as this remains a key concern for most local residents, this issue should not be sidelined and Members endorsed the general approach outlined in the report. It was suggested that local government should concentrate resources into making legislation in this area simpler and easier to enforce.

Members also suggested that the LG Group should lobby to change legislation so that the owner of the vehicle is liable for any litter dropping.

#### Decision

#### Members:

**endorsed** the lobbying approach generally, subject to the recommendations made in discussion **agreed** to be represented on the 'Litter Convention' by Cllr Clyde Loakes.

#### Action

 Officers to take forward work in this area based on steer Nick Clack provided by Members.

## 6 Update on other Board Business

Members noted the open event to be hosted with Somerset County Council on energy generation and climate change on 12 January. This should be attended by one Member from each political group and chaired by a lead member.

Cllr Paula Baker updated Members on ongoing European and International work, and suggested that regular updates should be fed back to the Board since her appointment to the European and International Programme Board.

#### Decision

Members **noted** the updates.

## **Action**



• Officers to circulate further details of the 12 January event.

Clive Harris/ Sarah Monaghan

## 7 Note of the last meeting

## Decision

Members **agreed** the note of the last meeting.

Date of open event in Somerset: 12 January 2010

Date of the next full Programme Board meeting: 16 March

2010