

Environment and Housing Board

Agenda

Wednesday 21 November
2012, 11.00am

Smith Square Rooms 3 & 4
Local Government House
Smith Square
London
SW1P 3HZ

To: Members of the Environment and Housing Board
cc: Named officers for briefing purposes

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Environment and Housing Board

21 November 2012

There will be a meeting of the Environment and Housing Board at:

11.00am on **Wednesday 21 November 2012** in the Smith Square Rooms 3 & 4, Ground Floor, Local Government House, Smith Square, London, SW1P 3HZ. A sandwich lunch will be served after the meeting.

Pre-meeting for the Board Lead members

The briefing for Lead members will take place from **09.15am** in the Smith Square Rooms 3 & 4.

Political Group meetings

Please refer to your Political Group office (see contact details below) for group meeting timings.

Attendance Sheet

Please ensure that you sign the attendance register, which will be available in the meeting room. It is the only record of your presence at the meeting.

Apologies

Please notify your political group office (see contact telephone numbers below) if you are unable to attend this meeting, so that a substitute can be arranged and catering numbers adjusted, if necessary.

Labour: Aicha Less: 020 7664 3263 email: aicha.less@local.gov.uk
Conservative: Luke Taylor: 020 7664 3264 email: luke.taylor@local.gov.uk
Liberal Democrat: Group Office: 020 7664 3235 email: libdem@local.gov.uk
Independent: Vanessa Chagas: 020 7664 3224 email: Vanessa.chagas@local.gov.uk

Location

A map showing the location of Local Government House is printed on the back cover.

LGA Contact

Liam Paul: Tel: 020 7664 3214, e-mail: liam.paul@local.gov.uk

Carers' Allowance

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Environment & Housing Board - Membership 2012/13

Councillor	Authority
Conservative (8)	
Mike Jones (Chairman)	Cheshire West and Chester Council
Clare Whelan	Lambeth LB
Frances Roden	Stroud DC
Eddy Poll	Lincolnshire CC
Eric Allen*	Sutton LB
Jim Harker*	Northamptonshire CC
Geoffrey Theobald OBE*	Brighton & Hove City
Brian Williams*	Shropshire Council
Substitutes:	
Rock Feilding-Mellen**	Kensington & Chelsea RB
Christopher Garland**	Maidstone BC
Burt Keimach**	West Lindsey DC
Chris Pillai**	Calderdale MBC
Labour (6)	
Clyde Loakes [Vice Chair]	Waltham Forest LB
Tony Newman	Croydon LB
Ed Turner	Oxford City
Tim Moore	Liverpool City
Barbara Cannon*	Allerdale BC
Gwen Hassall*	Stoke-on-Trent City
Substitutes:	
Clare Pritchard**	Hyndburn BC
Liberal Democrat (3)	
Keith House [Deputy Chair]	Eastleigh BC
Terry Stacy JP MBE	Islington LB
Simon Galton	Leicestershire CC
Substitute	
Tony Trent**	Borough of Poole
Independent (1)	
Andrew Cooper [Deputy Chair]	Kirklees MBC
Substitute:	
John Taylor	Northumberland Council
Julian German**	Cornwall Council
Peter Jones**	Babergh DC

* new member

**new substitute

Environment and Housing Board

21 November 2012

LGA Environment and Housing Board Attendance 2011-2012

Councillors	18.09.12	21.11.12	23.01.12	20.03.12	14.05.12	24.07.12
Conservative Group						
Mike Jones	Yes					
Clare Whelan	Yes					
Frances Roden	Yes					
Eddy Poll	Yes					
Eric Allen	Yes					
Jim Harker	Yes					
Geoffrey Theobald OBE	Yes					
Brian Williams	Yes					
Labour Group						
Clyde Loakes	Yes					
Tony Newman	Yes					
Ed Turner	Yes					
Tim Moore	Yes					
Barbara Cannon	Yes					
Gwen Hassall	Yes					
Lib Dem Group						
Keith House	Yes					
Terry Stacy JP MBE	Yes					
Simon Galton	Yes					
Independent						
Andrew Cooper	Yes					
Substitutes						
Rock Feilding-Mellen	Guest					
Clare Pritchard	Guest					

Agenda

LGA Environment and Housing Board

21 November 2012

11.00 -13.00

Smith Square Rooms 3 & 4

	Item	Page	Time
For discussion			
1.	The Local Waste Review	3	11.00
2.	Growth and Infrastructure Bill and extensions to Permitted Development rights	9	11.25
3.	Carbon reduction and sustainability	17	11.50
4.	Achievements and work programme of the Inland Flood Risk Management Group	25	12.15
5.	LGA Business Planning 2013-14	33	12.40
To note			
6.	Appointment of Portfolio holders	41	12.50
7.	Any other business		12.55
8.	Decisions and actions from previous meeting	44	

Date of next meeting: 11.00am, Wednesday 23 January 2012, Local Government House
LGH, Westminster Suite

The Local Waste Review

Purpose

For discussion and direction.

Summary

It is proposed that the LGA will lead a review of commercial and domestic waste to enable local government to proactively lead the future direction of waste policy and set the agenda for reducing waste, increasing and mainstreaming reuse and increasing recycling and waste management whilst reducing cost pressures.

The findings of the review will be published in a report at a national event in 2013 which will champion local innovation and best practise in waste management and provide evidence lobbying positions on future funding gaps and more local decision making on waste.

Recommendations

That the Board:

1. **comment** on the proposals for the LGA's Local Waste Review; and
2. **confirm** the representatives to be appointed to the Challenge Group.

Action

As directed by the Board.

Contact officer: Dan McCartney
Position: Adviser
Phone no: 0207 664 3238
E-mail: Dan.McCartney@local.gov.uk

The Local Waste Review

Background

1. This paper provides an overview of the Local Waste Review project proposed by the Board. Lead Members have already commented on these proposals and those comments have been incorporated into the project scope below. Members are invited to comment on the proposals and to nominate representatives to the Challenge Group (paragraph 15).

Summary

2. The LGA will lead a review of commercial and domestic waste to enable local government to proactively lead the future direction of waste policy and set the agenda for reducing waste, increasing and mainstreaming reuse and increasing recycling and waste management whilst reducing cost pressures. The findings of the review will be published in a report at a national event in 2013 which will champion local innovation and best practise in waste management and provide evidence lobbying positions on future funding gaps and more local decision making on waste.
3. The LGA will gather evidence from councils to model cost-drivers beyond councils' control and forecast councils' future expenditure on waste. The research work will identify key challenges and innovations in service delivery, make recommendations for reducing cost pressures on waste management including de-regulation and regulatory change, and develop proposals that will help councils meet the evidenced funding constraints - whilst improving and delivering better outcomes in this field.

Structure

4. Direction of travel on waste management:
 - 4.1 Increasing pressure and challenges for waste management;
 - 4.2 Record and role of local government in driving change;
 - 4.3 Waste's impact on the wider economy – jobs and growth;
 - 4.4 Community needs and expectations of waste services; and
 - 4.5 Driving behaviour change on reducing waste, increasing recycling and reuse.
5. Funding waste services:
 - 5.1 Evidencing current and future cost pressures for councils on waste through financial modelling.
6. Potential for maximising income:
 - 6.1 Increasing the ability of councils to secure greater value from the recyclable material they collect;
 - 6.2 Potential of re-use;

- 6.3 Levering in funding from packaging producers;
 - 6.4 Charging residents and businesses; and
 - 6.5 Local taxes/ licences on waste generation and generators.
7. Regulation and removing restrictions:
- 7.1 Improving EU regulation and UK transposition – e.g. Judicial Review of the Waste Regulations;
 - 7.2 Landfill tax;
 - 7.3 Making existing regulation better including wider producer pays principals covering more items;
 - 7.4 Maintaining local flexibility in delivery of service;
 - 7.5 Increasing the number of household products/ items/ materials banned from landfill.
8. Reducing cost pressure:
- 8.1 From regulation;
 - 8.2 Making the case for de-regulation where possible;
 - 8.3 Reducing unnecessary monitoring requirements; and
 - 8.4 Setting out the case for local flexibility to help councils drive down costs
9. Enforcement:
- 9.1 Making the case for retaining and strengthening powers for environmental protection relating to waste.
10. Infrastructure:
- 10.1 Planning;
 - 10.2 Waste disposal and recycling facilities;
 - 10.3 Energy from waste; and
 - 10.4 Minimisation of waste miles and impact on the environment.

Good practice case studies

- 11. The report will include case studies from member councils, looking at successful examples of where councils have:
 - 11.1 Made efficiency savings;
 - 11.2 Used technology effectively;
 - 11.3 Changed behaviour and attitude to waste;
 - 11.4 Successful communication strategies on waste and recycling;
 - 11.5 Created an income stream from waste and recycling; and
 - 11.6 Used their enforcement powers effectively.

Partner organisations

12. The work will be led for the LGA by the programmes team but will involve other parts of the organisation including the productivity and leadership teams.
13. There are a number of professional networks and organisations which have a wealth of data, information and case studies and could help resource and secure buy-in to the review, including:
 - WRAP
 - A representative from one of the large Waste Disposal Authorities
 - National Association of Waste Disposal Officers (NAWDO)
 - Local Authority Recycling Advisory Committee (LARAC)
 - ADEPT
 - CIWM
 - London Reuse Network
 - POS/ Regional Technology Advisory Boards
 - Waste Network Chairs
 - Advisory Committee on Packaging (ACP)
 - Environment Agency / DEFRA/ CLG
 - Local Economic Partnerships
 - Council of European Municipalities and Regions (CEMR)
 - European Commission
 - iESE
 - National Flytipping Prevention Group (NFTPG)
 - Environmental Services Association (ESA)
 - Combined Heat and Power Association (CHPA)

Process and timetable

14. The scope of the Local Waste Review was discussed and agreed with lead members of the Environment and Housing Board. The financial modelling work referenced above is now underway.
15. The review could invite submissions from local government, the wider waste sector and partner organisations listed above. The call for evidence could begin following the Board meeting in November and close just before Christmas.
16. We propose that a 'Challenge Group' is established with representation from the Board and some of the partner organisations set out above. Lead Members have agreed that Cllr Loakes will chair the challenge group and each of the groups will appoint a representative to sit on the group. The purpose of the

group will be to identify evidence and input to inform the review and to critique the report. To a large extent, input from the group could be done virtually, but we envisage it would meet twice, once at the start of December and once in the New Year.

17. It is envisaged that initial findings of the review will be presented to the Board in March 2013 and the review would be complete by the end of May 2013. Findings and results from the work will be used as they emerge to inform LGA input and responses to developments in waste policy which occur before the review is completed. For example, to develop an evidenced position on the rate and destination of Landfill Tax post-2014, an issue that will shortly be considered by the Government.

Growth and Infrastructure Bill and extensions to Permitted Development rights

Purpose

For discussion and direction.

Summary

This paper provides an overview of the LGA's lobbying programme on the Growth and Infrastructure Bill and sets out a proposed forward influencing programme. This paper also sets out current and planned activity to take forward LGA lobbying on the proposals to extend permitted development rights for specific householder applications.

Recommendations

That the Board:

1. **agrees** the draft forward parliamentary lobbying programme for the Growth and Infrastructure Bill; and
2. **agrees** the draft forward influencing programme for permitted development rights.

Action

As directed by the Board.

Contact officer: Clarissa Corbisiero / Tom Coales

Position: Senior Adviser / Senior Public Affairs and Campaigns Adviser

Phone no: 0207 664 3060 / 0207 664 3110

E-mail: Clarissa.Corbisiero@local.gov.uk / Thomas.Coales@local.gov.uk

Growth and Infrastructure Bill and extensions to Permitted Development rights

Part 1 Growth and Infrastructure Bill

1. The Growth and Infrastructure Bill was introduced to Parliament on 18 October 2012. The Bill contains many of the measures announced previously by the Government on 6 September 2012. The Bill had its second reading on 5 November and began committee stages in the Commons on 13 November.
2. The LGA issued an 'on the day' briefing in response to the Bill, has submitted written and oral evidence to the House of Commons Bill Committee and will be issuing further and subsequent briefings and relevant amendments for each stage of the Bill process. The LGA has also begun meeting with key stakeholders, MPs and CLG to discuss the Bill and this will continue throughout the Bill's process through Parliament.
3. Part 1 of this paper provides an overview of the LGA's positioning on the bill, key proposed amendments and a forward programme of work.
4. The LGA has stressed that the bill is
 - 4.1 **A missed opportunity.** This Bill presents an ideal opportunity to empower local areas to drive economic growth. Whilst measures to align the town and village green registration process with the planning system are helpful overall, the Bill will miss that opportunity. The LGA will be proposing measures to broaden the scope and increase the ambition within the bill.
 - 4.2 **Misguided.** The Bill's focus on planning is misguided and will not tackle the real barriers to growth.
 - 4.3 **A blow to democracy.** The Bill is at odds with the Government's localism programme by providing sweeping new powers for the Secretary of State to take away decision making from locally and democratically accountable councillors.
 - 4.4 **Centralising.** The Bill proposes a massive shift of resources and responsibilities from councils to the Planning Inspectorate (PINs), an unelected quango, which is likely to result in delays to planning applications and removal of local accountability, as well as significant expansion in the scale and role of the Inspectorate.
 - 4.5 **Counterproductive.** The measures to remove local choice and influence in favour of central decision-making risk seriously denting trust at the local level meaning some communities may be increasingly reluctant to accept new development in their areas. The measures will also introduce delay and unnecessary bureaucracy into the process, contrary to the aims of the legislation.
 - 4.6 **Redundant.** There are a number of clauses that will have no impact on growth.

Item 2

5. The LGA has already been actively lobbying MPs, government and stakeholder organisations on the big issues for local government. We are meeting individually with key MPs and the LGA Vice Presidents from all parties.
6. The House of Commons 2nd Reading of the Growth and Infrastructure Bill took place on Monday 5 November 2012. The LGA briefed MPs in advance of the debate, resulting in widespread use of our arguments from across the chamber. This included contributions from:
 - 6.1 Hilary Benn MP, Shadow Secretary of State for Communities and Local Government
 - 6.2 Joan Walley MP (Stoke on Trent North, Lab)
 - 6.3 Mary Glendon MP (North Tyneside, Lab)
 - 6.4 Annette Brooke MP (Mild Dorset and North Poole, Lib Dem, LGA Vice-President)
 - 6.5 David Ruffley (Bury St Edmunds, Con)
 - 6.6 Bill Esterson (Sefton Central, Lab)
 - 6.7 James Morris MP (Halesowen and Rowley Regis, Cons, CLG Select Committee member)
 - 6.8 Clive Betts MP (Sheffield South East, Lab, Chair of CLG Select Committee)
 - 6.9 Martin Horwood MP (Cheltenham, Lib Dem)
 - 6.10 Ian Murray MP (Edinburgh South, Lab, Shadow business minister)
7. The Bill has now entered Committee Stage, and Cllr Mike Jones (supported by Paul Raynes) gave evidence to the committee on Tuesday 13 November. During the remaining committee stages we will work with MPs from all sides of the House to table amendments and to press for more information from Government on issues such as powers to designate authorities and to extend the nationally significant infrastructure planning regime.
8. We be seeking amendments to the following parts of the Bill (included in the order they appear in the Bill):
 - 8.1 **Clause 1** - provides applicants with option to apply direct to Secretary of State if the council has been designated. (The LGA will put forward an amendment to delete this clause).
 - 8.2 **Clause 4** - limiting information the planning authority can require to 'reasonable and material to the determination'. (We will be citing this as an example of unnecessary and centralist legislation).
 - 8.3 **Clause 5** - modification of the discharge of affordable housing elements of s106 agreements. (The LGA will put forward an amendment to delete this clause).
 - 8.4 **Clause 7** - Amendments to the Communications Act (we will highlight our concern regarding the proposed extension of permitted development rights for broadband boxes and seek clarification on how this is linked to the measures in the Bill).

Item 2

- 8.5 **Clauses 12-14** - Registration of town and village greens (we will be supporting these clauses).
- 8.6 **Clause 21** - Extending the Major Infrastructure Planning Regime to include commercial and business projects (we will be seeking further information on these clauses and highlighting our concerns that this takes decision making out of local hands).
9. The LGA has numerous proposals which it will be urging Parliament to consider in order to ensure the Bill has a positive impact on growth. These will include:
- 9.1 **Removal, or relaxation, of the housing borrowing cap:** Local authorities have demonstrated their ability to borrow prudentially. Continuing to impose a cap, particularly on housing borrowing, is unnecessary and contrary to localism. Relaxation of the limitations here would allow for some authorities to double or treble their development programmes providing both much needed affordable housing and a huge stimulus to the local construction industry. This clause will also reinforce and link to the research and publication we are undertaking in partnership with the National Federation of Arms Length Management Organisations (ALMOs), the Chartered Institute of Housing (CIH), and others to make the case for the borrowing cap to be lifted or relaxed.
- 9.2 **Devolve economic powers to drive local growth.** The Localism Act included provision to allow for devolution of such powers, for example skills and transport. This is being taken forward in some areas through City Deals; however devolution has been limited so far. This could be achieved by introducing a “right to challenge” for local authorities to allow councils to bid to take over functions and services delivered by Government departments, or by inserting a duty on the Secretary of State for Communities and Local Government to act on clauses 15 and 16 of the Localism Act 2011.
- 9.3 **Improve powers to bring properties back into use and to unblock stalled sites:** The compulsory purchase scheme could be used to better effect to bring empty properties¹ back into use and unlock stalled sites. We would like to discuss with government how we can speed up the process and reduce liability for costs up front.
- 9.4 **Removal of the current power held by Highways Agency** to give directions to restrict the granting of planning permission, by local planning authorities (if they impact upon the strategic network). The Highways Agency is already a statutory consultee on planning applications that may impact on the strategic road network, and a named partner under the duty to cooperate in the Localism Act. They should be required to negotiate appropriate transport solutions rather than being able to veto development unconditionally.
- 9.5 **Improvements to statutory consultee system** so that consultees can be forced to pay costs if they are late with a submission and removing requirements to re-consult with statutory consultees in cases of minor amendments to permissions.

¹ There are 700,000 in England existing homes sitting underused with many in poor condition and empty for long extended periods of time.

Item 2

- 9.6 **Require water companies (and other utilities subject to economic regulation) to have regard to future housing numbers** in planning infrastructure.
- 9.7 **Improvements to Empty Dwelling Management Orders (EDMOs)**, to make them a useful tool, quicker, and less bureaucratic.
- 9.8 **Allowing councils more flexibility over the permitted development framework by making it easier to use Local Development Orders.** Further details are provided in section 2 of this report.
10. We continue to highlight developments on the Growth and Infrastructure Bill to member councils through the Environment and Housing Bulletin, the Parliamentary Bulletin, First and the Chairman's bulletin and encourage them to raise their concerns with their MPs, Ministers and in the local press.
11. We have also been discussing the bill with stakeholders including key government departments (DCLG, DCMS and DEFRA), the Home Builders Federation, Campaign to Protect Rural England, National Housing Federation, Chartered Institute of Housing and the Planning Officers Society to highlight councils' concerns.
12. We will be pursuing discussions with the following organisations over the coming weeks: British Property Federation, Royal Town Planning Institute (RTPI), the Royal Institute of British Architects (RIBA), and Shelter.

Part 2 Extension to Permitted Development Rights for householder extensions.

13. The government proposed a relaxation of permitted development rights for householder extensions as part of its Housing and Growth package on 6 September. These measures would require amendments to secondary legislation through the General Permitted Development Order. A consultation on these measures was published on 12 November.
14. The proposal has generated significant media interest and the LGA has secured front page coverage in the national press highlighting our concerns. This is alongside coverage of the views of individual councils citing their opposition to the measures.
15. Discussions with CLG continue at political and officer level regarding this policy including formal correspondence from the Board Chairman to Ministers outlining our concerns. Officers have, as requested at the last board meeting, developed a number of mechanisms for councils to demonstrate their concern with this proposal, should they wish. These include:
- 15.1 Development of a model motion for debate at full council; and
- 15.2 Development of a template letter which could be sent to Government citing concern with the proposal.
16. An update on progress will be provided at the meeting.

21 November 2012

Item 2

17. There is also an opportunity through the Growth and Infrastructure Bill to pursue a more ambitious amendment which would allow local authorities the flexibility to set permitted development rights. This would build on and take forward the campaigning work undertaken earlier this year to allow for an umbrella use class. Officers are discussing the detailed amendment with planning officers.
18. In summary our proposal would make the case that a national approach to permitted development and changes of use will inevitably lead to unintended consequences and adverse impacts in different localities. Encouraging investment of a particular type by relaxing permitted development rights or encouraging change of use may be right for one area and not for another. The current system allows central government to set out permitted development rights and provides local authorities limited tools to amend this. However these tools are cumbersome and expensive and as a result are not well used.
19. We propose that it is made easier for councils to determine permitted development at local level either by providing them with powers to set their own permitted development framework locally – subject of course to consultation and a local impact assessment; or by making Local Development Orders easier to use.

Financial Implications

20. This work can be delivered within existing budgets.

Carbon reduction and sustainability

Purpose

1. The Environment and Housing Board's agreed objective is to champion local action on fuel poverty, energy efficiency and reducing the cost of energy, giving councils the flexibility and access to the resources they need to support local initiatives.
2. In meeting this objective, the Board is aiming to proactively lead the agenda on carbon reduction and energy. This will involve building on existing relationships with Ministers to ensure continued influence at senior level, including regular meetings with Greg Barker, Minister for Energy, Department for Energy and Climate Change (DECC), who has also agreed to attend a future Board meeting.
3. The projects proposed to deliver the objective are outlined in the report. Members are asked to comment on whether these provide the right substance for future conversations with DECC Ministers, and also to suggest further ideas for proposals to take to Ministers.

Summary

This paper provides further detail on the key issues and planned projects which will address the Board's agreed priority on carbon reduction and sustainability.

Recommendations

That the Board:

1. **Comment** on the proposed projects;
2. **Suggest** further ideas for proposals to take to ministers.

Action

As directed by the Board.

Contact officer: Abigail Burridge
Position: Senior Adviser
Phone no: 0207 664 3060
E-mail: Abigail.burridge@local.gov.uk

Carbon reduction and sustainability

Background

1. The proposed focus for the Board's work programme in this area is twofold:
 - 1.1 To develop a clear narrative and a strong evidence base which demonstrates that councils' action on energy efficiency and carbon reduction is central to delivering Government's energy agenda and delivers significant economic, social and environmental benefits to local communities.
 - 1.2 To use this evidence to present a series of offers to Ministers that will deliver shared objectives on energy and influence the design of future policy initiatives.

Issues to be addressed

2. Taking action on energy efficiency and reducing the costs of energy is a key issue for councils and Government as a result of the impact of increasing costs of energy on communities, local economies and on council services, which include:
 - 2.1 Householders, businesses and councils facing continuing increases in energy prices. Five of the six major energy suppliers have announced price increases this year adding between £80 and £112 to a typical household's annual bill;
 - 2.2 Increasing energy costs put additional costs on businesses which in turn constrains local economies. They also reduce the amount of disposable income householders have to spend to support their local economy;
 - 2.3 Price increases are also putting more people on lower incomes, particularly those in energy inefficient homes, in fuel poverty. In 2010 there were 3.5 million households in England in fuel poverty, compared with 1 million in 2004; and
 - 2.4 Councils having to spend more to power their own buildings and services - money that is being diverted from other essential and statutory services. Southampton City Council currently spends over £9 million pa on energy and has publically stated that "continuing cost rises mean that energy...puts at risk other important services".
3. There are a number of policy initiatives and programmes designed to address these issues at both central and local level.

How councils have been addressing these issues

4. Councils are addressing these issues in a number of ways including energy efficiency programmes, fuel poverty and health programmes, reducing the energy demands of their own buildings, installing renewable energy, providing renewable energy and heat to their local residents and businesses and helping to stimulate and support the creation of jobs.
5. Examples of locally led solutions include:
 - 5.1 In 2010, councils provided (solely or in partnership) over 50 per cent of the available energy efficiency programmes in England. These council-led schemes were named as the most popular with customers (Energy Saving Trust 2010);
 - 5.2 Councils are using their knowledge about their local housing to target energy efficiency programmes where they will have most effect and deliver economies of scale. The LGA has estimated that if a local approach to energy efficiency, similar to that used by Kirklees Council, was scaled up for every home in the country, it would have saved £2 billion compared with the energy company delivered schemes;
 - 5.3 Councils can bring together funding and partners to target initiatives where they are needed most. Walsall Metropolitan Borough Council has a partnership with NPower and Walsall NHS, to tackle fuel poverty, cold related illnesses and excess winter deaths. The scheme trains a wide range of workers, who visit people in their homes, to establish whether the clients they are visiting are suffering ill health as a result of living in a cold damp home. They are then offered energy efficiency improvements and new boilers;
 - 5.4 Councils are tackling energy efficiency of their own estate to reduce their own energy bills. Since 2008/09, Reigate and Banstead Borough Council have reduced their energy bill by £260,000 a year;
 - 5.5 Councils are installing new renewable and local sources of energy for their own buildings and their residents' and businesses'. Islington council is launching a local energy centre and district heating network in the Bunhill Ward on 29 November. It aims to provide cheaper, greener heat to 700 homes on several estates in the area; and
 - 5.6 Councils are also using energy initiatives to support private sector growth. Bristol City Council secured £2.5 million investment from the European Investment Bank in 2011 to invest in renewable energy schemes across the city, which they estimate will create up to 1,500 jobs.

Central Government solutions

6. The Government has a statutory target to reduce CO2 emissions by 80% by 2050. To achieve this they have developed a number of initiatives designed to improve the energy efficiency of buildings in the UK:

- 6.1 The **Green Deal** is the Government's proposal for providing funding and a new system for householders and businesses to improve the energy efficiency of their properties. It has been recognised that councils are key to the successful realisation of the Green Deal, and the LGA has been lobbying on its development since the concept was first presented;
 - 6.2 The **Energy Company Obligation (ECO)** is an obligation on the Energy Suppliers to reduce carbon emissions from domestic properties and to reduce the energy bills of householders in receipt of multiple qualifying benefits through energy efficiency improvements and heating upgrades. The Energy Suppliers must reduce carbon emissions by 27.7 million tonnes of life CO² by 31 March 2015 and £4.2bn of cost savings by 31 March 2015. The obligation includes a specific requirement to deliver 30 per cent of the carbon reductions through locally-led initiatives. Several wins have been achieved by the LGA, including securing an element of the Energy Company Obligation (ECO) specifically for locally-based projects;
 - 6.3 DECC have revised statutory guidance on the **Home Energy Conservation Act 1995 (HECA)**, which is designed to improve the energy efficiency of domestic properties by requiring councils to set out local energy efficiency delivery plans; and
 - 6.4 The **Renewable Heat Incentive** is a new publically-funded incentive scheme to encourage householders to install renewable heating solutions. This will benefit rural communities that do not have access to electricity or gas infrastructure.
7. DECC also have a **statutory responsibility to eradicate, as far as reasonably practicable, fuel poverty by 2016**. Initiatives to tackle fuel poverty have included Warm Front, which was a Government-funded heating upgrade and energy efficiency scheme for private and privately-rented homes (to be replaced by ECO), and the Warm Home Discount Scheme, where energy suppliers give householders claiming pension credit £120 rebate on their bills. However current trends are that numbers of householders in fuel poverty are increasing. DECC are seeking to revise their definition of fuel poverty and will be developing a new fuel poverty strategy in 2013.

Presenting the case for how Local Government can deliver these policy objectives

8. The Board could develop an offer in each of the key areas covered by Government initiatives with a view to ensuring the Government's objectives can be effectively met whilst delivering maximum local benefits.

Delivering the Green Deal and Energy Company Obligation:

9. The LGA has already successfully made the case to Government that councils are integral to making the Green Deal a success. Most notably, seven 'Pioneer Cities' have been given £12 million to develop local Green Deal projects and

DECC have just released £10 million for Green Deal 'pioneer' projects for councils in England.

10. The LGA has been helping councils understand and consider their options under the Green Deal, including:
 - 10.1 A community on the Knowledge Hub for the LGA to share information and facilitate council knowledge sharing, with nearly 100 members already subscribed;
 - 10.2 Two LGA Green Deal conferences in 2011 and 2012 that were over-subscribed;
 - 10.3 Joint events with DECC on the Green Deal, including an event on finance for the Green Deal; and
 - 10.4 Outreach events with DECC to groups of councils to explain and discuss the opportunities under the Green Deal.
11. There is scope for the LGA to do more to support councils on the Green Deal.
12. Implementation of the Green Deal has been delayed nationally until April 2013 as financing and billing arrangements are finalised. It is challenging for the Green Deal to attract the levels of finance needed to loan householders money at a low rate of interest. DECC and the DECC-supported 'Green Deal Finance Company' are looking to councils to use their own money and prudential borrowing to kick start Green Deal finance. Birmingham City Council is considering prudentially borrowing £75million for their 'Birmingham Energy Savers' Green Deal scheme.

Proposed LGA deliverables

13. There are a number of ways in which the LGA could work with councils and with DECC to help councils and government make the Green Deal and ECO a success, including:
 - 13.1 Responding to feedback from councils, provide support for developing business cases for the Green Deal and ECO;
 - 13.2 Share good practice on engaging council tenants;
 - 13.3 Share good practice on how to reach 'hard to reach' residents;
 - 13.4 Set out how councils can and are using the Green Deal to make links with colleges and schools, giving young people the skills to gain employment in green industries;
 - 13.5 Set out how councils can and are using the green deal to create local jobs and support local contractors;
 - 13.6 Negotiate with Energy UK (the organisation that represents the interests of energy companies) to secure agreement that councils should have the ability to place their projects on the ECO Brokerage without having to become full Green Deal Providers; and
 - 13.7 Working with DECC to clearly set out how the ECO Brokerage will work for councils

Potential areas for further Local Government offers

14. In addition to the proposals above, the Board could develop further offers for Local Government including:

Fuel Poverty;

- 14.1 Demonstrating how locally-led solutions for addressing fuel poverty are more effective to help the development of the new national Fuel Poverty Strategy and associated delivery programmes.

Green energy generation;

- 14.2 Working with councils that are developing decentralised and district heating projects to share their knowledge to help DECC and other councils meet their green energy generation objectives
- 14.3 Negotiating with Ofgem to develop a new way for councils to sell the renewable electricity they generate, as no councils have been able to meet the standards imposed under the current licensing regime.

Collective switching and collective purchasing;

- 14.4 The LGA is exploring opportunities to jointly promote councils' existing Collective Energy Switching Schemes, which are designed to enable customers to access the correct energy tariff, and enable savings of up to £200 per annum on a dual-fuel switch. The scheme involves 16 councils so far.
- 14.5 The LGA is also working with DCLG to organise an 'Energy Summit' with Councils in the New Year, which will look at consortia purchasing, demand management measures, and collective switching.

Reducing energy consumption in public assets and fleet.

- 14.6 Support DECC through Local Partnerships in the development of a national energy services procurement scheme for the public sector, building on the Greater London Authority's 'Re:FIT' project, that allows councils to save on their energy bills and have energy efficiency improvements installed at low cost.
15. Members are asked to comment on these and other suggestions on which officers could develop proposals for future work.

Financial implications

16. The programme team has sufficient budget to fund these proposed projects.

Achievements and work programme of the Inland Flood Risk Management Group

Purpose

To present the key achievements of the Inland Flood Risk Management Group's work over the last 12 months and proposed key areas of focus for its work over the coming year.

Summary

As requested by the last meeting of the Environment and Housing Board, this report provides a summary of the achievements of the Group's work in relation to flood risk management and associated issues and outlines key areas of focus for the coming year.

Recommendations

That the Board:

1. **notes** the achievements of the Group's work over the last 12 months;
2. **endorses** the proposed key areas of focus for the coming year.

Action

As directed by the Board, officers will develop a work programme to support the deliverables identified and report these back to the Group, seeking further support from the Board as necessary.

Contact officer: Kamal Panchal / Jo Allchurch
Position: Senior Adviser / Adviser
Phone no: 0771 7572640 / 07900 931045
E-mail: Kamal.panchal@local.gov.uk, Jo.allchurch@local.gov.uk

Focus of the LGA Inland Flood Risk Management Group's work and key objectives

Introduction

1. The LGA Inland Flood Risk Management Group was set up by the LGA's Environment and Housing Board in 2009 to support councils' transition to the new responsibilities placed on Lead Local Flood Authorities (LLFAs) and to help the LGA to lead the agenda in representing council's flood related priorities and concerns.
2. Flooding is predicted to be the biggest climate risk to the UK and affects a growing number of communities each year. This presents significant challenges for councils, not least in dealing with unpredictable cost burdens in a highly constrained financial climate. It also presents a substantial reputational risk to councils who are under intense scrutiny on their ability to respond and assist. Recent flooding events have only too clearly highlighted some of these challenges and risks.
3. At the last Environment and Housing Board meeting, it was agreed that '**Flooding – managing flood risk and building resilience**' would be one of the four high-level areas of focus for the coming year. The Board agreed for the Inland Flood Risk Management Group to continue to lead on LGA floods work on its behalf and has asked the Group to report back on progress made in the previous year and set out its areas of focus and objectives for the year ahead, for the Board's endorsement. The Board agreed it would also be useful for the Group to report back to the Board at each meeting on progress to enable the Board to add weight on key lobbying issues.

Achievements of the Inland Flood Risk Management Group over the previous year

4. The achievements below have been grouped broadly into three main topic areas – **funding and resources; capacity building and tackling insurance issues.**

Funding and Resources

5. Following successful LGA lobbying, the Government increased their offer of emergency funding to councils affected by this summer's flooding (via the Bellwin scheme) to 100% (above initial local contributions).
6. Following significant structural highways damage from this summer's floods - the LGA wrote to both DCLG and DfT urging them to change the rules concerning emergency financial support so that they allow councils to automatically claim for such capital costs.
7. In the run up to the enactment of the Floods and Water Management Bill 2010, Defra and the LGA had set up an officer level panel to review funding and capacity requirements specifically relating to LLFAs. A recent survey of council resources and capacity showed that councils were adequately undertaking their new responsibilities. The work of the Panel is now complete.

8. The Group collected evidence from councils and responded to the Government's consultation on Sustainable Drainage Systems (SuDS) provisions, highlighting concerns on timing of implementation on long-term funding of SUDs maintenance. Following LGA lobbying, councils were at least provided some clarity at the recent Inland FRM Group's open event that the SUDs regulations will not be able to commence in April 2013 as anticipated by many councils.

Capacity Building

9. As part of the support package to local authorities, a one-stop shop (www.local.gov.uk/floodportal) for all local flood risk management information, learning and networking was launched in June 2012. The 'FloWNet' community has now well over 1100 subscribers and is showing high levels of use.
10. October's annual floods event was well attended by more than 80 delegates with an address by the Defra floods minister Richard Benyon. Local authority colleagues from Calderdale and West Sussex provided a timely reflection on the summer 2012 floods which affected their local areas.
11. The Group, via its officer network, has continued to support the Defra capacity building strategy. This has been developed in partnership with local authorities, the Local Government Association, Environment Agency, CIWEM (the Chartered Institute of Water and Environmental Management), DCLG and other partners. Through workshops and on-line resources, the capacity building programme is continuing to help LLFAs deliver better local flood risk management through skills development and learning.
12. The Group commissioned sector-led advice on 'Securing alternative sources of Funding for Flood and Coastal Erosion Risk Management' and a 'Framework to assist the development of the Local Strategy for Flood Risk Management'. These provided local authorities with an early understanding of alternative sources of funding for defence schemes and guidance on the key local flood risk management issues that should be considered in the development of their own local strategy.

Tackling insurance issues

13. The Group raised councils' concerns with Government and the insurance industry on the importance and urgency of a new model for flood insurance. To support this work, the Group has:
 - 13.1 collected evidence relating to residents inability to obtain and/or afford flood insurance;
 - 13.2 written to the Association of British Insurers (ABI) and Defra Minister Richard Benyon;
 - 13.3 met with representatives from the ABI and Defra as well as having representation in a private meeting with the Defra Minister.

Areas of focus and objectives for the year ahead

14. In looking at the areas of focus for the year ahead, and in order to maximise impact, it is important that the work of the Inland Flood Risk Management Group is aligned to the overall strategic context facing local government and the priorities of member councils. This means issues relating to councils' flood risk roles need to be managed against a context in which local government is managing huge cuts in public spending and working hard on new ways to deliver services, and where the outlook for public spending tells us that more cuts are in the pipeline.
15. Councils are also concerned about the ability of local residents, businesses and local infrastructure to recover effectively from the impact of floods. Where this fails to happen, councils are very often left to pick up the pieces. Whether it is through support in temporary re-housing, or having to repair structurally damaged roads that are vital for the local economy, councils affected by flooding have to divert limited funds and resources away from other priorities.
16. It is against this narrative that the following work priorities have been proposed by the Group – many of which are existing priorities :
 - 16.1 **Funding for flood defences** – reports from a number of areas suggest that the new Partnership Funding mechanism is geared toward the protection of people and property but does not necessarily protect places with low land values, businesses and some rural and coastal areas. The LGA proposes to:
 - 16.1.1 Gather evidence on how well Partnership Funding model is helping local priorities
 - 16.1.2 Continue to press Defra for better models for allocating funding
 - 16.2 **Accessible and affordable floods insurance.** The LGA proposes to continue to apply pressure on both Government and the insurance industry to deliver a new system of floods insurance, and playing a full and responsible role in protecting communities during the transition period.
 - 16.3 **Infrastructure damage.** As important as the need to help households recover, is the need to ensure that highways are reinstated from structural damage caused from floods. In response to the LGA's call for further support, the Government have said that there are no additional resources to support affected areas (see the letter from Norman Baker MP, Parliamentary Under-Secretary of State for Transport at [Appendix 4a](#)). It is proposed that the Inland FRM Group leads on investigating other avenues which could help avoid a regular request of support from central government each time a major flooding incident causes infrastructure damage. This will entail establishing how owners of infrastructure and key assets, such as land, and those responsible for managing flood risk, can work better together to improve resilience of infrastructure and minimise the risk of future structural damage.
 - 16.4 **Council resources and capacity.** The Inland FRM Group should continue to play a supportive role in promoting the sharing of good practice, intelligence and lessons in flood risk management, whilst ensuring that Defra's capacity building

programme is properly tailored for the needs of councils. To this end, LGA officers are working with Defra officials to ensure that the delivery of capacity support is council-led.

- 16.5 **Sustainable Drainage Systems.** The lack of clarity and delay to the introduction of Sustainable Drainage System (SUDs) regulations and the role of the SUDs Approval Bodies (SABs) continues to frustrate councils. Whilst Defra have confirmed that the SUDs regulation will not commence on 1st April as widely anticipated, it is proposed the LGA should continue to press Government for clarity on when they will be introduced (so that councils can secure budgets and resources accordingly). The LGA should also continue to press Government on the long-term funding model for maintenance of SUDs.

Recommendations

17. Members are invited to:
- 17.1 Note the achievements of the Inland Flood Risk Management Group's work over the last 12 months;
 - 17.2 Comment on, and subject to these comments, endorse the proposed key areas of focus for the coming year.

Action

18. As directed by the Board, officers will develop a work programme to support the deliverables identified and report these back to the Group, seeking further support from the Board as necessary.



Department
for Transport

Councillor Sir Merrick Cockell
Chairman
Local Government Association
Local Government House
Smith Square
London
SW1P 3HZ

From the Parliamentary
Under Secretary of State
Norman Baker MP

Great Minster House
33 Horseferry Road
London SW1P 4DR

Tel: 020 7944 2566
Fax: 020 7944 4309
E-Mail: norman.baker@dft.gsi.gov.uk

Web site: www.dft.gov.uk

Our Ref: MC/58364

6 November 2012

Dear Sir Merrick

Thank you for your letter dated 11 October to Eric Pickles regarding emergency funding for local authorities in respect of damage to transport infrastructure due to the recent floods. Your letter has been passed to the Department for Transport and I am replying as Minister responsible for local transport issues.

I have noted the points you have made and recognise that many parts of our country have seen high levels of rainfall and local flooding incidents which have impacted on residents, businesses and infrastructure. I pay tribute to the excellent multi-agency response and the ongoing work by local authorities to help those that have been affected.

However, as Justine Greening, the then Secretary of State for Transport, explained in her letter to you dated 10 August, the Department for Transport does not have a specific fund for capital expenditure for exceptional requests for flood damage and it is for local authorities to ensure they have appropriate contingencies in place to deal with events such as this

Like you, the Coalition Government recognises the importance of maintaining our highways and that is why despite the difficult financial circumstances we inherited we are providing over £3 billion in the Spending Review period to 2015 to authorities for highways maintenance. We also provided a further £200 million in 2011 as an exceptional payment to help with much needed repairs following the severe weather encountered at the end of 2010. In addition we have also simplified local transport funding, to provide authorities with the flexibility in how they spend their funding.

I note that you have suggested an amendment to the Bellwin criteria to cover more extensive capital repairs that are not covered under the Bellwin scheme. The Bellwin scheme which the Government has activated is helping those authorities fund the clean up operation. Bellwin schemes are the means by which the Government can reimburse a local authority for its immediate uninsurable clear-up costs following an emergency or disaster in its area. Although Bellwin is a discretionary scheme, it has a statutory basis, so it is important that we ensure that the terms of each scheme and eligible costs comply with the legislation. In particular, the statute sets out that the expenditure must have been incurred on, or in connection with, immediate action to safeguard life and property or to prevent suffering or severe inconvenience. The idea of the Bellwin scheme is to put local authorities in a position to take speedy emergency action to protect people during and immediately after an incident to deal with the immediate catastrophic consequences.

As a result, longer-term works of repair or restoration are ruled out since they fall within the recovery stage rather than the taking of immediate action. Although Ministers have previously used their discretion to enhance some of the Bellwin scheme terms, such as to extend the eligible spending period, the legislation prescribes that permanent repairs to roads and bridges are not eligible but initial repairs or patching up works are.

Whilst I appreciate this will be a disappointing response, I hope that it clarifies the position.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Norman Baker', written in a cursive style.

NORMAN BAKER

LGA Business Planning 2013/14

Purpose of report

For discussion and direction.

Summary

This report invites the Board to express views about the shape of the LGA's Business Plan for 2013/14.

Recommendation

That the Board provide views and guidance about the shape of the LGA Business Plan for 2013/14.

Action

Members' views to be fed into the development of the LGA Business Plan for 2013/14.

Contact officer: Paul Raynes
Position: Head of Programmes
Phone no: 020 7664 3037
E-mail: Paul.Raynes@local.gov.uk

Business Planning 2013/14

Background

1. The process of developing the Business Plan for 2013/14 has begun and is due to be signed off by the LGA Executive in March.
2. The LGA Leadership Board at its meeting on 17 October provided a high level steer on the LGA's priorities for 2013/14 (see **Appendix 5a**). The LGA's Boards are now being asked to develop proposals for next year to inform the more detailed business plan and budget.
3. Members are invited to offer initial views in to the process. It is anticipated that the overall budget for 2013/14 will be broadly in line with this year's budget and that the five priorities remain relevant but with a sharper focus on economic growth, funding and public service reform.
4. By way of background members will be aware that the work of the Environment and Housing Board relates directly to all five of the current priorities. These are:
 - 4.1 **Public service reform** – councils are at the centre, and seen to be at the centre, of public service reform and delivering more effective services for local people;
 - 4.2 **Growth, jobs and prosperity** – councils are recognised as central to economic growth;
 - 4.3 **Funding for local government** – reform of the public sector finance system so councils raise more funds locally, have confidence their financing is sustainable and fair, and greater ability to co-ordinate local public services;
 - 4.4 **Efficiency and productivity** – councils dramatically reduce costs in ways which minimise the impact on the quality of life for their residents; and
 - 4.5 **Sector-led improvement** – councils are the most improved part of the public sector, and local politicians and senior managers lead the transformation of local places.
5. The Leadership Board's initial view is that the efficiency and productivity priority should become part of the Public Service reform objective and that sector led improvement should be core to everything the LGA does and underpin all of the three priorities.

Reflecting the Environment and Housing Board's priorities in the Business Plan

6. At the September meeting of the Board, members confirmed the below four objectives for the current year:
 - 6.1 **Growth. Objective:** To promote the positive role that councils play in driving economic growth through their roles on planning, housing and supporting green

industries and to present an evidenced case for the powers and flexibilities to allow them to go further.

- 6.2 **Waste.** *Objective:* To champion local innovation in waste management and lobby for greater local decision making on waste, as the only means of addressing future funding gaps in waste.
 - 6.3 **Sustainability and Carbon Reduction.** *Objective:* To champion councils as confident leaders of action on carbon reduction and climate resilience to the benefit of local communities and local economies and to ensure they have flexibilities and adequate access to resources available to support local initiatives.
 - 6.4 **Flooding – managing flood risk and building resilience.** *Objective:* To ensure that flood defences are properly planned for and funded and to make the case for adequate funding for exceptional flood damage, including insurance cover.
7. The Environment and Housing Board is therefore asked to focus on the following questions in respect of the work of the Board:
- 7.1 Do the LGA's three top priorities, (set out in the 2013/14 Business Plan - initial proposition at **Appendix 5a**), capture what the LGA should be focussing on and trying to achieve for maximum impact on behalf of our members;
 - 7.2 How should the Environment and Housing Board's work be reflected in and contribute to the those top priorities, and;
 - 7.3 The Environment and Housing Board has already agreed its priorities for its ongoing work programme. If we achieve the objectives set out at the September meeting, how will our objectives change in the future? What have we found out about what works and what doesn't work over the last year? What should we be doing more of? What should we be stopping or doing less of?

Conclusion and next steps

8. Members are invited to offer their views to feed into the process for developing the LGA Business Plan for 2013/14.

Financial Implications

9. There are no additional financial implications arising from this report.

2013/14 Business Plan - initial proposition

The LGA's is the national voice of local government. We work with councils to support, promote and improve local government.

We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

The LGA will fight local government's corner, supporting councils through challenging times and focusing our efforts where we can have real impact.

Our top priorities for local government are:

- **Economic growth, jobs and prosperity** – councils are recognised as central to economic growth
- **Funding for local government** – reform of the public sector finance system so councils raise more funds locally, have confidence their financing is sustainable and fair, and greater ability to co-ordinate local public services
- **Public service reform** – councils are at the centre, and seen to be at the centre, of public service reform and delivering more effective services for local people

At the heart of all this work, are our core services to councils which are driven by our belief in **sector-led improvement**. Supporting local government as the most efficient and accountable part of the public sector, the LGA will play a leading role in improvement and innovation so that councils can continue to make a difference in their local areas and to the lives of their residents.

We are working with councils to achieve our shared vision for local government:

CHANGING LIVES - local government has the potential to lead local communities, now more than ever before, and play a central role in economic growth. In the current economic climate, it is down to local government and its leaders, to rise to the challenge. Local government leaders are demonstrating they are up to the task and driving councils forward to ensure they achieve this role.

EFFICIENT - local government remains the most efficient part of the public sector. Councils are not afraid to cut costs and be innovative about ways of improving services, as well as being prepared to consider radical solutions where this helps delivery on the ground. To achieve this, councillors are having to make difficult and at times unpopular decisions, while delivering value for money.

ACCOUNTABLE - local government really can make a tangible, lasting difference to people. Key to this is localism which means central government letting go, putting more faith in local people, and being confident about local democracy. Councils are often the single most important source of practical advice to local communities, actively involving people in the design and delivery of their local services.

RELIABLE - councils are relied on, day in day out, to deliver excellent services whatever the circumstances. They are a safety net, picking up where other services fail, handling issues that are important to people's everyday lives. Councillors are an important resource for the local communities they represent. Councils provide the glue for local communities, ensuring social cohesion and supporting the most vulnerable people in society.

Our top priorities are as important now as they were a year ago when we first signed up to them. We will ensure all our work, including that of each of the LGA's policy boards, focuses on them and that as a result of our collective efforts, councils have the right system of funding and the right powers to get the UK economy back into economic growth and to support local services

Economic growth, jobs and prosperity – councils have a key role to play in driving economic growth and promoting consumer and business confidence. Over the last year we have been focusing on this agenda, through our local growth campaign, including our work on housing and planning, and infrastructure funding. We have demonstrated that councils have a key role to play in targeting investment and economic development activity to boost local economies and create jobs. It is also clear that councils are ambitious to do more but lack the economic levers and control over funding necessary to lead growth locally. Our work so far has involved lobbying for devolution of powers and funding streams on issues such as skills, transport, investment in housing and broadband. We are working with councils on green growth and the visitor economy. We have also been pressing for the powers devolved through city deals to be rolled out to a greater number of places. We are about to enter a phase of lobbying to fight proposed reforms that threaten to undermine local decision making on planning. Moving forward, there is a need to develop a strong and convincing case for local economic leadership, to influence spending decisions and manifestos in the lead up to the general election. With that in mind, we have commissioned research designed to set out new options for the future as to how councils can support economic growth, new jobs and wealth creation.

Funding for local government - councils were cut earlier and harder than the rest of the public sector as the government began to implement its deficit reduction policy and this is already having a profound impact on people's lives. Last year we developed a model for the next decade which shows all future sources of council revenue against future service spending demand. Our model shows a likely funding gap of £16.5 million a year by 2019/20 or a 29 per cent shortfall between revenue and spending pressures. Assuming that social care and waste are fully funded, other services face cash cuts of over 66 per cent. If capital financing and concessionary fares are also funded in full, the cash cut for remaining services rises to over 90 per cent. Local government has a track record of being the most efficient part of the public sector. But our model shows that efficiency is not going to be enough. Future sustainability starts with reform of adult social care funding. The financial future of local government is driven by care spending which will

continue to grow strongly while councils' revenues will fall and then stagnate. The situation is even more challenging for councils with ageing populations. In this context it is important that councils are allowed to have a proper dialogue with residents about how much tax they want to pay and what services they want to receive in return. There is also the need for an effective conversation with local people about simply cutting out services that can no longer be afforded. These are therefore the issues we will be working on with councils over the coming year. Above all else, residents and local businesses need councils to have a fair and simple funding system that gives greater financial autonomy, supports local services and encourages economic growth.

Public service reform – the scale of the public spending cuts mean that a fundamental and ambitious rethink is needed to the way local services are funded and organised. The costliest and most intractable public service issues are almost without exception shared among a number of local agencies. Many councils are already working with other public sector organisations on this and the Whole-Place Community Budget pilots in particular will provide the evidence for radical change. From these experiences we are developing a picture of the council of the future and local public services more generally. We are focusing on new solutions such as demand management and behaviour change, with services increasingly designed round the needs of individuals. We will also provide support with generating new income streams and new approaches to commissioning, building on the work we have been doing with councils in the main areas of spend - children, adults and families - and also procurement and capital and assets. We are lobbying to ensure that other reforms such as the transfer of public health to local government, and changes to the planning system, make the most of councils' local leadership role across all public services in the interests of citizens. In the area of workforce reform we will negotiate to deliver national agreements that are seen as fit for purpose by councils along with a reformed pension scheme, without further serious industrial disruption or significant opt out rates. Alongside this, we will continue to work with councils to develop practical advice on the workforce challenges they face.

We will continue to deliver these priorities through the core services that we provide to councils.

We have come a long way since we published "Taking the Lead" in 2011. The government welcomed our proposals and there is now a real momentum around **sector-led improvement**. Councils are using the support we have offered and new approaches to improvement are being delivered in children's services and adult social care. Through this work councils are demonstrating collective responsibility for the performance of local government as a whole by sharing best practice and providing peer support.

This includes

- at no cost, a corporate **peer challenge** to every council, including a core component looking at issues of leadership, corporate capacity and financial resilience

21 November

Item 5 – Appendix A

- **leadership programmes** which have already provided opportunities for hundreds of politicians, equipping them to deal with the challenges being faced by their councils
 - support to help councils with capturing and **sharing innovative practice** through our Knowledge Hub, a free web-based service providing a single window to improvement in local government
 - access to transparent and **comparable performance information** through LG Inform
 - **sector-led improvement programmes in children's and adults services** developed and delivered through the Children's Improvement Board and the Towards Excellence in Adult Social Care Board
 - **direct support** where councils are facing significant underperformance challenges
 - practical support to help councils improve **efficiency and productivity..**
-

November 2012

Portfolio Holders on the Environment and Housing board

Background

1. The Environment and Housing Board previously operated a system of portfolio holders to cover key areas of the Board's work. Given the diversity and breadth of policy and improvement work that the Environment and Housing Board covers, it is proposed that the Board appoints portfolio holders across the four main areas of the Board's remit. The portfolios outlined below will allow members to further develop their experience and knowledge in specific areas, and also allow the Board to better meet commitments with a variety of Departmental and third sector working groups, and other event invitations.
2. The portfolio holders will not decide LGA policy positions, work programmes or projects in their areas. The Board and Lead Members) will remain the forum for collective decisions regarding the LGA's policy positions and objectives.

Role of portfolio holder

3. The portfolio holders will have a variety of roles, all of which are an extension of the role of members of the board:
 - 3.1 Develop or share expertise in a specific area(s) of the Board's work;
 - 3.2 Represent the LGA and the Environment and Housing Board at meetings, working groups and events;
 - 3.3 Engage at a national level with key stakeholders;
 - 3.4 Provide feedback to the Board and officers on engagement activity;
 - 3.5 Represent agreed Board lines rather than personal or party opinions; and,
 - 3.6 Develop awareness of practice in other authorities.
4. It is proposed that Board members can hold more than one portfolio. We welcome members' expressions of interest for the areas outlined below – a number of suggestions have already been put forward by the Groups.

The Board Lead members will retain responsibility for:

5. As the leaders of their respective political parties on the Board, Lead Members will retain responsibility for:
 - 5.1 Setting policy direction
 - 5.2 Setting the Board Meeting agendas (following wider member feedback)
 - 5.3 Agreeing media lines and policy responses to issues that arise between Boards
 - 5.4 Clearing policy positions, publications and submissions
 - 5.5 Select Committee evidence sessions
 - 5.6 Representing the Board at high-level meetings and events

Proposed Areas for Portfolio Holders:

6. The attached document contains the names of those board members who volunteered for areas last year, along with new members of the board who have expressed an interest in certain areas.

Portfolio	Conservative	Labour	Liberal Democrat	Independent
Growth - Housing	Frances Roden	Tony Newman	Terry Stacy	Andrew Cooper
Growth - Planning	Eddy Poll	Ed Turner	Simon Galton	Andrew Cooper
Waste (including the Local Waste Review)	Clare Whelan	Clyde Loakes	To be confirmed by the Lib Dem Lead member	To be confirmed by the LGA Independent group
Sustainability and Carbon Reduction		Tim Moore	Keith House	Andrew Cooper

Note of decisions taken and actions required

Title: Environment and Housing Board
Date and time: 11.00, Tuesday 18 September 2012
Venue: Smith Square Rooms 1&2

Attendance:

Position	Councillor	Council
Chairman	Mike Jones	Cheshire West and Cheshire UA
Vice chair	Clyde Loakes	Waltham Forest LB
Deputy chair	Keith House	Eastleigh BC
Deputy chair	Andrew Cooper	Kirklees MBC
Members	Clare Whelan	Lambeth LB
	Frances Roden	Stroud DC
	Eddy Poll	Lincolnshire CC
	Eric Allen	Sutton LB
	Jim Harker	Northamptonshire CC
	Geoffrey Theobald OBE	Brighton & Hove City Council
	Brian Williams	Shropshire Council
	Tony Newman	Croydon LB
	Ed Turner	Oxford City Council
	Tim Moore	Liverpool City Council
	Barbara Cannon	Allerdale BC
	Gwen Hassall	Stoke-on-Trent City Council
	Terry Stacy JP MBE	Islington LB
	Simon Galton	Leicestershire CC
Apologies	John Williams (substitute)	Northumberland Council
In attendance	Cllr Rock Feilding-Mellen	Kensington & Chelsea RB
	Cllr Clare Pritchard	Hyndburn BC
	Paul Raynes	LGA
	Caroline Green	LGA
	Abigail Burrridge	LGA
	Clarissa Corbisiero	LGA
	Kamal Panchal	LGA
	Dan McCartney	LGA
	Tom Coales	LGA
	Lee Bruce	LGA
	Liam Paul	LGA

Item	Decisions and actions	Action by
1.	<p data-bbox="284 192 927 226">Focus of the Board’s work and key objectives</p> <p data-bbox="284 259 1166 394">The Board noted the report and welcomed the proposal to structure future work around four areas of focus: Growth (including Housing, Planning and Green Growth); Waste; Sustainability and Carbon Reduction; and Flooding.</p> <p data-bbox="284 427 943 461">Members raised the following points in discussion:</p> <ul data-bbox="336 483 1203 1142" style="list-style-type: none"> <li data-bbox="336 483 1203 551">○ It is vital to set LGA policy and lobbying positions in light of the wider growth agenda. <li data-bbox="336 562 1203 730">○ The LGA should campaign for further financial freedoms from a position of strength, highlighting local government’s record of reducing expenditure in comparison to the rest of the public sector and challenging perceptions about local government financing in Whitehall. <li data-bbox="336 741 1203 909">○ Additional responsibilities and freedoms over housing stock will require council staff to be equipped with new skills - notably in long-term business planning and procurement - and will emphasize the need for good knowledge of the planning process amongst elected members. <li data-bbox="336 920 1203 987">○ The LGA must continue to press the Government to make sure that the Green Deal is beneficial for local communities. <li data-bbox="336 999 1203 1142">○ Housing issues extend beyond the issue of new supply to issues such as investment in existing stock and the legacy of projects such the Pathfinder Housing Market Renewal scheme. 	
	<p data-bbox="284 1178 427 1211">Decisions</p> <p data-bbox="284 1245 587 1279">Members of the Board:</p> <ol data-bbox="284 1301 1203 2083" style="list-style-type: none"> <li data-bbox="284 1301 1203 1402">1. confirmed the suggested areas of focus for the Board and also agreed the objectives and deliverables in each area of focus as set out in the report; <li data-bbox="284 1413 1203 1559">2. agreed that the Inland Flood Risk Management group will continue to take forward delegated responsibility for the elements of the work plan which are flooding issues, reporting back to the main Board at each meeting on progress against their objectives; <li data-bbox="284 1570 1203 1671">3. confirmed that the LGA’s campaigning on the use class system should continue, as part of the wider LGA narratives on Growth and local decision-making. <li data-bbox="284 1682 1203 1827">4. requested that officers produce a paper to evidence that housing market finance issues are the main barrier to growth and proposals for how to improve access to mortgage and development finance will help unlock supply. <li data-bbox="284 1839 1203 2007">5. agreed to continue lobbying the Department for Communities and Local Government (DCLG), and HM Treasury regarding councils’ financial freedoms, particularly the local authority borrowing cap. Officers to provide a briefing demonstrating local authorities’ track record of sound financial management. <li data-bbox="284 2018 1203 2083">6. requested that officers provide briefings on the Board’s priority areas of work for councillors attending political party conferences. 	<p data-bbox="1230 1178 1342 1211">Actions</p> <p data-bbox="1230 1570 1369 1637">Clarissa Corbisiero</p> <p data-bbox="1230 1704 1422 1805">Paul Raynes / LGA Finance team</p> <p data-bbox="1230 1861 1465 1928">LGA Finance and Housing teams</p> <p data-bbox="1230 1995 1453 2096">Caroline Green / Tom Coales / Senior Advisers</p>

2. Government Housing and Planning announcements

Members were reminded of the LGA's recent work in response to the Government's announcements in early September. The LGA's key messages received significant coverage across the media and on the day briefings had been provided for member authorities to inform their reactions.

Officers summarised the measures announced, the process for their implementation and related issues for consideration, highlighting in particular the following:

- Two pieces of primary legislation would likely be necessary to give effect to the proposed reforms: the already published Infrastructure (Financial Assistance) Bill and a further bill required to enable the new powers for the Planning Inspectorate. Both would give the LGA opportunity to influence development of the proposals.
- There was not yet any clarity regarding the metrics for performance to be used by the Government in assessing poor local authority planning performance. Officers are pursuing this issue with CLG.
- A briefing note outlining potential issues and impacts of the proposals regarding permitted development had been produced and would be circulated to councils.

Members were supportive of the approach outlined by officers and then discussed how to achieve the objectives in the report, making the following points:

- The need for the LGA to challenge the figure used by Government to support its policies (e.g. regarding sites stalled due to S.106 contributions).
- Work highlighting the impact of the proposed changes on MP's own constituencies could be effective.
- Support for a 'model' motion for councils to use when debating the Government's plans for permitted development.
- Concern regarding the capacity of the Planning Inspectorate to deliver its proposed expanded role.
- The LGA should continue with its campaign to ensure councils have the necessary flexibility over use classes to correct the market where necessary to facilitate sustainable growth.
- The LGA should continue to support those councils with a local plan not yet in place, both directly and through the Planning Advisory Service (PAS);
- Local Government is best placed to address the problem of empty homes – and could do so if given the requisite powers.
- The implications of the Government's proposals will have varying effects around the country, from potential neighbour disputes, to economically destructive changes of use from commercial to residential in urban areas.
- Any scheme to allow developers to raise debt with a Government guarantee should have safeguards to ensure that sites receiving such support are additional to those sites already planned.

Officers clarified that the extension of permitted development rights would be for a period of 3 years and that protected areas were excluded from the measure.

Decisions

Actions

The Members of the Board:

- | | |
|---|--|
| 1. agreed the objectives (subject to addition of continued campaigning on use class flexibility) and next steps for the LGA in relation to the Government's recent announcements on planning and housing, as outlined in the report. | Clarissa
Corbisiero /
Caroline Green |
| 2. requested development of a model motion for councils to use when considering the Government's changes to permitted development; | Clarissa
Corbisiero /
Caroline Green |
| 3. requested development of counter proposals to speed up the delivery of housing at local level; | Clarissa
Corbisiero /
Research team |
| 4. requested briefing material and supporting evidence to enable local Government to campaign for reform of the process for bringing empty homes back in to use, and for corresponding powers to enable Councils to address the issue; | Clarissa
Corbisiero /
Caroline Green |
| 5. supported future LGA work to highlight the lack of democratic legitimacy of the Planning Inspectorate and concerns regarding its staffing levels and expertise, given its increased role necessitated by the proposed reforms. | |

3. Resources for Infrastructure Damage from Floods

Members noted the LGA's actions in response to the series of flooding events over Summer 2012: in particular the successful lobbying which secured increased funding for local authorities under the Bellwin scheme.

The LGA had also written to the Secretary of State for Transport, outlining the limitations of the Bellwin scheme in providing funds for capital repairs, and urging Government to consider setting up a scheme similar to the Emergency Capital Highway Maintenance fund setup after similar floods in 2007.

Members were invited to discuss proposals to realise a maintenance fund and the report also identified a number of possible sources of cost recovery in addition to central government funding.

In the ensuing discussion, members of the Board made a number of points:

- Problems due to flooding and associated damage often become apparent in the weeks and months following the event. This is after emergency assistance has been withdrawn, and costs often fall heavily on councils.
- The Inland Flood Risk Management group should report back to the Environment and Housing board and duplication of work between the Group and the Board should be avoided.
- Future lobbying with regards to flood defence funding should make clear to HM Treasury that the costs of inaction are higher in the long-term than investment in appropriate measures.

Finally members received an update on work to find a sustainable solution for flood insurance. It was explained that DEFRA and the ABI remained in talks regarding a possible solution and that LGA was urging both parties to come to a viable solution as soon as possible, mindful of councils' and citizens' interests.

Decisions

Actions

The Members of the Board:

1. **agreed** that the LGA's Inland Flood Risk Management group should investigate and pursue options to secure a recurrent source of funding for exceptional flood damage to major infrastructure;
2. **agreed** that the LGA should maintain its pressure on the Association of British Insurers (ABI) and DEFRA, urging all parties to reach a sustainable solution for flood insurance to replace the elapsing statement of principles, and which meets the needs of the public and councils.
3. **agreed** that the Chairman of the Board should write to the Secretary of State for the Environment, Owen Paterson MP, and to Eric Pickles MP, Secretary of State for Communities and Local Government, to reiterate LGA support for a permanent emergency fund for exceptional flood damage to major infrastructure.

Kamal Panchal /
Jo Allchurch /

Kamal Panchal /
Jo Allchurch /

Cllr Mike Jones /
Kamal Panchal /
Jo Allchurch /

4. Judicial Review of Waste Regulations (2011)

The Board noted the update contained within the Agenda papers and received a confidential and privileged update paper on the Judicial Review.

Members urged the LGA to continue to protect the principle that councils should be able to collect waste in the method most suitable for their area, and agreed that the LGA's objective should be to bring the legal case to a quick conclusion.

Decisions

Action

The Members of the Board:

1. **supported** the approach to the Judicial Review taken by the LGA, and **agreed** further steps as set out in the confidential report.
2. **agreed** that the LGA should input into the production of any guidance for councils once the Judicial Review is concluded.

Abigail Burrridge

Abigail Burrridge

5. Terms of Reference and Remit of the Board

Decision

The Members of the Board **noted** and **agreed** the Terms of Reference and Remit of the Board.

6. Decisions and actions from previous meeting

Decision

Members **noted** and **approved** the notes of the last meeting

7. Any other business

Decision

Members **appointed selected** members of the Board to the outside bodies detailed at **Annex A** to these minutes.

Annex 1 – Environment and Housing Board representation on Outside Bodies

Agreed 18 September 2012

Organisation	Background	Representatives
National Planning Forum	<p>The National Planning Forum (NPF) is the principal cross-sector voice on planning issues and aims to be recognised as a key agent for change in delivering a better planning service.</p> <p>Members are expected to attend four Forum events each year, each held at Local Government House.</p> <p>One member will also be appointed as the Vice Chair of Forum (representing the Local Government sector) and will be expected to additionally attend 5 Executive meetings in London.</p>	<p>(Four representatives)</p> <p>Conservative: Eddy Poll</p> <p>Liberal Democrat: Keith House [Vice Chair (Local Government)]</p> <p>Labour: Gwen Hassall</p> <p>Independent: Andrew Cooper</p>
National Fly-tipping prevention group	<p>The National Fly-tipping Prevention Group (NFTPG) is a group of organisations working with a common aim: coming up with solutions to the problem of fly-tipping. Chaired by the Environment Agency, membership includes regulatory bodies, Government departments and organisations with a wide membership of landowners and land managers.</p>	<p>(One representative)</p> <p>Clyde Loakes (Labour)</p>
HCA Rural Advisory Board	<p>The Board's aim is to advise Government on and seek ways to improve delivery of affordable rural housing, promoting joint working between key stakeholders through the provision of a forum for sharing good practice and encouraging innovation. 3 meetings are held in London each year for 2-3 hours.</p>	<p>(One representative)</p> <p>Mike Jones (Conservative)</p>
Local Housing Delivery and Standards Group	<p>This group is a cross-sector working group looking at producing advice for developers and local authorities on viability and local standards in plan-making. The LGA and the House Builders Federation (HBF) are considered core members of this group. The steering group will conclude its work on 22 June. No further meetings are scheduled.</p>	<p>(One representative)</p> <p>Ed Turner (Labour)</p>

Climate Local Steering group	This newly formed steering group will replace the Climate Local / Nottingham Declaration Board and will provide a forum for councils and partners to influence the development of the resource.	(Two representatives) Tim Moore (LAB) / Andrew Cooper (Independent)
Canal & River Trust Council	<p>The Government announced last year that the canals and rivers managed by British Waterways in England and Wales, transferred to a charitable trust - now named Canal & River Trust - in April 2012.</p> <p>Within the governance structure of the Trust, a Council has a remit to safeguard the long-term values and purposes of the Trust. The Council will have an important role in helping to shape policy, raising and debating issues, and in providing guidance, perspective and a sounding board for Trustees.</p> <p>The full Council will meet two times a year.</p>	(One representative) Cllr Ken Hudson (Rural Commission – Conservative)

Appointments to LGA bodies

LGA body	Background	Representatives
Urban Commission Steering Committee	The Urban Commission provides a forum LGA for member authorities whose areas are wholly or partly urban. The Urban Commission will act in a way that complements the principals of the LGA as a whole.	(One representative) Rock Feilding-Mellen (Conservative)
Inland Flood Risk Management Group	<p>The group acts as a sounding group for the Environment and Housing Board, and the four Members lead on flood risk management in their shaping of LG Group policy positions and improvement activities in relation to the lead role on managing inland flood risk, and the development of expertise, learning and progress in all local authorities.</p> <p>This group meets 3 times a year in Local Government House.</p>	(Four representatives) Conservative: Eric Allen Labour: Barbara Cannon Lib Dem: Simon Galton Independent (and Chair): Andrew Cooper

LGA location map

Local Government Association

Local Government House
Smith Square
London SW1P 3HZ

Tel: 020 7664 3131

Fax: 020 7664 3030

Email: info@local.gov.uk

Website: www.local.gov.uk

Public transport

Local Government House is well served by public transport. The nearest mainline stations are: Victoria and Waterloo; the local underground stations are

St James's Park (Circle and District Lines), **Westminster** (Circle, District and Jubilee Lines), and **Pimlico** (Victoria Line) - all about 10 minutes walk away.

Buses 3 and 87 travel along Millbank, and the 507 between Victoria and Waterloo stops in Horseferry Road close to Dean Bradley Street.

Bus routes – Horseferry Road

507 Waterloo - Victoria

C10 Canada Water - Pimlico - Victoria

88 Camden Town - Whitehall - Westminster - Pimlico - Clapham Common

Bus routes – Millbank

87 Wandsworth - Aldwych

3 Crystal Palace - Brixton - Oxford Circus

For further information, visit the Transport for London website at www.tfl.gov.uk

Cycling facilities

The nearest Barclays cycle hire racks are in Smith Square. Cycle racks are also available at Local Government House. Please telephone the LGA on 020 7664 3131.

Central London Congestion Charging Zone

Local Government House is located within the congestion charging zone.

For further details, please call 0845 900 1234 or visit the website at www.cclondon.com

Car parks

Abingdon Street Car Park (off Great College Street)

Horseferry Road Car Park
Horseferry Road/Arneway Street. Visit the website at www.westminster.gov.uk/parking

