

Environment and Housing Board

Agenda

Wednesday 20 March 2013
11.00am

The Westminster Suite
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

20 March 2013

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

11.00am on **Wednesday 20 March 2013** in the Westminster Suite, 8th 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 **9.15am** in the Westminster Suite.

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:	Group Office:	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

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Environment & Housing Board - Membership 2012/13

Councillor	Authority
Conservative (8)	
Mike Jones (Chairman)	Cheshire West and Chester Council
Clare Whelan OBE	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
Substitutes:	
John Taylor	Northumberland Council
Julian German	Cornwall Council
Peter Jones	Babergh DC

Environment and Housing Board20 March 2013

**LGA Environment and Housing Board Attendance
2011-2012**

Councillors	18.09.12	21.11.12	23.01.13	20.03.13	14.05.13	24.07.13
Conservative Group						
Mike Jones	Yes	Yes	Yes			
Clare Whelan OBE	Yes	No	No			
Frances Roden	Yes	Yes	Yes			
Eddy Poll	Yes	Yes	Yes			
Eric Allen	Yes	Yes	Yes			
Jim Harker	Yes	Yes	Yes			
Geoffrey Theobald OBE	Yes	Yes	Yes			
Brian Williams	Yes	Yes	Yes			
Labour Group						
Clyde Loakes	Yes	Yes	Yes			
Tony Newman	Yes	Yes	Yes			
Ed Turner	Yes	Yes	Yes			
Tim Moore	Yes	Yes	Yes			
Barbara Cannon	Yes	No	Yes			
Gwen Hassall	Yes	Yes	Yes			
Lib Dem Group						
Keith House	Yes	No	Yes			
Terry Stacy JP MBE	Yes	Yes	No			
Simon Galton	Yes	Yes	Yes			
Independent						
Andrew Cooper	Yes	Yes	Yes			
Substitutes						
Rock Feilding-Mellen	Guest	Yes	Yes			
Clare Pritchard	Guest	No	No			
Tony Trent	No	Yes	Yes			
Julian German	No	Guest	No			
Chris Pillai	No	No	Guest			

Agenda

LGA Environment and Housing Board

20 March 2013

11.00 -13.00

The Westminster Suite

Item	Page	Time
For discussion		
1. Growth and Infrastructure Bill	3	11.00
2. Welfare Reform: housing implications	11	11.20
3. Waste Judicial Review and Local Waste Review update	19	11.50
4. Locally-led action on fuel poverty	27	12.10
5. Tackling long term empty homes	41	12.35
6. Environment and Housing Board Update	49	13.00
7. Any other business		13.10
8. Decisions and actions from previous meeting	63	

Date of next meeting: 11.00am, Tuesday 14 May 2013, Local Government House, Westminster Suite

Growth and Infrastructure Bill

Purpose

For information and discussion.

Summary

This paper provides an update on the Growth and Infrastructure Bill and sets out next steps with regard to the LGA's lobbying programme.

Recommendation

That the Board **notes** the developments in the Bill that reflect LGA lobbying positions.

Action

As directed by the Board.

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Growth and Infrastructure Bill

Background

1. The Growth and Infrastructure Bill was introduced to Parliament on 18 October 2012. The Bill has now progressed through the Lords committee stage and is scheduled to complete its Report stage by 18 March.
2. The LGA has issued briefings to Peers ahead of all relevant stages of the Bill to date and has continued to meet with Peers to brief them on relevant issues and to press LGA concerns and amendments. This report provides an update on activity, with a further oral update to be provided at the meeting.

Government concessions

3. The LGA has succeeded in forcing a number of government concessions through our efforts on the Growth and Infrastructure Bill. This includes:
 - 3.1. Agreement that going forward those councils deemed 'poorly' performing under Clause 1 will be informed of their performance issues at least 12 months in advance of designation. Ministers have also recognised the importance of sector led improvement and agreed to revised governance arrangements for the Planning Advisory Service (PAS) to ensure that support is led by the needs of the sector;
 - 3.2. On Clause 6 (which allows developers to appeal to PINs to renegotiate the level of affordable housing with their s106 agreement), the LGA has secured the insertion of a sunset provision, with the intention that the Clause will expire in April 2016;
 - 3.3. The LGA has secured the insertion of a new clause on Local Development Orders, removing centrally set monitoring requirements and the requirement to seek Secretary of State approval for draft Orders; and
 - 3.4. The LGA has also robustly, and to date successfully, defended the clauses on town and village greens against formidable opposition.

Media Activity

4. The LGA has continued to secure media coverage for our position on the Bill. This has included reporting by the Telegraph and Financial Times that developers wanting to build large offices, warehouses and factories would be able to bypass councils through the extension of the Nationally Significant Infrastructure Planning Regime (NSIP). LGA Vice President, Baroness Eaton was quoted in the Telegraph raising LGA concerns on plans to remove planning powers from councils deemed slow in making decisions. The Telegraph also reported on our concerns that proposals to change the siting requirements for broadband cabinets and overhead lines did not come with necessary safeguards and were in effect far broader in scope than presented by the Government.

Amendments to the Bill

5. The LGA is pursuing a number of amendments through the Report stages of the Bill. These are summarised below:
 - 5.1. The LGA has continued to press for the deletion of **Clause 1 of the Bill** which enables the Government to designate authorities who are defined as 'poorly performing' and allows applicants to apply for the determination of their application by the Planning Inspectorate. At Report stage, Lord Shipley (LGA Vice-President) and Lord Tope laid an LGA supported amendment which would allow a time period before any designation of authorities took place. We argued that this would allow authorities to access sector led support and put in place an improvement programme, thereby mitigating the need for central intervention. The Government has amended the Bill to require any criteria to be subject to parliamentary scrutiny and clarify on the face of the legislation that the clause relates to major planning applications only. The Government also stressed its commitment to sector led improvement and has agreed to revised governance arrangements for the Planning Advisory Service to ensure that support is credible and led by the needs of the sector. Finally, Ministers also confirmed on the floor of the House that 'poorly performing' authorities would be given 12 months' notice that they were at risk of being designated.
 - 5.2. The LGA has consistently argued that **Clause 6 of the Bill**, which allows applicants to appeal to the Planning Inspectorate to revise the affordable housing contribution of their Section 106 agreement, is unnecessary and will have unintended consequences. Lord Best (LGA President) tabled LGA supported amendments to require sites that have undergone renegotiation to commence quickly and to increase the definition of commencement. Lord Best also led for the LGA on amendments that would 'sunset' the clause and would allow the authority to 'claw back' affordable housing provision, should the market improve. LGA efforts around 'sunset' the clause brought pressure to bear on DCLG, resulting in Government amendments to limit the time period that this clause is now in place for. Barring further amendments, Clause 6 will now expire in April 2016, unless the Government table an affirmative statutory instrument ahead of this point, seeking an extension to the clause. The Government has also indicated that they recognise the issues relating to commencement and the importance of claw back of affordable housing provision where the market has changed. Officers continue to discuss these issues with DCLG officials.
 - 5.3. At Committee Stage, Peers tabled amendments to delete **Clause 8 of the Bill**, which relates to siting of communications infrastructure. The LGA continues to raise its concerns with this clause, which have been covered in the Telegraph. We are currently discussing amendments with Peers which would define more clearly in legislation that Clause 8 relates only to broadband infrastructure and not for installations such as mobile masts.
 - 5.4. As Members will be aware the Government intends to supplement its changes to remove the prior approval regime for the siting of broadband boxes with a voluntary code of practice. The LGA has made strong representations through the Bill that this does not mitigate the risk of the policy, and is pressing the Government to keep

under review the effectiveness of the proposed code. The Chair s of the Environment and Housing Board and that of the Culture Tourism and Sport Board supported by Lead Members have agreed that the LGA should maintain a watching brief on this issue and that the detailed and technical work of drafting the voluntary code should be led by the Planning Officers Society (POS). POS have agreed to keep the LGA updated on progress and any risks to authorities as they emerge.

6. **The LGA has continued to press for the inclusion of new clauses within the Bill which would extend the legislation to focus on issues that would make a real contribution to growth.** For example, we continue to press the case for the removal of the Housing Revenue Account borrowing cap. LGA supported amendments have been laid by Lords Tope and Shipley and have been re- tabled for debate at Report stage. Amendments were also laid at Committee stage to improve the timeliness of decisions from statutory consultees and repeal their right of veto, to require OfWat to have regard to population and housing projections, to improve Local Development Orders, and to localise the approach to change of use and permitted development through the planning system. The LGA is seeking to continue pressing the latter amendment at Report Stage, as well as supporting proposals tabled by Lord True (Leader, London Borough of Richmond upon Thames) to allow authorities the opportunity to opt-in or out of the Government's proposed extension to permitted development.
7. **The Government has responded to LGA-led representations regarding the bureaucratic and costly process to put in place a Local Development Order** (an LDO allows a Local Planning Authority to relax planning restrictions over and above the nationally set framework). The Government has inserted a new clause in the Bill, directly responding to our concerns, which removes the monitoring and Secretary of State sign-off requirements for LDOs. This reflects LGA supported amendments tabled by Lord Tope at Committee Stage.
8. A full list of LGA pursued amendments during the Growth and Infrastructure Bill Lords stages, and those proposed in debate is attached as **Appendix A** to this report.

Time scales

9. The Bill is due for its second day of Lords Report Stage on 12 March, an oral update on which will be provided at the meeting. The final day of Report is expected on 18 March, followed by Third Reading, currently scheduled for 25 and 26 March. The Bill will then return to the Commons where MPs will be asked to agree or amend further those changes made to the Bill by the House of Lords.
10. Royal Assent is therefore expected within the first half of April.

Financial Implications

11. This work can be delivered within existing budgets.

Growth and Infrastructure Bill - Appendix A

LGA pursued amendments during the Growth and Infrastructure Bill Lords stages

This table details those amendments which the LGA worked with Peers to table for the Lords Committee and Lords Report stages of the Growth and Infrastructure Bill. This does not detail all those Peers who supported our amendments – wherever possible, the LGA sought to secure cross-party backing for its amendments.

Clause	Purpose of amendment	Stage	Amendment lead
Clause 1	Period for sector-led improvement ahead of designation	Committee Report	Lord Tope (Liberal Democrat)
Clause 1	Only a local authority without a Local Plan in place could be designated by the Secretary of State	Committee	Lord Tope (Liberal Democrat)
Clause 1	The Secretary of State must take into Consideration the recent improvement record of a planning authority	Committee	Lord Tope (Liberal Democrat)
Clause 6	Allow PINs to negotiate up, as well as down, affordable housing levels within s106 agreements.	Committee	Lord Best (Crossbench)
Clause 6	PINs must adhere to the same timetable as that which the Bill imposes on local authorities, for the Consideration of appeals under this clause	Committee	Lord Best (Crossbench)
Clause 6	Amendment to ensure that the Planning Inspectorate must give material weight to the original decision, and evidence collected, by the local authority.	Committee	Lord Best (Crossbench)
Clause 6	Ensuring the clause relates only to planning obligations agreed prior to the current economic climate.	Committee Report	Lord Best (Crossbench)
Clause 6	Ensuring the developers commence construction should they receive a favourable outcome to their appeal	Committee Report	Lord Best (Crossbench)
Clause 6	Inserting a “claw-back” provision for local authority can obtain portion of profit, if it is higher than expected	Committee Report	Lord Best (Crossbench)
Clause 6	Raising threshold of what defines commencement of development	Committee Report	Lord Best (Crossbench)
Clause 8	Restrict clause so only relates to broadband infrastructure, and ensures consultation with councils	Committee	Lord Adonis and Baroness Whitaker (Labour)
Clause 8	Place voluntary code of best practice on the siting of broadband infrastructure on a statutory footing	Committee	Baroness Whitaker (Labour)
Clause 8	Restrict Clause 8 provisions so only relate to broadband	Report	Baroness Whitaker (Labour)

New Clauses proposed	Stage	Tabled by
Removal of housing borrowing cap	Committee & Report	Lord Tope and Lord Shipley (Liberal Democrat)
Remove the need for Secretary of State approval for de-registering town & village greens & agreeing replacement land	Committee	Lord Jenkin (Conservatives)
City Deals	Committee	Lord Tope (Liberal Democrat)
Localising permitted development	Committee Report	Committee – Lord Tope (Liberal Democrat) Report – Lord McKenzie (Labour)
Reforming Local Development Orders to remove Secretary of State approval and need for annual reports	Committee	Lord Tope and Lord Shipley (Liberal Democrat)
Offering planning authorities ability to opt in / out of reforms to extension sizes under permitted development	(LGA supported) Committee & Report	Lord True (Conservatives)
Require payment of a monetary penalty from statutory consultees, for late or non-response to consultations on planning applications.	Committee	Lord Jenkin (Conservatives)
Repeal Secretary of State's power (i.e. that of statutory bodies such as the Highways Agency) to veto the granting of planning applications.	Committee	Lord Jenkin (Conservatives)
Amend Water Act 2003 to create new duty on OfWat to have regard to population and housing projections in its final determination of individual Water Resources Management Plan and business plans for periodic review of water/sewerage prices	Committee	Lord Shipley (Liberal Democrat)

Welfare Reform: housing implications

Purpose

For discussion and direction.

Summary

This paper provides a summary of the LGA's work on welfare reform and identifies key issues with particular relevance to housing.

Recommendation

That Members of the Board:

- 1) **Note** the LGA's welfare reform programme, consider the proposed research programme to quantify the impact of the reforms; and
- 2) **Provide comments** for consideration by the Finance Panel on this project.

Actions

As directed by Members.

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Welfare reform: housing implications

Background

1. The Coalition Government is implementing a complex and extensive programme of welfare reforms, the majority of which will begin to be rolled out from April 2013.
2. The challenge is considerable: the scale, intent and pace of the changes will have a significant impact on councils and communities, much of which will only be seen and understood in real time as the changes are implemented. Our ability to influence outcomes depends on effective communication with central government, developing a credible evidence base to quantify the impact of the reforms on people and authorities and on seeking and maintaining political consensus on the key issues for local government.

LGA welfare reform priorities

3. Welfare reform has been identified as one of five priority themes for the LGA's work in 2013/14. The Executive is leading the work, with the Finance Panel reporting to it and taking advice from other relevant boards, including Environment and Housing. Decisions about the LGA's work programme and policy position will be agreed through the Finance Panel and the LGA Executive.
4. The Government's stated aims for the reforms are to support more people into employment, encourage people to take rational choices to reduce their living costs, and – consequentially – to cut the overall benefit bill without detriment to society's most vulnerable.
5. It is the LGA's view that Government will not be able to realise these aims without having local government at the heart of delivery. Local authorities will have a key role in understanding and mitigating some of the risks in relation to housing that are outlined in more detail for the Board's consideration below. We also have a key partnership role in supporting people into employment, and in supporting financial literacy and stability. Many of those who are affected by the changes will continue to look to councils and voluntary sector partners as their principal source of support and advice – from vulnerable claimants, to those who simply have difficulty adapting to the requirements to manage their budgets and claim online under the new system.
6. The LGA has two main objectives:
 - 6.1. to help councils as they support their residents through the changes the Government's welfare reform programme will make; and
 - 6.2. to influence the Government's decisions about councils' future role in the welfare system.
7. The LGA is already delivering a range of work, for example:

- 7.1. We are leading a group of pilots to look at councils' role in providing support for claimants with particular needs in relation to Universal Credit;
 - 7.2. Ensuring that councils are recognised as a key partner in supporting people into employment; providing affordable housing, and helping people to manage and reduce their monthly outgoings; and
 - 7.3. Working with councils to develop an evidence base for the impact of the benefit cap and social sector size criteria, in order to develop an account of the mitigation that may be needed.
8. We are seeking to influence and communicate at the highest level. This includes member level meetings with Iain Duncan Smith MP and Lord Freud, to discuss social justice, universal credit and welfare, and a Partnership Forum that brings together local authority Chief Executives and senior Department of Work and Pension (DWP) officials to influence the design and implementation of the Universal Credit, together with a number of official-level forums with DWP, DCLG, WLGA, COSLA and councils.

Welfare Reform and Housing

9. The impact of welfare reform will be broad: it will impact on many of the services local authorities provide and will link with other policies such as localisation of council tax benefit. There will however be specific impacts on housing; and the reforms will be implemented against the backdrop of a housing market that is seeing low levels of growth across all tenures, an increase in homelessness acceptances and increasing demand for affordable homes.
10. Housing issues will therefore be a key feature of the LGA's work on welfare reform and in evidencing the impacts of the changes.

Key measures impacting on housing

11. **The introduction of an overall benefits cap** (£500 for workless families and £350 for single people) which will be delivered through Housing Benefit, pending the full introduction of universal credit. The cap does not take account of household size.
12. **The Social Sector Size Criteria** will introduce criteria to bring treatment of those in the social rented sector in line with those living in the Private Rented Sector. The measure comes into effect from April 2013 and those who are assessed as under-occupying will have their benefits reduced by a percentage of their eligible rent¹.
13. **An expectation that benefit payments will be paid monthly direct to claimants.** Rent will only be paid directly to landlords in exceptional circumstances.
14. **The Welfare Benefits Up-rating Bill** sets out the Government's intention that certain benefits, tax credits and payments will be uprated by 1 per cent in 2014/15 and 2015/16 rather than in line with CPI.

¹ 14% for one extra bedroom and 25% for two or more extra bedrooms

15. The **Localism Act** enables local authorities to discharge their homelessness duty in the private rented sector. The *Homelessness (Suitability of Accommodation) (England) Order 2012* was brought into force in November 2012. Statutory guidance on the Order has been published to which local authorities must have regard when discharging (ending) their duties to homeless households by using private rented accommodation. The guidance describes situations in which private rented housing should be regarded as unsuitable. This includes the location of the accommodation and where that accommodation is situated outside of the district of the local authority and lists a number of issues that the local authority must take into account. This includes disruption to employment, caring responsibilities, education, medical facilities and amenities.

Issues for councils

16. The introduction of the **benefit cap** and **direct payments under Universal Credit** both raise concerns about increased levels of rent arrears. DWP's own demonstration project has already shown increased levels of arrears in the areas where direct payments have been tested. Stock owning authorities are therefore anticipating and making provisions for an increase in rental arrears and are monitoring the impact that this may have on their investment plans and their borrowing flexibility to invest in existing and new properties. Housing Associations are also reporting similar concerns which may impact on their ability to secure attractive borrowing rates. The DWP demonstration projects are being used to support Government consideration of trigger points for the housing element of universal credit to be paid directly to landlords.
17. The impact of the welfare reforms on the levels of **homelessness** is unknown. However, the reforms are being implemented against a background of increased homeless acceptances year-on-year since 2009². In areas where affordable and appropriate housing below the cap is in short supply this may lead to an increase in the use of temporary accommodation which is likely to have significant resource implications for authorities. That comes against a background of significant pressure on temporary accommodation even before the reforms take effect.
18. The **benefits cap** and **measures to uprate benefits** will in some high cost and high demand areas place a further pressure on the ability to place persons presenting as homeless in appropriate and affordable accommodation. For a number of councils there are significant pressures on their ability to place those persons presenting as homeless in suitable accommodation within their local authority boundaries and this raises issues about out of area placements. For those authorities that may receive placements there are also issues such as increased pressure on and demand for services. As detailed in paragraph 15 the Localism Act enables the discharge of the homelessness duty within the private rented sector and guidance sets out the factors to which local authorities must have regard to which includes the location of the proposed accommodation.

² In 2011, councils accepted 48,510 people as homeless.

19. The LGA has discussed the issue of out of area placements at official level with DCLG and with a number of local authorities. Lead Members have considered our approach to this issue and have agreed that we should maintain a focus on securing financial flexibilities to increase the amount of affordable stock overall and develop a robust evidence base concerning the impact of the reforms. The LGA will continue to engage with affected authorities on this issue, in particular we are keen to continue to discuss mechanisms to increase the overall supply of housing that is available, appropriate and affordable
20. The DWP impact assessment estimates that the **social sector size criterion** is likely to affect 670,000 claimants across Britain. DWP estimate that the majority under-occupy their homes by one bedroom. The impact of the size criteria measure will vary in accordance with the stock profile in local areas. For example, in some areas a shortage of smaller properties will limit the options for local authorities to respond to under-occupation. Local authorities are working in partnership with Housing Associations to consider options for placements in the event of under occupation. This can include re configuring and re-classifying the existing stock, aligning allocations policies with new measures and considering how to use existing stock to best effect.
21. The Government is not seeking to make exceptions to the social sector size criteria and this means that a number of people who have particular reasons for needing an extra room will still have their benefit reduced. This includes families where a disabled couple may be sleeping in separate rooms because of specific adaptations (e.g. a hospital bed) or where a disabled child needs their own room because of behavioural issues related to their condition that would impact on the wellbeing of a sibling if they had to share. Foster carers are also subject to the penalty. The Government has provided an additional £30m of **Discretionary Housing Payment** (DHP) to enable councils to take local decisions about supporting people with these particular needs to stay in their home. Many councils have expressed a view that DHP will not be sufficient to mitigate all of these cases and we will be working with councils as they identify their local priorities and costs.
22. Members are asked to comment on whether the issues set out at **paragraphs 16 to 20** above cover the key housing implications arising from welfare reforms which should be considered as part of the LGA works programme.

Next steps

23. As part of the work on New Model for Local Government, the LGA is conducting a series of regional roadshows with LGA Board Lead Members' and Cabinet Members from around the country, to discuss priority issues for local government - including welfare reform and to get a better understanding of key local concerns and intentions. We will also be hosting a 'deep dive' session on the welfare reforms with Chief Executives and other senior experts and decision-makers in early May.
24. We are currently developing a piece of research on the impact of the reforms to housing benefit and related benefits, including the introduction of Universal Credit. The aim of this research is threefold:

- 24.1. to understand how claimants will be affected by the changes in different parts of the country;
 - 24.2. to establish councils and their partners' role in helping people to adapt to changing circumstances through effective provision of housing, employment and financial planning support; and
 - 24.3. to set a framework for the policy debate about the measures needed to maximise the mitigation of cash losses to claimants through the housing and employment markets.
25. **Board Members' views are welcomed on issues that should be considered by the research.** The Board's views will be shared with the Finance Panel to inform their decision making on this issue. Officers will keep the Board updated as the research work progresses.
26. The Environment and Housing Board continue to prioritise work to increase financial flexibilities available to authorities to invest in new and existing housing. This includes work to lift the Housing Revenue Account borrowing cap, arguing for retained flexibilities to secure appropriate infrastructure and affordable housing contributions through the planning system and for a focus by Government on the main barrier to development – access to finance to build and to buy.
27. Government has committed to mitigating any additional costs to local government arising as a direct consequence of the reforms. LGA will be working closely with local authorities and the DWP to develop the evidence base for this funding.

Financial implications

28. The proposals in this report can be delivered within existing budgets.

Waste Judicial Review and Local Waste Review update

Purpose of Report

The first section of this report provides an update for the Board on the outcome of the Waste Judicial Review. The second section notes the progress of the Local Waste Review and the next steps for the project.

Summary

The waste Judicial Review Judgment is a positive outcome for councils in line with the LGA's objective to maintain councils' ability to take local circumstances into account when deciding how to collect recycling. Following the Judicial Review Judgment Defra will be producing guidance to clarify how the requirements of the Regulations will apply in practice, which we will need to continue to influence.

The LGA has also been progressing the Local Waste Review which has now received responses to the call for evidence and held the second meeting of its Challenge Group. An overview of the themes emerging from the evidence are set out along with key milestones are laid out up to the publication of the Review's conclusions on 4 June.

Recommendations

That the Board:

- 1) **Notes** the positive outcome of the Judicial Review and **agree** proposals at **paragraphs 11 and 16** to influence the subsequent Defra guidance; and
- 2) **Notes** the progress on the Local Waste Review and **comment** on the proposed next steps.

Action

As directed by members.

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1. Waste Judicial Review

Overview

1. This section provides an overview of the Judicial Review on which judgment was recently handed down and discusses the next steps for Government and the LGA.

Background

2. The Judicial Review was brought by a group of six reprocessing companies against Defra and Ministers of the Welsh Government. The basis of the claim was that the Regulations which transposed the relevant EU Directive concerning the type of recycling collection (co-mingling/ mixed or separate) were defective. The LGA along with the Environmental Services Association (ESA) were both represented by Counsel as Interested Parties at the hearing on 25 and 26 February. The LGA's objective was to support Defra in defending the revised Regulations on the basis that they allow councils appropriate discretion to determine the preferred type of recycling collection based on their local circumstances.

Hearing

3. The two questions that were considered by the Court were whether the revised Regulations accurately transposed the EU Waste Framework Directive, and whether the uncertainties around the construction and interpretation of the Directive warranted clarification by the European Court of Justice (ECJ). Our position, as with Defra and the ESA, was that the transposition of the Directive into the Regulations was accurate and a reference to Europe was unnecessary.

Judgment

4. The judgment was handed down on 6 March. The Judge definitively concluded that the revised Regulations properly transpose the obligations of the EU Waste Framework Directive and therefore the claim was dismissed. In addition the application for referral to the ECJ was also dismissed, as was leave for the Claimants to appeal the decision.
5. Recognising our argument for recognition of local decision making on waste the Judge noted:

5.1 "Given the need to consider the particular circumstances of collection, it is understandable why the primary decision-making function has been given to local authorities, which are uniquely placed to take into account local circumstances." (Mr Justice Hickinbottom)

6. We developed media lines in advance of the judgment. The LGA press release and details of the Judgment are included at **Appendix 3a**. The outcome of the case was covered in the Daily Mail and the Telegraph as well as a number of the trade publications

Next steps

7. The Waste Regulations that have been upheld by the claim transpose into English and Welsh law the Directive's requirement on councils to carry out separate collection by 2015, on the basis of two conditions. Firstly, where it is technically, environmentally and economically practicable (TEEP), and secondly where it is appropriate to meet the necessary quality standards for the relevant recycling sectors.
8. These provisions allow local authorities to take local circumstances into account in determining the type of recycling collection they use, whether using separate collection / kerbside sort or co-mingling. We understand that Defra will be developing guidance following the Judgment to aid with decision making by providing an outline of the requirements that councils will need to consider in meeting the two tests.
9. It will be important for us to influence those guidelines in order to ensure that they do not impose unnecessary bureaucracy or fetter councils' discretion beyond what the Directive requires.
10. In relation to the quality of recycle the regulations state it would be necessary to establish that an alternative to separate collection meets the necessary quality standards. At present Defra are consulting on the Material Recovery Facility (MRF) Code of Practice, which sets out processes for measuring the quality of MRF input and output and will have implications for councils.
11. It is proposed that to support councils in implementing the regulations upheld by the Judicial Review Judgement, LGA officers undertake the following:
 - 11.1 Work with Defra to influence and inform the guidance on the revised waste regulations; and
 - 11.2 Draft a response to the MRF code of practice

2. Local Waste Review Update

Background

12. The Local Waste Review has been commissioned by the LGA Environment and Housing Board to provide the means for local government to proactively lead the future direction of waste policy. It is being led by a panel of the LGA's elected Members.
13. The Review has been divided into four themes as follows:
 - 13.1 Direction of travel on waste management;
 - 13.2 Funding;
 - 13.3 Regulation and enforcement; and
 - 13.4 Infrastructure.

Progress to date

14. To inform the content of the Review, we issued a call for evidence on the four themes outlined above. We received 54 responses from local authorities and the wider waste industry.
15. The Review held its second Challenge Group meeting on 6 March, chaired by Cllr Loakes. The meeting looked at the key findings from the call for evidence and discussed the emerging themes. These are as follows:
 - 15.1 **Waste and resource management as a key sector for jobs and economic growth** – based on the 128,000 employees and turnover of around £7.5 billion (BIS 2011¹) there is scope for greater recognition of waste management sector's role as a growth sector in providing a good range of job roles spread evenly across the country.
 - 15.2 **Greater recognition of local determination of service** and a move away from a focus on collection types to offering the optimum service for local circumstances balancing local needs with efficient delivery of waste services.
 - 15.3 **Funding – a more equitable share of responsibility for waste costs and income** – including all supply chain players and empowering local authorities to obtain a greater proportion of the value of the material they collect and sort. Also to address the future level and fairness of the landfill tax.
 - 15.4 **Regulation and enforcement**, and establishing means of streamlining reporting processes around the most valuable data. Also ensuring that local authorities have and keep the appropriate enforcement powers.

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/31750/11-1088-from-waste-management-to-resource-recovery.pdf

- 15.5 **Infrastructure and the benefit to local authorities and their communities** and overcoming tensions locally, regionally and nationally, while ensuring the availability of finance for infrastructure and appropriate benefit for hosting communities.

Next steps

16. The following next steps are planned for the Local Waste Review:

- 16.1 March and April - further engagement with stakeholders to be scheduled to discuss the emerging and specific recommendations;
- 16.2 Late April / early May - third Challenge Group meeting to discuss Review findings and draft recommendations;
- 16.3 14 May Environment and Housing Board – discussion of Review findings and draft recommendations; and
- 16.4 4 June – launch of Review at a national conference at Local Government House

17. Members are invited to note the progress of the Waste Review and comment on the emerging themes and milestones.

Financial implications

18. The proposals within this paper can be delivered within the existing programme budget.

Appendix 3A - LGA press release on 6 March

Councils win legal bin battle

Responding to today's Judicial Review judgment on how recycled waste should be collected according to EU law, Councillor Mike Jones, Chair of the Local Government Association's Environment and Housing Board, said:

"Today's announcement is great news for councils and means we can continue to work with our residents to collect the bins in a way that reflects local circumstances. The LGA has fought long and hard and we are delighted that the matter has now been resolved.

"It's time for the waste sector to draw a line under this and let councils get on with the job of providing residents with an efficient, environmentally responsible and value for money waste service."

The full details of the judgment are available at the England and Wales High Court (Administrative Court) Decisions website:

<http://www.bailii.org/ew/cases/EWHC/Admin/2013/425.html>

Locally-led action on fuel poverty

Purpose of report

For discussion and direction.

Summary

At the November meeting of the Board, Members agreed that the LGA should develop a paper demonstrating the effectiveness of locally-led solutions for addressing fuel poverty. This paper sets out proposals for making the case for locally-led action.

With the Department for Energy and Climate Change still in the early stages of developing a new national strategy on fuel poverty, there is an opportunity for the LGA to shape the Government's thinking by promoting the value of local leadership and action.

Recommendation

That Members discuss the issues set out in the paper and comment on the recommended narrative and next steps set out in **paragraphs 8 - 11**.

Action

Officers to action as recommended by Members.

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Locally-led action on fuel poverty

Background

1. Local authorities have been at the centre of action to tackle fuel poverty, with councils having delivered over fifty per cent of energy efficiency programmes in 2010¹. In the written evidence that the LGA submitted to the Energy and Climate Change Committee inquiry on Energy, Profits and Poverty, we highlighted numerous examples of council-led action ([Appendix 4a](#)).
2. Local government has also made a significant contribution to raising the energy efficiency of social housing stock. English Housing Survey data indicates that the Standard Assessment Procedure rating of local authority housing stock, (this is the Government's measure of the energy efficiency of homes, expressed on a scale of 1 to 100), grew from 45.7 in 1996 to 60.9 in 2010, outpacing improvements in overall housing stock whose SAP rating was 54.5 in 2010.
3. Fuel poverty, broadly defined as households on lower incomes living in a home which cannot be kept warm at a reasonable cost, is usually a result of three interacting factors: low household income, low energy efficiency standard of a property and high fuel prices. Fuel poverty has significant health and social costs and affected households face having to constraints on spending on other essentials such as food or falling into debt trying to meet their fuel bills. As fuel bills continue to rise and incomes remain stagnant, more households at the margins of fuel poverty will become fuel poor unless the causes can be addressed. Councils can do little to control fuel prices or incomes, so their focus in tackling fuel poverty is on supporting people to improve the energy efficiency of homes and to find cheaper energy tariffs.

Local leadership in a changing environment

4. Since 2010, both the policy and funding landscape for tackling fuel poverty have changed significantly. Core grant to local government has been cut by 33 per cent and capital grant by 45 per cent in this Spending Review period, which has placed a squeeze on many council services. Most Government-funded energy efficiency programmes such as Warm Front are coming to an end. The Green Deal has introduced a new approach to paying for energy efficiency measures, whereby households pay for the installation of measures through savings on their energy bill, (on the basis of a "Golden Rule", whereby the costs should not exceed the savings). A new Energy Company Obligation (ECO) will work alongside the Green Deal by requiring major energy suppliers to finance measures targeted at the lower income and most vulnerable; as well as those properties needing certain costlier measures that would not meet the Golden Rule, e.g. solid wall insulation.
5. Councils remain ambitious to tackle fuel poverty, as part of a broader effort to improve energy efficiency, reduce energy costs and generate growth and jobs by supporting the green economy. The first action plans to be submitted through Climate Local show a strong commitment to improving energy efficiency. Councils are adapting their offer in the new landscape through innovative approaches such as:

¹ Energy Savings Trust, 2010. This is the most recent data that is available.

- 5.1. Joint working: many councils are collaborating to address energy efficiency across a wider area, e.g. Yorkshire Energy Partnership Ltd;
 - 5.2. Collective switching: over 25 local authorities have set up or are in the process of developing schemes, with more than 80 projects reported to be in the pipeline; and
 - 5.3. Energy generation: a number of councils are exploring the potential to generate cheaper energy, for example Islington Council's Decentralised Energy Programme.
6. The LGA's Climate Local platform offers a tool for to learn from each other and share information about initiatives that can help tackle fuel poverty. In its first year of operation, more than 50 councils have signed up to Climate Local and its Knowledge Hub has over 200 members across all types of councils. Using these platforms, councils are sharing knowledge and experience on a range of issues such as ways to embed action on energy efficiency across a number of departments, tendering for Green Deal providers, setting carbon reduction strategies and addressing health risks.
7. LGA officers have been engaging in discussions with local authorities, housing associations, the voluntary sector, energy companies and industry representatives to develop our thinking on the key issues which need to be tackled. These discussions have suggested a need to focus on:
- 7.1. Making best use of all available resources;
 - 7.2. Encouraging a mix of schemes and measures;
 - 7.3. Effectively targeting households most in need;
 - 7.4. Ensuring that residents are aware of and able to access ways to improve the energy efficiency of their homes and / or reduce their bills; and
 - 7.5. Increasing the industry's capacity to meet demand by boosting the training and skills of the workforce.
8. Members are invited to comment on the following proposals to be set out as the key themes underpinning the case for locally-led action in tackling fuel poverty by promoting councils' role in:
- 8.1. Local leadership to broker partnerships across a range of local services: fuel poverty is a cross-cutting issue and effective solutions will rely on bringing together public, private and third sector partners working in areas such as housing, income support, public health and energy efficiency.
 - 8.2. Leveraging funding and maximising the use of available resources: although public spending is set to remain constrained for the foreseeable future, there is significant scope to leverage in alternative sources of finance, including but not limited to ECO, and European Union structural funds.
 - 8.3. Identifying and reaching those most in need: councils have knowledge and information about their communities which allows them to tailor schemes to take

account of factors such as tenure, housing type, housing density, income, deprivation and demography. A strong criticism of past national programmes has been that they struggled to reach those most at risk of fuel poverty.²

- 8.4. Ensuring that residents are aware of their options and can access the solutions that are right for them: councils already have extensive experience in helping local residents to understand which benefits, grants and energy tariffs are available to them and can build on this role.
 - 8.5. Using their strategic housing role to engage private landlords to tackle the energy efficiency of their properties: the energy efficiency of private housing stock continues to lag behind that of social housing. Many councils are bolstering their efforts to encourage private landlords and residents living in private tenure to explore their options.
 - 8.6. Brokering relationships between skills providers and local businesses: industry representatives such as the National Insulation Association have identified training and skills shortages as an issue that needs to be addressed urgently. Councils and Local Enterprise Partnerships (LEPs) already play a lead role in helping to support job creation and the local supply chain; this was recognised in the Autumn Statement, which committed to giving LEPs a strategic role in setting skills policy at a local level.
9. It is also proposed that the following recommendations be directed towards Government:
- 9.1. The new national definition of fuel poverty should not constrain councils from accessing funding to support locally designed schemes that reflect local circumstances and can ensure resources are focused on those most in need.
 - 9.2. Local authorities should have equitable access to all sources of finance, including the Energy Company Obligation. Specifically, this means allowing all local authorities to place their projects on the ECO brokerage, whether or not they are Green Deal providers.
 - 9.3. Instead of setting up small one-off grants (e.g. £20 million Warm Homes Healthy People Fund, £25 million Fuel Poverty Fund, £10 million Green Deal Pioneer Places Fund, and £5 million “Cheaper Energy Together” scheme), the Government should pool funding in a single pot to maximise its value and ensure that councils can focus their resources on tackling energy efficiency rather than bureaucratic bidding processes
 - 9.4. The Government should facilitate greater data-sharing across departments, local public bodies and energy companies to identify households living in or at risk of fuel poverty and councils could play a key role in enabling that data-sharing to take place. The learning from the Whole Place Community Budgets could be useful in this area.

² http://www.ippr.org/images/media/files/publication/2012/12/energy-efficiency-whopays-whobenefits_Dec2012_10051.pdf

- 9.5. Government departments need to join up to develop a framework for fuel poverty policy at a national level that enables effective locally-led action. The Department for Communities and Local Government, Department for Health and Department for Work and Pensions have a particularly important role.
- 9.6. Councils and their local partners should be given a greater role in commissioning skills provision at the local level, to enable more effective matching between those seeking work and the needs of employers.

Next steps

10. Members are also invited to comment on the proposed next steps:

10.1. Supporting councils:

- 10.1.1. In line with the Board's recommendation, we are producing a toolkit that will help councils to develop and analyse their options for engaging with the Green Deal. We expect to make this resource available to Member authorities in April; and
- 10.1.2. We also propose to organise several focussed online sessions through Climate Local and the Knowledge Hub to encourage councils to share effective practice in working with the Green Deal, accessing ECO and tackling fuel poverty.

10.2. Engaging central Government:

- 10.2.1. We will shortly finalise a Memorandum of Understanding with the Department for Energy and Climate Change which is intended to recognise the key role that councils will have to play if the department is to meet its objectives;
- 10.2.2. The Minister has asked for a list of suggestions for councils he could visit, and we propose to use this list to demonstrate the range of action councils up and down the country are playing;
- 10.2.3. We have also recently met with DECC officials to discuss their plans for a new fuel poverty strategy and have identified a number of areas where the LGA can help them develop their thinking, including identifying case studies of good practice at the local level, facilitating data-sharing and reaching vulnerable groups; and
- 10.2.4. DECC aim to publish a draft of the new fuel poverty strategy in May and have signalled that they would welcome input and support in engaging councils from the LGA.

10.3. Working with energy companies:

- 10.3.1. Cllr Mike Jones is scheduled to meet with Energy UK, the trade body that represents energy companies, in late April and we propose to use this

meeting to identify areas for joint working. For example, Energy UK has identified data-sharing and reaching vulnerable households as areas in which assistance would be welcome.

11. Following the Board discussion, LGA officers propose to continue building the evidence base and will finalise a position paper on fuel poverty for Lead Members to share with the Climate Change Minister ahead of Lead Members' next meeting with him in June.

Financial Implications

12. This is core work for the LGA and is budgeted for within the 2012-13 LGA budget.

Energy and Climate Change Select Committee - Inquiry into energy prices, profits and poverty **Submission by the Local Government Association (LGA)**

14 February 2013



Introduction

The Local Government Association (LGA) 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.

Summary of evidence

- With energy prices rising and many people on low incomes facing benefit cuts, increasing numbers of households will struggle to pay their fuel bills. Councils already play a major role in helping people reduce their energy bills particularly those most at risk of fuel poverty. Councils delivered over fifty per cent of energy efficiency programmes in 2010 and are seeking to do more.
- Locally-designed schemes that are based on an understanding of individuals' needs and circumstances are more effective than national definitions at reaching those in fuel poverty.
- Councils have a key role to play in designing those schemes, communicating and raising awareness of schemes amongst local residents and promoting greater uptake by households across all tenures.
- Councils are best-placed to broker relationships and facilitate data-sharing across a range of partners including energy suppliers, private landlords, the NHS and the voluntary sector to help identify and support those in fuel poverty.
- Councils are actively promoting collective switching schemes as a key means of helping people reduce energy costs.
- Councils should be able to access the Energy Company Obligation (ECO) brokerage scheme (without having to attain Green Deal Provider status) to support locally-led fuel poverty schemes to ensure maximum value for money and reach.
- The lead role that local authorities play in ensuring that resources

Submission

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are used to help those most in need should be reflected in the new national fuel poverty strategy.

Future challenges in addressing fuel poverty

With energy bills continuing to rise faster than household income, increasing numbers of households will find it difficult to pay their energy bills and will be at risk of fuel poverty. 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. As it is, fuel poverty statistics from the Department of Energy and Climate Change (DECC) show that there were 3.5 million households in England in fuel poverty in 2010, compared with 1 million in 2004. Changes to be introduced by welfare reforms will mean many low income families see a reduction in benefit income at the same time as their fuel bills increase. In addition, public sector spending cuts will make it more difficult for councils and their public sector partners to support fuel poverty initiatives. In the face of these challenges we need to ensure that all available funding for energy efficiency and reducing energy costs is used in the most effective and efficient way.

The Hills Review recognised that national definitions and targets have not been effective tools for identifying the real incidence of fuel poverty in the UK and determining who should be eligible for support. The revised national definition recognises that there are a range of factors that need to be taken into account to identify those most in need.

However, the experience of councils, who deliver more than half of all energy efficiency programmes, demonstrates that effective fuel poverty solutions have to be designed with local circumstances in mind. The debate about national definitions of fuel poverty and the focus on energy companies' duties on energy efficiency should not obscure the fact that schemes need to be delivered in the most efficient and effective way at local level. **The new national fuel poverty strategy should enable decisions about where and how to target funding to be made at the local level.**

Council action to address rising energy costs and fuel poverty

Councils play a major role in helping their residents to reduce energy costs and help people out of fuel poverty. In 2010, councils provided (solely or in partnership) over 50 per cent of the available energy efficiency programmes in England. Examples include:

- Bristol Energy Efficiency Scheme insulated 10,000 homes across the city, with particular attention to the needs of the elderly, disabled and fuel poor.
- Kirkless Warm Zone, which offered every household in the area a chance to improve its energy efficiency, insulated over 51,000 homes and generated £80 million in economic benefits. Kirklees has insulated the highest percentage of properties of any council in England and Wales and as such strongly indicates there remains strong potential for basic insulation measures if schemes and

marketing are well designed with a compelling offer.

- Home Energy Lincolnshire Partnership, a joint scheme between the County Council and all of the district councils in the area, saved local residents over £1 million in energy bills.

Councils have knowledge and information about their communities that allow them to tailor schemes to take account of factors such as tenure, housing type, housing density, income, deprivation and demography. For example:

- Bolton Council has been leading an area-based scheme to address fuel poverty, prioritised through the mapping of indices of multiple deprivation.
- Cheshire West and Chester are using the Homes Energy Efficiency Database, the local private sector stock condition survey and other local sources of data including council tax support recipients and NHS data on excess winter deaths.

Councils are also best placed to bring together funding and partners to target initiatives where they are needed most. For example:

- 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.
- Nottingham City Council has engaged Nottingham Energy Partnership, private landlords, Nottingham City Homes and support agencies such as Age UK Nottingham and Nottinghamshire on a coordinated approach to tackling fuel poverty in the area.

In 2011, the LGA and DECC entered into a Memorandum of Understanding that recognises how councils, through local governance, can ensure climate change policies and programmes protect and help the most vulnerable, particularly the fuel poor. We are now seeking to build on this relationship to ensure that councils' pivotal role continues to be recognised in Government policy.

Targeting people most at risk of fuel poverty

The energy companies themselves have identified the need for information to identify the households to whom support should be directed. Councils can facilitate information-sharing at a local level to identify those most in need in their local areas, which they have already been doing through their local schemes. For example:

- Partners in the Oldham community budget pilot on fuel poverty are setting up a database to identify households most likely to be in fuel poverty and those who are likely to experience health problems as a result. Households can also be referred to the project by partners including the fire service and health workers.

- Blackpool works with NHS Blackpool and dovetails with their flu mailing lists. They are extending this to a direct referral pilot with local GPs.

Increasing take up of energy efficiency schemes, particularly the fuel poor

Councils play an important role in promoting the uptake of energy efficiency schemes and helping people to determine which measures would best meet their needs. Many councils help local residents to understand which benefits and grants are available to them and understand the tariffs offered by various energy suppliers. The importance of local authority involvement was demonstrated in the Carbon Emissions Reduction Target (CERT) programme. An evaluation of the programme carried out for DECC confirmed that local authority endorsement was 'considered crucial to reassure householders of the scheme's credibility and therefore drive uptake.' (*Evaluation of the delivery and uptake of the Carbon Emissions Reduction Target*, DECC, 2011)

The Government's proposals for outreach appear to be largely limited to a national hotline number that will refer callers to energy companies. This is however unlikely to be the most effective mechanism for "hard to reach" residents. Councils are better able to promote awareness and uptake of energy efficiency schemes, particularly because they are able to broker the local partnerships that are needed to reach the residents who are most likely to need support. For example:

- Blackpool Council funds a programme called "Counter Attack Services" with the NHS and Age Concern, which uses the council's care and repair agency to visit homes and provide advice on fuel poverty measures, assist with completing forms for benefits, and undertake home safety checks.
- Liverpool City Council holds fuel poverty surgeries in various locations across the city, including health centres, GP surgeries and libraries. Residents are offered advice on issues around fuel poverty, including energy efficiency, social tariffs, switching fuel suppliers and more.
- Area based approaches where householders are contacted about Council sponsored schemes through tailored community marketing and a door to door approach have been successfully run by a number of Councils including Hull City Council, Leeds City Council and Kirklees Council to name but a few of many such examples.

Many councils have also been seeking to increase the uptake of energy efficiency in private rented sector by targeting private landlords:

- Teignbridge District Council's Landlord's Energy Assistance Scheme provides grants to private sector landlords for measures that would improve the energy efficiency of a property occupied by a vulnerable tenant, such as those in receipt of a means tested benefit, aged 70 years or over or have a child aged less than 6 years.
- Royal Borough of Kensington and Chelsea produced a comprehensive guide for private landlords on energy efficiency and

dedicated Environmental Health Officers to assess properties referred to them for excess cold hazard enabling advice to be given or enforcement taken as appropriate

What more could be done?

With deep cuts to their funding making it more challenging for councils to maintain levels of investment and support, it is essential that all available funding for energy efficiency and reducing energy costs is used in the most effective and efficient way. Councils are looking to opportunities provided by Green Deal and Energy Company Obligation (ECO) to drive future initiatives. For example:

- Five local authorities in the northeast, coordinated by Newcastle City Council, are leading the roll-out of the Green Deal across their areas with a view to improving the energy efficiency of up to 15 000 homes
- Birmingham City Council will be delivering the Green Deal through Birmingham Energy Savers, partnering with Carillion Energy Services to improve the energy efficiency of up to 60 000 homes in the city, create over 350 jobs and help 600 people into training

The LGA is supporting councils to learn from each other and share good practice on tackling fuel poverty in their areas through Climate Local, which a web-based platform that offers topic-based guides and supporting resources, an online community and opportunities for peer learning.

Allow access to Energy Company Obligation (ECO) Brokerage

It will be vital to maximise the finance that is available through the ECO. The Government needs to ensure that locally-led schemes to alleviate fuel poverty have fair access to ECO. Under current arrangements, access to the ECO brokerage system is limited to Green Deal providers. The LGA would like to see this changed so that councils can use the brokerage to support energy efficiency projects. Opening up the ECO brokerage to councils would help to target support to the households that are most in need, whilst encouraging a broader competitive market to drive cost efficiencies and foster the development of a range of products and services.

Collective switching

Councils are taking the lead in supporting collective switching, with the need to address fuel poverty in their areas a key driver for providing this service. More than 25 local authorities have set up or are in the process of developing a variety of schemes, with more than 80 projects reported to be in the pipeline. In January, the largest switching auction run by local authorities to date saw 50,000 people sign up.

Many council-led schemes include elements specifically designed to help those living in fuel poverty; for example:

- Peterborough City Council's "Ready to Switch" scheme was the first in the UK to allow people on pre-payment meters to join, giving some of the area's poorest people the opportunity to reduce their bills. Many other council-led schemes have followed suit.
- Cornwall Together is a collective purchasing scheme pioneered by Cornwall Council and several local partners. 10 per cent of the expected savings from switching will go into a fund to address fuel poverty across the county.

The LGA has been promoting the benefits of collective switching, working with DECC to develop advice and helping local authorities to find ways to simplify the procurement process.

Review of the Energy Company Obligation

The LGA believe that it is vital to review progress on the Energy Company Obligation early following its first year of operation to ascertain whether or not it has been successful at delivering carbon and energy savings under its current design. Councils are well placed to offer informed comment on how the Energy Company Obligation (and Green Deal) are working on the ground.

Tackling long term empty homes

Purpose

For discussion and direction.

Summary

As part of the agreed areas of work on housing, members asked officers to develop proposals for reform of the process for bringing empty homes back into use. This paper proposes a number of changes to reduce the cost and complexity of existing enforcement powers used to bring long term empty properties back into use.

The paper also proposes an extension to Compulsory Purchase powers to enable councils to lease privately owned empty properties on a temporary basis to bring them back into use.

Recommendations

That Members of the Board:

- 1) **Agree** proposals to reduce financial risk and complexity across Compulsory Purchase Order Powers;
- 2) **Agree** proposals to establish new flexibilities to lease empty homes on a temporary basis through extended Compulsory Purchase powers; and
- 3) **Comment** on proposals to reduce bureaucracy associated with Empty Dwelling Management Orders and provide a steer on the priority areas to focus LGA lobbying.

Actions

As directed by members.

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Tackling long term empty homes

Background

1. There are 710,000 empty properties in England¹, a large proportion of these reflect short term changes in circumstances and are a normal constituent of a functioning housing market. However, around one third (260,000), have been empty for six months or more. Of these long term empty homes, the vast majority are in the private sector; only 10% are local authority owned². The numbers of long term empty homes have decreased overall by around 20% since 2008; those owned by local authorities have decreased by 30% over the same period³.
2. There are however significant regional variations in the number of long term empty homes. In a number of regions, for example the North West and East Midlands, bringing long term empty homes back into use could make a significant contribution to meeting housing need, as measured by housing waiting lists. For other regions, such as London, it would make only a marginal contribution on meeting overall housing need.

Table 1: Regional breakdown of empty homes and households on council waiting lists⁴

Region	Total dwellings	Total empty, 2011-12	Long term empty (over 6 months), 2011-12	Council waiting list, 2011-12	Long term empty as proportion of waiting list
North East	1,186,982	44,960	18,597	86,919	21%
Yorkshire & Humber	2,336,965	88,910	32,901	227,536	14%
East Midlands	1,989,361	64,503	24,143	106,719	22%
East Of England	2,556,412	69,654	23,868	190,911	12%
London	3,411,821	72,457	24,226	380,301	6%
South East	3,722,317	98,313	30,590	243,220	12%
South West	2,418,746	68,973	21,393	185,757	11%
West Midlands	2,387,061	72,289	26,637	188,365	14%
Northwest Total	3,168,731	130,081	57,487	238,808	24%
England Total	23,178,396	710,140	259,842	1.8m	14%

¹ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants#live-tables>

² All figures in this paragraph from <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants#live-tables>

³ The number of long term empty homes in 2008 was 326,954; this has reduced to 259,128 in 2012.

⁴ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants#live-tables>

Bringing homes back into use: enforcement powers

3. Councils offer incentives and support for owners to bring homes back into use. However in some cases encouragement by itself will not be sufficient and there are a number of enforcement powers available to councils which are often used as a last resort.
4. The vast majority of powers available to local authorities are not designed specifically for use in bringing empty homes back into use and include powers to enforce sales, demolition, compulsory purchase, clearance powers and debt powers. Empty Dwelling Management Orders are constructed specifically for this purpose and are dealt with later in this paper. Feedback from council officers suggests that Compulsory Purchase Orders (CPOs) are the most widely used tool.

Compulsory Purchase Orders (CPOs)

5. CPOs have been used to good effect by some local authorities to bring empty properties back into use. However, local authorities often report that the powers are complex and resource intensive to use and can expose the authority to financial risk.
6. **Members' views are sought on the following recommendations to simplify and reduce financial risk of using CPO powers to bring empty properties back into use:**
 - 6.1. Current arrangements require a local authority to pay compensation provisions as well as the market value when compulsorily acquiring an empty property. **Removing the requirement to pay compensation if the property has been empty for two years or more would reduce the costs of using CPOs significantly.**
 - 6.2. **Enabling local authorities to split compensation costs with developers would reduce the financial risk to authorities.** This already takes place on an informal basis in some authorities however more clarity and certainty that this can be done would be helpful and would help reduce financial risk to local authorities.
 - 6.3. **Consolidating existing CPO provisions across numerous pieces of legislation** would enable local authorities to view the powers as a whole and reduce the complexity overall.

Using CPOs to lease long-term empty homes

7. CPO powers are currently limited in their scope to the full acquisition of the property. **Members' views are sought on the extension of the existing CPO powers to allow for the leasing of long term empty homes⁵, as set out below:**
 - 7.1. Extending the current CPO powers would enable a council to acquire a time-limited leasehold, enabling it to undertake refurbishment work to the property and bring it back into a habitable state. The authority would then recoup its investment through rental income over the set time period. The authority might also acquire nomination rights over the property for this period.

⁵ N.B. This is likely to require changes to the Acquisition of Land Act 1981

7.2. We would also envisage the process to secure the leasehold to be far less onerous than the current CPO process to reflect the temporary nature of the arrangement. For example, this could include the removal of a requirement to seek Secretary of State sign-off and a process of written representations in the case of objections, rather than a full Public Inquiry.

8. **It is proposed that the LGA works with councils to develop a detailed proposal to present to government.**

Empty Dwelling Management Orders (EDMOs)

9. An EDMO can be used by a local authority to take temporary control of a long term empty property to bring it back into use as a rented home using the rental income to cover their costs. The property is then returned to the owner or can be retained for a further period to recover outstanding costs, or to prevent the property falling empty again.
10. A small number of councils have used EDMOs to good effect, however at best they play a marginal role in returning long term empty homes into use. We estimate that they account for around 0.001% of the 36,000 long term empty homes returned to use over 2006-2011⁶.
11. The process for securing an EDMO is cumbersome and time-consuming, and recent government reforms have also raised the threshold for the use of these powers. This has significantly extended the period that a property has stood empty before an EDMO can be used, the notice period before an EDMO can be sought, and limited the use of the powers to those properties that blight the neighbourhood or have become a focus for Anti-Social Behaviour.
12. There are amendments to the current EDMO process which would simplify the system which are set out below. However, new powers such as the compulsory leasing scheme outlined in **paragraph 7** might provide a more effective route to tackle long term empty properties. **Members' views are sought on the amendments below and the priority areas to focus the LGA's lobbying work on this agenda.**
13. **Allowing local authorities to determine the appropriate use of EDMOs, subject to appropriate scrutiny** (for example ratification at full council) and a right of appeal, rather than seeking prior approval from a tribunal would simplify and speed up the process.
14. **Withdrawing the most recent changes to EDMOs which limit their use and have added further complexity to an already cumbersome process** (the introduction of requirements for evidence and by extending the minimum empty period to 2 years).

Funding empty homes activity

15. Central funding streams are available for the purpose of bring long term empty properties back into use and are summarised in the table below. The funding streams to date have

⁶ There were 43 EDMO authorisations during the period of 2006-11; and as such EDMOs can be estimated to account for around 0.001% of the 36,000 long term empty homes returned to use over this period.

been typified by centrally run bidding rounds which take time, resources and add uncertainty, thereby undermining a long term approach to tackle this issue.

16. For any future funding rounds **it is proposed that the LGA argue that funding should be devolved directly to local authorities to enable better integration of local initiatives to tackle empty homes.** This is likely to involve close work and shared resources with partners such as Housing Associations.

Allocation of government funding for empty homes				
	Allocating body	Amount	Distribution	Estimates and actuals
£70 million	HCA	£70 million for bringing empty homes into use as affordable housing.	£12 million - to GLA for London Remainder: allocated to approximately 70 projects led by Housing Associations and local authorities via a bidding process (around a third of allocations have been made to local authorities).	Up to 5,600 homes predicted. Delivery has been slow to date: 73 starts in 2011 and 54 up to October 2012 ⁷
£30 million	Tribal UK (commissioned by DCLG)	£30 million for community led projects. Tribal are the nominated body for distributing the grant	Bidding process Sample project: 3 empty homes in Rossendale refurbished by homeless people & used as young people's accommodation	Up to 3,300 homes predicted
£60 million	HCA	£60 million cluster funders for local authorities (mostly the former housing market renewal areas)	Un-ringfenced grant	Over 3,600 predicted No delivery figures available
£300 million	HCA	A share of an additional £300 million for affordable homes (exact amount is unclear). Open to all empty buildings including commercial and non-residential	Allocated through a bidding process, closing in March 2013	
Total funding: £460 million				

⁷ http://www.homesandcommunities.co.uk/sites/default/files/aboutus/housing_statistics_tables.pdf

Financial Implications

17. The proposals in this report can be delivered within existing budget constraints.

Environment and Housing update paper

Purpose

For information and comment.

Summary

This paper provides an update on LGA activity and recent developments relating to the Board's work programme and priorities in the following areas:

- New Model for Local Government
- Housing and Planning update
- Quarterly meeting with Greg Barker MP
- Climate Local: delivering growth, income and safer communities
- Shale gas operations in the UK (Fracking)
- DCLG Technical Housing Standards review
- Flooding update

Recommendations

That Members of the Board:

- 1) **Note** the updates provided; and
- 2) **Comment** on the LGA's development of proposals for a New Model for Local Government.

Action

As directed by the board.

Contact officer: Caroline Green
Position: Programme Lead
Phone no: 0207 664 3359
E-mail: caroline.green@local.gov.uk

Environment and Housing update paper

Introduction

1. This paper provides an update on activities undertaken to progress the Board's agreed work programme not covered by other items on the agenda for the meeting on 20 March and covers key policy developments relating to issues within the Board's remit that have taken place since the last Board meeting on 23 January 2013.

New Model for Local Government

2. At its meetings of 9 January and 13 February, the LGA's Leadership Board considered reports setting out a proposal for a New Model for Local Government and the associated timetable to deliver it. The New Model project is progressing according to plan and the contributions of Board Members are sought.
3. The initial report and project plan approved by the Leadership Board is attached at **Appendix 6a** for information.

Housing and Planning update

4. We have submitted written and oral evidence to a number of inquiries run by the Communities and Local Government Select Committee. This included written and oral evidence to the inquiry on the **Private Rented Sector** where we identified areas to streamline red tape and raised concerns over dealing with rogue landlords and to the independent review of **Planning Practice Guidance**. Our submission highlighted the need for a radical streamlining of guidance and a change in culture and practice across Whitehall to ensure guidance is produced only where required and which would support local decision making.
5. Our response to the **Planning Administration Red Tape Challenge** highlighted the opportunity to remove outdated and expensive regulations such as the requirement to publish planning notices in newspapers, localising planning fees to put local authority planning departments on a sustainable financial footing, simplifying the CPO process and localising the approach to change of use and permitted development.
6. Our response to the **Armitt Review** on infrastructure provision highlighted the importance of devolving funding streams to the local level.
7. The LGA continues to lobby strongly against the proposals to remove prior approval processes for the **siting of broadband boxes in protected areas**. The Department for Culture Media and Sport (DCMS) are developing a voluntary code with the industry to support the new arrangements and the LGA has made representations that this will not be sufficient to mitigate the risks presented by this measure. The LGA has agreed with the Planning Officers Society that they will be members of the drafting group for the voluntary code and will ensure that the LGA remains informed on progress and any risks that might emerge but that our position on the policy means that it would be inappropriate for us to be involved directly.
8. Government has also recognised in the debates on the Bill that sector led improvement has a vital role to play in driving improvement in planning services and addressing poor performance where it exists. In reflection of that, DCLG and the LGA have agreed to

establish a new Board of governance for the **Planning Advisory Service (PAS)** to ensure strong sector leadership of a package of support on planning that is responsive to councils' needs and supports them to avoid designation under the Bill. The Board will include two representatives of the Environment and Housing Board to be agreed by Lead Members.

Quarterly meeting with Greg Barker MP

9. Cllr House, Cllr Roden and Cllr Cooper attended the latest quarterly meeting with Rt. Hon. Greg Barker MP, Minister for Energy and Climate Change on behalf of the LGA. The discussion was positive and constructive, with Greg Barker confirming that he believes that local government is a key partner in achieving DECC's priorities. There was general agreement that a mix of funding mechanisms would be needed to deliver effective energy efficiency schemes at the local level (including the Energy Companies Obligation [ECO] and the Renewable Heat Incentive) and that there should be flexibility to fit those together under the umbrella of the Green Deal.
10. In the discussion on fuel poverty Members noted that local leadership would be key to effective action and agreed that the LGA would share proposals on locally-led action on fuel poverty ahead of the next meeting.
11. Three actions came out of the meeting, as follows:
 - 11.1. The LGA and DECC will revise the Memorandum of Understanding (MOU) to set out a shared vision and convey a collective enthusiasm to demonstrate leadership on energy and climate change issues;
 - 11.2. The LGA will provide Greg Barker a list of suggestions about local authorities which the Minister could visit in order to see the range of work being undertaken by authorities on energy and climate change; and
 - 11.3. The LGA will develop proposals for a session at the LGA annual conference with the Minister and local authorities which will focus on local leadership to tackle energy efficiency.

Climate Local: delivering growth, income and safer communities

12. Over 50 councils have now signed up to the Climate Local commitment, agreeing to share details of their local actions to reduce emissions and also to build resilience to the changing climate. To illustrate the impacts of council-led actions the LGA has published an independent report from ARUP and Infrangilis to profile the work of 20 councils from the Climate Local programme.
13. The report shows that whilst operating in the context of significant public spending constraints the impact of council-led activity on climate change is hugely significant for local places: with the potential for hundreds of new jobs through home retrofitting schemes and millions of pounds of savings through resource efficiency and well adapted homes and services.
14. The Climate Local conference took place on 11 March bringing together councillors and officers to discuss local initiatives as well as key note speeches from Rt. Hon Greg Barker MP, and Defra Minister, Lord de Mauley, on how Government can support council-led action in this policy area.

Shale gas operations in the UK (Fracking)

15. Following discussion at the last Board meeting, Cllr Mike Jones wrote to Secretary of State for Energy & Climate Change, Ed Davey MP to seek clarity on a number of issues regarding shale gas operations (fracking) and the role of councils. A copy was also sent to the Parliamentary Under Secretary of State for Planning, Nick Boles MP. A copy of the letter is attached at **Appendix 6b**.
16. Once clarity has been provided on the issues raised, LGA officers will circulate a briefing on fracking to councils as requested by the Board at the January meeting. In addition, Cllr Jones attended a meeting hosted by Ed Davey on 13 March to discuss the role of the new Office for Unconventional Gas and Oil.

DCLG Technical Housing Standards review

17. Councillor Ed Turner continues to represent the LGA on the DCLG Technical Housing Standards review. The aim of the review is to reduce and simplify the number of standards that can be applied to new homes to avoid duplication (and in some places contradiction) whilst ensuring that quality developments are taken forward.
18. Whilst the LGA supports the principles of the review, it will continue to make the case for local flexibility on standards through a needs-based approach, tested through the local plan and subject to viability testing. The review is looking at five main themes of standards: energy, security, accessibility, water and space. Final proposals for consultation will be submitted to Ministers in April.

Flooding update

19. Inland Flood Risk Management Group - The Group met on 6 February where they took forward key aspects of their work programme. These were:
 - 19.1. Funding for flood defences. The group has identified potential areas in which the new funding model for flood defences could be improved by:
 - 19.1.1. Supporting a more diverse range of priorities, for example, the needs of smaller and more dispersed communities and action to support wider benefits, such as growth;
 - 19.1.2. Streamlining the process of allocation funding to make it less bureaucratic for smaller schemes and enable faster release of funding; and
 - 19.1.3. Making it easier for other public and private funds to support 'shovel ready' schemes with funding gaps.
 - 19.2. Lesson learned from 2012 floods. The Group endorsed further work on this valuable study which will capture the lessons learned from the 2012 floods, which was the wettest year on record for England. The study, which is expected to be complete in April 2013, aims to highlight councils' roles in managing flooding and flood risks, highlight ways in which more can be done through effective partnership working, including damage to the highways infrastructure, and provide recommendations for Government, councils and their partners.

- 19.3. Surface water maps. The Group heard a presentation from the Environment Agency on their surface water mapping project. Whilst the work was welcomed, Members of the Group agreed that communications surrounding the publication of maps needs to be very carefully handled with local authorities in order to avoid misinterpretation of data and additional work for councils. LGA and council officials will continue to help shape the development of this project.
20. EFRA Select Committee – The Committee invited the LGA to provide both written and oral evidence on flooding and funding for flood defences. The Chair of the Inland FRM Group, Cllr Andrew Cooper, and Richard Wills, Director of Communities, Lincolnshire County Council, gave evidence on behalf of the LGA on 6 February. The hearing and written evidence provided an ideal opportunity for the LGA to represent councils' views on a range of flood related issues from Partnership Funding, Bellwin Scheme, flood recovery actions and infrastructure damage to Sustainable Drainage Systems and water infrastructure.
21. Sustainable Drainage Systems – Cllr Eddy Poll, Environment and Housing Board Member and Rupert Clubb, Director of Economy, Transport and Environment, East Sussex Council gave a presentation to the All Party Parliamentary Water Group on the implementation of Sustainable Drainage Systems (SuDS). with the following key messages:
- 21.1. Government needs to work with councils to ensure that national standards are workable at the local level and flexible enough to enable innovation; and
- 21.2. Councils need a long-term funding solution for the maintenance of SuDS
22. LGA officials and councils will continue to be involved with Defra's SuDS related task and finish groups that have been set up to iron-out issues before implementation, which is expected to be April 2014.
23. Triennial review - Cllr Mike Jones replied to Defra's Triennial Review of the Environment Agency (EA) and Natural England (NE). Key messages were that:
- 23.1. Defra's agencies should follow the lead of local government in pursuing and achieving efficiencies in their operations;
- 23.2. Councils look to EA and NE for more effective ways of collective working. Therefore, to make efficient and effective use of expertise and experience they need to maintain a focus on place through partnership with councils at local level;
- 23.3. Functions, decisions and funding should be devolved to councils wherever possible to ensure a focus on local priorities and issues; and
- 23.4. The review needs to deliver an efficient service to councils – one where environmental decision-making is as close to being a one-stop experience as possible.
24. Meetings – Sir Merrick Cockell met Lord Chris Smith, Chair of the Environment Agency on 29th January. Key issues discussed were flooding and the Partnership Funding model, investment in water infrastructure and planning issues relating to the Taylor review and the role of statutory consultees. A further meeting between Cllr Mike Jones will be meeting and Cllr Robert Light (Deputy Chair of the Environment Agency) is arranged for 14 March.

As approved at the Leadership Board – 13 February 2013

New Model for Local Government – Programme Plan

Purpose of report

To seek Leadership Board's comments and endorsement of the planned programme of activities underpinning the development of the LGA's New Model for Local Government .

Summary

In line with earlier discussions with the Leadership Board, this report outlines work to date on the New Model for Local Government and sets out a forward programme. An initial draft project outline is attached.

Recommendation

Members are asked to review the **attached** project outline, comment on progress to date and planned actions and agree to the proposed future actions, subject to any amendments arising at the meeting.

Contact officer: Daniel Goodwin
Position: Executive Director, Finance & Policy
Phone no: 0207 664 3109
E-mail: daniel.goodwin@local.gov.uk

New Model for Local Government – Programme Plan

1. At its meeting on 9 January, Leadership Board considered a report setting out a proposal for a New Model for Local Government. The proposal's purpose was threefold:
 - 1.1 Developing a clear case for the future national role of local government in order to inform party manifestos in the run-up to the next general election.
 - 1.2 Setting out Local Government's offer in order to inform the expected 2015 spending review immediately after the election.
 - 1.3 Providing the LGA national conference with a practical explanation of the above and informing its longer term planning processes.
2. Leadership Board agreed with the proposed work in broad terms and asked that it be developed further. It saw value in wide national communication of the work before conference in order to ensure that voices across the sector could be heard.
3. Leadership Board agreed that there should be a number of specific in-depth discussions about the various themes set out in the paper and that initial drafts of policy papers should be developed to provide the foundation for the work. It asked Group Leaders to nominate a members' group to review them. At present policy papers are planned to be on the following subjects:
 - 3.1 Independent Local Government;
 - 3.2 Growth;
 - 3.3 Good adult social care;
 - 3.4 Future children's services;
 - 3.5 Welfare reform;
 - 3.6 Sustainable future funding.
4. There has been good progress to date on the arrangements for the national events and in-depth policy discussions. Initial drafts of the policy papers are being finalised at the time of writing and will be sent to the member reference group shortly. Further work is needed on the products for conference, communication and lobbying material, however this is to be expected because much of the work is still in development. The programme is being carefully considered by the LGA senior management team and project co-ordination is in place.

5. The key milestones for the work are set out in the project plan which follows this report. Some planning is still under way and a revised table will be circulated at the Leadership Board meeting. The following Regional Roadshows have been arranged, the Chairman or a Group Leader will introduce them and senior members from across the groups will be invited:

Nottingham (East Midlands)	27/02/2013
London (South East Region)	04/03/2013
London (London Councils)	11/03/2013
Taunton (West of England)	12/03/2013
Cambridge (East of England)	15/03/2013
Preston (North West)	19/03/2013
Birmingham (West Midlands)	22/03/2013
York (Yorkshire & Humber)	25/03/2013
Durham (North East)	26/03/2013
Liverpool – yet to confirm lead members' availability	TBC

6. A verbal update on further progress will be provided at the meeting and Leadership Board will be asked to give its thoughts on the process so far. A more detailed discussion on the content of the policy papers is planned for the Leadership Board meeting of 13 March 2013.

New Model for Local Government - Project Plan

Activities	Date/ Deadline
Core document setting out the model - production	
Initial collation of policy think pieces (See below)	25/01/2013
Discussions with members' review group/ Leaders	18/02/2013
First draft to March Leadership Board	27/02/2013
Revisions and review with members' review group/ Leaders	TBC
Alignment with Conference requirements	TBC
Second draft to April Leadership Board	TBC
Publication linked to communications strategy	TBC
Production for Conference	07/06/2013
Development and production of policy think pieces - see generic timetable below	
<i>Independent Local Government</i>	
<i>Good Social Care</i>	
<i>Growth</i>	
<i>Comprehensive Spending Review</i>	
<i>Welfare reform</i>	
<i>Each of the policy think-pieces will be developed to the following timetable:</i>	
Initial outline to SMT	18/01/2013
Working draft to SMT	25/01/2013
SMT discussion	30/01/2013
Revisions and discussions	26/02/2013
Discussion with members' review group	18/02/2013
Discussion with relevant Board/Panel Chair(s)	18/02/2013
Initial draft to Leadership Board	27/02/2013
Leadership Board discussion	13/03/2013
Discussion with members' review group	TBC
<i>'Deep dive' discussion members, officers, external specialists (during April)</i>	
Deep dive session 1 - Independent Local Government	TBC
Deep dive session 2 - Growth	TBC
Deep dive session 3 - Finance and funding	TBC
Deep dive session 4 - Welfare reform	TBC
Deep dive session 5 - Social Care	TBC
Discussion with relevant Board/Panel Chair(s)	TBC
Final draft to Leadership Board	TBC
Roadshows (to enable first one to be on 26/02/2013)	
<i>Dates (Chairman attending all, along with senior members from groups)</i>	
Nottingham (East Midlands)	27/02/2013
London (South East Region)	04/03/2013
London (London Councils)	11/03/2013
Taunton (West of England)	12/03/2013
Cambridge (East of England)	15/03/2013
Preston (Nort West)	19/03/2013
Birmingham (West Midlands)	22/03/2013
York (Yorkshire & Humber)	25/03/2013

	Date/ Deadline
Activities	
Durham (North East)	26/03/2013
Liverpool - awaiting David Sparks' availability	TBC
Agree SMT coverage	
Agree generic programme	
Agree specific programmes	
Identify speakers	
Influencing production of manifestos in 2015	
DG and David to discuss and set out elements	
Clearance of draft by leadership board	
Agreement of key messages and actions	
Further items	
Production of material for conference	
Draft list of potential speakers	
External communication products	
DG and DH to discuss and set out elements	
Public affairs and lobbying	
DG and DH to discuss and set out elements	
Internal communication	
Initial discussion by SMT	09/01/2013
Floating with CLT	14/01/2013
Daniel and David to discuss remainder	TBC
Key Board and Panel reports	
Leadership Board report on project plan 13/2/13	30/01/2013
Executive Board report on project plan 14/2/13	30/01/2013
Leadership Board report on draft policy papers and other content 13/3/13	27/02/2013
Executive Board report on draft policy papers and other content 13/3/13	27/02/2013
Develop remainder of governance calendar	

Rt Hon Ed Davey MP
Secretary of State for Energy and Climate Change
Department of Energy and Climate Change
3 Whitehall Place
London
SW1A 2AW

15 February 2013

Dear Ed

Shale gas operations and the role of councils

I write to you in my role as Chair of the LGA Environment and Housing Board to seek clarity on a number of issues relating to the resumption of shale gas operations (fracking) announced by your department in December.

Proposals for fracking operations will be controversial, high profile and of significant concern to communities likely to be affected by the operations and the councils who represent them. Recent government announcements have made it clear that the key means of regulating proposals for fracking operations will be through the planning system as the mechanism through which those impacts can be assessed, weighed against costs and benefits and mitigated to protect communities. We noted Baroness Hanham comments in the Lords last week that at present fracking applications will continue to be considered by local authorities. However, she also indicated that this could change in the future as the result of the recent consultation to extend the Nationally Significant Infrastructure Planning regime.

Councils are seeking urgent clarity on how the planning regime will work for fracking applications and their role in ensuring the interests of communities are properly considered.

Firstly it is not clear from discussions with officials whether when considering fracking applications, planning authorities should take into account activities and planning impacts on the surface or include impacts underground. Given the risks to and impacts on surrounding communities and the environment, it is difficult to see how a planning application could be sensibly dealt with without consideration of the underground impacts.

This issue has particular significance in light of government's recent consultation on the extension of the Nationally Significant Infrastructure Planning regime. Therefore, we would welcome a further conversation about how the proposed thresholds as outlined in the consultation would apply to fracking if they are introduced. Councils are concerned that it could mean they will have no planning role on large fracking projects which could have significant impacts on their communities and land use planning in their area.

Finally, we understand that the Government is planning to establish a new Office for Unconventional Gas which will join up responsibilities across government and provide a single point of contact to ensure a simplified and streamlined process for future shale gas

operations. We would like further clarity on the remit of the new office including how it will interact with councils as the local planning authorities and also how it will relate to existing regulators such as Ofgem.

I would be very grateful if you were able to clarify these issues as soon as possible. LGA officers would be happy to follow up with your officials and we would be grateful if you could ask them to get in touch with Jo Allchurch, Adviser (jo.allchurch@local.gov.uk or 07900 931045)

Yours,

A handwritten signature in black ink, appearing to read 'Mike Jones', followed by a horizontal dashed line.

Councillor Mike Jones
Chairman of the LGA Environment and Housing Board

cc Rt Hon Nick Boles - Parliamentary Under Secretary of State, Department for
Communities and Local Government

Note of decisions taken and actions required

Title: Environment and Housing Board
Date and time: 11.00, Wednesday 23 January 2013
Venue: Westminster Suite

Attendance:

Position	Councillor	Council
Chairman	Mike Jones	Cheshire West and Cheshire UA
Vice chair	Clyde Loakes	Waltham Forest LB
Deputy chairs	Andrew Cooper	Kirklees MBC
	Keith House	Eastleigh BC
Members	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
	Rock Feilding-Mellen (substitute)	Kensington & Chelsea RB
	Tony Newman	Croydon LB
	Ed Turner	Oxford City Council
	Tim Moore	Liverpool City Council
	Gwen Hassall	Stoke-on-Trent City Council
	Barbara Cannon	Allerdale BC
	Simon Galton	Leicestershire CC
	Tony Trent (substitute)	Borough of Poole
Apologies	Clare Whelan	Lambeth LB
	Terry Stacy JP MBE	Islington LB
In attendance	Cllr Chris Pillai	Calderdale MBC
	Paul Raynes	LGA
	Caroline Green	LGA
	Clarissa Corbisiero	LGA
	Kamal Panchal	LGA
	Dan McCartney	LGA
	Jo Allchurch	LGA
	Tom Coales	LGA
	Lee Bruce	LGA
	Liam Paul	LGA

1. **The Local Waste Review**

Cllr Clyde Loakes gave an introduction to the Waste Review, as Chair of the Challenge group. He reiterated that the review’s purpose was to allow local government to lead the national debate on the future shape and funding of waste policy and services.

Members discussed recent Ministerial announcements regarding the £250 million weekly collection fund and highlighted that councils need to be able to adopt collection systems that reflect local need and that a forced reversion to weekly collections could entail higher revenue costs, a large capital outlay for affected councils and also impact on rates of diversion from landfill.

Members then received a short confidential update on the proceedings of the Waste Judicial Review.

Decisions

Actions

Weekly Waste Collection & Local Waste Review

Members of the Board:

- **agreed** the milestones and next steps for the Local Government Waste Review outlined in the paper;
- **requested** that officers undertake research and survey work to update evidence on collection systems to inform discussions on weekly collection systems with Defra and DCLG and to write to Minister on the issue.

Dan McCartney
Piali DasGupta

Dan McCartney
Piali DasGupta

Waste Judicial Review

Members of the Board:

- **requested** that officers provide an email update on the Court proceedings following the hearing on 26th February; and
- **agreed** that in the event that the case be referred to the European Court of Justice, a discussion with the Corporate Leadership team would be required.

Dan McCartney

Dan McCartney

2. **Growth and Infrastructure Bill – LGA activity update**

Members noted the LGA’s policy positions and lobbying work on the growth and infrastructure Bill. In discussion, the following points were made:

- *Drivers of Government Policy* – Members recognised the need increase housing supply and generate growth, but reiterated the view that the legislation would not have this effect. Members highlighted the LGA’s figures regarding approved and unimplemented planning permissions as proof that the planning system was not a barrier to growth.
- *Poor planning performance (Clause 1)* – Members reiterated their opposition to a designation regime and highlighted that the emphasis should be on encouraging developer engagement in the process of pre-application discussions, support for improvement and negotiation of appropriate timescales rather than transferring decision making to the Planning Inspectorate.

- *Permitted Development* - Members were concerned about the potential economic impact changes of use from commercial to residential under the revised Permitted Development (PD) regulations. Officers highlighted that LGA's response to government's consultation on the issue emphasised councils' concerns of this kind and made the case for local discretion.
- *Extending the Major Infrastructure Planning Regime to include commercial and business projects* - Members also expressed concern regarding clause 24's potential impact on the ability of councils to drive regeneration (and the consequent growth and employment) in their local areas.

Decisions

The Members of the Board:

1. **endorsed** the proposed programme of parliamentary engagement in respect of the Growth and Infrastructure Bill in the House of Lords.
2. **requested** that officers research evidence on national housing need figures to inform LGA positions.

Actions

**Clarissa
Corbisiero /
Emily
Greenwood**

3. Autumn Statement

Members noted the update and that the LGA was in on-going discussions with the Department for Business and Skills (BIS) and DCLG regarding the announcement of a single funding pot for local areas, and a further announcement on the scheme was expected in the summer.

Officers also confirmed that the additional £120 million funding for the construction of Flood defences announced would be allocated to projects judged under the existing partnership funding criteria, rather than any new arrangements.

Members discussed the impact on housing of the Government's welfare reforms including the exemptions proposed by DWP to the announcements to uprate Universal Credit elements by 1%.

Officers highlighted that Welfare Reform was one of the LGA's key priority areas as part of the LGA's 'New Model for Local Government' work and that the LGA's Finance Panel is leading the work on behalf of the LGA Executive. It was agreed that a paper on Welfare reform would be discussed at the Environment and Housing Board meeting in March.

Decisions

Members of the Board:

- 1) **agreed** that officers should keep the Board updated on work being led by the Economy and Transport Board on devolution of growth funding and the single capital pot.
- 2) **agreed** that the LGA should work with the HCA to discuss land release and arrange a meeting between Board Lead Members and the HCA;
- 3) **agreed** that the LGA will respond to the forthcoming Government consultation on Environmental Impact Assessments (EIA);

Actions

Liam Paul /
Clarissa
Corbisiero

Clarissa
Corbisiero

Clarissa
Corbisiero

4) **requested** that the next Board receive a paper setting out the LGA's proposed work on Welfare Reform.

Rose Doran

4. **Shale Gas Operations in the UK – 'Fracking'**

The Board discussed key issues for councils arising from government's announcement of the resumption of extraction of shale gas by means of hydraulic fracturing (fracking).

In discussion Members made the following points:

- Councils need to be well-informed on the technological processes involved and the environmental implications and should learn from experience overseas where fracking is more established.
- The Government should be clear regarding councils' planning role in respect of applications (particularly regarding whether underground or overground activity should constitute the planning application boundary).

Decisions

Action

Members of the Board:

- 1) **agreed** that the Board write to Ed Davey to seek clarity on planning issues relating to fracking; and
- 2) **requested** a briefing paper for member councils which will update members on areas of government policy where clarity is needed.

Jo Allchurch

Jo Allchurch

5. **Environment and Housing update paper**

Members noted the LGA's policy positions and lobbying work on the items contained within the update paper. In particular Members commented upon the Government's announcement that a proportion of the Community Infrastructure Levy (CIL) will in future be delegated to Parish and Town councils.

Members also **requested** further details on the Housing events and practice notes.

Eleanor Gasse

Decisions

Members of the Board **noted** the updates within the report.

6. **Any other business**

Members were updated on the LGA's plans to meet with National Housing Federation, as per the Board's request. The Chief Executive and Chairman of the NHF will attend the 13 May meeting of the Environment and Housing Board, and will meet Cllr Mike Jones in late April.

8. **Decisions and actions from previous meeting**

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

LGA location map

Local Government Association

Local Government House
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Tel: 020 7664 3131

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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

